

What happens when external funding purchase consumers products

John E Sherman

December 1, 2022

Abstract

Lets analyze what happens when debt money or US Government printed money is used to purchase products or service from the real earned money buyer ↔ Seller?

Lets think

If money is discovered or found on street and used to purchase products or services; as a result, what is expected to happen?

- It's free money absent earned ownership;
- it is legal currency for purchasing good and services;
- it can be transferred to a seller of goods and service for payment; so,
- buyer has received something without work effort.

Therefore, something is received *free* absent work effort.

What's the problem with *free* stuff anyway?

We must assume that not every person is able to earn money amount necessary to support living within America; therefore, it's the question why not?

Some people condemn governments(s) for gifting the *free* money or services to those people that don't earn enough money to exist within the American economic money drain economic model. Cf. [1]

Money *free* does what?

Lets think: *free* money does what to whom?

- Gives the seller a false sense or perception of their product sold real customers desire to buy with their own earned money;
- gives the purchaser to buy things that are not a real need but *free*;
- the finite amount of dollars are diluted if government just manufactures more dollars a barter money; and,
- with more dollars money circulation; it follows, the dollar has less value as appraised by sellers of goods and services.

Now comes inflation

Many theories and many sources[2] but the primary causation factor is giving the consumer public money they would otherwise not have absent wages or personal money earning ability.

References

- [1] Annie Lowrey. The problem with government handouts.
<https://nymag.com/intelligencer/2015/09/problem-with-government-handouts.html>.
- [2] Hans F. Sennholz. The causes of inflation – hans f. sennholz.
<https://fee.org/articles/the-causes-of-inflation/>, May 1972.