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Billionaire Envy Can't Sink Bezos' Boat

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I don't remember when I realized that I would fail at my life's mission. I finally recognized that the federal government will still be operating after I am gone. Special interest Cabinet departments such as Commerce, Energy, Housing and Urban Development, Agriculture, Education, and Labor will persist after I complete the cycle of dust to dust.

Ridiculous agencies such as the Farm Credit Administration, Small Business Administration, Export-Import Bank, Selective Service Administration, Pension Benefit Guaranty Corporation, National Endowment for the Arts, and National Endowment for the Humanities will persist after my ashes have been scattered to the wind. The U.S. will still be defending prosperous, populous allies, remaking failed societies, embracing tyrannical regimes, and engaging in endless wars after I am spoken of in the past tense, if at all.

Apparently, a similar realization recently hit Farhad Manjoo. A journalist who went from *Slate* to the *Wall Street Journal* to the *New York Times*, Manjoo now holds one of journalism's great perches, as an opinion columnist at the famed Gray Lady and celebrated Newspaper of Record, which purports to distill the collective wisdom of Those Who Must Be Listened To.

Except, it seems, no one listened to him.

In his Saturday column, Manjoo declared, “I was reading about Jeff Bezos’ new boat last week when I began to understand one of my greatest failures as a pundit.” It’s a nice yacht, a really nice one, costing about \$500 million, he related, but still was too small for a helipad, which instead was placed on another boat towed behind. Apparently Manjoo hadn’t noticed until recently that really rich people with ostentatious tastes still live among us.

The cause of his “heartburn,” explained Manjoo, was that the ridiculously wealthy continue to blight our society. In February 2019, also in the *Times*, Manjoo called on Americans to “abolish billionaires.” No one acted. Shockingly, the president, Congress, Supreme Court, and even the Democratic Party did nothing to eradicate this pestilence from the land. *They simply ignored Manjoo*. So instead of being on the run, driven from home to yacht to airplane, denounced and spat upon, and branded as moral ogres little short of war criminals, billionaires are admired, even feted by the ethically deficient and easily entertained public. Indeed, complained Manjoo in a tone mixing frustration with outrage, “the world is enthralled with billionaires, almost shamelessly so.”

He was so hopeful that the new dynamic duo of Bernie Sanders and Elizabeth Warren — both worth millions, the former possessing three homes — would rid us of the odious 10-figure monetary creatures. But then came the pandemic, and the opportunity for financial cleansing tragically disappeared. He averred, “As the incompetence of the government came into full view, billionaires began to look like our saviors — Bezos was keeping our houses stocked, Gates was minding public health, and Musk was building the climate-friendly future. So when billionaires grew billions of dollars richer while the world locked down, hardly a peep of criticism rang out.”

Obviously standard-issue democratic socialists aren’t worth much in a crisis. Where is a real revolutionary, a serious leveler, a true egalitarian, when you need him? Wanted: the next Vladimir Ilyich Lenin, Mao Zedong, Joseph Stalin, Fidel Castro, or Pol Pot. Especially a Pol Pot

doppelgänger. The Khmer Rouge would really know how to deal with today's pandemic of billionaires, but any of the others also could quickly solve the problem.

Manjoo's depressing world apparently is zero sum. There is a fixed economic pie, so if someone gains, someone must lose. To get more, you must seize it from someone else. Battle of the sharpest elbows. Or the best lawyers and lobbyists. Perhaps even the finest and best-armed militias. Those creepy billionaires are just looters and pillagers par excellence.

For Manjoo, the public's moral obtuseness is obvious: "To me it seemed self-evidently immoral for anyone to possess a billion American dollars in wealth. We could argue where exactly the line was, but a billion was indefensibly beyond it—it's far more money than anyone needs, even accounting for life's most excessive lavishes, and far more than anyone might reasonably claim to deserve, however quickly he can ship you toilet paper."

This position suffers manifold flaws.

First, economies are not fixed and unchanging. If they were, the West would still be poor. Economic takeoff came with the rise of the mercantile society. Mutual exchange benefits both participants. Such trades generate wealth; doing many such deals makes some wealthy people. There is nothing unfair or immoral about capitalist acts among consenting adults, or the natural concentrations of wealth that result.

Of course, systems can be unjust. But that is more likely as the role of politics increases. Third World kleptocracies, along with some more advanced variants — Russia and Saudi Arabia come to mind — typically are the worst. Even in democracies, however, political campaigns long have been essentially advance auctions of stolen goods.

Americans recently saw an orgy of greed and plunder when legislators sought to buy votes by distributing trillions of dollars, much in ways unrelated to need. Such payments were matters of

politics, not economics. Congress might as well have filled B-52s with dollar bills and “bombed” communities across the United States.

Similar are the billions in corporate welfare, middle-class transfer programs, university subsidies, payments to the military-industrial complex, and so much more. Tax preferences and regulatory privileges offer equally effective but more subtle ways for the wealthy to sup sumptuously at the federal trough. The national government spends much of its time enriching the already rich.

Second, billionaires who are not dictators or friends of dictators, or important American politicians, typically must create something to earn billions. Manjoo complained that wealth “buys power, especially political power, and uses that power to perpetuate its winnings at the expense of the rest of us, ultimately corroding democracy.” But it is easy to overstate the influence of billionaires. Three ran for president in 2020: Tom Steyer was ignored, Michael Bloomberg was embarrassed, and Donald Trump was defeated.

In democracies, organizations and groups with a broad-based membership tend to be the most powerful and best positioned to influence public officials and loot the public. Savings and loan associations created an expensive scandal more than three decades ago. Farmers and retirees also do incredibly well at public expense. In agriculture, the biggest operators usually get the most from Washington; the richest elderly similarly collect from the poorest workers.

Third, the three people Manjoo cited earned their money *by creating value for the rest of us*. Easy sale and shipment of almost anything anywhere has transformed commerce. Operating systems made computers available to almost everyone. Paypal established an easy alternative to banks. Bezos, Gates, and Musk made the rest of us much better off, financially and otherwise. And we made them richer in return — voluntarily.

In contrast to congressmen, who rely on the IRS to shake more money out of taxpayers, Bezos, Gates, and Musk forced no one to turn over their money. Nothing that I or most people have

done warranted anyone giving similar amounts of money to us. Of course, none of this has anything to do with moral worth: markets value economic productivity, not human virtue. Alas, government does no better with the latter and fails dramatically with the former.

Fourth, those who criticize accumulated wealth as immoral appear to view money as inherently evil. Capitalism makes no moral judgment about the possession or use of capital. Nor do markets instruct people what to do with their wealth. The market principle is simple: the more productive you are, the more wealth you are likely to accumulate. It is difficult to dispute that Bezos, Gates, Musk, and many other entrepreneurs delivered more social benefit than they received back in return.

Although capitalism makes no judgment on what people do with the money they earn, one can properly go outside the economic system to critique how great wealth is used. But that still leaves what billionaires do with their money up to them, not “society,” which apparently bugs Manjoo. He argued, “We should wonder about the kind of person who would hold claim to that level of wealth in a world weeping with so much suffering.” A call on the wealthy to be generous fits with traditional religious teaching. And many of them, such as Bill Gates, appear determined to give away much if not all of their wealth.

Some, like Bezos, spend ostentatiously. Nevertheless, there is no greater wastrel than Uncle Sam. Compare Bezos’ boat to federal spending. Trillions of dollars have been littered around the globe on misbegotten “development” projects, military interventions, and de facto bribes disguised as foreign aid. Waste, fraud, and abuse permeate federal programs, including outlays labeled as COVID-19 aid without having anything to do with the pandemic. Legions of Beltway bandits live at the federal trough. There are dozens, or scores, of overlapping service, social, and training programs. The merchants of death get Congress to purchase weapons that the Pentagon doesn’t even want. Spend any time watching Washington, and Bezos’ extravagance soon fades into near nothingness.

Anyway, extravagance is no justification for theft. That is, being morally offended by the rich, whether generous or prodigal, is not a good argument for confiscating their money and redistributing their wealth. Those who most complain about greed seem to be the same people most willing to act on envy. Manjoo admitted that he didn't know "where exactly the line was" on how much was too much, and that's because there is no line, at least not one based on principle. On a true "needs" test, Elizabeth Warren and Bernie Sanders have too much. And their moral fault is greater than that of Bezos since they prattle on about advancing social change, helping the poor, and such, while he doesn't pretend to be in any revolutionary vanguard.

Indeed, when the likes of Nancy Pelosi or Chuck Schumer push in front of the nearest TV camera to proclaim their commitment to the poor, their claims should be treated with the same skepticism as those made by Bezos & Co. Pelosi and Schumer are both financially comfortable, the former especially, but power is their preferred currency. They, along with their most determined opponents, might not be opposed to be doing good, but enriching their supporters and voters is a far more important objective for them. Expanding state power should not be mistaken with promoting justice, whether the economic kind or another.

Life is unfair, President Jimmy Carter once proclaimed. There is much injustice in the world, both individual and systemic. Although Bezos' extravagance might be tasteless, the existence of billionaires is not a moral wrong. He came up with an idea that benefited millions and probably billions of people. If the price of encouraging that kind of innovation in the future is allowing someone to own a yacht, even a lavish one, then I'll cheerfully pay it.

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