

## [The crisis of government](#) [1]

Written by [Peter Twigg](#) [2] | Wednesday 23 January 2013

Since the 2007-2009 financial crisis, many calls have been made (often in right-wing newspapers) that capitalism has failed; capitalism has died or that capitalism is in crisis. These claims are weakened by the government's impact on society and markets, given the massive growth in government's size and power. Public spending is estimated at 44.13% of GDP for FY 2012 (Actual FY2011 45.65% of GDP). [This chart](#) [3] shows the growth over the last 110 years.

Government has become too big and like a bull in the proverbial china shop its weight and strength end up trampling everything and everyone. Society is a complex mechanism whose nuance is lost on goofy footed government. Bureaucracies don't manage anything well nor do they have an eye for economics. Indeed government cannot manage itself or the society it governs. As a result, government sets up unintended consequences because of its size, influence and power. It is not, as many would claim, a crisis of capitalism but rather a 'crisis of government'. Society can no longer afford the bull. It is causing too much damage.

At every level of society, the state through its agency, government, subverts responsibility. For the individual, the group, the corporation; government intercedes at the behest of lobbyists, voters or the unseen dictates of bureaucrats. Bureaucrats and politicians are weighed down by the responsibility of having to be seen to do something - anything so long as they can fulfil their perverse self interest in maintaining perks, position and privilege. Indeed the term public servant has become an oxymoron.

Heavy hoof prints come in many forms. One big hoof print is the high level of taxation borne by you that brings low satisfaction for your taken money. Another large hoof print is the unintended consequences that occur when actions of government have effects that are unanticipated or unintended. Often cited but rarely defined, the law of unintended consequences illuminate the perverse unanticipated effects of legislation and regulation. In attempting to mend the unintended consequence of one policy, the result brings further consequence.

At the heart of all the bull lies the problem of economic ignorance by politicians. Our political class never realize the unintended consequences of their legislation and policymaking until it is too late. And having dug themselves and the nation into a giant dung heap, politicians lack the insight that they are the cause of the problem and lack the political will to find a way out. Hubris clouds judgment.

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