# …The Global Financial Lockdown

Dear Brethren,

It would be wise to read this report in toto. The facts the authors have in there are really very good. However, the timing may not be quite as accurate as they have stated because this will depend on many things. So, whatever your current financial status is, this could help you prepare for what's coming down the pike.

They're not going to do anything until they're pretty sure of the outcome, and we don't know what that will be, or when that will be.

Thank you,
Fred Coulter

# ICE–NINE (How the Elites plan to steal your Money) The Global Financial Lockdown

Sam Parker and Joe Mhlanga Feb 10, 2018

In a 1963 comedy novel, a scientist created a substance called ice-nine. Ice-nine was a poly morph of water, a rearrangement of the molecule H2O. Ice-nine has two properties that distinguish it from regular water. The first was that ice-nine was frozen at room temperature. The second was that when a molecule of ice-nine came in contact with a water molecule, the water molecule instantly turned to ice-nine. When ice-nine water was released into a large body of water, the entire water supply on earth – from rivers, lakes and oceans – would eventually become frozen solid and all life on earth would cease.

Ice-nine is a fine way to describe the power elite response to the next financial crisis. Instead of reliquifying the world, elites will freeze it. The system will be locked down.

Ice-nine fits with an understanding of financial markets as complex dynamic systems. An ice-nine molecule dies not freeze an entire ocean instantly. It freezes only the adjacent molecules. These new ice-nine molecules freeze others in ever-widening circles. The spread of ice-nine would be geometric, not linear.

Financial panics spread in the same way. It normally starts with a run on a small bank. The panic spreads until it hits Wall Street and starts a stock market crash. Today, panic starts in a computer system, which triggers pre-programmed sell orders that cascade into other computers until the system spins out of control. Risk managers use the word “contagion” to describe the dynamics of financial panic.

In a financial panic, printing money is a vaccine. If the vaccine proves ineffective, the only solution is quarantine. This means closing banks, stock and commodity markets, and money

market funds, shutting down ATMS, and ordering asset managers not to sell securities. Elites are preparing for a financial ice-nine with no vaccine. They will quarantine your money by locking it inside the financial system until the contagion subsides.

*Ice-nine is hiding in plain sight. Those who are not looking for it cannot see it. Once you know ice-nine is there, you see it everywhere.*

The elite ice-nine plan is far more ambitious than any plan before it. Ice-nine goes beyond banks to include insurance companies, industrial companies and asset managers. It went beyond orderly liquidation to include a freeze on transactions. Ice-nine would be global rather than case-by-case.

**Cyprus**

The best known cases of elites freezing customer funds in recent years were the Cyprus banking crisis in 2012 and the Greek debt crisis in 2015. In Cyprus and Greece, matters came to a head and banks blocked depositors from their own money. Cyprus was a conduit for Russian flight capital. Two leading banks, Laiki Bank and the Bank of Cyprus became insolvent. A run on the entire banking system ensued. Cyprus was a Eurozone member and used the euro as its currency. This made the crisis systemic despite the Cypriot economy's small size.

The Rothschilds formed a troika – the ECB, the IMF, and the EU – which drew a line over Cyprus. The Rothschilds had fought hard to preserve the euro in 2011, and did not want to see that work undone.

Banks were temporarily shut down. ATM machines were taken offline. A mad scramble for cash ensued. Laiki Bank was closed permanently; its depositors lost their money, along with shareholders and bondholders. The Bank of Cyprus was restructured by the government, where only a part of depositors' funds were converted into equity. Even shareholders and bondholders lost a large part of their holdings, and were given some equity in the bank in exchange for their losses.

The Cyprus model was called a "bail-in". Instead of bailing out depositors, the troika used depositors' money to recapitalize the failed banks. A bail-in reduced rescue costs to the troika, especially Germany.

Investors around the world shrugged and treated Cyprus as a one-off event. Depositors in more advanced countries forgot the incident and adopted an attitude that said, "It can't happen here". They could not have been more wrong. The 2012 Cyprus bail-in was the new template for global bank crisis.

A G20 summit of world leaders met in Brisbane, Australia in November 2014, shortly after the Cyprus crisis. A new regulator was established by the G20, and was not accountable to the citizens of any member country. This was the Financial Stability Board, or the FSB.

The FSB issued a report that provides the template for future bank crisis. The report says bank losses “should be absorbed by unsecured and secured creditors.” In this context “creditor” means depositor.

**Greece**

Greek sovereign debt was a persistent problem beginning in 2009 and the crisis ran hot and cold over the next 6 years. The crisis came to a head in July 2015, when Germany ran out of patience with the Greeks and presented a financial ultimatum, to which Greece finally agreed. It was not clear if the Greek banks would survive or whether depositors would be bailed in under the Brisbane rules. The banks had no choice but to shut down access to cash and credit until their status was clarified.

ATMs stopped providing cash to Greek cardholders. Greek credit cards were declined by merchants. The Greek economy reverted to cash-and-carry and barter overnight. Depositors now realized their money in the bank was not safe, and was actually a bank liability, and could be frozen at any time.

**The Elite’s New Rules**

The Brisbane G20 ice-nine plans were not limited to bank deposits. That was just a beginning. On July 23, 2014, the US SEC approved a new rule that allows money market funds to suspend investor redemptions. Now money market funds could act like hedge funds and refuse to return investor money. In the next financial panic, not only will your bank account be bailed-in, your money market account will be frozen.

Ice-nine gets worse.

**The War on Cash & Negative Interest Rates**

One solution to ice-nine asset freezes is to hold cash and gold coins. Cash consists of $100 bills, E500 notes, or Swiss Fr1000 notes. These are the highest denominations available in hard currency. Gold coins consist of various gold coins such as South African Kruger Rands, American Gold Eagles, Canadian Maple Leafs, or other widely available coins. Obtaining cash and coin in this fashion allows people to survive ice-nine account freezes. Global elites understand this, which is why they have started a war on cash. Eliminating cash helps the suppression of alternative markets.

The second reason for eliminating cash is to improve negative interest rates. Central banks are in a losing battle against deflation. Deflation occurs when the price of goods go down. This is because there is excess production capacity and consumer demand is down. Manufacturers reduce prices to sell goods and reduce wages, so labor costs are down. Overall effect is a reduction in prices. This is deflation – a banker’s worst nightmare. One way to defeat deflation is to promote inflation with negative real interest rates.

A negative real interest rate occurs when the inflation rate is higher than the nominal interest rates on borrowings. If inflation is 4 % and the cost of money is 3%, then the real interest rate is negative 1 % (3-4= -1). Inflation erodes the dollar's value faster than interest accrues on the loan. The borrower gets to pay back the bank in cheaper dollars. Negative real rates are better than free money because the bank pays the borrower to borrow. Negative real rates are a powerful inducement to borrow, invest and spend which feeds inflationary tendencies and offsets deflation.

Negative interest rates are easy to implement inside a digital banking system. The banks program their computers to charge money on your balances, instead of paying you. If you put $100,000 on deposit and the interest rate is negative 1%, then at the end of the year you have $99,000 on deposit. Part of your money disappears.

Savers can fight negative real rates by going to cash. So, negative real interest rates can work only in a world without cash. Savers must be forced into an all-digital system before negative interest rates are imposed. Large depositors have no recourse against negative interest rates unless they invest their cash in stocks and bonds. That's exactly what the elites want them to do. The elite drumbeat against cash and in favor of negative interest rates is deafening.

In South Africa, like many other parts of the western world, there is a concerted campaign by the banks to induce people to use their cards instead of cash. A variety of incentives are offered to the consumers. These take the form such as "cash back", or to "gain points " which can be redeemed at various stores, and similar variations. It is costing the banks a pretty penny, but what they lose now, would be gained many-fold when the crunch comes.

In June 2014, Mario Draghi, head of the Rothschild-controlled European Central Bank (ECB) imposed negative interest rates on euro-denominated balances held on deposit at the ECB by national central banks and major commercial banks. These banks quickly imposed negative interest rates on their own customers. These banks all took money from client's accounts under the umbrella of negative interest rates. Some banks charge a "service fee". Of course, a fee is the same as negative interest rates. You have less money in the account over time.

In January 2015, the Swiss National Bank imposed negative interest rates on Swiss sight deposits.

A year later, in February 2016, the Bank of Japan imposed negative interest rates on commercial bank deposits at the central bank.

In May 2016, former secretary of the treasury Larry Summers wrote an article In which he called for the elimination of the US $100 bill.

That same month the ECB announced it would phase out production of the E500 note.

In August of 2016, Kenneth Rogoff, former chief economist of the IMF, published a manifesto called the "*Curse of Cash*", an elite step-by-step plan to eliminate cash entirely.

The war on cash and the rush to negative interest rates are advancing in lockstep, two sides of the same coin.

Before cattle are led to slaughter, they are herded into pens so they can be easily controlled. The same is true for savers. To freeze cash and impose negative interest rates, savers are being herded into digital accounts at a smaller number of megabanks. Today, the 4 largest banks in the US (Citi, JP Morgan Chase, Bank of America, and Wells Fargo) are bigger than they were in 2008, and control a larger percentage of the total assets of the US banking system. These 4 banks were originally 37 separate banks in 1990, and were still 19 separate banks in 2000. What was too big to fail in 2008 is bigger today.

The ice-nine plan does not stop with savers. Ice-nine also applies to the banks themselves. In November 2014, the FSB issued proposals to require the 20 largest globally systemic important banks to issue debt that could be contractually converted to equity in the event of financial distress. Such debt is an automatic ice-nine bail-in for bondholders that require no additional action by the regulators.

A month later, US bank regulators imposed stricter capital requirements on the 8 largest US banks, by imposing a “capital surcharge”. Until big banks meet the capital surcharge requirement, they are prohibited from paying cash to shareholders in the form of dividends and stock buybacks. This prohibition is ice-nine applied to bank shareholders.

In that fictional novel, the ice-nine threatened every water molecule on earth. The same is true for financial ice-nine. If regulators apply ice-nine to bank deposits, there will be a run on money market funds. If ice-nine is applied to money market funds, the run will move to bond markets. If any market is left outside the ice-nine net, it will immediately become the object of distress selling when the other markets are frozen. In order for the elite plan to work, it must be applied to everything.

Not even trading contracts can escape ice-nine. Parties to a trade with a failed firm are normally frozen in place if that firm files for bankruptcy. This standstill rule is called an “automatic stay”, is designed to avoid a mad scramble for cash and securities that enriches some and disadvantages others. The automatic stay in bankruptcy gives courts time to fashion an equitable asset distribution. In May 2016, the Federal Reserve a new rule, whereby no creditor or counterparty can take advantage of other creditors in a bankrupt entity. This abandonment of early termination rights extends to the counterparties of the banks such as bond firms and asset managers. Big banks and institutional investors will now be treated the same as small savers when ice-nine is applied. They will be frozen in place.

The ice-nine solution even applies to countries. Nations can freeze investor funds with capital controls. A dollar investor in a non-dollar economy relies on the local central bank for dollars if she wants to withdraw her investment. A central bank can impose capital controls and refuse to allow the dollar investor to reconvert local currency and remit the proceeds.

In May 2016, David Lipton, a deputy managing director of the IMF made a speech in which he stated that destination countries for investors have to change their tax and banking rules to

discourage short-term debt and encourage equity and long-term bonds. In a liquidity crisis, equity and long-term debt are easy to lock down by closing brokers and stock exchanges. Any short-term debt can then be locked down with capital controls on countries.

Then we have the humble ATM. Consumers have been lulled into believing cash is readily available by swiping their bank cards at these cash machines. Is it really?

ATMs are programmed to limit withdrawals on a daily basis. If the daily limit is $1000, banks can easily program the machines to drop the limit to $300, enough for some food and petrol. It's even easier to turn off the machines, as happened in Cyprus in 2012 and Greece in 2015.

This overview shows stock exchanges can be closed, ATMs shut down, money market funds frozen, negative interest rates imposed, and cash denied, all within minutes. Your money may be like a jewel in a glass case at Cartier; you can see it but not touch it. Savers do not realize the ice-nine solution is already in place, waiting to be activated with an executive order, a few phone calls, and the tapping of a few computer clicks.

**House Closed**

A typical reaction to the ice-nine overview is that it seems extreme. History shows the opposite. Closed markets, closed banks, and confiscation have been a regular occurrence. A survey of financial panics in the past 110 years beginning with the Panic of 1907 shows banks and exchange closures with losses by depositors and investors are usual.

At the height of the panic, on November 3, 1907, J.P. Morgan (a Rothschild banker) organized a rescue fund. Banks that were sound were expected to join the rescue fund. Banks that were insolvent were allowed to fail. In between that were solvent but temporarily liquid were required to pledge assets for cash in order to meet depositors withdrawals. At no point was there any thought of bailing out every bank in New York.

It was expected that, in time, the panic would subside, deposits would return, and the pledges could be unwound at a profit to the rescuers. That is exactly what happened. The panic subsided by November 4. Still, many depositors were wiped out. Importantly, the panic was contained and did not spread to every bank in the city.

The rescue model used by Morgan was abandoned in the Panic of 2008. With the exception of Lehman Brothers, all major banks were bailed out without discrimination between the solvent and the insolvent.

The Brisbane G20 bail-in template can be seen as a return to the principles of J.P. Morgan. In the next crisis, there will be blood. Insolvent institutions will be permanently closed and losses more widespread.

Then there came the Panic of 1914, just when World War 1 broke out. This was followed by the Crash of 1929. The global financial system stabilized after 1933, then collapsed again in 1939, with the advent of World War 2.

The global financial system started to thaw in anticipation of an Allied victory in the war. The seminal event was the July 1944 Bretton Woods conference. An alternative to periodic panic and lock down is a system that is coherent, controlled, and rigorously rule based. This was the case under the Bretton Woods system from 1944 to 1971.

The international system of capital controls and fixed exchange rates overseen by Washington was complemented by a regime of financial repression. At the end of World War 2, the US debt-to GDP ratio stood at 120%. Over the next 20 years, Washington and the Fed engineered a monetary regime in which interest rates were kept artificially low and mild inflation was allowed to persist. Neither rates nor inflation surged out of control. This low inflation was barely noticed by the public.

Financial repression is the art of keeping inflation slightly higher than interest rates for an extended period. The old debt burden melts from inflation while new debt is constrained by low rates. Just a 1% difference between inflation and rates cuts the real value of the debt by 30% in 20 years. By 1965, the US debt-to-GDP ratio was down to 40%.

The dollar's value dropped so slowly that there seemed no cause for public alarm. It was like watching an ice cube melt. It happens, yet slowly.

There were few financial crises between 1945 and 1965. Russia and China were not yet integrated with the global financial system. Africa was barely a blip on the global scale. Emerging Asia had not yet emerged, and India's stagnant. Latin America was under US domination.

As long as oil flowed, only Europe, Japan, and Canada mattered to Washington, and they were locked in to the Bretton Woods system. No ice-nine solution was imposed because it already existed. The US controlled over 50% of the world's gold, as well as the dollar – the only forms of money that mattered.

Beginning in 1965, the Bretton Woods system began to wobble badly. The system suffered combined blows from US inflation, sterling devaluation, the costs of the Vietnam War, and a run on US gold. Washington refused to make structural changes or to revalue gold. Over the next 5 years many countries with surplus dollars began cashing them in for gold. A full-scale run on Fort Knox ensued.

In the most famous example of an ice-nine solution in the 20th century, President Nixon closed the gold window on August 15, 1971. It was no longer possible for US trading partners to exchange dollar reserves for gold at a fixed price. Nixon put up a "HOUSE CLOSED" sign for the world to see.

**The Money Riots**

The period from 1971 to 1980 in international finance is best described as chaotic. Equilibrium was disturbed. Values wobbled violently. In this brave new world of elastic money and zero

gold, ice-nine solutions were no longer needed. If panicked savers wanted their money back, there was no need to close the system – you could print money and give it back to them.

The ice-nine process had been reversed. With floating exchange rates, an ice age ended, and the world was awash in a sea of liquidity. There was no problem that could not be solved with low rates, easy money, and more credit.

Easy money did not end financial crisis; far from it. There was a Latin American debt crisis in 1982, a Mexican peso crisis in 1994 , an Asian – Russian financial crisis in 1997-98 , and the 2007-2009 global financial crisis. In addition, there were market panics in October 1987, in April-June 2000 and September 2001.

What was new was that none of these crisis involved widespread bank defaults or closures. Without a gold standard, money was now elastic. There was no limit to the liquidity central banks could provide through money printing, guarantees, swap lines, and promises of extended ease called forward guidance. Money was free, or nearly free, and available in unlimited quantities.

This new system was not always neat and tidy. Investors suffered losses on their real value of their principal in the 1870s and 1980s. Still, the system itself stayed afloat. Washington solved the Latin American debt crisis by issuing bonds. The IMF and the FED provided rescue funds in the 1997-98 crises. The crisis began with the Thai currency in July 1997. The IMF gave emergency loans to Korea, Indonesia, and Thailand in the first phase of that global liquidity crunch.

The crisis eased off by May 1998, then burst into flames in August. Russia defaulted on its debts and devalued the ruble. The IMF prepared a financial firewall around Brazil, and then looked as the next domino to fall.

The world was shocked to learn the next domino was not a country, but a hedge fund – Long Term Capital Management (LTCM). The IMF had no authority to bail out a hedge fund. The task was left to the Federal Reserve Bank of New York (the FED), which supervised the banks that stood to fail if LTCM defaulted. A month later, in September 1998, the Fed cobbled together a $4 billion bailout to stabilize the fund. Once the bail-out was closed, the FED assisted banks with an interest rate cut, the next day.

Bond markets got the message, and normalized. The Dow Jones went up by nearly 5 %.

The new practice of papering over recurrent crisis peaked in October 2008, when Washington guaranteed every bank deposit and money market fund in America. The FED printed trillions of dollars to prop up American banks and arranged tens of trillions of dollars of currency swaps with the ECB. The ECB needed those dollars to prop up the European banks.

Unlimited liquidity worked. The storm passed, markets stabilized, economies grew, and asset prices reflated. By 2016, the policy of flooding the world with liquidity was widely praised.

Extraordinary policy measures used in 2008 had mostly not been unwound by 2017. Central bank balance sheets were still bloated. Swap lines from the FED to the ECB were still in place. Global leverage had increased. Sovereign debt-to-GDP ratios were higher. Losses loomed in sovereign debt, junk bonds, and emerging markets. Derivatives passed the one quadrillion (one thousand trillion) in notional value – more than 12 times global GDP.

Global elites gradually realized their monetary ease had simply spawned new bubbles rather than affording a sound footing. The stage was set for another collapse and the elites knew it. Now they doubted their ability to run the same playbook.

The FED expanded its balance sheet from $800 billion to $4.3 trillion by 2015 to quench the 2008 crisis. What would it do the next time? A comparable percentage increase would leave the balance sheet at $20 trillion, equal to the GDP of America.

Other central banks faced the same dilemma. Their hope had been that economies would resume self-sustained growth at potential output. Then central banks could withdraw policy support and go to the sidelines. That didn't happen. Instead growth stayed weak. Markets looked to central banks to keep the game going with easy money. Seven years of complacency had lulled markets to sleep regarding risks of leverage.

By early 2014, elites began to sound the alarm. The Bank of International Settlements (BIS) is the central bank for the globes many central banks. It is the mother of central banks. And it is a Rothschild entity. The BIS began to issue many warnings. A financial think tank in Geneva offered this shocking synopsis:

" – – – the global economy is not yet on a deleveraging path. Indeed, the ratio of global total debt over GDP has kept increasing and breaking new highs." The report referred to the impact of excessive debt on the world economy as "poisonous."

These warnings emerged in 2014 as it became clear monetary ease would not restore growth. This first wave of warnings was followed by more explicit warnings in annual reports and meetings for subsequent years. Expansion of leverage, asset values, and derivatives volumes continued unabated.

The warnings were not for investors, most of whom are not familiar with the agencies involved and the technical jargon used. These warnings were intended for the small number of elite experts who read them. Elites were not warning everyday citizens; they were warning one another.

The BIS, IMF, G20, and other international monetary agencies were issuing warnings to a small group of finance ministers, sovereign wealth funds, banks and private funds such as Blackrock. They were given time to adjust their portfolios and avoid losses that would overtake the small investor. The elites were also laying a foundation so when crisis struck they could credibly say, "I warned you". This despite the fact that most investors scarcely knew of the warnings when they were sounded. This foundation makes it easier to enforce the ice-nine solution. Because investors ignored clear warnings, they would have no one to blame but themselves.

By late 2016, the stage was set. Systemic risk had grown to alarming levels. The symptoms were seen in the financial systems of the US, Europe, Japan, and China. The ice-nine apparatus was ready to seize the largest global banks, freeze money market funds, close exchanges, limit cash, and order money managers to suspend redemptions by clients. **THE GLOBAL FINANCIAL SYSTEM WOULD BE LOCKED DOWN!**

Only one question remained. Would ice-nine work? There was no doubt about government's capacity to impose ice-nine. Still, would citizens give in as they had previously, or would there be a descent to disorder? If money riots broke out, authorities in the western world were prepared for that too.

The US has been under a state of emergency since September 14, 2001. The state of emergency grants the American president extraordinary powers, including martial law. Similar laws have been passed in Canada, Europe, Australia, New Zealand, Japan, and India. This is not the stuff of conspiracy theorists.

The use of these emergency powers and martial law is a more coercive version of the ice-nine plans to freeze accounts in place. Ice-nine is intended to buy time and restore calm while elites work on plans to allocate losses and reliquify the system. If events spin out of control faster than elites expect, more radical measures may be needed. Such measures may involve property confiscation. If resistance is encountered, martial law backed up by militarized police will carry out the orders of the head of state.

Emergency powers will not be used in a containable financial crisis of the kind we saw in 1998 and 2008. Yet that is not the kind of crisis we are facing. The next financial crisis will be exponentially larger, and impossible to contain without extraordinary measures.

As the next crisis begins, and then worsens, measures described here will be rolled out, one by one. First comes asset freezes and exchange closures. Then confiscation backed up by armed force. The question arises – will everyday citizens stand for it?

During the 1997-98 global financial crisis, riots in Indonesia and Korea left many dead. There was blood in the streets. Since the 2008 financial crisis, there have been violent protests in Greece, Spain and Cyprus that have resulted in many deaths. In the next crisis, as confiscatory solutions are employed, the popular response is likely to involve resistance.

Elites are prepared for this also.

Washington has a classified plan for continued operations of the government during attack, financial collapse, or natural disasters. This combination of emergency facilities and powers means that the US government is ready for a catastrophe. The American people are not. And exactly the same sort of emergency facilities and emergency powers have been put into place by all the western governments – and done very quietly.

A global financial crisis, worse than any before is imminent. A liquidity injection of the kind seen in 1998 and 2008 will not suffice because central bank balance sheets are stretched. There

will be little time to respond. Ice- nine account freezes will be used to buy time, but investors will grow impatient with ice-nine. They will want their money back. The money riots will begin.

Governments would not go down without a fight. The response to money riots will be confiscation and brute force. Governing elites will be safe in their heavily guarded mountain, or island retreats, or heavily fortified gated communities.

No doubt about it, a global financial lock down will be followed by blood in the streets.  There is no force on earth that can stop the desperation of a hungry stomach. Are you ready for this? Are you making preparations for this?

**Source**: https://behind-the-news.com/ice-nine-how-the-elites-plan-to-steal-your-money-the-global-financial-lockdown/