

## Proč se bankovní systém rozpadá, Michael Hudson

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March 13, 2023

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Proč se bankovní systém rozpadá

[Michael Hudson](#) • 13. března 2023

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Kolapsy Silvergate a Silicon Valley Bank jsou jako ledovce, které se otejí z antarktického ledovce. Finanční analogií globálního oteplování, které způsobilo tento kolaps podpůrných regálů, je rostoucí teplota úrokových sazeb, které minulý čtvrtek a pátek vyskočily a uzavřely na 4,60 procenta pro dvouleté dluhopisy amerického ministerstva financí. Bankovní vkladatelé mezitím stále dostávali pouze 0,2 procenta ze svých vkladů. To vedlo k trvalému stahování finančních prostředků z bank – a odpovídajícímu poklesu zůstatků komerčních bank u Federálního rezervního systému.

Většina zpráv v médiích odráží modlitbu, že provoz banky bude lokalizován, jako by neexistoval žádný kontext nebo environmentální příčina. Obecně se stydí vysvětlit, jak rozpad bank, který nyní nabírá na síle, je výsledkem způsobu, jakým Obama administrativa zachránila banky v roce 2008 patnácti lety kvantitativního uvolňování, aby znovu nafoukla ceny balených bankovních hypoték – a s cenami bydlení spolu s cenami akcií a dluhopisů. QE ve výši 9 bilionů dolarů (nezapočítáno jako součást rozpočtového deficitu) Fedu podpořilo inflaci cen aktiv, která držitelům finančních aktiv vydělala biliony dolarů – jedno procento s velkorysým efektem přelévání pro zbývající členy horních deseti procent. . Náklady na vlastnictví domu prudce vzrostly kapitalizací hypoték při klesajících úrokových sazbách do nemovitostí s vyšším zadlužením. Americká ekonomika zažila největší boom dluhopisového trhu v historii, když úrokové sazby klesly pod 1 procento. Ekonomika se polarizovala mezi třídou věřitelů s pozitivním čistým jměním a zbytkem ekonomiky – jejíž analogií ke znečištění životního prostředí a globálnímu oteplování bylo dluhové znečištění.

Ale ve službě bankám a třídě finančního vlastnictví se Fed zamaloval do kouta: Co by se stalo, kdyby a až úrokové sazby konečně vzrostly?

V *Killing the Host* jsem psal o tom, co se zdálo dostatečně zřejmé. Rostoucí úrokové sazby způsobují pokles cen již vydaných dluhopisů – spolu s cenami nemovitostí a akcií. To je to, co se děje v rámci boje Fedu proti „inflaci“, jeho eufemismu pro odpor proti rostoucí úrovni zaměstnanosti a mezd. Ceny dluhopisů a také kapitalizované hodnoty balíčků hypoték a jiných cenných papírů, ve kterých banky drží svá aktiva ve své rozvaze, aby kryly své vklady, klesají. Hrozí, že výsledek stlačí bankovní aktiva pod jejich depozitní závazky a vymaže jejich čisté jmění – jejich vlastní kapitál. To je to, co hrozilo v roce 2008. Právě to se stalo extrémnějším způsobem u S&L a spořitelny v 80. letech, což vedlo k jejich zániku. Tito „finanční zprostředkovatelé“ nevytvářeli úvěry, jak to mohou dělat komerční banky, ale půjčovali vklady ve formě dlouhodobých hypoték za fixní úrokové sazby, často na 30 let. Ale v důsledku Volckerova prudkého nárůstu úrokových sazeb, který zahájil 80. léta, zůstala celková úroveň úrokových sazeb vyšší než úrokové sazby, které dostávaly S&L a spořitelny. Vkladatelé začali vybírat své peníze, aby získali vyšší výnosy jinde, protože S&L a spořitelny nemohly svým vkladatelům platit vyšší sazby z výnosů plynoucích z jejich hypoték fixovaných na nižší sazby. Takže i bez podvodu ve stylu Keatinga nesoulad mezi krátkodobými závazky a dlouhodobými úrokovými sazbami ukončil jejich obchodní plán.

S&L dlužily peníze vkladatelům krátkodobě, ale byly zablokovány v dlouhodobých aktivech za klesající ceny. Hypotéky S&L byly samozřejmě mnohem dlouhodobější, než tomu bylo u komerčních bank. Ale vliv rostoucích úrokových sazeb má na bankovní aktiva stejný vliv, jaký má na všechna finanční aktiva. Stejně jako pokles úrokových sazeb QE měl za cíl podpořit banky, jeho dnešní zvrát musí mít opačný efekt. A pokud banky provedly špatné obchody s deriváty, mají potíže.

Každá banka má problém udržet ocenění svých aktiv vyšší než depozitní pasiva. Když Fed zvýší úrokové sazby dostatečně prudce, aby srazil ceny dluhopisů, struktura aktiv bankovního systému oslabí. To je roh, do kterého Fed namaloval ekonomiku QE.

Fed tento inherentní problém samozřejmě uznává. To je důvod, proč se tak dlouho vyhýbala zvyšování úrokových sazeb – dokud spodních 99 % mezd nezačalo těžit z oživení zaměstnanosti. Když se mzdy začaly zotavovat, Fed neodolal v obvyklé třídní válce proti práci. Ale tím se její politika změnila také ve válku proti bankovnímu systému.

Silvergate šel jako první, ale byl to zvláštní případ. Snažila se jet na vlně kryptoměn tím, že sloužila jako banka pro různé měny. Poté, co byl odhalen rozsáhlý podvod SBF, došlo k útoku na kryptoměny. Investor/gambleři vyskočili z lodí. Kryptomanažeři museli zaplatit čerpáním vkladů, které měli v Silvergate. Šlo to dolů.

Selhání Silvergate zničilo velkou iluzi vkladů kryptoměn. Oblíbeným dojmem bylo, že kryptoměny poskytují alternativu ke komerčním bankám a „fiat měně“. Ale do čeho by mohly kryptofondy investovat, aby podpořily své nákupy coinů, když ne bankovní vklady a vládní cenné papíry nebo soukromé akcie a dluhopisy? Co je vlastně kryptoměna, když ne jednoduše podílový fond s utajením vlastnictví na ochranu osob, které perou špinavé peníze?

Silicon Valley Bank je také v mnoha ohledech zvláštním případem, vzhledem k jejímu specializovanému půjčování IT startupům. Banka New Republic také utrpěla výpadek a také se specializuje na půjčky bohatým vkladatelům v oblasti San Francisca a severní Kalifornie. Minulý týden se

však hovořilo o úpadku na banky a finanční trhy byly otrěseny, protože ceny dluhopisů klesaly, když předseda Fedu Jerome Powell oznámil, že ve skutečnosti plánuje zvýšit úrokové sazby ještě více, než původně zamýšlel, s ohledem na rostoucí tvorbu zaměstnanosti. námezdně naladění ve svých požadavcích, aby alespoň drželi krok s inflací způsobenou americkými sankcemi proti ruské energii a potravinám a akcemi monopolů na zvýšení cen, „aby se předvíдалo nadcházející inflaci“. Mzdy nedržely krok s výslednou vysokou mírou inflace. Vypadá to, že Silicon Valley Bank bude muset zlikvidovat své cenné papíry se ztrátou.

Pravděpodobně to převezme větší banka, ale celý finanční systém je ždímaný. Agentura Reuters v pátek uvedla, že bankovní rezervy Fedu klesají. To není překvapivé, protože banky platí z vkladů asi 0,2 procenta, zatímco vkladatelé si mohou vybrat své peníze, aby si koupili dvouleté státní dluhopisy USA s výnosem 3,8 nebo téměř 4 procenta. Není divu, že zámožní investoři utíkají z bank.

Zjevnou otázkou je, proč Fed jednoduše nezachraňuje banky v pozici SVB. Odpověď zní, že nižší ceny finančních aktiv vypadají jako New Normal. Jak lze u bank se záporným vlastním kapitálem vyřešit platební schopnost bez prudkého snížení úrokových sazeb, aby se obnovila 15letá politika nulových úrokových sazeb (ZIRP)?

V místnosti je ještě větší slon: deriváty. Volatilita se zvýšila minulý čtvrtek a pátek. Otrěsy dosáhly obrovského rozsahu, než jaký charakterizoval pád AIG a dalších spekulantů v roce 2008. Dnes mají JP Morgan Chase a další newyorské banky desítky bilionů dolarových ocenění derivátů – kasino sází na to, jakým způsobem se změní úrokové sazby, ceny dluhopisů, ceny akcií a další opatření.

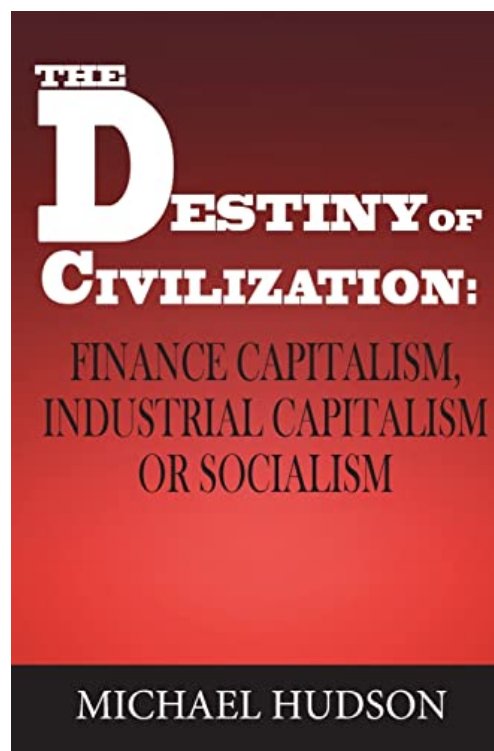
Pro každý vítězný tip existuje poražený. Když se sází na biliony dolarů, některý bankovní obchodník musí ukončit ztrátu, která může snadno zničit celý čistý kapitál banky.

Nyní existuje útěk do „hotovosti“ do bezpečného přístavu – něčeho ještě lepšího než hotovost: cenných papírů státní pokladny USA. Navzdory řečem o republikánech, kteří odmítají zvýšit dluhový strop, může ministerstvo financí vždy vytisknout peníze, aby zaplatilo držitelům dluhopisů. Vypadá to, že ministerstvo financí se stane novým depozitářem, který si vyberou ti, kteří mají finanční prostředky. Bankovní vklady budou klesat. A s nimi i držení rezerv bank ve Fedu.

Akciový trh zatím po propadu cen dluhopisů odolával. Hádám, že nyní uvidíme Velké uvolnění velkého rozmachu fiktivního kapitálu v letech 2008-2015. Takže kuřata přicházejí s nadějí, že se uhnízdí – přičemž „kuře“ je možná sloní převis derivátů, které po roce 2008 pohánělo uvolnění finanční regulace a analýzy rizik.

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### Oříznout komentáře?

#### 1. [Vinnyvetteřká](#):

[13. března 2023 v 15:24 GMT](#) • před 4,8 dny • 100 slov ↑

Bylo by přesným shrnutím článku pana Hudsona... Kdykoli střední a nižší třída začnou jen trochu prosperovat, federální vláda záměrně manipuluje s úrokovými sazbami, aby „kurva plácla“ prolety zpět dolů? Ale mít tím negativní důsledky na bankovní a dluhopisové trhy jako nezamýšlený vedlejší účinek?

To je hrůza plná zášti!

• **LOL:** [ruralguy](#)

[Odpovědět](#) [Souhlasím/Nesouhlasím/atd.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

#### 2. [Dutch Boyříká](#):

[13. března 2023 v 15:57 GMT](#) • před 4,7 dny ↑

Dnešní sloupek Dr. Paula Craiga Robertse tvrdí, že pět bank „příliš velkých na to, aby zkrachovalo“, drží 188 bilionů dolarů v derivátech, což je dvojnásobek celkového HDP světa. Kdo řídí tyto banky, bratři Marxové?

[Odpovědět](#) [Souhlasím/Nesouhlasím/atd.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

#### 3. [Notsofaříká](#):

[13. března 2023 v 16:10 GMT](#) • před 4,7 dny • 200 slov ↑

icebergs calving... fitting metaphor, with captain brandon at the helm of the u.s.s. titanic, yelling damn the icebergs, full speed ahead!

the fed will gobble up these banks, they forced into insolvency through their rapid rate hikes and then, strip them of their assets and sell them for pennies on the dollar to their fellow oligarchs, then head to the e.u. to rinse and repeat, basically what they did to russia in the 90's. their rate increases were never meant to temper inflation, because that's what they desire, as they intend to inflated their way out of debt, while grabbing any remaining assets they can, while the dollar has value. the increases were just to act as a catalyst to the asset grab and to keep the value of the dollar up against the pound and euro for future looting.

of course the answer is to replace captain brandon with captain trump who will restore order by rearranging zionist deck chairs, as the band played on....

• **Replies:** [@JR Foley](#)

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4. [March 13, 2023 at 4:38 pm GMT](#) • [4.7 days ago](#) • 100 Words [↑](#)

Everything is downstream of culture. *Everything*, including economics. And even including climate. So geek, queer, dweeb, dork, sick, soulless, snide, warped social engineers and economic engineers and media engineers and war engineers and climate engineers can run all the models and theories and maps they want, but if the culture is polluted, then the soul is polluted and the body and mind are polluted, and the nation is polluted and the environment is polluted.

Kikes run the culture, and kikes have polluted *everything*.

“Anti-Semitism” is a culture, too. Based in Christendom. Either it comes back big, and wipes these kikes and their whores off the face of the earth, or the earth wipes humanity off its face.

Those seem to be our two choices.

• **Agree:** [Stripes Duncan](#), [OldWhiteMan](#), [irish Savant](#)

• **Replies:** [@anonymous](#), [@A B Coreopsis](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

5. [Bill Jones](#) says:

| U.S. Treasury's two-year bonds.

Doesn't exist.

The US issues Bills with Maturities of 1 year Notes from 2 -10 years and Bonds ten years plus.

If you don't know the basics why should anybody read further?

• **Agree:** [Bro43rd](#)

• **Replies:** [@Franz](#), [@JaKo](#)

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6. reading says:

March 13, 2023 at 5:50 pm GMT • 4.7 days ago • 100 Words ↑

@Vinnyvette

You're right because the United States is a global empire. So the proles of the United States were not only distributed within the borders of the United States. The Democratic Blue Church teaches the world how to behave... Production and life.. Those who refuse to accept are not democratic freedom evil heresy..

And the dollar is the world's currency. All commodities were denominated in dollars and traded between the six continents of the world Empire

So the tidal wave of dollar interest rate hikes and rate cuts can be seen as the embodiment of empire. The apocalyptic flood from Jormungand's mouth washes away the entities and individuals in this world, large and small. Those who can't withstand the tide will rot, melt in venom and be devoured by the returning pythons...

This time the venom seems to have destroyed the snake's own mouth first? Caused a few small ulcers,?

• **Replies:** @showmethereal

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7. [WingsofaDove](#) says:

[March 13, 2023 at 6:49 pm GMT](#) • [4.6 days ago](#) • 200 Words [↑](#)

I find Mr. Hudson difficult to understand because he uses specialized jargon to explain quite abstract concepts.

For example: “The cost of home ownership soared by capitalizing mortgages at falling interest rates into more highly debt-leveraged property.”

I don’t understand what that means.

Mr.Hudson also defines “fighting inflation” as something bad for the 99%, disguised class war.

Is inflation bad for workers, because your wage buys less than last month?

If so, why is fighting inflation bad?

Or maybe inflation is good, because your debts in real terms are reduced?

Hudson first says the Fed is fighting inflation by raising interest rates as a way of preventing very low unemployment which leads to higher wage demands from workers. Ok, law of supply and demand for labor.

Then he says “Wages have not kept pace with the resulting high inflation rates.”

If wages have not kept pace surely that means that the wages are NOT the cause of inflation and thus Mr. Hudson is wrong about his analysis of Fed policy.

About half of Mr. Hudson’s writing makes sense.

The other half is full of jargon, and contradictory. I think he needs a lucid editor or co-writer.

• **Agree:** [martin\\_2](#), [ruralguy](#)

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8. [Mr Chow Mein](#) says:

[March 13, 2023 at 8:20 pm GMT](#) • [4.5 days ago](#) • 100 Words [↑](#)

The moral hazard was breached long ago, you could put it about when Nixon went off the gold standard or later with the heady days of the eighties or to 2008 when the system collapsed but Greenspan said its hasn’t then threw the last of taxpayers future on the fire.

But I point to the original concept of banking and financial/capital system as when the moral hazard was breeched, by using a different set of terms in language the financial system has made it impossible for the average punter to understand that they are robbed daily by a bunch of crooks.

Get ready for war, because that is what happens when the crooks collapse the system... only option to starvation is sign up to the military.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

9. Dr. Doom says:

March 13, 2023 at 9:03 pm GMT • 4.5 days ago • 100 Words ↑

Anybody that believes these bankruptcies are part of some “plan” are stupid.

As stupid as the bankers that make these loans to sub-prime people that do not pay back.

The “Great Reset” was supposed to be a re-ordering of society to urban dwellers.

Bankruptcy is the inevitable result of idiots lending to imbeciles.

Economics is hardly a science, much like most “social science” soft malarkey.

However, The Iron Law of Economics is you go black, you go broke.

The White Man has some honor when it comes to economic deals.

Other races, not so much. Even the Chinese are crooked all day long.

Crooks lending to crooks. This isn't really an “investment”.

It's a game of musical chairs, where the last guy sitting gets eaten by cannibals.

HAHAHAHAHAHAHAHAHA!

The economic collapse of the Bagel Boyz is JUST BEGINNING.

• **Agree:** Dragoslav

• **LOL:** brostoevsky

• **Replies:** @Punchthem

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10. Rubicon says:

March 13, 2023 at 9:17 pm GMT • 4.5 days ago • 300 Words ↑

ALL eyes on The FED/Wall Street/Big Banks/ Silicon Valley Bank!!

At the rate the US Capitalist Market is going, Russia will win, and Western Europe will be left fending for itself, minus the OGRES of US Capitalism.

Firstly, what happened on Friday 3/10/to today 3/13/23 has caught the immediate eye of both Dr. Michael Hudson, Paul Craig Roberts, Wall Street On Parade, and Ms. Smith at <http://www.nakedcapitalism> and host of many others, including Wolf Richter of Wolf Street....to name but a few. It's very rare for these people to do that, but they quickly realized the serious nature of a Bank Run starting 3/10.

Listen up: Hudson & the others are saying, while The FED, has purposely increased Interest Rates to destroy jobs for millions of Americans, in turn this action screwed up royally with serious repercussions: investors started losing money BECAUSE Interest Rates were so high, that it started to eat into their investments.

After months & months of high Interest Rates, it ended up with small/big Investors charging out of the gates of banks like Silicon Valley Bank, and many others small/large banks BECAUSE they were losing \$\$\$ Big Time with these Interest Rates.

That's only the most current emergency, too. How Is the FED/FDIC going to pay for all these losses.

You have the Big New York Banks: J.P. Morgan, Citigroup who are trillions of \$\$s in debt caused by gambling on "Derivatives." How are all "the venture capitalists" able to reclaim their money? How will this fiasco work out without further destroying common citizens; multiple millions unemployed; with about 40 MILLION impoverished citizens.

We say, repeal the Dodd Frank Bill that increased profits for the wealthy and re-institute The Glass Steagall Act of 1933, separating Business Banks from Commercial Banks (for common citizens.)

• **Agree:** [TheTrumanShow](#), [David Homer](#)

• **Replies:** [@anonymous](#)

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11. [Franz](#) says:

[March 13, 2023 at 9:40 pm GMT • 4.5 days ago • 100 Words](#) ↑

[@Bill Jones](#)

U.S. Treasury's two-year bonds.

Doesn't exist.

True he should have said T-notes but as the gimment site itself says —

**“The term “Treasury bond” often gets used to generically refer to all government securities.”**

If “bond” is slang for anything — short-term note or bill also — I guess it comes under the rubric of accepted use.

The accountant who does my taxes says this is useful for those selling the notes. Sounds right.

• **Agree:** [Decoy](#)

• **Replies:** [@PetrOldSack](#), [@MGB](#)

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12. [Rubicon](#) says:

[March 13, 2023 at 9:59 pm GMT • 4.5 days ago • 200 Words](#) ↑

[@Dutch Boy](#)

DERIVATIVES are:

“a financial contract used to ACCESS \$\$ in certain markets and may be traded to Hedge against Risks. Derivatives can be used to either mitigate risk (hedging) or assume risk with the expectation of (financial) reward.”

BTW, it's not New news that some of these huge New York Banks/others are sitting on mounds of DEBT called Derivatives. Supposedly, the Financial Masters there, know what they're doing, but who knows. The word is: Black Rock & others seem to be intent on raiding Social Security and all Pension Funds.

Vinnyvette, Dr. Hudson is saying that the US Financial System HATES paying worker's salaries because, it eats a little into The Very Wealthy \$\$s they've earned from the System.

Another person asks.....”Then he says “Wages have not kept pace with the resulting high inflation rates.”If wages have not kept pace surely that means that the wages are NOT the cause of inflation.

Higher inflation is not caused by wages. As Hudson says, “Wages have not kept pace with Inflation. What that means is: average wages are so low, millions of US citizens are forced to rely on credit cards to eat, to pay exorbitant health care costs, insurance costs, tech costs and loans to buy a car or home. End result: citizens are Billions of \$\$s in debt, and the Banks make immense profits off of that debt.

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13. [dogbumbreath](#) says:

[March 13, 2023 at 10:55 pm GMT](#) • [4.4 days ago](#) • 300 Words ↕

[@WingsofaDove](#)

For example: “The cost of home ownership soared by capitalizing mortgages at falling interest rates into more highly debt-leveraged property.”

The Fed injected money (QE 1, 2 3 etc..) into the economy since 08 crisis with historically low borrowing rates. This liquidity went mostly to the FIRE sector (quick profits) and not sectors like manufacturing where profits are slower. This fueled higher Real Estate transactions and prices (cost of home ownership soared) resulting in a real estate “bubble” (house price not reflective of value and worker affordability). With interest and mortgage rates now going up, the “real estate” naturally becomes highly debt leveraged.

Is inflation bad for workers, because your wage buys less than last month? If so, why is fighting inflation bad?

Inflation makes doing business or living unpredictable. We want stability. Workers want to know their wages are enough to live on and stable enough to provide savings for the future. Controlling inflation is good. Hudson claims the inflation for goods last year was a result of “Sanctions” and “Monopoly Pricing”. Consider when the Russian sanctions began last year, the US dollar went up relative to every major currency (except Rubles). Since the USA imports most goods, the cost of regular items should have stayed the same or gone down. A stronger currency buys more abroad. Hudson claims one reason for raising interest rates last year was to keep overseas countries within it’s Uni-polar orbit with higher debt payments. Russia and Ukraine is the small war. The bigger war in the background is Uni-polarity vs Multi-polarity. Since the World (developed and developing) borrows in US dollars, a higher interest rate along with a higher US dollar exchange rate undermines a countries ability to invest and develop (more profit goes to service debt). If you can’t modernize, you can’t break the chains of slavery. Furthermore, if you can’t service the debt, you have to sell off the Nations resources which is one of the Neoliberal modus operandi.

• **Thanks:** [WingsofaDove](#)

Reply Agree/Disagree/Etc. This Commenter This Thread Hide Thread

14. [Renoman](#) says:

I agree with “Winsofadove”. Put it plain, no one wants to become an economist to understand an article, that’s no path to success. More editing less baggage.

• **Agree:** [Son of a Jedi](#)

• **Replies:** [@A B Coreopsis](#)

Reply Agree/Disagree/Etc. This Commenter This Thread Hide Thread

15. Rubicon says:

March 13, 2023 at 11:39 pm GMT • 4.4 days ago • 100 Words ↑

@dogbumbreath

Well said, Dogbumbreath.

We hope this clarifies some of what Dr. Hudson has stated here.

“The bigger war in the background is Uni-polarity vs Multi-polarity.”

We would add that on top of what the US \$\$ system is doing, MOST of the Non-Western nations are deeply in debt because many of their political leaders/wealthy class have accepted, for several years the US's IMF Loans. Result: immense loss of productivity and workers who finds them in the depths of immense debt and poverty.

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16. Pamique says:

March 13, 2023 at 11:51 pm GMT • 4.4 days ago • 300 Words ↑

@WingsofaDove

I agree this article is a mash. I'd summarize as: the Fed and other macro-economic forces are like Cyclops with a stake in his eye, stumbling and flailing and breaking everything to smithereens.

Oh wait, that's my interpretation.

I think Mr. Hudson really has it in for the Fed and the Super Rich and so he credits them with more self-serving purpose and deviousness than they are probably capable of, as a group. Personally I think they are generally inept, and driven by the winds of political and economic expediency.

I think I understood at least one of the concepts causing you confusion:

“For example: “The cost of home ownership soared by capitalizing mortgages at falling interest rates into more highly debt-leveraged property.””

Here it is in English, with more detail: You have a 30 year mortgage with a 6% rate that you've been paying on for 15 years. Your house originally cost \$400k, and you borrowed \$300k, that's your mortgage balance starting point. Now your mortgage balance is \$175k.

30 year mortgage rates are now down to 2.5%. Everyone is scrambling to finance at this rate, to buy or refi. Consequently, due to the juiced demand, house prices soar (“cost of home ownership soared”). The “capitalizing mortgages” is just a clumsy way of saying that either you refi (very probably borrowing more than your current mortgage balance, for a new pool, junior's Harvard tuition for the semester, whatever), or someone buys your home at \$800k, with that juicy 2.5% rate, maybe with \$0 down. Hence “highly debt-leveraged property”.

The whole scene was exacerbated in the 2006 bubble because the fools dropped basic credit standards so in addition to the above, the insane demand created by the lend-to-anyone policy jacked prices and leverage way higher.

• **Thanks:** WingsofaDove

• **Troll:** A B Coreopsis

• **Replies:** @Rubicon

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17. Mr Chow Mein says:

March 14, 2023 at 1:08 am GMT • 4.3 days ago • 100 Words ↑

I find it amazing at how quickly the Empire is unraveling...its like the curtain has finally been pulled back.

For so long the masses have pretended that everything is ok...that the crooks that rob them daily are really good guys deep down, everything you see or are subjected to you think is just a misunderstanding, the crooks keep taking huge profits paying more and more for their liars to tell you it's all fine...these mega wealthy are worth it.

Now the curtain has been yanked open the liars are bare, those who have been warning for decades are called upon to act...why should they, why should they save the deaf morons?

So now we enter the period of impotence where everyone is becoming aware of a failed society but nobody does anything to change the direction.

• **Agree:** TKK

• **Replies:** @TKK, @Rooster16

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

18. anon[142] • Disclaimer says:

@dogbumbreath

Previously issued bonds at 0.4 % are now toxic for anyone holding them including the foreign nations.

Raising interest will erode the value of the treasury bills held by China and other countries.

Is that also one of the intentions?

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

19. anyone with a brain says:

talk about China. Michael Hudson has gone to China for lectures. gives unz readers a peak at what the Chinese are thinking about and doing.

ReplyAgree/Disagree/Etc. This Commenter

20. anonymouseperson says:

March 14, 2023 at 4:03 am GMT • 4.2 days ago • 100 Words ↑

As a Canadian I am always amazed at the US banking and financial systems. There are thousands of banks there and very little control, regulations or checks and balances. There are five big banks in Canada in contrast. They are tightly regulated. Wall street is just a wild west of capitalism. Money people there take liberties that would be inconceivable on Bay street or in financial centers of other countries.

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21. [TKK](#) says:

[March 14, 2023 at 4:22 am GMT • 4.2 days ago](#) • 200 Words [↑](#)

[@Mr Chow Mein](#)

If you are unfortunate enough to be a victim of Western HealthCare, your thesis is proven iron clad.

Even if at the holier than thou Mayo Clinic, signs of slippage everywhere. Very few white, native English speakers. Black receptionists who are rude. Tatted up office workers.

Balls dropped- where did my labs go? Lost. Redo them. Blacks nurses with poor English cannot find the veins to start an IV. They go find a Korean nurse anesthetist to start a simple IV. Residents forget to schedule Pre Ops. Surgeries delayed.

The Mayo Clinic was the gold standard of American medicine. It now feels like any other DEI, urban hospital where you are lucky to make it out unscathed. I wonder if the Elite who go there for treatment are now scoping out Switzerland or Austria to received competent care but retain their Woke ID card, which is the Willy Wonka Golden Ticket in the West.

• **Thanks:** [Sarah](#)

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22. [Why america failed](#) says:Next New Comment

[@Vinnylvette](#)

USians are responsible for their own demise. No external forces, top down entities coercions—the wool Was their eyes—, USians willfully and gleefully want what the vile US regime-empire offers. Just ask USers and Pilipinos

• **Replies:** [@2stateshmoostate](#)

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23. anon[307] • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 4:47 am GMT • 4.2 days ago](#) • 100 Words [↑](#)

not what happened with SBNY. it had made money. its assets were fine. but 10+% of its depositors left in a few days because...

because they... feared they'd lose their money and 90+% of SBNY's deposits were uninsured. that is, they didn't do much business in deposits < \$250k. this may've been the reason for their spectacular efficiency ratio.

because they (the depositors)... were stupid.

stupid people killed a great bank. its crypto exchange usd depositors weren't a risk.

the executives were shocked. board member barney frank said it was unnecessary. the regulators were stupid too.

i am motivated to say this because i lost a little money on it and it can't be me that's stupid, right?

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

24. [Anon001](#) says:Next New Comment

[@Dutch Boy](#)

| Dr. Paul Craig Roberts' column today ...

Banking Troubles on the Horizon? | Paul Craig Roberts | PCR

<https://www.paulcraigroberts.org/2023/03/13/banking-troubles-on-the-horizon/>

• **Replies:** [@Anon001](#), [@Publius 2](#)

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

25. [animalogic](#) says:Next New Comment

[March 14, 2023 at 5:41 am GMT](#) • [4.2 days ago](#) • 200 Words ↑

[@WingsofaDove](#)

“If wages have not kept pace surely that means that the wages are NOT the cause of inflation and thus Mr. Hudson is wrong about his analysis of Fed policy.”

Wages have not kept pace with prices for over 40 years.

However, lower unemployment figures give the Fed the heepee-jeebies. Thus inflation can be used as the *excuse* to increase rates, slow economic activity, & thus put pressure on workers across the board.

“The cost of home ownership soared by capitalizing mortgages at falling interest rates into more highly debt-leveraged property.”

What Hudson means here is that with rates at historically low levels, house *prices* were able to take off. Thus the leverage on a house increased -to simplify, rather than a 200k dwelling, people had to buy 300k ones. Of course rates were low-low, so they could “afford” to leverage their smaller deposit (as a % of the price). Less outlay on a higher price house, secured by low interest rates.

• **Replies:** [@WingsofaDove](#)

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26. [atp](#) says:Next New Comment

[@anon](#)

You know, you may be onto something! Sounds like a very plausible intention!

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27. [acudoc1949](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 5:50 am GMT](#) • [4.2 days ago](#) • 100 Words ↑

Strike at the root of corruption! See

<http://www.LetJusticePrevailThoughTheHeavensFall.com> and scroll down for a proposed Constitutional Amendment wresting control of our fraudulent monetary system from the craven hands of Ashkhenazim financiers!.....or continue to live as glorified serfs (at least for now!) in an ever-more impoverished neofeudalism. These SOBs want us dead or in their lie!

ReplyAgree/Disagree/Etc. This Commenter



28. Anonymous[294] • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 6:01 am GMT](#) • [4.1 days ago](#) • 700 Words ↑

[@WingsofaDove](#)

Hudson is usually spot on. There is some subjectivity in his arguments, as with any argument, but he gets most of it right. You print money. It is channeled into stocks, houses, etc. These are mostly owned by the rich. This price inflation is acceptable to the rich. Eventually assets are sold, or used as collateral for loans. This money is then often spent in real economy. In broader terms, the money is never contained in the asset bubble long term, it then trickles out. It buys all the other stuff in the real economy. This eventually drives up wages and creates demand for more jobs. This is the selectively-cherry picked inflation Fed and the rich always oppose. Not the original asset price inflation, but the second-order wage inflation. This is what Hudson means.

The Fed can set the discount window rate (where banks pawn loans for cash to pay depositors) directly, but it sets most other interest rates INDIRECTLY, by altering the supply of money. It decreases interest rates by increasing money supply, out of thin air. It increases interest rates by decreasing money supply, back into thin air. This is MONETARY inflation, increase in money supply. This monetary inflation is a primary, but not only, cause of PRICE inflation. This entire mechanism of interest rates decreed by a small cabal is the antithesis of a free market, even though its catastrophic harms are blamed on the free market. Interest rates should be set by the free market, by the buying and saving and lending decisions of millions, not a Fed cabal, or any other cabal. This fundamental shift of power, and fraud, too often goes unquestioned.

Hudson is right that real wages have not kept pace with other prices. This is very rudimentary, inarguable. This is why working class getting destroyed. Prices of things they buy increase faster than their wages, year after year, creating long term impoverishment. Fed acts to impede the corrective process, which big business of course colludes with, of wages increasing as fast as other prices, or at least increasing more than is allowed. If bread doubles in price next decade, and your wages increase 50%, you took a 50% effective pay cut. It is easier for companies to charge more (increase prices of goods), then it is for low-skill employees to to charge more (increase wages). If you factor out technology, middle class DESTROYED by inflation last century.

Printing money in excess of economic growth is never good. EVER. It is a clandestine siphoning of wealth via the mechanism of debasement of purchasing power of monetary unit. It also distorts price signals that are the backbone of the free market.

Paying lenders back in depreciated dollars, thereby shafting them, is not a new trick. In an honest economy (not ours), people earning money and lending it will rapidly adjust interest rates to account for being repaid in dollars of decreased unit value. This increases cost of borrowing, but more importantly, plummets prices of pre-existing bonds issued at lower interest rates, which the Wall Street casino then places trillions of derivative bets on. When banks are just conjuring loans out of thin air via the Fed and fractional reserve lending, these concepts become a bit more ambiguous (should we care about shafting a bank that simply creates money for loans out of thin air?), but if you print too much money, too fast, interest rates will counter intuitively skyrocket after a certain threshold (versus the theory of more money equals lower interest rates because the supply has

increased). This is because lenders will often increase interest rates faster than prices increase, to offset being paid back in depreciated money. Eventually interest rates become so high, functional lending and credit system implode, and the economy enters a death roll. This is what happens in many classic hyperinflations. Having a credit system lubricate the economy is easy to take for granted, but in LDCs there is no such system, and the results are catastrophic. That is a bit oversimplified, but maybe it helps.

• **Replies:** [@WingsofaDove](#)

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29. [Anon001](#) says: Next New Comment

March 14, 2023 at 6:11 am GMT • 4.1 days ago • 100 Words ↑

[@Anon001](#)

Banking Troubles on the Horizon? | Paul Craig Roberts | PCR  
<https://www.paulcraigroberts.org/2023/03/13/banking-troubles-on-the-horizon/>

PCR referenced Ellen Brown's articles [1][2] from her archive [3] here on TUR.

[1] The Looming Quadrillion Dollar Derivatives Tsunami, by Ellen Brown – The Unz Review

<https://www.unz.com/article/the-looming-quadrillion-dollar-derivatives-tsunami/>

[2] What Will Happen When Banks Go Bust? Bank Runs, Bail-Ins and Systemic Risk, by Ellen Brown – The Unz Review

<https://www.unz.com/article/what-will-happen-when-banks-go-bust-bank-runs-bail-ins-and-systemic-risk/>

[3] Ellen Brown Archive – The Unz Review

<https://www.unz.com/author/ellen-brown/>

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30. Anonymous[144] • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 6:14 am GMT](#) • [4.1 days ago](#) • 300 Words ↑

[@dogbumbreath](#)

One other clarification.

When the Fed prints trillions, on computers, insiders amass at the money spigot. They get near-free money at super low interest rates, literally near zero, and piles of it, not millions upon millions, billions upon billions. They then go looking for anything that pays a greater-than-zero rate of return, to play the spread and earn profit, or acquire assets with long-term value by borrowing with money created out of thin air.

Workers buying houses are grounded somewhat in fundamentals. They must save a down payment. They must earn wages to make a payment. Etc. This means that workers can only drive prices up so high.

Some guy making \$5G a month can't bid a half million extra for a house. Some guy borrowing \$20B from the Fed at 0.25% interest can bid more, as long as he believes he can make his money back somehow (or can funnel the money out and drop the eventual hot potato bankruptcy in someone else's lap). The overall result, keeping it simple and avoiding the "monetization" of houses into MBSs or their use as assets on balance sheets, is that when the insiders getting endless credit at the Fed spigot enter the real estate market, they drive prices up astronomically because they are using Duck McScrooge monopoly money, which they never earned, which was simply conjured out of thin air for them. This obviously then hoses middle class workers who end up paying MUCH higher housing prices, having to compete with the spigot-money speculators. This entire mechanism destroys the middle class. Yet another reason the Fed is evil.

• **Agree:** [ld](#), [Miro23](#), [vox4non](#)

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31. [bishop](#) says:Next New Comment

[@Vinnyvette](#)

That's bull.

Suddenly no one talks about J6 and government lies anymore. Wonder why.

• **Replies:** [@Vinnyvette](#)

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32. [IronForge](#) says:Next New Comment

[@WingsofaDove](#)

[Send Him an E-Mail...](#)

He's probably going to read the Comments Section.

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33. [WingsofaDove](#) says:Next New Comment

[March 14, 2023 at 6:45 am GMT](#) • [4.1 days ago](#) • 100 Words [↑](#)

[@dogbumbreath](#)

Sorry I don't think you've cleared up the confusion.

“Capitalizing a mortgage”= adding unpaid interest to the principal.

“Capitalizing mortgages at falling interest rates” means what exactly? The mortgage is based on an interest rate, capitalizing it means putting unpaid interest into the principal and reducing the monthly payments.

What is the relationship to falling interest rates?

Does Mr. Hudson mean “refinancing” in fact? If so why doesn't he use the more accurate term?

Capitalizing a mortgage means the borrower is in trouble and makes a deal with the lender to reduce monthly payments while INCREASING the overall cost of the mortgage.

Refinancing means the borrower is allowed by the lender to take advantage of lower interest rates and thus REDUCE the overall cost of the mortgage.

Quite different...

• **Replies:** [@dogbumbreath](#)

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34. [Miro23](#) says:Next New Comment

[March 14, 2023 at 7:42 am GMT](#) • [4.1 days ago](#) • 100 Words [↑](#)

Today, JP Morgan Chase and other New York banks have tens of trillions of dollar valuations of derivatives – casino bets on which way interest rates, bond prices, stock prices and other measures will change.

I would guess that most of these bets are protective insurance against the end of ZIRP – which is exactly what is happening.

So if counterparties (the house) can't pay out on all this, then it's down to the government = QE Infinity inflation. Or am I missing something.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

35. Anonymous[171] • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 8:08 am GMT](#) • [4.1 days ago](#) • 100 Words [↑](#)

Typically, the western media, including the **\*big bastards\*** at the Economist, WSJ, NYT, FT etch, parrot at approximately six week intervals the great big banner headline ‘China is Finished!!!’, usually while creaming themselves about some Chinese loans crisis they've pulled out of their ass. As a matter of fact, they've been doing just that for the past thirty years. At the very least.

This makes a rare change from that narrative.

• **Replies:** [@JR Foley](#)

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36. [Tony Hall](#) says:Next New Comment

[March 14, 2023 at 8:11 am GMT](#) • [4.1 days ago](#) • 100 Words [↑](#)

[@anonymouseperson](#)

Anonymouseperson. You're missing something. The political antagonisms between Justin Trudeau, Trudeau, Chrystia Freeland and the Truckers' Freedom Convoy led to the discrediting of the Canadian banks. Their malfeasant executives apparently had no problem with facilitating the Liberal government's clamp down on political opponents by seizing their Canadian bank accounts with not so much as a court order. Canadian banks are not to be trusted nor are their politicized federal regulators. The true colours of the Canadian banking complex have been well exposed. The Canadian banks had zero regard for the legal rights and freedoms of their clients and opted instead to be completely subservient to the radical pro-vax policies pushed without regard to the science by the Trudeau thugs and retards in the federal government. Many folks inside and outside Canada have responded by doing their banking business outside of Trudeau's increasingly debased Canada.

• **Agree:** [Bro43rd](#)

• **Replies:** [@anonymouseperson](#)

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37. [geokat62](#) says:Next New Comment

THE JEWS BEHIND SVB'S COLLAPSE

[Video Link](#)

• **Thanks:** [Miro23](#), [Brosi](#), [irish Savant](#)

• **Replies:** [@Anon](#)

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38. Anonymous[260] • Disclaimer says:Next New Comment

March 14, 2023 at 8:22 am GMT • 4.0 days ago • 1,000 Words ↑

The world as we knew it has, indeed, changed.

<https://www.breitbart.com/economy/2023/03/10/carney-on-kudlow-silicon-valley-banks-failure-signals-the-end-of-the-cheap-money-ecosystem-fueling-ca-tech-start-ups/>

Apparently the failure of Silicon Valley Bank (SVB) was caused by a 30% reduction in the market value of their T-bill assets. The reduction was consequent to the 4% prime interest rate set by the Fed to stop the 4% inflation caused by government deficit spending.

Note that SVB made the same assumption about T-bill safety, and found out that T-bills aren't safe at all — 30% drop in T-bill prices did in SVB, their “speculative” investments were quite profitable. The same 30% drop will likely do in several other banks — trading in stocks of some 30 smaller banks was suspended Monday.

Hudson's article doesn't say this, but the general lack of capital equipment and trained, effective labor force in 2022-2023 was caused by government appropriation of resources. It used to be called the “guns vs. butter” choice during the overthrow of the Irish-American elite back in the 1960s. Basic idea: Capital is fungible, and can be used either for civil or government (military in the 1960s) purposes. Purchase of “guns” means a larger government economy, purchase of “butter” means a larger civil economy. This formulation is misleading, in that government economy tends to be entirely dissipative — it spends money on consumption goods (military bases, for example), which are goods that do not produce other goods, and on “consumption labor”, people who use or operate equipment that cannot produce other equipment, or else are simply supervisory personnel.

The civil economy, however, includes production of capital goods, extraction of mineral resources, training “capital labor”, etc.

Yes, civil economy produces consumer goods as well. You have to give the labor force something they want (e.g. food, clothing, housing, some recreation) or it won't labor, not even by force. Slaves are a partial exception, but slave labor tends to be unproductive labor coupled with the occasional slave revolt.

Money diverted from civil economy does not make capital goods or train people to make capital goods {1}. If enough money is diverted (by threat of legal action followed by force), the civil economy is hollowed out: it lives off its accumulated capital and fires its trained labor or doesn't train replacements for its retiring trained labor.

And that's what has happened. Deficit spending has diverted enough money into maintaining political stability and fighting in Ukraine that the civil economy is failing — the train derailments being an example of an overworked, undertrained labor force using deteriorated equipment on a deteriorated roadbed.

Government spending has been diverted into, for examples:

\* A newly expensive medical system (Obamacare) in which physicians are employees and business managers maximize profits. This program is largely supported by employers paying for legally mandatory health care.

\* A “capital investment” program in Green Energy that has not even stopped the growth of

fossil fuel use and apparently has about a 5% completion rate for Green Energy projects.

\* A “universal university graduation” program that has deteriorated university education enough that the US has to import engineers and scientists from formerly Third World countries.

\* A Diversity, Inclusion, and Equity program that has introduced unproductive and hostile employees to most government and civil organizations.

\* A desperation move against the Russian Federation that appears at this time (2023-03) to be highly counterproductive.

This has reduced the Western civil economy to a “hollow economy”, and yet the US Federal government is unable to change their current system lest it produce US political instability, Trump being an example of such an “instability” threat to the US establishment.

Unfortunately, the deficit spending has itself caused political and economic instability, while the Ukraine/Russian Federation affair requires massive deficit spending. The increase in interest rates that caused Silicon Valley Bank to fail is an attempt to call in and destroy some of the deficit spending dollars. This attempt may result in a general banking crisis, one that can’t be stopped by “bailing out”.

The underlying problem, though, is the “hollowing out” of the US civil economy, and the self-perceived need for deficit spending to ensure its own dominance by “buying off” those factions threatening political instability. As of 2023, the Black coalition (which has won by threats of “making the wheels turn backwards”) runs the government, and seems to be “making the wheels turn backwards” from simple inability to do anything else.

Financial tricks need not end in disaster provided the tricksters don’t get too greedy. The US successfully inflated itself out of its WW II debt, for example. The *Pax Americana* was a reasonable compensation for American dominance and exporting its war debts, as it brought prosperity to the world by enabling global trade, and some reasonable fig leaf to disguise tribute that paid for the US manned *Pax Americana* was tolerable and tolerated for several decades. However, the US Federal Government after 1990 stopped supporting the *Pax Americana* and spent its money trying to maintain political stability in the US without having to resort to a domestic police state. That has not been tolerated, and the US has, from desperation, re-introduced mechanized warfare and poverty to Europe. Consequently, American international dominance is under severe and possibly terminal threat.

Further, US Federal attempts to introduce non-consensual rule, while it has not entirely failed as yet, has not succeeded either, and is actually threatening US government domestic legitimacy.

So this is the answer to the assertion that financialization solves all problems. It clearly has not done so. As of today (2023-03-14) financialization just may well have started a chain of bank runs that will destroy several US regional banks.

\*\*\*\*\*

1} Subsidizing “higher education”, for example, has produced indoctrinated youth who

cannot produce capital goods, either being too busy tearing down “Whiteness” or fired for not supporting ESG strongly enough. Even the engineers are now educated to technician level and are used as technicians for maintenance rather than invention.

• **Thanks:** [TKK](#), [Joe Levantine](#), [trevor](#)

• **Replies:** [@Miro23](#)

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39. [PetrOldSack](#) says:Next New Comment

[March 14, 2023 at 8:31 am GMT](#) • [4.0 days ago](#) • 300 Words [↑](#)

[@Vinnyvette](#)

to “bitch slap” the proles back down [wherever these proles are globally located inside the “Empire” subscription nations (@reading)] ?

These proles (we, us, them?!) have no option whatever to use the same tools of speculating outside their fish-bowl, no chance to buy or trade [other currencies, derivatives, barter, ownership outside their bulb, commit to bills not written by a Jew], they can only subscribe to whatever scam the International Jew proffers next [from defaulting at wish by the same perpetrators of digital coins that are not centrally regulated by these same thieves, to suggesting “Treasury bills”, up to “non-fungible tokens” (craziest idea ever, still under the radar), the list is endless].

Treasury bills. “bills” written by the same International Cabal? It is paramount as always to loose-loose. Finance is best compared to casino, betting. Cooking the books is endless. That is a design feature. My impression is that the other design feature is hard-wired brute stupidity and primitive survival instincts [greed] of man-meat. I wonder what the parlay of Hudson targets [the just smart enough to be harmless?, the parrot class?, the eating the scraps from the table class?]. Finance, the real thing is long since militarized, whether China and Russia can hold firm will decide the next loss of man-meat. Again, man-meat is without alternatives inside rotten systemics, ask the WE proles [outside the bulb of the whoring public politicians and “elite” general staff of ditto subscriber, affiliated “nations”].

This article, pointing to and meming a single bank run is a litmus test for man-meat, are you being distracted or not. If not, it is clear that the Cabal must have set it up as a little experiment to stoke fear, to maneuver the crowds into their credulity as usual.

• **Replies:** [@Vinnyvette](#)

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40. [GMC](#) says:Next New Comment

[March 14, 2023 at 8:32 am GMT](#) • [4.0 days ago](#) • 100 Words [↑](#)

I wondered why – when the big central banks stole Russia’s trade surplus money , they didn’t call up all the big Central Banks in Europe and influence them with a deal they couldn’t refuse -as in a dozen flying Hypersonic missiles for all their money back. I mean one simple phone call to the Bank of London or the BIS Bank in Switzerland – is cheap. And the wake up call or attitude adjustment would have benefited many of us in the world.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)



41. [PetrOldSack](#) says:Next New Comment

[March 14, 2023 at 8:56 am GMT • 4.0 days ago](#) • 200 Words [↑](#)

[@WingsofaDove](#)

| Inflation

Different thing to different people.

If you are a “privileged insider”, the term inflation means nothing, pizza at \$10.000.00 or \$1.00 is meaningless. Their inflation can be stored with insider knowledge into anything the Cabal might suggest to their own to deflate at wish. Their hard border, which they are touching upon is military seems. Russia and China “deflating” their power bulb territorially, dollar volume/reach worldwide. Russia and China were both aped in the exact same way and are finally? stepping away of it.

If you are one of the gold-fish in the bowl, to the contrary, the cost of your pizza is a hard problem. Today, ...and tomorrow.

Inflation is an abstract holding pin for ‘engineered by other means’ separation of the man-meat and the elite bulb at always increasing voids of power to submission [i do not talk about wealth here which is only a consequence of the many (hard assets) of power].

Michael Hudson, after a stretch of stepping away of nihilistic “finance parlay”, is back at it! Old dogs ...new tricks.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

42. [eah](#) says:Next New Comment

[March 14, 2023 at 8:56 am GMT • 4.0 days ago](#) • 200 Words [↑](#)

**Nominal Broad U.S. Dollar Index**

If you look at a chart of the **dollar index** (at the link above), it’s clear that during a period when the US was running huge deficits, the value of the dollar vs other major currencies was rising (some may remember the headlines when **the dollar hit parity with the euro for the first time in 20 years**) — this accelerated when the Federal Reserve started raising rates — because the US generally runs large trade deficits, dollar strength helped keep inflation in check for American consumers.

So the world seems to have an amazing ability to absorb what at times seems like a never-ending, almost infinite number of fiat dollars, which enables both this sort of financial corruption, as well as general US political and military hegemony — **unless the rest of the world develops a credible, widely accepted alternative to the USD**, the status quo looks set to continue.

• **Replies:** [@showmethereal](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

43. Shitposter in Chief says:Next New Comment

@anonymouseperson

Australia is the same. Our banks version of dodgy acts is raising interest rates the moment the reserve does, but taking weeks to cut them when they're cut.

Our non bank investment and insurance fields are a little wilder, but nothing like goes on over there

• **Replies:** @anonymouseperson

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

44. Punchthem says:Next New Comment

March 14, 2023 at 10:04 am GMT • 4.0 days ago • 100 Words ↑

@Dr. Doom

Lenders to “imbecils” are not stupid. They don't care about repayments. They only care about fat bonuses they get for increasing “turnover.

On the other hand “imbecils” are also profiting, they live in a nice house for a year or drive a nice car for 6 months etc. Everybody profits until the party is over.

• **Thanks:** irish Savant

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

45. Liborio Guaso says:Next New Comment

The good news is that they say they figured out how to finance those banks without taxpayer money.

ReplyAgree/Disagree/Etc. This Commenter

46. PetrOldSack says:Next New Comment

@Franz

The terminology of “finance”, “theoretical economics” is fuzzy at best. A design feature, like mafia members talking cryptic. What a babble to subscribe to. Any-body can make sense while deceiving all and every-one. Hudson is a Jew, he talks the talk.

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

47. cohen says:Next New Comment

March 14, 2023 at 10:58 am GMT • 3.9 days ago • 100 Words ↑

Banking collapse? Nothing new. Time to make more money.

I wonder what the Iconic Whistleblower Jeffery Sachs is waiting for? He should have, given his background in Economics and connection to a few agencies., done a public service in blowing the whistle on banking system collapsing. Perhaps, Jeff is running out of whistles

I wonder if there was threat of Martial Law like the one in 2008 banks fiasco.

<https://reclaimthenet.org/mark-kelly-social-media-censorship-bank-runs>

ReplyAgree/Disagree/Etc. This Commenter

48. anonymous[401] • Disclaimer says:Next New Comment

@Rubicon

| Capitalism

?

• **Replies:** @Ben Sampson

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

49. JR Foley says:Next New Comment

March 14, 2023 at 11:17 am GMT • 3.9 days ago • 100 Words ↑

@Notsofast

James Thurber 2023 ” The Secret Life of Walter Mitty” continues after the woman burst out laughing and Walter is NOW –in charge of the Printing Machine running off reams of thousand dollar bills when the Phone rings ” Mitty–this is Amtrak Joe –and I want to Thank you for covering my derriere–Mitty—you are to report to DC next Monday for your well deserved Medal” !

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

50. RoboMoralFascist 1st says:Next New Comment

March 14, 2023 at 11:23 am GMT • 3.9 days ago • 100 Words ↑

MOE GREEN : “What do you think is going on here? You think you can come to my hotel and take over? I talked to Barzini. I can make a deal with him, and still keep my hotel!”

At the FED/U.S. Treasury Hotel they actually say ‘MOE GREEN’ instead of QE.

ReplyAgree/Disagree/Etc. This Commenter

51. cohen says:Next New Comment



Watch Video At: <https://youtu.be/YXCWLiwwUWU>

• **Thanks:** GMC

ReplyAgree/Disagree/Etc. This Commenter

52. John Thomas says:Next New Comment

>>the Treasury can always print the money to pay its bondholders.

Uh, no.... Treasury can't print dollars.

Only the Fed can, then those dollars are loaned to Treasury.

ReplyAgree/Disagree/Etc. This Commenter

53. Tallest Skil says:Next New Comment

March 14, 2023 at 12:15 pm GMT • 3.9 days ago • 100 Words ↑

Could you perhaps have chosen an analogy that is valid in any way, shape, or form? AGW doesn't exist, and therefore it detracts from the message you're trying to convey by associating bank collapses with a proven fraud.

Then again, since these collapses themselves are a controlled event and not an organic loss of jewish control, perhaps... no, the author is too stupid to be doing that.

ReplyAgree/Disagree/Etc. This Commenter

54. ruralguy says:Next New Comment

March 14, 2023 at 12:28 pm GMT • 3.9 days ago • 100 Words ↑

Aged Marxist/Trotskyist Economists like Michael Hudson remind me of aged rock and rollers in a small-town bar near where I lived, in the 2000s, that played 1960 rock hits over and over and over, year after year. It was a aged group that still partied together. It seem so incongruous and eccentric to be stuck in that time, fifty years after everyone else had moved on, that it was just fascinating. Michael Hudson is stuck in the eccentric world of the 1910s Bolshevik clique, unable to part from that strange world in the distant past.

ReplyAgree/Disagree/Etc. This Commenter

55. Olivier1973 says:Next New Comment

March 14, 2023 at 12:32 pm GMT • 3.9 days ago • 100 Words ↑

The worth of the US\$ is based on what?

Military and economic power on one side and trust of the people who buy treasury bonds on the other side. But not on anything from the real economy such as the production of goods or buildings.

The military power is challenged and the trust is running away with more countries trading in their national currencies and dropping the US\$ like a shit paper.

Only fools store US\$.

Once upon a time, one needed 4 CHF to buy one US\$. Today one needs less than 1 CHF to buy 1 US\$.

ReplyAgree/Disagree/Etc. This Commenter

56. Zarathustra says:Next New Comment

Financial system is only servant and mirror to economy.

ReplyAgree/Disagree/Etc. This Commenter

57. Publius 2 says:Next New Comment

@Anon001

What you call money, the founders considered counterfeit. We have no money.

Literally none.

We have the exact federal government the founders sought to prevent.

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

58. Charles Carroll says:Next New Comment

March 14, 2023 at 1:07 pm GMT • 3.8 days ago • 100 Words ↑

What is not mentioned, especially by Fed and Treasury officials, is that they have been anticipating the inflationary effects from the war. The inflation should be similar to that from Vietnam. The officials' statements that it was about a strong economy and strong employment was purposely misleading (what else is new?). The neocons in power control the narrative, and that includes what the central bankers say.

ReplyAgree/Disagree/Etc. This Commenter

59. RoboMoralFascist 1st says:Next New Comment

March 14, 2023 at 1:26 pm GMT • 3.8 days ago • 100 Words ↑

The word for today is 'crapitalism'.

Definition: crapitalism... meaning to print up trillions of USDs and give them to your buddies to distort asset values beyond recognition (example- 200: 1 P/E ratio stock values), to bail out financial slob/drunks outside the casino door needing a handout, to pay off debts with inflated moolah and spend more moolah that you don't have.

ReplyAgree/Disagree/Etc. This Commenter

60. [All we like sheep says](#):Next New Comment

[March 14, 2023 at 1:31 pm GMT](#) • 3.8 days ago • 300 Words ↑

<https://www.rt.com/business/572943-kiyosaki-predicts-credit-suisse-fail/>

Robert Kiyosaki predicts next big bank to fold

Credit Suisse is facing the same fate as the once-mighty Lehman Brothers, the renowned economist warns

Swiss banking giant Credit Suisse will be the next to go bust following the failure of a number of US banks amid the unfolding financial crisis, according to economist Robert Kiyosaki, who predicted the collapse of Lehman Brothers in 2008.

“The problem is the bond market, and my prediction, I called Lehman Brothers years ago, and I think the next bank to go is Credit Suisse,” said the co-author of the best-selling book ‘Rich Dad Poor Dad’, “because the bond market is crashing.”

Kiyosaki explained on Monday that the bond market, which is bigger than the stock market, is the economy’s “biggest problem” and will put the US in “serious trouble.”

“The US dollar is losing its hegemony in the world right now. So, they’re going to print more and more and more of this... trying to keep this thing from sinking,” he explained.

Kiyosaki’s warning came just hours before Credit Suisse itself identified “material weaknesses” as the cost of insuring its bonds from defaulting reached the highest level. The investment bank admitted in its delayed annual report on Tuesday that it had not yet stemmed customer outflows.

According to Credit Suisse, which has been hit by a series of scandals lately, its customer outflows in the fourth quarter jumped to over 110 billion Swiss francs (\$120 billion), putting it in breach of some liquidity buffers.

On Monday, the bank’s share price nosedived more than 14% to a record low amid market turmoil triggered by the collapse of US tech lenders.

• **Replies:** [@Miro23](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

61. [Vinnyvette says](#):Next New Comment

[March 14, 2023 at 1:31 pm GMT](#) • 3.8 days ago ↑

[@bishop](#)

Bullshit! Google a guy named “Tucker Carlson.” Hint... He’s on Fox News.

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62. Anon[379] • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 1:38 pm GMT](#) • [3.8 days ago](#) • 200 Words [↑](#)

[@geokat62](#)

This is shocking. Jews in another rip off ? Who would have suspected ? As I have commented in the past, the Goy believe Jews only target non- Jews.

However, you have to sit across the table from these people in a negotiation . There you will be repelled by the infighting enhanced by name calling, sleazy tactics, posturing and positioning, each nose hungry for a bigger share, and they all want something for nothing. Jew fucking Jew ! Not to mention the body odour !

This is now the third score I can remember, or maybe I have just lost track. Madoff, who also robbed his own, Friedman and SBF where I am sure other Jews got roped in and screwed and now this. SBF and SVB (LOL) acronyms for boned !

What gets me is these dudes are not content with a few million. How much money does one really need to live comfortably ? You can only drive one car and live in one house at a time.

As for Cramer, yet another shill, I do not understand a word of the drivel coming out of his mouth. He is one of those fast talkers pimping themselves as experts and no-one wants to say “I dont understand what the fuck you are talking about” for fear of looking stupid.

And everyone including they themselves, just cannot understand why people despise them.

The old and unchanging rule must be adhered to, stay away from these people !

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63. [Sollipsist](#) says:Next New Comment

[March 14, 2023 at 1:53 pm GMT](#) • [3.8 days ago](#) • 100 Words [↑](#)

So a major bank, one of the biggies, just emailed me with an offer of a \$525 bonus if I open a savings account and put in \$25K in the next 90 days.

At first I thought it was a scam, but no, it's actually from the bank. Are they really getting so desperate that they're trolling us proles for what amounts to chump change in the banking world?

• **Replies:** [@Thomasina](#), [@Wild Man](#), [@Thomasina](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

64. [WingsofaDove](#) says:Next New Comment

[March 14, 2023 at 2:05 pm GMT • 3.8 days ago](#) • 100 Words [↑](#)

[@animalogic](#)

Thanks that's quite clear.

Apparently instead of saying "capitalizing mortgages" Hudson should have written:"financing mortgages by paying a reduced down payment and paying a lower interest rate" increased demand for housing and without a corresponding increase of supply housing prices increased.

However if demand increased doesn't that mean more people own their homes now? And isn't that a good outcome of lower interest rates?

Thus to my mind it's only bad if now the prices tumble so much that people are back in the land of negative equity....if that doesn't happen then what is Hudson's complaint? We don't know the future!

• **Replies:** [@Wild Man](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

65. anonymous[298] • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 2:12 pm GMT • 3.8 days ago](#) [↑](#)

How long before the World Bank is established in the eternal city: Jerusalem?

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

66. [RoboMoralFascist 1st](#) says:Next New Comment

[March 14, 2023 at 3:09 pm GMT • 3.8 days ago](#) • 100 Words [↑](#)

This week the Federal Reserve/U.S. Treasury will...

A) print up another trillion USDs

B) announce a bail out for insolvent banks calling it the Bank Term Funding Program (BTFFP)

C) announce that they (meaning you the taxpayer and holder of USDs) are not bailing out any banks

D) blame Russia and China for inflation as they refuse USDs and dump 200+ billion in U.S. Treasuries

E) test how many \$100 bills you can cram into a B-52H model and fly over the western Ukraine

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)



67. Miro23 says:Next New Comment

March 14, 2023 at 3:23 pm GMT • 3.8 days ago • 100 Words ↑

@Anonymous

So this is the answer to the assertion that financialization solves all problems. It clearly has not done so. As of today (2023-03-14) financialization just may well have started a chain of bank runs that will destroy several US regional banks.

Henry Ford appreciated machines, engineering and manufacturing – and he warned the US as far back as 1920 of the risk of turning the US into a financialized Jewish run trading/paper shuffling nation – but that’s in fact what happened. It came to pass and his Detroit is now lying in ruins.

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

68. Agent76 says:Next New Comment

March 14, 2023 at 3:47 pm GMT • 3.7 days ago • 100 Words ↑

How many Corporations Control the World?

A surprisingly small number of corporations control massive global market shares. How many of the brands below do you use? It’s a Small World at the Top.

<http://www.internationalbusinessguide.org/corporations/>

Nov 19, 2011 SF Fed admits a private corporation, pay dividends!

David Haynie: “I had a really quick question, the Federal Reserve Bank of San Francisco specifically, is that formed as a private corporation itself?”



Watch Video At: <https://youtu.be/UOEOa9iraeI>

• **Replies:** @PetrOldSack

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

69. Publius 2 says:Next New Comment

March 14, 2023 at 3:48 pm GMT • 3.7 days ago ↑

People want \$790k for a \$320k house!

• **Replies:** @JR Foley

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70. JaKo says:Next New Comment

March 14, 2023 at 3:52 pm GMT • 3.7 days ago • 100 Words ↑

@Bill Jones

Bonds, bills and Notes — all jargon with no exact meaning delimitation, e.g.:

<https://www.bloomberg.com/markets/rates-bonds/government-bonds/usc>

should not bother anybody — implying that human “pollution” is causing global warming should raise concern though; Dr. Hudson should refrain from this MSM BS / Propaganda NONSENSE — it dilutes the impact of his ideas...

Cheers, JaKo

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

71. Desert Fox says:Next New Comment

March 14, 2023 at 4:02 pm GMT • 3.7 days ago • 100 Words ↑

The zionist privately owned central bank is behind this breaking up of the banking system to bring in the zionist privately owned CBDC ie central bank digital coin banking system, to give the zionists even more control over our lives, with the CBDC scam and psyop.

The FED is unconstitutional and is 1 of the 10 planks of the communist manifesto, the FED's IRS is also 1 of the 10 planks of the communist manifesto and also is unconstitutional, we are under communist control and have been since 1913 , when the zionist banking kabal saddled America with their FED and IRS.

Zionists are destroyers of countries and humanity.

ReplyAgree/Disagree/Etc. This Commenter

72. Charles Pewitt says:Next New Comment

March 14, 2023 at 4:08 pm GMT • 3.7 days ago • 300 Words ↑

Greedy Money-Grubbing Bastards Have Their Assets Protected By Federal Reserve Bank, White Core Americans Undergo Immigration-Induced WHITE GENOCIDE And Inflation.

White Core Americans are caught in the clutches of evil plutocrats who control the Federal Reserve Bank and the plutocrats are using monetary policy extremism to create asset price inflation bubbles in stocks and bonds and real estate and other assets and these asset bubbles primarily benefit the billionaires and the top ten percent loot holders.

White Core Americans are stuck with monetary policy created inflation in fuel, housing, food, health care, clothing, beer and much else besides.

White Core America understands that the Federal Reserve Bank and the other globalized central banks have created multiple asset bubbles over the past few decades and the current asset bubble is the biggest one yet and to prevent the political atmosphere from becoming unpleasant for billionaires there will have to be a coordinated globalized implosion of the asset bubbles.

INFLATION is a monetary policy tool deployed by plutocrats and the top ten percent loot holders to inflate an asset bubble to benefit those who own the assets and regular people get the inflation in beer and housing and fuel and food and other things and that pounds the lower middle class and middle class and regular USA people.

Raise the federal funds rate to 6 percent and then to 20 percent like it was in 1981, and fire sale the Fed's bloated balance sheet and stop the quantitative easing and go quantitative tightening. Quantitative tightening will pop the asset bubbles in stocks and bonds and real estate and inflation will go away along with the great expectations of the greedy ones benefiting from the current global monster asset bubble.

14 years of markets explained. [pic.twitter.com/2dzs3Ujc6f](https://pic.twitter.com/2dzs3Ujc6f)

— Sven Henrich (@NorthmanTrader) [December 6, 2022](#)

If you sleep outside the inflation fight is over. <https://t.co/45366xIhik>

— Sven Henrich (@NorthmanTrader) [March 14, 2023](#)

ReplyAgree/Disagree/Etc. This Commenter

73. [dogbumbreath](#) says:Next New Comment

[March 14, 2023 at 4:09 pm GMT](#) • [3.7 days ago](#) • 200 Words [↑](#)

[@anonymouseperson](#)

As a Canadian I am always amazed at the US banking and financial systems. There are thousands of banks there and very little control, regulations or checks and balances. There are five big banks in Canada in contrast. They are tightly regulated. Wall street is just a wild west of capitalism. Money people there take liberties that would be inconceivable on Bay street or in financial centers of other countries.

5 Big banks is not a good thing (monopoly). As Tony Hall mentioned, the Big 5 are in cahoots with the Canadian Gov (see Truckers Protest Feb 2022) leaving the public without many options (save Credit Unions). Having many regional, local small Banks and Credit Unions which have strict Federal regulations (rules to prevent financial abuse) is a good thing for a countries development. In Germany, prior to the countries complete hijack by Angela Merkel's CDU and the Green Party, small and medium sized firms were able to prosper and contribute significantly to the German economy (GDP) due to small regional bank lending; especially post reunification.

• **Replies:** [@Alrenous](#), [@anonymouseperson](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

74. [Wild Man](#) says:Next New Comment

[March 14, 2023 at 4:21 pm GMT](#) • [3.7 days ago](#) • 400 Words [↑](#)

[@WingsofaDove](#)

The whole paragraph (or two) was this:

“The Fed’s \$9 trillion of QE (not counted as part of the budget deficit) fueled an asset-price inflation that made trillions of dollars for holders of financial assets – the One Percent with a generous spillover effect for the remaining members of the top Ten Percent. The cost of home ownership soared by capitalizing mortgages at falling interest rates into more highly debt-leveraged property. The U.S. economy experienced the largest bond-market boom in history as interest rates fell below 1 percent. The economy polarized between the creditor positive-net-worth class and the rest of the economy – whose analogy to environmental pollution and global warming was debt pollution.

But in serving the banks and the financial ownership class, the Fed painted itself into a corner: What would happen if and when interest rates finally rose?”

I dunno, I’m not up on all the terminology but, due to context, took it to mean that the cost of home ownership ‘soared’ for those fairly well-capitalized new homeowners (those with a nest-egg for a good down-payment for instance), who then were in a new position whereby their personal capital available to cover initial principal was much less percentage of current home value, rendering their home-ownership investment more highly leveraged, ..... and in this sense, the sentence – *“The cost of home ownership soared by capitalizing mortgages at falling interest rates into more highly debt-leveraged property”*, .... can be taken to mean, all things being equal with respect to down-payment rules (i.e. – assuming these rules remain static in the otherwise changing financial environment), ..... that this therefore means that your average new homeowner (or trader-upper), gets less house for their money (or at least less ownership in a similar house, for which they can still service the debt because of the lower rates), rendering the average cost of home ownership across the entire housing stock to have ‘soared’, ... and then, since Hudson said *“capitalizing mortgages”* instead of *“capitalizing of mortgages”*, I took it to mean that he was referring to the banks capitalizing these mortgage assets by treasury and bond purchases. But maybe I’m all wet. Because, if I got it right here, man ..... that would be some devilish shorthand that Hudson is using there, then, .... I agree it is often hard to know for sure what he means because he does employ these shorthand moves, in his writing, very often.

Otherwise, I thought it was a good article.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

75. [Thomasina](#) says:Next New Comment

[March 14, 2023 at 4:23 pm GMT](#) • [3.7 days ago](#) [↑](#)

[@Sollipsist](#)

I think it has something to do with the decreasing value of the Treasuries they hold (because interest rates have risen). They are required to hold a certain percentage of assets (Treasuries, cash deposits) against their loan book. From what I’ve read, the big banks are doing just fine.

• **Thanks:** [Sollipsist](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

76. Brosi says:Next New Comment

March 14, 2023 at 4:43 pm GMT • 3.7 days ago ↑

The curse of wokeism is destroying the entire west. Hudson cannot name the n\*\*\*\*, let alone the Jew.

The good folks at Signature bank (which was shut down by the feds this weekend) spent millions on nonsense like this ad.  
[pic.twitter.com/xixC4u30rm](https://pic.twitter.com/xixC4u30rm)

— Justin Hart (@justin\_hart) March 13, 2023

• **Agree:** Miro23

ReplyAgree/Disagree/Etc. This Commenter

77. Si1ver1ock says:Next New Comment

March 14, 2023 at 4:59 pm GMT • 3.7 days ago • 200 Words ↑

The thing at the core of the problem appears to be bonds issued at the nadir of interest rates. In other words, due to inflation a 10 year bond will be worth less than when it was issued, affecting its yield. How much less? Unknown, because future inflation is unknown.

<https://www.omnicalculator.com/finance/bond-yield#what-is-a-bond-yield-bond-yield-definition>

Bonds are supposed to be safe in that the principle is returned along with interest payments. However, the principle itself can be worth less due to inflation.

The banks loaded up on zero interest bonds when inflation was low and now their bond yields are dropping because inflation has gone a bit twitchy.

Since the price of these bonds is dropping and they form the banks' core asset, the bank's debt to asset ratio is increasing. The banks' debts outweigh their assets making them insolvent.

Banks are not being required to mark to market these low yielding bonds. They can still log them at nominal value. Whether this violates "good accounting principles" or not is beyond me. Someone should talk to an accountant about these issues.

For example, do other companies have to mark their under performing bonds or other assets to market?

How does all that work?

The other thing of course is the FDIC guarantee. Who gets it and who doesn't? Are all equal before the law? Or are some more equal than others?

ReplyAgree/Disagree/Etc. This Commenter

78. Wild Man says:Next New Comment

March 14, 2023 at 5:05 pm GMT • 3.7 days ago • 200 Words ↑

@Sollipsist

Well, .... I suppose the banks are now all in the process of raising interest rates on savings accounts. I don't really think they have a choice – do they? Now Hudson is suggesting that many banks will be whip-lashed by this, because too much of the return on bank assets has been recycled into the bond and treasury markets, ... worth less now in the the current Fed rate scenario. Doesn't that mean, ... at the very least, in the U.S. at least, there will have to be a consolidation within the banking system, ..... bigger banks taking over some smaller banks (smaller banks more likely to be more severely subject to said whiplash due to unfortunate asset-purchase timing issues as practiced by banks), .... with the proviso that the derivatives trade that the biggest banks partake of, is a blackhole of intrigue in this vein? I think it does mean that. I sure hope this derivatives thing doesn't rear it's ugly head again. If so, then all bets are off (pretty much anything can happen in the event that that truly all unravels in a grand cascade).

• **Replies:** @Vinnyyvette

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

79. Anonymous[280] • Disclaimer says:Next New Comment

March 14, 2023 at 5:07 pm GMT • 3.7 days ago ↑

Let me distill it down to its very essence.

Some people are legally allowed to counterfeit.  
Most people are not legally allowed to counterfeit.  
Counterfeiting is stealing, even when it is legal.

ReplyAgree/Disagree/Etc. This Commenter

80. Priss Factor says: • WebsiteNext New Comment

March 14, 2023 at 5:07 pm GMT • 3.7 days ago ↑

**THE JEWS BEHIND SVB'S COLLAPSE**

Video Link

ReplyAgree/Disagree/Etc. This Commenter

81. Rooster16 says:Next New Comment

March 14, 2023 at 5:22 pm GMT • 3.7 days ago • 100 Words ↑

@Mr Chow Mein

Imagine what other countries are thinking when they see all of this. The US government basically nationalized the banks this week! The amounts of money being thrown around like it's nothing is insane. On almost a weekly basis my governor is designating another \$100 million here or there, and occasionally a billion. I was told Money doesn't grow on trees but I'm begging to wonder. How much longer can this insanity continue?

• **Replies:** @Mr Chow Mein

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

82. [Thomasina](#) says:Next New Comment

[March 14, 2023 at 5:26 pm GMT • 3.7 days ago](#) • 200 Words [↑](#)

[@Sollipsist](#)

Also, with interest rates rising, people have started looking around for better rates, yanking their money out of the big banks who were still paying, for instance, 0.25% on a savings account versus someone else paying 4.0%. This has forced the big banks to respond by applying some enticement (a bonus for opening an account) and higher rates.

Big banks (all banks, in fact) are furious about these interest rate increases. They've all been talking about how the Fed will pivot at the first sign of a hiccup (a small bank goes under, the stock market goes down). They are having a tantrum.

Easy money caused all of these problems; the Fed artificially suppressed interest rates for years. Without this easy money there never would have been a Silicon Valley Bank who supplied loans to start-ups that failed 95% of the time. But the game is in the price of the bank stock, which rose in price something like 10x or 20x (can't remember) during this easy-money timeframe. This is where the big boys make their money. They talk-up the bank, disclosing very little, and then cash out just before the implosion. The CEO's and CFO's all did this at SVB.

Someone called it a classic pump and dump.

• **Replies:** [@Alrenous](#)

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83. [Anonymous\[280\]](#) • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 5:38 pm GMT • 3.7 days ago](#) [↑](#)

Before you pay any attention to anything Ellen Brown says, read the late Gary North's articles about her.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

84. [Pablo](#) says:Next New Comment

[March 14, 2023 at 5:42 pm GMT • 3.7 days ago](#) • 100 Words [↑](#)

The Banking System is NOT breaking up. Things are going according to a well used script. This goes back to the Savings and Loan scandal of the 1980's. The script used then is the script the Banksters will use in the SVB scandal. Here's a typical quote from the Media mouthpiece's and the banksters: "We are going to have to use NON Free Market tactics to save the Banking System." And of course, this "saving of the Banking System" will involve taxpayer money. A LOT of taxpayer money. You know this is going to happen when you have that sick, perverted, senile dementia suffering US President, Joe Biden telling us all that "no taxpayer money will be involved" in the current banking scandal. It's the same script just a different year: 2023.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)



85. [Alrenous](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 6:07 pm GMT](#) • [3.6 days ago](#) ↑

[@Dutch Boy](#)

The usual P/E ratio is 20, so approximately all financial instruments combined should be 20x the GDP of the world.

Due to power laws, yes it is likely that a small number of institutions own ~10% of all financial instruments.

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86. [MGB](#) says:Next New Comment

[March 14, 2023 at 6:08 pm GMT](#) • [3.6 days ago](#) • 100 Words ↑

[@Franz](#)

Yeah, with all due respect to BJones, I'm sure that if asked Michael Hudson could differentiate between a note and a bond. Sounds like short hand, and I don't necessarily subscribe to all of Hudson's analysis or politics, but he knows his stuff. More insightful than most anything I've ever read in the WSJ or FT.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

87. [Alrenous](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 6:13 pm GMT](#) • [3.6 days ago](#) • 200 Words ↑

The "banking system" is not breaking up, unless we're talking about Russia and China.

Some political faction is getting screwed, and their banks are the ones currently in publicly-legible distress.

The question is whether these are Biden-faction banks or anti-Biden-faction banks.

If they're Biden faction banks, the Biden crime family is being dismantled (weakness was sniffed) and Biden is being humiliated by being forced to allow his banks to fail. The Biden faction getting screwed over is why the "America did Nordstrom" and "Lableak" stories are now public.

If they're anti-Biden banks, it turns out the Biden crime family wasn't as toothless as his rivals thought, and he's gone all, "If I'm going down, I'm taking you with me." Honestly I consider this unlikely, but I can't rule it out.

Basically the story is that peak America was 2008. Parasitism growth now outstrips real-economy growth, and like the Roman empire, the situation will not recover. Shrinking pie means infighting.

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88. [Alrenous](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 6:21 pm GMT • 3.6 days ago](#) ↑

[@dogbumbreath](#)

| rules to prevent financial abuse

The rules do not prevent financial abuse, and indeed they legitimize all abuse they don't specifically ban. The net result of the rules is more abuse, rather than less.

The solution to financial abuse is not to bank at abusive banks. E.g. don't hold USD except when paying your taxes.

It's clear voters don't have the ability to notice when they're being abused, and can't be trusted with adult responsibilities like having their own bank account. (This is why they prefer socialism.)

• **Replies:** [@dogbumbreath](#)

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

89. anonymous[389] • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 6:29 pm GMT • 3.6 days ago](#) ↑

[@Vinnyvette](#)

Freaking JEWS blaming The FED so the gentile Powell is to be crucified blame for the Ucrain trillions the Omnibus spending the green bs trillions etc..and the Freaking JEWS walked away with All the TRILLIONS to ISRAEL... bastard JEWS

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

90. [Rubicon](#) says:Next New Comment

[March 14, 2023 at 6:36 pm GMT • 3.6 days ago](#) ↑

[@Pamique](#)

When we fail to understand what a top economist like Dr. Hudson says, we blame the economist and not ourselves out of our own ignorance and/or laziness.

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

91. anonymous[389] • [Disclaimer](#) says:Next New Comment

[March 14, 2023 at 6:37 pm GMT • 3.6 days ago](#) ↑

[@Chris Moore](#)

Bastard JEWS walked away with All the TRILLIONS to ISRAEL

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

92. [A B Coreopsis](#) says:Next New Comment

[March 14, 2023 at 6:47 pm GMT • 3.6 days ago](#) ↑

[@Chris Moore](#)

A study of western history verifies your claim. If you "chercher le juif" you will always identify a principal causal root for a sequence of events which ultimately led to war or dehumanization.

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93. [dogbumbreath](#) says:Next New Comment

[March 14, 2023 at 6:50 pm GMT • 3.6 days ago](#) • 200 Words ↑

[@WingsofaDove](#)

Refinancing means the borrower is allowed by the lender to take advantage of lower interest rates and thus REDUCE the overall cost of the mortgage.

Refinancing can go three ways; increase, reduce or keep payments the same. For example, to keep monthly payments the same while taking advantage of a lower interest rate, a borrower can add more debt (mortgage) to the same term (time). Outside of shady practices, this is one reason QE (cheap money) caused house prices to inflate to a bubble. Every buyer on paper could afford a more expensive home.

Capitalization is the process of adding \$\$ into the overall price of an asset.

So, in reference to Capitalizing Mortgages, a borrower initially qualifies for a mortgage of X dollars at 2% interest for a home. Due to easy money (QE) and a lower interest rate (i.e. 1%), the same borrower now qualifies for X+ Y dollars at 1% with the same monthly payment. In other words, last year the buyer qualified for a \$300,000 dollar home with \$500 dollar monthly payments. Today the buyer qualifies for a \$400,000 dollar home with the same \$500 monthly payment. The value of the mortgage is Capitalized.

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94. [anonymouseperson](#) says:Next New Comment

[March 14, 2023 at 7:03 pm GMT • 3.6 days ago](#) ↑

[@dogbumbreath](#)

There does not seem to be any strict federal regulation though.

• **Replies:** [@dogbumbreath](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

95. [anonymouseperson](#) says:Next New Comment

[March 14, 2023 at 7:04 pm GMT • 3.6 days ago](#) ↑

[@Shitposter in Chief](#)

This is my point. In the USA, the whole financial system is an unregulated, uncontrolled train wreck motivated by greed. No oversight. No accountability.

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96. [anonymouseperson](#) says:Next New Comment

[March 14, 2023 at 7:08 pm GMT](#) • [3.6 days ago](#) • 100 Words ↑

[@Tony Hall](#)

I agree that what the banks did was shameful and wrong, but you are talking about political, not economic or financial matters. Canada's banking system and its whole financial-investment system is well regulated and controlled versus the almost zero oversight, anything goes, wild west capitalism you find in the USA. Take the Bank of Montreal for example. It has paid a dividend every three months since 1836. How many US banks can say that?

• **Replies:** [@Tony Hall](#), [@Joe Paluka](#), [@Vinnyvette](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

97. [SpaceCowboy](#) says:Next New Comment

[March 14, 2023 at 7:11 pm GMT](#) • [3.6 days ago](#) ↑

Banks Are Collapsing... Here's Why



Watch Video At: <https://youtu.be/oHjDCC6Vjgc>

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98. [A B Coreopsis](#) says:Next New Comment

[March 14, 2023 at 7:21 pm GMT](#) • [3.6 days ago](#) ↑

[@anon](#)

Treasury bills are not Treasury bonds and behave differently in changing interest rate environments. The rest of your comment is pointless.

• **Replies:** [@anon](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

99. [A B Coreopsis](#) says:Next New Comment

[March 14, 2023 at 7:32 pm GMT • 3.6 days ago](#) • 100 Words ↑

[@Renoman](#)

Or it may be that you can't comprehend something that anyone who's taken a single finance class would understand. So that would exclude you and obviate any need to know on your part.

The elites hate Hudson because he knows. The masses don't even warrant a glance let alone hate.

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100. [WingsofaDove](#) says:Next New Comment

[March 14, 2023 at 7:33 pm GMT • 3.6 days ago](#) • 200 Words ↑

[@Anonymous](#)

"It decreases interest rates by increasing money supply, out of thin air. It increases interest rates by decreasing money supply, back into thin air. This is MONETARY inflation, increase in money supply."

That's not possible 'out of thin air'. I'm sure you'll agree that's just a metaphor.

So, in fact, exactly HOW to they increase and decrease money supply? They don't just GIVE warm 100\$ bills hot off the printing press to some fat cats holding out their paws. In fact they don't need to run the printing press they can use a keyboard.

But they cannot simply 'increase the money supply'. There has to be a mechanism of some kind. Can you detail the exact mechanism? With evidence? Do they 'make a loan' like a bank and deposit money in the debtors account? Do they 'buy' something like bank assets such as mortgage backed securities or Treasury Bonds at, as they say in the new DC decree 'at par'? Do they buy treasury bonds directly from the government and then resell them or lend them?

How exactly in your opinion do they INCREASE the money supply? Please, specific sourced details, thanks!

• **Replies:** [@Alrenous](#), [@RestiveUs](#)

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101. [SpaceCowboy](#) says:Next New Comment

[March 14, 2023 at 7:35 pm GMT • 3.6 days ago](#) ↑

A (((flaw))) in the monetary system?

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102. [Sarita](#) says:Next New Comment

[March 14, 2023 at 7:48 pm GMT • 3.6 days ago](#) ↑.

Yes!

Cha chin!

Go broke USA!

Go broke USA!

No more money to make bullets to kill children in Afghanistan, Syria, Iraq, Korea, Vietnam and Hiroshima!

Bye bye USA!

• **Agree:** [JR Foley](#)

ReplyAgree/Disagree/Etc. This Commenter

103. [Alrenous](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 7:49 pm GMT • 3.6 days ago](#) • 200 Words ↑.

[@Thomasina](#)

Without this easy money there never would have been a Silicon Valley Bank who supplied loans to start-ups that failed 95% of the time.

Or rather, if it weren't legal for banks to counterfeit money, they would run out of money to lend after the first or second one went bankrupt.

This is how banks in a central banking system work: if they want to lend someone money, they print the money on the spot. They then lend the money and get paid rent for the privilege of having given the counterfeit bills away.

The printed money is un-printed if the loan is paid back. The balance of the loan is also poofed out of existence if the debtor defaults. In other words whether they're paid back or not they don't get to keep the principal, but they do get to keep the interest. Consider public choice theory and incentives.

I'm pretty sure the only limit on loaned = printed money in any modern central banking system is the fact that debtors are in limited supply. Banks always have more money they would like to give away, since they face no actual risk.

Unless they get politically ganked as SVB was, of course. "Wait since when you care about reserve requirements?"

• **Replies:** [@Thomasina](#)

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104. [Alrenous](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 8:02 pm GMT](#) • [3.6 days ago](#) • [300 Words](#) ↑

| Any bank has a problem of keeping its asset valuations higher than its deposit liabilities.

Any counterfeit-positive bank, yes. If you don't lend more money than you own, this is never an issue.

Depositors are fools for banking with a bank that lends more money than it owns, demonstrating that a fool and his money are soon to part.

Of the many proofs that voters cannot possibly run a democracy, this is one of them.

| There is an even larger elephant in the room: derivatives.

Without 401(k) causing psychological feedback, derivatives would be totally irrelevant. Derivatives causing a crash is exactly bit-for-bit identical to thermometers causing a cold snap.

Does your factory stop producing widgets if some speculators think the widgets aren't worth as much? It does not. No matter what "derivatives" do, there's exactly as much stuff in the country, meaning the true wealth hasn't had anything happen to it. However, if the 401(k) owners, who shouldn't have any stock at all in the first place, all panic and stop buying widgets...

By the way, the only reason interest rates are even remotely related to inflation is due to all these counterfeiting-positive banks being unable to lend (=print) so much money when interest rates are higher.

Price of debt goes up, demand for debt goes down. Fewer debtors, less debt, less money-printing, lower supply of money, lower inflation.

And the only reason it's good to raise interest rates in the long term is because Americans were stupid enough to accept price-fixed interest rates in the first place. Low interest rates encourage malinvestment, which is a fancy academic way of saying low interest rates make you eat the seed corn.

The higher interest rates go, the less recession you'll have in the future.

Average new company dies in about 18 years. High interest rates kill all the bad companies now instead of leading to a "sudden" recession in about two decades.

• **Replies:** [@Ben Sampson](#)

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105. [dogbumbreath](#) says:Next New Comment

[March 14, 2023 at 8:05 pm GMT • 3.6 days ago](#) • 100 Words ↑

[@anonymouseperson](#)

Agreed, BUT there can be rules and there used to be rules (i.e. Glass Steagall Act) to prevent abuse which was eliminated by corrupt politicians; in this case Bill Clinton.

In Canada there were Banking Rules in place to prevent banking abuses but your current Prime Minister's father (Pierre Trudeau) eliminated such rules:

<https://understandingcanada.ca/2019/11/much-ado-about-1974-the-bank-of-canada-in-the-70s/>

• **Agree:** [Tony Hall](#)

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

106. [dogbumbreath](#) says:Next New Comment

[March 14, 2023 at 8:13 pm GMT • 3.6 days ago](#) • 100 Words ↑

[@Alrenous](#)

The rules do not prevent financial abuse, and indeed they legitimize all abuse they don't specifically ban. The net result of the rules is more abuse, rather than less.

How can you believe this. If man cannot make rules and laws to improve and protect society then we're just basically untamed animals. The key to any just society is proper leadership. Anyway, one commonly referenced rule in the USA to prevent abuse was "The Glass Steagall Legislation". This was overturned by Bill Clinton; and we know where his head was.

• **Replies:** [@Alrenous](#)

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

107. [SpaceCowboy](#) says:Next New Comment

[March 14, 2023 at 8:20 pm GMT • 3.5 days ago](#) ↑

Search image "Where is the money?" (Correct answer: the money is in the artist's account.) <https://www.npr.org/2021/09/29/1041492941/jens-haaning-kunsten-take-the-money-and-run-art-denmark-blank>

ReplyAgree/Disagree/Etc. This Commenter



108. Mr Chow Mein says:Next New Comment

March 14, 2023 at 8:57 pm GMT • 3.5 days ago • 100 Words [↑](#)

@Rooster16

People don't understand whenever their so-called representatives throw another pile of money on the fire that it reduces the value of the physical money they have, the value of the money they get paid for real work.

Once money was floated it was finished because the crooks could print it until the cows come home.

This paper scam can continue as long as the U.S stays hegemon so no stopping any war soon.

I said the crooks will burn us all to keep their power.

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109. [Miro23](#) says:Next New Comment

[March 14, 2023 at 8:58 pm GMT](#) • [3.5 days ago](#) • 100 Words [↑](#)

[@All we like sheep](#)

Swiss banking giant Credit Suisse will be the next to go bust following the failure of a number of US banks amid the unfolding financial crisis, according to economist Robert Kiyosaki, who predicted the collapse of Lehman Brothers in 2008.

Agreed that it does look rather terminal.

## Credit Suisse share price



Source: FactSet • By The New York Times

• **Replies:** [@Anonymous](#)

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110. [2stateshmoostate](#) says:Next New Comment

[March 14, 2023 at 9:05 pm GMT • 3.5 days ago](#) • 100 Words [↑](#)

[@Why america failed](#)

To a degree you're right.

But there is the mitigating fact that the mainstream media which includes everything is controlled by their enemies. This means nothing they've been lead to believe is true. They are totally bamboozled.

I suggest the reason they've (the criminal gang) been able to get away with this so far is that Americans have been drugged in complacency by actual drugs, free money, bad food, and countless distractions on TV just to name a few.

Once Americans start to go on 2 weeks with an empty belly, all bet's are off. Anything can happen.

I think that's where we're headed.

• **Replies:** [@US empire debased and degenerate](#), [@irish Savant](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

111. [Tony Hall](#) says:Next New Comment

[March 14, 2023 at 9:17 pm GMT • 3.5 days ago](#) • 100 Words [↑](#)

The fact this essay totally steered around the Israel connection is indicative of the Hudson's systematic blind spots. What is the financial impact of the lies and crimes of 9/11 which also have a strong Zionist connection. Hudson never touches on finance-related issues like this in his increasingly obvious limited hangout.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

112. [Alrenous](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 9:18 pm GMT • 3.5 days ago](#) [↑](#)

[@dogbumbreath](#)

Why does a faceless bureaucrat a thousand miles away satisfy your criteria for leadership?

What's wrong with being untamed?

How is leadership key to justice?

• **Replies:** [@dogbumbreath](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

113. [Alrenous](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 9:28 pm GMT](#) • [3.5 days ago](#) • 100 Words [↑](#)

[@WingsofaDove](#)

| How exactly in your opinion do they INCREASE the money supply? Please, specific sourced details, thanks!

Say the economy, GDP, is exactly \$1000.

Someone goes to the bank and takes out a loan. The bank produces \$100 out of thin air and give it to them. They spend it on goods, meaning there's now \$1100 chasing the same quantity of goods.

The market sees an increase in the supply of money, and therefore a decrease in the price of money. If the price of money goes down, the prices of goods (in money) goes up, which is then called 'inflation' by journalists.

If the bank had to use \$100 of its own money to produce a loan, it would not produce debasement and therefore inflation, since to give away \$100 it would have to refrain from bidding on goods at the magnitude of \$100.

Macroeconomics is extraordinarily simple if you don't have to resort to FUD, as thieves and fraudsters must to justify their crimes. All the complexities cancel out at the level of macroeconomics.

Note that during the ncov era, the Fed as the one producing loans, and it produced not \$100, but \$650, properly scaled.

• **Replies:** [@WingsofaDove](#)

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114. [Joe Paluka](#) says:Next New Comment

[March 14, 2023 at 9:53 pm GMT](#) • [3.5 days ago](#) [↑](#)

The talk all over the web is that they're now going to collapse all banks to bring in the digital currency that they've been talking about for the past few years.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

115. RoboMoralFascist 1st says:Next New Comment

March 14, 2023 at 9:54 pm GMT • 3.5 days ago • 300 Words ↑

### **California Gov. Gavin Newsom failed to publicly disclose his SVB ties while lobbying for a bailout**

<https://www.yahoo.com/finance/news/california-gov-gavin-newsom-failed-190245001.html>

#### **CHEERING SILICON VALLEY BANK BAILOUT, GAVIN NEWSOM DOESN'T MENTION HE'S A CLIENT**

At least three of the California governor's wine companies are held by SVB, and a bank president sits on the board of his wife's charity.

Newsom added on Monday that he had been in close contact with the administration about SVB. "Over the last 48 hours, I have been in touch with the highest levels of leadership at the White House and Treasury," Newsom said of SVB's collapse in a statement released on Saturday. Asked about the nature of the interactions, the governor's deputy communications director Brandon Richards did not respond.

<https://theintercept.com/2023/03/14/cheering-silicon-valley-bank-bailout-gavin-newsom-doesnt-mention-hes-a-client/>

#### **'Another Scandal': Biden Admin 'Radicals' Blocked SVB Sale, Nationalized It, Then Blamed Trump For Collapse**

... the Biden Admin had a whitelist of companies that were allowed to buy the failed bank & companies that weren't."

"If this is true," said Grabien founder Tom Elliott, "then this is another Biden scandal."

"If this is true, and the WSJ is also reporting it, then this is another Biden scandal. Rather than letting the free market resolve a somewhat ordinary bank collapse, they used the opportunity to nationalize SVB, using tax money to ensure their campaign donors were made whole."

Tom Elliott

<https://www.zerohedge.com/political/another-scandal-biden-admin-radicals-blocked-svb-sale-nationalized-it-then-blamed-trump>

The Becker and CFO stock sales are interesting reading.

• **Replies:** [@Rooster16](#)

Reply Agree/Disagree/Etc. This Commenter This Thread Hide Thread

116. Athena says:Next New Comment

March 14, 2023 at 9:57 pm GMT • 3.5 days ago • 200 Words ↑

For your information:

**EU tells Taiwan to forget about a bilateral investment pact even as bloc seeks more chips**

<https://www.bilaterals.org/?eu-tells-taiwan-to-forget-about-a>

“Tensions in the Strait of Taiwan are very high at the moment and it’s not in the interest of companies, neither Europe nor in Taiwan, that our governments take measures that would increase these measures,” said Benedikt Wiedenhofer, adviser at Business Europe.

“European business is in favour of working towards a closer economic relationship with Taiwan, but believe that in the current context, such close economic ties are best reached through cooperation on a technical level, rather than a more headline-grabbing agreement,” he added.

However, some disagree with the official stance.

Reinhard Buetikofer, the head of the European Parliament’s delegation to China and an outspoken proponent of closer ties with Taipei, urged the commission to reconsider.

“Taiwan is under fatal threat if that would be the rule, and I cannot just shy away from that fact and say whatever might enrage Beijing cannot be considered. If that would be the rule, then we should recommend that Taipei hands over the island tomorrow morning,” said Buetikofer.”

ReplyAgree/Disagree/Etc. This Commenter

117. [dogbumbreath](#) says:Next New Comment

[March 14, 2023 at 10:07 pm GMT • 3.5 days ago • 400 Words](#) ↕

[@Alrenous](#)

Why does a faceless bureaucrat a thousand miles away satisfy your criteria for leadership?  
What's wrong with being untamed?  
How is leadership key to justice?

From another Hudson article, this comment by Mefobills answers your question:

Comment #128: <https://www.unz.com/mhudson/from-junk-economics-to-a-false-view-of-history/#comment-5456226>

“That there is hierarchy in all things is not a strawman.

If you cannot accept that reality, then there is something wrong with your brain function.

Even in very small groups, humans organize themselves into a hierarchy; in larger groups it becomes a government. This is so obvious it should not even bear mentioning. But, here we are in clown world, with clowns.

The people that occupy the hierarchy is also not a strawman, and is central to said hierarchy functioning. If your brain starts functioning improperly, you are considered crazy. If your arm is not taking commands from the brain center (top of hierarchy) you are not crazy, only a body part is malfunctioning.

*The fact of the matter is that there are some leaders in government who are in it for themselves.*

Yes, of course there are. The question remains, how do you select for your hierarchy, and keep out the clowns? You would not be a candidate.

*How many local, state, and national officials in government fir your description? How are you certain? What specific evidence backs up your numerical claim?*

I don't know what you are getting at here. But, there have been civilizations in the past, where a concerted effort was to populate the government with people who weren't degenerates.

Democracies especially are weak, and allow the worst sort of people to latch onto the levers of power.

Of course China considers itself a democracy, but it is not a (((creditor))) democracy like in the west, where creditors and oligarchs string pull government from behind the scenes. China has an open power vertical (hierarchy), which rules by mandate of heaven. Oops, there goes that god-king thing that Hudson alludes to.

<https://english.news.cn/20220722/f086a4f875b245e392fa2c88a7458faa/c.html>

Looks like Shibadong Village is benefiting from good government, and state investments aimed at lifting up labor conditions are meeting with success”.

• **Agree:** [Stripes Duncan](#)

• **Replies:** [@Stripes Duncan](#), [@Alrenous](#)

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

118. [Tony Hall](#) says:Next New Comment

[March 14, 2023 at 10:20 pm GMT • 3.5 days ago](#) ↑.

[@anonymouseperson](#)

Have you heard of the concept of political economy?

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119. [Thomasina](#) says:Next New Comment

[March 14, 2023 at 10:34 pm GMT • 3.5 days ago](#) • 300 Words ↑.

[@Alrenous](#)

“This is how banks in a central banking system work: if they want to lend someone money, they print the money on the spot.”

Unbelievable, isn't it? If you or I tried this counterfeiting, we'd never see the light of day again. “You want a loan? Sure, hang on a minute while I conjure it up out of thin air.” Nice racket.

You'd think the least they could do would be to hold those loans and mortgages on their own books (like they used to do), just so they're not handing out loans to overly-risky individuals. But, no, that would be too dangerous, plus they wouldn't get any volume that way. Better to package them up and get the government to guarantee the loans.

It is the same thing with student loans. Why make it hard and have to assess risk when you can just have the government guarantee them.

“I'm pretty sure the only limit on loaned = printed money in any modern central banking system is the fact that debtors are in limited supply. Banks always have more money they would like to give away, since they face no actual risk.”

Debtors are in limited supply. Great line! Yes, probably why the southern border is wide open. Existing Americans are full-up, so they need more debtors!

But if interest rates had not been artificially held down by the Fed, asset prices would not have gone to the moon. Ditto with rents. Initially prices would have risen, but eventually higher interest rates would have stopped the game. The Fed did not let this happen. They (and the government) are to blame for the current predicament. They caused it. They need to own it.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

120. [Priss Factor](#) says: • [Website](#)Next New Comment

[March 14, 2023 at 10:46 pm GMT • 3.4 days ago](#) ↑.

Chinese are freaking out.

CCP leadership is panicking: ‘They figure out ancient chinese plot from fu manchu’.

Video Player



• **Replies:** [@Joe Paluka](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)



121. [Rooster16](#) says:Next New Comment

[March 15, 2023 at 12:30 am GMT • 3.4 days ago](#) ↑

[@RoboMoralFascist 1st](#)

Is there nothing that the Democrats aren't knee deep in! I mean name a recent debacle, in any industry, that wasn't entangled with Democrats, their donors, and some sort of coverup.

• **Replies:** [@RoboMoralFascist 1st](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

122. [US empire debased and degenerate](#) says:Next New Comment

[March 15, 2023 at 12:59 am GMT • 3.4 days ago](#) ↑

[@Vinnyyvette](#)

The us govt hates their tax and debt slaves (populace)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

123. [US empire debased and degenerate](#) says:Next New Comment

[March 15, 2023 at 1:01 am GMT • 3.4 days ago](#) ↑

[@2stateshmoostate](#)

Disgusting food—how USian. Hustlers and hucksters.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

124. [Joe Paluka](#) says:Next New Comment

[March 15, 2023 at 1:10 am GMT • 3.3 days ago](#) ↑

[@Priss Factor](#)

According to the wisdom of the North Dakota governor, China has been planning to destroy the United States for 2000 years. I think all that girl has going for herself is looks, leave thinking to serious people who can.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

125. [Joe Paluka](#) says:Next New Comment

[March 15, 2023 at 1:18 am GMT • 3.3 days ago](#) ↑

[@anonymouseperson](#)

With that hairstyle without a brain in charge, how long will your country continue down that path. I don't think long, he receives his orders from the same people that tell Biden, Newsom, Macron, and the other WEF sycophants what to do.

• **Replies:** [@Anon](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

126. [Stripes Duncan](#) says:Next New Comment

[March 15, 2023 at 1:41 am GMT](#) • [3.3 days ago](#) • 200 Words ↑

[@dogbumbreath](#)

Libertarians flatly refuse to discuss the implications of humans being social creatures. They just ignore it anytime it's floated, or launch into "but these people are doing it wrong" arguments that attempt to skirt the salient point, which is that the seeds of government are sown within our DNA.

In the recent article about the El Salvadoran crackdown on gangs these same people were saying all the gangsters should be rounded up and shot. On whose authority? Where does that end? Should every sovereign man apply his own set of criteria in these situations and blow away everyone he sees as living outside the social contract?

In response to this, people will form armed bands to protect themselves. Inevitably, within these armed bands certain individuals will naturally rise to positions of power and the rest will follow them. The seeds of the next government will sprout.

Governance is in our DNA. Libertarians are leftists at heart. They don't have a problem with power, their problem is they think they should be wielding it.

• **Agree:** [Old Brown Fool](#)

• **Replies:** [@RestiveUs](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

127. [RoboMoralFascist 1st](#) says:Next New Comment

[March 15, 2023 at 1:46 am GMT](#) • [3.3 days ago](#) • 100 Words ↑

[@Rooster16](#)

Yes. It stinks pretty bad in the 'Democratic' party. But the 'Republicans' aren't sinless and moral aerosol doesn't help anymore in the uniparty sewer.

"You can't get rich in politics unless you're a crook."

Harry Truman

"Mr. Clinton... your wife is a crook!"

Jerry Brown (1992)

"How do you plead Congressman Cunningham?"

"\$10,000 is a lot of money for Cornflakes Senator Bentson."

Dan Quayle (1988)

• **Replies:** [@Old Brown Fool](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

128. RoboMoralFascist 1st says:Next New Comment

March 15, 2023 at 2:16 am GMT • 3.3 days ago • 200 Words ↑

### **Israeli Firms Transferred \$1 Billion Out of Silicon Valley Bank to Israel Before Seizure by Feds**

Chris Menahan

InformationLiberation

Mar. 13, 2023

Excerpted-

Israel's two largest banks, Bank Leumi and Bank Hapoalim, set up a situation room that has been operating around the clock to help firms transfer their money from SVB — before it was seized — to accounts in Israel. Over the past few days, teams at LeumiTech, the high-tech banking arm of Bank Leumi, have been able to help their Israeli clients transfer about \$1 billion to Israel, the bank said.

The FDIC has announced an emergency bailout program that will pay depositors 100% of the money they had in the bank. It's unclear whether this U.S. money will go to Israeli companies. Israel already receives over \$10 million per day from American taxpayers.

How nice of Treasury Secretary Janet Yellen to look the other way while these funds were transferred out.

<https://www.informationliberation.com/?id=63639>

• **Thanks:** JR Foley

• **Replies:** @Tony Hall, @anon

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

129. Anonymous[454] • Disclaimer says:Next New Comment

March 15, 2023 at 2:20 am GMT • 3.3 days ago ↑

@Miro23

CS is getting bailed out. It's too important to fail and it's a Rothschild owned bank like all the big western banks.

• **Replies:** @Miro23

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

130. Anon[118] • Disclaimer says:Next New Comment

March 15, 2023 at 2:40 am GMT • 3.3 days ago ↑

### **HSBC takes over Silicon Valley Bank's UK unit in rescue deal**

### **Israeli Firms Transferred \$1 Billion Out of Silicon Valley Bank to Israel – Before Seizure by Feds.**

See: <http://aanirfan.blogspot.com>

• **Replies:** @Tony Hall

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

131. [Old Brown Fool](#) says:Next New Comment

[March 15, 2023 at 2:59 am GMT • 3.3 days ago](#) ↑

Don't worry, all the depositors will get their deposits back, with up to date interest.

100%.

In CBDCs.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

132. [Old Brown Fool](#) says:Next New Comment

[March 15, 2023 at 3:00 am GMT • 3.3 days ago](#) ↑

[@RoboMoralFascist 1st](#)

If anyone still believes Republicans and Democrats have huge differences in ideology and governance, they deserve what comes their way.

• **Replies:** [@RoboMoralFascist 1st](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

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133. [JR Foley](#) says:Next New Comment

[March 15, 2023 at 3:18 am GMT • 3.3 days ago](#) ↑

[@Anonymous](#)

How can FOX CNN and the Mainline networks be wrong? As far as the 31 Trillion Dollar Debt goes—it is a nothing burger. Why — I really don't know why DC doesn't raise the Debt ceiling to 55 Trillion and then all those yearly panics would be over —for a while.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

134. [JR Foley](#) says:Next New Comment

[@Publius 2](#)

Where I reside—those post WWII A frame houses are going for 750,000 and originally were built for 3,000 and the square footage has not been increased.

• **Replies:** [@Publius 2](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

135. [Ben Sampson](#) says:Next New Comment

[@anonymous](#)

[https://www.google.com/search?](https://www.google.com/search?q=Richard+Wolff&rlz=1C1RXQR_enCA989CA989&oq=Richard+Wolff+&aqs=chrome..69i58#fpstate=ive&vld=cid:8638b7f7,vid:ogHowRDOVkw)

[q=Richard+Wolff&rlz=1C1RXQR\\_enCA989CA989&oq=Richard+Wolff+&aqs=chrome..69i58#fpstate=ive&vld=cid:8638b7f7,vid:ogHowRDOVkw](https://www.google.com/search?q=Richard+Wolff&rlz=1C1RXQR_enCA989CA989&oq=Richard+Wolff+&aqs=chrome..69i58#fpstate=ive&vld=cid:8638b7f7,vid:ogHowRDOVkw)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

136. [RestiveUs](#) says:Next New Comment

[@WingsofaDove](#)

Don't expect a clear and easy answer to any of this. Real "money" has to have some intrinsic value in and of itself. That's the basis of barter. Banks don't produce anything of the kind. All they do is denominate confidence and anticipate everyone abiding by it.

• **Replies:** [@PetrOldSack](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

137. [RestiveUs](#) says:Next New Comment

[@Stripes Duncan](#)

I hope our resident anarchist Roatan Bill is reading this because you said it better than I could!

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138. [WingsofaDove](#) says:Next New Comment

[March 15, 2023 at 5:10 am GMT](#) • [3.2 days ago](#) • 100 Words [↑](#)

[@Alrenous](#)

Thanks. So the FED just does what an individual bank does, it makes a loan.

A bank as you makes a loan based on its reserves, it used to be they needed to keep 10% liquid of the total amount lent, to stave off a bank run.

So if the FED is creating money by lending do they also have a reserve requirement?

I confess I find the workings of the Fed quite a mystery. Any description of how it works seems so politicized that one source contradicts another source.

Any commenter want to link to their own "best source" of how the Fed works?

• **Replies:** [@Alrenous](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

139. Ben Sampson says:Next New Comment

March 15, 2023 at 6:02 am GMT • 3.1 days ago • 200 Words ↑

@Alrenous

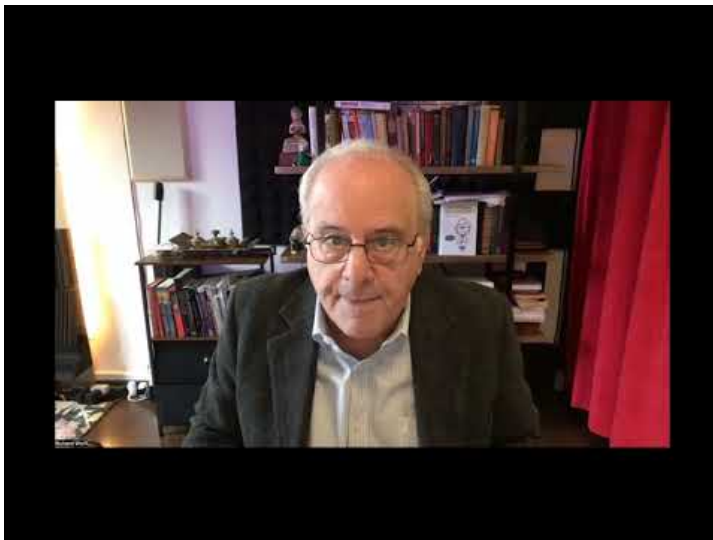
{Debtors are in limited supply. Great line! Yes, probably why the southern border is wide open. Existing Americans are full-up, so they need more debtors!}

There is a puzzling aspect here: why covid vaxxes producing excess death and and sperm count reduction in great financial need for excess debtors?

Makes no sense...unless the health/med corporations are in cahoots with the climate change people, are fighting the financiers resulting in seeminlgy opposed official policies – carte blanche immigration and pandemic.

But then again population reduction will soon catch up with health/med as they kill off their markets

Whatever it is the talk that is now self defeating for ordinary people – so much or it and little relevant pro-activity. Richard Wolff is the man most to the point. “We cant let the ‘capitalists’ take us all down with them.” We must always seek t know more but we know no far more that is required for informed successful Mondregon type activity motivated by a comprehensive social focus. Time for the people to move....



Watch Video At: <https://youtu.be/ogHowRDoVkw>

• **Replies:** @Alrenous

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

140. [PetrOldSack](#) says:Next New Comment

[March 15, 2023 at 8:47 am GMT • 3.0 days ago](#) • 100 Words [↑](#)

[@Agent76](#)

| A quick question

A quick question, where do the data in the link come from, how were they gathered. Why is this public domain knowledge? What do these numbers mean? Why should there be a distinction between nation states, institutions, and corporations? Easy to run with the dogs.

Feeding on the trough does not get you anywhere. Who holds power within these cloaks, a name can be a mental strut, but power is life and blood. Essentially meaningless and willingly deceitful data proffering.

The first question should be who is accredited to audit the accounting of the accountants. Cannot be them by definition. These kind of data proffering leads to credulity, static inertness, mental stumping, dead brains. As a method this is just blow and piss in the wind. Method and tools, language, terminology precedes data, ...or predates anything of meaning.

Analogy: who owns [unz.com](#)? Ask Ron?

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

141. [PetrOldSack](#) says:Next New Comment

[March 15, 2023 at 9:04 am GMT • 3.0 days ago](#) • 200 Words [↑](#)

[@RestiveUs](#)

| Real “money” has to have some intrinsic value in and of itself.

Real money should have a modifiable rate and proportionality [public and transparent], to global assets of humanity, including as a first, populations, population counts, population density, human goals declared, energy, realized assets (oxidizing included), ongoing phenomena as polluting, and war, and anything else that allows for stewardship of the future. Big data, used to purpose, in the hand of no middle-men, holds that promise.

A simple mental strut: when transaction volume and speed are intended to go up, as in the Cabal copy paste model of China and Russia, there should be more money in circulation, so there is a proportionality change, but not a value change to suit the purpose of money as the glue, lube of “micro”-transactions. The intent itself is to be weighted.

Money is the first precursor of globalism. Come China, come Cabal. Money is not at question, the ones who control money exchanges, provision, destruction, are. Value, the “hard assets” that underscore money, are not manipulated by money and it’s behavior in any way, it is the other way around. Should be.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

142. Anon[409] • [Disclaimer](#) says:Next New Comment

[@Joe Paluka](#)

| people that tell

Who are the people?

• **Replies:** [@Ben Sampson](#)

Reply Agree/Disagree/Etc. This Commenter This Thread Hide Thread

143. [Alrenous](#) says: • [Website](#)Next New Comment

[March 15, 2023 at 11:08 am GMT](#) • [2.9 days ago](#) • 100 Words ↑

[@Ben Sampson](#)

I would say it's minor reason the borders are open, yes. The major reason is that the suburbs are bankrupt. The municipalities can get more money injections by building new suburbs, but first they need to populate the existing suburbs. Good 'ol Ponzi scheme, an American favourite. Without population growth much faster than natural growth (neglecting the fact divorce has made population growth negative) no town in America can afford its own roads.

But you gotta have roads. GM offers amazing bribes, you see. Have to subsidize car usage and penalize everything else so every American "has to" have a car.

—

I would say it makes perfect sense: in the short term, Pfizer can offer big bribes to e.g. the FDA, whereas the longer-term bribes the banks might offer in the future are, well, not here yet. Further, the folk taking the bribes are going to retire before the fertility/mortality effects of the vax matter.

• **Replies:** [@Ben Sampson](#)

Reply Agree/Disagree/Etc. This Commenter This Thread Hide Thread



144. [Alrenous](#) says: • [Website](#)Next New Comment

[March 15, 2023 at 11:16 am GMT](#) • [2.9 days ago](#) • 200 Words [↑](#)

[@WingsofaDove](#)

The Fed does have a reserve requirement, but nobody stops them from using creative accounting to ignore it. They call it a private bank and that's just a lie. The government makes the law and as a result is above the law.

E.g. selling a T-bill counts as creating reserve, even though a) a sold T-bill is a liability, not an asset and b) T-bills pay less than inflation. Basically there's a delta and the Fed pockets the difference.

Also effectively regular bank reserve requirements are only about 1%, due to re-lending. Bank A makes a loan, and the loan is spent on someone who deposits it in Bank B. This loan cash now counts as more reserve for Bank B; they can re-loan it. It doesn't count for as much as Fed funds, but it counts enough. This new Bank B loan will be deposited in Bank C, who can also make a new loan, which gets to Bank A...

The fraction is low enough that it doesn't go infinite, but not low enough that it matters.

—

I'm pretty sure Blackrock is the Fed's personal money-lauderer. The Fed e.g. sells a T-bill and then "invests" in Blackrock, who buys assets with this pre-inflation money. The Fed then takes a return from Blackrock to pay the T-bill obligations, with post-inflation money. Due to inflation there will be assets left over, which count as new reserve...

If it's not Blackrock, then it's Vanguard.

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145. [Vinnyvette](#) says:Next New Comment

[@anonymouseperson](#)

Your well regulated Canadian banking system, stole the Truckers and their supporters money! Not that it couldn't happen the the U.S. just saying...

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146. [Alrenous](#) says: • [Website](#)Next New Comment

[@dogbumbreath](#)

What's wrong with being untamed?

Why does a faceless bureaucrat a thousand miles away satisfy your criteria for leadership?

How is leadership key to justice?

| You would not be a candidate.

IRL folk actively petition me to lead them all the time.

• **Replies:** [@Alrenous](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

147. [PJ London](#) says:Next New Comment

[March 15, 2023 at 12:40 pm GMT](#) • [2.9 days ago](#) • 200 Words ↕

[@Vinnyvette](#)

“We are in power. Nobody will deny it. By virtue of that power we shall remain in power... We have no words to waste on you. When you reach out your vaunted strong hands for our palaces and purpled ease, we will show you what strength is. In roar of shell and shrapnel and in whine of machine-guns will our answer be couched. We will grind you revolutionists down under our heel, and we shall walk upon your faces.

The world is ours, we are its lords, and ours it shall remain. As for the host of labor, it has been in the dirt since history began, and I read history aright. And in the dirt it shall remain so long as I and mine and those that come after us have the power.

There is the word. It is the king of words—Power. Not God, not Mammon, but Power. Pour it over your tongue till it tingles with it.

Power.”

Mr. Wickson, *The Iron Heel* by Jack London (1908),

—

“Power concedes nothing without a demand. It never did and it never will. Find out just what any people will quietly submit to and you have found out the exact measure of injustice and wrong which will be imposed upon them, and these will continue till they are resisted with either words or blows, or with both. The limits of tyrants are prescribed by the endurance of those whom they oppress.”

Douglas

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

148. [irish Savant](#) says: • [Website](#)Next New Comment

Irrespective of how exactly this has played out and continues to play out, the end result will be the Usual Suspects making off with the loot once again.

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#)

149. Ben Sampson says:Next New Comment

@Anon



Watch Video At: <https://youtu.be/JBrTMEOC2WE>

• **Replies:** @Anon

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

150. irish Savant says: • WebsiteNext New Comment

I'm no expert but it seems to me that the central bankers can keep bailing out the parasites indefinitely by revving up the printers even more. Obviously this will exacerbate inflation but 'the system' would survive. Or would it?

ReplyAgree/Disagree/Etc. This Commenter

151. Anon[275] • Disclaimer says:Next New Comment

March 15, 2023 at 8:36 pm GMT • 2.5 days ago • 100 Words ↑

@Ben Sampson

He said *capitalist economy*, is it not a socialist economy?

He mentions Roubini saying costs are socialized, he says government comes in and bails out..., that's not capitalism!

He says there are regulations, that's not capitalism!

Who are the people telling *Biden, Newsom, Macron, and the other WEF sycophants what to do* ?

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

152. irish Savant says: • WebsiteNext New Comment

@Dutch Boy

Same tribe as the Marx Brothers.

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

153. [irish Savant](#) says: • [Website](#)Next New Comment

[March 15, 2023 at 10:33 pm GMT](#) • [2.5 days ago](#) • 100 Words [↑](#).

[@2stateshmoostate](#)

Exactly. And most of the West is in the same boat. Still, people have a responsibility to themselves to try and understand what's going on. How come most of us on this forum can see through the attempts to bamboozle us? The rest are taken up with bread and circuses.

• **Replies:** [@anon](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

154. [Tony Hall](#) says:Next New Comment

[@RoboMoralFascist 1st](#)

A \$1 billion bailout to Israeli investors? Its much more. At least \$42 billion more and probably much more than that. For an account that puts Hudson's account to shame see

<https://www.trunews.com/stream/shekel-shuffle-janet-yellens-svb-bailout-was-for-israeli-tech-firms>

• **Replies:** [@RoboMoralFascist 1st](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

155. [Tony Hall](#) says:Next New Comment

[@Anon](#)

SVP exposed with JP Morgan and other big banks as deeply implicated in the successful prosecutions of Epstein-related outfits successful prosecuted by Virgin Island prosecutor, Denise George.

<https://rumble.com/v2dontk-boom-silicon-valley-bank-has-epstein-connection-and-more.html>

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

156. anon[216] • [Disclaimer](#) says:Next New Comment

[@RoboMoralFascist 1st](#)

BBC reported just recently that Moldova was looking for extradition of the bank thief who stole nillion dollar and went to Israel to hide. Moldovian person on BBC reported the banking collpase of the poor country hosting 700,000 Ukranian stemmed from the capital flight. Israel reprotedly wont extradite .

• **Replies:** [@RoboMoralFascist 1st](#)

[Reply](#)[Agree](#)/[Disagree](#)/[Etc.](#) [This Commenter](#) [This Thread](#) [Hide Thread](#)

157. anon[108] • [Disclaimer](#) says:Next New Comment

[March 15, 2023 at 11:16 pm GMT](#) • [2.4 days ago](#) • 100 Words ↑

[@irish Savant](#)

you will appreciate how stupid the so called informed people are if you ever leaf through and scroll down the comment sections of WaPo and NYT on econmic issues .

They are pretty good in aligning thmeselves one of the parties or the other and taking stupid potshot at Trump or Biden .

Ther knowledge of international politics will tip the scale to the negative .

• **Agree:** [irish Savant](#)

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

158. anon[108] • [Disclaimer](#) says:Next New Comment

[@A B Coreopsis](#)

Yes its so pointless that Japans bank holding trillions of US what ever that pay around . 02 percent is going under water.

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

159. [War for Blair Mountain](#) says:Next New Comment

[March 16, 2023 at 2:45 am GMT](#) • [2.3 days ago](#) • 100 Words ↑

[@WingsofaDove](#)

I don't understand Michael Hudson...ever...although I would like to....

But what is the alternative to Michael Hudson? Fox News Reaganomics that Tucker Carlson blather's on about....When I hear Tucker Carlson blathering on about Reaganomics...I pray that he is struck by a bolt of lightning from the moral forces of the Universe.....

It is quite possible that know one knows what's going on....

Maybe Alex Jones's Gay Frogs are responsible for the collapse of Silicon Valley Banks.....

Perhaps Ronald Reagan's Gay Pickled Corpse is the cause of gay pickled corpe bank failures...

ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

160. [War for Blair Mountain](#) says:Next New Comment

So how do we prevent future Bank Failures....well, if very greedy Bank Presidents are the problem....then read my new scholarly book:RATS AND RATTING.....on how to prevent future Bank Failures across America.....

ReplyAgree/Disagree/Etc. This Commenter

161. Amerimutt Golems says:Next New Comment

In 2011, Bernard Madoff said the US government is a Ponzi scheme.

Biden's speech in Warsaw included the word "craven," but his handlers omitted "unintended consequences."

Thanks.

ReplyAgree/Disagree/Etc. This Commenter

162. [Ask ChatGPT](#) says:Next New Comment

[March 16, 2023 at 8:18 am GMT](#) • [2.0 days ago](#) • 500 Words [↑](#)

[@WingsofaDove](#)

ChatGPT is a good tool to understand and clarify jargon or obscure terms. Hope this helps (I'm not promoting it btw).

“The cost of home ownership soared by capitalizing mortgages at falling interest rates into more highly debt-leveraged property.” – explain in layman

ChatGPT: When you buy a home, you usually take out a loan called a mortgage to help pay for it. The interest rate on your mortgage is the percentage of the loan amount that you have to pay to the lender as a fee for borrowing the money.

Now, let's say the interest rates fall, which means you can borrow money at a lower interest rate. So, instead of paying a higher interest rate on your mortgage, you can take advantage of the lower interest rates and refinance your mortgage at a lower rate.

When you refinance your mortgage, you are essentially replacing your old mortgage with a new one. This means that you may be able to get a larger loan amount at the lower interest rate.

However, this also means that you will have a higher debt leverage, which means you will owe more money in total compared to your income. This can be risky, especially if your income doesn't increase enough to cover the higher mortgage payments.

So, in short, the statement means that when interest rates fall, people may borrow more money to buy homes or refinance their existing mortgages, which can lead to higher debt leverage and potentially higher financial risk.

Q: Did this happen at the macro level a few years before the Great Financial Crisis of 2008?

ChatGPT: Yes, this phenomenon did happen at the macro level prior to the Great Financial Crisis of 2008. In fact, the practice of capitalizing mortgages at falling interest rates and using the resulting debt-leveraged property as collateral for further borrowing was one of the factors that contributed to the housing bubble that preceded the crisis.

During the early to mid-2000s, interest rates were low, and many people took out mortgages to buy homes or refinance existing mortgages. This led to a surge in housing demand, which drove up home prices. As home prices rose, homeowners felt wealthier and were more willing to borrow against their homes to finance other expenses.

Banks and other lenders also encouraged this behavior by offering subprime mortgages, which were loans made to borrowers with lower credit scores and higher risk of default. These loans often had adjustable interest rates that started out low but could rise significantly over time, leading to payment shock and default.

All of these factors contributed to a housing bubble that eventually burst, leading to a wave of defaults, foreclosures, and a broader financial crisis. The crisis had far-reaching consequences for the global economy, and its effects are still being felt in many ways today.

• **Replies:** [@Alrenous](#)

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163. [Ben Sampson](#) says:Next New Comment

[March 16, 2023 at 10:29 am GMT](#) • [2.0 days ago](#) • 300 Words [↑](#)

[@Alrenous](#)

It is clear their plans are broad, comprehensive, long term and continuous and nuanced accordingly, seemingly paradoxical, senseless illogical and opposed at points but we know they aren't, even if united in their equally comprehensive and unchanging purpose...to achieve total for the elites total power, to capture and keep eternally all the wealth in the world...just as you argue above and below

But like Anon below you discuss what we know already fully and not my point which we also know already fully, which is Wolff's argument all along that he keeps proving as he goes...'Capitalism is ripe and it is time for it to go and the popular interest can only be met only by popular action

in taking capitalism down themselves, now! while at the same time, in the process of creating social organisation in replacement, from the popular interest, with the comprehensive popular purpose creatively underpinning social formations to meet popular need as the people goes in the process, globally, multilaterally...

My point sarcastically is that all this talk is fine but where does it get us ultimately. Wolff simply and in my own little way to highlight his massive contributions.

Hudson is pissed and jargons the hell out of us in quickly collating his arguments...which are right but not easily accessible. But he does not care. As Wolff argues about the stupidity of the people and the repetitive nature of failures of capitalist plunder which the people refuse to face and so give it the space and room to live on and on and on, Hudson does not seem to care.....

• **Disagree:** [Alrenous](#)

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164. [Ben Sampson](#) says:Next New Comment

[March 16, 2023 at 11:16 am GMT](#) • [1.9 days ago](#) • 100 Words [↑](#)

I woke up about 2 hours ago and the world is still here..I am conscious of it! 50/50 I thought as I went to bed that the bombs would not fly overnight.

Bombs imminent, finance crashing, jobs loss by the hundreds of thousands at a time... pandemic still in our faces when we can see them without masks...genocidal vaxx globally! I simply do not believe that we cannot deal with the minority that is causing all of this.

This is the most enlightening fact about humanity...this is what we are. It is time to move on, to evolve...to can capitalism and the capitalist and create in response to the facts of life as we know them currently and on-going.....

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165. [Alrenous](#) says: • [Website](#)Next New Comment

[March 16, 2023 at 3:39 pm GMT](#) • [1.7 days ago](#) • 200 Words [↑](#)

[@Ask ChatGPT](#)

Note that [housing caused 2008] is a convenient wet-streets-cause-rain narrative.

The low interest rates caused wealth destruction, which resulted in the artificially low interest rates becoming so different from reality that the social fiction could no longer be maintained.

When someone who can't afford a house nevertheless 'buys' a house and moves into it, it means he stole the house. The labour to erect the house came from someone else who could have sold things to a non-thief. The wood could have been used, for example, for scaffolding instead of building an unaffordable and unproductive house. In this toy example, eventually so many houses are built that nobody has wood for scaffolding and no houses can be built. Theft always destroys the producer of the stolen goods.

Real microeconomics is far more complicated but if you run the numbers you'll find the result is exactly the same as this amazingly simplified example. If you let folk eat without working, eventually there is nothing to eat. Price-fixed interest rates are Communism. Irresponsible redistribution. Also known as crime, if you're speaking natural language instead of bureaucratese.

The longer and harder interest rates are below market rate, the more seed corn is eaten. The more wealth is destroyed. When the Official recession hits, what's happening is a mere accounting correction. The Official recession is the moment the delta becomes too big to hide; the moment the fake money from fake gains can no longer command real goods because there's none left. At the moment of Official recession, the wealth is already gone.

Of course a large accounting correction constitutes an economic shock. A shock means prices become decoupled from value. Every Official recession is a double-dip recession. GDP growth was already negative for years, and the Official recession, a shock, causes additional wealth destruction.

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166. [Alrenous](#) says: • [Website](#)Next New Comment

[March 16, 2023 at 4:21 pm GMT](#) • [1.7 days ago](#) • 200 Words [↑](#)

[@Alrenous](#)

In all probability “untamed” means a non-slave, and what’s wrong with it is that it makes the slaves feel like slaves.

The term “leadership” is instead a euphemism for slave masters, and “justice” is getting whipped. Slaves demand whippings, and of course you need a slave master to get whipped. There’s nothing stopping bureaucrats a thousand miles away supplying whippings on an industrial scale. They won’t be justly applied, but slaves can’t tell the difference, and probably wouldn’t care even if they could.

My interlocutor did know the answer to the questions, but could not answer them honestly. Instead they chose to post irrelevant nonsense in the hopes that I would confuse that for an answer.

You can see it worked: while I wasn’t confused, a substantial number of observers were confused. Nobody ever goes broke overestimating the gullibility of Americans.

You can also see this as an incident of unlicensed preaching.

Shockingly, someone who deliberately names themselves canine fart is not a competent preacher. However, they can (sort of) repeat their priests’ catechism.

The preaching occurred because this slave is too cognitively limited to appreciate the existence of non-master non-slaves, never mind the existence of foreigners. (They only have enough RAM to load models of two varieties of people. They typically can’t even distinguish the sexes at the same time as distinguishing masters and slaves.) To them, when someone contradicts their priest’s preaching, the only possibility is that they must be a bad slave. “They must not have heard right, I’ll repeat the catechism for them. Repetition is the key to learning!” (Slaves can only learn by rote.)

They also think the priest is a slave, which is why they think slaves can be competent preachers and don’t just whereof stay silent whereof they cannot speak.

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167. [Vinnyvette](#) says:Next New Comment

[March 16, 2023 at 4:44 pm GMT • 1.7 days ago](#) • 100 Words [↑](#)

[@Wild Man](#)

Some of the “experts” have predicted if they manage to shove CBDC down our throats, the banks will initiate “negative interest rates.” You’ll pay a fee to the bank for “allowing” your money to take up space on their servers, and for electronic transfers, payments.” You will never earn money on so called “savings” accounts again.

It’s been awhile, the details are foggy, but Switzerland or one of the Scandinavian countries was trying this out on a small scale.

Saw it on Zero Hedge, or Tom Luongos’

Goats n Guns.

You mentioned banks having to raise interest rates, not an expert, no horse in the race, just reminded me of the so called “prevailing wisdom.”

• **Replies:** [@Wild Man](#)

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168. [Vinnyvette](#) says:Next New Comment

[March 16, 2023 at 4:52 pm GMT • 1.7 days ago](#) • 300 Words [↑](#)

[@PetrOldSack](#)

These proles (we, us, them?!) have no option whatever to use the same tools of speculating outside their fish-bowl, no chance to buy or trade [other currencies, derivatives, barter, ownership outside their bulb, commit to bills not written by a Jew], they can only subscribe to whatever scam the International Jew proffers next [from defaulting at wish by the same perpetrators of digital coins that are not centrally regulated by these same thieves, to suggesting “Treasury bills”, up to “non-fungible tokens” (craziest idea ever, still under the radar), the list is endless].

Treasury bills. “bills” written by the same International Cabal? It is paramount as always to loose-loose. Finance is best compared to casino, betting. Cooking the books is endless. That is a design feature. My impression is that the other design feature is hard-wired brute stupidity and primitive survival instincts [greed] of man-meat. I wonder what the parlay of Hudson targets [the just smart enough to be harmless?, the parrot class?, the eating the scraps from the table class?]. Finance, the real thing is long since militarized, whether China and Russia can hold firm will decide the next loss of man-meat. Again, man-meat is without alternatives inside rotten systemics, ask the WE proles [outside the bulb of the whoring public politicians and “elite” general staff of ditto subscriber, affiliated “nations”].

This article, pointing to and meming a single bank run is a litmus test for man-meat, are you being distracted or not. If not, it is clear that the Cabal must have set it up as a little experiment to stoke fear, to maneuver the crowds into their credulity as usual.

Not much to disagree with here.

I’m out of buttons as always.

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169. [Wade Hampton](#) says:Next New Comment

[March 17, 2023 at 6:45 am GMT](#) • 1.1 days ago • 200 Words ↑

“...The Fed’s \$9 trillion of QE (not counted as part of the budget deficit) fueled an asset-price inflation...”

The Fed’s money printing since the 2008 real estate collapse (and since the 2000 dot-com collapse) did indeed cause inflation. The Fed finally realized it had caused inflation and raised interest rates to fight it. The increase in interest rates tanked the value of the long US Treasury bond which impaired the capital position of banks (i.e. made their assets worth less than their liabilities).

What is Dr. Hudson’s prescription? Print more money!

“...Despite the talk of Republicans refusing to raise the debt ceiling, the Treasury can always print the money to pay its bondholders...”

And so on down the rabbit hole.

- Central bank prints money to help its political benefactors.
- Faux unsustainable boom in asset prices and economic activity results.
- Inflation inevitably ensues, sooner or later.
- Central bank raises interest rates to fight inflation.
- Economic activity collapses, banks collapse and get bailed out.
- More money printing

...repeat ad nauseam.

What’s the solution to the madness advocated by Dr. Hudson? End the Fed.

• **Replies:** [@dogbumbreath](#)

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170. [showmethereal](#) says:Next New Comment

[March 17, 2023 at 11:04 am GMT](#) • 22.4 hours ago • 100 Words ↑

[@reading](#)

Correct and the US exports its inflation to the rest of the world. That’s why countries are lining up to join BRICS hoping that a non dollar currency can be used for global trade. Even Mexico just stated they will try to join soon.

It’s also why all the Global South refused to join the sanctions against Russia and sign up to China’s BRI knowing they can do currency swaps with China to avoid the dollar

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171. [showmethereal](#) says:Next New Comment

[March 17, 2023 at 11:07 am GMT](#) • 22.4 hours ago • 100 Words ↑

[@WingsofaDove](#)

There is a reason I can’t understand nursing terms. It’s because I didn’t go to nursing school. Not everything can be dumbed down for the crowd. In any event – the real issue is bad policies that caused the inflation in the first place. But you would have to read him regularly in general (or any serious economist) to get the gist

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172. [showmethereal](#) says:Next New Comment

[March 17, 2023 at 11:21 am GMT • 22.1 hours ago](#) • 100 Words [↑](#)

[@anon](#)

Could be – but China has been drawing down more and more since the sanctions against Russia. It's now down to about 800 billion. That's the lowest since the financial crisis around 2009 when China went up to about 1.2 trillion. It is most likely to keep falling lower and lower. Japan is buying more. But Japan has been playing its lackey role for almost 40 years. Lost decades of them simply because of their lackey policies

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173. [Amerimutt Golems](#) says:Next New Comment

[March 17, 2023 at 2:23 pm GMT • 19.1 hours ago](#) • 100 Words [↑](#)

Obama recycled Clinton's economic team of gifted usual suspects. When she chaired the Commodity Futures Trading Commission Brooksley Born wanted over-the-counter derivatives to be regulated. Alan Greenspan, Robert Rubin, plus Larry Summers blocked her proposal.

The Long-Term Capital Management fiasco was the shape of things to come. Miseries inflicted on the Russian people, as a result of policies Jeffrey Sachs recommended, partly triggered its spectacular collapse. The highly leveraged arbitrage-focused hedge fund backed by two Nobel Memorial Prize in Economic Sciences winners was the subject of the book "When Genius Failed."

More people should be reading these articles, especially those who are wallowing in the swamp of ignorance. Financialization transcends partisan politics.

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174. [RoboMoralFascist 1st](#) says:Next New Comment

[@Tony Hall](#)

Thank you. You have written some excellent materials that provide clarity and better research.

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175. [RoboMoralFascist 1st](#) says:Next New Comment

[March 17, 2023 at 2:48 pm GMT • 18.7 hours ago](#) • 100 Words [↑](#)

[@anon](#)

Which brings us to Ukraine refugee fatigue throughout Europe and even the Swiss demanding now that the 80,000 Ukrainians there sell their vehicles before receiving any more welfare from the state.

Also remember that Jonathan Pollard wanted to flee to Tel Aviv after his betrayal of the U.S. Navy and seeking to sell secrets to anyone who would pay. It is an arrogance and attitude that no nation or people should ever tolerate.

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176. [RoboMoralFascist 1st](#) says:Next New Comment

[@Old Brown Fool](#)

Agreed. And therefore the furtherance in separation by a people needing honest government bewildered at anti-Christ insanity world and all the endless corruption that sheds skin like Jeffrey Epstein and Bernie Madoff, Maurice Greenberg and now dead Sheldon Adelson.

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177. [Publius 2](#) says:Next New Comment

[@JR Foley](#)

Yep.

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178. [dogbumbreath](#) says:Next New Comment

[March 17, 2023 at 4:55 pm GMT • 16.6 hours ago • 100 Words](#) ↑

[@Wade Hampton](#)

| What is Dr. Hudson's prescription? Print more money!

His prescription is "prevention". Do not allow Finance Capitalism to infect the economy. If infection has spread to the point of killing the host, let the host die. FED should avoid rescuing sick, dysfunctional and corrupt industries (i.e. some banks, stock market ). Money should be directed towards the health of a nation (real productive economy).

| What's the solution to the madness advocated by Dr. Hudson? End the Fed.

Solution is to not distort the economy with FED policy that only favors the top 10% (i.e. FED securing bad corporate debt). Government should serve the entire nation and not just one sector (finance, real estate, insurance). Stop overseas Imperialism. Money should be directed internally for Industrial Capitalism (industries and jobs that produce tangible goods and raises productivity). Finance Capitalism is parasitic and the problem. Read his books.

• **Replies:** [@Wade Hampton](#)

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179. [Wade Hampton](#) says:Next New Comment

[March 17, 2023 at 6:54 pm GMT](#) • [14.6 hours ago](#) • 100 Words [↑](#)

[@dogbumbreath](#)

So Dr. Hudson's prescription is that only saintly and public-spirited people be allowed to run the Fed as opposed to the members of the Ruling Class that actually do run the Fed.

We have allowed the FedGov to create an unnatural concentration of power in the Federal Reserve and somehow you and Dr. Hudson think you can magically prevent the Ruling Class from manipulating it to their advantage.

The key is to prevent the unnatural concentration of power. Once it is concentrated, the Ruling Class co-opts that concentration and uses it to its advantage. Sorry to tell you, but that is the way the real world works.

Please give me an example of where concentrated government power has not ultimately been manipulated by the Ruling Class to their benefit and to the detriment of we peons.

I'll wait.

While we are waiting, end the Fed.

• **Replies:** [@dogbumbreath](#)

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180. Wild Man says:Next New Comment

March 17, 2023 at 7:03 pm GMT • 14.4 hours ago • 600 Words ↑

@Vinnyvette

Yes, .... I agree that the current financial system seems to be unsustainable without some pretty big modifications. But we would be crazy to allow such mods to involve CBDC, .... as such would supercharge the faux-west globalist's control over the regular population (giving them the ability, potentially, to direct how we spend, outside of the already existing control we have all come to know around consumer spending, in this vein, .... advertising come-ons and such). If the consumer advertising model is deemed 'not fascist' by some (a claim I disagree with, .... fascism is already apparent at this level of 'manufactured consent'), .... you couldn't say that about the new CBDC model, could you? Clearly it would have to be widely regarded as fascist, – .... the corporate faction and the political faction washing each other's hands, for mutual quid pro quo but sometimes divergent benefit, .... i.e. – a horse trade involving parties seeking better narrower personal benefits, on both sides, whilst at the same time they are both pretending the impetuses (on both sides – the corporate and the governance) are instead pro-social and virtuous impetuses (i.e. – motivated by 'looking out for me and mine' while pretending to be 'looking out for us the populace').

The banks will have to more closely match interest paid on shorter term treasury bonds and such. Either that or the the Fed now commences reducing the rates, as such changing the signals the market relies on, or, .... failing that, .... in the least we should then be faced with quite substantial bank consolidation in the U.S., then.

I don't think the negative interest rate thing is going to gain traction. I think it is unworkable. Because that scenario would be tantamount to telling well-capitalized investors to take on more risk than one would otherwise, to avoid getting the otherwise inevitable financial haircut. Do we need even more stimulus towards non-rational investments strategies, though? No, I don't think so. That will ultimately just lead to more mal-investment, which can take us all down if the mal-investment cycles get bad enough. But alas, as you allude to, .... maybe that is the faux-west globalist plan. Chaositize everything, in order to eventuate enough civilizational break-down, that would then tend to eventuate a 'recapitulation to authority', so as to reign-in the so-called glorious 1,000 year future of harmony and goodwill as espoused by the faux-west globalists (except this faux-west globalist group is actually the last one in the world that is actually dealing in harmony and goodwill).

I think we probably need a central digital currency for which the political and corporate authorities are exposed to the population-knowing of each and every keystroke of their actions in this respect, at every turn, whilst at the same time, the authorities continue to be somewhat shielded from fully knowing the same about us individuals. A central digital currency completely transparent to all transactions occurring even at the micro level for macro players, but hidden to all at the micro level of transactions for micro players (which is the vast vast majority). To eventuate this, ... the first order of business is to break the faux-west globalist cabal. That's a biggie. To my mind, this cannot be done without a reformed and reactivated Holy Roman Catholic Church. A reformed Church could indeed be the vehicle, for the implementation of this new currency system.



• **Replies:** [@Wild Man](#)

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181. [Wild Man](#) says:Next New Comment

[March 17, 2023 at 7:48 pm GMT](#) • [13.7 hours ago](#) • [300 Words](#) ↑

[@Wild Man](#)

I should add a proviso to my previous comment #180. In a scenario whereby we more-so had systemic price-deflation due to macro-return-on-investments being recycled into the common pool, .... and this scenario became the normalized one (i.e. – the investors then know they could count on this dynamic to continue), ... then negative interest rates levied against investors that park the capital, would be workable, as long as it remains true that the negative interest rate in this event, is always closer to zero than the rate of price deflation. The investor choice then, would be transformed to this: Either they invest said funds in an enterprise, and beat the return they would get by parking the funds and counting on the negative interest spread between the price-deflation-rate and the negative interest rate levied, ... and if the investor judges they can't do that within manageable risk parameters, then they take the positive return between the price-deflation-rate, and the negative interest rate.

For saner markets, when there is price-inflation there should be interest rates higher than the price-inflation rate, however, when there is price-deflation there should be negative interest rates closer to zero than the price-deflation rate.

I believe the overall trajectory of the human economy is towards systemic improvements in overall organizational efficiencies so that we indeed should generally be experiencing price deflation, except that, since this price deflation isn't recycled back into the overall economy, ... due to the debt-fueled ploys (paying interest rates on said debt that has been skewed lower than the debt-fueled-price-inflation) towards monopolization of these means of production, ..... you could say that it is not fair and somebody is stealing the lunch money of the vast majority. Its pretty simple when you really think about it.

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182. [dogbumbreath](#) says:Next New Comment

[March 17, 2023 at 8:07 pm GMT](#) • [13.4 hours ago](#) • [400 Words](#) [↑](#)

[@Wade Hampton](#)

| So Dr. Hudson's prescription is that only saintly and public-spirited people be allowed to run the Fed as opposed to the members of the Ruling Class that actually do run the Fed.

Saintly people exist. That is, there are people who don't have money sickness and actually care about society first. Don't believe me, go to your local Fire Station, Hospital or School...not everyone is corrupt.

| We have allowed the FedGov to create an unnatural concentration of power in the Federal Reserve and somehow you and Dr. Hudson think you can magically prevent the Ruling Class from manipulating it to their advantage.

Again, look at history and we can learn. Some example, Alexander Hamilton's USA, NSDAP Germany, CPC China today. Not perfect BUT removed oligarchs from power. Government then worked to improve said Country by keeping selfish Oligarch's from direct levers of power. CPC (Civilization) is a work in progress. There is no denying China has grown and standards of living improved ten fold. It's not magic...it's using the right system and having the wisdom to change or tweak.

| Please give me an example of where concentrated government power has not ultimately been manipulated by the Ruling Class to their benefit and to the detriment of we peons.

That's like me asking, please show me a person that doesn't eat Fast Food and lives forever? Even if you never eat fast food, you die. There is a cycle for everything....birth then death and repeat...this is Nature. The point is to live well (Country) as long as possible within your wisdom, morals and values. There are no guarantees any system will be perfect forever. You have a history of what works as a guide but you got to know the REAL history...not the FAKE version. Each country has different morals and values so worry about your own Nation and leave others alone unless invited (i.e. Overseas Imperialism).

| I'll wait.

I've met many people like you over the decades. I see over time (history) they are not doing well. I will use the example of sticking to the Western promoted "Food Pyramid". It doesn't work for everyone.

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183. [showmethereal](#) says:Next New Comment

[@eah](#)

It's not that the world had the ability to absorb it. They were forced to absorb it under threat of US sanctions and/or invasion. In Street talk that was called "extortion". But now the mafia boss can't control the old territory like it could before.

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184. Miro23 says:Next New Comment

March 17, 2023 at 11:34 pm GMT • 9.9 hours ago • 100 Words ↑

@Anonymous

| CS is getting bailed out. It's too important to fail and it's a Rothschild owned bank like all the big western banks.

It got a loan yesterday of \$ 54 billion from the Swiss central bank and its share price "soared" to CHF 2 (it was over CHF 180 in 2007)

<https://apnews.com/article/credit-suisse-banks-svb-shares-ecb-lagarde-94585aebadb67f9a2307d3560ce502c>

This is to avoid disaster. In fact the Swiss central bank needs to guarantee the vast counterparty derivative risks of this bank. That's an awful prospect – but this is a house of cards.

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185. elmerfudzie says:

March 18, 2023 at 12:59 am GMT • 8.5 hours ago • 300 Words ↑

All our POTUS (usurper of the throne in my view) has to do is to pick up the Oval Office phone and whistle up an emergency meeting of the G-20...DO NOT exclude Russia! Biden, a worthless dote will at the last minute, confess his sins and as penance suggest a Jubilee Year of the central treasuries of these great nations of the world, where all debts private and public are purchased and then gradually forgiven over a designated, short period of time. A financial reorganization will occur during those months where every fiat currency gradually embraces gold and silver bullion backing and Standard in combination with public properties as collateral(s). Off shore holdings such as art, cash, precious metals, coin, diamond, stamp collections, real estate and various financial instruments e.g., stock and bond holders...) will be seized by some designated internationally accepted policing agency(s) INTERPOL?, to confiscate the tangible assets of, already known, tax evaders who are hiding their fortunes. This, through efforts previously uncovered by the Panama and Paradise papers (among others) .. The the Glass–Steagall Act will be the norm re-established throughout the world economic banking systems.

Don't not panic City of London Bankers, your losses, due to INTERPOL investigations that crack wide open the banking secrecy establishment(s) will be compensated with a one time " world citizenry at large" stock shares freebie and hand out vested in both long term and new energy sources/commodities. Details of which will be ironed out....good luck world, it's either this or our blue marble will become a black cinder ball....now which one do you really want?

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