COVID Lockdown Lunacy: Evictions and Homelessness Now Set for Dramatic Increase

In confronting the spread of SARS-CoV-2, pubic health experts assured policy makers that millions could die. As a result of their terrifying prophecies, governments around the world, and especially Democrat governors in the United States, rushed to institute draconian lockdown measures that crashed business, spiked unemployment, disrupted supply chains, and cratered personal incomes, among other things.

Many of the effects of the lockdowns became apparent right away, but other effects take longer to be seen, and still others are delayed by government regulations and handouts. But the handouts don't last, and as time goes by the longer-term impacts of the lockdowns will start to become apparent, in alarming ways.

One of those alarming effects now looms on the horizon and is quickly approaching. As millions of Americans lost their jobs and their income dried up, they stopped making payments on rent and home mortgages. Now, millions of Americans face the prospect of losing their homes during the remaining months of summer.

CNN Business reports that "more than 45 million Americans have filed for first-time unemployment benefits." Many people will see those relief payments end at the close of July. As a result, many of those people will no longer be able to pay, even in part, for their housing costs.

A study by the Aspen Institute's COVID-19 Eviction Defense Project (CEDP) found that "19 to 23 million, or one in five of the 110 million Americans who live in renter households, are at risk of eviction by September 30, 2020." Notably, this has a disproportionate impact on poor and minority renters.

Not surprisingly, the Aspen Institute, like the mainstream media, has had little criticism of the lockdowns. In March, the organization's Economic Strategy Group released a milquetoast statement that obliquely alluded to the lockdowns but only asked that "policy makers should put measures in place to support households and businesses through this difficult period. These collective efforts will allow more businesses to get up and running again as soon as possible and minimize the severity of the economic hardship on the American people."

Now that ill-informed, poorly conceived, and unconstitutional government policy has destroyed the livelihoods of millions and is threatening to create a huge new population of homeless Americans, the Aspen Institute thinks that government can be the solution to the problem that government made in the first place.

To stop evictions, the Aspen Institute argues, government handouts should continue. "The most effective way to keep renters in their homes is to pay their rent or provide ongoing cash transfers," the organization states. "Ideally," Aspen continues, "the federal government would fund renter assistance. The US House of Representatives' HEROES Act, passed in May, would authorize a $100 billion fund, but the Senate is unlikely to agree to that amount. It might also not be enough. The National Low Income Housing Coalition calls $100 billion the minimum viable amount; the National Apartment Association and National Multifamily Housing Council, which each represent landlords and property managers, estimate that renters may need $144 billion in assistance."

Who will pay for this and for other handouts? Someone will have to, of course. In fact, everyone will have to pay for this. First, taxes are likely to increase at all levels. As *The New American* has reported, Democratic presidential candidate Joe Biden has promised to deliver dramatic tax increases if he is elected. Tax increases could be as much as $2,000 on a family of four earning $73,000 per year — and $73,000 per year is not a lot of money for a family of four. Corporate taxes are also set to rise under Biden, as are a variety of other taxes.

This will have a devastating impact on the economy and on retirement savings, most of which are now invested in the stock market via 401K plans. Analysts expect a devastating impact on the stock market as a result of the Biden's dream of higher taxes.

"The implications for the stock market from this shift to higher taxes are generally negative," economist David Rosenberg said according to Fox Business. "A drop in the S&P 500 of 10.5% from where it is today is well within reason," he concluded.

But increased taxes won't be the only problem. The money supply is also being increased by a dramatic margin. Writing for investing and financial news website Seeking Alpha, Mickey D. Levy, chief economist, Americas and Asia at Berenberg Capital Markets LLC, and a member of the Shadow Open Market Committee at the Manhattan Institute, noted that the Federal Reserve is "aggressively easing monetary policy," meaning expanding the money supply.

"The money supply in the U.S. has spiked at an unprecedented rate," Levy wrote. "M2 rose 3.8 percent in March, 6.7 percent in April, and 5.0 percent in May, a stunning 83 percent annualized growth rate for three months. This lifted the year-over-year growth rate of M2 to 23 percent, almost double its prior fastest rate in the modern era."

Levy argues that the surge in the money supply will spur economic rejuvenation and he is cautiously optimistic that the surge will not mean more inflation. Still, he cautions, "the risks of inflation are material and should be closely monitored."

Inflation, an increase in the money supply, reduces the value of money so that it takes more money to buy something than it did in the past. This is the second way all Americans will pay for the handouts and other forms of socialism favored by the Aspen Institute: As money will be worth less, people, already suffering financial hardship, will not be able to purchase as many goods and services as they were able to purchase in the past.

Combined with higher taxes, higher inflation means most people will have far less money available to them, and will be able to purchase less than they might like with the money they do have.

It is difficult to see how further impoverishing people who are already suffering financially is a sound strategy for overcoming a financial crisis.

It is, however, a great strategy for destroying the freedom and independence of the people and forcing them to become serfs dependent on government handouts.

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