.'Oil refiners have stopped buying oil from Iran,' was the headline today. Well, really just on the spot market. Two thirds of the Iranian oil that refiners buy is on long term contract, and they won't give that up unless forced to by an EU embargo. China continues to buy oil and doesn't accept anybody else's opinion on the matter. They have been buying less Iranian oil lately, but this is reportedly because of a pricing dispute. Since 2/3 of Iran's oil goes to the far east, it sounds like Iran's only problem is getting full price. The price is going up, thanks to the US pressure on countries to not buy from Iran, so they could end up getting just as much for their oil as now, or more.

Iran's biggest problem is really the threats made by the US against any foreign bank that does business with Iran's banks. The banks who do so would be prohibited from doing business in the US, and this could make it hard for Iran to get paid for its oil. This could, in theory, include those huge Chinese banks in lower Manhattan. Obama might as well threaten the king of the moon. China will pay as much attention.

Just the same, the corporate media is squawking about $5 gas by summer because of the shortage of oil that an Iran embargo might cause. They don't mention that the US's largest export is now fuel in the form of gasoline, diesel and jet fuels. The US gets less than 15% of its oil from the Middle East, and none from Iran. If we were to bring the USN home, that percentage would be even less.

Gold is falling again as investors look for cash, mostly USDs. Gold has lost $400/oz since its peak last summer. At that time I was getting all kinds of smart ass blog comments because I was saying gold wasn't a good investment. (It still is not.)

The company that makes Twinkies is in Chapter 11 bankruptcy again after only two years. They're seeking to gut their union contracts. The reasons cited in most of the corporate news reports are high sugar and flour prices, even though these are down currently. Less reported is the fact that they carry massive debts and they can no longer continue despite interest rates trending near zero. Why, you might ask, did that happen? To tell you the truth I didn't bother to research it, rather I'll make a shrewd bet. I'll bet the 90 year old company that makes an extremely popular product with literally an indefinite shelf life is in trouble because it has been looted by corporate raiders.

Over the past thirty years, companies like this have been routinely looted by their management, who simply take not only all the profits, but all the assets of the company as well - in the form of executive compensation. They are able to do this because the top tier of management is paid not what the company can afford, or what is required to find competent management, but what a compensation board (selected by management) decides other companies are paying. That happens no matter how ridiculous this amount may be.

However, therer is a more likely scenario for the downfall of a mature company that has a great deal of assets but doesn't pay much in dividends Iironically, this may be caused by the previous scenario - when the stock can be obtained cheaply. A company like Bain Capital will raise money (typically from foreign sources taking advantage of the exchange rate) to buy the controlling interest in the target company. This doesn't have to be 51%, just more than any other interested party, such as the founders, control. Once in control, they will replace the top management, or bribe them to go along with what amounts to grand theft.

The valuable assets of the company are then spun off in separate divisions, or simply sold outright to China, and these "profits" are captured by the new controlling interest. Once bled dry, the base company is then abandoned, still holding all of the debt, including the debt used to buy the company in the first place. This debt is what they call "corporate junk bonds", and there are trillions of USDs of this garbage coming due in 2012 (the Mayan accountants foresaw this apocalypse).

Mitt Romney characterizes his activity at Bain as finding "troubled" companies and "restructuring" them. This is the same way a pirate ship "restructures" a fat merchantman into booty. They weren't interested in "troubled" companies, they were interested in healthy companies they could loot. The current depression is largely the result of thirty years of theft like this come home to roost.

These practices were decriminalized by Reagan, so it's difficult to bring charges against the guilty. In fact these raiders are normally seen as the captains of industry, or the masters of the universe. Really they are more like Gordon Gekko, protagonist of the '80's movie *Wall Street*, played by Michael Douglas, who famously intoned "greed is good." In the film, Gekko went to prison, - that doesn't happen in real life. In the old days of forgotten history books, these people would swing from the yard arm. Today, any sort of justice seems as made up as a pirate movie. It's up to us to change that.

By Bruce Enberg, founder of [Prairie2.com]