

Americans Have Still Not Snapped

Fantasy Free Economics, James Quillian

Posted on [August 8, 2019](#) by [Fantasy Free Economics](#)



These are facts:

Economic policy is theft. Yes, economic policy is theft, It has never been anything else and never will be. So, why do folks treat it as necessary? That is at least a partial mystery. I have explanations but that is for another time and place.

Why is economic policy theft? It has no potential to be anything else. Government makes political decisions, not economic decisions. Political decisions distribute income and wealth to whoever and whatever has

massive political power. Economic policy always moves anything of material value from the bottom of the food chain to the top. No matter how virtuous leaders are assumed to be, they are no more virtuous than anyone else. Given that they are guided by self interest, just like the rest of humanity, and that power corrupts, leaders are by the laws of nature always more corrupt than the people they serve. Economic policy, ostensibly benefits the country at large. Economic policy, especially stimulus, always impoverishes all except those who lobby for it and use government to enrich themselves.

The stock market only goes up due to organized support. Analyst after analyst, on a daily basis cites countless reasons why stocks are overpriced and that a vicious bear market is in the offing. Corrections always fall short of what is typical of any market. Stocks rally on the worst possible news and that is no accident. That doesn't mean there will never be another bear market. It means that any bear market will occur due to a failure of organized support and not because mom and pop start liquidating.

Organized Crime has taken over the United States economy. 100% of bills which get passed contain layer after layer of skimming operations. I am not counting things like resolutions which have no chance of changing economic outcomes. I have been looking for a bill that is an exception. I haven't found one. It is the controlling crime syndicate which owns the media and homogenizes public opinion in ways that cause people to support their agendas.

The justifying theory goes something like this. Back in the twentieth century, the mob in New York, forced all of the bakeries to raise the price of baked bread. Since all of the bakeries then charged more than the natural market price, all but a few were were happy with the arrangement. Bakers and mobsters split the difference. Basically the same thing has been done with the financial markets. Prices of stocks have been artificially elevated to the glee of almost everyone who owns some. People who don't own stocks are encouraged to believe an ever rising stock market is an indication of good things

going on in the country. Never mind the fact that they may not be doing so hot themselves. They accept the conventional wisdom that all is well and that their poverty is their own fault. A typical response is to waste money getting another college or do something else that won't be helpful.

Rising asset prices can positively influence GDP for a while especially now that so many wild cards have been added to the factors that determine its level. GDP grows and so does the disparity between rich and poor. Artificially creating an ever rising stock market is justified by the belief that through human engineering, it can be made to rise forever without even minor corrections. Please, understand that if asset prices could be caused to rise forever without any rhyme or reason, prosperity would actually increase right along with it. The problem is that, that can't happen, regardless of all the lofty reasons proponents of the system might proclaim. That system of economic growth will fail for the same reasons a chain letter fails to accomplish its goals. Human nature does not allow these things to work. Briefly, what happens is that corporations stop innovating and do what serves their interests most immediately. They start assisting in the process of artificially elevating asset prices. The whole economy eventually falters and it all comes crashing down. The stock market will go down but only when organized support can no longer elevate prices independently of genuine economics.

I am frequently accused of not having facts when I write these things. The truth is that I have facts others are not willing to look at. Usually those facts come down to knowing incentives and assuming folks are acting on those incentives. Knowing an incentive is knowing a fact. Ignoring incentives is ignoring facts. Economists as a rule completely disregard incentives. I don't.

Take a piece of white bread and spray a little water on it. Leave it out for a period of time without looking at it. Are you going to find mold on it or not? Leave it out in your yard. Would you be surprised if an animal ate it over night? Would birds fly down and peck it apart?

Are there human beings in the world who would manage the stock market for their own benefit and take over government so that they could extract money and wealth out of the overall population? For those with enough power and money to do these things, what would stop them? There is the incentive but no counter measure to stop this kind of thing from happening. Yes, an incentive is a fact. Those who ignore incentives are the ones who are operating without facts.