

 **LETTER TO THE EDITOR**  
**INEQUALITY**  
by  
**DESIGN!**

By Stephen L. Bakke  October 20, 2014



*Here's what provoked me:*

I got the following from my old friend Stefano: *Hey SB! I've been thinking about the policy of Bamy's Administration which has been persistently preventing interest rates from "seeking their own natural level." In that regard, I've just got a hunch that Bamy is actually encouraging inequality of wealth in order to look good for these elections. Think about what this does to the lethal level of our national debt! Can you read my mind? Get back to my on that, will you? - Stefano Bachovich - obscure curmudgeon and wise political pundit - a prolific purveyor of opinions on just about everything - SB's primary "go to guy."*

*Here's my response 😊:*

**Inequality by Design!**

There's another way to look at the issue of economic inequality and the Obama Administration's attitude toward it. This alternative perspective would argue that at least some factors that increase inequality are by design – or at least a known and accepted by-product of Obama's policies.

Consider the administration's insistence on holding interest rates artificially low. Ostensibly, this is simply to stimulate the economy. But a parallel by-product is to also create an "artificial" economic expansion – I call this "stock market inflation." With this "designer inflation" being encouraged, interest bearing investments yield less, and those funds are attracted into the stock market where prices go up. Because the very wealthy are the group most directly benefited by stock price increases, this actually widens the inequality gap!

If that's the case, and if they know it's happening, why do it? Why have a policy that increases inequality while at the same time you are preaching against it? What motivates doing this is that our otherwise lethal dosage of national debt is devalued over time, carries very low interest rates, and is paid back with cheap/devalued dollars. This makes Obama look good!

Is inequality totally unintended? I think not!

