

## Re: Lucas: Shame on the redistributionists

**Source:** <http://sci.tech-archive.net/Archive/sci.econ/2004-06/0668.html>

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The Trucker wrote:

> *Les Cargill wrote:*

>

>

>>*The Trucker wrote:*

>>

>>

>>>*Les Cargill wrote:*

>>>

>>

>><snip>

>>

>>>>*I don't \*care\* about the top %0.01 ; they*

>>>>*are not as significant as the other %99.9 . And the*

>>>>*information on mobility is out there.*

>>>

>>>

>>>*Statistics on wealth not spun by Republicans indicate a much*

>>>*taller and thiner top to*

>>>*the pyramid and a much broader base. And the truly rich stay that*

>>>*way for the most part. Every now and then you see a Gates come*

>>>*along but it is extremely rare. The middle class of the USA was*

>>>*once quite prosperous and now is not. They have "mobilitied"*

>>>*downward.*

>>>

>>>

>>

>>*Yet there is no, none, nada, zip empirical evidence to*

>>*support that hypothesis.*

>

>

> [http://Greatervoice.org/econ/glossary/economic\\_decline.php](http://Greatervoice.org/econ/glossary/economic_decline.php)

>

>

Lemme boil this for ya. "Houses cost too much". No kidding.

Know why? People \*spend\* that much on housing for lifestyle reasons, and are led by a real estate industry which still thinks "you'll grow into it".

It's nucking futs. But "we deserve it". Yeesh.

>>All I see is an overheating  
>>real estate market, a sure sign of increased purchasing  
>>power.  
>  
>  
> What you see is increased debt.

You got it. It's because people are not careful about it.

If you use the standards of my grandparents, people are \*FAR\* too profligate in spending. But I know of nobody who can successfully argue against an improved general standard of living in the U.S. since 1980.

> The people that the Pugs want to  
> refer to as "home owners" are actually just renters because they  
> refinance the house once a year to pay off the credit cards.

They're nuts. I can't muster any sympathy for people who do that.

> They  
> will never own the house. The rentier has simply found a way  
> to get the renters to pay maintenance and insurance and taxes  
> more directly.

I'd agree – and it points to the fact that it is behavior that causes some people to accumulate wealth and some not to.

> And as Mr. Green Jeans now raises the interest  
> rates, the rentier Pugs will be taking possession at greatly  
> reduced prices.  
>

Doubtfully. Prices only seem to go up, so far.

>  
>>We see employment finally jumping up, in the fastest  
>>recovery since 1980 ( and even it felt slow ).  
>  
>  
> We see bullshit data from the Bush bought and paid for  
> Bureau of Lying Sadistics (BLS). This data tells absolutely  
> nothing about real unemployment and nothing about the millions  
> of people that now have jobs paying considerable less than the

> *jobs they were forced out of by H1B visas and the like.*

>

I don't do Conspiracy Theories. This is not wag the dog; these are the statistics we have, by the standards we have them by.

>

>> *The booms of recent were financial crack pipe dreams, and*

>> *I was saying that in 1997. Getting washed out*

>> *on Enron is not the same thing as downward mobility.*

>

>

> *When the Gingrich Republican congress overrides a presidential veto*

> *of the legislation that allowed Arthur Anderson to be both consultant*

> *and auditor of Enron you get exactly what you see.*

Dang skippy. I had discussed this with a guy who is a Big Eighth alum at the time. But there's also the factor of 401k money, the dmeocratizaiton of control over those things and the general "rock and roll" feel of the financial press.

Having been thru the '80s, I knew better. But every generation gets to reinvent this, apparently :)

> *And Enron was*

> *just the one that got caught for going too far. The overstated*

> *earnings CAUSED a bubble and greenspan then engineered a crash to*

> *coincide with the election.*

Yeeeaugh. Wasn't engineered. Greenspan was paying out ( lowering ) rates dizzyingly.

The sheep stampeded out of the markets, and the old pros all got caught in the downdraft because they couldn't project 40% ROI.

BTW – guess what's driving the housing prices? Refugee stock equity from the downturn. Wait'll that turns around and the Boomers start retiring in easrnest.

> *It was a Carter Volcker Reagan replay.*

Hardly. Volcker was dealing with the 'Nam war debt.

> *We see GreenJeans talking about hiking rates now, knowing that the*

> *effect will be delayed. But he started ACTUALLY jacking the rates*

> *a full 12 – 18 months prior to the previous presidential election*

> *while Bush and Cheney sold the "false economy" scenario on the*

> *campaign trial.*

>

>

>>*\*Right now\*, you can get VC in a half a heartbeat – so long  
>>as you have your ducks in a row.  
>  
>  
> Is that anything like VD?  
>*

Trip trap...

>  
>>*You just have to spend  
>>considerable time in waterfowl alignment, and you won't keep as  
>>much of it as ten years ago. WHat you'll have to do  
>>will be technically shallower, but that's one of those  
>>things.  
>>  
>><snip>  
>>  
>>>>Yet examples of readily available "self cleaning toilets" abound.  
>>>  
>>>  
>>>But the super rich don't want them. They want to have a servant  
>>>do the job. Wealth is the power to forego or to command labor.  
>>>Power is a form of wealth that IS zero sum. It is the enforced  
>>>subservience of others that makes the Republican feel good, feel  
>>>safe, feel powerful.  
>>>  
>>  
>>People say this, and I see no evidence of it. Nobody ( and I  
>>do know a few relatively well-off people ) has servants.  
>>  
>>Again, some people might hire a cleaning service periodically  
>>to help if both parents have kids and work, but that is *\*not\**  
>>the same thing. Contracting with even a franchise cleaning  
>>service is not domestic servant labor.  
>>  
>>  
>>>>If the breakdown is that its cheaper to hire people to clean them,  
>>>>then the self cleaning toilet makes no sense. I do not buy that  
>>>>there are people actively desiring to have "slaves" out there. It's  
>>>>too far from existing cultural norms. But there are a  
>>>>lot of people who desire to create employment.  
>>>  
>>>  
>>>>You are simply WRONG. Today's Republicanism is a search for pure power.  
>>  
>>Nonsense. It's populism. You think a rent-seeking class could swing  
>>popular votes and would use footage of the president clearing  
>>brush on his land?  
>  
>*

- > *The "rent seeking class" will do whatever they believe necessary to*
- > *suck more rent out of the economy and subjugate the renters. If that*
- > *was to include airing pictures Howdy Doody having sex with a bullfrog*
- > *then that is what we would get on Faux news and in other campaign ads.*
- >
- >

Faux news is the ENGINE of this populism. People. Like. This. Stuff. And NASCAR is the biggest spectator sport. Don't you detect a pattern here?

It's DUMbness. It's the cult of Dumbness, of Know–Nothingism, and it's absolutely, totally grass roots.

- >>>*It is the search for an economy in which the leaders tell us all exactly*
- >>>*what our morals should be, who we are to have sex with and how, what*
- >>>*god(s) to worship and how, and to do this it is necessary to create*
- >>>*a ruling class economically.*
- >>>
- >>
- >>*Oh good grief. Wipe the dang foam off your mouth and*
- >>*\*think\* for a minute. Where is the evidence of an*
- >>*emerging Mandarin class?*
- >
- >
- > *George Bush wants a constitutional amendment to prevent gay marriage,*

Who gives a flying instance of fornicaiton? Being strongly one way or the other is utterly ridiculous. It's a goofy thing to even discuss. If you'd never seen it before, it'd be great on the cover of "Weekly World News". Or "The Onion". Which did a thing recently on it – "gay couple feels pressure to marry".

- > *wants to give money to the religious orders,*

That is simply not true. He wants to do what the church communities in distressed areas have done, and try to get leverage from existing political institutions to support these community institutions.

I think it's kinda naieve, but it seems to have \*some\* merit. And I'm radically in favor of Seperation. This is Different.

It's not that great a variant on existing not–for–profit stuff. It's also pragmatism of a very concrete type.

- > *wants to detain people*
- > *without council,*

That's clearly unconstitutional, and this is emerging doctrine.

> *is accountable for torture of prisoners,*

Maybe. Let's let the facts out with that little abomination.

I doubt even George Bush would state that he wanted that sort of torture used on any prisoners.

It does shine a clear light on some problems with the administration's approach.

> *and on, and*

> *on and on. Its the friggin crusades.*

It has aspects of that, but it's different. I don't know why people are offended by this. The nature of the conflict directs this towards that. This is, by the way, more than likely a design goal of the terrorists.

The administration should recognize this, and avoid this perception, but ... so it goes. \*Shrug\*.

> *But it puts the rich, a la*

> *Cheney and Co. above the law.*

Cheney isn't some kinda billionaire. He's just a simple millionaire. And he is not above any law, although anybody in any administration has certain priveleges about that sort of thing while in office.

> *It puts the Bush people above the*

> *law, and it will, before all is said and done, put Ken Lay above*

> *the law.*

We will see. Ken Lay has not, IMO, been given a very fair shake in the press, either. From the CSPAN coverage, it looks very much like he was out of the loop, at least on the real ugly stuff.

He shouldn't have been, but he was. The whole thing smells like Ponzi's story. But the press has to have a Good Guy, and a Bad Guy, and all the various contextual detail gets lost in translation. This company was "The Most Admired" and made a lot of top 100 lists in the trade press.

Enron was a bizarro company to begin with, and I feel for those who got hosed, but YOU HAD TO WATCH YOURSELF in those days – there was madness in the air. 40% ROI per annum? Suuure. Sign right here... but that was driven by the day trader mentality, \*not\* by some Evil Conspiracy. Hubris.

> *Those that have power now operate with impunity as they hide*  
> *behind whatever MORAL issues they can drum up. Of course the favorite*  
> *is FEAR of those Moslems.*  
>  
>

That just means that terrorism works. And it does.

>>*If there is a corporation which represents things now, it*  
>>*is WalMart. They are extraordinarily good at what they*  
>>*do. They are also very fiscally conservative.*  
>>  
>>*AND THEY DO WHAT THE CUSTOMERS WANT THEM TO DO!*  
>>  
>>  
>>><http://GreaterVoice.org/econ/glossary/aristocracy.php>

Now this is a peice of work. Real aristocrats really are the moral leadership. They won't survive otherwise.

What you describe is closer to plutocracy. Aristocrats are the soldier-statesman class, with possible brilliance in other areas subbing in for soldiering.

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>>--  
>>*Les Cargill*  
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Les Cargill