



Scott Morgan, Reuters

Goodbye, Accrual World

*“Rat poison squared.”
“Venereal disease.”*

Warren Buffett & Charlie Munger
on cryptocurrencies

NATION: **BERKSHIRE HATHAWAY**
 FOUNDED: 1839, Omaha, Nebraska
 FEARLESS LEADER: Warren Buffett
 POPULATION: 3 million+ (shareholders)
 CLAIM TO FAME: First non-technology
 company valued at over \$1 trillion (2024).

Annual Letter to Shareholders, 2024

To the Shareholders of Berkshire Hathaway:

Sadly, Charlie Munger died on November 28, just 33 days before his 100th birthday.

Despite his age, I must admit that Charlie’s kicking the proverbial bucket came as a shock, because I always thought the son of a bitch was going to outlive me.

Even so, I often thought of Charlie as a combination wise older brother and stern but loving father. (Now, don’t get me wrong; we never engaged in any of those disgusting incestuous sexual perversions.)

In any case, Charlie’s abrupt passing has reminded me that I’m not exactly a spring chicken myself, and bearing that in mind seems to have put me in an—admittedly uncharacteristically—confessional mood.

So now that Charlie’s gone, I’d like to take this opportunity to take back some of the ingratiating things I’ve said in the past about the old bugger—starting with how he was “the brains” behind Berkshire Hathaway.

Charlie had nothing to do, for example, with me buying up millions of shares of Wells Fargo and Bank of America at bargain prices during the GFC, knowing massive government bailouts were on their way.

That was entirely my brilliant idea.

Contrary to the endearing but completely bogus myth that we are entirely self-made men, both Charlie's grandfather and my Dad were state Congressmen. Dear old Dad set me up early with a bunch of prominent, super-wealthy Nebraskan political families, which provided me with all the capital—and insider tips—I needed to get started in life. Try that when your dad works as a janitor!

In any case, because I'm rich as Croesus, all I have to do is buy a stock and it's virtually guaranteed to go up... Yesireebob, folks, it's nice to be rich and well-connected!

All that advice I give you all about buying and holding forever is, of course, hogwash. And why should I buy stock on the open market like you all have to, when I can buy cheap on the OTC—like the options I bought betting on a quick recovery after the GFC.

I can also front-run your brokerage orders (or even my own company's) or buy entire private companies off market, knowing they will immediately earn a huge P/E multiplier.

I'm also not at all averse to buying shares of companies that commit fraud (Moody's), use shady accounting tricks (General Re), or serially abuse their customers (Wells Fargo). Heck, crooked firms like those have been some of my most profitable investments!

Now, I know you all think I decide to buy a company without giving it much thought. (You might remember the story about the furniture company I bought "because I liked the nice old immigrant lady who owned it.") In reality, I employ an army of analysts, so I can sit at home scarfing down ice cream and rewatching my favorite show, *Billions*.

I know some of you think it's hypocritical to publicly call for higher taxes on the rich, while my private army of lawyers spends years in court over a \$1 billion tax bill. But shucks, that's not hypocritical, it's practical!

Bearing in mind that I could keel over at any moment, let me tell you about my adopted granddaughter, who some people still give me grief for writing out of my will. Let me remind you, that bitch was born with a silver spoon up her ass. And nobody forced her to expose me and my rich friends in that sleazeball documentary, *The One Percent*.

In any case, thanks to my longtime bridge partner Bill Gates, I found a way to transfer my shares of Berkshire to various charities in order to avoid inheritance or estate tax. That way, I get a big tax break and also get to look like some big shot philanthropist.

Of course, nobody's perfect!...I've made some mistakes, like purchasing the textile company that gave Berkshire Hathaway its name instead of just buying up insurance companies and raking in the free money (i.e., the 'float') by investing the premiums.

And then there was my failure to invest in Amazon in 1994 because that idiot Jeff Bezos was losing money hand over fist.

No worries; I'd rather own companies whose products I personally use, anyway, like Dairy Queen, Mars, See's Candies—and of course, Fruit of the Loom...See?

< *drops pants* >

The bottom line is that my massive wealth has been built on monopoly power and the unfair advantages that our economic system provides to the rich. But don't blame me: I didn't create the system, I just work it!

In closing, I'd like to impart one last bit of folksy wisdom by reminding y'all of the Indian sage, Krishnamurti, who would chase his disciples out of the temple with a stick when they were trying too hard to kiss his ass. ... Don't be surprised, folks, if I show up at the next Annual Meeting with a large stick!

And with that, thank you everyone, and I'll see you all next year! (I hope.) ■