

The ECB Is Quietly Making it Legal to Lock You Out of Your Bank

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We continue in a summer without any event ...

As a reminder, we were in Paris Thursday to meet Dr. Herlin ... We talked about the attractiveness of bitcoin - and cryptos ...

On the other hand, we also took advantage of it to talk about the economic issues that concern the French at the moment ...

In particular, Dr. Herlin is worried about an announcement that has just come out of the ECB - a project to block the savings of the French in the banks in case of a problem.

You may have already heard of "Sapin 2" - allowing the state to block withdrawals from life insurance. You also know "BRRD," the Brussels directive allowing the ECB to spoil some of the bank accounts ...

Philippe Herlin on the subject of blocking your bank account



We continued on this line during our conversation in Paris ...

Here is an excerpt from our conversation ...

Me (Henri Bonner): "What do you think of the law on the blocking of bank accounts - and what implications will it have for the French ...?"

Philippe Herlin: " So we received this news in the middle of summer, how often the case [since no pays attention].

According to the Reuters Agency - which are not informants - the European Union is thinking about blocking bank accounts in the event of a crisis, ie to block bank runs.

That is, in the event of bank panic - or bankruptcy - individuals could no longer collect liquidity from distributors or make large transfers.

We can make transfers to cover our current consumption, but not large transfers or withdrawals - that is to say take away the money that belongs to us from their bank.

For now, we do not have more information, but we can assume that this law - as Reuters speaks about it - is already in the pipes of the European Union ... and that follows other laws ...!

We had the BRRD directive to allow a bank in bankruptcy to collect the accounts of its customers - a little bit what happened in Cyprus in 2013. Moreover, the authorities decided to generalize this method after the Crisis of Cyprus.

[Our leaders] say they have put "a limit of 100,000 euros," which means they can puncture accounts of more than 100,000 euros, not the smallest.

Those who listen will be able to say that the maneuver does not concern a lot of people, since it is necessary to have more than 100,000 euros on his account ...

For me, you make a mistake thinking that ...!

Indeed, in Cyprus, during the crisis in spring 2013, [the authorities] have well guaranteed the accounts of less than 100,000 euros. However, you should know that they had both a "bail-in" and a "bail-out."

In practice, some of the money savers become shares of the bank ... so your money does not "disappear." You have shares of the bank ... but you should know that these shares often have no value.

Below the 100,000 euros, we did not have any drain in Cyprus, but you have to know that we had an external bailout plan ... At the time of the crisis in 2013, the European Union and the IMF 10 billion euros in Cyprus.

For a country such as Cyprus, € 10 billion represents the ? of its GDP ... and thanks to this money, people of the middle class have not had a drain on their savings ...

On the other hand, if a crisis were to occur in one of the countries like Italy, Spain, or France, then we would need not 10 billion but hundreds of billions of euros ... and we could not Get by limiting us to accounts of more than 100,000 euros ...!

Basically, we would have to hit every ...! "

In short, for Dr. Herlin, the bankruptcy of bank accounts of more than 100,000 euros, in case of crisis, will not suffice ... suddenly, the state is thinking about ways to prevent you from taking your money out of banks.

To jump to the conclusion of our conversation, our country will NOT be able to "reform" itself in time to avoid the consequences of a crisis ...

That's what Dr. Herlin says ...

Me: "Do you think that France will be able to reform itself in time to avoid a crisis ...?"

Philippe Herlin: "Our government must first take care of its clientele ... and do not want to displease the people ...

In France, trying to diminish the APL [support for students] of 5 euros has created a scandal ... then, reforming is going to be complicated ...

[The objective of our leaders] is to get re-elected after ... even after we have had elections in France ... 5 years will arrive very quickly ...

In that functioning, we have no effort to reduce deficits ... "

Me: "What will happen in times of crisis, in your opinion?"

Philippe Herlin: " In my opinion, we will see the law come into effect - prohibition to withdraw more than a certain amount in the distributors, or to make a transfer exceeding a certain amount.

Then we will learn that the bank accounts in one of the banks in this country will be reduced by 40% ... as provided for in the law.

My prediction only implements the laws that exist ...

All this regulation is there to bind the saver ... this one will not be able to take his money, not to change bank, and not take it out to buy gold ...

In short, my advice is to prepare before this happens ... "

What to do...?

On the stock markets, prices remain calm ... nothing new to announce ...

On the cryptos side, we see prices keep up ...

What does the "re-entry" of September ... presage?

We will send you more information about Dr. Herlin's opinion in the days to come ...

Truly,

Henri Bonner