

BIDENOMICS CAUSED SHRINKFLATION

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President Joe Biden is failing,

flailing, and falling. He's clearly cognitively disabled, as even the special counsel noted when refusing to charge him with crimes over mishandling classified documents. The southern border is a wide-open and deadly mess. And though the economy never went into full recession, it sure doesn't feel like it's growing. Bidenomics means wages haven't kept up with 18% cumulative inflation since Biden took office.

Biden needs a reset and fast. What better time to blame-shift than leading up to his March 7 State of the Union Address?

That's why he's headed to the border Thursday, and it's why he's pushing a new message railing against corporate greed, price gouging, and shrinkflation as the cause of inflation. That isn't exactly new ground for Democrats, but Biden's push began with a Super Bowl commercial denouncing shrinkflation. Word is that the SOTU will contain a portion dedicated to rolling out executive orders fighting this monster in your pantry.

"As an ice cream lover, what makes me the most angry is that ice cream cartons have actually shrunk in size, but not in price," Biden said in the ad. "I've had enough of what they call 'shrinkflation.'"

Join the club. Shrinkflation is real, and it's frustrating when you're trying to feed a family on wages that don't keep up with prices. Buying any grocery item and realizing that you're getting less product for the same or even sometimes a higher price is maddening and demoralizing.

But Biden is obscuring the economic truth. "Shrinkflation is a symptom of inflation, not a cause," notes National Review's Rich Lowry. "And to the extent that it is fooling anyone about higher prices, it is helping Biden, whose economic record has been blighted by persistently high prices, especially for food."

Businesses exist to create and sell products that benefit consumers and earn a profit while doing it. That's called capitalism, and it's done more to lift people out of poverty than any other economic system ever devised.

It's not perfect, of course, and greed does drive some decisions. That's true in the corporate boardroom as well as the White House and Congress, though Democrats never seem to think it's greedy when they demand higher tax rates on corporations or the rich so they can "afford" their income redistribution schemes.

Inflation wasn't a problem until a guy named Joe Biden took office and signed the American Rescue Plan into

law. That nearly \$2 trillion budget-buster sent too much money chasing too few goods, and it almost immediately triggered inflation that soared to 40-year highs of 9.1% before settling back down to its present rate of 3.1%.

At this point, that 3% figure is practically deceptive since, again, cumulative inflation is 18% since Biden “rescued” America. Groceries are cumulatively 20% more expensive, and many staples have increased a lot more than that. Americans now spend a higher portion of their income on food (11.3%) than at any time in the last 30 years, and almost double the percentage when Biden took office. One in eight retirees is returning to work just to pay for food.

In July 2021, Biden promised, “There’s nobody suggesting there’s unchecked inflation on the way — no serious economist.” Like Biden himself, that hasn’t aged well.

Businesses deal with inflation of raw materials, supplies, and wages (often because of laws setting a higher minimum wage) by raising prices, shrinking product offerings, or otherwise cutting costs and jobs. Yet Biden is shamelessly blaming the victims of his policies for creating his results.

If Biden really wanted to deal with inflation, he’d get federal spending under control and he’d get out of the way of businesses trying to cope. Instead, his pick to lead the Federal Trade Commission, Lina Khan, led a vote to challenge Kroger’s \$24.6 billion acquisition of Albertsons. The Wall Street Journal editorial board calls that “a giant gift to Amazon, Walmart and other grocery retailers” because it’s a big blow to competition that might drive down prices.

Likewise, Democrats have been clamoring against the recent merger announcement from Capital One and Discover Financial. Economic savant Elizabeth Warren claims the merger “reduces competition.” The opposite is true — it would increase competition with the Visa/MasterCard duopoly, which controls roughly 90% of credit card transactions.

The truth? Democrats are fine with “corporate greed” in certain cases that benefit particular constituents or benefactors. They’re fine with food prices increasing because they can raise the minimum wage (or blame Republicans for stopping it) and claim to care about people. They’re even fine with shrinkflation because they can use it to shift the blame for their ruinous economic policies.

That message won’t fool our educated audience, but, unfortunately, it will work for a large segment of low-information voters, which is precisely why Biden is ramping up the deception.

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