

DEFICIT REDUCTION CULT

002594 JUL 26 93

[REDACTED]  
Elmhurst, PA 18416  
phone: none, homeless  
(messages c/o next of kin [REDACTED])  
July 19, 1993

Dear Brother Brian:

Why has a fine Baptist like President Clinton enlisted the powers of all the Angels of Congress to inflict the nightmare of unemployment, poverty, bankruptcy, and homelessness upon millions more of his congregation?

From the mountain top the Son of the Darkness has returned with the Budget Tablets, inspired by the Father of the Darkness, which warn: "Thou shall not spend". He has submitted a budget which forecasts unemployment rates of 6.9% for 1993, 6.7% for 1994, and no rate below 6% for all of his reign, despite the injunction of the Holy Scroll, The Full Employment and Balanced Growth Act of 1978, which requires submission of a program which would attain and maintain full employment.

\$500 billion in tax increases and spending cuts have been called for as a sacrifice to the Father of the Darkness, the Darth Vader of American politics, H. Ross Perot. The faithful must abandon all earthly dreams and sacrifice all upon the altar of deficit reduction. We must be converted to the dark religion of limited government, perpetual massive unemployment, and economic laissez-faire.

The high priests of the dismal science have been enlisted to preach the salvation of sacrifice: deficit reduction will lead to lower interest rates; business will make pilgrimages to the temples of Wall Street where they will get religion (and money) and spread the Good News that manna has fallen into their hands from heaven and prosperity is just around the corner.

But among the high priests are a small group of heretics and sorcerers, the econometricians. These infidels have run statistical regressions from the Holy Book of the Budget. They have found that interest rates are not begot by the deficit. They have found that demand and profits beget investment, not lower interest rates. Their souls are troubled by the hissing of their computers.

The once favored priests of the temple known as DRI have issued a heretical sermon predicting a 0.4% annual drop in the income growth rate of the Kingdom of Darkness, and an additional 2 million of the faithful cast from the Garden of Eden into the Hell of unemployment over the reign of the Son. Terrible is the wrath of the Father of the Darkness!

## DEFICIT REDUCTION CULT

Even the usually obedient CBO (Congressional Budget Office) priests have been seduced by the hissing of their computers. They have also committed the heresy of econometric analysis. They whisper to the Son of the Father of the Darkness that the income growth rate of the Kingdom will drop by 0.5% annually, and an additional 2.4 million of the faithful will be cast into Hell. Praise be to the Father of the Darkness and his glorious wrath!

The Kingdom's fortune teller, Laura of Berkeley, has looked into her crystal ball again. She has seen the multiplier effects of the 7.3% decline in first quarter government spending and 25.9% decline in military spending. She has been terrified by the dismal 0.7% first quarter growth rate and grim future foretold by her crystal ball. She warns the Son that the 1993 growth forecast must now be revised downward to 2.5% and unemployment upward to over 7%, since the rate is too low to absorb new members of the Kingdom's congregation. "Let them eat interest rates!" the Son replies.

Every \$40,000 in spending cuts casts one of the faithful into the Hell of unemployment. Every \$67,000 in increased taxes or reduced entitlement transfers does the same. Every dollar of additional government spending creates \$2.50 more income, while each dollar taken from corporations and individuals with savings through taxes eliminates \$1.50 of income. The Father, the Son, the Angels, and the priests all know these truths. But the truth is hidden from the faithful.

The faithful are asked to be obedient and worship the deficit idol. The deficit is powerful, perhaps \$280 billion of spending power this year. Yet the faithful are told to ignore the \$1 trillion annual deficit between actual and potential GDP (income) caused by unemployment. Ignore the fact that the government would have to increase spending by \$1 billion a day to, with divine aid of multiplier effects, close the \$1 trillion annual unemployment deficit. Ignore the fact that each percentage point of unemployment costs the government treasury \$30-\$50 billion according to the CBO priests.

Ignore the fact that government owns the dollar printing press and can finance spending by printing money. Ignore the fact that we are wallowing in excess savings in the form of idle resources. Ignore the fact that printing money would not cause inflation from "too many dollars chasing too few goods," since output could be increased by \$1 trillion. Just worship the darkness!

Accept the pain of unemployment and poverty as the wages of the original sin of the Capitalist faith. There can be no full employment. There can be no end to poverty. There can be no amelioration of social pathology by increasing affluence.

## DEFICIT REDUCTION CULT

Only the obedient priests fear the Father of the Darkness and understand the secrets of the Budget and the Economic System of the All Powerful. And only the obedient faithful will escape unemployment and poverty, but, of course, only in the sweet bye and bye when they die.

The Big Spenders and their heretic econometrician sorcerers suggest that there can be Heaven on Earth if only the President and the Angels of Congress read from the lost scroll and "faithfully execute" the Full-Employment and Balanced Growth Act of 1978, by increasing spending. Damn gnostic liberals! Damn econometrician snakes! Damn heretical scrolls! Damn light!

Deficit Reduction is God! Crucify the heretics! Face Dallas, fall to your knees and pray as the collection plate is passed. All be faithful to the Cult of the Deficit!



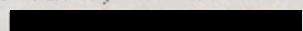
Sincerely,



Heretic Economist

P.S. CSPAN has had Democratic Cultists and Republican Cultists "preaching" deficit reduction from the perspective of their respective "denominations." You have had no one "preach" the need for increased spending, faithful execution of The Full Employment and Balanced Growth Act of 1978, and real full-employment, ie. zero unemployment. How about allowing some "freedom of religion," please.

If you find this unemployed radical economist is "unacceptable" as a guest for your 8:00 a.m. ET show, at least invite mainstream economist, and immediate past president of the American Economic Association, William Vickrey, who advocates a stimulative, full-employment policy (see his AEA presidential address, "Today's Task for Economists," in the American Economic Review, March 1993, or Challenge, March/April 1993.

According to the AEA directory, his address is:  Professor Emeritus, Department of Economics, Columbia University, New York, NY 10027. Phone: Office ; Home 

May the peace that comes from employment and a "livable" income be yours for ever and ever. Amen.

Elmhurst, PA 18416



Mr. Brian Lamb, Talking Head

CSPAN  
400 N. Capitol St., NW #650  
Washington, DC 20001

