EU Wants to Freeze Your Money in the Banks

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To save zombie banks and avoid a "liquidity crisis", European authorities are discussing a law allowing them to freeze your deposits.

Our great financiers are beginning to lose their footing. Their plans do not work as expected. To try to get out of it, they want this time to have your money and go to find it where it is: in your bank accounts.

The current monetary and financial system is based on a double deception. It is on the brink of collapse but it benefits a small fringe of the population who intends to keep its privileges exorbitant.

A spoiling legislation is therefore put in place to try to make the system last. After the Sapin 2 law, which will imprison investors in the event of a bond crisis embarrassing for the insurers, here is a banking law that is looming and that will freeze your deposits in case of need ... for your bank.

The fact that the laws are now made, not to protect individuals, but to protect corporatist interests, is a very worrying sign.

But before continuing on this banking law under discussion, let's see why our monetary and financial system is a scam.

A double scam, monetary and banking

In the first place, today's money is no more than credit. The deception consists in having suppressed the money "backed by something already existing" in favor of pure credit, backed by nothing and without consideration. This is the**"Credits make deposits"**who**Underpins the modern banking system**. A bank can grant credits in multiples of its own funds (the money that the shareholders really put into the case) simply by the privilege of its "banking license".

In France, only tobacco dealers have the right to sell tobacco. Similarly, in France and around the world, only**Banks have the right to sell credit with money that they do not have, that they have not won and that does not exist**

The second deception is the myth on which the modern banking system is based: your money in the bank is instantly available but, at the same time, it has been given to someone else to whom your bank has made a loan. Because banks lend according to their own funds but they also lend deposits to their clients.

It is impossible that the same*thing*Or at the same time in two places, but it is possible with today's money, pure credit and totally immaterial. As long as people have confidence in the banking system they*believe*That their money in the bank is permanently available.

Confusion between real money and false money

The economy operates with two "monies". The true, the one you have earned through your work or the one that is backed up with goods that you have legitimately acquired. The forgery, the one created by the banking system under the principle of "credits make deposits".

The drama is that there is no way to distinguish false money (the credit against nothing) from the true (yours).

The 2008 credit crisis*subprime*, Was a crisis of over-indebtedness and insolvency. It was a private debt crisis. After the bankruptcy of Lehmann Brothers in the United States, political and monetary authorities all over the world have chosen to save banks and this monetary and financial system adulterated.

They saved him because he suited them.

They saved it by "passing the overdrive" by forcing interest rates to fall even more than in the past, by multiplying public and private credit.

The hidden hope was to create inflation. This artificial price increase would allow debtors to repay their debts in devalued currency. An elegant way to pluck the creditor (lender saving or taxpayer in the case of state debt).

A very worrying mass of credits

But today, the mass of credit - public and private - has become such that it even worries the layman and the generalized inflation is not really at the rendezvous. Inflation affects only financial assets and real estate.

Some people are beginning to doubt,As the formula Bill Bonner, "That we can all enrich ourselves by borrowing money that has never existed to people who have never earned it ... and without ever reimbursing it ...". Especially since inequalities are widening. The middle class is getting poorer while the 0.1% who have the privilege of access to free and unlimited credit tap are rudely enriched.

The mountain of credits only holds because the rates are zero. If ever the central bankers start tightening the tap, a cascade of bankruptcies is likely to occur and the banks will be endangered by bad debts.

Do not forget that Spanish and Italian banks have just been rescued or nationalized even though we are told that growth in Europe is recovering.

Liquidity crises that are merely solvency crises

The Spanish bank Banco Popular found itself in virtual bankruptcy because depositors (public administrations!) Had withdrawn their deposits.

"The significant deterioration in the bank's liquidity ... led to the conclusion that the entity would have been unable in the near future to repay its debts or to honor other commitments by the due date" The ECB explained.

As in 2008, we are told that this is a liquidity crisis, but it is solvency.

The sophisticated depositors knew that the situation was disastrous and revealed it by withdrawing their deposits.

Exactly as was the case in the past when the banking system was still honest (and the bankrupt bankrupts committed suicide for the sake of honor) ...

In case of difficulty, it will be necessary to prevent the money to go out to keep a zombie bank alive.

Hence this idea of ??the authorities to break the thermometer, to prohibit depositors to withdraw their deposits.

This legislation is under discussion, as has beenReutersAt the end of July, thanks to a document drafted by the Presidency of the Council of the European Union.

This document states that customers should always be able to withdraw a minimum amount to cover their immediate needs and to limit the freezing of accounts to five business days, which may be extended to 20 days in case of "exceptional circumstances".

[Editor's note: how to make your savings work for the real economy, gain capital gains without banks and without the stock market?Everything is explained here.]