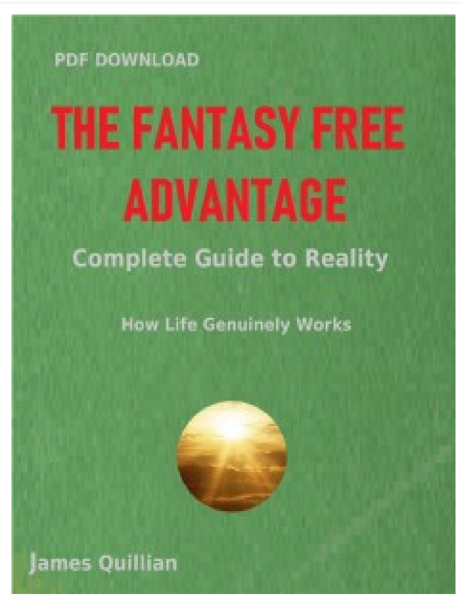
Theft by Stimulus

Posted on October 8, 2024 by jamesq



I used to joke about visiting prisons to teach thieves legal ways to steal money. That way they wouldn't get locked up again and taxpayers would not have to support them behind bars.

Economic stimulus is a euphemistic term for theft. To know this, it is not necessary to go through volumes and volumes of economic dogma. Any theory or approach that is used by government to stimulate the economy can be debunked in a few sentences without even knowing the specifics of the dogma being used. The current round of theft began after Reagan took office in 1980. The United States has experienced at least thirty seven consecutive years one kind of stimulus or another.

John Maynard Keynes assumed a completely objective person would make decisions with respect to implementing a plan. Keynes called this person a straw man. There is no such thing. Governments do not and cannot make economic decisions. Governments make political decisions. Whatever person or persons who make decisions on stimulus are acting politically. What is called stimulus, always will, for that reason transfer wealth and income to politically powerful people who lobby for the program. Theft is the true incentive behind stimulus. Stimulus is never successful in improving the economy. It is successful in stealing money from the poor and middle class and channeling it upward.

Also, notice that the plan for economic intervention also undoes one or more of the pillars free market economics is based on. One of the requirements for any currency is that it be scarce. Scarce simply means not enough for everyone to have all they want. Any thing that is scarce commands a price. When the Federal Reserve increases the money supply and pushes interest rates down below the rate of inflation, they are removing the necessary scarcity quality of the currency.

The right amount of money in an economy cannot be determined by government. Although the concept is abstract and an exact amount of money cannot be accurately calculated, it amounts to all money earned plus what can reasonably be expected to be repaid. When government creates money, the supply is split into two classes. The public and regular investors only have access to the money they earned. Extra money created by government has no limit and is distributed politically according to political power. The artificially created money is used to extract wealth from holders of money that has come into existence by virtue of work performed. Some advocate that money be backed by gold. That is fine but to be sound, money must be backed by work. A situation is created where government money is used to manipulate the behavior and decisions of people who only have access to what they have earned and what they can borrow based on future earnings.

If an economist is paid enough, he will produce a plan to stimulate the economy. Stimulus will be given as the as the ostensible goal. The true goal is always theft. Stimulus is always successful in stealing money. Government provides legal ways to steal money. The techniques are not available to thieves in the private sectors. Aspiring thieves should learn to work through government. The payoffs are bigger and there is no risk of going to prison