

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

INTERNATIONAL FINANCE

Digital Euro	State Guarantees	Public Finance	Maastricht Treaty	Bankruptcy	Unemployment	Widespread misery	Rise of the Far Right
--------------	------------------	----------------	-------------------	------------	--------------	-------------------	-----------------------





**EURO-CRYPTO:
WELCOME IN THE
WORLD OF BRI!**

**Part III: What is "the
Said"? Who says what
about Euro
Crypto?**

February 2023 Page 1 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

TABLE OF CONTENTS

I. SCHEDULE OF OFFICIAL STATEMENTS4 A.

Introduction _____ 4 B.

November 15, 2018: First Official Course, Première Surprise. _____ 4

II. "INFORMATION" GIVEN TO MEMBERS OF THE EUROPEAN PARLIAMENT5 A.

July 7, 2020: "Unlocking the untapped potential of the euro globally". _____ 5 B.



October 2, 2020: The decision of the Euro-Crypto funding is already taken. _____ 6 C.

October 12, 2020: The case for a digital euro _____ 6

D. November 18, 2021: "A digital euro for tomorrow's retail payments" _____ 6 a)

First condition: Avoid the danger of the sector..... 6 b)

Second condition: The State Guarantee is "essential" 7 c)

Third condition: The Monetary Cash are "sacred" 7 d)

Fourth condition: It is necessary to reduce "American Domination". 7 e)

Fifth condition: It is necessary to be a Digital Retail Euro..... 7 f)

Sixth condition: The "New Currency" must "not be too attractive" 8 g)

Seventh condition: "Make the digital euro attractive or not? »..... 8

E. March 30, 2022: "Individuals do not Understand " _____ 8 F.

June 15, 2022: "We cannot do without a Digital Euro" _____ 8 G.

September 29, 2022: Using our forces. _____ 9 H.

Conclusion _____ 10

III. "EXPLANATIONS" GIVEN TO THE WORLD OF FINANCE11 A.

May 11, 2020: Speech by Yves Mersch, "A flight of fantasy? » _____ 11 B.

September 10, 2020: Christine Lagarde – Deutsche Bundesbank _____ 12 C.

November 9, 2021: Bank of Finland Institute_____	13 D.
December 10, 2021: Federcasse – Lectiones Cooperativae_____	14 E.
February 18, 2022:U.S. World Policy Forum_____	16 F.
September 26, 2022: Corporate Actions at the Bundesbank _____	16 G.
October 14, 2022: 46 th IMF Union –International Monetary & Financial Committee _____	18
H. Two very different speeches. _____	18 a)
The first speech is addressed to Members of the European Parliament.....	18 b)
The Second Speech is Addressed to the World of Finance.....	19

February 2023 Page 2 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

IV. PRESS REPORTS.....	19
A. 19 December 2021 - ECB blog - PANETTA_____	19 a)
"The press" absent.....	19 b)
Four questions to "the press"	20
B. 13 JULY 2022 – BLOG BCE – LAGARDE – PANETTA _____	20 a)
No reaction from "the press".....	20 b)
Five new questions to "the press"	20



V. SUMMARY.....21 A.

OFFICIAL DISCOURSE: "THE REQUIREMENTS" (PANETTA). _____ 21

B. THE REALITY IS QUITE DIFFERENT: THE BIS MAKES A MOCKERY OF THE "GENERAL PUBLIC". _____ 21 a)
 High Finance has chosen to join forces with Meta-Facebook, and this is no coincidence. 21 b)
 Urgency? Sign State Guarantees to Create a New Currency. 21 c)
 Global High Finance is a follower of "Modern Monetary Theory". 21

C. FOR CITIZENS, THE NEWS IS NOT GOOD AT ALL. _____ 22 a)
 Public Debt will increase further..... 22 b) It
 will still be necessary to "save (again and again) the euro". 22 c) The
 anonymity of payments by the Digital Euro is a lure 22 d) What
 if Anonymity for International Payments was the real goal?..... 22

D. THE LAST WORD FOR CHRISTINE LAGARDE. _____ 22

VI. CONCLUSION.23 a)
 "We'll have to wait." 23 b)
 What if the Economic and Monetary Commission did not wait? 23

VII. ILLUSTRATION.....23

February 2023 Page 3 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

I. SCHEDULE OF OFFICIAL STATEMENTS

A. INTRODUCTION

When I discovered the ECB's increasingly frequent statements about "*the urgency of creating a central bank digital currency*", I immediately understood that there was "eel under rock".

As you will see, not only has the project been planned for a long time, but in addition the speeches differ over time and do not convey the same messages depending on the type of interlocutors.

In other words, we must identify the differences in speech:

•



When?

- Who is speaking?
- To whom?
- How?
- What is said?
- What is unsaid?

B. NOVEMBER 15, 2018: FIRST OFFICIAL COURSE, PREMIÈRE SURPRISE.

- Economics of Payments IX conference, BIS Headquarters, Basel, 15 November 2018

Benoît COEURE, very cooperative with international finance (¹), was appointed Director of the "*Committee on Payment Systems and Regulations*" (CPSR) in September 2013.

This Committee was then renamed *the Committee on Payments and Market Infrastructures* (CPMI) in 2014. He speaks publicly on November 15, 2018 before the luminaries of the BIS (eighty central bankers, plus all the representatives of the largest international bodies: IMF, World Bank, OECD and others) on the theme of the euro-crypto. And he states:

- ✓ *"The Sveriges Riksbank, for example, may soon open an investigation to develop concrete proposals to amend the Sveriges Riksbank Act to pave the way for the introduction of the electronic krona.*
- ✓ *Here, I see enormous potential for macroeconomists to contribute and examine issues of exceptional relevance, such as how CBDCs may affect the future of financial intermediation."*

In other words, the Swedish central bank, the first European central bank to create fake money in Europe, and distributor of (fake) Nobel Prizes to the "great" economists of the planet, was already demanding a change in Swedish laws to introduce "its" future crypto currency.

And of course, it was responsible for rewarding future "Nobel Prizes" who would create the "macroeconomic models" useful for stamping: "**Good for launch**" of the future Digital Currency of the European Central Bank, the euro-crypto

There had been no public debate, no economic research.
European bodies and Eurocrats were not even aware
but the "beautiful project" was already on track.

¹ On 18 November 2015, during a private dinner without journalists, he delivered confidential information on the monetary policy of the Eurozone to hedge fund managers and bankers who, well informed, benefited from this information the very next day. The Mediator, Emily O' Reilly, did not sanction him despite the seriousness of the facts and the damage suffered by the citizens of the Eurozone, victims of speculation on the exchange rate and on rates.

February 2023 Page 4 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

II. "INFORMATION" GIVEN TO MEMBERS OF THE EUROPEAN PARLIAMENT

A. JULY 7, 2020: "UNLOCKING THE UNTAPPED POTENTIAL OF THE EURO GLOBALLY".

- Fabio Panetta addressed Members of the European Parliament for the first time.
- Having analyzed hundreds of pages of statements, I am convinced that this statement of 7 July 2020 reflected the true intentions of the ECB.

Indeed, the purpose of this conference was to praise the merits of the euro:

✓



'50% of global Euroissues were issued in euros' ⁽²⁾

to advocate a

- ✓ 'deeper and more comprehensive Economic and Monetary Union, including by advising the Capital Markets Union, in the context of the pursuit of sound economic policies in the euro area' ⁽³⁾

and to compete with the dollar.

Moreover, as I also stressed recently, the international role of the euro will only increase if we can better share its benefits, or 'privileges'.

On the other hand, he revealed sensitive information:

- ✓ "Unfortunately, the recovery fund is temporary in nature and relatively small compared to the size of the European sovereign bond market.
- ✓ In recent months, the ECB has deployed aggressive monetary policy measures to avoid fragmentation, dispel tail risks in financial markets and stabilise the euro area economy.
- ✓ Shortly after the outbreak of the pandemic crisis, the ECB reactivated a number of swap and repo lines with major foreign central banks. »

In other words, the European Union must "help even more" High Finance with permanent recovery funds and not "temporary" or "too small" compared to the size of the European market.

And at this point, we must read between the lines: **the euro is under threat (July 2020).** The euro area is at risk of fragmentation and is resorting to the interventions of foreign central banks to combat the flight of the euro into the dollar zone.
But dreams of domination are always haunting.

And so, to combat the risks of a burst:

- ✓ "A CBDC would have national implications for the euro area in areas such as monetary policy, financial stability and payment systems, which would need to be thoroughly assessed. But, if CBDC is allowed to be used outside the eurozone, it will likely have implications for the global monetary and financial system.
- ✓ For example, the international role of the euro could be strengthened if the CBDC represented an attractive means of payment or a store of value for non-euro area residents."
- ✓ "The euro became an international currency at birth" (so High Finance knows how to do better than other central banks).

But to help European High Finance achieve its ambitions:

- ✓ "How this international status evolves in the future remains in the hands of European policymakers. ✓ The European Parliament has a key role to play in implementing reforms that will further strengthen citizens' trust in the European project and in the euro."

Clearly, the euro-crypto "must" be launched in the interest of European High Finance. At no time did Fabio PANETTA speak about European citizens during this "great" intervention before the European Parliament.
And no parliamentarian has contradicted him.
On the other hand, the European Parliament must implement the "necessary reforms" (laws and treaties must be changed).

² These issues are additional debts for European citizens while specialists know that the funds are intended to "green" projects falsely ecological. ³ Even more freedom for European High Finance.

February 2023 Page 5 on 23

Part III : Who says what about the euro-crypto? What is the "said"? **Before the introduction of a "Digital Euro".**

B. OCTOBER 2, 2020: THE DECISION OF THE EURO-CRYPTO FUNDING IS ALREADY TAKEN.

- Fabio Panetta addressed the Economic Committee of the European Parliament to inform it of a decision already taken by the ECB.
- ✓ "For our day-to-day expenses, we are increasingly using contactless cards, an app on our phone, or even a smartwatch.

- ✓ *What we lack is a digital currency issued by the central bank and usable by all of us on a daily basis. In other words, a digital equivalent of euro banknotes.*
- ✓ *The need for a digital euro is a fundamental and pressing issue.*
- ✓ *This report will lead to a public consultation, which will be launched on 12 October, to gather the views of the public and interested parties."*

Fabio PANETTA claims that *"the euro is a success"*.

On the other hand, it deliberately "mixes" the two essential aspects of the euro: admittedly, the European Payments System team has achieved feats both during the

C.



OCTOBER 12, 2020: THE CASE FOR A DIGITAL EURO

Mr. PANETTA was able to "unpack" his goods without any hitch.

So he insidiously talked about the suppression of species:

- ✓ *"First of all, it (the digital euro) could be used for payments anywhere, by anyone and at any time – just like cash in the physical world."*

This is only possible with cash for limited sums.

And he adds:

- ✓ *"Payments must also respect citizens' right to privacy in the digital age, and the design of a digital euro should respect this principle," which is what cash payments allow.*

But it puts an end to the anonymity of cash payments:

- ✓ *"The digital euro would allow public authorities to fight illegal activity more effectively."*

The Digital Euro Project is "well underway" without any objection from the "Commission Coordinators":

It aims to remove cash that is an anonymous means of payment
(under the pretext of combating money laundering)

But, at the same time, it aims to create a new currency
(under the pretext that: "we can not do otherwise").

Obviously, all his speech was accompanied by the little music of "digital progress", announced by the famous "digital plan" of the EU, respect for "*individual freedoms*", "European *integration*" (more countries), "*Banking Union*" ("*essential component of the Economic and Monetary Union*", says the European Council) and the "*international role of the euro*" (to dethrone the dollar and attract "foreign capital").

D. NOVEMBER 18, 2021: "A DIGITAL EURO FOR TOMORROW'S RETAIL PAYMENTS"

- Fabio Panetta once again addresses the ECON Committee of the European Parliament to explain the future of the "**retail digital euro**".

Mr. PANETTA first recalled what had been achieved.

✓ "*Let me remind you why this project is necessary.*"

Then, he develops the necessary conditions for a "digital euro".

a) FIRST CONDITION: AVOID THE DANGER OF THE SECTOR

Competition from "private digital currencies" must be avoided.

He "forgets to recall that bank money is a private currency."

February 2023 Page 6 on 23

Part III : Who says what about the euro-crypto? What is the "said"? Before the introduction of a "Digital Euro".

b) SECOND CONDITION: THE STATE GUARANTEE IS "ESSENTIAL"

The future digital currency must benefit from the state deposit guarantee.

✓ "*If citizens deposit their income and savings in private banks (and insurers), it proves in a tangible way that the money we deposit in the bank is safe.*"

He adds this remark of economists who speak of : "**rational inattention**".

In other words: our trust is a collective recklessness because our governments "protect" us with state guarantees (which we systematically repay).

✓ "*As a rule, it is only when confidence in convertibility disappears that runs on private money appear.*" ✓ "*The*



monetary anchor is a prerequisite for preserving the transmission of monetary policy and, by extension, for protecting the value of and confidence in money."

c) THIRD CONDITION: THE MONETARY CASH ARE "SACRED"

✓ "Let's be clear: the ECB intends to ensure that access to cash is maintained."

It will therefore be necessary to "guarantee" both banknotes and the digital euro.

d) FOURTH CONDITION: IT IS NECESSARY TO REDUCE "AMERICAN DOMINATION".

Non-European payment service providers already handle around 70% of card transactions in Europe. ✓ "However, this cross-border use could be restricted to the future for certain credit card schemes, since it depends on the willingness of these international schemes to provide such services.

✓ In addition, even though their adoption and share in payments have so far remained limited, digital assets like crypto-assets and stablecoins are growing rapidly.

The expression "crypto-assets" is correct: tokens are not currencies.

✓ "If we want to preserve openness and equal treatment of payment providers as well as monetary sovereignty, we must act today."

e) FIFTH CONDITION: IT IS NECESSARY TO BE A DIGITAL RETAIL EURO

A central bank digital currency needs to be designed for retail payments.

✓ "Banks have long had a central bank digital currency through TARGET services" (so it's already done). ✓ "The Eurosystem is currently working to develop a new consolidated TARGET platform that would offer more sophisticated and modern services."

✓ "Central bank money, in electronic form for their daily transactions, would also allow them to enjoy high standards of privacy."

Privacy is a red herring.

All the information useful for the smooth running of private transactions is collected by private providers of bank cards and PayPal transfers: all the contact details of buyers, sellers, products and services, invoiced amounts and dates are "available" since they are necessary for the proper functioning of the systems and the management of value added taxes. They are less detailed in SEPA direct debit operations: there is just a contractual reason.

On the other hand, the information is very sober in SEPA transfers and TIPS: there are transfer operations from account to account, a date, an amount and a value date but the reason for payment and the details of the "contract" are not required (they can be filled in by the debtor).

None of these solutions are anonymous!

Better still, bankers can at any time declare "suspicious" payments to: "Protect the integrity of our economic and financial system through the fight against money laundering".

The FATF ⁽⁴⁾ is an international organisation, with 39 members in 2022, which defines AML-CFT rules. ⁽⁵⁾

This organization "obliges" states and banks to respect many rules:

- grey and blacklist of countries under surveillance;
- transparency obligations relating to the beneficial ownership of companies and trusts are strengthened (unclear and unfulfilled obligations);
- monitoring transfers to crypto-asset platforms;
- enhanced surveillance to combat anonymity in e-money and prepaid bank card applications;

⁴ Financial Action Task Force

⁵ Anti-Money Laundering and Terrorist Financing

**Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".**

In the practice of transfers between individuals, within a specific country or between member countries, a banker can report the transfers to the relevant supervisory authorities.

• In France, occasional transfers of ±10,000 euros and regular transfers of ±5,000 euros should be avoided. It regularly organizes audits in the administrations and banks of member countries.

f) SIXTH CONDITION: THE "NEW CURRENCY" MUST "NOT BE TOO ATTRACTIVE"

✓ "To prevent excessive and sudden shifts from commercial bank money to central bank money, we will need to find

a balance:

- On the one hand, we must maximise its attractiveness as a medium of exchange.
- and, on the other, we must limit its use as a form of investment."

g)



SEVENTH CONDITION: "MAKE THE DIGITAL EURO ATTRACTIVE OR NOT? »

✓ "In practice, we often talk about the risk that a digital euro would pose to financial stability if it were too successful, but we must also take into account the opposite risk: that it will not be successful enough." ✓ "Moreover, the success of a digital euro will strongly depend on the close alignment of European authorities and institutions."

E. MARCH 30, 2022: "INDIVIDUALS DO NOT UNDERSTAND "

• Still before the Economic and Monetary Committee of the European Parliament, Mr. PANETTA admits that: ✓ "Individuals generally do not make the difference and do not understand the difference between the digital euro and the euros they already spend using private digital means of payment."

Einstein would no doubt have replied, "Neither do I."

✓ "If you can't explain a concept to a six-year-old, you don't understand it well, either."

So he resumes his little music on "the need" to introduce a digital euro.

To "Meet the current and future payment needs of Europeans".

And a "pressing need" will be to:

✓ "To be able to easily share, in a single payment, the restaurant bill with friends".

For information, without a digital euro, we cannot pay our taxes, receive social benefits, buy on the Internet, make payments from individual to individual, ...

Mr PANETTA then elaborates on the need for 'trade-offs between respect for privacy and the other objectives of the EU', rightly noting that, for our payments by bank cards and abroad, we depend on the goodwill of the Americans. We can add that this has not been of much concern to High Finance so far, but when Mr PANETTA talks about current discussions and the future, he does not want to exclude PSPs (Payment Service Providers) who will set up and use the

digital euro.

As for respect for private life, it will still be subject to the right of scrutiny of the Administration since the ECB is anxious to **"fight against money laundering and tax evasion"**.

To "reassure" us, Mr. PANETTA tells us the essentials about the ECB's intentions:

✓ *"We, as a public institution, are committed to maintaining the trust of the population."*

The digital euro will be able to perform the same functions as banknotes and coins, but the ECB does not want to abolish these anonymous means of payment.

However, the public is well aware that the number of ATMs is decreasing across Europe and that banks are limiting the number of withdrawals and/or increasing withdrawal fees to limit them.

Mystery, Mr. PANETTA does not explain how consumers will be able to use the digital euro, everywhere, without credit card, contactless and anonymously?

On the other hand, it seems that the seven Coordinators of the Parliamentary Commission have understood everything, which allows us to quote EINSTEIN once again:

"The world will not be destroyed by those who do evil but by those who watch them doing nothing."

F. JUNE 15, 2022: "WE CANNOT DO WITHOUT A DIGITAL EURO"

- And again, Mr PANETTA is speaking before this 'good' Commission to say the same thing, the same thing all the time: *'we will not be able to do without the digital euro'*.

Without it, the "big tech" (American) will impose their dictatorship, in a world of jungle and Far West, with their crypto assets, and supreme threat, with their stablecoins that would propose to manage "our currencies" without central banks... and without the precious "state guarantees".

February 2023 Page 8 on 23

Part III : Who says what about the euro-crypto? What is the "said"? Before the introduction of a "Digital Euro".

So the decision is made... But they have to get help from the government.

Above all, the European Parliament must adopt in 2023 the laws and decrees that the BIS is drafting. National parliaments and the people will not be consulted: since the misadventures of the referendums on the "European constitution", this has been ruled out.

It is "the competent people" who decide, first within the European Council, then in the Commission which will validate "their" laws by having them voted by the European Parliament.

"It's the rule"!

- ✓ *"I count on this Parliament to ensure that an ambitious regulatory framework emerges from the ongoing negotiations on the EU Regulation on crypto-asset markets (MiCa Regulation) and legislative proposals on anti money laundering and terrorist financing."*

✓



High Finance does not like competition, it prefers "its" monopolies.

✓ "A digital euro would of course be issued by the central bank, which would pay particular attention to financial stability considerations and the preservation of a diverse and dynamic ecosystem."

✓ To achieve this objective, it will therefore be necessary for the Banking Union (independent of the States) to obtain guarantees from the European Union: the famous "state guarantees" will no longer be necessary. ✓ "It is indeed possible to design a digital euro by providing it with effective safeguards to prevent it from being used as a form of financial investment and not just as a method of payment [...] We intend to integrate both types of instruments – limits and tiered remuneration – into the design of a digital euro."

Translation: the digital euro will be a new currency, benefiting from European guarantees. But it will be "limited" and "reserved".

Who will decide what?

Answer: High Finance, represented by the Banking Union (50 major commercial banks)...

What amounts of issuance?

✓ "According to our preliminary analyses, keeping the total amount of digital euro holdings at between €1 trillion and €1,500 billion, comparable to banknotes currently in circulation, would avoid negative repercussions on the financial system and monetary policy."

This is "just" in the order of 3,000 euros per capita, and just a little more than the budget of the European Union. Risk free guarantees, of course!

✓ "The existence of a central bank-issued digital currency accessible to all would be an anchor of stability for the payments market and preserve the coexistence of public and private currencies, which has benefited us so far." **Clearly, it will be necessary to keep "state guarantees" to "save commercial banks" permanently, and it will take "European guarantees" to allow High Finance to obtain even more freedoms internationally.**

In summary, there are many hidden objectives!

Apart from that, always the same clichés!

G. SEPTEMBER 29, 2022: USING OUR FORCES.

The role of the public and private sectors in the digital euro ecosystem must be strengthened ✓ "Following these exchanges with you, and other stakeholders, who have provided us with valuable information, the Governing Council of the ECB has approved a first set of fundamental conceptual choices, which covers these issues."

✓ The combined efforts of the public and private sectors have been fundamental in creating the payment system we enjoy today in Europe, which is one of the most efficient in the world.

This is true for SEPA and TIPS.

For the rest, thanks to PayPal (cross-border payments, very secure and cheap) and thanks to American credit cards! ✓ "Holding a digital euro would mean holding a direct commitment from the central bank, as is already the case for banknotes. In other words, the digital euro would appear on the Eurosystem's balance sheet. The Eurosystem would be liable for any errors made when settling in digital euros."

It will therefore require "state guarantees".

✓ "For settlement activities, the Eurosystem could rely on either traditional technology or distributed ledger technology."

This is a new lie: distributed ledger technology (for the management of scarce resources) is not compatible with the philosopher of central banks (for unlimited money creation).

We will see later in which area this technology is desirable.

✓ "Users could(?) feed their accounts or wallets with digital euros".

February 2023 Page 9 on 23

Part III : Who says what about the euro-crypto? What is the "said"?

Before the introduction of a "Digital Euro".

The solutions already exist: the EURO-WALLET (or e-Wallet) already works in the 19 countries of the euro zone, with "digital euros" or e-euros.

The digital wallet (American application) allows you to receive, spend and send "digital euros" with incredible simplicity and security, available on Android and iOS.

For information, it is currently linked to a bank card (normal or prepaid) or to a website serving as an intermediary: it can even be used by people excluded from the banking system (cash contribution) and, of course, it can be fed by foreign transfers, European residents or not, who want to avoid taking too many risks of theft or loss (limited amounts). **Some**

types of e-Wallet are even available on mobile phones and tablets, such as PayPal, Paylib or Google Pay. Other information: the application is not a big success except among "geeks", equipped with an Apple Watch or other, having previously downloaded a dedicated application (linked to an American credit card, a bank account or a prepaid card).

✓ "The



intermediaries who would distribute the digital euro have in-depth knowledge and unique information about users' needs."

All existing applications are linked to bank cards and bank accounts: they already "give" an incredible amount of information that makes it possible to "recommend" useful addresses (gas stations, restaurants, hotels, ...). ✓ *"For example, an app could be used for direct payments between two people, and an online interface for Internet purchases."*

All this already exists, without the need for an electronic central currency.

So, yes of course, it would be possible to centralize all these applications and authorizations in European "wallets", protected by appropriate regulations.

It is just a "small" reform of the existing that requires nothing more than improvements to the SEP.

H. CONCLUSION

Citizens will only see fire!

They won't even be able to *"share the restaurant bill with friends."*

"Good citizens" will avoid sanctions imposed on "bad citizens" for "their" mismanagement of "their" public finances.

Demonstrations to come...

High Finance will be able to continue *"its dirty kid games"* in complete freedom.

In front of Mr. PANETTA,
"our" Economic and Monetary Commission
swallows all the snakes without flinching.
This is worrying for our democracy, which is already in bad shape.

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

III."EXPLANATIONS" GIVEN TO THE WORLD OF FINANCE

A. MAY 11, 2020: SPEECH BY YVES MERSCH, "A FLIGHT OF FANTASY? »

- He intervenes in Videoconference ECB - A digital currency of the ECB – a flight of fantasy?

The official admission: in fact, digital currency already exists.

✓ *"Most of the money issued by central banks is actually already digital, although it's not called CBDC. This is true for most of the money issued in our wholesale credit transactions with our counterparties. ✓ At present, access to the central bank's balance sheet offers the opportunity to access the central bank's digital currency. A wholesale CBDC, limited to a limited group of financial counterparties, would be largely business as usual."*

✓



"However, a CBDC retail, accessible to all, would be a game changer.

✓ *So a retail CBDC is now our primary focus [...].*

✓ *Alternatively, a retail CBDC could be based on deposit accounts with the central bank. Although involving a large number of accounts, it would not be a particularly innovative option from a technological point of view. For the eurozone, it would essentially be a question of increasing the number of current accounts offered from about ten thousand (today) to between 300 and 500 million."*

The first version already announced the need to impose a "digital monopoly" throughout Europe and aimed to abolish commercial banks in favor of the TOP-50 of the Banking Union.

Technically, Y. MERSCH knows that the ESCB - ECB can manage 500 million accounts. ✓ *"But (total) disintermediation would be economically inefficient and legally untenable." It would be impossible to*

manage loans to individuals and manage all payment incidents at a European level. He therefore announced that:

✓ "A key consideration here is whether a retail CBDC can and should have the same legal tender as banknotes and coins."

No doubt about this theme: the digital currency must benefit from state guarantees.

He also admits that cash predominate in Europe, which all other stakeholderstry to downplay: ✓ "Around 76% of all transactions in the euro area are made in cash, more than half of the total value of all payments."

This is the end of the (false) debate mentioned in the section: "EUROPEAN PAYMENTS SYSTEM – State of play of the System – Cash Payments" (page 19).

It is therefore "cash payments" that must be abolished.

✓ "Should it not be recognised that the ECB's exclusive right to authorise the issue in euro would also apply to a digital issue?"

A retail CBDC could be based on digital tokens, which would circulate in a decentralized manner – that is, without a central ledger – and allow anonymity vis-à-vis the central bank, just like cash."

Nothing well built! A CBDC without a central ledger (distributed) is a currency without management and without limits, exactly identical to current FIAT currencies.

✓ "Another option is a tiered pay system.

In accordance with the functions of money, the first level could serve as a means of payment. The central bank should refrain from setting a lower or negative interest rate in order to maintain a CBDC attractive to the public as a means of remuneration.

While the second tier could serve as a cash reserve, central banks could discourage people from using it as such by setting unattractive interest rates."

The final confession?

Y. MERSCH innocently announces the creation of a new currency: with a numeral function (that of the euro), a transaction function (specific but not defined) and a reserve function (not too attractive)... but without a credit function and without a capital function.

February 2023 Page 11 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

B. SEPTEMBER 10, 2020: CHRISTINE LAGARDE – DEUTSCHE BUNDESBANK

- This online conference on Fathers in a Challenging World.
- It takes up the traditional mantras of High Finance and recalls the many trends in global payments. ✓ "Consumers are increasingly using the Internet, e-commerce, online payments and are at risk of forgoing cash. ✓ Private companies are developing more and more applications for online payment and creating global networks. ✓ More than a quarter of the world's population are active Facebook users, which could give its Libra project a global footprint from the get-go."
- ✓ "There is a risk of interruption of payments (bank card failures during the summer of 2018), or even risks related to protectionist or political reactions (of the Americans) that "cut" who "cut" their payment networks to foreign countries.

✓ All
this is



harmful: loss of individual freedoms (commercialisation of personal data), illicit trafficking, money laundering, loss of sovereignty, etc. ».

The lack of sovereignty is real.

Already said: the greatest risk concerns our dependence (blind and unconscious) on US bank card networks and on PayPal's international payment facilities (banks have continued to apply their racketeering and irresponsible practices in this particular area).

On the other hand, central bankers "forget" to say that "their" FIAT currencies are private currencies.

In other words, they cannot speak of the sovereignty of peoples and nations.

Fortunately, Christine LAGARDE's Finance comes to our rescue.

- ✓ *"The European System has worked well (SEPA, TIPS) but ten countries still have national credit card systems (which do not accept cards from other member countries), and many countries are lagging behind in the application of the 230 "fintech" solutions available in the most advanced countries (payments in stores, applications, P2P, ...).*

This is the case for TIPS that can only be achieved in 16 countries.

✓ *The wholesale CBDC already exists but the retail CBDC is to be implemented (even if it is not defined). It therefore requires state support to set up a retail digital currency that preserves Europe's sovereignty and independence from all private initiatives.*

And here is the key to the problem of high finance.

- ✓ *"Without a monetary and regulatory anchor, the stability of payment systems would depend essentially on the security of private fund issuers."*

It is necessary to issue a new currency (?) that the ECB will manage "independently" (?) thanks to the "state guarantees" (?), granted by the *European Union* to the future "Banking Union".

Once again, High Finance will take hostage our public finances, and therefore our freedoms (even more debts and "indispensable sacrifices").

Initiatives to strengthen European payments?

At this stage, we are still entitled to the reminder of the progress of Europe and the euro...

All this is true: a single EUROPEAN PAYMENTS SYSTEM would be desirable.

It is therefore necessary to continue to improve the SEP under the control of the European Parliament. But what an admission of weakness: the EMI was created in 1994 to settle all this, and we depend more than ever on the Americans! C. LAGARDE adds, however:

- ✓ *"We know that the private sector, on the other hand, has made much less progress in providing a pan-European solution for retail payments."*

So why keep all these American intermediaries (PSP)?

They have made little progress, and the SEP will no longer need them.

The reason?

In his first official conference on 7 July 2020, F. PANETTA had announced the global scope of this digital euro project:

- ✓ *"How this international status evolves in the future remains in the hands of European policymakers."*

It is clear: the digital euro will be reserved for International Finance.

February 2023 Page 12 on 23

Part III : Who says what about the euro-crypto? What is the "said"? Before the introduction of a "Digital Euro".

C. NOVEMBER 9, 2021: BANK OF FINLAND INSTITUTE

- High Level Panel on the CBDC Bank of Finland Institute for Emerging Economies (BOFIT) •
Subject: Digital currencies in the world: what are the political implications?
- Form of presentation: confusing diagrams and tables.

Let us pass over the dogmas constantly repeated:

- The euro-crypto would be a new currency, recorded in the liabilities of the ECB and created to promote retail payments.
- It is necessary to "anchor" this new currency, and therefore obtain state guarantees.

But let's note some new features:

• This

anchoring will have to be important and sustainable to maintain convertibility with other "private monies" which themselves will have to adapt to the "changing needs of trade".

- This will require cooperation from everyone: EU co-legislators, citizens, key market players and international groups.
- Regarding the usefulness of these international groups: their participation will allow "mutual enrichment" (know how) and "potential cross-border/multi-currency opportunities in the future".

To combine business with pleasure, Mr. PANETTA gives us a graph "for insiders", with the evolution of GNP on the abscissa and the demand for "anchored money" on the ordinate.

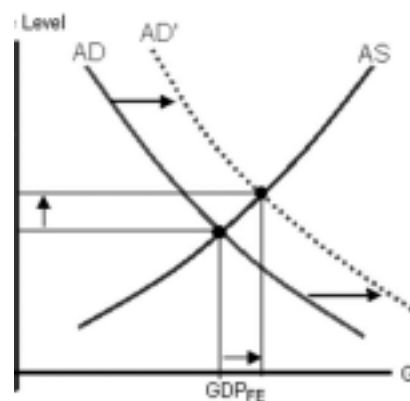
In other words, we are more in the "Modern Monetary Theory": we must create "central money" permanently and therefore constantly increase "public debts" and "hidden debts" (state guarantees).

If the AD curve (initial demand for "anchored money") increases because of the "demand for anchored digital currency", this will necessarily increase GNP or, vice versa, the increase in GNP will have to be accompanied by an "anchored money supply".

The AS curve is Anchored Supply (AS): as the supply of money increases, so does GNP. "The supply of money is even an offer of balance." What's next?

It is easy to imagine: repeated currency crises, repeated financial crises, the call for "state guarantees" for bailouts, an increase in public debt (official and hidden), policies of "indispensable sacrifices", liquidity flight out of the currency area, lack of credit and capital in the currency area, lack of investment, loss of funds. 'Jobs, loss of income, lack of public investment, "forced" privatizations, increasing inequalities (between landowners, real estate and well-managed financial assets), ...

Figure 1: Modern Monetary Theory for Insiders



On the other hand, there will be a serious risk of "competition" between digital currency (central virtual currency) and other currencies in circulation: coins and notes (central physical money) and bank money (private scriptural money). There is even a risk of systemic panic if commercial banks ever run out of liquidity: falling bank deposits, sudden losses and "lack of anchoring". In this case, their customers would all want to take refuge in the 'anchored' digital euro.

Solutions?

The digital euro must be "anchored".

It is necessary to "anchor even more" the scriptural euro (banks and insurance). Access to the "new currency" must be "limited".

February 2023 Page 13 on 23

Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".

D. DECEMBER 10, 2021: FEDERCASSE – LECTIONES COOPERATIVAE

Federazione italiana delle banche di credito cooperativo - casse rurali ed artigiane

- Object; The present and future of money in the digital age

From the beginning of this conference, F. PANETTA confirms everything I had written about the functioning of monetary and financial governance in our book: "**Dollar and Euro: How Finance Killed Our Democracies**". ✓ "At the international level, the digitalization of money and payments is being discussed by the G7 and G20. ✓ In Europe, it is frequently discussed by finance ministers within the Eurogroup (in which the ECB reigns supreme).

✓ It is on the agenda of the European Commission and the European Parliament.



- ✓ *It was discussed by the Heads of State or Government at **the Euro Summit** last March.*
- ✓ *And this is of course at the heart of the **European Central Bank's (ECB)** agenda."*

It just lacks the BIS (at the top of this pyramid of executors) but F. PANETTA describes the whole decision-making process within the EU.

By mentioning all these institutions concerned, he wants to impress the representatives of this Italian Federation of Mutual Banks (one of the founding members of the EACB): 247 cooperative credit banks - rural banks, with a network of 4,202 branches in Italy, more than 1,350,000 members, 6.8 million customers and more than 35,000 collaborators by adding:

✓ *"This strong orientation can be explained by the profound changes that are underway." ✓ "If a digital euro were issued, it would have significant consequences. It would not only have economic and financial repercussions, for example with regard to the transmission of monetary policy, financial stability and the functioning of the international monetary system. [...]. It would also have broader relevance for **global, geopolitical balances and the fundamental rights of individuals, such as the right to privacy.**" PANETTA behaves like a braggart (il sorpasso) in front of an audience of (very respectable) people in the field who are somehow competitors of commercial banks (with bank status). He exposes them to "The digital euro: what it is (and what it is not)" in "the reassuring version" that all my readers now master.*

Nothing new for all of us.

On the other hand, it is interesting to read his arguments against crypto-assets which are few to be interested in monetary functions as we saw in **Part I: Digital Currencies.**

- ✓ *"The digital euro has nothing to do with crypto-assets such as Bitcoin. As it would be issued by the central bank, the value of the digital euro would be guaranteed by the state." [...]*

Crypto-assets are "a gamble, a high-risk speculative contract with no supporting fundamentals. That is why their value fluctuates enormously. Therefore, crypto-assets are not able to fulfill the three functions of a currency: means of payment, store of value and unit of account."
- ✓ *"The value of crypto-assets is growing rapidly and currently stands at more than \$2.5 trillion. This is a significant*

figure that can generate risks to financial stability that should not be underestimated. For example, it exceeds the value of securitized subprime mortgages that triggered the 2007-2008 global financial crisis."

- ✓ "In fact, there is clear evidence that they do the exact opposite: crypto-assets can cause huge amounts of pollution and environmental damage. And they are widely used for criminal and terrorist activities, or to hide income from the eyes of tax authorities. Moreover, they do not offer legitimate investors any protection against cyber or cyber risks."

Mr PANETTA "forgets" to quantify the disastrous management of the euro since the Maastricht Treaty (and the creation of the EMI in the process).

For the record (VIDEOS FR-02 to FR-05): European High Finance has robbed us of more than 13,000 billion euros without creating intangible wealth.

Do not forget to read : "WELCOME IN THE WORLD OF THE ECB AND THE BIS!
The (catastrophic) balance sheet of Euro 1998 – 2021 by Monetary Zone and by
Country"
https://drive.google.com/file/d/1GifuC9aGghVDyKEJL8RJVcT12JV9Is6/view?usp=share_link

In contrast to the "reassuring world" of Mr. PANETTA, the world of "techs" (NICT) is constantly innovating.

Admittedly, he has taken enormous risks since 1994 to the point of causing the bursting of the "Internet bubble" in 2000 which cost more than 2,000 billion dollars, especially to the "major European financiers".

This world of "creative mess" is not free of scams of all kinds, we all agree, but it has allowed the United States to shamefully dominate the European Union in all service sectors.

February 2023 Page 14 on 23

Part III : Who says what about the euro-crypto? What is the "said"?

Before the introduction of a "Digital Euro".

The arguments of F. PANETTA are not always "very" enlightened.

- ✓ "Therefore, crypto-assets are not able to fulfill the three functions of a currency: means of payment, store of value and unit of account."

Money must fulfil FIVE FUNCTIONS:

- Numeration function (unit of account): the euro-system is modelled on the dollar-system . •
Transaction function: we must create suitable means of payment (without the Americans);
- Store of value: the ECB has always cheated on inflation statistics and, since 2021, it can no longer hide this suicidal loophole ;
- Credit function: it is expensive because it is increasingly necessary to go through intermediaries; it is not sufficient (VSEs and SMEs are subject to these restrictions); it is too short-term (less than two years).



Capital function: The stock and bond market is the preserve of high finance.

For individuals, the overabundance and poor distribution of mortgages (too many loans for the secondary market, and too many loans to speculators) have destabilized the entire land and real estate market in Europe but also in the United States, "the model to follow".

For Research and Development, for SMEs and for mid-caps, these medium and long terms resources markets are downright inaccessible (except in multinationals).

In the United States, the difficulties are the same in the traditional circuit of finance, and it is precisely to revolt against this system that the Americans applied this system of tokens, known in Europe since the industrial revolution but "reserved" to the investment banks of the time.

Today, this system of "mezzanine" financing is only applied for large LBO financing (buyout by shareholders with leverage, therefore with extraordinary debt) and LMBO (the same thing but for a takeover by the "management" of the company that was not a shareholder).

Let us conclude: the euro is concentrated, useless, without a future and increasingly risky. It is even much riskier than this crypto-asset market because it has excluded us from "tomorrow's world" for more than 30 years.

For the future, nothing new except this "odious" statistic in the banking world.

✓ *Cash is increasingly used as a store of value and less and less as a means of payment.*

✓ *Cash stock continued to rise, driven by demand for precautionary liquidity. However, only about 20% of the stock is now used for payment transactions, down from 35% 15 years ago."*

Reason?

Europeans "know" that commercial bankers are not "reassuring", and they refuse the idea of being "drained" by negative interest or by the costs of holding a "melting currency".

If ever the ECB had the bad idea to abolish cash (notes), Europeans would not rush to the digital euro, which would also be "a melting currency".

Monetary, financial and political sovereignty

The stranger threatens us.

✓ *"Two-thirds of retail digital payments in Europe are currently handled by foreign operators." ✓ "Such a system could be underprotected against external threats, including cyber threats." ✓ "This would expose individuals, companies and states to the danger of inappropriate use of confidential information."*

✓ *"This would make it more difficult to trace the information needed to combat illegal activities."*

✓ *"The 'colonisation' of the European payments system is not an imminent danger."*

"Sovereignty and the international role of the euro": the hidden dream.

✓ *"A digital euro accessible to foreign users would reduce the cost of using our currency in cross-border payments and increase its suitability as a global invoicing currency."*

✓ *"A digital euro that can be used without any constraint by non-residents" could affect the structure and functioning of the international monetary and financial system through two channels: first and foremost, it could increase the international transmission of shocks and exchange rate volatility, by influencing capital flows; Second, the digital euro could spread to third countries to the extent that it would crowd out local currencies, leading to a digital 'euro-isation'."*

But let us not forget to mention this epic passage on the 'exceptional confidentiality' of the euro national. ✓ *"This will drive innovation: the new form of money will provide intermediaries with a regulatory infrastructure capable of connecting currently separate systems, such as retail payment systems, digital identity, digital signature and electronic receipts."*

February 2023 Page 15 on 23

Part III : Who says what about the euro-crypto? What is the "said"?

Before the introduction of a "Digital Euro".

Conclusion?

The digital euro is not for "the little people" who will be able to pay for their bread without coins and without notes, or who will be able to share "their restaurant bill with friends" thanks to this "wonderful innovation" (which already exists in China and Mongolia).

Finally, it is not at all intended to preserve the anonymity of transactions.

Worse, it opens the door to China's "social credit".

E. FEBRUARY 18, 2022:U.S. WORLD POLICY FORUM

- Conference by F. PANETTA during the United States Monetary Policy Forum
- Subject: Roundtable on central bank digital currencies



We are "invited" to a family reunion.

- ✓ *"Indeed, central bank money is a risk-free form of money that is guaranteed by the state: by its strength, its credibility, its authority."*
- ✓ *"Bank runs and financial crises begin when confidence in the convertibility of private money evaporates." ✓ "The consensus among central banks on the coexistence of public and private money was summarized 20 years ago as follows: "The composite of central and commercial bank money, convertible to par, is essential to the safety and efficiency of the financial system and should remain the basis for the unity of money. In other words, central banks would accept neither an outcome in which central bank money crowded out private initiative, nor an outcome in which central bank money was phased out by a market mechanism. ».*
- ✓ *"Central banks therefore need to think about how to ensure that their currency can remain an anchor for payments in a digital world."*
- ✓ *If a foreign CBDC were to be widely adopted, it could lead to the substitution of digital currency. This risk would be higher for smaller countries with unstable currencies and weak fundamentals, especially if the CBDC were issued in a large economy."*
- ✓ *"Just as the U.S. dollar overtook the pound sterling as the main reserve currency in the decade following the end of World War I, digital innovation can give rise to powerful foreign competitors, with disruptive consequences for markets that are not ready to meet the digital challenge."*
- ✓ *"In order to obtain technical advice and gather a wide range of views on possible solutions, we have set up a market advisory group and regularly discuss the project with the **Euro Retail Payments Board**, academics and think tanks."*

Translation.

- Repeated panics and financial crises? This is "the fault of the Martians" because we central bankers are strong, credible and the state is "under control".
- You should also know that the ECB will not attack American providers and that we are united in fighting crypto currencies (stablecoins received a few more shells during this family reunion).

- Yes, of course, our CBDCs may overshadow weak currencies but we don't mind too much. On the other hand, let us be vigilant vis-à-vis foreign CBDCs from powerful countries.

F. SEPTEMBER 26, 2022: CORPORATE ACTIONS AT THE BUNDESBANK

- Public concerned: the major operators on the securities markets: shares, bonds, government bonds, ...
- Unlike wholesale digital transactions, cashless transactions (bank money) and the introduction of a digital euro (with state guarantees), this subject of securities management was never discussed publicly before this meeting.
- As for the organization of the Clearing Houses and the state guarantees that are provided to them in all discretion, we will not know more.

PANETTA begins by clarifying the definition of wholesale CBDCs

- ✓ *First, there is confusion around the term "wholesale." The wholesale CBDC refers to the settlement of interbank transfers and related wholesale transactions in the central bank's reserves.*
- ✓ *Second, there is a common misconception that wholesale CBDCs do not yet exist.*
In fact, central bank money has been available in digital form for wholesale transactions between banks for decades.
- ✓ *And in the future, new stakeholders could potentially take part in the wholesale settlement chain using new technologies such as DLT.*

February 2023 Page 16 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

Then, he evokes the modernization of CBDC wholesaling.

He recalls that national settlement systems have been harmonised with the TARGET, or Trans-European Automated Real time Gross settlement Express Transfer system, to allow real-time transfers of large amounts. In 1999, each central bank continued to use its own system, but by 2007 the **TARGET2** version had evolved into a true common platform thanks to the SWIFT network and its "Interlinking" connection.

The **TARGET system** was essential for the ECB to instantly create a single rate market in the Eurozone: the liquidity of some was used to satisfy the needs of others; for surpluses or deficits, it was and still is the ECB the final creditor or debtor of the system.

The **TARGET2-Securities** system is still very complex since it is first necessary to transfer the security from account to account and then update the system of guarantees attached to it, before validating this transfer as irrevocable. If you sell your car, the transaction can only be recorded by the buyer if four conditions are met:



- A certificate of non-pledge must be given to him (otherwise he runs the risk of being despoiled); •
The agreed payment must be made (therefore cashed) before becoming "irrevocable";
- The old vehicle registration certificate issued in your name must be cancelled and returned to the administration accompanied by an application for transfer of ownership;
- The new owner must pay taxes and administrative (transfer) fees.

These operations are currently carried out in five minutes but it is immediately clear that the TARGET2-Securities system could be faster if the **DLT (Distributed Ledger Technology)** procedure were applied.

In other words, each new security issued, and therefore each security in circulation, had to be identified in a "file of its own" with all the useful information: country, company, type, number, date, amount, list of all owners since creation, open and closed guarantees, ...

This operation is not simple because some companies may have issued several million different securities (shares, bonds,...) on several stock exchanges, and each security may be issued with different voting rights and/or privileges. The matter is complicated if the security in question has been put as collateral, or lent for a certain period.

The procedures for holding and transferring securities are so complex that the DLT technique, invented for the management of BTC, is clearly necessary. To go much further in the reflection, centralization is even proving to be of absolute utility to impose new rules on the financial markets.

Let's put it another way:

"Yes, another world is possible thanks to this BTC technology."

This is of course not the objective pursued by High Finance but we can give some "treacherous ideas" to the "European co-legislators".

High Finance "knows" what we mean, and it has already planned to abandon the implementation of these DLT

procedures:

✓ *"Indeed, the potential benefits of DLT can also be achieved by other means": fast payment systems – such as the Eurosystem's TIPS – prove that instant payments 24/7 do not require DLT. In addition, automated and conditional payments can also be initiated via application programming interfaces (APIs).*

✓ *These include initiatives to improve wholesale transactions using conventional technologies. For example, the interconnection of existing systems could improve the efficiency of multi-currency transactions".* **PANETTA develops "other solutions" less restrictive:**

✓ *create a bridge between market DLT platforms and central bank infrastructures.*

✓ *create a new DLT-based wholesale settlement service with DLT-based central bank money.*

Translation: the digital euro will be the chosen solution.

It will be more lax and opaque than BTC's DLT solution.

The advantage (for high finance) will be to create digital euros "ad nauseam": a solution totally opposed to the management of limited resources.

February 2023 Page 17 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

G. OCTOBER 14, 2022: 46TH IMF UNION –INTERNATIONAL MONETARY & FINANCIAL COMMITTEE

IMF Annual Meetings, IMFC Statement - Statement by Christine Lagarde

- Forty-sixth meeting of the International Monetary and Financial Committee
- Purpose: to take stock of all current events

The optimism of past times has disappeared: global growth, war in Ukraine, pandemic, global inflation, growing impoverishment and precariousness, economic activity, banking and financial stability of the euro zone, ... **No problem.**

The ECB "ensures" on all subjects "thanks" to the tightening of its monetary policy and the various supports of the States and the EU: support for the most vulnerable populations; international support for Ukraine and vulnerable countries; decarbonisation of the economy but concern for energy supply; green bond issues to combat climate change; involvement



of banks for "a proactive fight" against climate risks,

Christine also "assures".

She has to lie all the time, and she is unfazed.

Small passage on the subject of euro-crypto: the project of the BRI and its G20 is progressing at a good pace. ✓

On the digital economy, the ECB will continue to support and contribute to the G20 initiative to make international payments faster, cheaper, safer and more inclusive.

International payments increasingly inclusive? A Digital Economy (European project): for the people? ✓ *This requires improvements in various areas, including the interoperability of payment systems and the exchange of data across borders.*

The beautiful project must please the Americans, trained in the intelligence services.

✓ *And several legal issues need to be resolved, such as the harmonisation of cross-border regulations and controls as well as the oversight framework.*

Very reassuring, Christine! Euro-crypto is just "a small application of a domestic nature". ✓ *We have also just entered the second year of the survey phase of our digital assessment project. ✓ We are looking at key questions about the potential design and distribution of a digital euro, which would be a complement to cash, not a replacement.*

✓ *For the Eurosystem, the motivation behind the digital euro project is mainly domestic in nature.*

But, hey, colleagues know that the "Libra project" is in progress.

✓ *However, we recognize the benefits of discussing various issues at the international level, such as **multi-currency payments made in retail central bank (CBDC) digital currency** and the **potential effects of foreign users' access to the domestic CBDC** under specific conditions.*

No worries: the dollar system is not threatened, we will continue to cooperate.

✓ *In this regard, international cooperation on digital currencies will remain essential.*

H. TWO VERY DIFFERENT SPEECHES.

a) THE FIRST SPEECH IS ADDRESSED TO MEMBERS OF THE EUROPEAN PARLIAMENT.

- We need a Retail CBDC currency (for individuals)
- *"We don't know how it will work" but "everything we promise you already works"*
- It will not replace cash; *"In the meantime, we are reducing the number of ATM (cash machines) and increasing fees".*
- Euro-crypto will be anonymous (but not like cash since "we must fight money laundering") • Even if citizens have not understood well, the euro-crypto is (of course) a new currency (why?)
- Therefore, the European Union must "anchor" this new currency (*"we must sign guarantees in favor of the Banking Union"*).

February 2023 Page 18 on 23

***Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".***

b) THE SECOND SPEECH IS ADDRESSED TO THE WORLD OF FINANCE

The second speech is addressed to the World of Finance, at different levels.

- The BIS-ECB "reassures" small banks and cooperative banks with alarmist remarks against the "enemies of finance and security" (crypto-assets and especially stablecoins) but the words are "reassuring" for their future (no competition possible with bank deposits).
- The more "competent" the European public, the more openly the duo talks about the "Libra project", the great global project of META-FACEBOOK.
- In front of "the competent American public", the euro-crypto is presented as a "domestic project" (which will not

overshadow the dollar).

- And everywhere, it is necessary to "reassure" the PSP (Payment Service Providers) which are mostly American:

"No, the private bank card will not



disappear".

- But it is also necessary to encourage NFC (Near-Field Communication) providers because they are the ones who offer "the to-pay solution", presented as *"an unprecedented advance of the future digital euro"*.

IV.PRESS REPORTS

A. 19 DECEMBER 2021 - ECB BLOG - PANETTA

- The ECB's case for central banks' digital currencies

We are at the end of 2021, the project has been "launched" since 2014 and, on November 18, 2018, B. COEURE had already announced that Sveriges Riksbank was at the stage of project validation.

On October 2, 2020, Fabio PANETTA spoke before the ECON Committee of the European Parliament and announced the launch of a major survey of payment service professionals to ask them very oriented questions on the options to be retained.

a) "THE PRESS" ABSENT

The press was totally disinterested in this project, and therefore the general public was excluded. So here is a year later, Fabio PANETTA's "innocuous report", intended for the press and the general public. ✓ *"Just as the postage stamp has become less relevant with the advent of the internet and email, cash could lose its relevance in a digital economy."*

✓ *"Online sales have doubled since 2015."*

✓ *"But the role of cash is being challenged by digitalisation, while the emergence of new technologies is creating new opportunities for wholesale transactions."*

No reaction in the press.

✓ *"Some people argued that retail CBDCs would be redundant given the wide range of private digital payment*

options. In my opinion, the opposite is true."

No reaction in the press.

- ✓ "We are convinced that a euro is a euro, whatever its form, which allows payment systems to run smoothly and trade to circulate. [...]"

It is necessary: "an undisputed monetary anchor." (?)

No reaction in the press.

- ✓ "Indeed, history has shown us time and again that different forms of private money coexisting in the absence of sovereign money lead to crises."

No reaction in the press.

- ✓ "The challenge is different for wholesale CBDCs"... that "already exist".

"In the case of the Eurosystem, these are its target services: Target2 for wholesale payments, Target2-Securities (T2S) for securities settlement and Target Instant Payment Settlement (TIPS) for instant payments."

No reaction in the press.

February 2023 Page 19 on 23

Part III : Who says what about the euro-crypto? What is the "said"?

Before the introduction of a "Digital Euro".

b) FOUR QUESTIONS TO "THE PRESS"

Four questions to the press.

- 1- Why then do we need to create a digital euro, presented as "a new currency", since everything exists?
- 2- Why is it necessary for the European Union (and no longer the States) to give guarantees to the Banking Union (unspoken), i.e. to the TOP-50 of Finance, to "anchor" this currency?
- 3- How is it that the press agrees to give its discharge to such an assertion: our multiple crises are due to the "absence of sovereign currency"?
- 4- How is it that the announced priority of a "retail euro" becomes secondary?

**B.
13**



- Key objectives of the digital euro

a) NO REACTION FROM "THE PRESS"

- ✓ *"To ensure financial stability in the digital age, it is crucial that we all still have easy access to central bank money, which is the foundation of our currency. The digital euro can do just that."*

No reaction in the press.

- ✓ *"And the private sector has come up with its own payment solutions – for example cheque payments or cards – that are based on money from commercial banks, such as deposits. This is often referred to as "private money".*

No reaction in the press.

- ✓ *"An ecosystem payment system without a strong monetary anchor would create deep confusion."*

No reaction in the press.

- ✓ *"All this means that, if we want to preserve a stable and reliable payment system in Europe, we must preserve the role of central bank money in the digital age."*

No reaction in the press.

- ✓ *"We plan to complete the investigation phase of our digital euro project in autumn 2023. But some key principles are already clear."*

The banalities have all been repeated in the press: "users need it"; "those excluded from the system make it possible to benefit from it"; "The digital euro will respect privacy."

No reaction in the press.

- ✓ *"Otherwise, too many deposits from commercial banks could be transferred to the central bank..."*

No reaction in the press.

b) FIVE NEW QUESTIONS TO "THE PRESS"

Five (new) questions to the press.

1- How would the ECB be better equipped to ensure financial stability in the Eurozone when it has never been able to do so since the Maastricht Treaty?

Radio silence.

2- Why with a wave of a magic wand: are commercial banks no longer Monetary Financial Institutions? And why does the ECB suddenly speak of bank money as a "private currency"?

Radio silence.

3- What are Mrs. Lagarde's solutions to reduce dependence on American bank cards and PayPal?

Radio silence.

4- Why doesn't she talk about the alliance with META-FACEBOOK? And why doesn't "the press" ask her the question?

Radio silence.

5- Why should the digital euro be "anonymous" but reserved for "large deposits"? **Radio silence.**

As usual, "the press" doesn't even ask any questions.

February 2023 Page 20 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

V. SUMMARY

A. OFFICIAL DISCOURSE: "THE REQUIREMENTS" (PANETTA).

"The introduction of a digital euro for retail payments involves three considerations":

- ✓ *"We need a digital currency for retail payments": a new currency with pegs to central bank money."*

So, with state guarantees in addition.

- ✓ *"This could fundamentally change the role played by the banking sector in financing the economy, which will have implications for how we at the ECB implement monetary policy and support financial stability. We need to*

ensure that a digital euro, should it be introduced, is designed to contain these risks."

Small perfidy: the banks have received state guarantees of several trillion euros to fail in supporting financial stability.

And these few trillions more for the "digital euro" are intended to protect us?

✓ "The third



consideration is that a digital euro should be designed to meet public demand for digital payments, without disrupting or crowding out private payment solutions."

Clearly, we must spare our American friends, to the detriment of all the advantages announced.

The decision is not yet made but it is taken anyway!

Just read all our speeches... by knowing how to decode them.

B. THE REALITY IS QUITE DIFFERENT: THE BIS MAKES A MOCKERY OF THE "GENERAL PUBLIC". a)

HIGH FINANCE HAS CHOSEN TO JOIN FORCES WITH META-FACEBOOK, AND THIS IS NO COINCIDENCE.

✓ *"More than a quarter of the world's population are active Facebook users, which could give its Libra project a global footprint from the get-go."*

✓ *"How this international status evolves in the future remains in the hands of European policymakers." ✓ "A digital euro accessible to foreign users would reduce the cost of using our currency in cross-border payments and increase its suitability as a global invoicing currency."*

b) URGENCY? SIGN STATE GUARANTEES TO CREATE A NEW CURRENCY.

- High Finance knows perfectly well that the digital euro will certainly not be anonymous for citizens.
- It also knows that all 24/24 contactless payment solutions are already in use and connected either to (American)

bank cards already functioning as "wallets" for deferred credit cards, or to a "Chinese-style social credit" system.

c) GLOBAL HIGH FINANCE IS A FOLLOWER OF "MODERN MONETARY THEORY".

It is necessary to create "central money" permanently, and therefore to constantly increase "public debts" and "hidden debts" (state guarantees).

The little outline of "*Modern Monetary Theory for Insiders*" is explicit.

It was exhibited at the Central Bank of Finland on November 9, 2021.

But this new currency must be "anchored".

- ✓ *"Indeed, central bank money is a risk-free form of money that is guaranteed by the state: by its strength, its credibility, its authority."*

Without an anchor, the digital euro would be a "virtual currency like any other".

- ✓ *"Crypto-assets are not able to fulfill the three functions of a currency: means of payment, store of value and unit of account."*

February 2023 Page 21 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

C. FOR CITIZENS, THE NEWS IS NOT GOOD AT ALL.

a) PUBLIC DEBT WILL INCREASE FURTHER.

- ✓ *"Unfortunately, the recovery fund is temporary in nature and relatively small compared to the size of the European sovereign bond market."*

b) IT WILL STILL BE NECESSARY TO "SAVE (AGAIN AND AGAIN) THE EURO".

- ✓ *"In recent months, the ECB has deployed aggressive monetary policy measures to avoid fragmentation, dissipate tail risks in financial markets and stabilise the euro area economy."*

The digital euro could very quickly be used to save it (again and again).

- ✓ *The need for a digital euro is a fundamental and pressing issue ."*



Why is this so urgent?

Why a "big reset" on a global scale?

c) THE ANONYMITY OF PAYMENTS BY THE DIGITAL EURO IS A LURE

✓ "The digital euro would allow public authorities to fight more effectively against illegal activity" ✓ "This will drive innovation: the new form of money will provide intermediaries with a regulatory infrastructure capable of connecting currently separate systems, such as retail payment systems, digital **identity**, **digital signature** and **electronic receipts**."

d) WHAT IF ANONYMITY FOR INTERNATIONAL PAYMENTS WAS THE REAL GOAL?

Everyone knows that only physical currencies (coins, notes) are the only ones to preserve anonymity.

This "pressing" discourse on this issue of anonymity is not healthy: it implies that from now on cash transfers (large amounts) will be able to move freely (this is already the case) and anonymously.

In this case, the neo-liberal system would have totally won its bet: to give even more freedom to the powerful but control the monetary and financial movements of ordinary citizens.

D. THE LAST WORD FOR CHRISTINE LAGARDE.

We were treated to a last quote from C. LAGARDE to calm our curiosities about a "retail digital euro" which is not the real project of the BIS-ECB.

✓ As Rudi Dornbusch (distinguished macroeconomist) warned, "**In economics, things take longer to happen than you think, and then they happen faster than you thought.**"

Yes, the project will certainly not be the one presented by the BIS-ECB. It will even evolve very quickly once the European Parliament has signed the texts and granted its guarantees (renewable in perpetuity).

February 2023 Page 22 on 23

*Part III : Who says what about the euro-crypto? What is the "said"?
Before the introduction of a "Digital Euro".*

VI.CONCLUSION.

a) "WE'LL HAVE TO WAIT."

The real decisions will be revealed as soon as the European Parliament has given its agreement:

- to put in place the new laws, written by the BIS,
- and above all to sign European guarantees
- in favour of the new Banking Union (the TOP-50)
- who will be able to "play" with his new predatory tool.

b)



WHAT IF THE ECONOMIC AND MONETARY COMMISSION DID NOT WAIT?

An open letter was sent to the Presidency of the European Parliament, the ECON Committee and a large number of personalities from the economic, financial, media and political worlds.

**Clearly, the European Parliament
can't afford to open or live
a new scandal ?**

After:

- The launch of the euro at fictitious rates (Loss of Purchasing Power and Financial Wealth of citizens for more than 3,500 billion euros);
- The (false) "subprime crisis" (bailing out of High Finance by an increase in our Public Debts for more than 5,500 billion euros);
- The management of a pandemic in the context of a dilapidated state of our health systems (more than 4,000 billion in losses and attack on the freedom of movement of people); ➤ The discovery of significant loopholes in lobbying (a start) ...

At this stage, it is within the European Council (and its Eurogroup) that urgent governance reforms are needed.

**All these financial scandals,
related to the (bad) governance of the euro,
should never have existed.**

VII. ILLUSTRATION

Figure 1: Modern Monetary Theory for Insiders..... 13