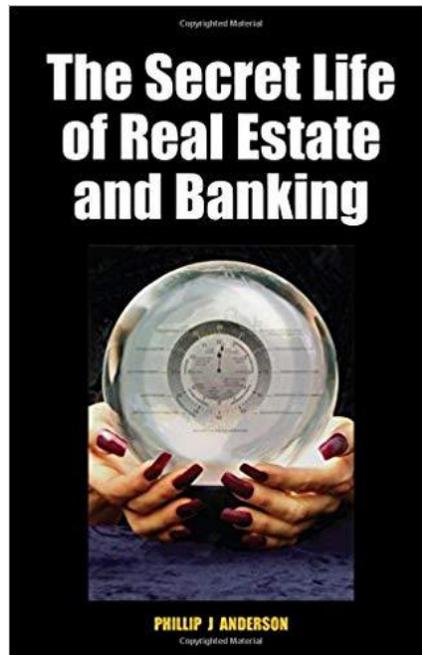


EXTRACT FROM PHILLIP J ANDERSON NEWSLETTER MONDAY 15 APRIL, 2019



Dear [REDACTED]

Australia may become the testing ground for yet another of Elon Musk's futuristic infrastructure projects, a tunnel he believes is the answer to Sydney's road congestion.

You may recall that Musk suggested — and followed through on — his proposal to build one of the largest battery plants in Australia. That was to help solve South Australia's energy difficulties.

NSW State MP Jeremy Buckingham recently asked Musk how much it would cost for the Australian state of New South Wales (NSW) to build a 50 km tunnel through the Blue Mountains, west of Sydney.

And the answer? About \$750 million.

I trust you're seeing 'the system' clearly. Like this...

Government gets an idea to build infrastructure. This is often sold to us as a plan to improve living standards, make cities more affordable, reduce congestion and/or to give us all much-needed work.

Said government borrows money from the bank to build these projects.

Government levies taxes on its citizens to pay back the bank.

Taxpayers become unhappy because the constant increases in taxes never seem to stop.

Wherever the infrastructure goes in, it usually results in massive increases in land values. Rents go up. The land value gain is then taken solely by the landowner.

This distorts the economy and is clearly resulting in a situation of 'haves' and 'have-nots'. That's because history shows land values rise much faster than wages.

Young adults, priced out of unaffordable housing, turn to socialism — or even Marx and communism — as the answer. Some turn to violence.

Someone in the community nearly always then stands up and blames the new immigrants for stealing all 'our' jobs.

Some budding politician soon finds a way to take advantage of this growing extremist outlet. They start preaching accordingly.

Look around you. Israel, Trump and the US, the UK, France, Italy and most southern European governments. They all have politicians ranting and raving — echoing xenophobic beliefs — about migrants infiltrating 'our' country.

They're an easy target.

And so, we have the world economies much as you see them today.

Built on the belief of scarcity. When actually there is abundance all around you.

It all starts with who collects the 'economic rent'.

There's just no need for big government influence like what's happening around the world

This is how land values around the country can keep going up, and up, and up.

Best wishes,

A handwritten signature in black ink that reads "Philip Anderson". The signature is written in a cursive, flowing style with a large initial "P".

**Phil Anderson,
Editor, *Cycles, Trends & Forecasts***