

## JP Morgan Behind Madoff Ponzi Scheme? Pays \$2 Billion to Avoid Investigation and Prosecution

By [Washington's Blog](#)

Global Research, January 06, 2014

[Washington's Blog](#)

Region: [USA](#)

Theme: [Global Economy](#), [Law and Justice](#)

Bernie Madoff has said all along that [JP Morgan knew about - and knowingly profited from - his Ponzi schemes](#).

So JP Morgan has agreed to pay the government [\\$2 billion to avoid investigation and prosecution](#).

While this may sound like a lot of money, it is *spare sofa change* for a big bank like JP Morgan.

It's not just the Madoff scheme.

As shown below, the big banks - [including JP Morgan](#) - are manipulating *virtually every market* - both in the financial sector and the [real economy](#) - and breaking [virtually every law on the books](#).

Here are just some of the recent improprieties by big banks:

- [Laundering money for terrorists](#) (the HSBC employee [who blew the whistle](#) on the banks' money laundering for terrorists and drug cartels says that the giant bank is still laundering money, saying: "[The public needs to know that money is still being funneled through HSBC to directly buy guns and bullets to kill our soldiers .... Banks financing ... terrorists affects every single American.](#)" He also said: "[It is disgusting that our banks are STILL financing terror on 9/11 2013](#)". And [see this](#))
- Financing [illegal arms deals](#), and funding the manufacture of [cluster bombs](#) (and see [this](#) and [this](#)) and other arms which are banned in most of the world
- Handling money for [rogue military operations](#)
- Laundering money for drug cartels. See [this](#), [this](#), [this](#), [this](#) and [this](#) (indeed, [drug dealers kept the banking system afloat](#) during the depths of the 2008 financial crisis). A whistleblower said: "[America is losing the drug war because our banks are \[still\] financing the cartels](#)", and "[Banks financing drug cartels ... affects every single American](#)". And [see this](#).)
- Engaging in mafia-style big-rigging fraud against local governments. See [this](#), [this](#) and [this](#)

- Shaving money off of virtually every pension transaction they handled over the course of decades, stealing collectively billions of dollars from pensions worldwide. Details [here](#), [here](#), [here](#), [here](#), [here](#), [here](#), [here](#), [here](#), [here](#), [here](#), [here](#) and here
- Manipulating [aluminum and copper prices](#)
- Manipulating [gold prices](#) ... on a [daily basis](#)
- Charging “storage fees” to store gold bullion ... [without even buying or storing any gold](#) . And [raiding allocated gold accounts](#)
- Committing massive and pervasive fraud [both when they initiated mortgage loans and when they foreclosed on them](#) (and [see this](#))
- Pledging the *same* mortgage *multiple* times to *different* buyers. See [this](#), [this](#), [this](#), [this](#) and [this](#). This would be like selling your car, and collecting money from 10 different buyers for the same car
- [Cheating homeowners](#) by gaming laws meant to protect people from unfair foreclosure
- Committing [massive fraud](#) in an \$800 trillion dollar market which effects everything from mortgages, student loans, small business loans and city financing
- Manipulating the [hundred trillion dollar derivatives market](#)
- Engaging in insider trading of [the most important financial information](#)
- Pushing investments which they knew were terrible, and then betting against the same investments to make money for themselves. See [this](#), [this](#), [this](#), [this](#) and [this](#)
- Engaging in unlawful “[frontrunning](#)” to manipulate markets. See [this](#), [this](#), [this](#), [this](#), [this](#) and [this](#)
- Engaging in unlawful “Wash Trades” to manipulate asset prices. See [this](#), [this](#) and [this](#)
- [Manipulating corporate bonds](#) through derivatives schemes
- [Otherwise](#) manipulating markets. And see [this](#)
- Charging veterans [unlawful mortgage fees](#)

- Helping the richest to [illegally hide assets](#)
- [Cooking their books](#) (and see [this](#))
- [Bribing](#) and [bullying](#) ratings agencies to inflate ratings on their risky investments
- [Violently cracking down on peaceful protesters](#)

The executives of the big banks invariably pretend that the hanky-panky was only committed by a couple of low-level rogue employees. But studies show that [most of the fraud is committed by management](#).

Indeed, one of the world's top fraud experts – professor of law and economics, and former senior S&L regulator Bill Black – says that most financial fraud is “control fraud”, where the people who own the banks are the ones who implement systemic fraud. See [this](#), [this](#) and [this](#).

The failure to go after Wall Street executives for criminal fraud is the [core cause of our sick economy](#).

And experts say that all of the government's excuses for failure to prosecute the individuals at the big Wall Street banks who committed fraud are [totally bogus](#).

The big picture is simple:

- The big banks manipulate every market they touch
- Too much interconnectedness [leads to financial instability](#)
- The government has given the banks [huge subsidies](#) ... which they are using for [speculation](#) and [other things](#) which don't help the economy. In other words, propping up the big banks by throwing money at them doesn't help the economy
- Top [economists, financial experts and bankers say](#) that the big banks are too large ... and their very size is threatening the economy. They say [we need to break up the big banks](#) to stabilize the economy
- The big banks [own the D.C. politicians](#) ... so Congress and the White House won't do anything unless the people *force* change

The original source of this article is [Washington's Blog](#)  
 Copyright © [Washington's Blog](#), [Washington's Blog](#), 2014

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

[Become a Member of Global Research](#)

Articles by: [Washington's Blog](#)

**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](mailto:publications@globalresearch.ca)  
[www.globalresearch.ca](http://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](mailto:publications@globalresearch.ca)