

## Ukraine - Drawn and Quartered

*By Its 'Friends'*

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With a possible stalemate looming now that Russia has occupied most of the predominantly Russian settled areas of Ukraine, its erstwhile friends are rapidly putting in place all the necessary legal and social tools for a very lucrative return on investment. Earlier this month its private creditors agreed on a 2 year moratorium for payments on the \$20 billion foreign debt. That will save Ukraine \$6 billion, halt the rapid decline in central bank holdings, and will probably be the last gift they receive before the screws are put in place and gradually tightened.

Undoubtedly the biggest prize for Nato nation-breakers and looters are the 32 million arable hectares (1/3 of all the EU farmland) of the best black growing soil in the world. In 2001 a moratorium was instituted on the sale of land to foreigners. Westerners want it repealed and in 2013 the World Bank provided funding for a deed and land title program. Despite the moratorium 10 foreign entities using Ukraine shareholders as a front have managed to control 2.8 million hectares, and possibly up to 6 million. With the US State Department twisting his arm, and the assistance of the IMF and World Bank, in 2020 Zelensky surrendered. A 2024 referendum will 'seal the deal' regardless of what the people actually want.

Last month the countries of the EU, US, Britain, Japan and S. Korea met in Switzerland for what was criminally called the Ukraine Recovery Conference – the pillaging of a nation's public assets by foreign capitalist gangsters is hardly intended as a Recovery.

*“Strengthening the market economy“, “decentralization, privatization, reform of state-owned enterprises, land reform, state administration reform,“ and “Euro-Atlantic integration.”*

In other words – giving control of a nation's assets so foreigners can profit by them in the hopes that by doing so the Ukrainian people will enjoy watching their nation being raped of its natural resources. But maybe not. A 2018 poll found that only 12.4% supported the privatization of state-owned enterprises. Almost half opposed it. A broad removal or weakening of 'good for workers but bad for capital' labor legislation has already been achieved.

## **Profitable Financial Manipulation**

This week there was much wrangling by the Democrats about the Carried Interest Tax Loophole which permits private equity manager to classify earnings as capital gains rather than regular earnings, which is to say, 20% rather than 37%, which means \$63 billion of unearned income taxes over 10 years are lost. The Dems made it seem like they eliminated it altogether but all they did was to extend the period before the loophole is opened from 3 to 5 years. Only \$14 billion of the total possible is recovered.

Playing with capital gains is a minor way wealthy capitalists and engage in risk-free cheating. All time records were broken in stock buybacks. Instead of using revenue for productive purposes like research and development or improving the pay and working conditions of their workers, capitalists buy their own company stock which raises its market value, and then selling it for an easy no work, no risk, profit.

For the 12 months ending in March 2022 buybacks were a record \$984.6 billion – an increase from \$500 billion over the same period in the prior year. Q1 2022 dividends were a record \$134 billion over the previous quarter. Combined dividends and buybacks for the 12 months ending March 2022 was a record \$1.510 trillion – a very large increase over the \$0.979 trillion ‘earned’ the same period in the previous year.

Aren't these practices criminal? Interestingly, until the mid 1980's they were. Stock buybacks on the open market were considered criminal market manipulation. The stagflation crash of the 70's caused such economic damage that the rules were discarded to allow the illusion of improvement because any genuine fix was impossible. That is still the case today – capitalism is in a permanent downward spiral. It seems the only way they can 'save' the system is to have global warming knock us off before the system does.

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