

## **Money-hungry and irresponsible financial markets endanger the real economy (companies and jobs), blackmail people and countries and threaten democracy!**

I am of the opinion that our tax, financial and economic policies are no longer made in our capitals by parliaments and governments, but that everything which even remotely concerns national and international issues of money, finance and tax, is decided at the finance centres of this world by financial jugglers of a global money-mafia. And I'll even go one step further and claim that countries don't intervene the way they should and also don't set any limits to systematically stop excesses in the financial markets. Just the opposite. Countries are actually supporting these people at the stock markets and in the investment banks by assuming gambling debts, buying junk bonds, supplying banks with fresh money and handing out all sorts of other aid packages. This is another reason our national debt is so unbearably high. However, they try to make us, the citizens, believe that our lifestyle and the many "national good deeds" have led to these mountains of debt. Just recently Mr. Oettinger declared in a BILD Zeitung interview that the citizens have to be told plainly that prosperity on tick is now over. That's what I say: the first thing that needs to be done is forbid nation-damaging financial transactions by law, i.e. gambling and speculating at the expense of the general public. In addition, income from serious capital transactions must be taxed with a financial transaction tax that will then be used to balance our finances. Also the capital gains tax of currently 25% has to be increased markedly, because it is totally unfair that work is taxed at a higher rate than capital income, which requires no work. Overcoming our national debt is only possible if on the one hand we use income/taxes for the common goods to "head in the right direction" and on the other hand critically look at the expenses side in order to avoid unnecessary

and superfluous expenditure. More income and saving in the right places puts the finances in the domestic sector back in order, just as it does in a company and also in a country.

Citizens have neither lived beyond their means nor did we force the country to incur debts – to produce "prosperity for society". At this point we are not only being lied to, but we are also being "blamed" for our suffocating debt burden by politicians and their "scientific advisers" from the world of finance. Complete madness and intolerable!

I think it would make more sense – instead of giving banks money via our central banks with which gambling on tick (and paying "bonuses in the billions") is financed – to establish a governmental bank also on a European level. This would ensure that loans are not used for speculation and for income without work, for example from interest rates or high-risk money transactions, but only to invest in new technologies, in new jobs and thus in the productive income of an entire national economy. In my opinion, banks – just like stock markets – have not only lost their innocence, but are part of a global financial mafia that opposes governments and wields a dictatorship of money across borders. Prosperity is only created by workers, companies and machines, not by brokers, banks and speculators.

We have deregulated financial markets and thus opened Pandora's box. We are overrun by inconsiderate unpatriotic money-hungry people that will do anything for money. They swoop down onto the real economy like vultures, put money on countries going bankrupt and get

private rating agencies, who can also earn money with their ratings, to lower the creditworthiness of just these countries. Such a reduction of the rating always results in the countries having to pay higher interest rates for their debt in the credit markets. This is a perverted game, with which a lot of money can be made. Greece is part of Europe, Greece cannot fall, we can't allow it to be shot up by financial markets and we can't destroy it ourselves by demanding that the economy and the state "shrink to sustainable levels". That will only produce massive unemployment in connection with shrinking tax revenue and will lead – as we saw not only in Greece but also in England – to social unrest, and maybe even national uprisings.

I would have never thought it possible that one day not only individual countries but an entire community of nations such as Europe could be plunged into difficulties by the brutal power of the financial world. Europe is more than a common currency. Europe is an exemplary concept for peaceful cooperation. Europe is an example of how formerly hostile countries, which for centuries waged war against each other time and again, can arrive at peace, freedom and prosperity. In school, I experienced history lessons more like a war report than a peaceful story of mankind. We simply have to defend ourselves against this gang that keeps speculating our real economy, entire nations and people to the edge of the abyss, because this will lead to the greatest danger for peace, freedom, democracy, social market economy and justice.

We know that the global gross national is about 70 trillion €. However, nearly 30 times the value of all goods and services produced in the world are capital market transactions: share deals, bond sales, financial derivatives and lastly, earnings from the biggest scandal of all – from betting or rising food prices, which even causes people to starve, because they can no longer afford their food. The financial markets overshadow the real economy and put it up against the wall with unbelievable amounts of money. Banks and bank-like entities invest money to a large extent only to produce new money through interest and compound interest.

Only the smallest amount of money generates a productive benefit for national economies with its companies and workers. Prices don't fall. Prices are pushed down by the weight of these trillions or shot up at will by the players. This leads to huge stock earnings, enormous interest payments – all through speculation or other actions that do not require work. But someone has to foot the bill.

Wherever interest earnings are achieved, somebody has to work for the interest income and earn something. Those again are the people in their companies and the consumers, who are forcibly used in the redistribution from the bottom to the top via the interest calculated into the price of every product. Nothing against interest, but please not to enable income without work that only serves to drive the increase in currency. Money and lending money must make sense, better if it should have a useful effect.

Our banks, like a service company, only have the task of lending the money that comes from the state – in other words from central banks (including the ECB - European Central Bank) – in order to maintain a national economy's liquidity, to producers and consumers, in other words to companies and citizens, so that is used for meaningful investment, production and consumption. However, banks have said goodbye to this core business, to this national economic task after the great financial market deregulation of western nations which, partly as a result of uncontrolled cash flows, now find themselves in a giant debt trap. If a small company or a trade business needs money, it gets stripped stark naked in order to be granted a loan of a few Euro – often at outrageous interest rates. However, as soon as investments take the form of incomprehensible, strange and community-endangering financial products of banks, all doors are thrown wide open without any security, without risk assessment. At the end of the day, this often results in worthless junk bonds that have brutally destroyed people's savings, frequently their old-age pensions.

I have never before experienced anything as impudent as what is happening in the financial

sector. We, the citizens and nations rescue banks that have plainly gambled away their money. We supply aid packages worth billions, pay billions and grant billions in securities. Instead of being responsible and thankfully going back to fulfilling their appointed function of granting loans to companies and citizens, these gambling gangsters reopen the casino within a very short space of time. Bonuses flow, salaries increase and profits are actually distributed. It was only a few years ago that losses in the financial world were brutally and mercilessly socialised – sanctioned by our politicians and as “the only alternative to save system-relevant banks” – in other words the general public was saddled with them, but today already the profits of investment bankers & co. are once again shamelessly privatised. It’s even worse in the relationship between banks and nations. The financial world is rescued by countries, then afterwards declares the countries are not sufficiently creditworthy, is worried about their ability to pay or even pontificates whether individual countries should be sent into insolvency. The financial world is biting the hand that keeps it alive and has repeatedly rescued it with billions. It must be clear to the money acrobats that they cannot enrich themselves at the expense of nations and people. This must end. Who else could do this but the state itself and the legislator as the highest authority and the most effective power?

Money is necessary, interest is necessary, but even more necessary is work for people that have to make a living. Work for all and fair pay from strong companies of the real economy in countries that cannot be held by ransom. This is how prosperity for all can be ensured in a society that is built on law and justice. This is how to maintain peace, freedom, our market economy, our democracy and a worthwhile life for all. It is quite obvious that the “little man”, the citizen, the tradesman, the entrepreneur bear the worst consequences of the finance and

debt crisis. Devaluation of currency, destruction of civil society/the middle class, bleeding society dry until there is hate and violence. We mustn’t sacrifice our social structures or our savings and must make sure that the aid packages benefit the people, because they alone are systematically relevant for a society, for a nation and for peace in our world. Banks are not, neither are shady money institutes and especially not investment bankers! The financial world receives fresh loans from central banks – including the ECB – at favourable interest rates and lends them back, if at all, to countries and entrepreneurs at high interest rates. This is not a necessary task for a national economy, it only serves to increase capital without work and supports the redistribution of capital and wealth from the bottom to the top. No productivity whatsoever and no jobs (except those in the financial market itself) are created by lending money, by investing money and profits from interest and interest income arising out of it.

The actual function of banks, namely to supply the real economy and citizens with money, could be assumed directly by the state itself, should the money markets and financial markets refuse. This sounds like nationalising some banks. Correct! For whether we stand surety for their losses and keep having to inject fresh capital, so that the speculative losses are compensated, or whether the state itself takes the money institutes in hand, no longer makes any difference in light of the cynical events in the financial world. It’s not necessary that the majority of people and companies should only work for interest and compound interest, from which others can live splendidly.

*Adapted from:*  
[http://www.liquimoly.de/  
 liquimoly/web.nsf/id/li\\_kopie\\_dom8m6jp6.html](http://www.liquimoly.de/liquimoly/web.nsf/id/li_kopie_dom8m6jp6.html)

- 1** Read the text to the end and identify the parts the article is divided into.
  - Introduction
  - Main body: middle paragraphs
  - Conclusion
  
- 2** Read the introduction. What is the general opinion expressed by the writer?
  
- 3** Read the middle paragraphs and find the main idea expressed in each paragraph.
  
- 4** Read the last paragraph. What does the writer suggest should be done?
  
- 5** How does the writer feel about the financial world?  
 a) concerned b) disappointed c) angry d) detached  
 Quote from the text to support your choice.
  
- 6** Class discussion. After reading the text discuss the following points.
  - Going back to the title, what do you think of what is stated in it?
  - Do you agree that our tax, financial and economic policies are no longer made in our capitals by parliaments and governments, but are decided at the financial centres of this world? Do you agree that financial institutions have too much power and that governments should introduce new legislation regulating their activities?
  - Do you think common people should feel responsible for the national debt of their country?
  - To what extent do you agree that financial markets and speculation are responsible for the economic and financial difficulties that most western countries are going through?
  - How responsible are private rating agencies for the increase of countries' national debt?
  - Do you feel "indignation" about any particular aspect of the financial world presented in this article?
  - What do you know of the "indignados" movement? Where and why did it start? What do they want?
  
- 7** Research work. Find information about the "indignados" movement on the Internet. Then report your findings to the class. Express your opinion.