



"The Bubble and Beyond" by Michael Hudson

Reviewed by Dr. Dick Burkhardt

["The Bubble and Beyond"](#) by the heterodox economist Michael Hudson exposes the destructive financialization of our economy – how Wall Street “rigged the system”. This book traces the historical forces behind the Financial Crash of 2008 and how deregulated money uses debt and compound interest to impose an onerous tax on the 99%, evading federal taxes in the process.

This tax (= mortgage interest on skyrocketing real estate), acts like the land rents that forced the peasants to slave for the aristocrats of old Europe. Yet today housing in Germany is half the US cost. To fix the US bubble, impose high taxes on unearned income (= capital gains) and remove the tax deductibility of interest and depreciation of buildings. Even US industry is being attacked by corporate raiders touting “shareholder value” and hamstrung by excessive debt.

Hudson’s style can be repetitious, with dense words like *monetarization* and *debt deflation*, but his pithy quotes are worth it. Such as, “*free markets* for predatory lending and unearned income”. Or, “to the extent that economics uses mathematics, the spirit is closer to numerology than to the natural sciences”. Or, “throughout history societies that have polarized between creditors and debtors have not survived well”. [Dr. Dick Burkhardt, UUJEC GA Committee Chair]