Of Course, the Banks Are All Bankrupt -- by Definition

By Anna Von Reitz

If you were in debt for ten times your net worth, would you be bankrupt?
Why, yes, you would be. And so are the banks.

This is the direct result of "fractional reserve banking".

If they are allowed to loan out ten times as much "credit" as they hold as "assets" they are in a constant state of bankruptcy by definition, and they are obviously "leveraging the margin", that is, they are betting that on any given day, they will be able to meet actual demand for cash withdrawals based on past usage patterns.

The only way they are able to pay St. Paul on Tuesday, is because St. Peter and ten other Saints didn't need their cash on that same day.

Essentially, the already bankrupt banks borrow our assets to maintain their cash flow.

Think about this folks: every time you deposit anything in a bank, it becomes their asset --- not yours. It is a liability for them, but they own and actually possess the asset.

Every asset in a bank is managed by a bank trustee and that trustee is there to manage the bank's interest in your asset.

So, if you make a "Special Deposit" of your Grandmother's jewelry and put it in a Deposit Box at your local bank, the bank trustee will seize it, have it appraised for insurance value, will insure it against loss. and sock it away.

All very good, you think.

But all of that is not done for you, that is done for the bank.
The next thing that happens is that the bank uses your actual asset to issue credit based on your asset.

Say that Grandma's jewelry collection is worth $40,000.00. Under the fractional reserve system, the bank will now be able to loan out seven to ten times that much as credit to other bank patrons, based on your asset.

This is all money of account, created as a ledger entry.

Here's the kicker, in a bank failure, you would not be able to get Grandma's jewelry back from the bank. You would be paid the value in fiat by the bank's insurance agent, but that's actually 7-10 times less than the actual value (to the bank) of the asset.

So as you can now see, both the banks and the insurance companies have reason to conspire to promote bank failures on a periodic basis, as this allows them to float credit and receive actual assets in return --- and so long as the banks and insurance companies are working hand in hand it doesn't matter which pocket the fiat paper money comes out of.

The already bankrupt banks can't go bankrupt, but they can pull this kind of surreptitious theft of actual "Special Deposit" assets via this kind of insurance fraud expedited by legal tender laws. And that is why we suffer periodic bank meltdowns --- so the banks and insurance companies and governmental services corporations can glom onto actual assets in exchange for paper.

It works the same for your house as it does for Grandma's jewelry.

In the 1930's they didn't even bother to pay depositors back in paper.

The utter fraud involved in all of this should now be apparent, but if it is not, listen to two minutes of Godfrey Bloom's testimony to Parliament:

https://www.bitchute.com/video/lgbUbEpW3LhZ/