

# The Austerity Hoax

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*Since 2008, Western nations have force-fed their people austerity poison. Decline replaces prosperity. Millions suffer. Living standards deteriorate. Societies become no longer fit to live in.*

*Neoliberal and imperial priorities let essential public needs go begging. How much more people will take before erupting remains to be seen.*

The longer fiscal pain continues, the closer an ultimate day of reckoning approaches. It'll arrive disruptively. Perhaps people will recognize that throwing out bums for new ones accomplishes nothing.

America is Exhibit A. Political Washington is corrupt, immoral, degenerate, and unprincipled. Instead of helping people, they destroy them. They benefit from imposing misery.

Allied with criminal bankers and other corporate predators, their policies made conditions for growing millions intolerable.

Imperial wars destroy nations. Austerity leaves "nothing to drive the economy," says Paul Craig Roberts. Washington's solution is increase it. Doing it is economically destructive. Only bankers, other corporate favorites, and war profiteers benefit.

[Michael Hudson](#) says austerity sacrifices the "production economy, the consumption economy, (and) the real economy...." Viable alternatives are ignored to benefit privileged elites at the expense of most others.

Hudson calls it "financial warfare against the entire society, not only against labor, but against industry and, most of all, against government."

Productive "industrial capitalism" became predatory "finance capitalism." It's not financing industry. It's furthering "economic parasitism and overhead."

Politicians in Washington support it. Obama exceeds the worst of Bush. Europe is corrupted the same way. London's Olympiad spectacle highlights it.

At a time of high unemployment and growing public needs, estimates of \$19 billion to double that amount went for the city's biggest ever extravaganza.

Combined with Britain's war budget and fealty to banking crooks, it reveals a society heading for terminal decline and taking innocent people with it.

The same holds for America and other European countries. Bankers rape them financially. Predatory finance is a new form of warfare. It's more destructive than standing armies.

It wrecks millions of lives. People end up without enough to live on. Venal politicians support policies this harmful. Why people elect them is disturbing.

Former bank regulator/financial fraud expert [Bill Black](#) addressed the issue. He headlined "The Right's Schadenfreude as their Austerity Polices Devastate Europe," saying:

His article followed reading Anne Applebaum's September 13, 2010 column. She celebrated Britain's embrace of austerity and Tory conservatives.

She headlined "[Less, Please,](#)" saying:

UK slash and burn "vicious cuts" are good. Austerity "made Britain great." It "won the war." It's their "finest hour."

On July 25, 2012, Applebaum's [Washington Post article](#) headlined "Europe must face up to ongoing euro crisis," saying:

"Finally, Europeans are being forced to face up to decades' worth of fundamentally dishonest politics."

"Since the 1970s, one government after the next has spent, borrowed and then inflated its way out of the subsequent debt."

"Then they recovered - only to spend, borrow and inflate once again."

She called euro straightjacket entrapment a gold standard equivalent. Losing monetary and fiscal control is good, she claims. So is abdicating national sovereignty.

Applebaum economics makes witch doctor medicine look miraculous. She grew up in wealth. She attended Yale and the London School of Economics. She's intelligent but doesn't show it.

She was admitted to Phi Beta Kappa and graduated from Yale summa cum laude. Perhaps its standards aren't as high as people think.

Let-eat-cake economics doesn't work. It sparks revolutions. They don't turn out much better. After America's, everything changed but stayed the same. Russians got Joseph Stalin.

The French got Jacobins. At first they were revolutionary moderate patriots. They morphed into "reign of terror" extremists. Dickens' Tale of Two Cities wrote about the best and worst of times. Liberte, egalite and fraternite were short-lived.

Sustained Applebaum economics may spark the worst of times without the best. Black destroyed her position. Austerity caused Britain's worst economic crisis in 50 years.

"Applebaum's 2010 column on (its) embrace of austerity deserves to live in infamy," he said. She "takes palpable glee (in) harming its working class" to let wealthy Brits grow richer.

In 2009, Britain was emerging from recession. Recovery was painful and slow. Ordinary people benefitted little. Many, in fact, not at all. Modest stimulus was grossly inadequate. Economic decline was assured.

Austerity represents bad economics and moral failure. Reality is turned on its head. Nations aren't "remotely like households when it comes to debt."

They "adopt 'automatic stabilizers' to make recessions far less severe and recoveries quicker." They work. They're counter-cyclical. Austerity makes bad conditions worse.

Applebaum equates it with "moral superiority." The greater the amount, the higher the level of morality. It explains her reveling in "savage cuts." She "delight(s) in gore."

She believes moral superiority depends on how much harm can be imposed on society's most disadvantaged. Notions this destructive reflect Frankenstein economics.

Pain is good, the more the better. Wealthy elites love it. All the more for them. British politics is like America's. Democrats don't differ from Republicans. Tories and New Labour replicate each other's policies. Let-em-eat cake is dogma.

Britannia's ship of state is sinking. So is the American dream. For most, it was largely an illusion. Now it's disappearing entirely.

"Applebaum also combines faux moral superiority with faux history." She uses it "to explain the moral virtues of austerity during a Great Recession."

What on earth did Yale and LSE teach her? Best to send your children elsewhere, affordability issues aside.

Claiming austerity has appeal for UK politicians and won the war is rubbish. Millions are left unemployed. They're forced to get by on their own sink or swim. "It is pure economic waste and a terrible social harm that devastates families," said Black.

Massive fiscal stimulus and deficits won the war. UK and US politicians claim their governments are broke. If foreign aggressors invaded their homelands, asked Black, would they surrender for lack of funds?

"Of course not, they would run however large a deficit was required." It doesn't destroy economies. It stimulates growth and produces full employment.

War economies ended the Great Depression. Comparable stimulus without war could reverse similar conditions today. They affect majorities in Europe and America. Productive policies lift all boats.

Cutting back when stimulus is needed is madness. It assures decline. For most people, it's the worst of all possible worlds. Middle class societies are destroyed. Neosefdom replaces them. Public anger follows. Revolutions are risked.

Nations enduring hard times "cannot simply 'decide' to end (their) budget deficit." Combining spending cuts with higher taxes on working households assures harder times.

Legitimate economists don't recommend it. Sustained policies this destructive assures protracted or permanent decline.

Britain, other EU countries, and America can borrow at near-zero interest rates. Every pound, euro and dollar raised and spent productively returns multiples more. Immorality is not doing it when it's most needed. It's also when privileged elites alone benefit at the expense of most others.

Claiming empty pockets is duplicitous. Applebaum's prime targets are Medicare, Medicaid and Social Security. Destroying bedrock social safety net protections is scandalous.

She's privileged and doesn't care. Other elitists feel the same way. Programs people can't do without are on the chopping block for elimination. The more ordinary people suffer, the greater elitists benefit.

Promoting social inequality defines immorality. It's also destructive economics.

Social programs improve millions of lives. They also lift all boats. Prosperity produces jobs. When people have money they spend it. Hard times forces belt-tightening.

Applebaum doesn't worry. She "reveal(ed) her real target - she wants to destroy (bedrock) social programs." She considers them "political bribes to induce the working class to vote for leftist politicians."

She loves euro straightjacket rules. She supports Troika diktat authority over independent monetary and fiscal control as well as national sovereignty.

Trilateralists and Bilderberger elites promote this agenda. They support global rule. They endorse classless societies with rulers and serfs. Maybe they'll make Applebaum a member.

Her schadenfreude "is unlimited." She "loves the euro zone disaster her austerity policies generated because she believes (it) will destroy the social programs she despises," benefit her financially, and "bring the extreme right to power."

She's wrong, says Black. Things won't turn out her way. Hopefully he's right. At best, expect much harder times before improving. Perhaps they will eventually. An entirely different political climate and empowered class is needed.

Obama embraces the worst of what Applebaum and Republicans endorse. Whether he's shooting himself in the foot remains to be seen. Polls suggest a close race. If things worsen by fall, he'll be blamed.

Riding high on rhetoric only works so long. Black thinks he'll "pay a great political price for trying to be all things to all voters on the issue of austerity" alone.

Opposing it should have been his "signature economic program." Winning by a landslide would be assured. Instead, administration policies are "incoherent" and counterproductive.

They're dishonest and immoral. They're also "bad economics (and) bad politics," says Black. In November, voters will have final say.

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*His new book is titled "How Wall Street Fleeces America: Privatized Banking, Government Collusion and Class War"*

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