

# Townhall

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## Obvious

Definition: *easily discovered, seen, or understood*

The other day I posted a capricious piece that referenced an [alternate tax plan](#), basically a way of eliminating the invasive aspect of the IRS by modifying the regressive

aspects of the [Fair Tax](#), a well intentioned National Sales Tax that was proposed several years ago.

I mean - who doesn't want to get the IRS off their backs? I always thought that was the entire purpose of the damn Revolution, to get government off of our backs, which came to include the prohibition against Direct Capitation Taxes.

Put aside the birth of the Income Tax, the 16th Amendment - the weakening of state authority, the 17th Amendment - and the creation of a very Keynesian Federal Reserve - all happening in quick succession in 1913, around the time of the Presidency of Professor Wilson - I mean let's just skip over these little observations.

Anyway, a few people dug into the general idea of the piece and commented on getting rid of the wasteful spending we've been told doesn't mean anything. Well, it obviously did to some who read the piece.

One reader put down another reader's own proposed agenda for our government. I joined the conversation and added a link to the proposed tax plan.

Well, wouldn't ya' a' known it - the plan, designed to eliminate the [regressive](#) nature of unmodified sales taxes, was labeled as the most regressive of all taxes. This guy's preferred tax is the [Flat Tax](#), which in my NSHO is even more regressive than an unmodified sales tax. Like it or not, the entire idea of a [graduated](#) Income Tax, besides getting more money from the rich, is that those with less, pay less. One way to make it less regressive.

So, in the name of somebody's concept of fairness this "expert" was proposing that we all pay the at the same rate.

So, after trying to develop a dialogue, I was basically told I wasn't knowledgeable enough to understand economics - 'I wasn't trained in economics.'

Well, I called him an arrogant prig, who thought only he had all the answers, added a few more thoughts and left it at that.

But, it kept bothering me, not that I was called an uncredentialed know nothing, I've been called a lot worse. I was born in the Bronx. But - that we've been guided by 'experts' who know all the buzz words and can jargonize till they run out of breath, which rarely ever happens, as they are revived by some bureaucrat carrying water for them. You know guys like Harvard's Alan Summers, MIT's Jonathan Gruber - two guys you'd like to meet in a dark alley with a baseball bat and no witnesses.

I then reminded myself of Professor Modigliani who accurately stated in 1982 that the declining stock market, then at 2,000, was undervalued by 50%, that the book value of stocks hadn't risen along with inflation. Basically the core assets of a company measured in 1982 dollars, was worth more. Well, he was right. By 1987 the market had grown to more than 5,400.

The interesting point here is that the Professor wasn't the only one who knew this. Corporate raiders were buying up companies at a fraction of their value, by accumulating the undervalued stock, then selling off the companies' parts for several times the stock value - often times shipping the entirety of a company to China.

The bottom line is that what we are told and what is, ain't necessarily the same.

Take for example inflation, *please take it, I'm not a particularly great advocate of inflation*. Inflation is really deflation of the purchasing power of a currency; ergo it takes more "Dollars" to buy today the same thing you bought yesterday. But, we never refer to the deflated value of the Dollar, as that would give up the ghost, so to speak.

Another little game is [Trickle Down](#) economics, the [Supply Siders'](#) anthem for growth. Trickle Down economics is Fascist economics, - what is good for big business is good

for the country, and therefore good for the Germans. Trickle Down says that what is good for business (Read Big Business) is good for the country and therefore good for Americans. As [Bertram Gross](#) would say, it is all the same Fascism, a 'government alliance with big business'.

Anyone remember the housing crisis / meltdown? The obvious solution was to have the banks lower the mortgage rates, help the homeowners out. But, instead of developing a program in which the banks would have gotten their money, albeit over a longer period of time, with some federal underwriting, and mortgage to rental programs and then selling off the assets on the private market, leaving the homeowners in their homes - the government bailed out the banks who sold off perfectly good assets at fire sale prices, and collected a mortgage insurance check to deposit alongside their Federal bailout money.

So, why is the stock market so high - easy, "they" know the Dollar ain't worth what it was, and that it just takes more today to buy what was bought yesterday. Possibly something to do with Quantitative Easing - you know the Federal Reserve managed economy money pump (And, ultimately pump and dump) system.

So, next time you take your [wheelbarrow to the bakery](#), remember that it isn't the inflated cost of the bread, but the deflated value of your dollar. You can't get more out of a pie by cutting more and thinner slices - you have to increase the size of the pie.

Anyone for a truly larger economic pie? - You know, getting government and central banks and all their friends out of the kitchen.

Now that the Socialists are barricading the doors, the multi-lateral corporations are building fortresses on the hills, and Trump is about to execute a Statue of Liberty play on tax reform, we citizens need a national dialogue on tax policy and how best to fund the government.