

Yes, We Now Have a World Crisis

03-06-2020

...and our American president has rolled up his sleeves to fight it. On February 26th he urged his fellow super wealthy to, *please, please, buy on the dip*, and keep that fiction of a healthy economy being broadcast to the world. He told them to hold down the fort until he is re-elected when, according to the Financial Times, the markets will ...“jump thousands and thousands of points if I win,” ... “and if I don’t, you’re going to see a crash like you’ve never seen before I really mean it.”

We have a crisis at hand and we seem to have a simpleton in charge of managing a solution. But it’s always a mistake to assume that the person with the power is as stupid as he presents himself. In fact the ruling class of all political persuasion have presented the equity markets as evidence of a recovery because as the least complex part of the economy it doesn’t require the difficult task of reviving the real economy. Trump is the personification of a salesman. His sales pitch is a lie, but then so is everything else about this system.

American markets reached bear territory quicker than ever last week. This week was much better with the Fed’s large cut in the Fed Funds rate to 1.00 – 1.25 range and the sleazy Democrats going all out to make a corrupt shitbag like Biden the lead contender for the nomination. Three candidates dropped out throwing their support to this doddering flunky of the elite. One of those was Bloomberg, the former Democrat, turned Republican, and now back to Democrat just to buy himself a controlling interest in the Democratic National Committee. At all costs Sanders must not get the nomination. Sanders didn’t fight back 4 years ago and has already let be known he will do it again by, contrary to his own political interest, stating that Biden can beat Trump.

While the markets held their own the spreading disease is unrestrained. It may take as much as a year and a half before a vaccine that is safe for humans is available. If capitalism had a fraction of its interest in the endless pursuit of profit deferred to the improvement of the human condition, they would not have been so cheap as to stop research on the development of a Sars vaccine before it was completed because that epidemic ran its course. Sars and Covid-19 are

closely related, a few tweaks on an effective Sars vaccine probably would have made a Covid-19 vaccine available in a few months.

Covid-19 will have to run its course before cost in lives and economic damage is known. Hopefully the former will not be as large as the latter. But at least from the standpoint of the capitalists they have managed to divert the public mind from their responsibility for an impending climate catastrophe. Now they have humans more concerned about the fate of themselves rather than the world.

Economic Info

- The UK airline Flybe collapsed because of the sudden decline in air travel. It had just made some adjustments to deal with its financial problems when the virus came along to end their story. Many other weak airlines will soon follow and they will be joined by many other types of heavily indebted businesses.
- China is gradually moving toward following the disastrous Japanese solution to company debt problems; just pretend that they don't exist by having payment deferred. China's corporate debt to GDP ratio is 157%. Nothing has been learned from 2008. Capitalism is a runamok thing without a mind – nothing *can* be learned. The mountain of failing junk that caused the 2008 economic collapse is now 5 times greater and stands at \$3.4 trillion. At least the system endlessly repeats its inherent tendency towards collapse. That makes the understanding of it much easier. It's only implementing the solution that is difficult.

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