

Chapter 5: It's Not About Jobs

“Nothing is easier to achieve than full employment, once it is divorced from the goal of full production and taken as an end in itself.” - Henry Hazlitt

Don't get me wrong. Prosperity absolutely requires jobs. People doing things for one another is the definition of jobs, and so jobs are inherent in what I claim to be the ultimate goal of a prosperous nation. But just having people being employed doing something, anything, is not the goal. That's because *it makes all the difference in the world what people do in those jobs.*

If we want to focus on the goal of full employment, then why not have the government decree that half of the work force dig holes in the ground all day long, while the other half fill the holes up again?

What's that you say? You have a physical handicap, and can't dig? No problem, there are many, many holes to dig and fill, and we need planners to schedule and decide where to dig more holes, and how deep and wide the holes should be. We also need inspectors to make sure that the dig sites are safe for workers, and that no endangered species are disturbed by the digging. This will be a very extensive program, and it will provide employment for everyone.

Of course, despite all of the labor devoted to digging and refilling holes, what has actually been produced that has raised the standard of living of the country? Nothing.

In fact, putting people to work on useless tasks removes those people from the pool of labor available to do work that could have instead provided goods and services people actually wanted and needed. As a result, the standard of living has actually been *reduced* compared to if those workers were doing things that the free market needed to be done.