Subject: Re: Modern Monetary Theory
Posted by Rusty on Fri, 27 Jan 2023 16:20:30 GMT
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Interesting to read about Japan's inflation rate. Their central bank hasn't done the destructive habit of raising their interest rate to control inflation. They've left it alone. Their inflation rate is now at 4% and expected to drop to 2% in time. The US is at 6.5 now and aiming to drop to 3.2% hopefully. What it shows with monetary policy is that it is unnecessary to put people out of work and make the public have to spend more for goods and services to get inflation under control.

There is a false notion also with western ideology that the bond market can be driven up with speculation which is totally false to reality. Any sovereign government can do this.

Bill Mitchell, lead author of Modern Monetary Theory can see through the Investment cabals propaganda that warps reality.:

Bank of Japan stuns financial markets again!

There was disbelief last week among financial markets over the Bank of Japan's decision to leave their policy settings unchanged.

One Twitter hero who keep pronouncing Modern Monetary Theory (MMT) dead (he seems obsessed with our work) also wrote recently that the major play in financial markets now is pressuring the Bank of Japan to change policy and come into line with the rest of the world.

He seems to think that it is the financial market greed merchants who rule the show and can force the policy makers in Japan to cower in fear and adjust policy so that the speculators walk away with billions in profits irrespective of the policy impacts on the people of Japan.

He is continually wrong about everything including the power of the financial markets.

There is now widespread financial market speculation aiming to profit from a change in the Bank's policy, which the 'clever' financial markets think is inevitable because, after all, mainstream economics says that when inflation is rising interest rates have to rise.

Fools' logic.