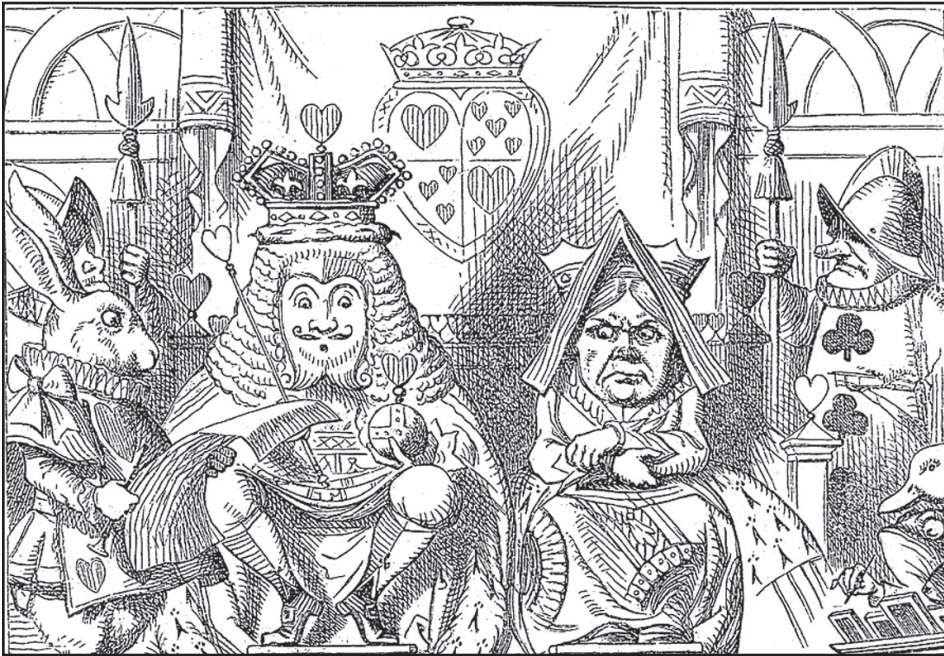


ESSAY

When Good Advice Yields Very Bad Results

by Henry Nicolle



I have been either in trouble or a trouble-maker all of my life. One would never see any evidence of that history by looking at my private or government records. The peculiar aspect of that became a sort of minor epiphany recently. The reason I have such a clean record is that I have always been a nuisance “by the rules”. When I am in trouble or am causing trouble, my conduct has been judged by the existing social and legal rules for my conduct. But playing by the conventional rules is not truly productive.

In fact, but for the fact that I play by the rules, I would have succeeded better as gauged by the badges of personal “success”. The common rules are designed for failure, because they are constructed of conventional wisdom and political correctness . . . both of which are demonstrably irrational constructs intended to save face and disguise errors of basic logic. They serve the purposes of our institutions and flex with the ambitions of our rulers. The rules under which we are governed and by which our society is regulated are meant to be broken. Really! No kidding! The common rules benefit the rule makers, not the general population.

This is not to claim that crime pays, although it does pay exceedingly well, presuming one is not a complete idiot. Crime is in the eye of the enforcers. Getting hired to serve in a government post or succeeding to appointment or election, your crimes are defined and excused by various statutes, policies and willing co-workers who will cover your ass to protect their own mooning of the Citizenry. (Cops, judges, prosecutors. . . the limelight is yours today. A greater collection of liars, thugs and thieves you will not find outside the Legislatures and the Congress of America.)

Official advice of institutions and professionals sounds reasonable, but experience births failure when the advice is diligently followed.

Suppose you have a great “business” idea. Your advisers will likely be sourced from the ranks of professionals and government, bankers, lawyers, accountants, tax advisers, etc. We have been conditioned to seek advice on wealth accumulation from the Masters of the Thieves Guild and Prevaricators Protection Society. Rarely do we seek the advice of successful business entrepreneurs.

When we seek business advice, it is most often from people who run or advise already established businesses or are government regulators of taxable businesses. Their experience is advising managers, not entrepreneurs. Our advisers overload our fledgling craft and unless we get smart real fast, we will swamp and sink from their accumulated dead weight and their useless baggage.

The simplest example of suicide by professional advice is asking where to find the capital you need. Conventional advice is to start from your own resources, then to borrow from family, friends and associates who trust you. Next, they say, check with your bank, possibly with some kind of government participation in securing a loan or two. The problem with conventional advice is that they are politically and socially corrupted as advisers and counselors. If you are smart, you will start and achieve viability or not with your own money, knowing and respecting its value from your own life’s effort.

Most start ups fail. Why? Primarily because of poor, in depth planning and secondarily because most entrepreneurs play the conventional wisdom game, placing their enterprise in the teeth of government and professional carnivores. Investors and credit institutions may be appropriate and useful, but only after your enterprise is independently viable.



If you go to the government for assistance and advice, their stage manager brings in the commercial banking and finance industries and there you are again. Lunch. The government and professionals make their fortune from your labor.

If you seek business advice of experts, professionals or government, remember that they all have a stake in the game and it is not to your benefit.

Your family and friends will like you more if you don’t burn their savings and put their homes hostage to your creditors and taxman.

Do your homework, do it twice, three times to be certain. Don’t spend a nickel until you have customers. Less is more. When your production floorspace and revenues coincide to require expansion, increment, and as your positions secure, consolidate. Never borrow a nickel unless you already have booked two nickels net profit that can be collected before the loan comes due. When you have a proven asset in an employee, consider treating that employee as a potential partner. You never know. Don’t offer false promises to a temporary employee. That isn’t fair.

Your well-being today as our society and economic system unwind depends upon making your own place in the marketplace. Be prepared.