

# Big Banks Use the Shadow Banking System to Commit Massive Accounting Fraud

By [Washington's Blog](#)

Theme: [Global Economy](#)

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## Staggering Levels of Fraud For Years On End ...

The shadow banking system is [bigger now](#) than when the financial crisis started.

Not only does that e [destabilize the economic system](#), but it allows for [pervasive fraud](#).

As Max Keiser explains, massive fraud has *continuously* taken place over many years ... as banks [shift their liabilities](#) into the shadow banking system during audit time - with the help of [accounting firms](#) and [the government](#) - and then bring them back onto the books as soon as the auditor leaves:

At the end of the quarter - when they're supposed to report to regulators their balance sheet, the liabilities and assets that they have - they will temporarily put all of the liabilities ... they'll park them in the shadow banking system.

In other words, they won't report the liabilities ... therefore making their profits look greater than they are.

And then when the regulators move on to the next company, they download the liabilities once again. And **they do this on a quarter by quarter basis**.

This is done by **all of the Fortune 1,000 companies**. They're engage in massive accounting fraud to cook their books.

These 4 remaining big accounting firms are involved day in and day out with massive accounting fraud.

And see [this](#) and [this](#).

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