Subject: Re: Modern Monetary Theory
Posted by Rusty on Sun, 28 Feb 2021 16:12:51 GMT
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The 1.9 Trillion covid relief passed the House recently. On to the Senate it goes, along with the usual doom that accompanies any spending by the government. Unless it's military spending. As a matter of due course, figures show the USA spends more than the spending of the top 8,9 or 10 countries on this planet combined. This begs looking again at what MMT economist Eric Tymoigne writes about the subject of our National Debt. It never has, nor ever will be needed to be paid back. It's a number on a spreadsheet for the cumulative amount of debt spent by the federal government since this country has existed.

The debt is not like a commercial bank debt. Ask yourself what is the federal government for? What and who does it serve? The MMT principals are merely the understanding of what and how the workings of our federal government and monetary system actually work. Irrespective of economic models that are "popular" during a historical period. It's there regardless.

As he says. In other words, fiscal deficits are a normal state of affairs for the US government. They have been so for decades. This is the norm in the United States and throughout the world. Get over it.

Eric Tymoigne
http://neweconomicperspectives.org/2019/02/what-you-need-to-know-about-the-22-trillion-national-debt-the-alternative-short-interview.html#more-11409