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CURRENCY CURRENTS



A free global-macro & market newsletter

Quotable

"The malady of normative decay gnaws at order in the person and at order in the republic. Until we recognize the nature of this affliction, we must sink ever deeper into the disorder of the soul and the disorder of the state. A recovery of norms can be commenced only when we moderns come to understand in what manner we have fallen away from old truths."

--Russell Kirk

Commentary & Analysis

Paradise in hell. Will the South African Rand morph into the Zimbabwe Dollar?



In case you didn't notice (quite possible because it doesn't fit the MSM narrative), the esteemed South African parliament, in their infinite wisdom, decided that yes, because the ANC has turned the country into a paradise in hell during its 24-year reign of corruption and incompetence, now is the time to blame white farmers (again) for the country's problems by confiscating their land (without compensation) and doling it out to political cronies whose skin color most likely won't be white and farming skills most likely won't be near the expert category.

Here is the headline from the Daily Mail:

'We are not calling for the slaughter of white people - at least for now': South African parliament votes to SEIZE white-owned land as experts warn of violent repercussions

The New York Times, the paper whose slogan should be: All the news fit to spin, refers to this outrageous seizure as "land reform." Finally, some "justice" say many inside the ANC, and out. So, I guess white South African farmers can feel good knowing it is just "land reform," and the parliament didn't vote for slaughter. Well they likely didn't vote for slaughter because white South African farmers are already being slaughtered, tortured, and raped in impressive numbers. Where is their "justice." Just asking?

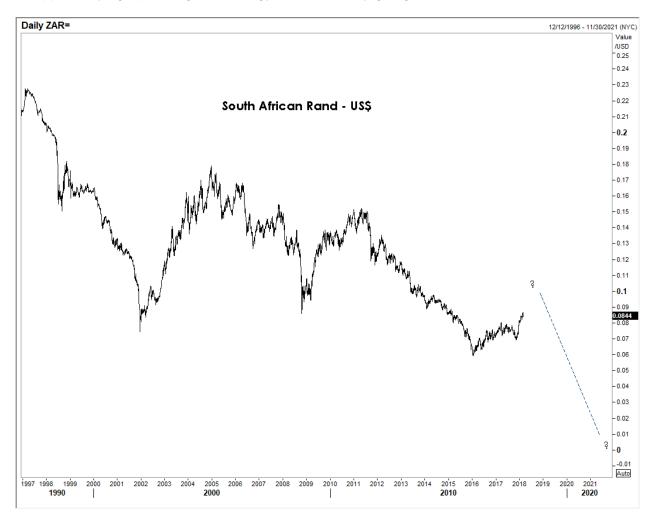
I am looking forward to seeing how this works for South Africa; but I am not optimistic. After all, it seems as if its déjà vu all over again.

This brilliant racist idea of white farm confiscation worked so well for Zimbabwe, South Africa's neighbor, the country went from a net exporter of its abundant food surpluses across Africa when whites ran the farms (very unfair indeed), into a complete basket-case. The country now cannot feed itself (thinking maybe it's time for all those brilliant rock stars and actors to gen up a live aid concert so we can all weep and feel guilty about the problems in Zimbabwe—and of course send more money to be siphoned off into offshore bank accounts with nothing going to the people who really need it). Thanks again Robert Mugabe—another bright light African "leader." Even the new President of Zimbabwe-- Emmerson Mnangagwa; a man not exactly considered Mr. Sweetness and Light, admits maybe Mr. Mugabe went too far. You think!

That little rant of mine was supplied as background so I can ask this question:

No matter how far loony left, or racists you might be, at what point do you stop putting any investment capital into South Africa?

I don't know the answer, as I am not sure why anyone would invest a penny their now. And I sure don't understand why the South African Rand isn't completely in the toilet already. But, given the latest outrage from the ruling ANC—darling party of the globalist left—it may not be long before investment starts drying up in a very big way; think of the humanitarian and social crisis in Cape Town, because of water supplies drying up, as a good analogy for the country going forward.



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If you trade currencies, getting short the Rand could be the type of trade that makes a year—or more. Demand for the Rand will likely plummet as South Africa continues down the road to Zimbabwe, as the supply of the currency soars. Does anyone remember the Zimbabwe 100 Trillion dollar note? See below if you forgot just how bad it can get.



If Dandy Don Meredith were still with us, he'd likely be warming up his voice getting ready to sing his famous rendition: "<u>Turn out the lights, the party is over!</u>" Stay tuned.

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