

"The Game Is Rigged" (A 2nd Letter From Uncle Bernie)

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Dear Nephew:

How the mighty have fallen. And how far they have yet to fall...
For now I reap the bitterest harvest of all!

No worse punishment can be imagined than for a father to see his son die. But I who have never taken small steps where leaps would carry me forward, nor stolen small things when the world's riches were laid bare and unprotected—no, I can now testify to one fate even more cruel for a father...to be the cause of an adored son's untimely and self-inflicted death.

I only pray that my fragile and beloved son—the cousinly playmate of your youth—may now know the peace he could never find here on earth.

Please know that your expressions of sympathy have comforted me in my darkest hours, and I now turn to your inquiries in the hope that some meager measure of service to you might serve as balm to my troubled soul.

You ask me to recommend investment vehicles that will offer a reasonable return for a novice investor such as yourself. Should you look to one industry versus another, stocks versus bonds, domestic properties versus international, mutual funds versus securities...well, the list goes on and on, doesn't it?

As I indicated in my last letter, wealth is finite, which means that all investors—you as well as the millionaire brokers of Goldman Sachs—are competing for the same spoils of war. And I purposely put you in battle with such behemoths, in my example, to show you exactly how little chance you have of taking anything but crumbs from the table in your efforts to pursue what has been long mislabeled the American Dream.

Put simply, my boy, the game is rigged. Once there was a stock market where a boy with pluck and wit like yourself could search out diamonds in the rough and make a fortune for himself. Yes, he could nurture his assets and grow his future, confident that the United States government would protect his holdings and maintain a level playing field.

Well, does that sound like today's world of finance? Like hell it does! Unless of course you're in elementary school listening to an impoverished third grade teacher explain the workings of our capitalist system. Out in the real world, the money boys (and it is mostly men) have taken control of things. Up until recently, your poor uncle was one of them—one of the ones whose shadow fell upon billions of dollars and thousands of innocent investors. And these selfsame money boys have made a science of separating money from the system and assets from innocents such as yourself.

We used to have a saying: steal an old lady's pocketbook and you'll go to jail, steal her pension and you'll go to the Ritz.

How many ordinary individuals do you know who have made more than pocket money in the stock market in the last 20 years? While I can show you hundreds and hundreds of millionaires who have made millions and millions of dollars.

Dear boy, why would anyone in their right mind invest in an American company when it is practically guaranteed its CEO, board of directors and top echelon executives will suck all the cream off the top in the form of excessive salaries, incomprehensible bonuses and golden parachutes? Before any ordinary investor receives a single penny in corporate dividends, millions will have been

siphoned off by the parasites who are now recognized as a normal part of the system's operation.

And speaking of parasites, when there actually is money to be made on investments, it is made by PWM's (People With Money) and PWM's alone. Companies like Goldman Sachs structure IPO's and other deals that are open only to their own PWM's. And rather than police these deals, government regulators limit themselves to whistling as they walk by the graveyard, knowing that one day—if they're well behaved little regulators—they will find gainful employment with these very same financial behemoths and perhaps become PWM's themselves.

No, my boy, the only investment that makes any sense these days is real estate which, because of the limited nature of its inventory, will always offer a good return on your investment. Even if at times the PWM's manipulation of the real estate market creates valleys and peaks and nearly destroys the American financial system.

But enough for now. I must end this letter and return to my singular life in confinement. How ironic to recall my earlier beliefs that punishment was something externally administered. A pain visited upon me by others. The truth is, no prison cell holds the terrors I now find welling up from my broken heart. And no amount of wealth and power could possibly fill the void that now lingers in the darkest reaches of my being.

I trust you will not forget to write and say a prayer for a tired old man, who sends his love and remains,

Sincerely,

Uncle Bernie

P.S. And please, though I suspect you have already done so, remember to say a prayer for your unfortunate cousin, may he now rest in peace.

