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Subject: Re: Modern Monetary Theory

Posted by [Rusty](#) on Mon, 15 Feb 2021 16:21:26 GMT

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A case for modern day Jubilee. The ancients wisely used debt write down to preserve stability in their society. The accumulation of interest on debt outstripped the public's ability to thrive even then. They used the Jubilee when drought, flood or any chronic downturn of ancient economy threatened the public's allegiance to the throne. As apposed to the financial class of lenders. One aspect of our modern deficit spending is Quantitative Easing. Where the Federal Reserve buys up debt bonds, stocks and mortgage backed securities to help stabilize, "the markets". A lot of it being junk bonds and stocks that are underperforming. Currently the amount stands at 7.24 trillion. <https://www.statista.com/topics/6441/quantitative-easing-in-the-us/>

Strikingly this expenditure of the government always seems to fly below the radar of policy makers that are quibbling over aid to citizens stuck between the proverbial rock and a hard place. The Fed propping up financial institutions with mountains of money is ignored, but the working populous whom make up the "real" economy are scrutinized with a tendency of whether or not the government can afford to support their economic hardship with money that will have to be somehow reimbursed to some entity.

The quantitative easing from the last economic downturn of 2008 was never paid back by the financial sectors that caused the fiasco to begin with. This is the disconnect lawmakers have and even economists trained in orthodox economics.

Australian economist Bill, (Billy) Mitchell is one of the main authors of the MMT textbook. This article concerns the need and ability to write down the debt. Like the ancients did, like the allies did with Germany after WWII leading to their economic miracle as was called. And what can and should be done with the world's economies to deal with the current COVID depression we're going through now. The damage is done, don't make it worse going full press austerity. Let the computer keyboard do its duty and eliminate just a number. Not our better lives.

<http://bilbo.economicoutlook.net/blog/?p=46891>

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