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Sometimes the builder of a better mousetrap doesn't want anyone to know about it!

## THE GREAT AMERICAN ECONOMY

"What a miserable day it is," grouched James Boulin Chartwell, III.

As junior member of the Council of Economic Advisers, he often grouched. When he didn't grouse, he grumbled.

George didn't exactly agree with his boss. True, the smog had cut the visibility outside to less than a hundred yards. The April day was grayer than usual, but what else could you really expect in the

Greater Washington Reservation? "George! Do you know that our figures are off by One Hundredth of One Percent?"

George sighed. He'd known since yesterday when the monthly in-fla-tion statistics had been printed out that there would be trouble. For the third month in a row there had been a small, but significant, inflationary trend in the Gross Na-tional Products figures. The unplanned increase could not be ex-plained by increases in wages, con-struction costs, defense spending, conservation and reclamation projects, or anything else.

"George! Do you hear me? The President is Not At All Happy about this. If it gets out that there has already been an annual rate of inflation of over one tenth of one percent this year, that could swing Public Opinion heavily in the elec-tions. You know we can't keep it a secret much longer."

James Boulin Chartwell, III, re-filled his glass with One Hundred Percent Pure mineral water.

"I take it, sir, that you would earnestly desire me to discover the cause of this Blight upon our Great American Economy." George was about ready to quit, if only he could persuade himself that leaving the Reservation would not be the end of his career.

"I don't give an obsolete gold piece what you do. But you ought to want to know how this could happen, when Government Expenditures are registered to the Last Penny, and when our comput-ers keep track of the Private Sector to the Very Last Dime." James Boulin Chartwell, III, was a firm devotee of the bureaucratic school that spoke in Capital Letters.

George sighed again. It would be a long day.

"George! Don't you understand? It Can't Happen. It just Can't Hap-pen." James Boulin Chatwell, III, finished his second glass of One Hundred Percent Pure mineral wa-ter.

George shrugged. He knew why it wasn't supposed to happen. The growth of the non-government sec-tor was computed on a full-cov-erage, day-by-day, real-time basis, taking into account all variables such as price and wage increases, construction rates, investment rates, and savings. The basic government budget was programmed into the computers as well. Adjustments in the basic growth rates were made on a weekly basis by changing the magnitudes of variable items in the government budget. The system was about ten years old in its present form. It had worked reasonably well, although many gov-ernment agencies complained bit-terly about budgets that varied from week to week. Defense and Urban Affairs, of course, were above variable controls. Status was working in a department with a Fixed Budget.

"Well," demanded James Boulin Chartwell, III, "do you think that you can Solve The Problem?"

George shrugged again. He wanted his morning Coke.

"I'll see what I can find out."

As he left the office, he smiled at Mildred. She glared back, as usual. She disliked George's flippant atti-tude toward the Very Respected Junior Adviser.

George wandered down to the cafeteria. It was after coffee break and deserted. He picked up a cup, filled it with ice, and pounded on the soda dispenser until it delivered his Coke. He debated sitting

down, then went back to the office he shared with two secretaries and three other junior economists. Tricia was the only one present. He looked at her.

"Mary took leave today. She'll be back tomorrow." Tricia had a very pleasant voice. She also weighed close to two hundred pounds and was a head taller than George. George liked to consider himself as a full six feet.

He eased behind his desk, setting the cup down on his blotter. Tricia began to type again.

"Tricia, can you get me the in-come figures on the Mafia for the last quarter?"

She nodded, but did not stop typing.

"Now! Damn it!"

"Yes, Mr. Graylin."

He looked around the office. He imagined that the other three econ-omists were scattered all over the Washington Reservation briefing various staffs on the sundry eco-nomic idiocies still existing.

"Tricia, add to that a summary of the major flow of Union Funds.

Make sure that includes the pen-sion funds and the mutuals."

"Yes, sir."

He felt guilty for yelling. He'd pay for it later. He sipped the Coke and tried to think. Who could be pumping all those dollars into the economy?

"Mr. Graylin, your read-outs are coming through."

"Thank you, Tricia." He went over and collected the first pile of printouts. Tricia smiled too sweetly and resumed typing.

After five hours, including a hasty Coke and a sandwich, he was still in the dark about the Blight on the Great American Economy.

He picked up the phone and punched out a combination.

"Morey, this is George Graylin. I've got a problem that maybe you could help me with. Can you stop by after dinner—say about eight-thirty?"

"Fine with me, George. Delores has chamber music appreciation tonight."

George wound up the rest of the afternoon's trivia, had a Coke, and dinner, in the cafeteria, then marched to the Reservation gate. The exit machine refused his bank card and insisted on his ID. Outside it was raining. He had left his raincoat in the office. He only had to straight-arm one secretary to get a cab, but got a faceful of Mace when the girl already in the back panicked. On the second try he made it. After locking the doors, he dialed in his block code. The cab almost wouldn't accept his slightly mangled bank card, but finally di-gested the information after burp-ing the bent card back twice.

Exiting the cab at full gallop, he dashed into the foyer, slammed his entry card into the gate, and slipped through into the apartment recreation hall. A few were playing pool, but the area was generally deserted. Eight was still early in the evening.

Morey Weissenburg was small and intense. He was a very good attorney.

"Let me get this straight, George. Someone or some organization is putting money into the economy. What's wrong with that?"

"No, no. It's not that. Somehow someone is putting money into the economy that never entered the country legally or was never earned here."

"How do you figure that?"

"Because for the last three months, overall income is higher than the total of all goods and ser-vices indicates it should be. It's driving us nuts. The Honorable James Boulin Chartwell, III, espe-cially. Taxes are being paid on that unknown money. It pays for more goods and services. It's not from the government."

George gulped down the rest of his Coke.

"So you're wondering if one of my clients might know where this extra cash is coming from?"

"Morey, I checked the records of your boys before I called you. As far as I can tell, they have nothing to do with it. It just boils down to the fact that there is more money in the country than this country could have produced."

"I get the picture. And you fig-ure that if you can't solve it, you're liable to get a runaway inflation?"

Morey was sipping Scotch, in-tensely.

"Not really. It's not even a whole lot of money. Could be as little as three to five million. Maybe less, depending on where it's dumped into the economy and the multi-plier effect. The real problem for me is that it's got the Council all upset because their pretty little charts don't work out."

George wandered into the kitchen, grabbed another Coke and poured it into his glass.

"Care for more Scotch?" he mumbled while crunching an ice cube.

"No, thank you. George? Have you thought about an outside coun-try dumping funds just to foul up your computers?"

"No, but I think that the effort would cost more than the results. You'd have to have a pretty sophis-ticated distribution system. I'll check on it tomorrow though."

"I really ought to go, George. Delores will be furious if she happens to get home first. I'll let you know if I hear anything."

"Well, thanks anyway, Morey."

After Morey left, he reset the de-fense screen and went to bed.

"Good morning, Mr. Graylin," called Mary cheerfully.

"Morning, Mary."

George crawled behind his desk and clutched the Coke she always had waiting. He hadn't slept well.

"Mary, can you get the currency transfer records for the major Commbloc countries?"

He sat in his normal morning stupor until they arrived. The records said no country had the in-ternational balance to get away with it undetected.

The morning memo run had an Important Memo from The Desk of James Boulin Chartwell, III, to the effect that James Boulin Chartwell, III, suggested that George Jordan Graylin, Junior, stop riding a donkey and get on with discov-ering Who was Betraying The Great American Economy before All Was Lost.

Feeling that all was lost anyway, George took the Reservation shuttle over to the newest new con-gressional addition and briefed Congressman Dither's new staff economist on the role of recovery and reclamation in the variable budget system. He came back to the office to find another Important Memo on his desk. It said, translated: Have you Saved The Great American Economy?

He threw it in the pulper.

"Mr. Graylin, you have a lun-cheon engagement with the Bank Tellers of Greater Washington at twelve o'clock at the Burr Room." Tricia smiled a very superior smile as he scurried out the door.

Percival P. Pentamount, Execu-tive Vice-President of the Greater American Bank, was the featured speaker. The topic was "The Role of the American Banking System in the Great American Economy." Since the Government regulated the economy, and the banks' role was zilch, George went to sleep. He woke up to the relieved ap-prise of the Bank Tellers of Greater Washington.

The meeting broke up as the tellers scurried back to their tells. Percival P. Pentamount was ap-proaching. George eyed an emergency exit, then shrugged.

"Did you like the talk?"

Percival P. Pentamount was round, white-haired, pleasant looking, blue-eyed, and was well aware of all four attributes.

George suppressed a yawn. "It was quite a pep talk."

"Must keep the troops happy. I enjoy making them all feel wanted." Percival rubbed his hands together eagerly. He continued, "All in a day's work, you know. Banking is the Heart of the Economy." Percival then beamed at George.

George managed a smile.

"Well, I must be hastening back to The Bank. A pleasure meeting you, sir."

Percival P. Pentamount waddled quickly off.

George sighed, gulped down the rest of his Coke, and lurched to his feet. He only knocked over one glass in his retreat.

Getting back to the office was easy. He grabbed the first cab that slowed, after shattering the

ear-drums of a teen tough who tried to cycle him down. He recharged the ultra-beamer as soon as he got through the Reservation gate.

Collapsed at his desk, he found another memo. This Important Memo decreed: "Get to the Heart of The Problem. The President and I are Counting On You, George."

He tossed it into the pulper. Then he burped.

"Bad day, George?"

Norman Dentine had a flashing smile and a slightly patronizing manner. His only asset, to George's way of thinking, was that he was seldom in the office.

"No. Terrible day."

Norman flashed his smile again.

"Sorry to hear that. I'd give you a hand, but I'm due to brief Sena-tor Titegold in an hour."

"No problem, Norm. No Prob-lem."

George sighed. There ought to be some way to get to the Heart of The Problem. He straightened up, abruptly.

"Mary, I need some statistical re-search done."

"But, Mr. Graylin, I'm way be-hind."

"Don't worry about that. The President is Counting On Us, as the Very Honorable James Boulin Chartwell, III, would say."

Three days later, George emerged from his stack of print-outs with very little printable to say. It was Monday, and it was still gray.

He picked up the telephone. "Morey, you've got to help me. I think I'm on to something, but it's driving me nuts."

Morey arrived promptly at eight. George reset the defense screen by the apartment door.

"Delores says I can give you an hour and no more, George, so get on with it."

George poured Morey a Scotch, lifted an ice bucket and a carton of Cokes, and lumbered into the study. He slumped into the chair behind the desk.

"All right, Morey. Here's where I am. First, this bootleg money has to get into the economy from some legitimate source. It can't come through a sector which deals with physical goods because I'd be able to catch that through the IRS Data Link by comparing costs, input-out-put, and profit figures. Any goods producer would have to hide it through abnormally high profits. Same in the service sectors. No one in any of those sectors is showing higher profits. Then I hit on the fi-nancial service boys—the brokerage houses, the mutual funds, the insurance companies, and the banks. I thought that if anyone showed a higher net, I'd be set. But the fluc-tuations from institution to in-stitution killed that idea."

George paused and gulped the rest of the Coke. He opened an-other.

"George, what about the possi-bility of higher costs disguising higher profits?"

Morey was still on his first Scotch.

"That doesn't show up either. I ran a cost analysis of everyone big enough to have that kind of effect. According to Census and IRS data, no one big enough to affect the economy has costs, appreciably higher than competitors."

George dropped into the chair again and kicked off his shoes.

"Hell, Morey, I'm going nuts. I even checked the Treasury Depart-ment and the Fed about the total money supply. The Treasury said no, they were not fiddling with the money supply and ran me a set of tests to prove it. The Federal Re-serve boys nearly blew their pro-gramming computer when they saw the figures I brought them. They agreed and didn't like it one bit. If I don't get an answer immediately, they'll have those figures all over Greater Washington in a day or so."

"You mean, the money supply is definitely larger? Are reserves a problem?"

Morey was interested, abstractly.

"That brings us to the point, Morey. I do have one idea, but I don't know if it's technically pos-sible. And I can't ask anyone if it is. The question itself would panic too many people. So . . ."

"Well, what is it, George? I can do your dirty work for you again, I suppose."

George told him.

"I don't know, George. I'll let you know."

George reset the apartment de-fense screen when Morey left.

"George, you have rendered the Government a Great Service. You have stopped a Despicable Plan to Undermine The Great American Economy. I am Proud of You. The President is Proud of You."

James Boulin Chartwell, III, no longer the Junior Economic Adviser, sipped his glass of One Hun-dred Percent Pure mineral water.

"I think We just might be able to Find a Place for You, George." George smiled. It was going to be a long summer.

The formalities accomplished, Mary waited for George. She cornered him with a Coke.

"Why banks, George?"

"As Percival P. Pentamount would say, Banking is The Heart of The Economy. What better place to pump in a little umph?"

George sipped the Coke thought-fully.

"Once I saw how it could be done, and Morey confirmed it, the hardest problem was to find out who was doing it. The idea wouldn't have been possible years ago with all the paperwork involved then. Now it's simple. All a crooked banker has to do is a little computer manipulation. When funds are transferred, the bank computers link. The sender bank computer subtracts funds from itself and the accounts involved. The receiver bank computer adds funds to both. Old Percy had a per-centage of the funds retained when his bank sent them to another. But only on certain accounts. This created a bit of extra money."

"George, that doesn't make sense."

"But it does. Look at it this way. Say that Percival has a hundred dollars in his own account. He transfers fifty dollars from this account to another account in his own name in another bank. The computer in Percy's bank obedi-ently sends the fifty dollars to the second bank. The next step was Percival's Stroke of Genius. He programmed his own bank's com-puter to 'forget' to deduct that fifty dollars from his original account. Since the computer conveniently `forgets' that Percy even sent the funds, Percy is left with his original hundred dollars still intact, plus fifty more in his second account in the other bank."

George took a quick swallow of the Coke.

"Now you have to realize that this actually happened only to a few out of all the bank's fund transfers. Percy was smart enough to realize that the gimmicked trans-actions could just be a small percentage of the total number of transactions that the computer han-dled."

"But how did they balance the books?" Mary was a great believer in balance.

"That was the beauty of it. Since Percy programmed the computer to `forget' the gimmicked deals, the magnetic transfer slips covering those deals were never printed out. That meant that the printed records of the bank agreed with the com-puter records. According to both the printed and the computer records, the money never left Per-cival's bank."

"Now, wait a second, George. You mean that Percival just sneaked down into the computer room one night and told the machine to do all this?" Mary shared a certain awe of computers with the rest of the world.

"No, he had an accomplice, the head programmer. There were ac-tually three separate accounts that had this special programming. The gimmicked transfers were from Percy's personal account, the pro-grammer's personal account, and one of the bank's investment ac-counts."

George took a deep breath, tilted the plastic cup back to catch an elusive ice cube, and crunched the ice into satisfying fragments. "You see, Percy had created a separate portfolio for investments which only he managed. No one would notice the discrepancies but a portfolio manager, and Percy was the manager. By doing this he hoped to increase the bank's assets gradually, but dramatically, and thus boost his banking career."

Mary was beginning to look dazed.

"Now Percival was pretty smart. He had accounts in several other banks, and by shuffling funds be-tween his own accounts he man-aged to create quite an increase in his personal fortune. Because bank-ing is so anonymous today, he got away with it.

"If he'd really been an idealist, I never could have caught him. The business with the investment ac-count was set up beautifully. A cer-tain percentage of fund transfers failed to be deducted. Period. Yet, according to the books of other banks, everyone got the money. Ba-sically, Percival had the philos-opher's stone."

George swigged his Coke con-tentedly.

"But how did you find him out, considering the number of banks and bankers?"

"I just hooked into the IRS Data Link with a requirement to see the dossiers on any bankers whose as-sets had recently shown a marked increase. Percival knew that he had to pay taxes, since his additional savings would automatically be re-ported by the member bank com-puters. He knew that the IRS com-puter is pretty dumb. All it cares about is whether your taxes agree with your income. Unless you get an executive order, you can't pull a search like I did. He would have been safe, except . . ."

"Except what, George?"

"That the bureaucracy is so set-tled that the tiniest bit of inflation is more important than the biggest bank swindle in history."

George thought of James Boulin Chartwell, III, and his One Hun-dred Percent Pure mineral water and The Great American Economy. "What will happen to Percy?"

"I doubt if anything serious will. They may even have trouble get-ting the money he made by the system back. Legally, it doesn't qualify as counterfeiting, as no ac-tual currency was involved. The bank laws refer to falsifying written books, and he never really laid a hand on anything, except a com-puter program, and currently, there's no law against, that. It wasn't tax evasion. He didn't steal or embezzle anyone's funds, be-cause the funds he got didn't exist before he created them. It wasn't fraud since no one else can prove that they were defrauded of any-thing. All he really did was create excess credit. Most people want credit for doing as little as possible. He went a step further. He got credit for nothing."