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**“ECONOMICS AND PEACEFUL PERSUASION”**

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**IT'S GREAT TO VISIT A STATE THAT CURRENTLY DOESN'T HAVE A BUDGET DEFICIT AND THAT MAY NOT HAVE ONE NEXT YEAR, IF THE GEORGIA LEGISLATURE HAS THE FORTITUDE TO ENACT BUDGET CUTS. IT ALMOST MAKES ONE BELIEVE IN THE POSSIBILITY OF FISCALLY RESPONSIBLE LEGISLATORS. ALMOST. BECAUSE IT COULD JUST BE INADVERTANT. AFTER ALL, THE FEDERAL GOVERNMENT ACCIDENTALLY RAN TWO SURPLUSES WHEN BILL CLINTON WAS PRESIDENT.**

**WELL, THAT PROBLEM HAS BEEN FIXED. THE CONTINUATION OF CURRENT LEVELS OF DEFICIT SPENDING WILL SOON BRING THE NATIONAL DEBT UP TO EQUALITY WITH OUR ANNUAL GROSS DOMESTIC PRODUCT. MAYBE WE ALL CAN JUST LIVE ON THE INTEREST THAT WE'LL HAVE TO PAY OURSELVES SINCE WE ONLY OWE THE DEBT TO OURSELVES, AS SOME OF THE MORE SIMPLE-MINDED KEYNESIAN ECONOMISTS SAY.**

**HOW CAN ONE KNOW THAT WHAT ANY ECONOMIST HAS TO SAY ABOUT PUBLIC POLICIES LIKE DEFICIT SPENDING IS TRUE, AND THUS USEFUL, AND WHAT CAN BE DONE WITH WHAT HE SAYS? AND IF NO ONE LISTENS TO HIM, OR IF ECONOMISTS FALL INTO CONTENDING FACTIONS AND POLICY-MAKERS LISTEN ONLY TO THOSE WHO SAY WHAT THEY LIKE RATHER THAN TO THOSE WHO SPEAK THE TRUTH, WHAT WILL HAPPEN? I WILL APPROACH MY OWN ANSWERS TO THESE QUESTIONS INDIRECTLY.**

**ONE OF THE MORE AMUSING HOAXES OCCURRED ON APRIL FOOLS DAY IN 1998 WHEN “TALK ORIGINS NEWSGROUP” PUBLISHED A NEWS ITEM UNDER THE BY-LINE OF “APRIL HOLIDAY,” A REPORTER FOR “THE ASSOCIALIZED PRESS.” MS HOLIDAY REPORTED THAT ON MARCH 30 THE ALABAMA STATE LEGISLATURE**

**HAD PASSED A LAW REDEFINING PI [THE RATIO OF THE CIRCUMFERENCE OF A CIRCLE TO ITS DIAMETER] AS 3.**

**BEFORE THE ACT, IT WAS SAID, PI HAD BEEN KNOWN IN THE STATE OF ALABAMA AS AN IRRATIONAL NUMBER, THE FIRST FEW DIGITS OF WHICH WERE 3.14159. A BILL CHANGING THIS HAD PURPORTEDLY BEEN PUSHED BY “THE SOLOMON SOCIETY” WHICH ARGUED THAT ACCORDING TO I KINGS 7:23, THE ALTAR FONT OF SOLOMON’S TEMPLE WAS TEN CUBITS IN DIAMETER AND 30 CUBITS ROUND IN CIRCUMFERENCE. ROGER LEARNED OF THE SOLOMON SOCIETY WAS QUOTED TO SAY, “PI IS NOTHING MORE THAN AN ASSUMPTION BY MATHEMATICIANS AND ENGINEERS WHO WERE OPPOSED TO THE BILL.” A MEMBER OF THE STATE SCHOOL BOARD SAID, “THE VALUE OF PI IS ONLY A THEORY, AND WE SHOULD BE OPEN TO ALL INTERPRETATIONS. STUDENTS SHOULD HAVE THE FREEDOM TO DECIDE FOR THEMSELVES WHAT PI IS.”**

**THIS “REPORT” WAS PUBLISHED THE NEXT DAY IN THE “NEW MEXICANS FOR SCIENCE AND REASON” *NMSR REPORTS*. IT SUBSEQUENTLY SPREAD ALL OVER THE WORLD THROUGH THE INTERNET. THE HOAX ACTUALLY ORIGINATED IN THE COMPUTER SCIENCE DEPARTMENT OF AUBURN UNIVERSITY. THE ARTICLE ITSELF WAS WRITTEN BY A PHYSICIST NAMED MARK BOSLOUGH AS A PARODY.**

**BUT, WAIT; THERE’S MORE: THIS HOAX WAS BASED ON AN ACTUAL PIECE OF LEGISLATION THAT WAS INTRODUCED INTO THE INDIANA GENERAL ASSEMBLY ON JAN. 18, 1897. IT WAS HOUSE BILL NO. 246, INTRODUCED BY REP. TAYLOR I. RECORD AND IT PASSED 67-0 ON FEB. 5 OF THAT YEAR. IT SET  $\pi=3.2$ , BUT THE BILL DIED IN THE STATE SENATE ON FEB. 12. THE LEGISLATION ORIGINATED WITH DR. EDWIN J. GOODWIN, M.D., A DOCTOR IN POSEY COUNTY, INDIANA, WHO WAS A MATH HOBBYIST AND THOUGHT HE HAD FOUND A FORMULA FOR SQUARING THE CIRCLE. HE WANTED HIS PROOF OFFICIALLY RECOGNIZED AND EXPLAINED IN LEGISLATION SETTING THE VALUE OF PI IN ACCORDANCE WITH HIS PROOF. THE BILL DIED IN THE SENATE BECAUSE OF THE EFFORTS OF PROFESSOR CLARENCE A. WALDO OF THE PURDUE UNIVERSITY MATHEMATICS DEPARTMENT, AND AUTHOR OF *A MANUAL OF DESCRIPTIVE GEOMETRY*. WALDO HAPPENED TO BE IN THE CAPITOL ON OTHER BUSINESS, WAS**

**INFORMED OF THE EXISTENCE OF THE BILL, AND MANAGED TO PERSUADE SENATORS THAT THE LEGISLATURE SHOULD NOT BE TAMPERING WITH MATHEMATICAL PRINCIPLES.**

**WOULD THAT LEGISLATURES OF TODAY COULD BE SO WISE WITH RESPECT TO THE PRINCIPLES OF ECONOMICS. IT IS TRUE THAT TODAY'S LEGISLATIVE BODIES DO NOT PASS POLITICAL LAWS TO REPEAL THE ECONOMIC LAWS OF SUPPLY AND DEMAND; HOWEVER THEY ROUTINELY PASS LAWS THAT ASSUME THAT THERE ARE NO SUCH ECONOMIC LAWS—AND WITH PREDICTABLY UNDESIRABLE RESULTS.**

**LAWS INTENDING TO BENEFIT UNSKILLED LABOR BY RAISING THE MINIMUM WAGE CREATE OR INCREASE UNEMPLOYMENT AMONG THE UNSKILLED. PRICE CEILINGS FOR BASIC FOODSTUFFS PRODUCE SHORTAGES AND HUNGER AMONG THE POOR WHO ARE INTENDED TO BENEFIT FROM THEM. TRADE BARRIERS RAISE CONSUMER PRICES AND SHIFT CAPITAL, LABOR AND RAW MATERIALS FROM MORE PRODUCTIVE TO LESS PRODUCTIVE USES. SUBSIDIES FOR THE PRODUCTION OF ELECTRICITY FROM CHINESE-MADE WINDMILLS DO THE SAME THING. THE MANIPULATION OF THE MONEY SUPPLY AND OF INTEREST RATES CREATES INFLATION, RECESSIONS, CAPITAL FLIGHT, THE RETARDATION OF BUSINESS INVESTMENT AND JOB CREATION AND THE IMMISERATION OF RETIREES DEPENDENT ON INCOME FROM SECURITIES PORTFOLIOS. THE LIST GOES ON AND ON.**

**IT IS AS IF LAWMAKERS DECREED THAT HENCEFORTH ALL SALAD BOWLS MANUFACTURED IN AMERICA MUST BE EXACTLY 6 INCHES IN DIAMETER AND 18 INCHES IN CIRCUMFERENCE AND THEN EXPECTED MANUFACTURERS TO BE ABLE TO MAKE THEM.**

**FOR AN EXPLANATION OF WHY THIS HAPPENS WE CAN TURN TO THE WORK OF OUR OWN WILLIAM H. [BILL] HUTT, A FORMER MEMBER OF THE PHILADELPHIA SOCIETY UNFORTUNATELY NOW DECEASED. IN HIS 1936 WORK, *ECONOMISTS AND THE PUBLIC*, BILL EXPRESSED HIS FRUSTRATION WITH THE FACT THAT THE ECONOMIST HAS SO LITTLE INFLUENCE OVER THE ECONOMICALLY IGNORANT POLITICIAN, WHOSE WRONG IDEAS RESULT IN HARMFUL POLICIES. BILL WENT**

**ON TO IDENTIFY TWO OBSTACLES TO ANY PROGRESS IN INFLUENCING PUBLIC DEBATE: “CUSTOM-THOUGHT” AND “POWER-THOUGHT.”**

**“CUSTOM-THOUGHT” IS THE ASSUMPTION OF THE GOODNESS OF EXISTING IDEAS AND INSTITUTIONS OF WHICH CURRENT MORAL OR POLITICAL OPINION GENERALLY APPROVES. THE IDEA THAT MINIMUM WAGE LEGISLATION CREATES UNEMPLOYMENT FOR THOSE IT IS INTENDED TO HELP HAS JUST GOT TO BE WRONG, AND ARGUING THAT IT WILL CREATE UNEMPLOYMENT IS JUST A THEORY AND REVEALS A BLACK HEART AND ILL INTENT. THE GENERAL PUBLIC IS DRIVEN BY CUSTOM-THOUGHT.**

**“POWER-THOUGHT” IS “THE CONSCIOUS OR UNCONSCIOUS FALSIFICATION OF THOUGHT AS A MEANS TO THE ATTAINMENT OR MAINTENANCE OF POWER.”[52] THE UNION LEADERS WHO WANT THE MINIMUM WAGE INCREASED IN ORDER TO INCREASE UNEMPLOYMENT AND THUS TO INCREASE THE RELATIVE ATTRACTIVENESS OF THE UNION, WILL FIND OR FUND STUDIES THAT SHOW NO EMPIRICAL RELATION BETWEEN THE MINIMUM WAGE AND UNEMPLOYMENT. THE POLITICAL DICTATOR WISHING TO BUY THE VOTES OF THE POOR BY HOLDING DOWN THE PRICES OF BASIC FOODSTUFFS WILL BLAME THE RESULTANT SHORTAGES ON SPECULATORS AND THE MACHINATIONS OF HIS POLITICAL OPPONENTS OR GREEDY CAPITALISTS. POLITICIANS ARE THE PRIMARY SUBJECTS DRIVEN BY POWER THOUGHT.**

**FURTHER, IT IS TO THE ADVANTAGE OF POWER-SEEKERS TO ENDORSE CUSTOM-THOUGHT AND TO OPPOSE THE RATIONAL ARGUMENTS MADE BY ECONOMISTS WHO ATTEMPT TO SHOW THE PERNICIOUSNESS OF WIDELY APPROVED PROPOSED LEGISLATION. FOR EXAMPLE: THE HISTORICAL FAILURE OF SOCIALIST ECONOMIC PLANNING AND THE ARGUMENTS OF ECONOMISTS AS TO WHY THAT FAILURE IS ENDEMIC TO ANY PLANNED ECONOMY MAKE HARDLY A DENT IN THE CURRENT ADMINISTRATION’S DESIRE TO INSTITUTE NATIONAL HEALTH IN THIS COUNTRY OR TO COOPERATE WITH THE UNITED NATION’S DESIRE TO PLAN THE WORLD ECONOMY FOR SUSTAINABLE DEVELOPMENT.**

**BILL HUTT ALSO POINTED OUT THAT CUSTOM-THOUGHT TENDS TO FAVOR GROUP INTERESTS OVER THAT OF SOCIETY AS A WHOLE BECAUSE OF THE BELIEF**

THAT WHAT IS GOOD FOR THE GROUP IS GOOD FOR EVERYBODY. POWER THOUGHT TENDS TO ENFORCE THIS BELIEF BECAUSE IT GARNERS THE SUPPORT OF MEMBERS OF THE GROUP IN QUESTION. SINCE MEMBERS OF A GROUP CAN SEE THAT THEY WILL BE BETTER OFF WITHOUT COMPETITION FROM OTHER GROUPS OR INDIVIDUALS, THEY ASSUME THAT ANY COMPETITION IS “CUT-THROAT,” “UNFAIR,” “ANARCHIC,” AND CREATES CHAOS. POWER-THOUGHT ENDORSES THIS CUSTOM-THOUGHT OF GROUPS AND THE RESULT IS THE SUPPRESSION OF MARKET COMPETITION. AND THIS IN THE FACE OF THE ARGUMENTS BY ECONOMISTS THAT COMPETITION IS NOT ONLY BENEFICIAL FOR THE POPULATION AS A WHOLE, BUT IS THE DRIVING FORCE FOR EFFICIENCY AND CONSERVATION IN AN ECONOMY’S USE OF RESOURCES.

AS BILL PUTS IT, “THE ‘PURE’ POLITICIAN, WHO IS MERELY SEEKING POLITICAL POWER, *MUST* BECOME THE SERVANT OF THOSE STRIVING FOR ECONOMIC PRIVILEGE IF HE IS TO MEET WITH ANY SUCCESS; FOR THE ECONOMIC IDEAS OF MOST PEOPLE...ARE DERIVED PRACTICALLY ENTIRELY FROM THE BASIS OF THEIR PRIVATE INTEREST OR THAT OF THE GROUP TO WHICH THEY BELONG.”[122]

THEN ALONG COMES THE ECONOMIST WHO STRESSES THE OPPOSITION BETWEEN PRIVATE INTERESTS AND THE GENERAL GOOD AND THE IMPORTANCE OF COMPETITION, AND HE WONDERS WHY NOBODY WANTS TO LISTEN TO HIM AND WHY HE IS SO UNPOPULAR—ESPECIALLY WITH THE PRESS, WITH ITS STRESS ON POLITICAL EXPEDIENCY AND THE SHORT RUN ASPECTS OF THINGS. IF HE ASPIRES TO INFLUENCE POLICY-MAKERS, THE TEMPTATION IS TO ESPOUSE AGREEMENT WITH SOME POWERFUL GROUP OR, AS BILL SAYS, “TO PANDER TO THE ESTABLISHED CONVICTIONS AND CONVENTIONAL BELIEFS OF SOCIETY AT LARGE.” [35]

ALTHOUGH BILL HUTT’S DIAGNOSIS IS APPEALING, I FIND HIS PRESCRIPTION FOR TREATMENT LESS SO. HE URGES THE FORMATION OF AN ASSOCIATION OF ECONOMISTS FROM “ENDOWED OR UNCONDITIONALLY STATE-SUBSIDIZED” UNIVERSITIES. THIS ASSOCIATION WOULD CONSTITUTE AN INDEPENDENT AUTHORITY ON PUBLIC POLICY QUESTIONS, WOULD PUBLISH A JOURNAL THROUGH WHICH DISINTERESTED AND MUTUAL CRITICISM WOULD LIKELY

**PRODUCE UNANIMITY OF OPINION. AND IT IS THIS UNANIMITY THAT WOULD GARNER PUBLIC ATTENTION AND PERSUASIVE POWER, HE ARGUES.**

**MY RESPONSE TO BILL'S PROPOSAL IS TO QUESTION WHETHER THERE IS ANY NECESSARY ASSOCIATION BETWEEN UNANIMITY AND TRUTH, TO DOUBT THE DISINTERESTEDNESS OF THE DENIZENS OF STATE-SUPPORTED ECONOMICS FACULTIES, AND TO NOTE THAT THE ARGUMENT FROM AUTHORITY IS NOTHING BUT A BEGINNING POINT IN ANY DISCUSSION. IT IS TRUE THAT WE ALL ACCEPT MULTITUDES OF SMALL THINGS ON AUTHORITY, BUT WE SERVE OURSELVES ILL IF WE DO THIS WITH THE BIG THINGS. INSTEAD, I TURN TO THE WORKS OF ANOTHER FORMER MEMBER OF THIS SOCIETY, RICHARD M.WEAVER, FOR INSPIRATION IN TREATING THE QUESTION OF HOW TO RESPOND TO THE INATTENTION GIVEN THE ARGUMENTS OF ECONOMISTS.**

**NOW, THOSE WHO KNOW THE WORK OF WEAVER MAY ALSO KNOW THAT THERE IS A DECIDED OPPOSITION BETWEEN SOME OF HIS VIEWS AND THOSE OF BILL HUTT. THIS IS ESPECIALLY NOTABLE IN WEAVER'S VIEW OF THE RESULTS OF CONSUMER SOVEREIGNTY AND THOSE OF HUTT. TO BILL—WHO ACTUALLY COINED THE TERM "CONSUMER SOVEREIGNTY"—IT IS THE DRIVING FORCE OF THE MARKET ECONOMY AND STIMULATES COMPETITION, INNOVATION, THE EQUALITY OF PRODUCTIVE OPPORTUNITY AND THE MOVEMENT TOWARD THE FULLEST REALIZATION OF CONSUMER PREFERENCES IN A RISING STANDARD OF LIVING. WEAVER'S NEGATIVE OPINIONS AND ARGUMENTS AGAINST THE DARK SIDE OF THIS FORCE APPEAR IN *IDEAS HAVE CONSEQUENCES*. NEVERTHELESS, BOTH WEAVER AND HUTT FAVORED PRIVATE PROPERTY, ECONOMIC LIBERTY, LIMITED GOVERNMENT, AND PRIVATE EFFORTS TO RAISE THE STANDARDS OF THE TASTES OF THE PUBLIC.**

**WHAT INTERESTS ME FOR THE PRESENT DISCUSSION IN THE WORK OF RICHARD WEAVER IS HIS VIEW OF THE ROLE OF RHETORICAL LANGUAGE IN PERSUASION THAT IS PRESENTED IN HIS *ETHICS OF RHETORIC*. THIS IS BECAUSE I SEE THE ECONOMIST'S ROLE IN POLICY DISCUSSIONS AS ONE OF OVERCOMING POWER-THOUGHT AND CUSTOM-THOUGHT BY MEANS OF PERSUASIVE**

ARGUMENTATION RATHER THAN FROM AUTHORITY. AS WEAVER SAYS IN HIS ESSAY "CONSERVATISM AND LIBERTARIANISM: THE COMMON GROUND" [IN *LIFE WITHOUT PREJUDICE AND OTHER ESSAYS*,161], THE CONSERVATIVE [AND I WOULD ADD "THE LIBERTARIAN" ALSO] WISHES "TO REFORM [HIS] FELLOW BEINGS BY THE NORMAL PROCESSES OF LOGICAL DEMONSTRATION, APPEAL, AND MORAL SUASION" RATHER THAN WITH THE USE OF FORCE. FOR MY PART, I WOULD NOT WISH TO DEPEND ON A FELLOW BEING'S DEFERENCE TO MY ASSUMED GREATER KNOWLEDGE. PERSONAL CONVICTION IS A FAR MORE POWERFUL FORCE THAN DEFERENCE TO THE AUTHORITY OF OTHERS.

IN WEAVER'S ENVISIONING OF THE ETHICS OF RHETORIC, AN ECONOMIST ENGAGES IN HIS DIALECTIC TO ESTABLISH HIS TRUTHS IN THE FORM OF PROPOSITIONS OF ECONOMIC LAW. IT IS AT THIS POINT THAT HE MUST BECOME WHAT WEAVER TERMS "A VIRTUOUS RHETORICIAN" IF HE WISHES TO INFLUENCE PUBLIC POLICY DECISIONS.

HIS OPPONENT IS THE POWER-SEEKER SKILLED IN THE EMPLOYMENT OF WHAT WEAVER TERMS "BASE RHETORIC." THE POWER-SEEKER'S GOAL IS FOR HIS WILL TO SURMOUNT TRUTH. HE SEEKS TO OBSCURE THE UNDERSTANDING OF THE GENERAL PUBLIC, TO SHOWER IT WITH IMMEDIATE GRATIFICATIONS, TO OBSTRUCT THE HONEST EXAMINATION OF ALTERNATIVES. IN WEAVER'S WORDS, "BY DISCUSSING ONLY ONE SIDE OF AN ISSUE, BY MENTIONING CAUSE WITHOUT CONSEQUENCE OR CONSEQUENCE WITHOUT CAUSE, ACTS WITHOUT AGENTS OR AGENTS WITHOUT AGENCY HE OFTEN SUCCESSFULLY BLOCKS DEFINITION AND CAUSE-AND-EFFECT REASONING." [12] [DOES THIS REMIND YOU OF ANY RECENT PUBLIC PERSONALITY ARGUING, FOR EXAMPLE, FOR A NATIONAL HEALTH PLAN?]

IN CONTRAST, THE VIRTUOUS RHETORICIAN MUST NAIL HIS POSITION TO FIRST PRINCIPLES. BY THE USE OF ANALOGY HE MUST SHOW "THAT THE POSITION BEING URGED RESEMBLES OR PARTAKES OF SOMETHING GREATER AND FINER...THAT IT [REPRESENTS] ONE OF THE STEPS LEADING TOWARD ULTIMATE GOOD." [18] HE ASPIRES TO SHOW HOW HIS DIALECTICAL KNOWLEDGE IS RELATED TO WHAT WEAVER TERMS "THE WORLD OF PRUDENTIAL CONDUCT."

**[27] IS IT TOO MUCH TO SUPPOSE THAT MEMBERS OF THE GENERAL PUBLIC CARE ABOUT ULTIMATE GOOD AND PRUDENTIAL CONDUCT, AND THAT THEY WILL RESPOND TO ARGUMENTS THAT URGE THEM TO LOOK BEYOND THE RANGE OF THE MOMENT? THE EXISTENCE AND EFFECTIVENESS OF THE TEA PARTY TODAY WOULD SEEM TO GIVE THE LIE TO THAT VIEW, DESPITE THE LACK OF UNANIMITY ON THE QUESTION OF SPECIFIC GOALS BY MEMBERS OF THAT MOVEMENT.**

**SO, THE ECONOMIST WHO WOULD INFLUENCE PUBLIC POLICY BECOMES A VIRTUOUS RHETORICIAN. HE WORKS AT PEACEFUL PERSUASION. SUPPOSE HE IS MET WITH INDIFFERENCE OR OPPOSITION. WHAT THEN?**

**NOW, MOST OF US IN THIS ROOM BELIEVE THAT THERE IS ONLY ONE TRUTH, NOT MANY. WE BELIEVE THAT THE WORLD IS AS, AND WHAT, IT IS. THERE IS NATURAL LAW. HUMAN BEINGS ARE A SPECIFIC KIND OF BEING WITH A SPECIFIC NATURE AND SPECIFIC ATTRIBUTES. THEY ACT ALONE AND INTERACT SOCIALLY IN SPECIFIC WAYS, WHICH ARE IDENTIFIABLE AND UNDERSTANDABLE. WE HOPE FOR IMPROVEMENT IN ACTIONS AND SOCIAL INTERACTIONS, BUT WE RECOGNIZE THAT THERE ARE UNDERLYING AND UNCHANGEABLE FACTS OF HUMAN NATURE AND LAWS OF THOUGHT AND ACTION. THE LAWS OF ECONOMICS ARE RECOGNITIONS OF THIS STATE OF THINGS.**

**CONSEQUENTLY, WHAT WILL HAPPEN IF THE ARGUMENTS OF ECONOMISTS GO UNHEEDED, OR THEY CONFLICT AND THE MOST ATTRACTIVE TO THE LISTENERS ARE PICKED OVER THE TRUE?**

**HISTORY PROVIDES THE ANSWER. BAD THINGS HAPPEN TO GOOD [AND BAD] PEOPLE. RAISE THE MINIMUM WAGE TO BENEFIT THE LESS-SKILLED WORKER—OR TO SATISFY UNION LEADERS—AND UNEMPLOYMENT OF THE LESS-SKILLED WORKERS AND OF TEENAGERS RISES. SET PRICE CEILINGS ON BASIC FOODSTUFFS, AS HUGO CHAVEZ HAS DONE IN VENEZUELA, AND SERIOUS SHORTAGES ARE CREATED AND THE VENEZUELAN COFFEE INDUSTRY DISAPPEARS.**



**OR, TO USE A CURRENT U.S. EXAMPLE: FORCE HEALTH INSURERS TO PROVIDE MORE BENEFITS AND INSURANCE PREMIUMS WILL RISE, WHICH WILL INCREASE THE COST TO BUSINESS OF PROVIDING INSURANCE AND LEAD TO FEWER OF THEM DOING SO. FORCE ALL BUSINESSES TO PROVIDE HEALTH INSURANCE AND THEIR COSTS WILL INCREASE AND PROFITS FALL OR GO NEGATIVE AND UNEMPLOYMENT WILL RISE. IF THE RESPONSE IS TO FORCE HEALTH INSURANCE PREMIUMS DOWN, AS THE CURRENT SECRETARY OF HEALTH AND HUMAN SERVICES, KATHLEEN SEBELIUS, HAS IMPLICITLY THREATENED TO DO, THEN HEALTH INSURERS WILL SUFFER A PROFIT SQUEEZE AND SOME OR ALL WILL GO OUT OF BUSINESS. THE LIST OF NEGATIVE CONSEQUENCES OF THE CURRENT ADMINISTRATION'S AND CONGRESS'S POORLY THOUGHTOUT PUBLIC HEALTHCARE POLICY WILL BECOME A VERY LONG ONE IN THE COMING YEARS IF A NEW CONGRESS DOESN'T REPEAL OBAMACARE.**

**I END MY COMMENTS WITH MY ASSURANCE THAT ALTHOUGH I AM AN OPTIMIST, I AM NEITHER A POLLYANNA NOR A DR. PANGLOSS. I AM HOPEFUL THAT THE WORLD CAN BE IMPROVED BY BETTER ARGUMENTS OVERCOMING WORSE ONES, BY TRUTH OVERCOMING FALSITY. IN ANY EVENT, ECONOMIC PRINCIPLES WILL OUT, WHETHER YOU ARE AWARE OF THEM AND EMBRACE THEM OR NOT. I AM CONFIDENT THAT PEACEFUL PERSUASION THAT REVEALS THE ESSENTIAL NATURE OF THINGS WILL PREVAIL IN THE LONG RUN, ALTHOUGH PUBLIC POLICY ERRORS IN THE SHORT RUN IN WHICH WE LIVE OUR DAILY LIVES CAN BE DARNED SCARY AT TIMES.**

**ATLANTA PHILADELPHIA SOCIETY MEETING, SEPTEMBER 25, 2010**