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Subject: Modern Monetary Theory

Posted by [Rusty](#) on Mon, 03 Sep 2018 19:25:13 GMT

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Figured this a dungeon topic with it's political implications.

I've been drawn to this economic theory for a few years now as my occupation was affected by the economic downturn of 07-08. Like so many. What interested me was this notion that we hear of the national debt as being something that is ominous and foreboding which will affect generations to come. The standard line in political discourse. Modern monetary theory or, MMT regards this notion as a cop out for austerity. As one prominent MMT economist Bill Mitchell describes the intention of this unorthodox aspect of economics, is the notion that MMT can be liken to a "lens", focusing on what is really just how the function of a sovereign issuer of fiat currency operates within a financial system. And what it shows in it's realization of our currency and it's usage is a disconnect with fiscal policy and the reality of how this system works. It's interesting to note that Japan is actually writing down about half of it's national debt which is about double of it GDP.

The mystery of the national debt:

<http://neweconomicperspectives.org/2018/08/the-explicable-mystery-of-the-national-debt.html#more-11306>

MMT simplified: <https://modernmoney.wordpress.com/>

When I hear a politician, (on either side) bloviating about the debt and future generations, anymore I just raise an appropriate finger and utter go blow.

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