

Bailout Will Destroy Gobal Economy: Ron Paul

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YouTube

Ron Paul is a Republican United States Congressman from Texas and a former 2008 U.S. presidential candidate.

See the below link which takes you to a YouTube clip of Ron Paul's recent speech to congress:

<http://au.youtube.com/watch?v=rB2ED8X60LQ&feature=related>

See also the below article written by Ron Paul:

Strengthening or Weakening the Economy? 19 January 2009

The economic situation continues to deteriorate this week as past and future bailouts were discussed on Capitol Hill. The debate was over the accountability of already disbursed TARP money, and on whether or not to release remaining funds. Banks that had already been bailed out before are looking for more money to fill the black holes that are their balance sheets, warning that they are simply too big to fail. However, whatever 'devastating' consequences these banks are dreaming up and pushing on Capitol Hill regarding their own collapse will be nothing compared to the collapse of our currency if we keep debasing it through these foolish bailouts. It should be that they are too big to bailout. The world will not come to an end without this or that bank. The most troubling thing to me is this rhetoric that only government can save the economy, and must act. This is so counter-productive.

We must ask ourselves what strengthens this country, and what weakens it.

Government is a monumental drag on this economy. Government at all levels currently absorbs about 35-40 percent of GDP, which is still not enough for its voracious appetite. While productivity is already overtaxed, the government routinely spends more than it takes in and makes up for the shortfall by constantly borrowing or debasing our dollars through inflation. It pains me to think of all the opportunities for productive economic growth we have given up simply because our government is super-sized instead of Constitution-sized. There are just a few constitutionally sanctioned activities for government to engage in, but it is so overstretched with unconstitutional encroachments that what it is legitimately supposed to do, it does very badly. And yet we are to believe the solution to our problems is to make government bigger. On the contrary, government makes our problems bigger. The central bank's meddling with monetary policy led to overheated lending, and now massive defaults. The government used manipulative tax policy to distort the housing market which has

had many unintended consequences, and here we are. Government is quick to enact and slow to correct bad policy. Yet in spite of government's failures, it flourishes and grows, thanks to the continual bailouts from the unwitting taxpayer.

Big government has been tried and has failed miserably. What we need now is small government, and freedom. We need the freedom to pull ourselves up by our own bootstraps again, as we traditionally do in this country. But try to start a business or charity today, and you will understand how little economic freedom we really have left. Freedom, not government, made this the land of opportunity. Freedom laid the foundation that catapulted us to becoming the strongest economic power in the world. The American people are strong and capable. We can pull ourselves out of this mess. All we need is for the nanny-state to get out of the way and allow us to do it. Freedom is our strength, government is our weakness. Only by recognizing this and unleashing our strengths will we solve the problems we face today.