



VIRTUAL WEALTH VS. REAL WEALTH

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The Atlantic region is characterized by economic space, where the virtual financial economy is practiced, born from unbacked Dollars issued by the FED to cover the U.S. trade deficit that has existed since 1971. The high talents that govern American finance have forgotten the main economic discovery of Adam Smith: that the source of wealth is Labor. Labor reproducing useful goods or services. Well said.

The unlimited issuance of inorganic money by States has created a mass of money much greater than the Gross World Product that circulates through the financial markets with total independence of the flow of international trade in goods and services. In 1818, the famous Genevan economist Charles Sismondi, the true continuator of Adam Smith, had already discovered that excess of money in the markets created over-investment, which in turn created over-production, with which he explained the periodic bubble crises that shake the Anglo-American capitalist economies.

These bubbles come from a hallucination of the Frenchman [Jean-Baptiste Say](#), a hallucination endorsed by [David Ricardo](#), the greatest theorist of Anglo-American-style capitalism. Say's nonsense says that all production creates its own market, for which it is necessary to resort to Dumping, which characterizes Anglo-American export trade. In the 19th century, dumping of British textiles in India; in the 20th century, dumping of subsidized agricultural products (cotton) by the United States on international stock exchanges and on the markets of developing countries. Dumping favored by the waiver of safeguards and countervailing tariffs against unfair trade implemented by the United States in its "Regional Free Trade Agreements." It is no coincidence that the economic world based on the dollar coincides with the world of NATO which seeks to remedy the collapse of its financial economy based on virtual money by seizing Russia's resources.

It is also no coincidence that the BRICS group is made up of countries that stand out as players in the Real Economy, which produces goods and services that come from useful labor, which, as Adam Smith discovered, is the original source of wealth.

A [recent report](#) published by the United Nations Conference on Trade and Development (UNCTAD) points out that six years after the outbreak of the global crisis, global economic growth remains low: 2.5 percent in 2014. According to the authors of the report, attempts to return to traditional business practices could not and cannot eliminate the root causes of the crisis. The financial sector continues to prevail over the real economy, wages as a percentage of GDP are steadily declining, and there is

growing inequality in the distribution of wealth and income within and between countries.

The cause of economic disparity between classes and nations is still there—which is the issuance of money that does not come from productive activity but from debt and credit created with a keystroke.

The financial economy since 1971 is a parasite of the real economy and parasites kill each other to survive.

This article appears through the kind courtesy of [*El Manifesto*](#).

[*Featured*](#): *60s Harvest*, by Steven Binks; painted in 1997.

