



Biden Seeking To Avoid Recession By Quietly Changing Definition of ‘Recession’

Description

USA: The Biden administration has a cunning plan to avoid plunging America into a recession. But rather than altering the disastrous Democrat policies which have plunged the nation into negative growth, the Biden administration is seeking to quietly, deceitfully change the definition of “recession.”

A gross domestic product advance estimate is due to drop on Thursday, which economists expect to show the US economy contract for a second consecutive quarter. The accepted definition of recession is two negative quarters in a row.

But the White House, desperate to avoid the stigma of guiding the US economy into recession, is engaging in Soviet-levels of propaganda in a desperate attempt to deceive the masses.

“Official determinations of recessions and economists’ assessment of economic activity are based on a holistic look at the data – including the labor market, consumer and business spending, industrial production, and incomes,” the White House said in the blog post.

“Based on these data, it is unlikely that the decline in GDP in the first quarter of this year—even if followed by another GDP decline in the second quarter—indicates a recession.”

Unsurprisingly, the lackeys at the Bureau of Economic Analysis is siding with the hapless Biden administration, agreeing that perhaps two consecutive negative quarters will not mean the nation is in recession.

“The often-cited identification of a recession with two consecutive quarters of negative GDP growth is not an official designation. The designation of a recession is the province of a committee of experts at the National Bureau of Economic Research (NBER),” said the Bureau of Economic Analysis.

“The NBER recession is a monthly concept that takes account of a number of monthly indicators –such as employment, personal income, and industrial production – as well as quarterly GDP growth.”

Sounds like they are circling the wagons around the beleaguered Biden White House. But who are they trying to fool? Everyone can see the Biden economy is in bad shape.

If you're having trouble making it from paycheck to paycheck, you're hardly alone. A majority of Americans tell pollsters they feel the economy is not in good shape and getting worse. People are now demonstrably poorer than when President Joe Biden took office. Although wages have risen, prices have risen much faster.

Worse, these are **self-inflicted wounds**. To find their source, look no further than the man steering the ship: Joe Biden. On his first day in office, Biden grasped the helm and turned it hard to port—that is, a sharp left turn. In doing so, he turned the economy into the wind.

Heritage.org [report](#): By canceling pipelines, threatening American energy companies with extinction, forestalling drilling leases and creating a hostile environment for producers, Biden has appeased his far-left supporters—but left the rest of America holding the bag.

Biden has fought the construction of pipelines tooth and nail, preventing the replacement of aging infrastructure while also rendering proposed wells essentially useless. Drilling an oil or gas well is futile if the driller cannot build a pipeline to carry the product. Likewise, Biden's repeated threats to eliminate fossil fuels with crippling taxes and regulation have chilled investment. No one wants to build a refinery that will take years to recoup its initial costs when that refinery will be closed by government edict relatively soon.

Biden has also canceled drilling leases or missed deadlines for announcing plans on new leases. In an industry where investment requirements are routinely measured in the tens of billions of dollars, this uncertainty makes it nearly impossible to invest and increase production.

This 180-degree move for the economy has also turned the strong tailwind of American energy independence into an equally strong headwind with skyrocketing energy prices.

Affordable, reliable domestic energy has been an economic boon for America, but it is being shunned in favor of unaffordable and unreliable alternatives. Since energy affects the price of everything we buy, this leftward turn by the Biden administration is raising costs for Americans. Politicians grossly underestimate how much energy costs impact prices and affect economic output. By steering the ship of state directly into the wind, the Biden administration has stalled economic progress and moved the country backward.

The consequences of the administration's approach to energy are precisely the opposite of the free market, which has proven time and again that it can turn headwinds into tailwinds. Take gasoline. Its main components used to be waste products from refining kerosene. Their disposal was both unsafe and environmentally damaging. But without any government edicts, the free market found a use for these petroleum distillates and turned a hazardous waste product into one of the most widely used commodities worldwide. This drastically reduced transportation costs and has made transit affordable for billions around the globe.

But miracles like this are far less likely when bureaucrats take command and ideologically steer the ship where they want it to go, as opposed to where millions of other people would like it to go. As the Biden administration continues to force the nation off reliable, domestic energy sources, the tailwinds of abundant American energy are now the headwinds of “green” energy boondoggles, pushing America into a recession.

Yet the White House press secretary insists “we’re not in a recession right now,” despite many indicators to the contrary. The Federal Reserve Bank of Atlanta, which maintains a model forecasting economic growth, is predicting that the economy contracted again during the second quarter of 2022, the three-month period from April through June. This follows the contraction of 1.6 percent in the first quarter, from January through March.

A recession, which occurs when the economy contracts for two consecutive quarters, simply means that there are fewer goods and services being produced. Artificially elevated energy prices are making the same goods and services more expensive, so that less are being produced, and less can be consumed. That means standards of living and quality of life decline, even though you may be working just as hard as before. Or you may not be working at all, since recessions also entail unemployment as businesses need fewer employees.

The first official estimate for second-quarter economic growth will be released on July 28 and will likely show that the nation is already in a recession. Yet the ship of state can easily get underway again by once more sailing with the wind. For that to happen, the Biden administration needs to relinquish the helm and take its boot off the necks of America’s great energy producers.

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