

Hrozící kvadrilion dolarových derivátů tsunami, Ellen Brown

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Hrozící tsunami s deriváty kvadrilionů dolarů

[Ellen Brown](#) • 13. března 2023

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V pátek 10. března se banka Silicon Valley (SVB) zhroutila a převzali ji federální regulátoři. SVB byla 16. největší bankou v zemi a její bankrot byl druhý největší v historii USA, po Washington Mutual v roce 2008. Navzdory své velikosti nebyla SVB „systémově významnou finanční institucí“ (SIFI), jak je definována v Dodd-Frank Act, který vyžaduje, aby insolventní SIFI „zaplatily“ peníze svých věřitelů, aby se rekapitalizovaly.

Technicky je limit pro SIFI 250 miliard dolarů v aktivech. Důvodem, proč se jim říká „systémově důležité“, však není velikost jejich aktiv, ale skutečnost, že jejich selhání by mohlo zničit celý finanční systém. Toto označení pochází hlavně z jejich expozice derivátům, globálnímu kasinu, které je tak silně propojené, že je to „domeček z karet“. Vytáhněte jednu kartu a celý dům se zhroutí. SVB držela 27,7 miliardy dolarů v derivátech, což není malá částka, ale je to jen 0,05 % z 55 387 miliard dolarů (55,387 bilionů dolarů), které drží JPMorgan, největší americká derivátová banka.

SVB by mohla být kanárkem v uhelném dole, který předznamenává osud dalších příliš rozšířených bank, ale její kolaps není druhem „systémového rizika“, o kterém se předpokládá, že spustí „nákazu“.

Jak uvádí CNN :

Přes počáteční paniku na Wall Street analytici uvedli, že kolaps SVB pravděpodobně nespustí dominový efekt, který zachvátil bankovní sektor během finanční krize.

"Systém je stejně dobře kapitalizovaný a likvidní, jako kdy byl," řekl hlavní ekonom Moody's Mark Zandi. "Banky, které jsou nyní v problémech, jsou příliš malé na to, aby mohly představovat smysluplnou hrozbu pro širší systém."

Nejpozději v pondělí ráno budou mít všichni pojištění vkladatelé plný přístup ke svým pojištěným vkladům, uvádí FDIC. Nepojištěným vkladatelům vyplátí „zálohovou dividendu během příštího týdne“.

FDIC, Federální rezervní systém a ministerstvo financí USA se nyní dohodly na prozatímní opravě, která bude předmětem dalšího článku. Mezitím se tento sloupec zaměřuje na deriváty a navazuje na můj sloupec z 23. února o ustanoveních o „bail-in“ zákona Dodd Frank Act z roku 2010, který eliminoval záchranu daňových poplatníků tím, že požadoval, aby se insolventní SIFI rekapitalizovaly z prostředků svých věřitelů. „Věřitelé“ jsou definováni tak, že zahrnují vkladatele, ale vklady do 250 000 USD jsou chráněny pojištěním FDIC. Fond FDIC však stačí na pokrytí pouze asi 2 % z 9,6 bilionu dolarů v amerických pojištěných vkladech. Celostátní krize spouštějící bankovní běhy po celé zemi, jak se to stalo na počátku 30. let, by fond zničilo. Dnes někteří finanční experti předpovídají krizi takového rozsahu na trhu s deriváty s biliony dolarů plus kvůli rychle

rostoucím úrokovým sazbám. Tento sloupec se zabývá tím, jak je to pravděpodobné a co lze udělat, abychom tomu zabránili, nebo uhnuli z cesty.

„Finanční zbraně hromadného ničení“

V roce 2002 napsal mega-investor Warren Buffett , že deriváty jsou „finanční zbraně hromadného ničení“. V té době byla jejich celková „pomyslná“ hodnota (hodnota podkladových aktiv, z nichž byly „deriváty“ „odvozeny“) odhadována na 56 bilionů dolarů .

Investopedia v květnu 2022 uvedla , že bublina s deriváty dosáhla podle Banky pro mezinárodní platby (BIS) odhadovaných 600 bilionů dolarů a že celková částka se často odhaduje na více než 1 kvadrilion dolarů. Nikdo to neví jistě, protože většina obchodů se provádí soukromě .

Ke třetímu čtvrtletí roku 2022 bylo podle „Čtvrtletní zprávy o bankovním obchodování a aktivitách s deriváty“ Úřadu měnové kontroly (federální bankovní regulátor) pojištěno celkem 1 211 amerických národních a státních komerčních bank a spořitelen asociace držely deriváty, ale 88,6 % z nich bylo soustředěno pouze ve čtyřech velkých bankách: JP Morgan Chase (54,3 bilionu dolarů), Goldman Sachs (51 bilionů dolarů), Citibank (46 bilionů dolarů), Bank of America (21,6 bilionu dolarů), následovaná Wells Fargo (12,2 bilionu dolarů). Kompletní seznam je zde . Na rozdíl od let 2008-09, kdy byly velkými derivátovými koncerny cenné papíry zajištěné hypotékami a swapy úvěrového selhání, jsou dnes největší a nejrizikovější kategorií úrokové produkty.

Původním účelem derivátů bylo pomáhat zemědělcům a dalším výrobcům zvládat rizika dramatických změn na trzích se surovinami. Ale v poslední době explodovaly ve výkonná vozidla pro spekulace s pákovým efektem (půjčování si k hazardu). Deriváty jsou ve své základní podobě jen sázky – obří kasino, ve kterém se hráči zajišťují proti různým změnám tržních podmínek (úrokové sazby, směnné kurzy, defaulty atd.). Prodávají se jako pojištění proti riziku, které se

přenáší na protistranu sázky. Riziko tu ale stále je, a pokud protistrana nemůže zaplatit, prohrávají obě strany. V „systémově důležitých“ situacích hradí účet vláda.

Stejně jako na závodní dráze mohou hráči sázet, i když nemají žádný zájem o podkladové aktivum (kůň). To umožnilo derivátovým sázkám narůst na mnohonásobek globálního HDP a přidalo další prvek rizika: pokud nevlastníte stodolu, na kterou sázíte, existuje pokušení spálit stodolu, abyste získali pojištění. Finanční subjekty, které tyto sázky přijímají, se obvykle zajišťují sázením oběma způsoby a jsou vysoce propojené. Pokud protistrany nedostanou zaplacení, nemohou zaplatit svým vlastním protistranám a celý systém může velmi rychle klesnout, což je systémové riziko zvané „dominový efekt“.

To je důvod, proč insolventní SIFI musely být během globální finanční krize (GFC) v letech 2007-09 zachráněny, nejprve 700 miliardami dolarů z peněz daňových poplatníků a poté Federální rezervou s „kvantitativním uvolňováním“. Jádrem této krize byly deriváty. Lehman Brothers byla jednou z derivátových entit se sázkami napříč systémem. Stejně tak pojišťovna AIG, které se podařilo přežít díky obrovské výpomoci 182 miliard dolarů od amerického ministerstva financí; ale Lehman byl považován za příliš slabě zajištěný na záchranu. Šlo to dolů a následovala velká recese.

Rizika ukrytá ve stínech

Deriváty jsou z velké části výtvořem systému „stínového bankovníctví“, což je skupina finančních zprostředkovatelů, která usnadňuje vytváření úvěrů na celém světě, ale jejíž členové nepodléhají regulačnímu dohledu. Systém stínového bankovníctví zahrnuje také neregulované aktivity regulovaných institucí. Zahrnuje repo trh, který se vyvinul jako druh zastavárny pro velké institucionální investory s více než 250 000 USD na vklad. Repo trh je bezpečným místem pro tyto věřitele, včetně penzijních fondů a amerického ministerstva financí, kde mohou zaparkovat své peníze a

získat trochu úroků. Jeho bezpečnost však není zajištěna FDIC, ale řádným zajištěním poskytnutým dlužníky, nejlépe ve formě federálních cenných papírů.

Jak vysvětlil profesor Gary Gorton :

Tento bankovní systém („stínový“ nebo „paralelní“ bankovní systém) – repo založené na sekuritizaci – je skutečným bankovním systémem, který je stejně velký jako tradiční regulovaný bankovní systém. Pro ekonomiku má zásadní význam, protože je základem financování tradičního bankovního systému. Bez ní nebudou tradiční banky půjčovat a nevzniknou úvěry, které jsou pro tvorbu pracovních míst nezbytné.

I když je pravda, že banky vytvářejí peníze, které půjčují, jednoduše tím, že zapisují půjčky na účty svých dlužníků, stále potřebují likviditu k vypořádání výběrů; a proto se z velké části spoléhají na repo trh, který má jen v USA denní obrat přes 1 bilion dolarů. Britský finanční komentátor Alasdair MacLeod poznává, že trh s deriváty byl postaven na levném repo úvěru. Úrokové sazby ale vystřelily nahoru a úvěry již nejsou levné, a to ani pro finanční instituce.

Podle zprávy BIS z prosince 2022 se 80 bilionů dolarů v devizových derivátech, které jsou mimo rozvahu (zdokumentované pouze v poznámkách pod čarou v bankovních zprávách), brzy resetují (převědou se za vyšší úrokové sazby). Finanční komentátor George Gammon diskutuje o hrozbě, kterou to představuje, v podcastu, který nazývá „BIS varuje před 2023 Black Swan – Deriváty časovaná bomba“.

Další časovanou bombou ve zprávách je Credit Suisse, obří švýcarská derivátová banka, kterou koncem roku 2022 zasáhli velcí institucionální investoři na svých vkladech ve výši 88 miliard dolarů. Banka byla zachráněna Švýcarskou národní bankou prostřednictvím swapových linek s USA. Federální rezervní systém s úrokem 3,33 %.

Zvrácené pobídky vytvořené „Safe Harbor“ při bankrotu
V knize *The New Financial Deal: Understanding the Dodd-Frank Act and its (untended) Consequences* prof. David Skeel vyvrací to, co nazývá „Lehmanův mýtus“ – rozšířené přesvědčení, že pád Lehman byl důsledkem rozhodnutí dovolit, aby selhal. Obviňuje

novelu zákona o úpadku o bezpečném přístavu z roku 2005, která říká, že kolaterál složený nesolventními dlužníky za repo úvěry i deriváty má status „bezpečného přístavu“, který je osvobozuje od vymáhání konkurzním soudem. Když se zdálo, že Lehman má potíže, všichni obchodníci s repo operacemi a deriváty spěchali, aby požadovali kolaterál dříve, než došel, a soud neměl žádnou moc je zastavit.

Proč tedy novelu nezrušit? V článku z roku 2014 nazvaném „Kořeny stínového bankovníctví“ profesor Enrico Perotti z Amsterdamské univerzity vysvětlil, že výjimka z bezpečného přístavu je kritickým rysem systému stínového bankovníctví, který musí fungovat. Stejně jako tradiční banky, stínové banky vytvářejí úvěry ve formě půjček krytých „požadovaným dluhem“ – krátkodobými půjčkami nebo vklady, které lze na požádání vyzvednout. V tradičním bankovním systému je příslib, že vkladatel může dostat své peníze zpět na požádání, důvěryhodný díky pojištění vkladů podporovaným vládou a přístupu k financování centrální banky. Stínové banky potřebovaly svou vlastní variantu „požadovatelného dluhu“ a získaly ji prostřednictvím privilegia „superpriority“ v bankrotu. Perotti napsal:

Status bezpečného přístavu poskytuje privilegium být vyloučen z povinného pobytu a v podstatě všech ostatních omezení. Věřitelé bezpečného přístavu, kteří v současnosti zahrnují repo operace a marže z derivátů, mohou zastavené zajištění okamžitě získat zpět a prodat je. *To dává repo operacím a derivátům mimořádnou přednost před všemi ostatními pohledávkami, včetně daňových a mzdových pohledávek, vkladů, skutečných zajištěných úvěrových a pojistných pohledávek*. [Zdůraznění přidáno.]

Dilema našeho současného bankovního systému je, že věřitelé nebudou poskytovat krátkodobou likviditu potřebnou k financování repo půjček bez pevné záruky; ale záruka, která činí peníze věřitele bezpečnými, činí samotný systém velmi riskantním. Když se zdá, že se dlužník nachází na nejisté půdě, nastane předvídatelná tlačení zvýhodněných věřitelů, aby se chopili zajištění, ve spěchu k výhodám, které mohou jinak životaschopného dlužníka dohnat k bankrotu; a to se stalo Lehman Brothers.

Deriváty dostaly „bezpečný přístav“, protože jejich selhání bylo rovněž považováno za systémové riziko. Mohlo by to spustit „domino efekt“ a zničit celý systém. Chyba, říká profesor Skeel, byla při průchodu novely bezpečného přístavu z roku 2005. Ale problém s jeho zrušením je nyní v tom, že dosáhneme *dominového* efektu v kolapsu jak kvadrilionového trhu s deriváty, tak více než bilionů dolarů obchodovaných denně na repo trhu.

Úrokový šok

Úrokové deriváty jsou v dnešním prostředí vysokých úrokových sazeb obzvláště zranitelné. Od března 2022 do února 2023 vystřelila základní sazba (sazba, kterou banky účtují svým nejlepším zákazníkům) z 3,5 % na 7,75 %, což je radikální skok. Trhová analytička Stephanie Pomboyová to nazývá „úrokovým šokem“. Doopravdy se na trh nedostane, dokud se neresetují kontrakty s proměnlivou sazbou, ale 1 bilion dolarů v amerických korporátních kontraktech se má resetovat letos, další bilion v příštím roce a další bilion rok poté.

Několik bankrotů bank lze zvládnout, ale šok z úrokových sazeb na masivní trh s deriváty by mohl zničit celou ekonomiku. Jak napsal Michael Snyder v článku z roku 2013 s názvem „Mrazivé varování o derivátech úrokových sazeb :“

Protrhnou rychle rostoucí úrokové sazby americký finanční systém jako obří nůž sekačky na trávu? Ano, americká ekonomika v minulosti přežila mnohem vyšší úrokové sazby, ale v té době nad naším finančním systémem nevisely deriváty úrokových sazeb v hodnotě stovek bilionů dolarů jako Damoklův meč.

... [R]ostoucí úrokové sazby by mohly prasknout derivátovou bublinu a způsobit „masivní bankroty po celém světě“ [cituji mexického miliardáře Huga Salinase Price]. Samozřejmě existuje spousta lidí, kteří by byli docela rádi, kdyby banky „too big to fail“ zkrachovaly, ale pravdou je, že pokud padnou, spadne s nimi i celá naše ekonomika. ... Celý náš ekonomický systém je založen na úvěrech a stejně jako jsme viděli v roce 2008, pokud velké banky začnou krachovat, úvěry zamrznou a najednou nikdo nemůže za nic dostat žádné peníze.

Existují bezpečnější způsoby, jak navrhnout bankovní systém, ale není pravděpodobné, že budou zavedeny dříve, než bublina s deriváty za kvadrilion dolaru praskne. Snyder psal před 10 lety a ještě to neprasklo; ale to bylo hlavně proto, že Fed prošel s „Fed Put“ –

předpokladem, že v jakékoli finanční krizi zastaví „trh“. Doposud fungoval podle očekávání, ale Fed Put ho zbavil „nezávislosti“ a schopnosti plnit své zákonné povinnosti. Jde o komplikované téma, ale dvě vynikající knihy o něm jsou Vrstvené peníze Nika Bhatia (2021) a The Fed Unbound: Central Banking in a Time of Crisis (2022) Leva Menanda.

Dnes se zdá, že Fed znovu získává svou nezávislost tím, že záměrně zabíjí Fed Put a snaží se zvýšit úrokové sazby. (Viz můj dřívější článek [zde](#) .) Offshore dolarový trh stále brzdí „swapovými linkami“, ujednáními mezi centrálními bankami dvou zemí, aby byla měna k dispozici pro členské banky, ale nejnovější sazba swapové linky pro Evropskou centrální banku je drahý 4,83 %. Už žádný „oběd zdarma“ pro banky.

Alternativní řešení

Mezi alternativy, které byly navrženy pro uvolnění masivní bubliny s deriváty, patří zrušení dodatku o bezpečném přístavu a zavedení daně z finančních transakcí, obvykle 0,1% daně na všechny finanční obchody . Tyto návrhy však existují již léta a Kongres výzvu nepřijal. Namísto čekání na jednání Kongresu mnozí komentátoři tvrdí, že musíme vytvořit vlastní paralelní alternativní měnové systémy. Zastánci kryptoměn vidí v bitcoinech příslib; ale jak poznává Alastair MacLeod , cena bitcoinu je příliš nestálá na to, aby mohl sloužit jako národní nebo globální rezervní měna, a nemá status vymahatelného zákonného platidla. MacLeodovou preferovanou alternativou je měna krytá zlatem, nikoli měna z 19. století , která vedla k bankovním runům, když bankám docházelo zlato, ale taková, jakou nyní navrhuje Sergey Glazyev pro Euroasijskou ekonomickou unii . Cena zlata by byla měřítkem pro oceňování národních měn a fyzické zlato by mohlo být použito jako vypořádací médium pro zúčtování obchodních bilancí.

Lev Menand, autor knihy *The Fed Unbound* , je docentem na Columbia Law School, který pracoval pro newyorský Fed a americké ministerstvo financí. Při řešení problému nekontrolovaného neregulovaného stínového bankovního systému uvedl v rozhovoru

pro The Hill v červenci 2022 : „Myslím, že jednou z velkých možných reforem je hnutí veřejného bankovníctví a replikace úspěšných veřejných bankovních podniků, které na některých místech máme nyní, nebo které jsme měli v minulosti.“

Pro vklady naší samosprávy jsou veřejné banky jistě důležitým řešením. Státní a místní vlády mají obvykle v bankách SIFI uloženo mnohem více než 250 000 USD, ale místní zákonodárci je považují za chráněné, protože jsou „zajištěné“. Například v Kalifornii banky přijímající státní vklady je musí krýt kolaterálem ve výši 110 % samotných vkladů. Problém je v tom, že žadatelé o deriváty a repo obchody s „supraprioritou“ mohou vymazat celý kolaterál zkrachovalé banky dříve, než k němu budou mít přístup ostatní „zajištění“ vkladatelé.

Naše daňové dolary by měly pracovat pro nás v našich vlastních komunitách, ne vydělávat na selhávajících SIFI na Wall Street. Naším hvězdným (a jediným) státem vlastněným modelem je Bank of North Dakota, která přenesla Severní Dakotu finanční krizí v letech 2008-09 na výbornou. Po GFC (globální finanční krize v letech 07-09) vydělala rekordní zisky reinvestováním státních příjmů do státu, zatímco velké komerční banky ztratily miliardy na spekulativních trzích. Několik státních zákonodárných sborů má v současné době ve svých knihách návrhy zákonů po precedentu ze Severní Dakoty.

Pokud jde o federální řešení, mohli bychom následovat příklad společnosti Jesse Jones' Reconstruction Finance Corporation, která financovala New Deal, který vytáhl zemi z Velké hospodářské krize. Návrh zákona pro národní investiční banku, který je v současnosti v Kongresu a který má širokou podporu, je založen na tomto velmi efektivním modelu, který se vyhýbá nutnosti zvyšovat daně nebo federální dluh.

Všechny tyto alternativy však závisí na legislativě, na kterou může být pozdě. Mezitím roste obliba soběstačných „záměrných“ komunit, pokud máte tuto možnost k dispozici. Pro obchod lze používat měny Společenství, včetně digitálních měn. Mohou to být „pracovní dolary“

nebo „potravinové dolary“ podporované zbožím a službami, pro které komunita souhlasila s jejich přijetím. (Viz můj dřívější článek [zde](#) .) Technologie nyní existuje pro vytvoření sítě komunitních kryptoměn, které jsou chráněny aktivy a soukromím, ale to je téma na jiný sloupec.

Současný finanční systém je křehký, nestálý a zranitelný vůči systémovým šokům. Je to kvůli resetu, ale musíme zajistit, aby se systém změnil tak, aby fungoval pro lidi, jejichž práce a úvěry ho podporují. Naše těžce vydělané vklady jsou nyní jediným zdrojem levné likvidity bank. Tuto moc můžeme využít tím, že budeme spolupracovat způsobem, který slouží veřejnému zájmu.

Tento článek byl poprvé zveřejněn na [ScheerPost](#) . Ellen Brown je právníčka, předsedkyně [Public Banking Institute](#) a autorka třinácti knih včetně [Web of Debt](#) , [The Public Bank Solution](#) a [Banking on the People: Democratizing Money in the Digital Age](#) . Je také spolumoderátorkou rozhlasového pořadu na [PRN.FM](#) s názvem „[Jsou to naše peníze](#) “. Její více než 400 článků na blogu je zveřejněno na [EllenBrown.com](#) .

(Opětovně publikováno z [Web of Debt](#) se svolením autora nebo zástupce)

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Trim Comments?

1. Notsofast says:

March 13, 2023 at 11:12 pm GMT • 4.4 days ago • 100 Words ↕

the american people and their government are so stupid, they could never figure out how to manage money and economies, math is hard. thank god our superior, oligarchic, bankers decided out of the goodness of their heart, to help us slow witted morons manage our financial systems. fortunately the federal reserve (strange name for a private bank) dual mandate, has stabilized prices and maintenance maximum employment for us and has kept the value of the dollar rock solid since 1913.....hey, wait a minute....

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

2. Rubicon says:

March 14, 2023 at 12:09 am GMT • 4.4 days ago • 100 Words ↑
“Warren Buffett stated that derivatives were “financial weapons of mass destruction.”

How about following Dr. Hudson’s advice based on his studies of ancient civilizations:

Cancel ALL DEBTS as they did back then?

Meaning, cancel all the DEBTS of derivatives, bank debts, financial debt, AND cancel ALL debts that American citizens have accrued over the years.

If that is impossible to do in the US, then there must be a reason WHY these Big New York Banks continue to carry those debts in the form of Derivatives.

Meaning, there must be profit earned from those Derivatives in the Big New York Banks.

• **Replies:** @Right On, @dearieme, @anonymous
ReplyAgree/Disagree/Etc. This Commenter This Thread Hide Thread

3. Greetings From North Venezuela says:

Burning it all down better.

Yes we can!

Forward...to the next Brandon disaster and groundhog day.

ReplyAgree/Disagree/Etc. This Commenter

4. Right On says:

@Rubicon

“Cancel ALL DEBTS”

Japan has \$1.08 trillion in U.S. Treasurys; China \$870 billion; the U.K. \$645.8 billion.

To liquidate debts that large would have serious consequences.

Periodically cancelling debts was an established custom of ancient civilizations, so lenders and borrowers knew exactly what they were letting themselves in for.

• **Agree:** Arthur MacBride

• **Replies:** @Flubber

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

5. Zachary Smith says:

March 14, 2023 at 4:16 pm GMT • 3.7 days ago • 200 Words 

Earlier this morning I saw this remark at Andrei Martyanov's Blog:

The short-sighted actions of the United States and its partners have accelerated the process of demonopolizing the dollar as the main means of international settlements and investments, the dollar is nothing more than a “**trust-based paper**,” said Alexei Drobinin, director of the foreign policy planning department of the Russian Foreign Ministry.

So why has the US allowed the “trust” in US money to be frittered away? Dumb question – I might also ask why the US allowed “Capitalists” to ship US manufacturing overseas to China for their personal profit.

I've been careful to stay away from banks with any “derivatives” exposure, but what good will that do me if my life savings evaporate away to the point that they won't buy a single postage stamp?

I appreciate this essay by Ellen Brown, for it has raised my knowledge of “derivatives” from Zero to maybe the barest glimmering of understanding.

• **Agree:** GMC

• **Replies:** @JWalters, @Justvisiting, @dogbumbreath

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

6. Zachary Smith says:

March 14, 2023 at 5:48 pm GMT • 3.7 days ago • 100 Words ↑

Israel to weigh action after Silicon Valley Bank collapse

<https://apnews.com/article/israel-economy-startup-silicon-valley-bank-6249e35821a884ce502576988cce22de>

A person has to wonder about the degree of involvement of the pissant state with the collapse of the Silicon Valley Bank.

Somehow I doubt if this is a case of “innocent bystanders”.

• **Replies:** @JWalters

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

7. Bro43rd says:

March 14, 2023 at 6:09 pm GMT • 3.6 days ago • 100 Words ↑

To have an honest economy you must first have honest money.

And honest banking. No fiat, no fractional reserve. Otherwise you get what we have, a casino economy where it's dog eat dog at every scale.

Money is an organic creation of a free market. Letting governments pigeonhole us into their currencies is the biggest mistake we have ever made. One that I don't fully know how to correct. But a good start would be to amap (asmuchaspossible) withdraw from the consumer economy. Stop buying the latest, greatest & repair, repurpose, recycle, reuse. Amap grow your own veggies & herbs, hunt/trap/fish &/or buy from locals who do. Amap save silver/gold, firearms, ammo & durable goods, and a decent collection of hand tools, jic (justincase). Network with others of the same mind. Try amap to be happy & live free.

• **Agree:** emerging majority

Reply Agree/Disagree/Etc. This Commenter

8. lamont cranston says:

March 14, 2023 at 11:46 pm GMT • 3.4 days ago • 100 Words ↑
Derivatives, aka “futures contracts”, date back to Babylonia – or earlier. They are necessary. But not what they have derived into. After Glass-Steagall was scrapped, “Hello Casino”. It and Dodd-Fragg need to be repealed.

This MBA, who never owned a biz w/ more than 13 employees, did use heating oil & gasoline futures (Esso Jobber) to hedge back in the 1980s, despite my father in law’s opinions (I was GM). They saved his biz in 1986, when crude dropped to \$10/bbl. He believed in keeping a full inventory (600K), despite crashing prices.

The biz did OK, only making \$60K (0.8% ROI EBTIDA). Hedging made him \$360K. I received ZERO bonus. His daughter dumped me a year later. Good riddance.

They went broke 3 years later.

• **Replies:** @JR Foley

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

9. Old Brown Fool says:

March 15, 2023 at 3:46 am GMT • 3.2 days ago • 200 Words ↑

This banking system (the “shadow” or “parallel” banking system) – repo based on securitization – is a genuine banking system, as large as the traditional, regulated banking system. It is of critical importance to the economy because it is the funding basis for the traditional banking system. Without it, traditional banks will not lend and credit, which is essential for job creation, will not be created.

And this passes for wisdom these days. “Shadow banking” is a lie, it is a money market, but without government regulations. And it has absolutely nothing to do with the “traditional banking”, except the entities in the Shadow “Banking” also have bank accounts to transact their business, just like petty thieves, mafiosi and Columbian drug lords also have bank accounts. “Without it, traditional banks will not lend and credit, which is essential for job creation, will not be created” is a bald-faced lie. Does it mean the “traditional banks” are dependent on the deposits of these shadow entities for issuing loans? This is a lie, because the Bank of England in 2014 has confessed that banks can lend money without having matching deposits first.

What this “wise” man tries to obfuscate is that the “traditional” banks have put all their money in this casino of Shadow banking, and therefore are dependent on its outcome.

Reply Agree/Disagree/Etc. This Commenter

10. Stripes Duncan says:

March 15, 2023 at 4:24 am GMT • 3.2 days ago • 100 Words ↑

Whenever this subject comes up, Twitter floods with people saying “Heh, tell me you don’t understand derivatives without telling me you don’t understand derivatives.” When pressed they say “derivatives cancel each other out.” Never seems to get any further than that.

Now to be honest I can understand basic economics, but these financial instruments I really don’t understand and probably never will. Here’s one thing I do understand though: there’s no such thing as a quadrillion dollars.

• **Replies:** @ricpic

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

11. loner feral cat says:

Silicon Valley Bank.

50/50 Partners w/ Shanghai Pudong Development Bank (China).

Video Link

Source:

https://en.wikipedia.org/wiki/Shanghai_Pudong_Development_Bank

• **Thanks:** GMC

• **Replies:** @GMC

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

12. Wade Hampton says:

March 15, 2023 at 4:54 am GMT • 3.2 days ago • 200 Words ↑

| We can leverage that power by collaborating in a way that serves the public interest.

We have a banking crisis caused by our benevolent and competent FedGov overlords. And what does Ms. Brown propose? To further concentrate power over money and banking in the hands of our benevolent and competent FedGov overlords.

The collapse of SVB was due to its assets being long bonds the value of which were hammered by the massive and necessary increases in interest rates and its liabilities being demand deposits.

Who raised interest rates and why? The Federal Reserve raised interest rates in order to attempt to suppress inflation.

What caused inflation? Money printing by the Federal Reserve since the Dot-com bubble collapse in 2000 eventually translated into price inflation, triggered by the U.S. response to the Ukraine war (confiscating Russian bank deposits, sanctions triggering shifts away from the petrodollar, etc.).

So we have a banking crisis the proximate and ultimate causes of which are actions by the concentrated power of the Leviathan U.S. FedGov and its irresponsible and incompetent actions.

And Ms. Brown wants to concentrate power in the Leviathan FedGov further. This is madness.

• **Thanks:** Jim H

• **Replies:** @Gray

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

13. [true.enough](#) says:

Weren't we taught to never drink and derive?

• **LOL:** [Bro43rd](#), [Old Brown Fool](#)

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

14. [March 15, 2023 at 6:06 am GMT](#) • [3.1 days ago](#) • 100 Words [↑](#)

This article makes me feel rather stupid because I don't understand any of it, not much anyway. One of the quotes is especially opaque, with its giant ripping lawnmower blade, hanging sword, bursting soap bubble, economies going down instead of up or sideways. It's so much gobbledegook.

• **Replies:** [@Levtraro](#)

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

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15. Franz says:

March 15, 2023 at 6:38 am GMT • 3.1 days ago • 100 Words ↑
Yes, I like Ellen Brown.

As far as the banks — I do not have one iota of responsibility for the hole I hope they fall in.

It was they who allowed unlimited funds for wars since the start of this century, with one of the most expensive being the current proxy war against Russia via Ukraine.

It was they who used what WAS a sound Social Security System as a slush fund and general cash dispenser when G. W. Bush saw the forever wars after 911 were not going to be free.

It was they who bought off on the lunatic notion of continuing the Cold War bases overseas when it was clear they were no longer needed.

The hell with them. Better we start digging up the roads and plant potatoes than bail out those brats one more time.

• **Agree:** TheTrumanShow

• **Replies:** @TheTrumanShow

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16. JWalters says:

March 15, 2023 at 6:54 am GMT • 3.1 days ago • 400 Words ↑
@Zachary Smith

A “derivative” is a *bet*, as Ellen Brown notes. But it does not reflect a real-world economic entity (good or service). It is loosely “derived” from a real entity. They are based (loosely) on the insurance model. Suppose a person takes out an insurance policy on their house. If the house burns down they collect the insurance and replace the house. If not, they have the house. It’s an insurance bet with a solid commodity behind it. Betting on the future price of wheat, which a wheat farmer might do, also has a solid commodity behind it. These kinds of bets are used as safety hedges for unfortunate developments.

But suppose all the neighbors of the house owner could bet on whether his house burns down. In this situation they will never have possession of the house. They are merely bettors on the side. Their bet is “derived” from the potential event, but the bettors have no actual involvement with the house, or the wheat shipments. It has the economic relevance of betting on a dog race.

And let’s suppose the casino issuing these bets can handle an unlimited number of side bets on whether John’s house burns down. All these bets have no more *real* economic value than all the betting stubs at a dog track. And let’s suppose the casino issuing a vast number of these bets is a bank, such as JP Morgan, which also holds depositors real money . Then our practical, necessary banking system gets enmeshed in the gambling business of JP Morgan’s casino. And when JP Morgan fucks up its casino business and loses a ton of money, *they claim* that if the Federal government does not cover their bad gambling debts that will wreck the *real* economy for everybody else.

It's relevant that our banking system is owned and controlled at its center by financial pirates. (Their resulting vast wealth enables them to own our press and politicians.) Over time they have created a multi-tentacled system, including major corporations and shell companies to carry out their vast rip-offs. This is explained in the first section of the article linked below. It also includes with some solution ideas in the last section, and references the work of Ellen Brown and Michael Hudson.

War Profiteers and Israel's Bank

<https://warprofiteerstory.blogspot.com/p/war-profiteers-and-israels-bank.html>

- **Agree:** [HdC](#)
- **Thanks:** [dogbumbreath](#), [emerging majority](#)
- **Replies:** [@EdwardM](#), [@Notsofast](#)

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

17. [JWalters](#) says:

[March 15, 2023 at 6:56 am GMT](#) • [3.1 days ago](#) • 100 Words [↑](#)

[@Zachary Smith](#)

“A person has to wonder about the degree of involvement of the pissant state with the collapse of the Silicon Valley Bank.”

Israel was financed by the Rothschild Bank, a mega European bank with stealth tentacles in America. For a reference see my reply to your comment #5.

Also, there's a very interesting, well-done video discussing svb bank connections to Israel and Jeffrey Epstein (among others), posted by lone feral cat in comment #2 here.

<https://www.unz.com/aanglin/meatball-ron-says-to-stop-war-against-russia-attack-china/>

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

18. Liborio Guaso says:

Large numbers are the result of immense greed, the problem is that in the end it must be paid for with the sweat of those who have less.

• **Thanks:** emerging majority

ReplyAgree/Disagree/Etc. This Commenter

19. GMC says:

March 15, 2023 at 9:04 am GMT • 3.0 days ago • 200 Words ↑

Great article – Thanks ! This is not only a test of the Financial system, even though we’ve been here before – it’s more a test for the people of the USA, Europe and others that are going to get the shaft from these Swindlers – Again.

Another big test will be how the incompetent USG will handle all the Social Programs that people rely on for staying alive – maybe Phyzer will introduce a new Freedom Vax, that has that FDA thing called the – Final Solution. However, the only place we need a Final Solution is in the corrupt banking system and most of the Washington Agencies.

I think a Cancellation of all Domestic debt would alleviate much of the problem but those rich rich folks would rather eat their children than lose money. So, Cancel the debt and let the people of the USA start the Final Solution in Washington.

ReplyAgree/Disagree/Etc. This Commenter

20. dearieme says:

@Rubicon

So the debts owed by banks to their depositors would be cancelled. That would work wonders.

Do you know, I suspect you haven’t a clue.

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

21. eah says:

March 15, 2023 at 12:47 pm GMT • 2.9 days ago • 200 Words ↑
Similar articles about a *Derivative Armageddon* have been appearing regularly since 2008 — yet somehow the disaster always fails to materialize.

This is because creation of fiat dollars papers over (literally) the problems — for example:

Federal Reserve Board announces it will make available additional funding to eligible depository institutions to help assure banks have the ability to meet the needs of all their depositors

After many years of extremely low interest rates, no doubt many financial institutions are now caught holding huge quantities of interest rate sensitive assets that are now significantly underwater as rates have risen and are still rising — the next step will be for the Federal Reserve to allow these institutions to offload these assets at par — you may hear more talk about the ‘balance sheet’ of the Federal Reserve, but in a fiat regime that’s a phony issue (like the ‘debt ceiling’) — no one cares.

So far, the worldwide financial sphere has shown **an amazing ability to absorb these fiat dollars.**

Clearly, **this corruption will continue as long as it can,** meaning as long as other nations allow and tolerate it — the *only solution* is for the rest of the world, led by BRIC nations, **to create a credible, widely accepted alternative to the USD.**

• **Replies:** @Robert Dolan

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

22. TheTrumanShow says:

@Franz

“The hell with them. Better we start digging up the roads and plant potatoes than bail out those brats one more time.”

Agree, but “brats” is way to forgiving of a characterization.

• **Agree:** Franz

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

23. We are all Dumb says:

All Jewish money magic. Let this gay modern slave system collapse. Only White fury can absolve this world. Burn it all to ashes.

Reply Agree/Disagree/Etc. This Commenter

24. Jim H says:

March 15, 2023 at 1:11 pm GMT • 2.8 days ago • 200 Words ↑
'Certainly, for our local government deposits, public banks are an important solution.' — Ellen Brown

rolls eyes

As I noted in a comment to Ellen Brown's previous post on this subject, she has an ax to grind — and, here comes the anticipated flakery, as she steers into the weeds with her 'public banks' canard.

Public banks hold an infinitesimal share of the US market, and could not possibly be expanded fast enough to exert the slightest effect on the 'quadrillion dollar derivatives bubble' which so exercises Ms Brown.

Indeed, public banks would be obliged to use interest rate derivatives to hedge their exposures to changing rates, just as publicly-traded banks do. One can't effectively manage a fractionally-reserved institution without them.

Besides that, public banks essentially would substitute direct, unlimited government deposit insurance for capped FDIC insurance. That's what's just transpired with the new BTFP facility. So what's the difference?

Earth to Ellen: today's collapsing Superbubble was inflated by the Federal Reserve's reckless, successive quantitative easing campaigns over the past dozen years.

To stop destructive Bubbles, QE must be outlawed. Requiring even 40% gold backing for US dollars — as the US did decades ago — would stop QE in its tracks, as that much gold does not exist.

ReplyAgree/Disagree/Etc. This Commenter

25. Robert Dolan says:

@eah

Tim Geithner famously said they could print money to infinity.

Printing money is the small hat solution to every problem.

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

26. Justvisiting says:

March 15, 2023 at 1:23 pm GMT • 2.8 days ago • 100 Words ↑

@Zachary Smith

| I've been careful to stay away from banks with any "derivatives" exposure

This is exactly wrong.

You want all your money in banks with massive derivatives exposure.

Why?

Because if they fail they bring down the entire financial system—they are "too big to fail".

Smaller financial institutions can be sacrificed.

If the big banks fail the world will go back to a barter economy—and then it won't matter anyway.

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

27. Priss Factor says: • Website

March 15, 2023 at 1:29 pm GMT • 2.8 days ago ↑

It's good to be the king

SHEKEL SHUFFLE: JANET YELLEN'S SVB BAILOUT WAS FOR ISRAELI TECH FIRMS

Video Link

• **Agree:** Durruti

ReplyAgree/Disagree/Etc. This Commenter

28. Anonymous[363] • Disclaimer says:

March 15, 2023 at 1:44 pm GMT • 2.8 days ago • 1,200 Words ↑
Something roughly similar happened to the Soviet Union (USSR).

We have a fundamentally unworkable system — it’s called “global industrialization”. Meadows modeled it a long time ago, 1970s, and his “business as usual” set of parameters turned out to be highly predictive.

<https://www.resilience.org/stories/2022-02-24/the-limits-to-growth-at-50-from-scenarios-to-unfolding-reality/>

<https://sloanreview.mit.edu/article/jay-forrester-shock-to-the-system/>

<https://donellameadows.org/the-limits-to-growth-now-available-to-read-online/>

The severe problems that Meadows pointed out are structural: the coupled differential equations that constitute the model describe a process that requires strong adaptive control even to postpone crashes, and eventually even that control fails. The degree of control required is beyond that achieved by any human society in all history or anthropology. It is not available to any contemporary government (yes, not even to the People’s Republic of China).

Politically, this means that any government that tries to face and solve these problems will fail, and will fall from power.

That’s what happened in the USSR. The Bolsheviks failed badly, Stalin realized that central State power is only effective in wartime and replaced them with a State that bet everything on Soviet annexation of Russia after a repetition of WW I, lost badly and was saved by luck and US lend lease (where FDR had been doing something similar to Stalin’s bet on war). Then came Khrushchev, who tried to upgrade Soviet industry to 1950s levels rather than the heavy industries and unproductive agriculture

that then dominated Russia, and he also failed and was dismissed. After that, USSR leaders were figureheads, often in their 80s (like Biden), who let the Soviet system run on as they could do no other. The USSR ended in ~1990, victim of a system that it could not change and could not live with.

And that is what is happening in the US today. Meadow's work and its success over 5 decades shows that US problems are not solvable by government.

Further, Turchin's work (<http://peterturchin.com/cliodynamica/the-science-behind-my-forecast-for-2020/>, <https://osf.io/preprints/socarxiv/7ahqn/>) suggested that in the 2020s US popular unrest would insist that these problems be solved — whether they could be solved or not.

When politicians cannot solve a problem, they defer it (“kick the can down the road”). If there are too many cans, then the pile of cans falls on them and they are no more. The US financial system is in trouble because it is becoming less productive (as above) because resources are increasingly harder to get and in demand by an increasing number of people. Gasoline prices are an obvious example of that. People are losing their livelihoods (tech firings, GM firing 50% of its workforce) because there are not longer the resources to pay them. Some half million people live in US tent cities!!!

The US Federal Government (USFG) has tried to continuing to expand world trade (“globalization”) and has failed badly in MENA and the Ukraine. Blowback has been so severe that the USFG may well lose control of Europe, and DoD has trouble recruiting. USFG currency issuance/borrowing has been so excessive that it has caused bank failures (by requiring a 4% interest rate to take back the money it printed) in the productive part of the US economy. Even that is an epiphenomenon, as the

bank's strategy of making profitable investments with depositors' money is unworkable when the entire physical economy is contracting.

The US tried to promote fundamental industrial invention in the 1980s. I was part of that, but it turned out that the US industrial/academic/governments were (in practice) staunchly opposed to the threat of change. Instead of fundamentals, we got endless versions of what we already had: mail order catalogs were replaced by computer mail order catalogs, verbal gossip replaced by computer gossip, books by Google.

When all serious attempts to solve a problem have failed, governments become totalitarian, and the US is doing that (Gurri, *The Revolt of The Public and the Crisis of Authority in the New Millennium*, 2018. Gurri depicts an elite that has an almost theological belief in itself and its right to rule, with valid elections as any election that confirms this right). The totalitarian governments feature an ideology that is complete fantasy, that changes rapidly so that those fooled by the ideology can be distinguished from those that do not, and that justifies a totalitarian government. The current ESG and DIE programs do that, and also raise revenue (“We wouldn't want word to get around that you have not DIED and your ESG is flat, would we?”).

Eventually the public says “no more excuses”, and that changes the politics.

Schiedel, *Escape from Rome*, 2019, presents a strong case that empires are only interested in security and political tranquility, hence present yield and social stasis. This has certainly been the case for the America empire. The profitable changes of the past 7 decades have been towards devolution to smaller organizations, and that will continue.

The only way out of the present failure is a reversion to smaller and competing States. Only under dire necessity will States permit or even encourage fundamental innovation, and this appears to be cross-cultural, at least outside of sub-Saharan Africa. The problem with this solution (neglecting the people hurt and killed by such a breakup) is that weapons have become more destructive and cheaper per unit destruction. North Korea, an obvious example of a poor and ideology crippled State, can afford two guided missile submarines. The Russian Federation, a resource selling government, can afford nuclear weapons delivery systems that outmatch US systems. Afghani tribesmen can seize Afghanistan with out even one F-16, which Biden recently said was necessary to fight the US. The USFG has apparently tried to stabilize its internal politics by framing a large assembly of Republicans as “insurrectionists” while preventing any any inquiry into the 2020 national elections.

So- I'd suggest that the current problems will worsen, that Europe will loosely bind to the Russian Federation, and that the US, under Trump or DeSantis (or an Obama puppet?), will separate into regions, each with its own government, and quite possibly without admitting that it has done so. The rest of the BRICs will find that they aren't as unified as they say, and will also fission (Will India submit to Chinese hegemony? Will Brazil form an unshakable alliance with anybody? etc.)

Africa will find itself in serious trouble, as nobody else will have the resources to support the African population.

Historically, such situations take about 30 years to reach bottom, with a new system formed by the desperate survivors who will do anything to stop the poverty and starvation. That would be ~2050.

So don't bet the farm on large organizations solving contemporary problems. To endure: Decouple, don't believe any rumor unless it has been officially denied, assume that **any** large organization is a starving beast that is looking to gobble you up, at least try not to lead with your chin, and try to have kids as you will need them when you get old.

Oh, yes — and don't get paranoid about the whole thing. “let it go which way it will, he that dies this year is quit for the next.”

• **Replies:** [@Anonymous](#)

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

29. [Rooster16](#) says:

March 15, 2023 at 1:52 pm GMT • 2.8 days ago • 100 Words ↑

Why does anyone believe a thing the Fed says anymore? It's understood that as hikes increase, there will be negative effects and over leveraged businesses and banks will be casualties. This is all part of the natural business cycle. However, what's the point in hiking, if when the first thing breaks, the Fed rushes in and backstops it? That essentially nullifies the process of hiking!

The Fed has all but nationalized the banks over the past couple days by backstopping all depositors, insured and uninsured. First off, what gives them the authority to do this? Secondly, where the hell is all this money coming from?? I understand we can print to infinity... but the laws of mathematics and physics still apply! How the hell can any of this keep going, what will we be saying 6 months from now?

Reply Agree/Disagree/Etc. This Commenter

30. Constant Walker says:

March 15, 2023 at 2:02 pm GMT • 2.8 days ago • 200 Words ↑

The whole damn collapsing contraption is nothing but make-believe. Of-course the actual everyday consequences of people behaving based on the thing's supposed "rules," are every bit as painful as feared. Even so, the "technical" aspects of this entire discussion are of the "angels-dancing-on-pinheads" variety. Something like what Ms Brown here calls "intentional communities," without the make-believe "money" part, are going to be about all there remains of possibly-viable Human social arrangements when the really big bubble bursts....which might be just about an Day now.

Somebody above brought up the old "honest money" argument as panacea for "The Problem." The thing about even the so-called "honest money" is that honest people (which is the only possible real cure for what ails "civilized" society) neither need nor want that, either. That is because the thing about money of any ilk, is that it is in its essential nature toxic, corrosive, and habit-forming....always and everywhere.

What all this is really about is the impending advent of conditions in which the muddled masses of domesticated Humans presently languishing in a state of enforced arrested-development, will finally have to either grow-up or perish. It's just Basic Biology. All of the fever-dream delusions are about to be forever GWTW....and good riddance!

Reply Agree/Disagree/Etc. This Commenter

31. PetrOldSack says:

March 15, 2023 at 2:19 pm GMT • 2.8 days ago • 400 Words ↑
@Notsofast

Would love to peep at the books [if the holy ledger does exist] @Federal Reserve or elsewhere. ...as it turns out there is no accounting done, which is most obvious to me, then rewriting the narrative without deflating the power of the global elites versus man-meat, could as well be contracted to J. K. Rowling as a next block-buster. She has a Jewish manager and is an insider to finance-joozing as well. Harry Potter is done as a major text book, she must be available. Janet could be supporting actor, the acting is paid for anyhow. A fat face as Buffet can then oracle other warnings whilst participating in the orgy. Reality is better than any of the Hollywood fiction.

The bad guys [raped and hollowed as they were before their conversion to dragons, Putin and Xi] not playing along any longer have decided the fate of the Western Cabal in large part. Deflating the bubble only affects the “rich and powerful” luckily. Ripping out the pages of a non-existing ledger cannot be that hard, as they experienced. There is always Elon Musk as best supporting actor.

As to man-meat, it is no longer an issue but how to contain their hunger [not anger]. The scraps of global looting will no longer “trickle down”, “jobs” [sense-less jobs] can no longer be afforded [a peep in the J. K. Rowling first draft]. The quest for the “holy grail” by stumped low-launderers and mountain goats. To keep things medicated, the question left is will they [Man-Meat] adapt to lesser status, and they will! The amnesia that helps Haitians eating dirt, will be the greater!

The hard problem is how to interact with Russia and China for our Cabal. We live in times of elite infighting, their numbers have bulged and the sanitation is done at the top. Nothing much

to see on the pavement. Somehow our and anybody's elites will arrive at a novel status quo, take the rest of the century.

Time to address the real currency: population, populations in numbers, population density where we left off [covid, vaxxing, industrial food, pollution, et al.]. May the real Jew stand up.

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

32. Independent Thinking says:

March 15, 2023 at 2:28 pm GMT • 2.8 days ago • 100 Words ↑

Private bankers keep all their profits, but if asshole bankers lose, taxpayers bail them out.

It is good to be a banker.

Asshole bankers are complete f-uck-ups, but the government, using taxpayer dollars, keeps bailing out these pricks, regardless of what the law says.

The playbook: Bankers funnel a large percentage of the money back to the politicians for all the money the bankers get.

It is a big club, and you are not in it.

ReplyAgree/Disagree/Etc. This Commenter

33. Doug Ryler says:

March 15, 2023 at 2:41 pm GMT • 2.8 days ago ↑

@Notsofast

America and the West will undergo JUDGMENT for
perpetuating

the Greatest Injustice of the 20th Century.

<http://biblicisminstitute.wordpress.com/2014/07/15/the-greatest-injustice-of-the-20th-century/>

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

34. TPM(1) says: • Website

March 15, 2023 at 3:02 pm GMT • 2.8 days ago • 1,000 Words ↑

For the vast majority of people on Earth, the single most important determinant-in-fact of their quality-of-life is money.

Yet paradoxically, and near inconceivably, most people do not know the first and most important thing about money, and that is that there is no money.

Everything that people are habituated to think of as money is in fact a *derivative-of-money*. There are *promises-to-pay* money, there are *orders-to-pay* money, there are various kinds of *evidence* (exchangeable-evidence-of-debt) that one party *owes money* to another party, and all of the accounts are *denominated* in money. But there is no money.

Just as we could have a fully functional otherwise duplicate of the existing system but denominated in *unicorn-horns* instead of dollars, euros, yen, rubles and yuan. There are no unicorn-horns in fact, but that does not matter because there doesn't have to be.

The real problems start when the public is deliberately and systematically induced to believe otherwise, and when law or government-policy provides for it to make a difference depending on who you are.

What is usury?

If your answer is *interest*, then you are experiencing *cognitive-dyslexia*.

Usury is the pure exploitation of another's necessity, and its most substantive and significant manifestation in credit and finance is everything that is *not* the interest.

“A man shall not have interest for his money and a collateral advantage besides for the loan of it...” – Jennings v. Ward [1705] 2 Vern. 520, 18 R.C. 365.

“Every benefit taken indirectly by a creditor, for the granting of which no impulsive cause appears but the money lent, will be voided as extorted.”(Principles of equity: Kames, Henry Home, Lord, 1696-1782).

If, for example, a money-lender would agree to loan £100 to the headmaster of a private school with interest at, say, 5% per annum, provided that the headmaster will also admit the money-lender’s son to the school even though he does not otherwise qualify, then that condition-of-access is the usury, while the interest-called-interest is not, even though the interest-called-interest can still itself be characterized as a less-concentrated-form of usury or background-radiation-like-usury).

A promissory-note is more properly and accurately a usury-note, because as a condition of access you must first unconditionally and gratuitously agree that you owe the named amount as “principal” to the bank, plus interest, and that you will pay the bank the same amount **again** on the named maturity date, all as a constructive or de facto application / entry-fee, before the bank / banker will even consider giving you anything in return.

Signing and delivering the promissory-note / usury-note, and giving-over-possession and legal-ownership of all of the real and financial assets so attached, to the bank, is an act and ritual of submission and subservience, and also the bank’s direct source of funds / secured-credit for the subsequent pretended-loan. It is a variation (and cross-leveraged-extension) of what the ancient Romans called paying-tribute to Caesar.

What then is the difference between or among a promissory-note, a usury-note, and a tribute-note?

The label promissory-note allows the serf to normalize bowing-down before Caesar as a procedural-virtue, so as to perpetuate such servitude as a natural state of being, which in turn avoids other more overt and violent forms of repression and plunder.

Forensically, the business marketed to the public as banking-post-1913 (at the latest) has been and remains **credit-reinsurance**, compounded and leveraged by 100%-plus access-fees / tribute-payments.

It is not like racketeering. It is racketeering.

...

Not money-lenders

Banks are not what you think they are. **They are not money-lenders – they are credit-reinsurers**, and they are **asset-sinks**. When you sign and deliver a promissory-note and mortgage you are underwriting and advancing real-estate-secured-credit to the bank.

The bank / banker strips-off and retains the financial and real-estate security as a **premium** for itself, and then returns or reinsures unsecured-credit back to you as an unsecured-deposit-credit that does not cost the bank anything material to produce.

The money / credit for the alleged or pretended loan does not even exist unless and until you underwrite it by accepting the liability for it by agreeing that you owe it, normally under the promissory note / usury-note that is secured by the mortgage (and whether by separate-instrument or embedded in the nominal mortgage itself).

You then have to add or issue the same amount again in the form of a signed check / cheque (drawn on the bank, and which upon delivery becomes a financial / money asset of the bank)) to the seller of the real estate, who has to co-sign / endorse it and deliver it back to the bank as a ratification of the otherwise recoverable-loss of their property and legal-title to the bank in exchange for an unsecured deposit credit. Then the bank agrees that it owes the principal amount (selling price) to the seller instead of to you.

The nominal mortgage is a combination bill-of-sale that transfers all right, title, and interest in the property to the bank, plus an embedded repurchase-option that allows you to buy the property back from the bank by paying it all of the money (discharging all of the liabilities) required under all of the securities. When a bank forecloses it is not foreclosing on the house, because it already owns the house. The foreclosure is of the repurchase-option – sometimes referred to as a right of redemption (and another example of cognitive-dyslexia).

The pretended-banker arrives at the transaction with metaphoric *empty-pockets*, and leaves with all of the financial securities from the income-pre-qualified lead-underwriter / pretended-borrower in one hand, and the legal-title to the market-value-pre-qualified-real-estate property (and the endorsed check) from the seller in the other.

From the nominal bankers' perspective there is only one material reality, and that is that pre-qualified-real-equity / secured-assets come in, and only unsecured-liabilities go out. They are real-asset-sinks, and they are unsecured-liability-kitters. The penultimate in balanced-and-leveraged feedback-loops.

See: <http://werex.org/a-general-theory-of-financial-relativity/> for a detailed exposition.

ReplyAgree/Disagree/Etc. This Commenter

35. one nobody says:

March 15, 2023 at 3:16 pm GMT • 2.8 days ago ↑

@Notsofast

Now you really know why the Kabal is on a mission to reset.

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

36. Levtraro says:

March 15, 2023 at 3:33 pm GMT • 2.7 days ago • 100 Words ↑

@Mark Hunter

Not your fault I think, it's simply a poorly written, confusing article.

The author did not mention that many economists think that the *notional* value of the derivatives population of contracts is a grossly exaggerated quantity, that the *market* value (and therefore true credit risk) could be less than 5% of the notional 'quadrillion', still a lot but not a 'quadrillion' by far.

Also, I didn't understand why the article devotes so much effort to speak about derivatives in connection with the collapse of the SVB. SVB's exposure to bonds was what brought that thing down.

• **Replies:** @Rooster16, @WingsofaDove

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

37. Anonymous[363] • Disclaimer says:

March 15, 2023 at 3:41 pm GMT • 2.7 days ago • 100 Words ↑
@Anonymous

Typo:

“Stalin realized that central State power is only effective in wartime and replaced them with a State that bet everything on Soviet annexation of Russia after a repetition of WW I,” should read:

Stalin realized that central State power is only effective in wartime and replaced them with a State that bet everything on Soviet annexation of **Western Europe** after a repetition of WW I had left Western Europe exhausted.

Typo:

” The USFG has apparently tried to stabilize its internal politics by framing a large assembly of Republicans as “insurrectionists” while preventing any any inquiry into the 2020 national elections.”

” The USFG has apparently tried to stabilize its internal politics by framing a large assembly of Republicans as “insurrectionists” while **simultaneously** preventing the Republicans from establishing any base for an inquiry into the 2020 national elections (<https://www.wnd.com/2023/03/dems-escaped-threat-2020-vote-count-emergency-rules/>).”

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

38. one nobody says:

March 15, 2023 at 3:41 pm GMT • 2.7 days ago ↑

@Notsofast

Wich “smart” people do you come from, you arrogant deck hand.

• **Replies:** @Notsofast

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

39. anonymous[303] • Disclaimer says:

March 15, 2023 at 3:45 pm GMT • 2.7 days ago • 100 Words ↑

“So was insurance company AIG, which managed to survive due to a whopping \$182 billion bailout from the U.S. Treasury; but Lehman was considered too weakly collateralized to salvage. It went down, and the Great Recession followed.”

I beg to differ from your assessment: the reason AIG got bailed out and not Lehman Brothers was that one of the Jew (Little Maurice Greenberg) was more important to Judea and its future than the other Jew at Lehman. It was a fcuk fest to screw the Gentiles, as usual!

ReplyAgree/Disagree/Etc. This Commenter

40. CelestiaQuesta says:

March 15, 2023 at 3:47 pm GMT • 2.7 days ago • 100 Words ↑

I axed my local drug dealer, Pimp and aspiring Rappa what he thought of banks going bust, and this is what he said.

“Nigga Pleez, habs u eber hear of raparashunz?, Dats when whitey gibs all dey money an shit to us niggaz fo slavery fo a million yerz. Iz u dumb or wut? No wunda da jooz own all tha banks, dats cuz whitey buys all dat cheap shit in China an not Africa. An anudda thang, I dontz needz money wen I jus snatch’n grab, burn loot murder and rape all tha white peepooz, dats da way it be don nigga, free markets rule.”

Thanks Demetrius, you the man.

• **LOL:** Katrinka

ReplyAgree/Disagree/Etc. This Commenter

41. Priss Factor says: • Website

March 15, 2023 at 4:13 pm GMT • 2.7 days ago ↑

Burly Turley the useless cuck won't name the Jewish Power.

Without JQ, none of this makes any sense. It's not just about the 'Democrats' but the Jews and Zionists.

DEMS JUST GOT CAUGHT IN MASSIVE BANKING SCANDAL

Video Link

Reply Agree/Disagree/Etc. This Commenter

42. dogbumbreath says:

March 15, 2023 at 4:22 pm GMT • 2.7 days ago • 300 Words ↑
@Zachary Smith

So why has the US allowed the “trust” in US money to be frittered away? Dumb question – I might also ask why the US allowed “Capitalists” to ship US manufacturing overseas to China for their personal profit.

Trust in US dollars is gone because the US has not used the “Trust” in a way to promote positive Global development. Over the decades, American actions have exposed itself to be one sided and unfair. To be clear, the USA has not been a “Nation State” which serves it’s own entire population. Something we call “International Finance Capital (IFC)” centered in the City of London has wrapped it’s parasitic tentacles around most of the Earth and taken over Nation States. IFC has no borders and just aims to “control” everything (land, labor, resources etc..) through Finance; this includes education (neo-liberal economics). IFC is essentially contemporary Imperialism; canons and muskets replaced by International Finance (Private Central Banks, Reserve Currency, Sanctions etc..). Captured Nation States serve IFC. Any Nation State that defies the will of IFC runs the risk of blowback; i.e. capital flight from a Nation, and hence the insolvency of its economy. The U.S., being the leading capitalist State, plays the primary role in promoting and protecting the interests of IFC to the detriment of it’s own population and country. America funding and leading wars in Iraq, Afghanistan, Ukraine etc. are examples. Another example is US manufacturing being moved overseas (by Wall Street) to gain “wage arbitrage” at the detriment of US workers and it’s future. For historical context, Britain was the former leading capitalist State which is why the pound Sterling was the former World Reserve Currency. Presently, we are seeing “Nation States” like China, Russia, Iran, North Korea, Syria etc...pushing back at IFC. These countries want “true” Sovereignty (i.e. a real Nation State that serves it’s own people).

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

43. Rooster16 says:

March 15, 2023 at 4:41 pm GMT • 2.7 days ago ↑

@Levtraro

It's kind of ironic that a bank so wrapped up in Technology and Crypto was ultimately taken under by USTs; the safest asset in the world!

• **Agree:** Levtraro

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

44. EdwardM says:

March 15, 2023 at 4:48 pm GMT • 2.7 days ago • 200 Words ↑
@JWalters

Can you please carry the analogy further to help explain derivatives? As another commenter noted, there's no such thing as a quadrillion dollars, and it must be the case that most of the derivatives cancel each other out.

For example, if the bank/casino received a lot of bets that the house would burn down, then wouldn't it then bet its own money on the house not burning down? The insurance company might bet that the house burned down, so that its expected value associated with the event was zero (or slightly positive accounting for the insurance premiums). The market, in the form of pricing of such bets, would reach an equilibrium to prevent a disproportionate amount of action being on one side of any proposition.

So there must be significant cancelling-out effects of derivatives. What's the real exposure? Impossible to say, I guess. What's the sum total of all of the vigs on one quadrillion dollars worth of derivatives?

Of course there's a basic point about systemic failure. If all of the bank's insured houses burned down at the same time, then somewhere in the derivative chain there would real winners and losers.

• **Replies:** @Justvisiting, @Ron West, @JWalters, @Bon
Reply Agree/Disagree/Etc. This Commenter This Thread Hide Thread

45. Treg says:

March 15, 2023 at 5:19 pm GMT • 2.7 days ago ↑

“The technology now exists to form a network of community cryptocurrencies that are asset-backed and privacy-protected, but that is a subject for another column.”

I eagerly await that future essay...

• **Agree:** Bro43rd

Reply Agree/Disagree/Etc. This Commenter

46. Wade says:

March 15, 2023 at 5:38 pm GMT • 2.7 days ago • 500 Words ↑

Crypto proponents see promise in Bitcoin; but as Alastair MacLeod observes, Bitcoin's price is too volatile for it to serve as a national or global reserve currency, and it does not have the status of enforceable legal tender.

I feel that there's way too much focus on Bitcoin which has severe technical limitations. Please look into Epic Cash and the Epicenter ecosystem as a possible alternative to Bitcoin:

<https://epic.tech>

EPIC is way more ambitious than Bitcoin and probably 99% of other crypto currencies out there. Their "ecosystem" includes the following 3 components:

EPIC: Confidential, censorship resistant store of value

ECR: Algorithmic Central Bank

EUSD: Soft-pegged Cryptodollar

From their white paper:

Epic Cash is the final point in the journey toward true P2P internet cash, the cornerstone of a private financial system. The Epic currency aims to become the world's most effective privacy-protecting form of digital money. In order to fulfill that goal, it satisfies the three principal functions of money:

1. Store of Value – can be saved, retrieved, and exchanged at a later time, and of predictable value when retrieved;
2. Medium of Exchange – anything accepted as representing a standard of value and exchangeable for goods or services;
3. Unit of Account – the unit by which the value of a thing is accounted for and compared.

So far Bitcoin only satisfies the need for a store of value. They say Epic Cash and the ecosystem they are working on can meet all 3 requirements.

Also check out their "Epicenter" site:

<https://epicenter.epic.tech/what-is-epicenter/>

The Epicenter ecosystem provides the solid monetary platform that decentralized finance requires. Within this framework, anyone, anywhere, can create secure, scalable, globally accessible financial services in minutes. Epicenter dramatically lowers the barriers to entry, for both producers and consumers of such apps. “Composability” is a relatively recent buzzword that is taking center stage, and for good reason. When components are modular and reusable, free of the friction of sign-up processes and the need to maintain an ongoing connection between parties, innovators are able to experiment in novel ways to solve client needs at low risk. There are 1.7 billion people around the world who have smartphones and yet lack access to basic financial services. All of these individuals can benefit immediately from the DeFi apps that are able to make use of the Epicenter ecosystem. Security, scalability and decentralization — it is no longer necessary to settle for only two. By weaving the strengths of multiple independent blockchains together into one robust fabric, the Epicenter triumvirate of EPIC/ECR/EUSD confidential, composable, interoperable digital assets is moving the world’s financial interactions on chain without compromising on custody, centralization, censorship, permissionlessness or trustlessness.

I’ve been very skeptical about crypto but the threat of CBDC’s being thrust upon us has made me reconsider. But we need something better than Bitcoin. I don’t know why everyone keeps focusing on it.

Reply Agree/Disagree/Etc. This Commenter

47. Justvisiting says:

March 15, 2023 at 5:41 pm GMT • 2.7 days ago • 100 Words ↑
@EdwardM

“If all of the bank’s insured houses burned down at the same time, then somewhere in the derivative chain there would real winners and losers.”

...on paper.

That is why accounting is so useless in this discussion:

<https://www.zerohedge.com/markets/top-audit-firm-defends-giving-clean-bill-health-svb-signature-bank-weeks-failure>

What causes businesses, banks etc to collapse is that they run out of cash.

Derivatives create exposure for individual firms which can cause them to lose liquidity. That means they can’t pay their bills, which means their vendors can’t pay their bills, etc.

The losers really close their doors—the winners have gains on paper that they cannot collect (except pennies on the dollar after months or even years in bankruptcy court).

That is how derivatives create “systemic risk”.

• **Replies:** @niceland

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

48. Agent76 says:

March 15, 2023 at 5:43 pm GMT • 2.7 days ago • 100 Words ↑
Mar 14, 2023 Are We Heading Towards A 2008-Type Of Financial Collapse? Steve Forbes Responds To Bank Chaos

Reacting to the collapse of Silicon Valley Bank and fears about the banking system on “Forbes Newsroom,” Steve Forbes looked to history to gauge whether we are facing another 2008-like financial collapse.



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

June 05, 1933 FDR takes United States off gold standard

On June 5, 1933, the United States went off the gold standard, a monetary system in which currency is backed by gold, when Congress enacted a joint resolution nullifying the right of creditors to demand payment in gold. The United States had been on a gold standard since 1879, except for an embargo on gold exports during World War I, but bank failures during the Great Depression of the 1930s frightened the public into hoarding gold, making the policy untenable.

<https://www.history.com/.amp/this-day-in-history/fdr-takes-united-states-off-gold-standard>

The Global Debt Clock

Our interactive overview of government debt across the planet. The clock is ticking. Every second, it seems, someone in the world takes on more debt.

http://www.economist.com/content/global_debt_clock

• **Replies:** [@true.enough](#)

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

49. [GMC](#) says:

[March 15, 2023 at 5:52 pm GMT • 2.7 days ago](#) ↑

[@loner feral cat](#)

Great video – I wrote a comment but maybe it was intercepted – thanks F C.

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

50. [Notsofast](#) says:

[March 15, 2023 at 5:54 pm GMT • 2.6 days ago](#) ↑

[@one nobody](#)

do you mean which or witch, you ignorant dick head?

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

51. Ron West says:

March 15, 2023 at 5:58 pm GMT • 2.6 days ago ↑

@EdwardM

You're assuming that bankers are as smart as bookies. Probably not the case.

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

52. WingsofaDove says: • Website

March 15, 2023 at 6:00 pm GMT • 2.6 days ago ↑

@Levtraro

According to @tomgoldsteincs on Twitter in fact the corporate media story about blaming low yield Treasury Bonds is not an accurate analysis.

Instead, look at where all the recent money from the depositors went: into Mortgage Backed Securities MBS

• **Thanks:** Levtraro

• **Replies:** @eah

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

53. Knowbody says:

March 15, 2023 at 6:00 pm GMT • 2.6 days ago • 100 Words ↑

So they used the scandemic to break small/mid businesses, and now will use SVB to break small/mid banks...

People don't seem to be wising up to the shenanigans enriching the club members while screwing the national public. Its why they censor the thinking public and promote their inbred parrots repeating things till nobody remembers what was said before.

Till accountability shows up, DISOBEY UNACCOUNTABLE AUTHORITY!

Reply Agree/Disagree/Etc. This Commenter

54. Notsofast says:

March 15, 2023 at 6:17 pm GMT • 2.6 days ago · 100 Words ↑
@JWalters

excellent explanation and i'd like to add that the real difference between derivatives and insurance is that insurance companies are required to hold a percentage of their funds in trust to be able to pay catastrophic losses on a large scale, not so with these fake ponzi derivatives. there isn't enough money in the world to cover a quadrillion dollar exposure.

too bad for the russians, as they won't be able to participate in this coming clusterfuck, sanctions and all, you know.

• **Replies:** @JWalters

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

55. ricpic says:

March 15, 2023 at 6:22 pm GMT • 2.6 days ago ↑
@Stripes Duncan

Couldn't agree more. Full disclosure: I can't get my head around what a derivative even is.

Can somebody, anybody, define/explain derivatives IN LAYMAN'S LANGUAGE.

• **Replies:** @Jim H, @j, @Miro23

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

56. Durruti says:

March 15, 2023 at 6:28 pm GMT • 2.6 days ago • 100 Words ↑

[https://www.bing.com/videos/riverview/relatedvideo?
&q=jimmy+dore&qpvty=jimmy+dore&mid=59535A76A5BCEFE3EFB859535A76A5
BCEFE3EFB8&&FORM=VRDGAR](https://www.bing.com/videos/riverview/relatedvideo?&q=jimmy+dore&qpvty=jimmy+dore&mid=59535A76A5BCEFE3EFB859535A76A5BCEFE3EFB8&&FORM=VRDGAR)

Dore predicts a complete collapse of the Banking System.

Brown predicts a Banking/Capitalist “Tsunami.”

Dore gets his point across in a clearer fashion.

If it happens, do we fight? [We allowed them to assassinate our last Constitutional President & Coup D’état -overthrow- our Republic- without a response from our citizens]. When do we fight?

Reply Agree/Disagree/Etc. This Commenter

57. [eah](#) says:

[March 15, 2023 at 6:49 pm GMT • 2.6 days ago • 200 Words](#) [↑](#)
[@WingsofaDove](#)

I don't know the asset mix owned by SVB — perhaps ultimately it doesn't matter, nor will the full truth ever be known — but it appears SVB owned a lot of what used to be called 'distressed assets' (recall the 'mark to market' controversy about those), whether they were treasuries, MBS, or something else — and when they had to sell some of them to satisfy extraordinary cash flow needs, for high levels of withdrawals or whatever, SVB incurred unsustainable losses, and rumors and realities made it impossible for them to raise additional capital.

It's interesting to speculate on why SVB was allowed to fail (which it clearly was), because there are established mechanisms, e.g. via the Federal Reserve, to provide liquidity (maybe via some back channel) — it seems in any such crisis, which could probably hit a number of financial institutions at any particular time (more at one time than another, depending on market conditions), there are always sacrificial lambs: some are allowed to go under, while others are saved — obviously, there's no shortage of fiat money: they could all be saved.

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

58. Arthur MacBride says:

March 15, 2023 at 6:52 pm GMT • 2.6 days ago • 100 Words ↑

Thank you, Ellen Brown.

The most disturbing feature is that this unstable “system” exists.

Casino, race track, Hall of mirrors ...

Battle Waterloo ... sellsell ... panic ... buybuybuy ...

South Sea Bubble ... Bank of Rothschild ...

As the west fades, many nations will repudiate usurious debt.

The system is going to collapse anyway, derivatives or whatever.

Start now with debt forgiveness.

It's a slight and slim chance ...

But then do you want the system to survive ...

Given the types of “people” that own and run it ?

Reply Agree/Disagree/Etc. This Commenter

59. Mac says:

March 15, 2023 at 7:23 pm GMT • 2.6 days ago • 300 Words ↑

In reality it doesn't have to be our problem, per se, though obviously making effort on real life is required, so, there's the con fake solutions and attacks and ongoing death, or, can be our force of future, though not if people sit. The image of debt is image, supposed paper money, we can see it's been a con of false 'value, and was always a con scheme. They claim debt as if 'our problem, but where are the predator drones, mine, where is it, where is my share of the bogus corporations they fraudulently 'bail out', where are the deeds to falsely 'foreclosed' houses they continue taking.

They claim 'debt same time 'pay themselves and schemes, state cons, court cons, police cons, school cons, immigration, corporations cons, for *their* schemes. We weren't taught real first priorities. We don't 'own what we can't defend, so, priority should have been what, not fake work, not breeding, not fake school, should be small group tribalism and weapons and making effort for real future.

They want people under false limits of thinking, instead of think natural law and close down con systems or take back everything stolen centuries. Feel free to look at a 'dollar, bogus masonic symbols 'seeing eye', jew face 'washington, and 'in god we trust' slapped on it. Obvious conjob. Paper money, paper scribble 'laws', fakery, because fail to push back, focus future where we live.

The con phrase 'counterfeit money' is an oxymoron.

The article shows grossness, so on that aspect appreciate the time.

Reply/Agree/Disagree/Etc. This Commenter

60. Si1ver1ock says:

Another terrific article by Ellen.

Thank you.

Reply Agree/Disagree/Etc. This Commenter

61. Charles Pewitt says:

March 15, 2023 at 7:56 pm GMT • 2.6 days ago • 600 Words ↑
Financial Derivatives Going Belly Up Will Destroy Filthy
Globalized Central Banker Scam?

GOOD!

The monetary extremist horse has been let out of the barn by the evil and demonic JEW/WASP Ruling Class of the American Empire and White Core America must hoist the ruling class turds with their own petard by calling for the privately-controlled Federal Reserve Bank to be NATIONALIZED and the currency doled out like ale close to the end of happy hour.

This Is The End by the admiral's son Jim Morrison was fifty years too early, but we are soon to break on through to the other side of monetary madness in a binge of debt that will implode the dollar and all other currencies and it will render all debt and the proceeds derived from that debt null and void.

White Core America will call for the immediate implementation of a Guaranteed Federal Reserve Bank Monthly Income to dole out the loot and the swag and eligibility will be the key to the whole patriotic plan. All of the foreigner invader interlopers of the last hundred years or so and their spawn will be ineligible to get their conjured up loot from the Fed.

ELIGIBILITY for the swag cuts out the foreigner interloper invaders and it sets the stage for the political decapitation of the evil and treasonous JEW/WASP Ruling Class of the American Empire.

UBI or the Pewitt Conjured Loot Portion(PCLP) is about raw power and who has it. A UBI or PCLP will allow the historic American nation or the European Christian ancestral core the ability to dislodge from power the evil and treasonous JEW/WASP Ruling Class from power.

The Pewitt Conjured Loot Portion(PCLP) will pay each American who has all blood ancestry born in colonial America or the USA before 1924 a cool ten thousand dollars a month. The US Treasury and the Federal Reserve Bank shall work together to conjure up the cash out of thin air, just like the ruling class is doing now.

Sam Francis said it's all about the ruling classes and Sam was right. A UBI or PCLP will create the conditions whereby tens of trillions of dollars and land and property and licenses and other assets can be severed from the ownership and control of the current corrupt and illegitimate JEW/WASP Ruling Class members of the American Empire and doled out to the patriotic and honorable old stocker members of the European Christian ancestral core.

UBI or PCLP is about raw political power; it's not about economics.

The ability to control the central bank is the true power and it must be contested by the old stocker members of the historic American nation.

The Federal Reserve Bank must be nationalized and the JEW/WASP Ruling Class and its minions must be financially liquidated and its members must be forcibly exiled to a hot and humid and nasty part of sub-Saharan Africa. All this must be done legally, of course.

William the Conqueror thought he got screwed out of his rightful inheritance, and the JEW/WASP Ruling Class of the American Empire is screwing over the decent and patriotic members of the old stocker historic American nation. Of course, horrible treasonous sleazebag old stockers like those in the Bush Organized Crime Syndicate are examples of old stocker evil globalizer treasonite ruling class nation-wreckers.

Repudiate All Debt and Financially Liquidate The Plutocrats
And Their Stooges.

GOD BLESS AMERICA!

Reply Agree/Disagree/Etc. This Commenter

62. Jim H says:

March 15, 2023 at 8:13 pm GMT • 2.6 days ago • 200 Words ↑
@ricpic

‘Can somebody, anybody, define/explain derivatives IN LAYMAN’S LANGUAGE.’ — ricpic

How about an example? Here is a quote on the CME (Chicago Mercantile Exchange) 10-year Treasury futures — a contract for a nominal \$100,000 face value of T-notes:

<https://www.cmegroup.com/markets/interest-rates/us-treasury/10-year-us-treasury-note.quotes.html>

It is a derivative, because its price *derives* from the price of cash-traded Treasury notes, but the futures contract is not itself a T-note. You can buy or sell the June 2023 contract by putting up a \$2,250 margin deposit.

Over the past volatile week, the price of the 10-year T-note contract shot up drastically, from 110.92 on March 8 to 115.28 today, as the yield on cash-traded Treasuries plummeted. Chart:

<https://www.investing.com/rates-bonds/us-10-yr-t-note-streaming-chart>

At \$1,000 a point, that’s gain of 4.36 points = \$4,360 for those long the contract, and a loss of \$4,360 for those who sold it. For all participants, gains equal losses — a so-called zero-sum game.

Note also that this unusually large one-week move of \$4,360 was nowhere near the \$100,000 nominal value of the contract. In fact, it was only 4.36% of it.

In a nutshell: (1) actual exposures are far below nominal exposures; (2) the winner’s gain equals the loser’s loss; (3) many financial market participants, such as mortgage insurers Fannie

Mae and Freddie Mac, literally could not operate without the ability to hedge against interest rate changes with derivatives, including Treasury futures.

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

63. CelestiaQuesta says:

All new US printed dollars should replace “In God We Trust” with “In Jews We Trust”, cuz they’re the only ones who control its value, circulation and printing.

((((See FED Yellen and every robber Baron bankster known and unknown)))

ReplyAgree/Disagree/Etc. This Commenter

64. ¿ says:

March 15, 2023 at 8:27 pm GMT • 2.5 days ago • 300 Words ↑
@ricpic

| Can somebody, anybody, define/explain derivatives IN LAYMAN'S LANGUAGE.

A derivative is a contract between two parties that specifies the conditions under which payments will be made between the parties.

For example, one type of derivative is a “future”, in which A agrees to buy something from B at a future date for a price that is specified now, e.g. in March 2023, A signs a contract with B to buy 1,000 barrels of West Texas Intermediate crude oil for delivery by 30 September 2023 to Cushing, Oklahoma at a particular price, with the payment to B due on 30 September 2023.

Another type of derivative is an “option”, in which C acquires the right, but not the requirement, to buy (in a “call” option) or sell (in a “put” option) a particular asset from/to D on a specific date at a price specified now. For example, in March 2023, C might purchase the right to sell a “Good Delivery” (400 troy ounce / 12.44 kg) gold bar to D at a certain price (the “strike” price) on 15 March 2024. If the market price of a Good Delivery gold bar on 15 March 2024 is well above the strike price, then C would probably not exercise his option to sell his bar at the strike price. If the market price of a gold bar on 15 March 2024 is well below the strike price, then C would probably exercise his option to sell his bar at the strike price. If C exercises his option, then his counterparty D is obligated to buy C’s gold bar at the strike price, even if D would lose money on the transaction.

Other types of derivative exist; the common factor between all of them is that the contract’s value is *derived* from the conditions of the contract.

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65. niceland says:

March 15, 2023 at 8:34 pm GMT • 2.5 days ago • 200 Words ↑
@Justvisiting

| That is how derivatives create “systemic risk”.

I haven't been paying attention for some years. If memory serves me, one of the biggest problem during the 2008 crisis was that trust in the interbank market dried up.

Investopia:

The interbank market is a global network utilized by financial institutions to trade currencies and other currency derivatives directly between themselves. While some interbank trading is done by banks on behalf of large customers, most interbank trading is proprietary, meaning that it takes place on behalf of the banks' own accounts. Banks use the interbank market to manage their own exchange rate and interest rate risk as well as to take speculative positions based on research.

Say for example small banks seeking finance and some constantly rolling over debt in this market. Borrowing from large commercial banks. When the banking crisis started derivatives (for example credit default swaps) got triggered. But because the derivative market is not transparent the banks operating in this market didn't know who was holding bad bets (derivatives) on it's books. So this market froze stiff because trust dried up. This was a big problem for the central banks because the arteries supposed to circulate the liquidity they provided were clogged deepening the banking crisis.

Another systemic risk.

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

66. March 15, 2023 at 9:49 pm GMT • 2.5 days ago • 800 Words ↑.

In an attempt to brand Ron DeSantis as a woman hater (wtf?) this TikToker exposed how racist ideology has infiltrated American Girl Doll pic.twitter.com/pr8I3m5e7t

— Chrissy Clark (@chrissyclark_) March 15, 2023

What is this? These idiots try to hide their extremism behind generalities and platitudes.

[MORE]

• **Replies:** [@Miro23](#)

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

67. anonymous[388] • Disclaimer says:

[@Rubicon](#)

and The USA treasury Secretary YELLEN just announced another \$20BILLIONS for UCRAINE

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

68. Miro23 says:

March 15, 2023 at 11:33 pm GMT • 2.4 days ago • 200 Words ↑
@ricpic

| Can somebody, anybody, define/explain derivatives IN LAYMAN'S LANGUAGE.

I'll give it a try:

A derivative is a bet.

You bet on whether the price of something will go up or down.
For example the price of oil.

You bet the price of oil will go up and put your \$ 1.000 stake on the table. If it goes up then you win and (for example) \$ 200 could be added to your stake. $\$ 1.000 + \$200 = \$ 1.200$.

If the price of oil goes down then you lose and (for example) \$ 200 could be subtracted from you stake. $\$ 1.000 - \$200 = \$ 800$.

You can play the game for a specified period. Often 1 month. Any time on that month you can take your stake off the table.

Obviously, if your stake goes down to zero you have to exit the game (or put up a new stake).

If you're finding the game a bit slow and unexciting you can pep it up by applying a multiplier to your winnings and loses. So, for example, instead of winning \$200 you win \$400 and instead of losing \$200 you lose \$400.

The relevance at the present time, is that a whole lot of investment is dependent on low interest rates. If interest rates rise then the investors will lose out badly. So they buy "derivates" (place bets) that interest rates will rise. So if interest rates rise and their investments go south then their losses are offset by the payoff on their derivative bet.

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

69. Miro23 says:

@Priss Factor

Good video. Note the certainty of this teenage (?) girl. None of this is negotiable and is fully validated by her peer group.

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

70. JWalters says:

@Notsofast

Thanks for that additional distinction between derivatives and insurance.

And not just the Russians. The whole of Eurasia and the Global South are probably thinking, “Gee, why can’t we have the Zionist banking mafia looting our banking system too?”

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

71. JWalters says:

March 16, 2023 at 12:14 am GMT • 2.4 days ago • 200 Words ↑

@EdwardM

“it must be the case that most of the derivatives cancel each other out.”

I believe that’s the *theory*. The bank will create a custom derivative bet for client A, and then find somebody else to buy the opposite side of the bet. Back in the 2008 crisis Goldman Sachs emails revealed they were knowingly selling / pushing such bets which they considered to be trash.

Some years before the 2008 recession there was a Wall Street scheme that suddenly went bust. They thought they had a fool-proof, computerized system. Then an unexpected economic development blew up their plans and they crashed. Complex systems are vulnerable to unexpected events.

People who are striving to get richer and richer, and who don’t care if they sacrifice other people, may jump to conclusions about the perfection of their scheme. They may even willfully avoid looking at certain possibilities so they can go forward. Their caution extends only to themselves not getting caught. But even then, greed creates carelessness.

• **Replies:** @barr

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72. Bon says:

March 16, 2023 at 12:33 am GMT • 2.4 days ago • 100 Words ↑
@EdwardM

House burning down is a poor example. A better one would be to protect against the value of the house dropping.

For example: a person buys a house for \$1,000,000 dollars, and has a \$800,000 loan. After a while they are concerned that they become concerned the market may drop significantly over the next year, and making them vulnerable. They would like to guarantee someone will buy their house for at least what they owe on it (800k).

With derivatives they can do that. This is called buying a put option. Someone else may be interested in buying a house in that neighborhood for 800k. They can sell that option to the first person and collect a little bit of money for the risk they incur.

That's the basic idea.

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

73. Flubber says:

@Right On

The cancellation of debt is the origin of the word Jubilee

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

74. JR Foley says:

March 16, 2023 at 2:31 am GMT • 2.3 days ago • 100 Words ↑
@lamont cranston

Lamont—greed is one vicious vice. You warranted a loving spouse and appreciative father in law rather than a BIG goose egg and an ex-wife (ungrateful and —in my opinion a bad decision).

All this greed and lack of principles —Arthur Andersen comes to mind (shred the evidence at Enron) and set up entangled webs of companies and subsidiaries—the paper shuffle needing the saged advice of Lawyers and Accountants and later a layer of Hedge Fund Managers.

Later – I hope your former in laws meet another misfortune—an Invitation to DC and an interview with Nikki Haley on Fox News or the other outfit —CNN.

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

75. true.enough says:

@Agent76

| Every second, it seems, someone in the world takes on more debt

Once again my hero Ezra Pound calls from the grave:

<https://www.poetryfoundation.org/poems/54319/canto-xlv>

• **Thanks:** Miro23, Arthur MacBride, JWalters

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

76. Bohicasays says:

Last of them Bohicans:

<http://brothernathanaelfoundation.org/news/635-brother-nathanael>

ReplyAgree/Disagree/Etc. This Commenter

77. Nat X says:

But I thought y'all were the smart race? "We build civilizations" "them dindoos can't build nothing for themselves" and let's not forget the number one excuse; "the hebes!"

Y'all yt's used to be kangas what happened?

• **Replies:** @The Anti-Gnostic

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

78. The Anti-Gnostic says:

@Nat X

Hard times make hard men. Hard men make soft times. **Soft times make soft people.** Soft people make hard times.

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

79. barr says:

March 17, 2023 at 1:02 am GMT • 1.4 days ago • 200 Words ↑
@JWalters

It does in a sense that one becomes a winner ,the other party loses. Nothing else happens. Its like wagering between 2 persons . We can call it cancelling out .

But it gets complicated when few people bet on things that they dont own . These bets can be sold by one or more banks . These bets or options will have maturity dates . Peopel have to pay or make a killing —gaining or losing.

Now some one else can step into and buy all these bets and divide them into tranches and sell to another party . Depending on different date of payments ,buyers can expect monthly or half yearly or yearly payment, or incur losses .

Banks can use these as collateral depending on the stregnth or ratings . It can even sell them to govern,ent in times of insolvency . But the complexity incarses the face value exponentially whsoe underlying value is zero . In a best case scenario , it is just a wealth trasnfer but in the derivates exposure,the banks are involved with this its more complex,more unstable and responsive to many unrelated developments .

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

80. Big P says:

March 17, 2023 at 2:41 am GMT • 1.3 days ago • 100 Words ↑

You don't have to be a broken clock to understand the endgame here: stripping whitey and redirecting funds to the purported downtrodden.

I can't connect every dot, but this is a game with ONLY a pair of them, actually. And what's "more worser" is nobody is getting robbed blind anymore.

So, let's take to the internet and win debates.

ReplyAgree/Disagree/Etc. This Commenter

81. Gray says:

@Wade Hampton

Ellen Brown is a greenbacker. She simply wants to give the same power the fed has now to even more incompetent .gov managers. Yes madness.

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

82. EliteCommInc. says:

laughing.

There should be a ban against highering physicists to engage in creating derivative formula for anyone in finance.

ReplyAgree/Disagree/Etc. This Commenter

← What Will Happen When Banks Go Bust? Ba...

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