Twitter Thread by Jimmy Song (■■■)



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1/ Wow, what an essay, trying to distill thoughts from this masterpiece: https://t.co/bxR3cnNJrM

Hat tip: @NSKinsella

The essay is about inflation's effect on culture, through the analysis of a short story set in Weimar Germany. I've selected some quotes and will comment.

2/ "With all points of reference gone, the only law...appears to be perpetual change."

When money changes, everything else anchored on money starts to change as well. Prices being the most obvious one, but crucially, not the only one.

3/ "...if we seek an explanation for the dissolution of authority in the world he is portraying, we should look to the monetary madness of the Weimar Republic."

The insanity and disorder of society, in other words, can be traced back to monetary policy.

4/ "Everything threatens to become unreal once money ceases to be real."

Unreal, in this sense is counterfeit or fake. Societal attitudes become as fake as the money we use because it no longer just represents value provided, but also value fraudulently obtained.

5/ "By making money worthless, inflation threatens to undermine and dissolve all sense of value in a society."

Money helps us to know where we can expend our labor to best provide value. If our sense of value is skewed, we will no longer properly value our labor, time or energy.

6/ "...the characteristic inauthenticity of the world... is a direct response to government intervention in the market, which forces people to become fakes."

Fake money leads to fake values leads to fake people.

7/ "In a world in which all distinct categories begin to dissolve, a pervasive sense of relativism develops."

Relativism develops because there are no anchors, no fixed values. That comes from a constantly changing money.

8/ "There is no use planning for the future, since inflation, especially hyperinflation, makes future conditions uncertain and unpredictable."

Bad money causes uncertainty and uncertainty makes everyone become a lot more high time preference.

9/ "In an inflationary environment, one must dream of becoming an overnight success because the slow steady way of amassing a fortune by working hard simply will not work."

Low time preference saving and working are spurned in favor of hitting it big on one big gamble.

10/ "...the concept of representation in fiat money sounds like the prototype for the new concept of representation in modern art."

Postmodern art, in particular, is all about representing itself and not anything else. Its value is derived from itself. It's literally fiat art.

11/ "Postmodern images call attention to themselves, to the fact that they are merely images."

In a sense, the narcissism of modernity is a result of a lack of an anchor or stable reference of value to anything else, much like postmodern art.

12/ "the inauthenticity of modern life, which has often been blamed on capitalist practices such as advertising, is more properly viewed as the result of the inflationary environment created by government."

In other words, fiat money leads to fiat lives, lived inauthentically.