

Hoaxwagen and the Rise of the New Counterfeit

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When was the last time you were ripped off in a major purchase?

Maybe, you purchased a Rolex watch with its \$5,000-\$50,000 price tag and found you got a knock-off. It looked and functioned like the real thing. That's not the point. If you paid the full price for a Rolex watch, you would be rightfully angry.

Imagine that you paid full price for a new, reliable automobile with its accompanying claims and reputation. If that vehicle was a Volkswagen diesel from their 2009-2015 production years, you would be like the person who paid full price for the knockoff Rolex, but this fraud was carried off by the actual Volkswagen company. I call this fiasco "Hoaxwagen."

Who can better make a realistic fake than the company that makes the real product? Probably no one. But why was Volkswagen not concerned enough about their reputation to stay away from lies and half-truths? Perhaps, they thought they would not get caught.

And their gamble almost paid off! They did not get caught by any government body, even with governmental pressure on environmental matters, like emissions! It was a fact-checking lab in a university which caught them because their emissions claims just did not add up¹.

Counterfeiters get caught every so often printing money that looks like the real thing, but isn't. Governments also print money that looks like the real thing, but has been devalued. Think that is crazy? Remember the penny. It was worth something at one time. Same with nickels and dimes. In strict economic terms, we should probably stop minting them as well because of their relative uselessness. Why? Because of inflation. Slowly but surely, the value of our dollars is being reduced by inflation. Right now, the target for inflation is about 2% per year, so your current dollars are depreciating by about 2%.

This target is generally seen as acceptable and responsible. Experiments at much higher levels have had dramatically disastrous results. When the Sr. Trudeau was PM, inflation rose to a whopping 22%! After some painful years of readjustment, 2% became policy.

Guess what! Trudeau Jr. is rumoured to want to allow inflation to rise "just a little" to spur growth. Andrew Coyne took on this bad idea in a worthwhile article². Devaluing currency is not an honest path to growth, even if it would work. It won't.

In the political world, there are so many small and big lies that we don't even get terribly shocked by them any more. The Liberals promised a "small" deficit during the campaign of about ten billion, but then nearly tripled that amount when they actually tabled their first budget; oh well, that's just politicians. It seems the bigger the lie, the less we get worked up about it. Or perhaps we just feel powerless to do anything about it.

Courts and governments, which should be ensuring and enforcing “just weights and measures,” often seem biased and dishonest. They prosecute some, but don’t necessarily go far enough for others to take warning.

We need our government to be uniformly intent on justice in all areas.

The CHP believes in justice for all. Honesty is a virtue, but it must also be enforced through just laws. When a car-maker defrauds consumers by promising lower emissions standards than it actually delivers, the government should punish the offenders accordingly. To be accurate, Volkswagen will be settling with the owners of the cars with restitution; a cash settlement³ that will satisfy most owners.

Some of you may think, “lock up the Volkswagen executives!” I disagree! While they should have a criminal record if they knowingly were part of the crime, locking them up will not repay their damages to society and to their defrauded customers. Instead, they should work to repay the damage they have done. They wouldn’t be able repay their victims if they were in jail.

Expanding this principle into the political arena; the irresponsible handling of inflation targets might not get the Liberals kicked out of office in the next election—but it should!

And what of Conservatives? It seems that this word has been counterfeited too! When “Conservatives” will no longer conserve valuable things like traditional marriage or pre-born life, are they really conservative anymore?

Honest weights and measures must be evident in all things.

CHP believes that there are valuable things which must be conserved, and we will stand up for them. The value of your money, yes; and more importantly, the value of marriage, family and life itself.

Please join CHP⁴ if you are not a member and, if you are, thank you for your support. We rely on your donations and would appreciate a gift as we enter a busy fall season!

Footnotes

¹ www.npr.org/2015/09/24/443053672/how-a-little-lab-in-west-virginia-caught-volkswagens-big-cheat

² news.nationalpost.com/full-comment/andrew-coyne-its-not-the-1970s-lets-not-play-inflationary-game-again

³ www.ctvnews.ca/autos/volkswagen-owners-looking-for-settlement-over-emissions-cheating-1.3049893

⁴ www.chp.ca/get-involved