

ROBBERY | BY ERNST WOLFF

Posted on 27. Oktober 2020

While the whole world is staring anxiously at the Corona situation, hedge funds are making huge profits. Exclusive print from "Wolff of Wall Street".

By Ernst Wolff.

We should not only pay attention to the issues that are being forced upon us everywhere, but above all to those that are obviously being kept silent. Corona is - besides other functions for the money and power elite - a huge diversionary tactic. Long before 2020, events were taking place in the background that could prove highly dangerous for global prosperity and social justice. The majority of people must now realize that the social misery, above all the continuous decline in their standard of living that has been going on for years, but also the cultural decline and the increasing subjugation of society to authoritarian political structures, has its causes in the current financial system.

Today is Sunday, April 5, 2020, and while the world is staring anxiously at the spread of the corona pandemic, things are happening in the global financial system on a massive scale. For a few weeks now, we have been watching hedge funds wielding their market power and squeezing the existing system to their advantage with the help of governments and central banks. We can see how they are ruining their biggest competitor - the small and medium-sized business sector - and taking every conceivable measure to profit to the maximum from the now unavoidable economic and financial crash.

If nobody stops them, we will very probably soon see how the hedge funds will force a new system on all of us - supported by politicians and central banks - that is tailored to the financial elite and their needs. In order to understand the background to this historic upheaval, it is important to move away from the misconception, which is currently the most widespread and most strongly promoted by the media, that all this has something to do with the new coronavirus. The fact is that the problems in the financial sector existed long before the pandemic and would have had fatal consequences even without it. The virus only serves as a welcome aid to those who dominate the financial sector. It has been attracting people's attention for several weeks now, enabling the financial elite to pursue their own agenda largely undisturbed.

In order to understand this agenda, one must take a look at the recent development of our financial system. It all began with deregulation, i.e. the progressive abolition of legal restrictions on banks. In the course of this deregulation, hedge funds were permitted, i.e. asset management companies whose clientele consists almost exclusively of so-called "high net-worth individuals" - the ultra-rich of this world. These hedge funds may operate like banks, but are not subject to their legal restrictions. Their approval was a historic gift to the banking industry, as it allowed banks to set up hedge funds themselves and thus circumvent all the legal restrictions imposed on them.

The new era in the financial system heralded in this way is also known as the "age of locusts". Hedge funds do not follow a fixed strategy, but are constantly scouring the economic and financial system for opportunities to make the highest possible profits in the shortest possible time and are extremely ruthless in doing so. In this way, they have become bigger and more powerful since the turn of the millennium, and today they outperform even the big banks, which are now largely in their hands. But this historically unique power also poses a problem.

Because the hedge funds have subjected themselves to a large part of the system, they themselves have become highly dependent on it, which means that if the system is unstable, then the hedge funds also become unstable. And that is exactly what we are experiencing. In recent weeks and months there has been a concentration of crises that have shaken the global economic and financial system to its very foundations. First, in the second half of last year a recession set in in many countries. Normally this is not a tragedy, but in this case the recession has hit an extremely fragile system that has been kept alive artificially for about twelve years. In addition, in January 2020, China, the most important engine of both the global economy and world trade, failed and disrupted supply and trade chains around the globe. Finally, Saudi Arabia also caused the oil price to collapse drastically in early March.

Taken together, these were three blows that would have sent any normal economic and financial system to the ground like a boxer. However, since the current system is particularly vulnerable due to the loose monetary policy of the past, it is currently more like a boxer who has not only been sent to the boards but is being counted and is trying in vain to get back on his feet despite all the shouts of his coach. The role of the

trainer belongs to the U.S. Federal Reserve (FED), which has tried everything in the past weeks and months to stabilize the system, but whose efforts have been unsuccessful and which can now only use funds that will destroy it in the long term. In concrete terms: The FED is forced to pump more and more money into the system, although this flood of money will certainly end in hyperinflation and destroy the existing monetary system.

The international public receives virtually no information about all this. Instead, the media and politicians are focusing people's attention exclusively on the Corona pandemic, thus giving hedge funds the opportunity to use the current crisis to their own advantage despite huge losses and to plunder the tumbling system with the active support of the central banks. How else can it be explained:

- that hedge funds, which have gotten into trouble through unrestrained speculation, are supported by the central banks with trillions and trillions?
- that the Federal Reserve and the ECB have hired a hedge fund - named BlackRock - to advise and organize this distribution?
- that large parts of the middle class are deliberately ruined by the shutdown and are faced with the alternative of either filing for bankruptcy or joining platform companies backed by large hedge funds?
- that large corporations supported by hedge funds, such as Amazon, are allowed to continue to operate despite the shutdown, hire new staff and make huge profits, while small entrepreneurs are banned from practicing their profession?
- that corporations that have driven up their share prices in the past by buying back shares and thereby earned huge sums of money for hedge funds are now receiving billions in aid from taxpayers' money?

The list could be continued at will and would lead to the same conclusion again and again: None of these measures serve the majority of working people and none of them helps to stabilize the current system. On the contrary, the measures accelerate its collapse and help those who are currently plundering it to be in

the front line when it is restarted.

However, since this new start will certainly bring mass unemployment, the end of large sections of the middle class, a drastic reduction in the living standards of the majority of the population and a further explosion of social inequality, one must expect resistance on the part of those affected and - in response - repressive measures on the part of politicians.

It should make one think that exactly such measures - contact restrictions, assembly bans, travel restrictions and border closures - have already been introduced, under the pretext of protecting the population from a pandemic, but typically by the very politicians who in the past did everything possible to undermine our health care system through constant austerity measures.

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