

Fun Facts from Fitch: US Economy Stinks

8-04-2023

That credit rating firm has determined that the financial health of the country has worsened and thus cut the rating from AAA to AA+. This indicator of a weakening economy is so significant that the loyal media will hide the fact from the general public for fear of spreading the disease. Few even know that Fitch is the second of the three big agencies that has ejected the American economy from its prime rating. Standard and Poors did so in 2011 and it remains at AA+ to this day. It cited as a main reason the high debt to GDP ratio of 74% that year and predicted it would be 85% in 10 years. Actually 9 years later it was 122% but that was covid related. Now it's 112% projected to 118% next year. The median average for AAA rating is 39% and for AA 44%. The US was given a break not available to other nations but support for that is waning – with its diseased political and economic system, it is scaring off would be supporters.

What scares investors most is the failure of governance. Budgets can't be passed until the politicians that have key votes get what they want. Elections are mud slinging contests. And of course results are always contested. What is worse is that the authorities are not impartial. The occupation of Congress two years ago was thanks to the natural friendship between right wing police and right wing mob, add to this a touch of right wing Secret Service and FBI and you have the makings of a genuine coup. Not many investors want to buy into a society with a state that appears to be on a road to ruin.

Fitch did contradict itself in accepting the World Bank Governance Indicators -

U.S. has a high WBGI ranking at 79, reflecting its well-established rights for participation in the political process, strong institutional capacity, effective rule of law and a low level of corruption.

The above is incorrect on all counts. It's totally blind to the degree of American barbarism.

I think most people are well aware that American claims, along with their allies, that their interventions (often invasions) are only performed to prevent a nasty ruler from harming his people. They are such blatant lies they will not actively support such actions. But what they recognize as true or false depends on the historical magnitude of the incident. The war in Ukraine was the result of a Nato (mainly US) staged coup that overthrew the elected government and set up a puppet regime that abolished most opposition parties, officially declared Russians to be second class citizens, and went to war against them, killing 14,000 before the Russian intervention when all attempts to negotiate a settlement failed (in fact never seriously meant to be agreements – rather more time for Nato to get its forces in order). With hundreds of thousands of deaths and with your homeland showing signs being on the losing end of this disaster, most will at all costs avoid being on the side that is defeating ones own nation. They will just turn up the volume and tune themselves out.

DaVita and Fresenius

These two firms control about 80% of the kidney dialysis centers in this country. They are so profitable that their stock has surged 2,500% since 1996. It's why big investors love America. No major country will allow killing patients to maximize profits. When these companies acquire a firm they not only cut staff and load patients with drugs, they shorten and speed up the dialysis process so they can treat more patients per day and incidentally increase the death rate. The US has the lowest survival rate in the industrial world for dialysis patients at 22%. In Japan the death rate is 5 or 6 percent. Western Europe 9 to 12% per year. The slower and gentler process has patients feeling better and living longer which in incompatible capitals love of profit before everything else. The companies have paid out \$1.5 billion in legal settlements but its founder, Kent Thiry has been acquitted in a law suit. Morgan Lewis Bockius, the law firm that worked with WilmerHale to get the acquittal currently has its former partner, Kenneth Polite, in charge of the criminal division of the US Department of Justice. Being one sure makes Polite the perfect choice for a criminal department.

<https://unrealeconomy.org/>