

Hello Everyone,

“A billion here, a billion there, and pretty soon you’re talking real money.” Senator Everett Dirksen, 1969

As we discussed last week, the \$1 trillion Infrastructure bill was a foregone conclusion; and the \$3.5 trillion Budget Resolution was next. Let’s ignore the \$3.5 trillion part for a moment and instead focus on the next two words.

Budget. Resolution.

Bill Bonner over at roqueeconomics.com recently dissected those two words. His insights (*in bold italics*) are what follows. I have shortened and modified his essay, but I believe you will appreciate his sentiment.

“Budget” is probably the wrong word. “Budget” suggests self-discipline... and tradeoffs. It hints at limits... and that bad things will happen if you ignore them.

I couldn’t agree more. Over the next few weeks/months analysts will peel back the layers of the wasteful and mind-boggling spending in this bill. Billions spent on pet political projects will cause sane people to shake their heads in disbelief. We will wonder, *“Can our leaders really believe this is prudent use of our money?”*

But, back to Bonner....

And the use of the word “resolution” is embarrassing. Resolute was the name of a 19th century British Royal Navy ship, which became trapped in the Arctic ice.

By steadfast discipline and iron will, the crew survived two Arctic winters, skeletal rations, and a “hard march” across the ice to rescue ships.

The Resolute story is one of manful determination and commitment to duty. It is the opposite of the budget “resolution” story, which bespeaks an almost incredible disregard for risk, a total lack of foresight, and wanton jackassery.

It is a shame to sully such a stand-up word by using it to describe such irresolute action by the U.S. Senate.

I wish I could write as eloquently as Mr. Bonner. I didn't even know jackassery was a word. (BTW, I looked it up and it isn't. :>)) Nevertheless, I would like to add it to my political vocabulary but my wife would likely object.

So, why tell a story of British courage when discussing a 2021 American spending bill? Well, there is a unique US connection.

Here is the story.

In 1856, a year after the Resolute was abandoned, an American whaling ship found her floating on an ice sheet. The whaler's captain boarded the ghost ship and recorded the following in his log:

Finally, stealing over the side, they (the whaler's boarding crew) found everything stowed away in proper order for desertion – spars hauled up to one side and bound, boats piled together, and hatches closed. Everything wore the silence of the tomb.

Finally reaching the cabin door they broke in, and found their way in the darkness to the table. On it they accidentally turned on a box of lucifer (a brand of the day) matches; in a moment one

was ignited, the glowing light revealed a candle; it was lit and before the astonished gaze of these men exposed a scene that appeared to be rather one of enchantment than reality.

Upon a massive table was a metal teapot, glistening as if new, also a large volume of Scott's family Bible, together with glasses and decanters filled with choice liquors. Nearby was Captain Kellett's chair, a piece of massive furniture, over which had been thrown, as if to protect this seat from vulgar occupation, the royal flag of Great Britain.

That was a well-trained and disciplined crew.

So, where is the American connection?

It was from the timbers of that ship that the Resolute Desk in the White House Oval Office was made. Queen Victoria gifted it to the US in 1880.

And that is where the \$3.5 trillion (!) **Budget Resolution** will eventually be signed. Ironic, that something so irresolute will be signed there, don't you think?

Signed, Your I-Hope-It-Isn't-True-That-Andrew-Cuomo's-New-Job-Will-Be-Training-TSA-Security-Screeners Financial Advisor,

Greg

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