

Should access to all Financial Markets be banned to High Finance (Euro Area)?

Part I: Financial Markets in billion of euro (end of 2010).

In February 2010, *LE MONDE DIPLOMATIQUE* published an article by Frédéric LORDON entitled: "*Should we close the stock exchange?*" : a successful balloon release in the French media landscape.

The arguments developed nevertheless had several major flaws, both in form and in substance, but the question raised was fully justified.

To elevate the debate, we ask a much broader question: "*Should we prohibit access to High Finance for all Financial Markets?*".

To understand the meaning of the question asked, you should know that:

- Bankers and insurers see financial markets as their invention;
- Financial markets are their favourite playground;
- Thanks to these markets, they claim that their "*financial industry*" is constantly making "*financial innovations*" that would be the basis of all human progress (?)

However, all of High Finance would have had to file for bankruptcy in 2008-2009 without the excessive state aid:

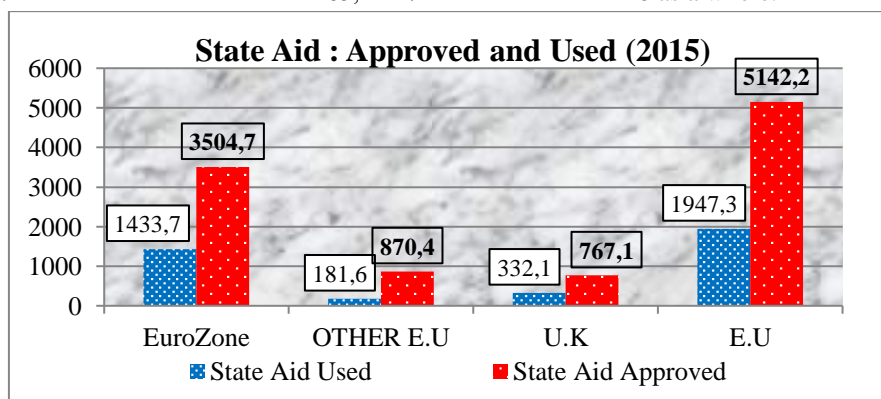
- On the one hand, this public aid to the financial sector will block growth and reduce jobs in Europe for a good ten years (in optimistic version);
- On the other hand, government aid to the financial sector has delayed the inevitable "big bang" of "derivatives". Clearly, the bunkers of the boat are always stuffed with explosives, ready to explode at the slightest drop of rain.

For the moment, High Finance has camouflaged these explosive products in all kinds of "financial vehicles" parked in its basements (bottom of the balance sheet and false accounts) and in the "refinancing vehicles" set up by the States (Caisse de Refinancement des Etablissements de Crédit, in France).

Meanwhile, the European Central Bank is refinancing commercial banks by taking over increasingly risky financial assets but it is playing the pyromaniac firefighter because High Finance uses this liquidity to play new casino games while waiting for the right time to speculate this time against its generous saviors, States.

Within the European Union, the real losses of High Finance required an irreversible bailout, estimated at 1,947.3 billion euros for the European Union (EU 28) and 1,433.7 billion euros for the Euro Zone (EU 19) between the end of September 2008 and the end of September 2015.

The aid authorised at the end of September 2015 left a new potential for losses for both the EU-28 and the Euro Zone, so that the States (governments) had committed themselves at the end of September 2015 for a total (real and potential losses) of €3,504.7 billion in the Euro Zone and €5,142.7 billion for the EU-28 as a whole.



This gives an idea of the pumping of High Finance on the financial markets; hence the interest in assessing its importance, risks and blockages.

In reality, the more they monopolize these financial markets for their own benefit, the more the risks increase, and the more financial products they invent to "pass on" these risks to our Investment Funds and Pension Funds. When these "derivatives" explode in the hands of their holders, our pensions and savings will disappear.

FINANCIAL MARKETS IN THE EURO ZONE: KEY FIGURES.

What are these markets and how important are they?

First of all, the stock market is not the most important financial market but it is the one that our media and economists tell us about the most.

Here is the importance of all the so-called underlying financial markets in the euro zone at the end of December 2016:

- Stock exchange (listed shares): € 6,567.3 billion
- Securities other than Shares (Debt): €17,548 billion (all currencies and all issuers, resident or not)
- Foreign Exchange Market (ECB Net Position): +€159.0 billion
 - ECB Externe in foreign currency (net receivables in foreign currency): +€345.6 billion :
 - To Non-Residents: €327.9 billion
 - To Residents: € 27.1 billion
 - ECB's external position in euro (net liabilities in euro on non-residents):
 - To Non-Residents: -€186.6 billion
- Credit, Loans and Debt Holding Market: €20,525 billion
- TOTAL: €45,000 billion (44. 800 MD€ exactly).

These four markets are "underlying" in that all the financial assets issued and traded in them evolve almost permanently, positively and negatively, to the point of generating risks of loss and opportunities for gains, for issuers and holders alike.

The players in these markets have therefore created mirror markets to "ensure" these potential gains and losses: it is the role of the "derivatives" markets that we will analyze later.

Before asking the question: "*Should we close the stock exchange?*", it was already necessary to give the above information.

It was then necessary to detect the (possible) malfunctions and, finally, it was necessary to find the cause or causes of these malfunctions.

However, the primary cause of the dysfunctions of the financial markets is **the ABUNDANCE OF MONEY** made available to these markets.

Indeed, the abundance of money is both "**THE**" ENGINE:

- **A CONCENTRATION OF FINANCIAL RESOURCES** in the hands of High Finance
- **AND MALFUNCTIONS OF THESE MARKETS.**

Clearly, the abundance of money favors the concentration of financial resources (fewer and fewer actors) and the multiplication of risks but it is the management of risks (by increasingly sophisticated teams and tools that allows the **CONCENTRATION OF SPOILIATIONS AND WEALTH.**

The only downside: the abundance of liquidity also creates earthquakes (kraks) and tsunamis (submersions).

It is exactly this **SEARCH FOR CAUSALITY** that has not been done.

By subsequently analyzing the Market of Credits, Loans and Debt Holdings by Banks (MFIs), we will quickly understand that banks have become almost useless for the Collectivity because of the opportunities for **UNJUST ENRICHMENT** offered by these **FINANCIAL MARKETS.**

All these markets, underlying and derivatives, do not constitute "progress", and their exponential development is not good news: it means that the currency is too abundant, and increasingly concentrated in the balance sheets of very big players, "*too big too fail*" as they like to define themselves.

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Euro Area (19) - Statistical Databases: 31/12/2010

Update: 30/06/2017

And so, Mario DRAGHI, like all the clones of GOLDMAN-SACHS, creates more and more money, and the drug addicts are more and more optimistic:

"Let's go cheerfully!" ,
"Let's create debt markets" at all costs,
and *"Let's free the markets from any hindrance."*

For ordinary mortals, millennial empires never last a thousand years, but drug addicts believe themselves to be overpowered and eternal: this is the case in High Finance.

We are at the very roots of a **SYSTEM OF HIGH CORRUPTION**.

Clearly, we cannot "let it happen".

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For another Europe...
And (of course) for Another Euro...