

Stimulating The Wrong Things

Clearly I wasn't done ranting about the misguided stimulus plan.

If it weren't bad enough that the US Treasury and Congress are mucking around for new fangled ways to save banks...now relying on private investors to help bail out the banks...now I'm digging into the Senate and House versions of the stimulus package and what a disappointment.

Instead of providing relief to state governments who are really strapped now and people who have recently joined the unemployment lines, the plan focuses on rewarding house flippers to the tune of \$15,000 a piece. Oy vey!

Instead of promoting projects that cost money...yes, we need our government to increase spending right now to put people to work and get the money circulating...the plan relies way too much on additional tax cuts. I don't think anyone has an incentive to spend now...people are running scared and saving their pennies, spending only when absolutely necessary. So, tax cuts will likely have the opposite effect of what we need. Oy vey!

Want to read more?

Paul Krugman writes an excellent editorial on the woes of pandering to bi-partisanship instead of the tough love choices we must make to ease people's suffering and get our economy breathing again. Get the details by clicking the link below:

http://www.nytimes.com/2009/02/09/opinion/09krugman.html?_r=1