

So much for rational markets

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As [the FT notes](#):

A record plunge in oil prices led the sharpest sell-off in commodities in two years as investors fled the market amid mounting concern over the strength of the global recovery.

So much for rational markets working on the basis of rational expectations.

Yet again we've been screwed by irrational expectations of greedy speculators.

The consequence is high inflation (thank goodness the Bank of England did not respond), personal misery as people have found it harder and harder to make ends meet, excessive profiteering (not Shell's profits) and now the long term impact of having an excessively priced Glencore share issue dumped on our pension funds.

Let's not pretend we have rational markets.

We just have a system of blatant exploitation.

And it's in need of regulation. But instead we applaud it.

To describe this as the economics of insanity is being too kind.