

"Børk, Børk, Børk"

Written by Bruce Enberg

Tuesday, 22 April 2014 21:27 -

You know how the right has been constantly complaining about Obama's ballooning deficit? They have of course been wrong about that since the day Obama inherited Bush's \$1.5t annual deficit and immediately slashed it by getting rid of private crony contractors. There has been a steady decline in budget shortfall ever since, and the latest numbers have set new records. The deficit for the first half of this fiscal year starting last October 1st was \$413b, and this was a decline of \$187 billion compared to the same time last year. These numbers were provided by the Treasury Department, so the Right will claim the numbers are fixed. They can't prove that, because math is just voodoo as far as the Right is concerned.

Further more, the deficit for March was only \$37 billion, down from \$107 billion in March of last year. This particular number was the smallest deficit for the month of March since 2000, (when another Democrat was POTUS).

The deficit is expected to be slightly more than more than 4% of GDP this fiscal year, a drop from a high of almost 10% of the GDP in 2009 at the end of the Bush Adm. This trend shows the deficit falling faster than in any year since the end of World War II, dropping from \$1.1 trillion in 2012 to \$680 billion. Conservatives had predicted a runaway deficit by this time with interest alone exceeding all possible tax revenue, and of course had Obama been forced to follow Bush's policies this would have come to pass.

The latest numbers on the ACA or ObamaCare show that its being implemented at about the same rate as its close cousin RomneyCare was in Massachusetts where it's providing nearly 100% universal coverage. Total sign up for the ACA has greatly exceeded expectation, the number of young people signing up is in the proper proportion, and most people who signed up have actually paid their premiums. That would be the opposite result from three more predictions that he has right made. It turns out that Obama didn't sail the ship of state off the edge of the world after all.

We on the left like to point to the success of Socialism in Sweden. Unfortunately Sweden also has a quite high number of millionaires and billionaires, and they've been successful portraying themselves as the only experts on economics and banking. Despite Sweden coming through the Bush crash unscathed, the very rich have managed to impose a high level of austerity on the country. They've now proven the age old axiom, 'don't cut government spending in a slow economy'. Even the Pharaohs understood this, they put people to work building pyramids if there wasn't anything better to do. The Egyptian Empire spanned thousands of years, we're not likely to make it to 2076 if we don't learn Bronze Age economics soon.

Because the Swedes have embraced the slogans of rich people instead of learning from history, they now find themselves in a full blown deflation trap. They're looking at there own Great Depression, and at this point they are just plain screwed. If the Swedes don't catch on what's happening to them and embrace some serious Keynesian/FDR style economics they're going to find themselves in a Fascist dictatorship faster than the Muppets' Swedish chef can exclaim

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"Børk, Børk, Børk". We may soon get to see played out exactly where the US will be going if the Republicans manage to win the next election.

In our next episode we'll explore the wonders of powdered alcohol, and no, it's not a substitute for canned goods. Why DID the Treasury Dept. reverse its approval of alcohol powder and other fun facts from chemistry.

Twitter @BruceEnberg where you're welcome to consume vast quantities of the traditional liquid alcohol. We're truly conservative like that, which means we're liberal. That is, we conserve the good things in life like single malt whiskey.