

Guns or Health Care? By Jake Towne, 2010 Candidate for US Congress PA-15

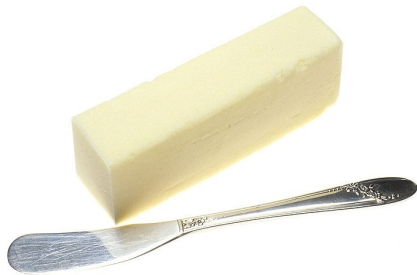
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"We can do without butter, but, despite all our love of peace, not without arms. One cannot shoot with butter, but with guns."

– Joseph Goebbels, Nazi Germany's Reichminister of Propaganda

Throughout time, governments have strong tendencies to simultaneously splurge on both domestic spending and the more sinister business of warfare. This is referred to as the “guns versus butter” economic model. “Butter” is synonymous with domestic spending, while “guns” is synonymous with military spending. As with

any economic goods or services, there is **always** scarcity of labor, machines, raw materials, land, et cetera. Individuals find it very easy to understand that if you want to spend 100% of one's resources on “butter,” no “guns” can be purchased or vice versa; there is always a trade-off. Steel can be formed into a refrigerator or tank; it can not be used for both.



Now, by their very nature, GOVERNMENTS HAVE NOTHING; they must tax, expropriate and leech from either its citizens or tributaries in order to perform any action whatsoever. However, governments have locked onto two monopolies that are the key to their powers. In addition to the monopoly on the use of force, modern governments, **through central banking**, have monopolized control over the production of money. While, theoretically, governments can create and then spend whatever amount of currency to obtain as much “butter” and “guns” as they wish,

practically-speaking they must still obey economic law since scarcity exists.

A suitable example of “guns and butter” economics helped result in America's economic doldrums of the 1970s. (Note 1) President Lyndon Johnson dreamed of a magnificent welfare state of nirvana he called the “**Great Society**” that “[rested] on abundance and liberty for all,” “[demanded] an end to poverty and racial injustice,” and “that [was] just the beginning.” **New federal spending programs** such as Medicare, Medicaid, and the \$3 billion dollar unconditional 'War on Poverty' of food stamps, Project Head Start, and Neighborhood Youth Corps set record levels of domestic “butter” spending. Meanwhile the expenses of **the Vietnam War** skyrocketed as 58,159 American troops perished and 303,635 were wounded in foreign jungles as Vietnam, Laos, and Cambodia were famously bombed “back to the Stone Age.”



Back to the present-day. Many of Johnson's legacies are still inhaling taxpayer funds despite inevitable ruin, such as the [\\$85 trillion in unfunded liabilities](#) of the Medicaid-related programs. Taxpayers still pay annually for the Vietnam War with the interest paid each year on the war debt. Many Americans are aware of [the \\$871+ billion dollars](#) in the new health care tax bill where government will [unconstitutionally](#) enact the inevitable rationing and price controls to result in less care with lower quality, as well as devastating the poor households through [draconian changes](#) to labor laws.

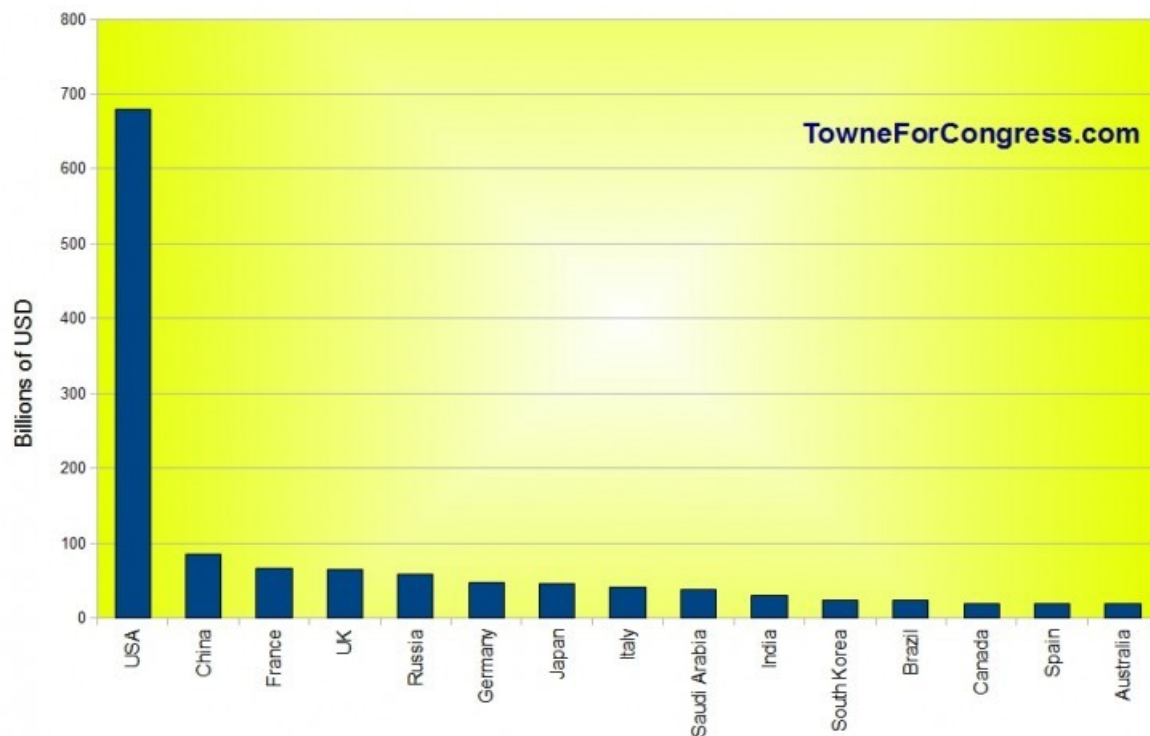
However, I believe many Americans are unaware of the true size of the America's warfare state. Some are aware of [facts like](#) over 380,000 soldiers stationed in over 761 bases in 150 of the world's 194 countries. Congress passed the \$680 billion dollar [HR 2647](#) by a lopsided vote of 389-22, which is the LARGEST ARMS BUDGET IN HUMAN HISTORY even as [this Orwellian at the NY Times](#) hilariously heralded it as a "victory" over the military-industrial complex. America now spends more on its military than ALL OTHER NATIONS COMBINED. (See below graph and note 2) Keep in mind this figure only includes the Department of Defense's expenditures, but it is quite obviously that:

- \$49.3 billion in the Department of Homeland Security's FY2010 budget ([page 83/344](#))
- \$108.8 billion in the Department of Veterans Affairs' FY 2010 budget for medical care of [veterans](#) ([page 83/344](#))
- \$58.9 billion in the Treasury Department's FY2010 budget for the veterans' retirement benefits ([page 13/47](#))
- \$16.4 billion tucked away in the Department of Energy in 2010 for the nuclear weapons arsenal ([page 1/21](#))

are all unquestionably defense spending. The sum of the above is a jaw-dropping \$913.4 billion, but the true figure is undoubtedly way over \$1 trillion. In 2006, Dr. Robert Higgs also included portions of the NASA and Department of Justice budgets, the Department of State in his article "[The Trillion Dollar Defense Budget is Already Here.](#)" He estimated the 2006 annual net interest paid on federal debt due to past military adventures at over \$206 billion.

USA vs. Next 14 Highest Nations Military Spending

(USA FY 2010 DoD budget, all others 2008 actual)



While these dollar figures are mind-boggling large, just remember that the federal income tax brought in **\$1.2 trillion** in 2008. It should be plainly obvious that with the \$1+ trillion military budget, the **wasteful \$1.1 trillion Stimulus Plan**, the reckless \$0.8 trillion Banker Bailout, and the new \$0.8 trillion health care tax the federal income tax is **completely unnecessary, as well as immoral**.

Americans must choose between the domestic “butter” of health care or the foreign “guns” of the War of Terror. I have previously explained why the **Iraq** and **Afghanistan** Wars should be brought to an immediate conclusion. It is plainly obvious that in the self-interest of our nation, we as a people should choose the “butter,” but as individuals we should decide how best to spend it. Politicians can be quite good at making it sound like government can provide for every last little want you have and take care of everyone from cradle to grave, but how effective is this really?



Welfare states **FAIL** once they are visibly leeching away wealth like ours does. With or without Vietnam, Johnson's “Great Society” was a blatant failure. Or look at the 60-year experiment in war-torn Africa where, year after year, world leaders trip over themselves to proclaim the end of poverty with the World Bank, IMF, and United Nations

welfare programs, which were all funded in large part by plundering the wealth of American households.

Individuals making private transactions to increase their standard of living is what makes market economies work. In the last two hundred years of American history, we have seen how mass production for the masses can increase the wealth of our nation, and how free market [principles](#) favors all of society, not just the elite few as the government has shoved in before our faces with the open thievery of [the Federal Reserve](#), the [blatant corporatism and bailouts](#), and a corrupt [two-headed, one-party system](#) of Republicans and Democrats both. We must remember that it is usually the prosperous who choose, of their own free will, how best to help the poor.



We must remember that it was Clara Barton and a group of fellow Americans who [founded](#) the Red Cross and Red Crescent.... NOT THE GOVERNMENT.

It is the 400,000 present-day Shriners nationwide who have [provided free medical care](#) to nearly a million children and fund 22 Shriners Hospitals for Children.... NOT THE GOVERNMENT.

It was a self-made millionaire from Alabama, Millard Fuller, who [founded Habitat for Humanity International](#) and helped provide 1.75 million people with safe, decent, and affordable homes. He did this without government assistance.

Andrew Carnegie, who became enormously wealthy by pioneering the efficient mass production of steel for everyone at Pittsburgh's Carnegie Steel Company, [founded over 2,509 libraries](#). You don't hear of the [2,053 central bank employees](#) at the Federal Reserve starting too many libraries with their average salary of \$256,502 - though some individuals may indeed give to charity, these people are PAID to steal the people's wealth [by counterfeiting money](#). [Not that I want any of them polluting our minds by stocking library shelves with economic baloney!!]



When I am elected Congressman this year, I [have promised](#) to only accept the median household income and will donate the remainder to local non-profit hospitals. To get elected, all that's needed is the [determined efforts](#) of a few individuals who also realize just how dear, how rare, and how precious our liberties really are.

I will write in more detail in the coming year, but please understand that my proposals are aimed at first slashing military and war expenditures along with unnecessary federal government functions that provide no social benefits whatsoever. While I maintain that the vision should be an America without a government-sponsored welfare state, social safety nets would be the very last programs to be eliminated - this will take a few decades provided [a dollar collapse](#) can be averted - and the only rational way to do this are gradual phase-outs. However, expanding the welfare state is out of the question. ***Constant prosperity***

through the credit of a welfare state is no more possible than constant peace through heroin injections.

My best wishes for peace, prosperity and freedom in 2010,
Jake Towne, the Champion of the Constitution



Tu ne cede malis sed contra audentior ito. - from Virgil's Aeneid.

Do not give in to evil but proceed ever more boldly against it.

Note 1: For the sake of simplicity, please understand I do not mean to insinuate that "guns and butter" was solely responsible for this era. Certainly the collapse of the [London Gold Pool in 1968](#) and the resulting breakdown of the post-WWII monetary system played a role, and the [rather insightful commentary](#) on the gold-oil-dollar relationship by the anonymous FOFOA played a major role as well.

Note 2: The figure used for America is \$680 billion, the Department of Defense approved spending per HR 2647, which has been signed into law. The figures used for all other countries are 2008 - the latest available year - and [the source is here](#) from the Stockholm International Peace Research Institute, or SIPRI.

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