

# Numbers, Money and New Definitions

By Peter Mork

(02/09/04)

Ernest Hemingway once wrote: "...if a writer needs a dictionary he should not write. He should have read the dictionary at least three times from beginning to end and then have loaned it to someone who needs it." While those of us who don't plan on becoming professional writers can skip this tedious task, maybe we should pick up a Webster and at least review three words: million, billion, and trillion. The definitions seem to have blurred in recent years.

President Bush just proposed a \$2.4 trillion budget for fiscal 2005. To put that in perspective, that money stacked in \$1 bills could reach to New York from Los Angeles more the 60 times. And that is just federal spending. It does not include the bulk of government spending on education, prisons, water/sanitation, and highways that is largely provided for by the state.

Or does it put it in perspective? It is a ton of money. When you talk about money stretching across the country through, it's hard to conceptualize. Multiply that times 60 and it only gets tougher. So \$2.4 trillion begins to lose its meaning in terms of our everyday lives.

On the other hand, when the Big Game multi-state lotto hit \$325 million in April of 2002, it did mean something to people. This was obvious as people were lined up around the block at liquor stores purchasing tickets the night before the drawing. No matter that the chances of getting struck by lightning were 8000 times more likely than picking the winning numbers. Hell, the odds of getting killed in a car accident on the way to buy the ticket were 16 times greater than winning the lotto itself. Still people came in droves.

Tens of millions of tickets sold and news of the lotto became national news. Why? Because \$300 million plus does mean one thing: more money than one person can spend in a lifetime. Sure you buy a house (\$5 million) a vacation home on the Mediterranean (\$ 1.5 million) and a few sport cars (\$1 million) and what else do you need? Put what's left in your local Bank of America money market account and you will be making millions off the interest alone. More money than you would know what to do with, or specifically, more money than you can comprehend what to do with when you are standing in line for the ticket.

And that's where \$300 million, billion or trillion find their common ground: it is more money than we can fathom. Did you know that the federal budget was a little over \$800 billion when Reagan left office? I had to look it up and was surprised that nominal spending has *tripled*. One trillion, six hundred billion dollars more a year and I barely even noticed. When I put it like that it sounds like a lot of money, so why didn't I notice?

Well maybe we need a new metric; a new way to define just how much the government is spending. One of my personal favorites is published by the *Tax Foundation*. It's called "Tax Freedom Day" and it falls the day you work enough to pay off all of your taxes and can start working for yourself. Last year it took 76 days of work on average to pay off the federal government. Now those are numbers we can all understand.

While million, billion and now even trillion sound more and more the same; a day of work is a day of work. Seventy six days means 15 extra weeks of vacation. If we took that time off it would make Europeans look like workaholics.

So perhaps President Bush could present his budget in these terms so people would intuitively know just how much the government is consuming. Days spent working to pay the government is easy to understand... and no dictionary is needed after all.