

Contagion: US Banking Woes, and the Rise of the Great Reset

Conversations with Peter Koenig and Dr. Jack Rasmus

By [Peter Koenig](#), [Michael Welch](#), and [Dr. Jack Rasmus](#)

Global Research, April 28, 2023

Region: [Europe](#), [USA](#)

Theme: [Economy](#), [GLOBAL RESEARCH NEWS HOUR](#)

All Global Research articles can be read in 51 languages by activating the “Translate Website” drop down menu below the author’s name or on the top banner of our home page (Desktop version).

Visit and follow us on Instagram at [@crg_globalresearch](#).

“So the problem is that the 2009 crisis wasn’t a systemic crisis, but now, the rising interest rates have created a systemic crisis because the Federal Reserve, by saving the banks’ balance sheets by inflating the prices for capital assets, by saving the wealthiest 10% of the economy from losing any of their money — by solving that problem they’ve boxed themselves into a corner.

“They cannot let interest rates rise without making the entire economy look like Silicon Valley Bank. Because that’s the problem. The assets the banks hold are stuck.”

– Michael Hudson (March 15, 2023) [1]

LISTEN TO THE SHOW

[Click to download the audio \(MP3 format\)](#)

As Silvergate Capital and Silicon Valley Bank were beginning to recede in the rear view mirror, the second shoe has finally dropped in the continuing financial bank crisis.

First Republic Bank has now seen its stock decline by 60% this past week following news that in the past month, depositors had withdrawn more than \$100 billion. The bleed was shored up partially following the deposits of \$30 billion in uninsured deposits by the big banks. [2]

The San Francisco banks intend to sell off unprofitable assets and has just laid off 25% of its workforce, roughly 7,200 employees by the end of the year. [3]

This is a signal that the failures that resulted in early March are not over. And that this latest catastrophe is probably not the last.

The banks typically have less money in their reserves than they lend out at any given time. This worked adequately except in the early thirties when financial times were so devastating that people began run-on-banks, quickly harvesting their own reserves before reserves were withdrawn by other depositors leaving the people behind penniless. Five thousand bank failures resulted then, persuading the Roosevelt administration to bring in the Glass-Steagall Act of 1933 bringing in regulation to thwart the corruption and insider trading permitting such processes. [4][5]

Of course, Glass-Steagall was repealed in 1999 under President Clinton, and other initiatives like Dodd-Frank have since been advanced leaving the board more or less back in 1930s shape again! [6]

But, what if there is more to this than '30s style greed? What if this is setting the stage for continuing down the path of engineering the destruction of the financial systems in Asia, Latin America and Eastern Europe to the benefit of the key players within Wall Street? What if it's continuing even within the United States itself as part of the "phase two" of the pivotal "post-COVID" 2020-2023 Great Reset? These are some of the questions we will attempt to get answers to in the latest chapter of the Global Research News Hour. [7]

In the first half hour of the program, we talk with geopolitical activist Peter Koenig about his own review of the World Economic Forum (WEF), their plans to revise the entire world in over 200 different areas through the "Great Reset," and of a WEF insider boasting about setting the bank failures in motion. He also mentions the "systemic bank" Credit Suisse in Switzerland and how it is linked with the American banks. This is followed by our second half hour featuring economic teacher and journalist Dr. Jack Rasmus providing the fundamentals behind what has happened to the major banks and what is bound to transgress in the months ahead.

Peter Koenig is a geopolitical analyst and a former Senior Economist at the World Bank and the World Health Organization (WHO), where he worked for over 30 years around the world. He lectures at universities in the US, Europe and South America. He writes regularly for online journals and is the author of [Implosion – An Economic Thriller about War, Environmental Destruction and Corporate Greed](#); and co-author of Cynthia McKinney's book "When China Sneezes: From the Coronavirus Lockdown to the Global Politico-Economic Crisis" (Clarity Press – November 1, 2020).

Peter is a Research Associate of the Centre for Research on Globalization (CRG). He is also a non-resident Senior Fellow of the Chongyang Institute of Renmin University, Beijing.

Dr. Jack Rasmus is author of the books, 'Central Bankers at the End of Their Ropes', Clarity Press, 2017 and 'Alexander Hamilton and the Origins of the Fed', Lexington Books, 2020. Follow his commentary on the emerging banking crisis on his blog, <https://jackrasmus.com>; on twitter daily @drjackrasmus; and his weekly radio show, Alternative Visions on the Progressive Radio Network every Friday at 2pm eastern and at <https://alternativevisions.podbean.com>.

(Global Research News Hour Episode 389)

LISTEN TO THE SHOW

[Click to download the audio \(MP3 format\)](#)

The [Global Research News Hour](#) airs every Friday at 1pm CT on [CKUW 95.9FM](#) out of the University of Winnipeg. The programme is also podcast at [globalresearch.ca](#).

Other stations airing the show:

CIXX 106.9 FM, broadcasting from Fanshawe College in London, Ontario. It airs Sundays at 6am.

WZBC 90.3 FM in Newton Massachusetts is Boston College Radio and broadcasts to the greater Boston area. The Global Research News Hour airs during Truth and Justice Radio which starts Sunday at 6am.

Campus and community radio [CFMH 107.3fm](#) in Saint John, N.B. airs the Global Research News Hour Fridays at 7pm.

CJMP 90.1 FM, Powell River Community Radio, airs the Global Research News Hour every Saturday at 8am.

Caper Radio CJBW 107.3FM in Sydney, [Cape Breton](#), Nova Scotia airs the Global Research News Hour starting Wednesday afternoon from 3-4pm.

[Cowichan Valley Community Radio CVCV 98.7 FM](#) serving the [Cowichan Lake](#) area of Vancouver Island, BC airs the program Thursdays at 9am pacific time.

Notes:

1. <https://www.globalresearch.ca/why-3-us-banks-collapsed-1-week-economist-michael-hudson-explains/5812286>
2. Michelle Chapman (April 26, 2023), 'First Republic shares sink again, down nearly 60% in week', [Associated Press; https://nationalpost.com/pmn/news-pmn/shares-of-first-republic-bank-continue-to-slide](https://nationalpost.com/pmn/news-pmn/shares-of-first-republic-bank-continue-to-slide)
3. *ibid*;
4. <https://www.encyclopedia.com/history/encyclopedias-almanacs-transcripts-and-maps/banking-crisis-1933#:~:text=A%20nationwide%20panic%20ensued%20in%201933%20when%20bank,worsened%2C%20businesses%20failed%2C%20and%20workers%20lost%20their%20jobs.>
5. <https://www.globalresearch.ca/global-financial-meltdown-sweeping-deregulation-of-the-us-banking-system/10588>
6. <https://www.globalresearch.ca/warning-silicon-valley-bank-collapse-prelude-much-worse-come/5812171>
7. <https://www.globalresearch.ca/global-financial-meltdown-sweeping-deregulation-of-the-us-banking-system/10588>

The original source of this article is Global Research

Copyright © [Peter Koenig](#), [Michael Welch](#), and [Dr. Jack Rasmus](#), Global Research, 2023

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Peter Koenig](#),
[Michael Welch](#), and [Dr. Jack Rasmus](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca