

Babylon's Fall: Don't Believe the Stock Market Lies

In the “real economy,” stuff is bought and sold and shipped around the country by trucks, railroads and planes. When more stuff is being bought and sold and shipped around the country, the “real economy” is growing, and when less stuff is being bought and sold and shipped around the country, the “real economy” is shrinking.

I know that might sound really basic, but I want everyone to be on the same page as we proceed in this article. Just because stock prices are artificially high right now does not mean that the U.S. economy is in good shape. In fact, there was a stock rally at this exact time of the year in 2008 even though the underlying economic fundamentals were rapidly deteriorating. We all remember what happened later that year, so we should not exactly be rejoicing that precisely the same pattern that we witnessed in 2008 is happening again right in front of our eyes.

Watch the video to see more.