

12 Stocks to BUY for 2014

Log in | Sign up | Connect | Help



New Posts

+10 posts this hour

Most Popular

Snapchat's Future

Lists

The 2014 30 Under

Video

30 Under 30



0

trovic, Contributor

history, economics, and the supply-side revolution

OP/ED | 1/21/2014

7

10:00AM | 68 views

Tweet

# Big-Government Stirrings In Texas: The Most Important Place In The World

Comment Now Follow Comments

Earlier this week, I was gathered around a table with a stock of thoughtful participants.

0

the Texas Public Policy Foundation (TPPF) members, mentors, wonks, and hangers-on at the state capitol building. The fiscal climate.

ed a  
ake

The TPPF's recent broadcast on spending and the state budget.

0

might recall, bruited some frank opinions and observations from publicans last summer that escalated into a major debate, notably by the *Wall Street Journal*.

ig-  
words

That flare up led to an interesting conclusion in the fall, when state Senate Finance Committee chairman announced that he was retiring from his post to take up lobbying. This legislator had been among the Foundation's most critical gainsayers and a principal architect of the particularly pork-laden budget that drew the ire of the TPPF.

## Most Read on Forbes

NEWS People Places Companies

22 Brief Thoughts About That Richard Sherman Interview +2,972,060 views

7 Crippling Parenting Behaviors That Keep Children From Growing Into Leaders +593,673 views

The iPhone 6: Five Features It Must Have To Stay In The Game +205,554 views

Mega Default In China Scheduled For January 31 +147,158 views

Also On Forbes

## Mega Default In China Scheduled For January 31



Contributor

Follow (110)

I'm a professor who's interested in our economic history and the theory that went into making it – for good or ill. On Past & Present, I write about how history can help illuminate the economic challenges we face today, and how

+ show more

The author is a Forbes contributor. The opinions expressed are those of the writer.

At the recent conference, the Foundation exercised enough broadness of mind to have at least one advocate of government solutions on every panel.

What these people had to say about the justification of government programs was not only novel, but indicative of how supple the governmental instinct is.

Government never goes down without a fight, and, when threatened, it usually prevails. In Texas right now, government is circling the wagons, and the implications are grave. And not only for the state. As the world's foremost driver of economic growth, Texas will be making decisions whose ripples will be felt across the land and abroad as well.

Among the justifications for big government aired out at the conference was, in effect, that "everything right now is all so misunderstood." One legislator who is a big wheel in the state budget process echoed the Finance Committee chair's words from last summer that the \$100-billion-plus Texas budget agreed to was actually "conservative" and "one we can all be proud of."

In point of fact, according to the sitting legislator, if the public really understood accounting, it would be clear that Texas was being careful with its funds. He then laid out his case by going "down in the weeds" to explain the accounting.

Public finance, like the politics that sets it in motion, is subject to the common sense of public perception. As a rule of thumb, if your budget looks big, it is. The earnest appeals of experts in the face of objections are little more than the stuff of artifice and public relations.

A tolerable example, for sure. But then there was the "public-private partnership" advocate who suggested that business executives who do not pursue government handouts should be held accountable for neglecting their fiduciary duty.

The implication was weird, indeed scary. If you would rather steer clear of government "help" as you manage a business, you could be construed as running afoul of the law. You could be sacked, sued—or worse.

Also stepping up was a Democratic legislator, a "tough-on-crime" enabler of the criminal-justice establishment. He was mindful that given some shootings nationwide, the state must spend hundreds of millions more on mental health.

And yet mental health expenditures already gobble up 1% of the country's GDP. If this considerable share were increased at all, it would noticeably cut into the standard of living.

All the while mental health rumbles along, carrying with it the taint of a pseudo-discipline, as intellectual/psychiatrist Thomas Szasz and the "skeptical doctor," Theodore Dalrymple, have convincingly argued. Naturally, such a marginal discipline would be among the ones fishing for government fortification. Its more impressive rivals in medicine out-compete it for dollars—let alone prestige—in the marketplace.

This legislator also explained how well the problem of prison overcrowding is being handled. The state has a hefty "diversion" program whereby people picked up by the cops can serve out probation stretches.

This is tantamount to saying that the state is in bed with over-criminalization (another research [interest](#) of the TPPF). These diversion "crimes" are manifestly phony, a jobs program for the winners who populate the state's bloated police forces and probation departments.

BRIAN DOMITROVIC'S POPULAR POSTS

[The Weak Dollar Caused the Great Recession](#)  
29,360 views

[For Christmas, Our Thoughtless Government Masters Gave Us Light Bulbs We Don't Want](#)  
28,746 views

[The Fingerprints of 2000-01 Are All Over the Crisis](#) 22,211 views

[An Earthquake is Brewing in U.S. Economic History](#) 19,351 views

[Obama: The Worst Keynesian Ever](#) 17,039 views

MORE FROM BRIAN DOMITROVIC



## Who Just Made A Billion Dollars?

Track the biggest winners and losers among the 50 richest people on the planet.

[See who's up and who's down »](#)


TEXAS STATE UNIVERSITY Texas State's Faculty is UNBELIEVABLE

All Prestige. All Personality.


[click here to read more](#)


The Texas economy has taken on a significance of late that is most major. Since the Great Recession hit six years ago, Texas has been the only notable place on the globe that has pursued relatively small-government policy against the grain of Keynesian resurgence. As a result, Texas has happily outperformed everyone. It has shown the world that the way back to mass prosperity is to let the private economy run.

Page 1 | 2 | [Next Page »](#)



**CREATE A CULTURE OF ENGAGEMENT. PERFORMANCE MANAGEMENT LIKE YOU'VE NEVER SEEN.**

**FREE DEMO** 



**See Also:**

[Federal Government Grants](#)

[Federal Tax Tables](#)

[Current Political Events](#)


[Careers in Social Services](#)

[Best Political Magazines](#)


[Political Fundraising Ideas](#)

[Campaign Yard Signs](#)

[Political Consultants](#)

AdChoices 

[Comment Now](#) [Follow Comments](#)

 [Tweet](#)      

[Print](#) [Report Corrections](#) [Reprints & Permissions](#)

**From Around the Web**



If you don't speak Spanish, watch this video now



Tricks Car Insurance Agents Don't Want You to Know



How New iPads are Selling for Under \$40



These 5 Signs Warn You That Cancer Is Starting Inside Your Body



What the Bible Says About Investing (Shocking)



How Cruise Lines Fill All Those Unsold Cruise Cabins



A 101 Year Old Marathon Runner Shares His Secret To Limitless Energy



Don't know Spanish? See this video (Shocking)

?

# Post Your Comment

Please **log in** or **sign up** to comment.



Enter Your Comment

Forbes writers have the ability to call out member comments they find particularly interesting. Called-out comments are highlighted across the Forbes network. You'll be notified if your comment is called out.

## Inside Forbes



### 30 Under 30: Brightest Stars

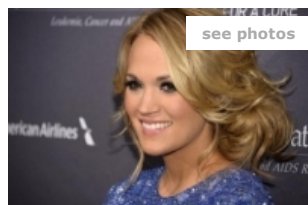
Meet the 450 prodigies reinventing the world right now.



Alan Mulally: Business Is The Key To Saving Detroit



Why North Korea Outpaces U.S. In Credit Card Security



The Top-Earning American Idols Of 2013



Real-Time Billionaires

BUSINESS INVESTING TECHNOLOGY ENTREPRENEURS OP/ED LEADERSHIP LIFESTYLE LISTS

### Conferences

- Forbes Reinventing America Summit
- Forbes Asia's Power Business Women
- Forbes Women's Summit
- Forbes 400 Philanthropy Summit
- Forbes Healthcare Summit
- Forbes CMO Summit
- Forbes Peace Through Profits Summit
- Forbes Global CEO Conference
- Forbes Asia's Best Under A Billion

### Education

- Forbes School of Business at Ashford University
- College Planning Tool

### Newsletters

- Forbes Investor
- Special Situation Survey
- Forbes Dividend Investor
- Investing Portal

### Products

- Forbes Wine Club
- Reprints & Permissions
- Forbes Newsfeeds

### Company Info

- Advertise
- Forbes Press Room
- Forbes Careers
- Contact Us
- Sitemap
- Help



2 Free Issues | Subscriber Services | Buy Back Issues

- Forbes China
- Forbes India
- Forbes Israel
- Forbes Mexico
- Forbes Middle East
- Forbes Poland
- Forbes Romania
- Forbes Russia
- Forbes Ukraine
- RealClear Politics
- RealClear Markets
- RealClear World
- RealClear Sports