

## A very brief and simplified explanation of developments in the financial system

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The crisis that began at the point where Labour and technology and machinery are applied, led to dislocations in the circulation of the output and falling per unit returns. This in turn, caused a shift in the pattern of investment across the economy. It moved out of traditional fields and into largely solely financial activities as the growing source of profit. Finance was increasing separated from the real economy and took on a life of its own, leading to speculative bubbles and an increasing dependence on debt as a means of making a profit. This is ultimately unsustainable and is leading towards a threatened collapse of the whole financial system