

# It's Uncertainty, Stupid!

By [Jonathan Bean](#) on Aug 7, 2010 in [Budget and Tax Policy](#), [Business](#), [Economics](#), [Great Depression](#), [Money and Banking](#), [Presidential Power](#), [Property Rights](#)



Apparently, the “Brains Trust” really is stupid if it doesn’t understand “[Government and the Uncertainty Trap](#),” year after recessionary year.

For years, economist and historian Robert Higgs emphasized (and measured) “[regime uncertainty](#)” as a cause of the Great Duration — i.e., why the Great Depression “lasted so long.”

Higgs’ “[delicious expression](#)” is starting to enter the mainstream:

[“If Stocks Are in Turmoil, Blame the Feds: Investors Fear “Regime Uncertainty.”](#) by Declan McCullagh (CBS News)

[“Washington Post Cites ‘Regime Uncertainty’,”](#) by Tad DeHaven

To my friends in finance, I wonder what role—and what message—YOUR regional Fed “outreach” person is sending? Word is there is division within the Fed over these issues. Perhaps *some* people are waking up to the “uncertainty trap,” but until the administration actually takes the economy seriously Fed divisions only exacerbate uncertainty.

So, please Mr. Obama, stop tilting at windmills and solar panel factories. It’s YOU that business is uncertain about.