by Kenneth A. Kuhn revised August 29, 2008

Copyright © 1998 by Kenneth A. Kuhn. This work may be freely distributed provided that it is distributed in its entirety and is not altered in any way. Any similarity of this fable to real life is intentional.

There was once a society of squirrels that had been in existence for millions of years. Each squirrel gathered and ate nuts and saved nuts to have food to eat during the winter season. After all, it was the intention of Nature for squirrels to gather nuts. If a squirrel got sick or was injured then it died of starvation if it did not recover soon enough. When a squirrel became too old to gather nuts it died or was eaten by predators. If a squirrel ignored the dangers of predators such as snakes, foxes, and hawks then it was eaten as Nature eats its mistakes. Life was good if a squirrel did the right things and was short if a squirrel did the wrong things. Thus, is the way of Nature. Nature quickly gets rid of stupidity and laziness. Even if a squirrel lived properly it could still suffer a bad fate just due to the random chance of disease, injury, or predation. There was no government -- it was every squirrel for itself.

A group of squirrels got together and decided that life would be better if a fund of nuts was set up to take care of sick and injured squirrels. It would also be beneficial if a fund was set up to take care of squirrels too old to gather nuts anymore. A concern of all squirrels was being eaten by a predator. It was decided that a small government would be set up to handle these concerns and improve the lives of all squirrels. This was a new experience. No squirrel had ever been in a government before or even operated any kind of business. Each squirrel would pay a tax of some nuts per year and then could live with less worry about dying too soon. A defense system was also set up to quickly warn all squirrels when a predator was around.

And so it was. The system worked well -- with food to eat, more squirrels were able to recover after being sick or injured. Those who would not recover could at least live out their lives without starving. For the first time, elderly squirrels were able to retire. Life was much better. Predators were a thing of the past with a fine defense department.

Since squirrels are all hard working, it never occurred that a squirrel might cheat the system and fake an illness or injury just to collect benefits and avoid work. There was no incentive to be lazy in the past because starvation was the certain result. As they set up the government it had not occurred to the squirrels that good intentions could possibly lead to bad results. Good intentions should only produce good results, they thought. The squirrels had never heard of misguided compassion syndrome and had inadvertently created a socialist system where the government managed the concerns of squirrels. The squirrels also did not understand concepts of business and free enterprise and how these concepts could serve the squirrel population without the problems that socialism leads to.

Eventually, a few squirrels learned how to cheat the system and receive benefits instead of working. The other squirrels were starting to get a little suspicious of this but it was hard to prove. The tax required to maintain this system had to be increased. The number of squirrels working in the bureaucracy had to be increased too. Being paid a salary of nuts to do bureaucratic work was easier than gathering nuts so there was no incentive to do anything about any squirrels who were cheating. Cheating squirrels actually helped the bureaucracy grow faster and thus raise the salaries of the bureaucrats.

The cheating squirrels started having offspring. The offspring also qualified for benefits. The young squirrels played just as the young squirrels of the nut-gatherers but did not learn how to gather nuts. They only learned that they had the right for nuts to be provided to them. In fact, they wondered why other squirrels would work when nuts could be had for free. The other squirrels must be stupid. As these young squirrels grew up they too had offspring. Since they were not occupied in gathering nuts they had time to have much more offspring than the working squirrels. They had more offspring than they could care for and needed more government services to assist them. With socialism it takes a village to raise a squirrel. The ever increasing number of squirrels to take care of required an ever increasing government and taxes. Although the government squirrels were working they were no longer gathering nuts so taxes on the ever fewer nut gathering squirrels had to be increased again to support the growing bureaucracy and beneficiaries.

Taxes were increased again and again and the "fortunate" nut gathering squirrels were working harder and harder to provide for themselves as well as for the "unfortunate" non-working squirrels living on government benefits and also for the increasing government services. There was a slow but steady increase in the number of nut gatherers who figured out how to be just about as well off by becoming non-working.

The nut gathering squirrels complained more and more but they did not have enough votes to change the system. They were called all sorts of bad names such as rich, greedy, mean-spirited, right-wing, uncaring, and evil. They were even accused of tax schemes to create tax breaks for the wealthy. Welfare for the rich was denying the poor of what they rightfully deserved as any nuts not taken as taxes were nuts essentially stolen from the poor. Any tax relief for the nut gathering squirrels was seen as placing an unfair tax burden on the poor. As the nut gathering squirrels were gathering more and more nuts just to keep up with the taxes it was pointed out that there was a widening gap between the fortunate and the unfortunate squirrels. The gap could be made to appear particularly wide if the before taxes income of the fortunate was compared with the before benefit income of the unfortunate. Economic justice would insure that no squirrel could get unfairly ahead on this "level" playing field.

With great secrecy, one night the nut gathering squirrels abandoned their homes and store of gathered nuts and moved to a new forest far away. The next morning the non-working squirrels gleefully took over the homes and had a feast on the stores of nuts. Life would now be very good with the rich squirrels gone. This is what they had been wishing for and the unfortunate could now have what they had always deserved. True to the laws of Nature they would ultimately get what they deserved.

The wealth of nuts was being quickly consumed. It then occurred to the able-bodied non-working squirrels that the sick, injured, and retired squirrels could not really enjoy life anyway and were a drain on the wealth of nuts. These squirrels were labeled as "bad" - enemies of "good" squirrels. Most of the "bad" squirrels had previously been the evil fortunate nut-gathering squirrels who had made life so hard for the unfortunate "good" squirrels. Now these "bad" squirrels were eating the nuts that the "good" squirrels deserved -- stealing from the poor. This serious threat had to be eliminated and so there was a mass extermination of the "bad" squirrels. The "good" squirrels felt completely justified. There was much rejoicing. Now there were only "good" squirrels. Life would once again be good.

No squirrel knew how to gather nuts anymore. Some squirrels worked (as in every crowd there is always a squirrel that works harder) at learning how and did, but the other squirrels quickly took the nuts. After all, those greedy squirrels who worked did not need the nuts and the needy squirrels who did not work, did. It was much easier to take nuts rather than work for them.

There was no longer a government -- it died a quick death without the tax revenue. There had been a defense department that had done an excellent job at keeping predators away. During previous times, many of the non-working squirrels believed that they could have even more nuts for themselves if nuts were not wasted feeding squirrels working in the defense department. After all, when was the last time a squirrel was eaten by a predator? With the defense department gone and since most squirrels knew nothing about avoiding predators (the government had always done that for them), the snakes, foxes, and hawks now had an easy feast. The wish to get what they deserved had finally come true for the "good" squirrels.

The population of squirrels rapidly fell. In the end, the surviving squirrels were those who did figure out how to gather nuts and learned how to deal with predators. These squirrels learned what their great, great, great ancestors had known; that a squirrel has to work with Nature, not against it. Squirrels survive only by working -- Nature does not provide a living for free. Things had been fine as long as only sick and injured squirrels received a free living as their numbers would always be small and could be supported by the system. This level of compassion is compatible with Nature as there is a balance between providing a free living to a disabled squirrel in exchange for the same being done for a working squirrel should the working squirrel become disabled. Overall survival is enhanced - that is what Nature is about.

Misguided compassion is extending a free living to squirrels who are just lazy. The problems that this causes generally call for more misguided compassion which in turn continues to make things worse. It seems that more socialism is necessary to solve the problems that socialism causes. Misguided compassion is a violation of the laws of Nature and can not go on indefinitely. When living creatures go against the laws of Nature the death rate must increase and increase until the laws are again followed.

The nut-gathering squirrels who moved to the new forest are doing very well. They rebuilt all that they had before and even set up a government again to handle broad concerns of all squirrels including defense against predators. The government decided that an insurance system to care for sick, disabled, and retired squirrels was best handled by letting private squirrels set up competing insurance companies. Competition guaranteed that waste and cheating would not be tolerated -- i.e. working with the laws of Nature. The singular government system of before had no competition and thus no incentive to operate efficiently -- that is, working against the laws of Nature. The insurance companies did periodic evaluation to separate truly disabled squirrels from squirrels who had only developed laziness disorder. No benefits were provided to the lazy squirrels at all -- they either regained their work ethic or died of starvation. The lazy squirrels would complain but the desire to eat was a strong incentive to recover from laziness disorder. It was amazing how fast any lazy squirrels recovered. On rare occasion a few lazy squirrels did die per the laws of Nature thus illustrating to all that the incentive was real. Occasionally there were calls to provide at least some minimum compassion but these calls were steadfastly resisted lest the mistake of before be repeated.

This story ends with the surviving squirrels of the original society also learning and applying this lesson. The experiment with socialism (i.e. that if a squirrel exists then it is entitled to a share of the collective wealth whether it gathers nuts or not) was a dismal failure that will not be repeated unless the lessons of history are forgotten. Privately run and competing insurance systems to manage and reduce risk provide all the benefits of a singular government system but without the expense and problems. Although the private systems seem harsh and mean-spirited at times they are only following and working with the laws of Nature. In the process and with Nature's blessing, they make life better for all except those who would cheat or become lazy. Government is best when government is small and works in the interest of tax payers rather than in the interest of bureaucrats. A squirrel can pay only a limited amount of tax. Otherwise there is no point in having a government.

Since humankind is surely much smarter than squirrels it is inconceivable that humankind would ever make this sort of mistake. Humankind is a lot more compassionate than Nature and is surely smart enough and powerful enough to circumvent the laws of Nature as they apply to lesser animals. Surely this is so.