

Federal Government Cooks the Books with Greece

Craig J. Cantoni

Most Americans are aware of some, but not all, of the striking similarities between Greece and the United States.

Both countries have a national debt that can't be paid off without resorting to theft and serfdom; both countries have a dominant culture in which dependency and sloth have supplanted self-reliance and working; both have parasitical public-sector unions that are sucking the lifeblood out of the private sector; and both have a large number of leftist losers who blame market competition and corporate greed for their dim prospects, when in fact, the fault lies with themselves—with their strangulation of market competition through the regulatory state and their addiction to credit and the fruits of other people's labor.

Both countries also share the Keynesian notion that economic growth comes from taking money out of the private sector for mammoth public works projects. In addition to spending money it didn't have on hosting the Olympics, Greece spent even more money it didn't have on building light rail lines, thus enabling unemployed neo-Marxist intellectuals to ride a subsidized train to their favorite cafe, where they could sit all day ranting about capitalism while drinking Retsina wine, which tastes like turpentine and apparently has the same deleterious effect as paint thinner on industriousness and mental capacity. Similarly, the U.S. is planning to spend money it doesn't have on high-speed rail, which will be built by unions, operated by unions, subsidized by taxpayers, and ridden by "green" Americans who say they care about global warming but don't care enough about it to pay the full cost of their train ride without being subsidized by non-riders.

Unbeknownst to most Americans, Greece and the U.S. have something else in common: both nations cook their national accounting books. Greece cooked its books to dupe Europeans into allowing it to join the European Union. The U.S. cooks its books to dupe Americans into believing that their government isn't as bankrupt as it really is.

If you don't believe that the U.S. cooks the books, then read *The 2010 Financial Report of the United States Government*, the official accounts of the national government. It's not until page 221 of the 250-page report that the truth comes out. There, an audit summary begins, written by the auditor for the Government Accountability Office (GAO). The auditor warns readers that the government's accounting systems have so many material weaknesses and such a lack of internal controls that their reliability cannot be established. Then the auditor makes this astonishing statement:

These material weaknesses continued to (1) hamper the federal government's ability to reliably report a

significant portion of its assets, liabilities, costs, and other related information; (2) affect the federal government's ability to reliably measure the full cost as well as the financial and nonfinancial performance of certain programs and activities; (3) impair the federal government's ability to adequately safeguard significant assets and properly record various transactions; and (4) hinder the federal government from having reliable financial information to operate in an efficient and effective manner.

(Note: It's not just Democrat administrations that cook the books. *The 2008 Financial Report of the United States* shows that the Bush Administration also cooked the books.)

The 2010 report includes a cover letter from Treasury Secretary Timothy Geithner, the alleged tax evader who is responsible for keeping the country's books. The letter and the report should be used as evidence to prosecute Geithner for accounting fraud and sentence him to a federal penitentiary to share a cell with Bernie Madoff, whose Ponzi scheme was infinitesimal compared to the Ponzi schemes of the national government, especially Social Security, Medicare, and public-sector pensions. Alternatively, Geithner could share a cell with one of the convicted Enron executives, whose accounting fraud harmed thousands of people, compared with the 310 million people harmed by the government's fraud.

To be fair, neither Geithner nor anyone else in the current government is responsible for the nation's following Greece into the cemetery of Western civilization. The nation was set on that course the first time the government took money from some people for the benefit of other people, instead of taking a limited amount of money from all people for the protection of the lives, liberty, and property of all people. From that point on, it was inevitable that government would become a corrupt Leviathan, citizens would pillage and plunder their neighbors, courts would concoct convoluted legal theories to justify the theft, and leftist professors and unionized teachers would expound Marxian gibberish to make stealing sound like social justice as they took their cut of the loot.

Greek philosopher Plato believed that the masses were too shortsighted, too uneducated, and too moved by passions for democracy to work. His solution of putting philosopher kings over the people was an awful idea, but, as Greece and the U.S. have shown, he was right about the masses.

Craig J. Cantoni is an author, columnist, management consultant, and a former corporate executive responsible for employee benefit plans. Contact: ccan2@aol.com