

Where Art Thou, Keynes?

David Kurtz | July 28, 2011, 12:13PM

Some reader responses to the "[Age of Austerity](#)" post from this morning:

TPM Reader *ML*:

Your commentary about Keynes is shockingly unsympathetic for an ostensibly center-left blogsite.

Obama's failure to embrace Keynesian rhetoric is a profound mistake. For Christ's sake, a majority of the economics profession believes that now is not the time to take austerity measures. Very few believe that stimulative fiscal policy in a period of weak consumer demand lays the groundwork for future bubbles. Bubbles are a matter of monetary policy, not fiscal policy.

Without a Keynesian rationale for why the economy has stalled, Obama's reelection may be doomed.

TPM Reader *SR*:

I feel that the post by Thomas Lane on the death of Keynes is off the mark.

The death of Keynes is due almost solely to a quasi-religious movement of free-market fundamentalist that is bank-rolled by billionaires. It is not based on data. It is not based on the dominant views in the academia, most economists and others social scientists believe that austerity in a recession is foolish. It is literally textbook 101 economics.

By failing to acknowledge the influence of the obsessed billionaires in funding the Cato Institute and FreedomWorks etc., your story perpetuates the myth that these are honest policy debates about the deficit by two honest sides. Rather, this is something much closer to the victory of zealous religious movement with very powerful friends.

The reason they offer the same solution to every problem--tax cuts and deregulation--is that they have larger social goals that have nothing to do with empirical facts or what is needed to help America. It is about changing America to match their Ayn Rand gospel.

I know you know all this, so why didn't the story include this crucial reason for why austerity is being offered in the first place?

