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TRADECRAFT JULY 14, 2011, 12:55 P.M. ET

# Ailing Economy Needs Self-Interest, Not Sacrifice

Mankind has benefited far more from Bill Gates making billions than from him giving it away.

By [JONATHAN HOENIG](#)

Getty Images



**W**hen you trade shares of **Cisco** (**CSCO**: 15.48, -0.10, -0.64%), no one is sacrificing himself on your behalf. You're a willing buyer, someone else is an amenable seller, and you voluntarily agree to transact at a mutually beneficial price. Both parties get what they want.

It's the polar opposite of the doctrine of "shared sacrifice" permeating through Washington, and by unfortunate extension, the economy. The [burgeoning Federal deficit](#), now significant enough to warrant a warning from Moody's on the country's

AAA rating, can only be solved through shared sacrifice, which, in [President Barack Obama's words](#), means wealthy individuals will finally be required to pay their "fair share."

Mr. Obama's underlying philosophy hasn't changed from before the campaign. As I [pointed out](#) nearly three years ago, he believes Americans should be willing to sacrifice. "Patriotism must, if it is to mean anything, involve the willingness to sacrifice -- to give up something we value on behalf of a larger cause," [he told an audience in 2008](#).

That sacrifice has been the justification for [massive intervention in the economy](#), hundreds of billions of taxpayer dollars [sent to banks](#), [auto companies](#), [homeowners](#) and [green projects](#) -- all to benefit the "public good."

But a capitalist economy doesn't require anyone's sacrifice. Just like traders in the stock market, we deal with others through voluntary, mutually beneficial trade. The [country's prosperity](#) (the poverty level in America is [equivalent](#) to the average income in [socialist Venezuela](#)) is not a function of sacrifice but of self-interest. Mankind has benefited far more from Bill Gates making billions than from him [giving it away](#).

The ad hominem smear is that any refusal to sacrifice makes you an immoral pariah. How could you be against [government-run health care](#) or [homeowner bailouts](#), argue supporters. Don't you care about families in need? As the President put it, without sacrifice: "It's seniors, or it's poor kids, or it's medical researchers, or it's our infrastructure that suffers."

The idea that only government can address poverty or medical research is false, and the philosophy clearly institutionalizes mob rule. When one man can be made a sacrifice for another, you're either predator or prey. Each individual's life becomes chum to be "the [public good](#)" whatever central planners in Washington decide that might be.

What results is a society built not on mutual benefit, as with capitalism, but mutual contempt, whereas one is endlessly forced to sacrifice for "the public" with the only hope that one day others will be conscripted to sacrifice themselves for you. [Social Security and Medicare](#) are just two examples of this multi-generational feudalism.

The issue isn't whether you should charitably decide to pay for someone's retirement, health care, or mortgage, or education. The role of government, according to our own founding fathers, was not to re-allocate income, but to protect each individual's right to his own life, liberty and pursuit of happiness. [Policies built around sacrifice](#) make that pursuit a crime.

In his recent address, the President offered himself as a moral example: "I do not want, and I will not accept, a deal in which I am asked to do nothing. In fact, I'm able to keep hundreds of thousands of dollars in additional income that I don't need, while a parent out there who is struggling to figure out how to send their kid to college suddenly finds that they've got a couple thousand dollars less in grants or student loans."

Capitalism protects individuals' self-interest, [collectivism](#) kills it. So in a free country, why doesn't the President simply give his unneeded "hundreds of thousands of dollars in additional income" over to the struggling parent, autoworker or whomever he feels is deserving of it? Why must his sacrifice become a national suicide?

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