

Re: Debtor Nation, another view

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- *From:* royls@xxxxxxxx
 - *Date:* Wed, 12 Oct 2005 16:45:18 GMT
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On Wed, 12 Oct 2005 07:05:30 GMT, Mason A. Clark
<masoncERASETHIS@xxxxxxxxxxxxxx> wrote:

>On Tue, 11 Oct 2005 16:14:48 -0700, William F Hummel <wfhummel@xxxxxxxxxxxxxx>
>wrote:
>
>> Debtor Nation, Without Rhetoric
>> By Thomas Nugent
>> Feb 24, 2004
>>
>>In the world of economic analysis, fundamental truths are sometimes
>>lost to rhetoric.

And this article is a good example.

>For example, it is fact ? not theory ? that
>>government budget deficits add exactly that amount to the savings of
>>financial assets that the rest of us hold.
>
>Again, I didn't intend to post any comment, but for crying out loud *who*
>is "the rest of us"?

He means the rich.

>I know people who have *no* financial assets. What
>part of the "rest" are they?

They are the ones who will be compelled to pay the taxes that will be
paid to the rich, and to the banks and other financial institutions
the rich own, who together own the additional "private sector
financial assets" that government borrowing creates for them.

>Things like this I regard as either ignorance or rhetorical tricks and stop
>my reading.

Yes, it's deceitful to claim that government debt creates more private
sector financial assets, and try to obscure the fact that those assets
are nothing but a liability to future taxpayers. Of course, the whole
idea is that those who own the assets are not the ones who will be

paying the taxes that give those assets value.

— Roy L

• *Follow-Ups:*

- ◆ *Re: Debtor Nation, another view*
◇ *From:* William F Hummel

• *References:*

- ◆ *Debtor Nation, another view*
◇ *From:* William F Hummel
- ◆ *Re: Debtor Nation, another view*
◇ *From:* Mason A . Clark

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