Draft of developing article for MHProNews below for AI fact check.

Matt Stoller 'Don't Like Trump' but 'Trump's Attack on the Fed is not Generating Popular Outrage Because the Fed has Lost its Legitimacy' 'Big Tech-Financiers Seek End of Democracy in USA.' FEA

Matt Stoller is from the political left, is the author of the *Big* antitrust newsletter, works with left-leaning David Dayen (via the left-leaning The American Prospect or TAP) on the Organized Money podcast, and is the author of the book: "Goliath: The 100-Year War Between Monopoly Power and Democracy." In the remarks by Stoller via a recent newsletter emailed to *MHProNews* and shown in Part I and Part II, Stoller makes clear that he doesn't like President Donald J. Trump (R), saying: "because Trump, for all that I don't like him, did win the election, and that has to come with the ability to wield power." In an apparent bobbing and weaving fashion, Stoller says he doesn't like Trump, doesn't like the fact that Trump fired "a Biden appointed Fed Governor named Lisa Cook" and takes several shots at the "45th & 47th" President of the United States (POTUS). But several of Stoller's takeaways in what follows are hardly favorable to the Democrats he prefers or to the billionaire backers of the Democratic Party. This is not only an MHVille facts-evidence-analysis (FEA), but it is also an example of the importance of applying the principle of separating the wheat from the chaff. Much that Stoller had to say is quite relevant to economic policy, access to capital, problems with the Federal Reserve (a.k.a.: "the Fed") the housing market, and thus to manufactured housing too.

Part of the spark for the timing of this column by Stoller is because the Google antitrust remedy ruling is not yet out. Per Stoller.

Google remedy decision, since Judge Amit Mehta said he'd release his decision in August and it's the last Friday of the month. But it's not out yet [as of end of August].

To help frame this apparent phenomenon of people who may agree with Trump on an issue, but dislike the president, consider the following. Because Stoller is hardly alone. Recently on Real Clear Politics (RCP) was this. Bold is added by MHProNews for emphasis, but the text is as in the original.

Mark Penn, co-director of the Harvard CAPS/Harris Poll, reviewed the results of their August survey with Tom Bevan on Thursday's edition of the RealClearPolitics podcast.

"Trump's ratings stabilized this month," Penn said. "And I think he began to get traction on crime. He's now shifted focus from immigration to tariffs, and now to leading a national crackdown on crime, and you're seeing a generally favorable response to it."

"Fifty-four percent approve of the president's approach, using the National Guard in D.C.," Penn explained. "That's interesting. **Any time I apply the word 'Trump,' it's very hard to get above 50%. If I take his name off the policies, I get 60, 70, 75, even 80% support**—for example, locking up criminals who are here illegally. But when you put his name, the country is so polarized that Democrats won't concede a single inch."

MHProNews has reported from time to time on how George Orwell used the phrase, the Two Minutes of Hate. By repeating time and again something (almost anything), people are more inclined to believe that repeated statement, even if it is untrue.

[caption id="attachment_213935" align="aligncenter" width="608"]

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Copilot

OK, fresh thread, Copilot. I want to probe these notions: Manufactured Consent and Manufacturing Dissent. Edward Bernays, Edward Herman, Noam Chomsky wrote and spoke about the notion of "manufacturing consent." Using modern methods of communication and influence, Bernays and others made the case that repeating a notion (be it true, partially true, or merely a big lie often repeated until it seems true) is a method for manufacturing consent. But that also implies its reverse, does it not? Meaning, can't dissent be manufactured just as consent is manufactured? Can't many people be manipulated through modern communications into being against some person, thought, or position through what George Orwell illustrated through the 'Two Minutes of Hate' in his dystopian novel Nineteen Eighty Four (1984). Correct, confirm, or clarify as the evidence warrants while linking supportive results.

Yes, your reasoning is sound. The concept of **Manufactured Consent**, as explored by **Edward Bernays, Edward Herman, and Noam Chomsky**, refers to the ability of media and propaganda to shape public opinion by **repeating narratives**—whether true, partially true, or outright false—until they become widely accepted [1] [2]. This process leverages **mass communication, psychological influence, and social reinforcement** to create a consensus that serves specific interests.

Manufacturing Dissent: The Reverse Process

Just as consent can be manufactured, **dissent can also be engineered** using similar techniques. This involves **deliberately shaping opposition** to a person, idea, or policy through **selective framing, repetition, and emotional appeals**. The **"Two Minutes of Hate"** in **George Orwell's Nineteen Eighty-Four** is a fictional but insightful example of how **mass communication can be used to direct collective anger toward a target**, reinforcing ideological control [3] [4]. In reality, this can manifest through **media campaigns, social media manipulation, and political rhetoric** designed to **vilify opponents and mobilize dissent**.

Key Mechanisms of Manufactured Dissent

1. **Repetition & Emotional Framing** – Just as consent is built through repeated messaging, dissent can be **manufactured by constantly associating a person or idea with negative emotions**.
2. **Selective Information & Omission** – By **highlighting certain facts while ignoring others**, narratives can be **crafted to generate opposition**.
3. **Echo Chambers & Group Reinforcement** – Social media and partisan media outlets **amplify dissent by reinforcing negative perceptions** within specific audiences.
4. **Scapegoating & Fear Appeals** – Leaders or movements can be **targeted as the source of societal problems**, fueling **public outrage**.

Historical & Modern Examples

- **Edward Bernays** used propaganda techniques to **shape public opinion** on various issues, including **corporate and political campaigns** [1].
- **Chomsky and Herman's "Manufacturing Consent"** describes how **mainstream media serves elite interests by shaping narratives** [2].
- **Political campaigns** often use **negative advertising and misinformation** to **manufacture dissent against opponents**.
- **Social media algorithms** amplify **polarizing content**, reinforcing **manufactured dissent** through engagement-driven outrage. [3]

Would you like to explore specific case studies where **manufactured dissent** has been used effectively in modern politics or media? You can find more details here and here.

1 chomsky.info | 2 en.wikipedia.org | 3 Softpanorama | 4 eScholarship

MHProNews Note

depending on your browser or device, many images in this report and others on MHProNews can be clicked to expand. Click the image and follow the prompts. For example, in some browsers/devices you click the image and select 'open in a new window.' After clicking that selection you click the image in the open window to expand the image to a larger size. To return to this page, use your back key, escape or follow the prompts.
[/caption]

MHProNews has never painted President Trump as some perfect saintly hero, because he is (as are we all) an imperfect human. He clearly has strengths and weaknesses, as do all other mere mortals with few exceptions. MHProNews had held Trump Administration 2.0 accountable when warranted, as are shown in reports linked here and here. Fair is fair, be it Stoller, POTUS Trump, or others.

Because of the importance of the Fed, as Stoller himself explains, this item from Stoller and his commentary are worthy of consideration.

Part I are pull quotes from Stoller clearly selected by MHProNews.

Part II is Stoller's remarks in full, per his email.

Part III includes additional information with more MHVille Facts-Evidence-Analysis (FEA) plus industry expert commentary. Meaning, how this matters to manufactured housing and the nation more broadly is explored.

This MHVille FEA is underway.

Part I Select Quotes from Stoller's post shown in Part II

MHProNews notes that the following are not necessarily the most important points made by Stoller, but they are points on topics that arguably apply to the economy, politics, and manufactured housing in multiple ways. That said, the following. The thoughts are Stollers and may not reflect the views of *MHProNews*.

Economists and liberal elites have been gnashing their teeth over this episode, claiming that the sky will fall if an elected leader gains control of monetary policy. "We are all Lisa Cook," wrote Paul Krugman.

"While most regulators exist to oversee corporate behavior and limit the power of the superrich..."

In the late 1970s, during the neoliberal turn, modern day Fed independence was born. New Fed Chair Paul Volcker, backed by Jimmy Carter, was appointed to manage an

inflationary era. While beloved today as the man who conquered inflation, his real goal was to maintain the global supremacy of the dollar and to [begin the financialization] of the American system.

He and his successors, notably Alan Greenspan, essentially suggested to Congress that if it wanted to end inflation, it needed to allow the Fed to have total discretion over the banking system, without any interference at all from anyone except macro-economic experts and Wall Street.

There's also a third unstated meaning to independence - the Fed keeps the stock market up, or the "Greenspan Put."

The "Greenspan put" was an expression coined by Wall Street in the 1980s, indicating that the Fed would never allow the market to go down too much.

But the 2008 financial crisis blew up the Greenspan era, challenging the officials in charge of the Fed in a number of different ways. It was a crisis the Fed should have seen and prevented. The Fed was, after all, the institution that had regulatory authority over mortgages, which it never used.

The crisis generated a legitimacy problem for the Fed, since its wizards and oracles had failed, and yet the public had no way to vote them out. But rather than engage in real reform and introspection, like most establishment institutions, the professional managerial economists doubled down. Federal Reserve Independence, rather than a temporary historical phenomenon that should be eliminated as a failed experiment, became sacred, to the point that Joe Biden's White House had a policy that no administration official could even comment on interest rates.

Trump is badly mistreating her [i.e.: the Fed board's Lisa Cook], and she should not be fired for cause. But she's not a heroic public servant.

And I think that's because all parts of this debate are clothed in flabby misleading language. The real meaning of Federal Reserve independence, to Wall Street, is that the Fed supports the stock market. And look at this tweet from Treasury Secretary Scott Bessent. Why would anyone on Wall Street worry if he's running monetary policy instead of Powell?

In other words, what matters is not some nerdy legal conflict among the branches of government, but whether the Fed will continue manifesting the [number go up] strategy, in which all policy is oriented to ensure that financial asset values keep increasing.

The dispute over who does monetary policy and bank supervision is overwrought, Trump has actually gotten the interest rate choices right more than Powell has.

The dispute over who does monetary policy and bank supervision is overwrought, Trump has actually gotten the interest rate choices right more than Powell has.

Right now, the Fed isn't being run well, and it hasn't been run well for decades. It also suffers from a severe democracy deficit; when Joe Biden was being pilloried for inflation, he didn't think it was his job to fix it, because of Federal Reserve independence. That's very bad. And Trump, regardless of what happens with Cook, will end up appointing a majority of Fed board members by the end of his term, which means that the next President will be stuck with Trump appointees who could sabotage his or her agenda. Is that reasonable? I don't think so.

The Fed-Treasury Accord is lauded by people at the Fed, who both pretend that "independence" has always existed and celebrate the deal that helped seed it. Still, from the 1950s to the 1970s, the President, Congress, and the Fed worked together, sometimes acrimoniously, to regulate the money supply and banking. The people on the board of the Fed were usually business people, bankers, and farmers. The Democratic Party put in its platform that it was a party of low interest rates, and everyone got that monetary policy was political in nature.

There's just an endless amount of bad behavior from the technocrats,

And it's easy to point to the President and blame him for it, or if you're a Republican, blame the preceding administration. But the truth is much less comforting. It is the billionaires in Silicon Valley, and those who befriended and enabled them, who have brought us to this dangerous and unstable moment.

MHProNews notes that Stoller, by accident and/or design, has in his comments, perhaps particularly so in the remarks shown above, but also in others that follow, has:

a) all but established that the origins of what some call 'the deep state' go back for decades.

b) That the Wilsonian vision of the technocratic state has not work, after over 110 years since racist President Woodrow Wilson (D) launched them.

c) Wittingly or not, Stoller - a longtime Democratic supporter - has ripped several Democrats by name and/or by implication in what he wrote.

d) Stoller's points largely confirm concerns raised by MHLivingNews and MHProNews in reports like those linked.

Part II From Matt Stoller to MHProNews, provided under fair use guidelines for media

Matt Stoller | Aug 29

Why Isn't Wall Street Upset Over the End of Fed Independence?

Economists predicted doom if the Federal Reserve were controlled by the President. Trump has moved in that direction, but Wall Street doesn't care. Is 'independence' not what we think?

I had been planning to write about the Google remedy decision, since Judge Amit Mehta said he'd release his decision in August and it's the last Friday of the month. But it's not out yet. So I wrote this essay instead. Enjoy.

Over the past few months, Donald Trump has been trying to seize control of America's central bank, the Federal Reserve. He has been complaining for months that the existing leadership of the Fed, which is led by a former private equity baron named Jay Powell, is keeping interest rates too high and stifling economic growth. He is seeking to take over the Fed, and direct it to reduce borrowing costs.

Trump's campaign culminated on Monday, when he sought to fire a Biden appointed Fed Governor named Lisa Cook, who serves on the board of the interest-rate setting committee of the bank. In a hearing today a judge deliberated over whether this move is legal. If it is, then Trump has taken a big step to enlarging the power of the Presidency, and potentially getting direct control over the American payments system.

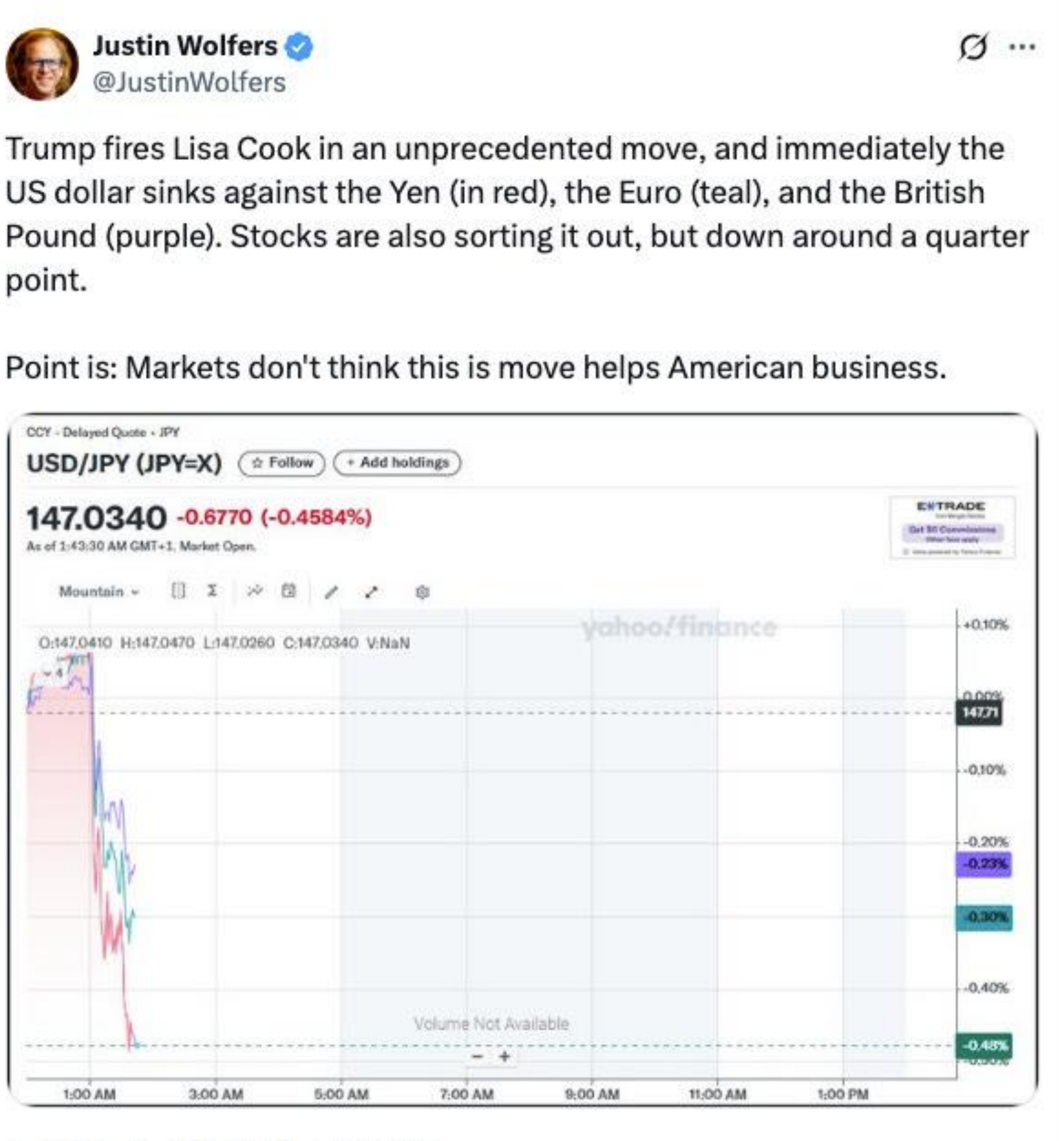
The conflict is part of a broader ideological battle over the nature of Presidential power. Since his inauguration, Trump has fired commissioners of "independent agencies" across government, from the Federal Trade Commission to the National Labor Relations Board, often with no Congressionally authorized law allowing him to do so. And yet, these firings have mostly been upheld in the courts, because of a conservative Constitutional theory that the elected President should be able to directly control executive branch agencies. There's a significant outcry from process liberals that this power grab is authoritarian, but on the other hand, when the President can't directly run the government, then elections are less meaningful.

And yet, there's something unusual that happened when this dispute came to the Federal Reserve.

While most regulators exist to oversee corporate behavior and limit the power of the superrich, the Federal Reserve is an actual banking institution, and its multi-trillion dollar balance sheet and authority subsidizes Wall Street every single day. So Supreme Court Justice Sam Alito, when writing about the nature of Presidential power, said that the Fed isn't like the rest of those grubby regulators. The Fed, he wrote, "should be regarded as a special arrangement sanctioned by history," as it is a "unique institution with a unique historical background." The Fed is special, because reasons.

Given the Supreme Court's hint that he cannot fire Federal Reserve officials over policy disagreements, he has taken a different path to seizing control. He is seeking to fire Cook "for cause," a vaguely defined term that usually means overt corruption or malfeasance on the part of a public official. So this week, one of Trump's officials, Bill Pulte, claimed Cook had committed mortgage fraud, though that's far from clear. Trump then fired her. Cook is fighting this firing in court, as it's obvious Trump just wants control of the Fed and is using an allegation as pretext.

Economists and liberal elites have been gnashing their teeth over this episode, claiming that the sky will fall if an elected leader gains control of monetary policy. "We are all Lisa Cook," wrote Paul Krugman. Here's economist Justin Wolfers, noting that the markets were beginning to crash after Trump fired Cook.



If you didn't hear of the stock market crash, that's not a surprise, as the markets quickly reversed themselves. The vaunted attack on "Federal Reserve independence" had come. Economists flipped out, but Wall Street… shrugged.

Why? What's going on? In this piece, I'll try to explain the real dispute.

One claim from defenders of the Federal Reserve's independence is that the ability of the central bank to make decisions without interference from political leaders has always been a part of its Congressional mandate. Their goal is to convince you that American economic success over the past 100+ years is in part a result of this political structure. And yet, that claim is untrue. Indeed, much of this discourse is organized on an entirely falsified version of financial history. So to understand the nature of this dispute, we have to run through how the Fed became organized as the weird institution it is today.

The Fed, like all of our political institutions, was formed as a compromise between different factions in American politics. The Federal Reserve Act, its founding statute, was passed in late 1913, the result of many years of debates among agrarian populists, regional bankers, and Wall Street financiers over the nature of money. Late 19th century battles over the gold standard, the financial crisis in 1907, the Pujo hearings into the “Money Trust” in 1912-1913, and the emergence of the U.S. as a global superpower all colored its structure. It was also part of a series of institutional innovations, which included the formation of the Federal Trade Commission, and the structuring of corporate America itself by J.P. Morgan, who was also running our monetary system.

At the time of its formation, conservatives wanted a system wholly run by private New York banks, while populists sought to move power over money to the West and South. President Woodrow Wilson ended up making the decision, and he listened to William Jennings Bryan and Louis Brandeis, who both pushed against centralized private New York control of credit. In 1913, Congress passed the Federal Reserve Act, which decentralized control over money by chartering 12 separate Federal Reserve banks, along with a board overseeing them in D.C. But the original Fed didn’t look like what we have now, an institution in D.C. that sets monetary policy. The board in D.C. was more like a judicial body, and the 12 regional reserve banks were supposed to facilitate the flow of local credit through their discount windows and check-clearing functions. The idea that a central bank would “control interest rates” wasn’t part of the mandate, and bank supervision was a significant part of the job.

The Fed was also conjoined with the executive branch, in fact the Fed was actually part of the Treasury Department. In the House draft, the Secretary of Agriculture was on the Fed board. That provision was removed, but when the final version passed, the Treasury Secretary was the automatic Chair, and the Comptroller of the Currency was also a member of the board. Even the question of what the board in D.C. would do was up for grabs, and until the 1930s, most of the power over monetary policy rested in the hands of the New York Reserve Bank, led by powerful personality Benjamin Strong, who pioneered regulating interest rates by buying and selling bonds.

The Fed today looks very different than it did in 1913, it is a fully public central bank run out of Washington, D.C.. What happened? Well, the crash of 1929 and the collapse of the banking system, fostered dramatic institutional reforms. During the Great Depression, Congress passed the Banking Act, which restructured the Fed. This law removed the Treasury Secretary and Comptroller from the board, and vested monetary policy authority in D.C. While the President didn't have the legal authority to fire board members, that didn't matter. From 1935-1951, Fed Chair Marriner Eccles conducted bank regulation and monetary policy according to the wishes of the President. FDR and Truman directly set interest rates, and Eccles saw his job as managing the banking system's response to it.

Through the Depression, World War II, and the Korean War, the Fed had a low interest policy, and except for a brief period, inflation remained under control. In 1951, the Federal Reserve board negotiate a deal with the Treasury Department, known as the "Fed-Treasury Accord," granting the Fed some discretion in how it set interest rate policy, particularly short-term rates. The Fed-Treasury Accord is lauded by people at the Fed, who both pretend that "independence" has always existed and celebrate the deal that helped seed it. Still, from the 1950s to the 1970s, the President, Congress, and the Fed worked together, sometimes acrimoniously, to regulate the money supply and banking. The people on the board of the Fed were usually business people, bankers, and farmers. The Democratic Party put in its platform that it was a party of low interest rates, and everyone got that monetary policy was political in nature.

In the late 1970s, during the neoliberal turn, modern day Fed independence was born. New Fed Chair Paul Volcker, backed by Jimmy Carter, was appointed to manage an inflationary era. While beloved today as the man who conquered inflation, his real goal was to maintain the global supremacy of the dollar and to begin the financialization of the American system. Volcker started off his term by bailing out the Hunt brothers, who were trying to corner the silver market, while crushing the middle class and trying to destroy unions. He and his successors, notably Alan Greenspan, essentially suggested to Congress that if it wanted to end inflation, it needed to allow the Fed to have total discretion over the banking system, without any interference at all from anyone except macro-economic experts and Wall Street. The "Too Big to Fail" era was here; in 1984, regulators bailed out a bank named Continental Illinois, which was an explicit moment when bankers realized size conveyed safety.

Despite his finance-friendly outlook, Volcker was not corrupt, and did believe in regulation. During the Reagan era, he was essentially ousted from the Fed, because he wasn't sufficiently friendly to junk bond-fueled takeovers. To replace Volcker, Reagan appointed a libertarian named Alan Greenspan, a former consultant for corrupt savings and loan Silverado Savings. Under Greenspan, the Fed's regulatory powers were gutted, and it increasingly focused on ensuring that financial asset values would go up. The "Greenspan put" was an expression coined by Wall Street in the 1980s, indicating that the Fed would never allow the market to go down too much. During this time period, from the 1980s onward, the Fed board became increasingly dominated by macro-economists, not practically minded people. Bank regulation, which had been a core mission of the Fed, was for losers.

Bill Clinton retained Alan Greenspan, and doubled down on the Reagan framework, emphasizing expertise, his bevy of Rhodes Scholars, and men like Larry Summers. By the 1990s and 2000s, the only opponents of Federal Reserve dominance were considered cranks, like Ron Paul or Dennis Kucinich. In 1999, Time Magazine put the “Three Marketeers” on its cover - Alan Greenspan, Larry Summers, and Robert Rubin - calling them the “Committee to Save the World,” after they engineered yet another bailout of Wall Street, via an obscure hedge fund called Long-Term Capital Management.

Independence was the term characterizing this era of monetary statecraft. But what it means is three separate concepts. First, there was the idea of some sort of regulatory distance from the White House, where the President can appoint members, but must allow them to work without direct control. That notion of “independence” applies to a bunch of agencies, and is a New Deal-era holdover. Then there's the "independence" granted only to the Fed itself, which is more a norm suggesting that the Fed should enact policymaking around debt and credit without much input from elected officials. That was a direct break from the New Deal, which saw direct control of rates by FDR There's also a third unstated meaning to independence - the Fed keeps the stock market up, or the "Greenspan Put."

But the 2008 financial crisis blew up the Greenspan era, challenging the officials in charge of the Fed in a number of different ways. It was a crisis the Fed should have seen and prevented. The Fed was, after all, the institution that had regulatory authority over mortgages, which it never used. But its leaders were blinded by their obsession with the macro; Ben Bernanke gave a speech titled "The Great Moderation" as the crisis was brewing, in 2004. The blindness was a result of their obsession with macro-economic forces, and ignoring the actual banks and institutions in the real economy. Banks, even big ones, were still micro, left to the losers in the bank supervision department.

Fed Shrugged as Subprime Crisis Spread

Share full article

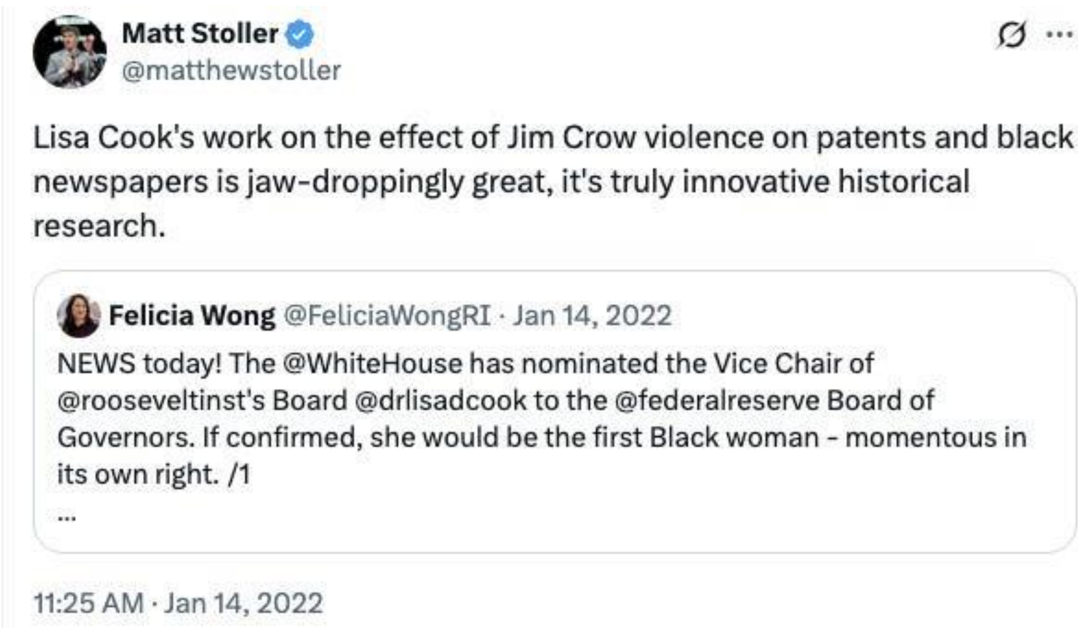
Federal agencies completed standards for subprime lending on June 29. By then, many lenders were out of business.
Mel Evans/Associated Press

By Edmund L. Andrews
Dec. 18, 2007

And yet, somehow, during the crisis, these banks had affected the real economy. In response, the Fed did what it had done since the Volcker era; it bailed out Wall Street. In this case, it did so by expanding its balance sheet by several trillion dollars, buying bad assets from banks and supplying cash in return. By 2022, its balance sheet had reached $9 trillion. The Fed now regularly loses huge amounts of money due to losses on its portfolio, and those losses are essentially the accounting for a subsidy to Wall Street.

The crisis generated a legitimacy problem for the Fed, since its wizards and oracles had failed, and yet the public had no way to vote them out. But rather than engage in real reform and introspection, like most establishment institutions, the professional managerial economists doubled down. Federal Reserve Independence, rather than a temporary historical phenomenon that should be eliminated as a failed experiment, became sacred, to the point that Joe Biden's White House had a policy that no administration official could even comment on interest rates.

And that brings us to Lisa Cook, the woman at the center of this story. Cook is the first black women to be put on the Federal Reserve board. I knew Cook vaguely before she was nominated and her scholarship on Jim Crow and its effects on patents and newspaper formation is great. So I was excited to see what she'd do. Here's what I noted in 2022 upon her nomination:


Matt Stoller @matthewstoller

Lisa Cook's work on the effect of Jim Crow violence on patents and black newspapers is jaw-droppingly great, it's truly innovative historical research.

Felicia Wong @FeliciaWongRI · Jan 14, 2022
NEWS today! The @WhiteHouse has nominated the Vice Chair of @rooseveltinst's Board @drlisadcook to the @federalreserve Board of Governors. If confirmed, she would be the first Black woman - momentous in its own right. /1
...

11:25 AM · Jan 14, 2022

Alas. On the Fed board, she voted to approve the Capital One-Discover merger, to remove restrictions on Wells Fargo over its fake accounts scandal, to give special benefits to Goldman Sachs, and in favor of recent deregulation without even issuing a statement indicating any red lines. Most importantly, she voted to relax the buffer that the biggest banks must keep in reserve in case they run into trouble. I'm not sure she's ever dissented on anything. In other words, she's an orthodox economist who went along with a deeply rotten Fed culture. Trump is badly mistreating her, and she should not be fired for cause. But she's not a heroic public servant.

That still leaves the question unanswered about why Wall Street didn't react to the end of Fed independence. The rationale for a market drop is that the Fed is run by technocrats with a long-term view. But the President would simply be a short-sighted politician, and that would lead to a lack of credibility in U.S. markets There's some evidence of higher rates on long-term bonds since Trump started his campaign to take control of the Fed but nothing remotely akin to what was predicted.

And I think that's because all parts of this debate are clothed in flabby misleading language. The real meaning of Federal Reserve independence, to Wall Street, is that the Fed supports the stock market. And look at this tweet from Treasury Secretary Scott Bessent. Why would anyone on Wall Street worry if he's running monetary policy instead of Powell?

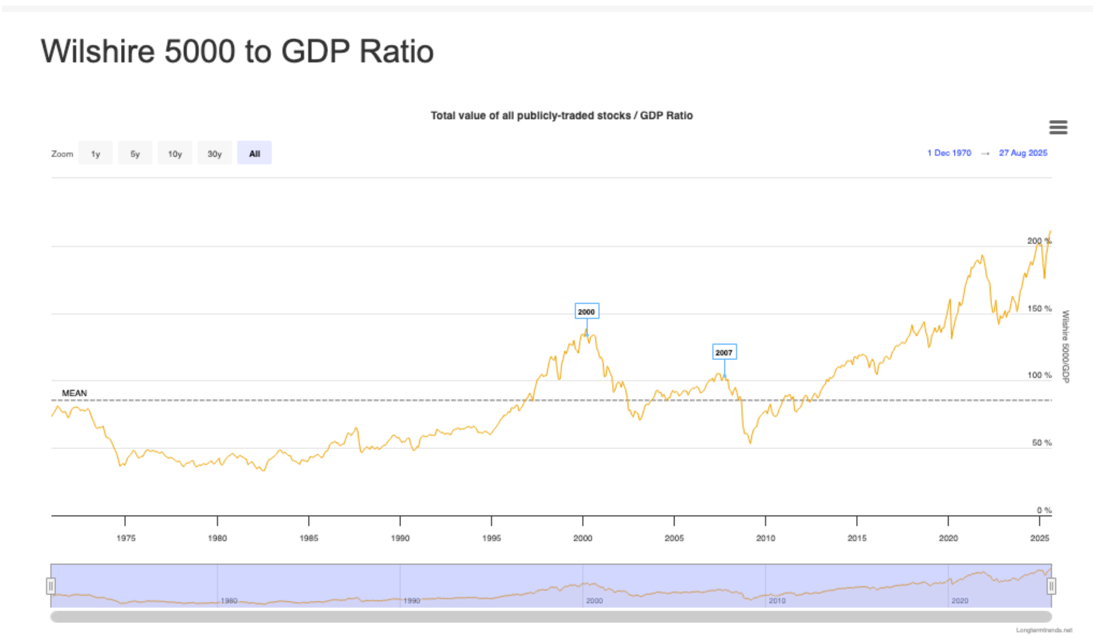
Treasury Secretary Scott Bessent
@SecScottBessent

Under President Trump, capital markets are roaring back. Companies are taking calculated risks, spending, and pursuing deals in this economy.

Since June, $1.1 trillion in M&A has been announced, including nearly $300 billion in August—the busiest summer since 2021.

2:00 PM · Aug 28, 2025 · **167.1K** Views

In other words, what matters is not some nerdy legal conflict among the branches of government, but whether the Fed will continue manifesting the number go up strategy, in which all policy is oriented to ensure that financial asset values keep increasing. When people talk about how the U.S. is the global reserve currency, or that it dominates the world's financial order, number go up is what they mean. This chart, the value of the stock market against the value of the economy, shows how financial assets now dominate America, and have since the Fed turned 'independent.'



Historically, as Adam Tooze notes in an excellent essay, it's been the economists and professional managerial class running the Fed. Volcker, Greenspan, Bernanke, Yellen, Powell, they paid attention to technocrats and charts, and kept the markets up using the language of expertise. But now, Trump wants control of the Fed, so *he* can move the markets up, but he'll use the language of a blowhard real estate booster. But the net effect is the same; Wall Street's version of Federal Reserve independence is intact. If a populist President took over the Fed and sought to make credit accessible to normal people while crimping financiers, the markets would react differently.

Ok, so Wall Street is happy. But are there other consequences if the Federal Reserve's "independence" disappears and Trump really does take it over? The dispute over who does monetary policy and bank supervision is overwrought, Trump has actually gotten the interest rate choices right more than Powell has. But the Fed is far more than just an interest rate selection machine, it has lots of other powers. There are legitimate fears that the President might use the Fed's management of the payment systems to target political enemies. The Fed can buy an unlimited amount of assets, foreign currencies, or grant master accounts which come with an implied backstop to political allies. Without an active Congress to check Trump, I can see some really bad stuff happening. And yet, that's no different than in many other areas. That's also not something we'd want to fix, because Trump, for all that I don't like him, did win the election, and that has to come with the ability to wield power. Still, we do need to start asking the question. What kinds of rights or recourse do people have against misuse of central banking authority?

Unfortunately, the response from Trump opponents has been disappointing. Mostly the Democrats have cried that the Fed's independence is too important to toss away, and they have largely scoffed at thinking about what it would mean to actually have a central bank responsive to public demands. As is similar to attacks on many establishment institutions, Trump's attack on the Fed is not generating popular outrage because the Fed has lost its legitimacy. I've written a lot about the failures at the Fed, but here's why.

Fed Chair Paul Volcker used to carry around a card of union wage rates, as a reminder that his goal in achieving low inflation was to break union power. The Federal Reserve is responsible in part or fully for the legalization of derivatives, the explosion of subprime lending during the 2000s, the great financial crisis, a trillion dollar transfer of wealth to big banks as interest rates increased, the institutionalization of crypto-currencies, the merger explosion of the early 2020s, and the failed regulation of Silicon Valley Bank, among other problems. It's also a highly political institution, pushing free trade and defending large banks; in the 1990s, Fed officials secretly bailed out Mexico so as to protect Citibank and pass NAFTA.

There's more. After the crisis Congress required the Fed to place compensation limits on bank executives. Jay Powell simply refused. The Fed fostered a giant corporate merger wave in 2021, intentionally sabotaged its own payments network, FedNow, because it might be cheaper and better than the system run by large banks, and didn't block a single merger application of the over 3500 it received from 2006-2021. This choice, as I noted years ago, "includes Silicon Valley Bank in 2021 buying Boston Private Bank and Trust, which the Fed board unanimously justified by noting that SVB would not 'pose significant risk to the financial system in the event of financial distress.'" Speaking of which, the Federal Reserve's chief legal officer, Mark Van Der Weide, helped author the legislation that removed regulations on Silicon Valley Bank, and the Fed, and Jay Powell, lobbied for it.

There's just an endless amount of bad behavior from the technocrats, so the opponents of Trump, asserting that we must protect the "independence of the Fed," are really missing the point. And I fear that their goal, after Trump leaves office, will be to "restore the independence of the Fed."

Right now, the Fed isn't being run well, and it hasn't been run well for decades. It also suffers from a severe democracy deficit; when Joe Biden was being pilloried for inflation, he didn't think it was his job to fix it, because of Federal Reserve independence. That's very bad. And Trump, regardless of what happens with Cook, will end up appointing a majority of Fed board members by the end of his term, which means that the next President will be stuck with Trump appointees who could sabotage his or her agenda. Is that reasonable? I don't think so.

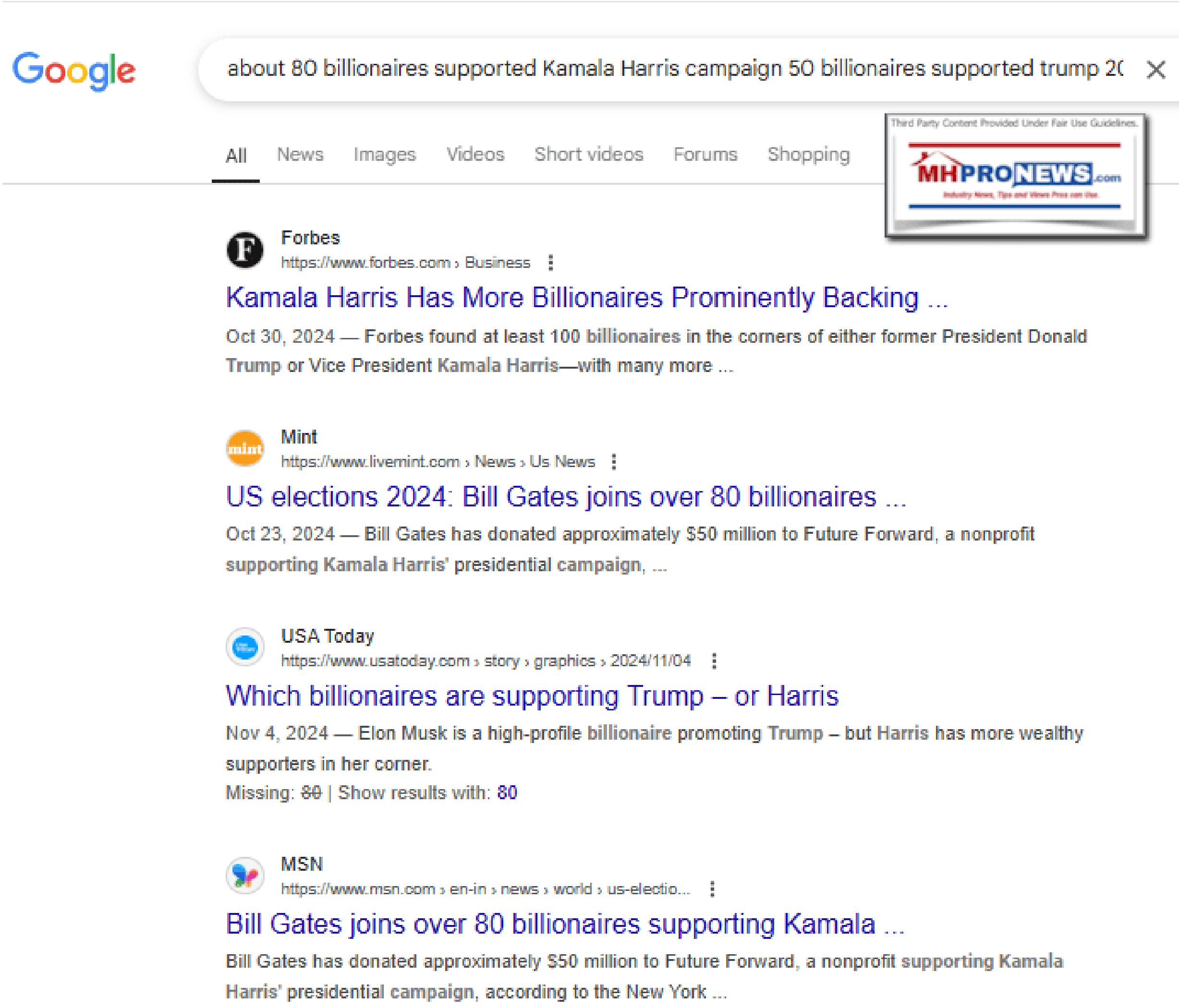
A better approach would be to just accept that the Fed is a political institution, and that it should be controlled by the elected executive branch with checks from Congress. Policy shouldn't be the province of economists, but politicians chosen by the public. I used to think Congress could directly run monetary policy, but I no longer think that's practical. Instead, I could see stripping the Fed of a lot of its power, combined with putting cabinet members, like the heads of the FTC, Secretaries of Commerce, Transportation, Energy, and so forth, on the board.

At any rate, the debate needs to be about how to use the Federal Reserve to make our society more fair, not fighting over whether the annoying dork brigade or real estate boosters get to control moving the stock market up.

Part III - More MHVille Facts-Evidence-Analysis (FEA) including MHProNews expert commentary

In no particular order of importance are the following.

1) There are billionaires that are supporting Democrats and/or Republicans, with some billionaires supporting members of both major parties.



2) Mark Zuckerberg, one of those in Silicon Valley specifically named by Stoller in his column above, has been a multi-year Democratic donor, and some would say, a mega Democratic donor.

[caption id="attachment_169883" align="aligncenter" width="600"]


https://www.manufacturedhomepronews.com/civic-alliance-amazon-facebook-buffett-berkshire-backed-kraft-arabella-advisors-cbs-disney-twitter-bill-gates1000-corporate-nonprofit-plot-brags-ousting-president-trump-sunday-weekly-head/[/caption]

Years before this column by Stoller, MHProNews and/or MHLivingNews has spotlighted concerns about Zuckerberg as well as other billionaires, several considered 'tech' billionaires, that included Zuckerberg and others.

3) Stoller, in theory, has said several useful things over the years about the importance of enforcing antitrust laws in a robust way. Stoller, as has been noted, is generally pro-Democrat. Yet, this pro-Democratic antitrust advocate has made a pretty reasonable case that undermines much of the Democratic narrative that caused this corrupted and sprawling system which is "un-democratic" to be a system that President Trump appears to be working to dismantle. How many compromises Trump officials, or Trump himself, may make along the way is something that will become known as time goes on.

[caption id="attachment_208658" align="aligncenter" width="600"]


https://www.manufacturedhomepronews.com/economic-termites-are-everywhere-says-matt-stoller-why-are-manufactured-home-prices-and-pad-prices-skyrocketing-is-it-inflation-or-fostered-by-subtle-ant/[/caption][caption id="attachment_181693" align="aligncenter" width="600"]


https://www.manufacturedhomepronews.com/stollers-big-claims-public-has-had-enough-of-the-billionaire-factory-offers-closing-billionaire-factory-down-private-equity-run/[/caption]

But as Stoller himself admitted in a recent tweet (X-post), it isn't Trump who is seeking to "end democracy" it is "big tech and financiers."

It's not Trump who seeks to end democracy in America, it's big tech and financiers.

4) The truth is often knowable. But it does often take effort to sift the facts out that begin to reveal the truth. One of the biggest surges in M&A activity in years was under the first year of the Biden-Harris (D) administration, as *MHProNews* has previously reported and which Stoller confirmed above.

For all of the bluster of decades of talking about antitrust activity, when Democrats have been in power in the 21st century, they have done little to back up their words. But in fairness, Republicans under Bush-Cheney (R) were apparently on the side of the consolidators too.

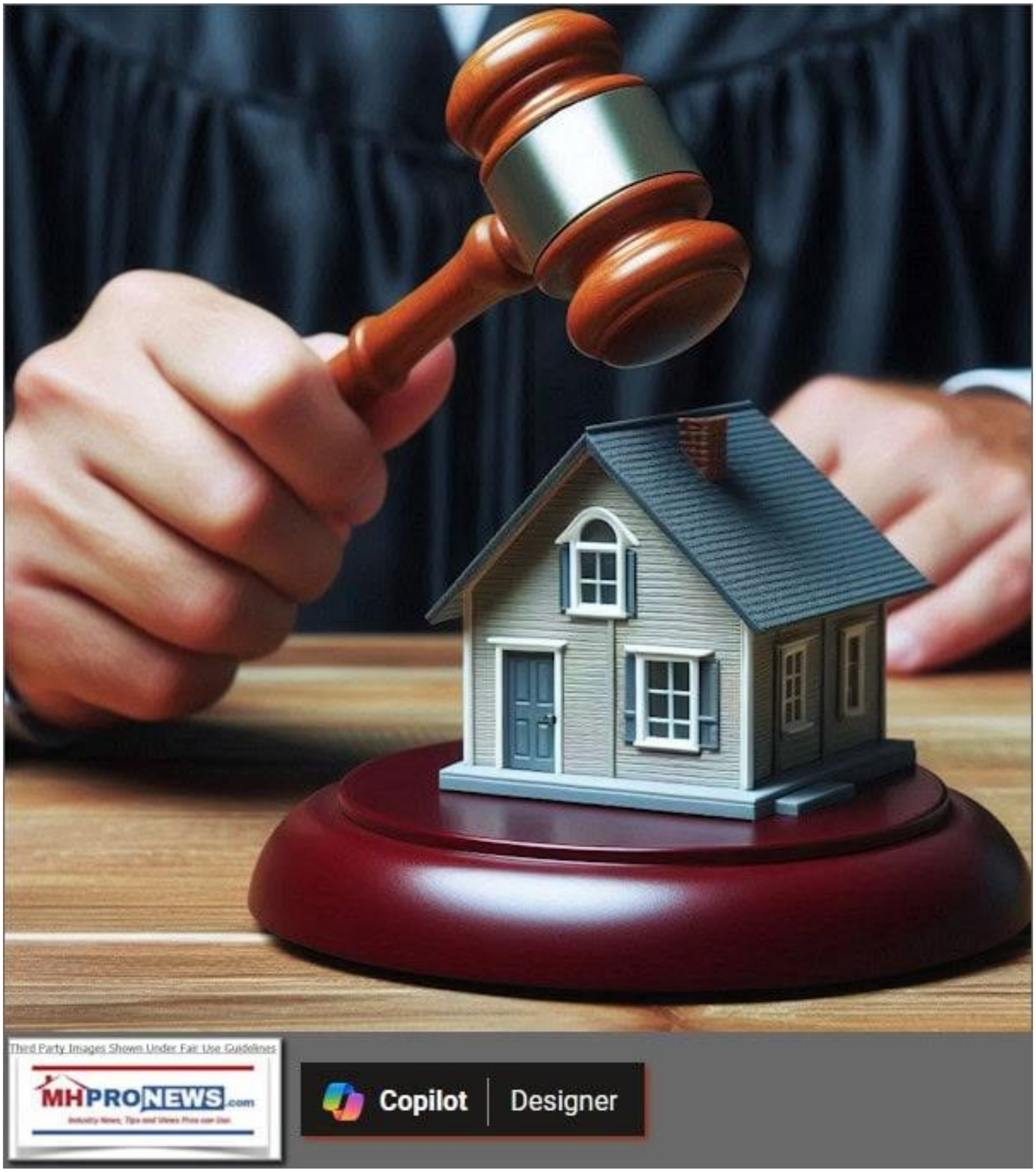
[caption id="attachment_148684" align="aligncenter" width="609"]


Both the Bush and Obama Administrations allowed the growth of M&As, consolidation, and activities that clearly tended toward market monopolization, duopolies, oligopolies, etc. President Trump's Administration has been preparing to take this on, which the DOJ suit against Google demonstrates. Google was found in 2024 to be a monopolist.[/caption]

Several big antitrust cases were brought under President Trump during his first term in office. That case Stoller cited was a Trump era case.

As MHProNews noted, the Google ruling may prove to be of importance to MHVille.

[caption id="attachment_204753" align="aligncenter" width="602"]



https://www.manufacturedhomepronews.com/ruling-will-cause-general-counsels-to-advise-corp-leaders-on-impact-of-google-monopoly-decision-monopolist-ruling-u-s-manufactured-housing-implications/ [/caption][caption id="attachment_161268" align="aligncenter" width="600"]

https://www.manufacturedhomepronews.com/the-creepy-line-doj-files-antitrust-lawsuit-vs-google-will-berkshire-hathaway-other-faangbm-brands-follow-what-warren-buffett-bill-gates-moat-builders-observers-said/ [/caption]

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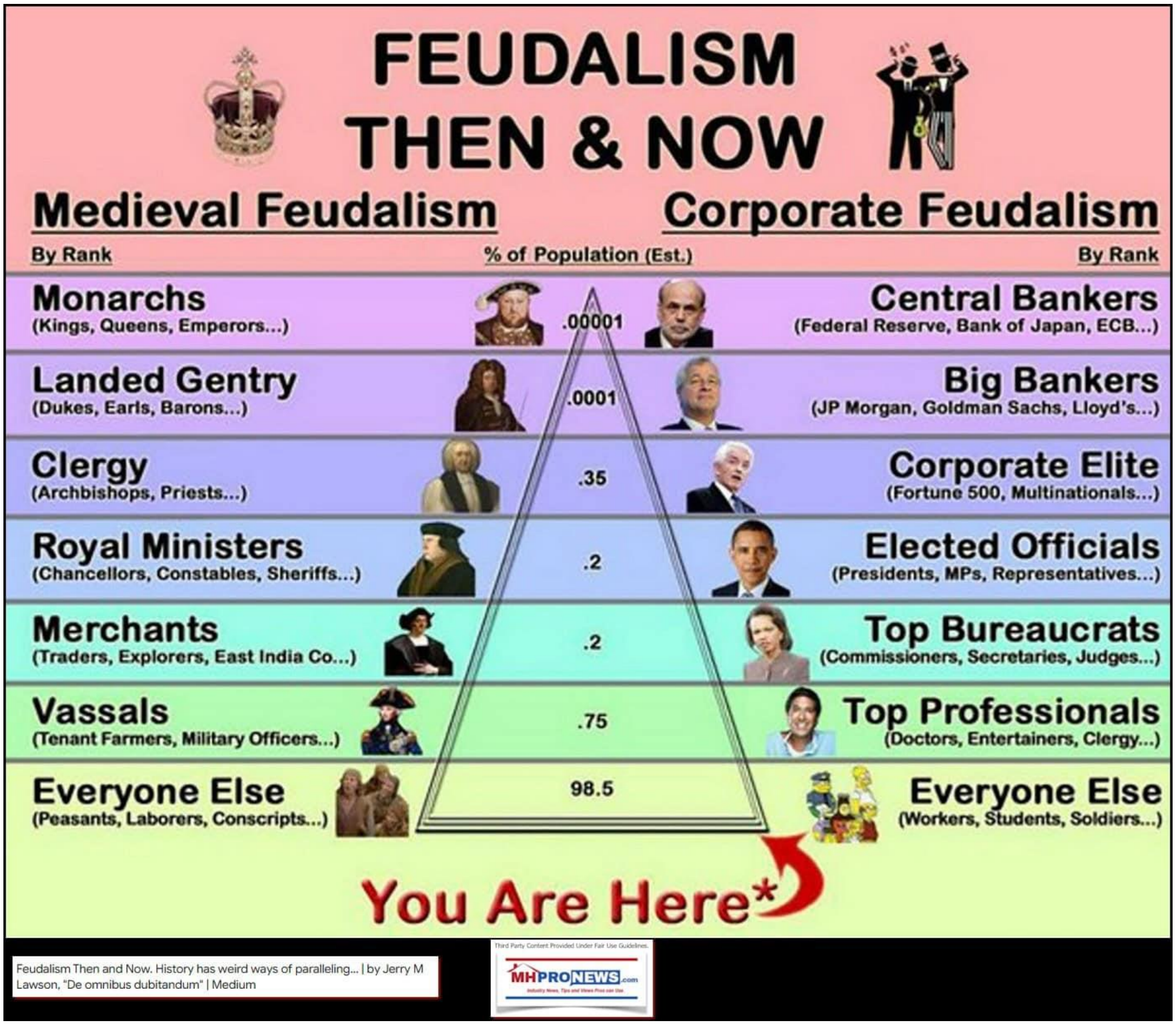
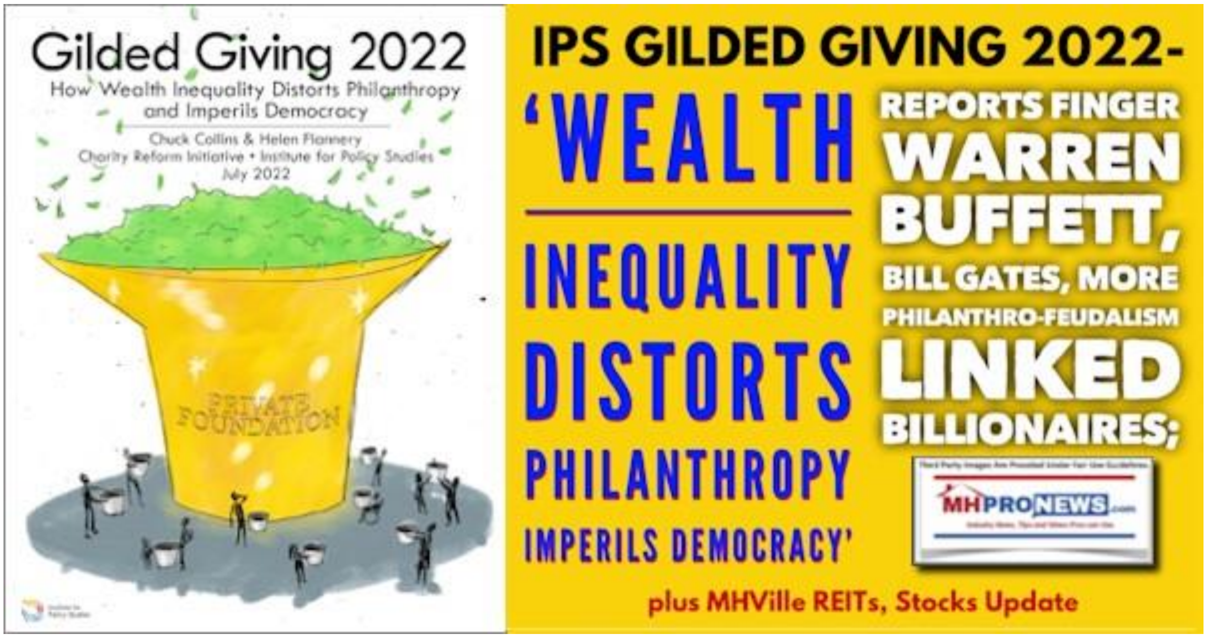


While some of the nuances of the above are certainly open to discussion, refinement, and debate, the illustration is nevertheless useful in this sense. It offers a starting point for discussion of how medieval feudalism and contemporary feudalism evolved and are evolving is useful. The New Feudalism is a topic of several books, articles, and research papers. MHProNews Note: depending on your browser or device, many images in this report can be clicked to expand. For example, in some browsers/devices you click the image and select 'open in a new window.' After clicking that selection, you click the image in the open window to expand the image to a larger size. To return to this page, use your back key, escape or follow the prompts. [/caption][caption id="attachment_182536" align="aligncenter" width="600"]

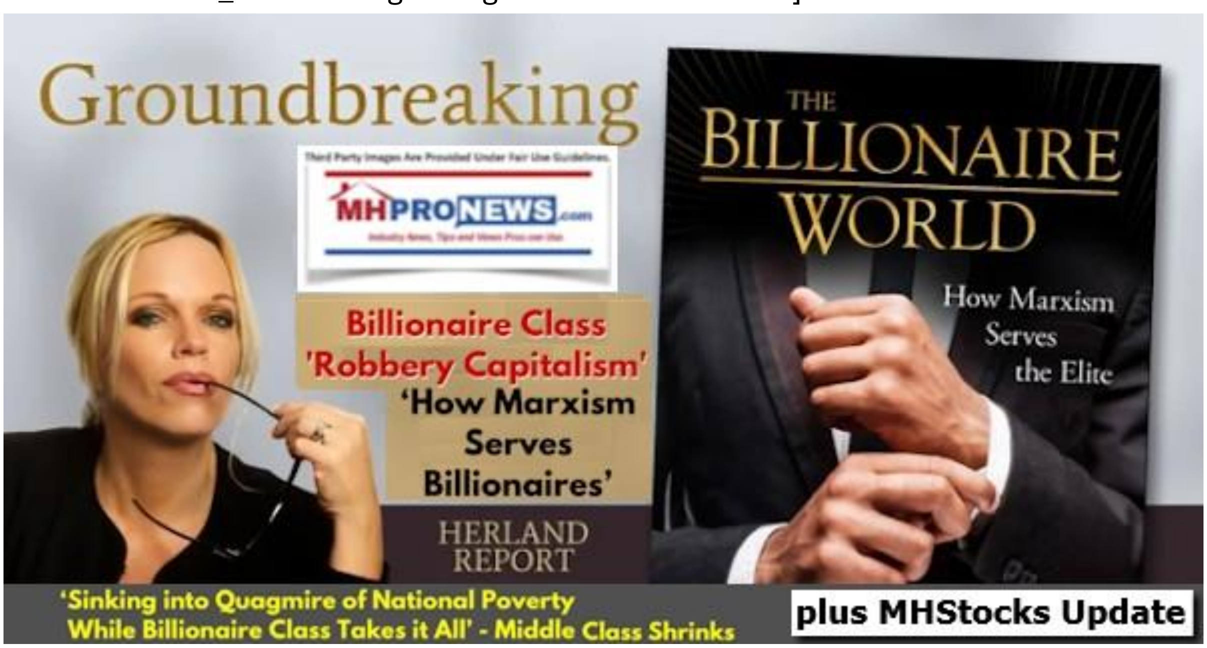


https://www.manufacturedhomepronews.com/ips-gilded-giving-2022-wealth-inequality-distorts-philanthropy-imperils-democracy-reports-finger-warren-buffett-bill-gates-more-philanthro-feudalism-linked-billionaires-plus-mhvil/[/caption][caption id="attachment_159700" align="aligncenter" width="600"]

https://www.manufacturedhomelivingnews.com/ripping-off-the-american-dream-feudalism-rising-warren-buffett-bill-gates-george-soros-other-billionaires-and-rigged-system/ [/caption][caption id="attachment_187875" align="aligncenter" width="600"]

Uploaded to MHProNews on April 20, 2023.

https://www.manufacturedhomepronews.com/spirit-of-rebellion-rf-kennedy-jr-my-candidacy-for-democratic-nominee-for-president-aims-to-end-corrupt-merger-of-state-corporate-power-threatening-new-feudalism-in-usa/[/caption][caption id="attachment_192850" align="aligncenter" width="600"]



https://www.manufacturedhomepronews.com/billionaire-class-robbery-capitalism-how-marxism-serves-billionaires-sinking-into-quagmire-of-national-poverty-while-billionaire-class-takes-it-all-middle-cla/ [/caption] https://www.manufacturedhomepronews.com/stone-kuttner-kotkin-american-dream-slip-vs-rise-of-neo-feudalism-theres-class-warfare-all-right-but-its-my-class-the-rich-class-thats-making-war-and-were-winning-warren-bu/

Several of those cited in those reports, such as Joel Kotkin and Robert F. Kennedy Jr., were longtime or lifelong Democrats who later left the party that claimed to be working to use antitrust to stop or break up corporate and financial power. By sourcing information across the left-right divide for over a dozen years, MHProNews and/or MHLivingNews have built up a body of evidence that lays out not just what people said, but what people did (or didn't do) after they had their public say.

MHProNews' xAI's Grok access has been down the last few days. That said, left-leaning Google's AI powered Gemini and Copilot will be asked to react to this report through Part III #4.

5)

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