

THE INVESTMENT BANKS INSTEAD OF A CULPRIT STAND IN THE MONEY OF THE AMERICAN AND EUROPEAN CONTRIBUTORS

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A FORECAST CONFIRMED BY MARK MOBIUS, THE USA AND THE EU WERE WRONG WHEN THEY SAVED THE BANKS FROM BANKRUPTCY! THE CONSEQUENCE: THE MAJOR CRISIS WE EXPERIENCE TODAY, THE SOVEREIGN DEBT CRISIS THAT THE ENTIRE WORLD NOW FACES, PARTICULARLY THE EU

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the title mentioned below was published in today's newspaper "Ziarul Financiar", which confirms an axiom I presented in March 2009 and January 2010, when I accused the American administration, run by President Obama, for having the wrong reaction to the financial crisis by compensating the creators of the crisis (i.e. the investment banks that created it) with public money. As a matter of fact, I also sent an open letter to the American President Obama at the time he noticed the mistake he made and tried, but without success, to bring the investment banks of Wall Street in the culprit stand. Here is the wording of my letter dated January 2010.

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The shocking declaration of Mark Mobius: The money printing press postpones the world collapse, it does not prevent it

The capitalism is not functional because governments are saving the greedy banks on the contributor's expense, says Mark Mobius, CEO of Templeton Asset Management. Franklin Templeton is one of the largest 20 asset managers in the world.

Banks and governments are equally guilty for the magnitude of the sovereign debt crisis. The former because they intoxicated the economies with complicated financial products in their pursuit of profits, and the latter because they are saving the banks from their own greed on the common people's expense, declared Mark Mobius, also called the Guru of the emerging markets in an interview for "Ziarul Financiar".

The sovereign debts crisis has thrown governments, economies and nations at the feet of the financial markets, the same markets that the states saved from collapse in the autumn of year 2008 when the deficit hole was enlarged by the trillions of dollars that were pumped into the markets as life buoy.

First Greece, the Italy and Spain; France and Germany didn't manage either to escape the faceless threat of the investors on the financial markets who impose larger and larger returns in order to buy bonds issued by these states and thus accept to finance their economies to avoid their collapse. To gain more time, the central banks are pumping again thousands of billion Euros into the markets, hoping to persuade the investors, while the governors are honestly promising drastic austerity measures in order to reduce their budgetary deficits and pay their debts. However, uncertainty and confusion are dominant.

"These are extremely difficult and confusing times for the common people and everybody is guilty for it: banks and governments equally. The basic structure of the financial system is vitiated and it got this way when the banks created and sold derivative products with unknown consequences on the system, which could cause extensive losses. The governments are guilty for having allowed the banks to develop such complicated and extremely opaque products, whose itinerary in the financial system is extremely difficult, if not impossible, to monitor", said Mark Mobius.

<http://www.zf.ro/burse-fonduri-mutuale/declaratie-soc-a-lui-mark-mobius-tiparnita-de-bani-amana-nu-impiedica-crahul-mondial-9004723>

Ziarul Financiar **10 March 2009 - 10:03**

"Basically, the anti-crisis plans, starting from the plan of President **Obama** and ending with that of the Prime Minister Boc, are leaning on encouraging consumption and on boosting lending, which is wrong, in my opinion", declared Ionel **Blanculescu** for [BUSINESS Magazin](#). He believes that, after the crisis, the consumption will be reduced by 30-40% and will never revert to the levels it used to reach in years 2005-2006.

OPEN LETTER TO THE PRESIDENT OF THE USA

Under the OBAMA administration, the USA are acting wrongly in solving the economic crisis

Thursday, 28 January 2010

As an economist, anonymous as compared to the international gallery of professionals in this field, I have been, since the beginning of your mandate, a fervent critic of the Anti-crisis Plan you supported; the main reason is that you maintained the toxic assets within the American financial institutions and, moreover and more importantly, you invested may hundreds billion USD from the American taxpayer's money in the banks who caused the financial crisis themselves.

Additionally, you encouraged the investment of public funds in consumption, to encourage it, failing to realize that you acted wrongly on the effect instead of the cause.

You were afraid of the principle "too big to fail", invoked by the authors of the financial crisis themselves, "dressed up" in all sorts of clothes, from Wall Street analyst to Wall Street banker, who thus became the managers and profiteers of the public funds that were meant to save the

banking & financial system.

In other words, the “headsmen” of the American banking & financial system, together with their supporters, have become the main characters of a cheap play, of an absurd play we might say, that was performed before the eyes of the international public opinion during the entire year 2009, pretending to be “saviors”, which we sadly notice today was an impossible thing to do, as they “squeezed” the money from the managed financial system even more than before the crisis.

But today, Mr. President, when through your offensive against those who are guilty of the unprecedented financial crisis, i.e. the banks, you actually admitted the failure of the original anti-crisis plan that was so much blamed by the ordinary American, which is only praiseworthy, I hereby confirm that you returned to a correct economic logic, as the reformation of the American financial & banking system is a necessity for the entire international economic environment, just like the extraction of the toxic assets from the banks. These should be transferred to specialized governmental financial institutions, like you did before during the period 1985-1991 on the occasion of another financial crisis not so serious as the current one, and like many other states of the world did, as it is seemingly the most efficient way to follow, ensuring even the transparency needed for a clear identification of those who are guilty of the current economic and financial crisis.

For this reason, Mr. President, I, as an anonymous economist, hereby support your demarche, encourage you when others blame you and think of you as an “anti-business man”, and I urge you to “Keep the right way!”

A Romanian economist

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