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Money is meaningless unless people have respect for its value::

Money is a curious thing. In and of itself, it's meaningless. What makes it work is a communal confidence trick. It's a little like walking on a tightrope across Niagara Falls: as long as you don't look down, everything's fine. When you do, all bets are off.

I was in Toronto last week. It's a fine city, in the centre of which construction is a permanent condition. No recession noticeable. The hotel I was staying in vibrated all day to the sound of drilling. This was the third hotel in as many trips in which this had been the case. This time, the noise was emanating from the parking lot in the basement.

Had management warned me that the hotel would be uninhabitable, I would, of course, have stayed somewhere else. Unfortunately, the hotel extracted an advance payment, and any alteration to my schedule would have seen me forfeit the payment.

That I and the other guests were not warned is dishonest, immoral and completely understandable. Had we been told, there'd have been no guests, and then the staff would have had to be fired. A discount might have helped, but then the hotel, a Marriott, was already discount-priced. The room was \$89 Canadian a night. Even at that price, it wasn't fit for its purpose. When I complained, wearily, I was given a \$100 discount.

But that wasn't the rip-off I wanted to tell you about. Money is a store of value. You hand something over — an alarm clock, a day's work, or your granny — and in return receive some pieces of paper, a.k.a. banknotes. These you accept on the basis that their value will be respected by the guy you give them to when you want to buy a computer or a neck tie or, in the case of Eliot Spitzer, a few prostitutes. (Mr. Spitzer has decided to run for Governor of New York State again. He feels that integrity is not a prerequisite for the position.)

Some Government bodies exchange cash for tokens. Bermuda buses are an example, as is the Toronto Transit Commission (TTC). You give them banknotes and they give you tokens that enable you to use their transportation system on a pre-paid basis. The deal is an act of faith: imagine how you'd feel if the tokens you bought were no good when you tried to get on the bus.

That's exactly what happened to me in Toronto last week. Subway tokens I bought for cash a few years ago had become outdated and are now worthless.

This is an outrage, not because I lost \$4, or because millions of us have lost millions of dollars. It's an outrage because it is a confidence trick that makes Bernie Madoff look like a friendly poodle. Bernie and a few pals decided to steal from some clients. The TTC, a publicly-owned body, deliberated and then chose to swindle the public out of its hard-

earned cash.

To compound the felony, the TTC not only no longer accepts the tokens, it will not refund the money people paid for them. How are we to retain our confidence in institutions of government if they're just openly thieving? If I lived in Toronto, I would devote the rest of my life to bringing these evildoers to justice. As it is, after holding thousands of people up in the rush hour when my tokens wouldn't work, and being told that my money had been stolen and was forever lost, I bought another token and went on my way. The TTC was counting on that. The little guy bends in the face of power.

I did do something about it. I wrote to various people in Canada. Since all Canadians are very nice, I expect they'll write back and tell me how sorry they are that the TTC is run by thieves. They'll probably also thank me for buying stamps, but I didn't. I still had Canadian stamps left over from years ago, and they retain the value printed on them. That's because Canada Post apparently understands that you can't just steal from people.

The same is true with the money itself. I have old Canadian dollars from a previous trip. Even though the country now has pretty new banknotes, the old ones still work. You bet your sweet bippy they still do. This is how revolutions start. Stolen subway tokens one day, people lopping the heads off "Commissioners" the next. Lessons are never learned. The rich and powerful trample on the little man. Eventually, the little man tramples back.

I'll let you know how my complaint to the TTC goes. If you want to save time, I can tell you now: I'm screwed.

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Speaking of corrupt organisations, I suppose it's a good thing that Bermuda is playing footsie with the OECD, although a more appalling organisation would be hard to find. It makes the TTC look like a friendly poodle. The OECD is the crowd that equates tax avoidance with tax evasion.

Not long ago I referred to the OECD as a fascist organisation. Oh, that's just Crombie, going over the top as usual, you probably thought. Last week, however, despatches were received indicating that the OECD had been trying to suppress dissenting voices at the Global Tax Forum, a conference held in Mexico City.

In Los Cabos, the original venue for the conference, Center for Freedom and Prosperity (CF&P) president Andy Quinlan and Dan Mitchell of the Cato Institute made reservations at the hotel where the conference was scheduled to take place. Messrs. Mitchell and Quinlan are free thinkers who believe that the higher the rate of tax, the lower the yield, which is true. The Friday before last, the two men's confirmed reservations were cancelled, supposedly because the OECD had reserved the entire hotel.

Mr. Mitchell remarked: "This was an extraordinary step for the OECD to take in hopes of insulating delegates from free market views." The issue became moot, however, when the conference was suddenly moved to a hotel in Mexico City to avoid a hurricane.

On the following Tuesday, OECD officials tried to have Mr. Quinlan and Mr. Mitchell (who

were guests at the Mexico City hotel) removed from a public lobby outside the meeting venue. An OECD security official approached Mr. Mitchell to assert that CF&P officials had to leave the lobby, which also serves as entrance to a restaurant and business centre.

Mr. Mitchell refused and the OECD official backed down, perhaps because the ejection attempt was witnessed by a member of the press who was covering the event.

"For a group that ostensibly has transparency as one of its goals, the OECD's hypocrisy is remarkable," said Mr. Quinlan. "Not only do they refuse to allow taxpayers to observe their events, they don't even want them anywhere in the immediate vicinity."

The OECD, as I have mentioned before, is an unelected body which has taken it upon itself to attack countries with low tax rates on behalf of its members whose tax rates are sky-high. How Bermuda will fit in with this crowd is far beyond my powers of understanding, but there we are.

An even more astonishing story broke this week about the French cutting a deal with UBS to deliver tax dodgers to the French Government. In France, cheating on one's taxes is considered as patriotic as having a mistress or two is considered pro-family.

If the French need a list of tax cheats, the telephone directory would suffice. What is the world coming to when a Frenchman can't buy gold and stuff it under mattress? Sacred blue!
