

Libor Is Not the Only Manipulated Economic Number: Core Economic Figures Twisted and Manipulated

By [Washington's Blog](#)

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Many Other Core Economic Figures Manipulated As Well

The Telegraph [noted](#) Monday:

[Bank of England executive] Paul Tucker told MPs that Barclays' abuse of the Libor system may be only one part of the banks' dishonesty over crucial financial information, suggesting that other markets should now be investigated.

An official inquiry into Libor – which helps determine interest rates for householders and businesses – should be broadened to include several over markets where banks are trusted to report their own data, he said.

The Libor scandal could be repeated in a number of other “self-certifying” markets where prices are determined, he said.

“Self-certification is clearly open to abuse, so this could occur elsewhere,” he said.

A Financial Services Authority inquiry into Libor should be extended to other self-certifying markets, he said. The Treasury said last night that the review, led by Martin Wheatley, was free to examine markets other than Libor.

An expansion of the FSA review could take in a number of other interest-rate-related data as well as some complex financial instruments measuring the difference between banks' borrowing costs and that of the US government. [i.e. the [Ted spread](#)]. Some markets in gold and oil are also based on self-certification.

Mainstream commentators are starting to publicly discuss manipulation in the precious metals markets. See [this](#), [this](#) and [this](#).

Avery Goldman [noted](#) last year:

On March 15, 2011, the Commodity Exchange (COMEX) and the New York Mercantile Exchange (NYMEX) advised the CFTC that they had [approved](#) J.P.

Morgan's application to become a licensed vault facility, using a "self-certification" process. The newly licensed vault, located at 1 Chase Manhattan Plaza, NY, NY, is ready to roll as both "weighmaster" and depository, for delivery of gold, silver, platinum and palladium contracts, as of March 17, 2011, [two days later](#)."

ETFs, bullion banks, storage facilities and other holders of gold that are "self-certifying" – without any checks by third party auditors – [have been caught misreporting and raiding](#) even *allocated* precious metals accounts, and using the loot to speculate or pay off other debts.

As such, manipulation in the self-certifying portions of the oil and gold markets could have a huge impact on assessing the true health of financial institutions, the economy as a whole, and the [assets of individual investors](#).

There have also been allegations that the self-certifying derivatives indicator – iSwap – has been massively manipulated. See [this](#) and [this](#).

Indeed, given the [massive fraud](#) committed by the big financial players over the course of many years – and the sheer [scope](#) and [audacity](#) of the Libor scam – it is safe to assume that *most* self-certifying markets are gamed.

Postscript: Of course, even when there are third-party auditors, [many](#) of them [are in on the fraud](#) as well.

And many accuse government personnel of inaccurate reporting concerning such fundamental numbers as [unemployment](#), (and see [this](#) and [this](#)), [bank debts](#), [inflation](#), [gpd](#), and [money supply](#).

Indeed, the [U.S.](#) and [British](#) governments seem to have encouraged interest rate manipulation.

The problem is not just giant, corrupt corporations. Nor is it just giant, corrupt government. It is the the [malignant symbiotic relationship](#) between government and corporations against which [people worldwide are struggling](#).

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