

Addressing Too Big To Fail – State Owned Bank, The Bank of North Dakota

No entity is too big to fail this is a misconception touted by governments and their banking buddies to ensure they all get a free ride, capital gains and socialised losses.

Any other business that engages in commerce that fails, fails there is no hand out. My concern is that the depositors who have their savings in the bank will be forced to bail out the bank at their expense. This confiscation of wealth that would have otherwise been used in the everyday economy to the benefit of the economy and the enjoyment of the individual will have “evaporated” – or in the case of the banks, a transfer of wealth to them in the form of bonuses despite their failure.

The only 2 solutions are either glass steagall or preferably a state owned bank that has no dealings in speculative banking. A prime example of this model is The Bank of North Dakota.

It is sad that the government hasn't made their citizens aware that depositors are actually unsecured creditors, and that the governments guarantee to back the depositors is not sufficient to back all their citizens. This knowledge would allow citizens to make an informed decision on where to put their savings, this would lead to a bank run but would set a precedent to what services the banks should offer.

This is brief I don't have time to write a full report. See links of North Dakota below

<http://www.ilsr.org/rule/bank-of-north-dakota-2/>

<http://www.yesmagazine.org/new-economy/the-north-dakota-miracle-not-all-about-oil>