

US Politics: Making Promises That Cannot Be Kept

By [John Kozy](#)

Global Research, August 22, 2016

Region: [USA](#)

Theme: [Global Economy](#)

We must not promise what we ought not, lest we be called on to perform what we cannot.
~Abraham Lincoln

When I worked on Capitol Hill for a U.S. Senator, the Congress enacted a pay raise for federal employees that was to take effect in January of the following year. Astute observers noticed that in November, vendors of all kinds throughout the area around the District of Columbia began raising the prices of most of what they sold. By the time the pay raise went into effect in January, a large portion of the raise the federal workers received went directly to vendors for purchases of exactly what was being purchased all along but now at higher prices. The workers received the raise but the vendors got the money.

What happened taught me things about American economic practices that most people don't seem to recognize. Vendors have a legal, built in, mechanism for commandeering any increases in income wage earners receive without giving back anything whatsoever in return. Vendors can take the money any time they want to. Merchants can keep consumers impoverished just by raising prices regularly. Rather than an economy that promotes prosperity, America has one that prolongs poverty.

In an unregulated market, a so called "free" market, prices cannot be controlled. Controlling them would destroy the market's "freedom." So in any free market, vendors have an unlimited means of taking any increase in income wage earners receive from them. All vendors have to do is raise prices. The freedom vendors have of setting the prices of what they sell is what ultimately controls the wealth of wage earning consumers. This freedom of vendors is nothing but legalized theft.

Economists sanitize, launder, the practice by giving it a neutral name. The practice is called inflation and is universally approved of by free market economists. Central bankers even set "targets" for it. The Fed's current target for inflation is two percent. What this means is that if the target is reached, any pay raise a wage earner gets that is less than or equal to the target goes to vendors even though it nominally is given to wage earners. Wage earners have their pockets picked by inflation. If inflation exceeds the target, the theft is even greater.

No free market group of business practices can ever work for the benefit of all people. People are told, for example, that thrift is good for consumers but bad for economic growth which is measured by increases in consumer spending. So what's good for consumers is bad for vendors. People are also told the opposite: What is good for vendors is bad for consumers because it means they spend more of their incomes on consumption and save less. It follows from both of these claims that the free market, the unregulated market, cannot work for both consumers and vendors at the same time. The practices that work for

vendors impoverish wage earners. A free market works well only for marketers. No battle in a free market's war on poverty has or will ever be won. Lyndon B. Johnson's War on Poverty was not lost; it was never fought because fighting it was impossible.

Yet on June 22, 2016, Hillary Clinton said,

"The measure of our success will be how much incomes rise for hardworking families. How many children are lifted out of poverty. How many Americans can find good jobs that support a middle class life—and not only that, jobs that provide a sense of dignity and pride. That's what it means to have an economy that works for everyone, not just those at the top. That's the mission. . . ."

But this mission is impossible to achieve. Any attempt to raise wages only raises the profits of vendors and allows governments to take credit for generating economic growth without showing that any real growth has taken place. Being forced to pay more for the same stuff is not equivalent to buying more of it. Gross Domestic Product is not thereby enhanced.

All of this should be known by Hillary Clinton, other astute politicians, and economists. But what Americans don't know about America is legion. Even those who pass as "highly educated" are found in this ignorant group. Many are highly successful; many are elected office holders. Hillary Clinton, for example, is a graduate of Wellesley College and Yale Law School. She has been both a U.S. Senator and Secretary of State. Yet she does not seem to even know how the economy works. But she knows how government works. She has promises to break, And years to go before she weeps.

The free market puts a drain in the pockets of every wage earner that is routed to the slimy, green sewer that empties into the pockets of the rich. So in free market economies, an underclass always exists that can never earn a gainful wage. The economy never works for the people in that class. They are constantly robbed by the free market.

Promises made to induce people to support immoral economic practices, especially free market capitalism, are slimy green lies. The more vicious the promise, the slimier the lie. Political campaigns in America consists of making such promises.

Instead of building a shining city on a hill, America's Founding Fathers created a slum in a slimy sewer of immorality and ignorance. What's worse, people the world over allow this government to guide their own actions. Nothing good can come of it!

***John Kozy** is a retired professor of philosophy and logic who writes on social, political, and economic issues. After serving in the U.S. Army during the Korean War, he spent 20 years as a university professor and another 20 years working as a writer. He has published a textbook in formal logic commercially, in academic journals and a small number of commercial magazines, and has written a number of guest editorials for newspapers. His on-line pieces can be found on <http://www.jkozy.com/> and he can be emailed from that site's homepage.*

The original source of this article is Global Research
Copyright © [John Kozy](#), Global Research, 2016

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: **[John Kozy](#)**

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca