

Capital Flight

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Capitalist investors want nothing to do with countries that have incommensurate flows of capital. Excessive and prolonged outflows due to large foreign debt payments and purchases signifies a nation in danger of a financial crisis serious enough for a bailout and possible debt forgiveness.

Last year the US had only \$134 billion in direct foreign investment -- less than the \$163 billion obtained by China. Clearly China controlling the pandemic relatively quickly was a major factor but there are foreign investors that will move foreign capital to anywhere but here. Investors require a stable political and financial economy to safeguard their interests. Having a president who declares that his re-election was aborted by the illegal activities of his adversary, and then having his supporters seize the grounds of electoral government to prevent the official declaration of the new president, is hardly a way to encourage an influx of foreign money.

The election fiasco brought the degradation of modern social and political life in America to a new low following a series of police murders of Black people, which in turn brought out millions of Americans of all races across the nation to protest evident signs of a creeping advance toward a police state. Not exactly a picture postcard of America the beautiful and a safe haven for investors.

And is America a fair and honest place for investors when the biggest banks using dark pool money manipulate stocks like GameStop for quick and large profit? Does the New York Stock Exchange exist for fair trading of equity shares or is really a casino where the big banks control the movement of the wheel?

And then in about a weeks time we've had two mass murder incidents which are presented to us as mysteries of human nature. Some mystery. The ruling class of the nation they live in solves its problems with people and nations by seeking their destruction. Just as parents are models for the conduct of their children as they grow and then leave home, the vicious conduct of the nation here and abroad is the

model for social behavior when they are out and about as adults. Fortunately most dislike the system enough so as not to emulate its criminality. But there are exceptions, and it should surprise no one that at least 38% of domestic mass murders were perpetrated by military veterans. They are just doing at home what they've learned to do abroad.

Economic Info

-- From March to May of last year almost 21 million jobs were lost affecting more than 80 million Americans during the course of the year. That was much more social damage compared to the 9 million jobs lost in the 2008 Great Financial Crisis. The loss involved not only income but in many cases also homes, cars, etc., purchased with borrowed money. But this only affected the working class. In a capitalist society capitalists have their own personal safety net in the 'person' of a joint stock corporation that if big enough must be bailed out and set right with taxpayer money.

According to a report by Americans for Tax Fairness based on Forbes data as of March, the combined wealth of our 657 billionaires increased 44.6% over the 12 months from the lockdown. That amounts to \$1.3 trillion in illicit cash. There were also 43 new billionaires made during the year, but even billionaires have their own extreme wealth division. \$563 billion of the \$1.3 trillion slush fund was garnered by just 15 of the 657 billionaires.

-- There was a time when someone defaulted on their housing mortgage payments the bank or other lending company would take possession and re-sell to another individual wanting a home. That is now largely a thing of the past for most home sales thanks to the nature of recent economic downturns and the cheap interest rates available as economic stimulus. Now private equity funds scoop up thousands of homes at distressed prices and then resell them through their own or other real estate companies. In the 2008 slump \$60 billion was expended in this manner worldwide and for 2021 \$323 billion has been raised for such purposes with more coming as homes enter the market.

In Ireland and other European countries there is a new scheme. 95%

of new apartments in Ireland are bought by specialist buyers who package them for big investors. They in turn sell them through real estate firms to individual home buyers after these two classes of parasites have received their cut.

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