

**Episode 2,372: The Banks vs. Dissenters**

**Guests: Dominic Frisby**

**WOODS:**  So, let's talk a little bit about something that's happened recently, and then there's an American counterpart that I want to tell you and listeners about. Some of the listeners might know about it, but we're talking about Nigel Farage and what's happened to him with regard to his bank accounts.

I wrote a little something about this in my email newsletter, and I am curious to get your thoughts about it. Because what they're trying to claim is that – well, you can tell people who Farage is. I mean, basically what they need to know is that he is the public figure probably most strongly associated with Brexit.

And the claim is that he had insufficient funds in his accounts or whatever it is, but the internal report on the whole situation drafted by the bank contradicts this. So, it's not that. It may in fact be the obvious reason we all know it is. So, what's the story here?

**FRISBY:** Well, this is an incredible story. And the implications of this story are enormous. And so, we'll start with – Nigel Farage banks with a bank called Coutts. Now, Coutts is one of the oldest, most glamorous banks in the UK.

It's where the queen banks, where the royal family have their bank account. And traditionally you could only get a bank with Coutts if you are introduced to them by an existing member. And to get a bank account with Coutts, you have to be very rich.

I don't know what the minimum requirements are, but it's at least £1 million or £2 million. But Coutts have a long history of sort of turning a blind eye to people who don't have that kind of money but who already have accounts with them.

So, for example, my mother banks with Coutts. And she has banked with them for many, many decades, and she has a good relationship with them, and she doesn't have that £2 million minimum figure.

And Farage has banked with Coutts since 1980. He used to be a metals trader in the city before he got into politics. And also his brother banks with them. And traditionally, say you're from a rich family. The whole family will bank with Coutts.

So, that might mean that some son or a grandson or something doesn't have the required amounts of money, but because his family have always banked with Coutts, Coutts can turn a blind eye to it. And so, it's a very posh elite UK bank.

And it's the sort of thing that the UK is famous for. If you've ever watched Downton Abbey or something like that. You imagine the aristocratic family in Downton Abbey would have banked with Coutts. It's that kind of bank.

And then suddenly, for no apparent reason, about a month ago, Farage got a letter from them saying his bank account had been closed and it was because he didn't have sufficient funds. And Farage came out and told that story.

And Coutts then reported to the BBC (which is our national broadcaster) that the reason that Farage was debanked was that he had insufficient funds. Now, I don't know how rich Nigel Farage is, but you can assume he's got a lot of money.

He has a successful TV show. He has his own investment newsletter that he's a part of, so he might have. And in any case, the reason he was given was that he had insufficient funds.

It seems that Coutts was monitoring all his social media, all the news stories surrounding him, and they compiled this 40-page dossier of reasons why Nigel Farage did not align with Coutts bank core values.

Now, you can be sure that there will be all sorts of dodgy Russians who got their money after the fall of communism, or whatever, in the land grab that took place then, perhaps some dodgy Africans or some dodgy people from the Middle East in the oil trade or something.

You can be sure that there are plenty of people more dodgy than Nigel Farage who have accounts with Coutts and who do not ally with Coutts's core values, whatever they are. We have a thing called – it's been named "Brexit Derangement Syndrome" and "Farage Derangement Syndrome".

And it's a bit like Trump Derangement Syndrome, where people just have this irrational hatred of Donald Trump, of Nigel Farage, of Brexit.

I think it derives from the fact that they are city, metropolitan, liberal elite types, and they can't reconcile the fact that their worldview does not tally with the worldview of the majority of the country.

So, Donald Trump won the general election in 2016. Farage won the Brexit vote for Britain. And there are people who just cannot stand the fact that the majority of British people did not want to be part of the greater administrative body that is the European Union.

And so, this derangement syndrome has evolved. And Farage being debanked, if you like, is a symptom of that. Coutts is run by metropolitan elite types, and they obviously hated the fact that Farage was with them and they wanted to get rid of him. And that's the truth of it.

In the last 24 hours, the head of Coutts has now had to resign. And I'm amazed that it's taken this long. And the board of Coutts is part of the NatWest Bank. That's the bigger banking group that owns Coutts. And I'm amazed that the board of the NatWest has stayed loyal to the Coutts CEO for this long.

But eventually yesterday she was forced out, she resigned. And Farage is saying that the whole NatWest board should go. And to be honest, he's probably right, because it's taken them this long and they can't see the evils of what's happened.

The British government has also (Rishi Sunak and the Cabinet) have also leant on the bank and said: *Look, this is wrong.* A bank is about providing banking services, and your worldview and your philosophy and your politics should have nothing to do with it.

If you've done something illegal, if you're involved in money laundering or something, then maybe the bank has a right to say *"No."* to your services.

But Farage was deplatformed, debanked, for siding with Novak Djokovic, for being friends with Donald Trump, for all those things which those metropolitan elite people could not stand. So, that's the basic story.

**WOODS:** Well, let me respond like this. I can anticipate what some, let's say, co-ideologists of mine looking at this situation might say. They might say: *This is all a terrible shame. But after all, Coutts is a private company and can do as it likes.*

Now, most people who make this kind of argument are left-liberals who would never dream of saying: *Oh, a bank wants to remove the accounts of a prominent black politician who championed civil rights? Well, you know, it's a private company.*

They would never speak that way. Never. They always trot out the, *"It's a private company."* thing when that private company does something that it enjoys, that makes it happy.

And my response to the, *"It's a private company."* argument would be: *First of all, even if it were a 100% private company, I would still say I'm allowed to criticize it.*

And you may not have this problem in the UK, Dom, but over here in the libertarian world, you're dealing sometimes with very, very stupid people. They believe in the caricature of libertarianism that says that whatever a business does, that's the free market.

So, if you get an overcooked steak at the restaurant, well, apparently you can't return it because the free market produced that steak. So, you've got to just sit there and eat it.

I don't know where this comes from, but I am absolutely allowed to criticize anybody I want at any time, and one of them would be an institution like this.

But on the other hand, there's also the fact that when you look at the cartel system that exists, that has been created, that we refer to as the banking system in the United States and the UK and elsewhere, with the central bank at the top of it.

This is a cartel system that has government-granted privileges at the heart of it. So, in what real sense is this a free market institution anyway? That's a legitimate question.

And then when I give you the American example of a prominent de-banking, I've got, I think, still yet another argument to make on this front.

But what do you say? Would you say something like: Well, there are some things that even a private company shouldn't be allowed to do? Or, how do you navigate that argument?

**FRISBY:** Well, it's really interesting. And something I've observed in the ongoing culture wars, Tom – and all sides are as guilty of this, sin, if you like. But it's how (whatever side of the culture war) will cite whatever argument is necessary in order to attack their ideological enemy.

So, you see the left side citing: *Well, it's a free market.* And they would never cite it under other circumstances. But it's like people will use whatever weapon is available to them at the time, never mind the intellectual inconsistency of it.

And that's an observation I've made in the ongoing political arguments that we're living through. But in the case of Farage – and that argument has been used against Farage: *Coutts is a private bank, it's up to them what they want to do.*

But here's the irony. The NatWest Group, of which Coutts is a part, was bailed out by the taxpayer in 2008 during the global financial crisis. And it's actually 45% owned by the government. So, it's not an entirely private bank.

So, that's the first point. The second point is, a purist libertarian will say: Yes, it's a free market. They can choose what they like to do. But reality is a lot more muddy than the purist ideal. And the fact is that banking uses fiat money, and fiat money is the issuance of government.

So, as soon as you're using fiat money, it's no longer a free market. Secondly, banking is a heavily regulated industry, and those regulations come from government. So, again, it's not a free market, if you're going to be purist about it.

And thirdly, part of those regulations – there are certain rules that have been set. And one of those rules is that a person's personal values cannot be held against them when it comes to how they bank.

As long as you're not doing anything illegal (which Farage wasn't) then it doesn't make any difference what race you are, what creed – because this is a creed thing. But what color, creed, age, whatever.

But this is what this is. This is a creed thing. So, those rules are there. And while those rules are there, the bank has to abide by them. So, it's not a free market. That's what I would say in answer to your comment.

**WOODS:**  Let me read to you now a news item. Or, actually, this is a press release from Joseph Mercola. He's a US-based health guy who dissents from a great deal of what the medical establishment has to say on a lot of important topics.

And of course, you can imagine how he felt about the Covid response. He reports this, *"July 13th, 2023, JPMorgan Chase Bank informed me they are closing all of my business accounts along with the personal accounts of my CEO, my CFO, and their respective spouses and children.*

*My CEO was informed his young children also will never be allowed to bank with Chase in the future. No reason for the decision was given other than there was 'unexpected activity' on an unspecified account."*

And then, of course, he moves into his editorial comment on this. But the editorial comment is hardly necessary. I think we all see the significance of this. I suppose it's not metaphysically impossible that unexpected activity on some account led to this.

That's not a metaphysical impossibility, but it is simply highly, highly unlikely that that is the explanation. So, we have this case in the US. Now, obviously not quite as prominent as the one you and I are talking about, but it's still something.

Now I would like to then add to that a bit of analysis from a guy named Clint Russell, the Liberty lockdown guy, on Twitter, who just the other day wrote this, *"In light of Mercola's de-banking, I think it is worth explaining something in detail.*

*This is important to understand. Mercola was highly critical of the Covid-19 vaccines and has generally offered alternative health advice. JPMorgan Chase shut all of their accounts down without warning.*

*I've seen some recommendations that people should transfer their business to small or local banks. I generally agree with this advice, but there is a major risk factor you need to consider. Earlier this year, during the banking crisis, the Federal Reserve established a bank term funding program to offer loans of up to one year to eligible depository institutions that were in crisis.*

*No explicit capital thresholds were given, but the bar by which eligibility was established appears to be $200 billion plus in assets under management. In other words, small regional banks will not qualify. This means that your deposits over $250,000 will not be insured at the smaller banks.*

*I'm of the opinion that this capital threshold was no accident. De-banking is a major tool in implementing a social credit system. The Fed wants you forced into larger banking institutions because the federal government wants you scared into silence, just as we saw with the Canadian trucker convoy last year.*

*Banking behemoths like JPMorgan Chase are now essentially backstopped in full by the government. This means that they are guaranteed ultimately by your tax dollars. This means that while your deposits held there are pretty secure, solvency-wise, they are in jeopardy if you are a political dissident.*

*Since JPM are acting as a quasi-governmental institution, I believe that they should no longer have the right to turn away customers over political beliefs. Their customers should now have First Amendment protections.*

*During the next banking crisis, the smaller banks will be left to fail. If you choose to deposit there, please be sure that they are taking proper financial precautions and have an elite risk manager. In the meantime, pressure your congressional representatives to pass legislation which makes the fully federally insured banks criminally liable if they refuse business to depositors over unpopular speech.*

*They can't have it both ways. If they want all the benefits of being part of the government, then they need to honor our constitutional rights. If they don't like that, they can refuse all governmental backstops. This will be a major issue moving forward, and I just wanted you guys to understand it fully so that we can advocate for liberty-oriented solutions."*

I don't expect you to be knowledgeable of the ins and outs of American banking regulations. But assuming that Clint is correct about this, what do you think about what I just read?

**FRISBY:** Well, I think it's really interesting, and I think it's brilliantly written and it shows considerable insight. And I think the problems that are described there are common to the developed world.

And unfortunately, it's a consequence of fiat. It's a consequence of banking. But money has become a political tool and banking is a political tool. Now, libertarians – I mean, it's another symptom of the no-platforming, the cancel culture, lobbying companies, advertisers, not to advertise with certain TV channels.

All this is a part of the same mentality. But there are loads of people who do not have the following that Nigel Farage has who have been de-banked. And it's really good that Farage has come out and made a great deal of noise, because he's one of the most articulate arguers and formidable arguers in the country.

And that's one of the reasons why he's so feared and loathed, because he's such a figure of strength. But there are loads of people that this is happening to, and Farage has then applied for ten other banks. He couldn't get a bank account.

And one of the biggest problems in the world is the unbanked. One of the reasons they have such poverty is that they are not banked. You cannot – with credit cards, in a cashless society, how are you supposed to survive without a bank account? It's impossible.

So, it's a really powerful weapon. And it's funny because traditionally libertarians' enemy is the state. Libertarians' enemy is the government. You know, we believe in free markets and all that kind of thing. But actually, in this instance, our enemy is a creed, it's a religion.

It's the religion of wokeness, it's the religion of anti-Trumpism. It's the religion of the metropolitan elite. I don't even know what to call the religion, but we all know what I mean. It's a belief system. And this mentality has taken hold in so many institutions, whether it's Twitter before Elon Musk, or YouTube, or in the banking system.

It is a very powerful thing. And nobody fights for it because of individual career risks. You're sat in a meeting and people are going: *We have to get rid of Farage's account because he's racist and blah blah, blah.*

Well, you're not going to speak up and defend Farage because you're thinking: *I want to get promoted in this bank, so I'm just going to keep my mouth shut and let it happen.* And that mentality proliferates through our institutions. And it means the aggressive woke have control.

And it's bizarre because they are imposing, effectively, the Chinese social credit rating: *Do you have the right views? Yes? You can progress in society. Do you have the wrong views? No? We're going to stop you from doing whatever it is.*

And it's everywhere. It's in the media: *Who do we give this acting job to? The guy with the right views or the guy with the wrong views? Who do we give this directing gig to? Who do we have presenting our next show?*

It's everywhere. And those with the wrong views are effectively no-platformed. They're relegated to second-class citizen status. It's a form of prejudice. And actually, in the UK the government has actually run to Farage's defense, and they leant on NatWest.

And so, the Government has bizarrely actually been the protector of the rights of the individual. And in that letter that you just read to me, they're they're calling on the government to be the protector of the individual.

And that's what the government is supposed to do. So, it's like libertarians have this new enemy, which is this woke religion, creed, mindset that's taken hold. And we now need the government to protect us. I suppose it's an ironic situation.

**WOODS:** Well, before I have people blowing a gasket hearing that saying,: *Oh, that can't be right.* I do want to introduce a bit of subtlety here.

I mean, there have been numerous cases of people who were scheduled to speak at public universities, for example, who were driven out for ideological reasons. But then some branch of government said: *No, they have to be allowed to speak*. I mean, that's a fact.

**FRISBY:** Yeah. You know, the Canadian truckers' story, this is another manifestation of that Canadian trucker story.

**WOODS:** Well, in what way?

**FRISBY:** When they went after the Canadian truckers.

**WOODS:** Right. But clearly the state obviously ran the opposition to them, even though we do see private entities trying to make their lives worse. But that was the state working in tandem with the "private sector".

**FRISBY:** It was. But also, like, it was Trudeau. And Trudeau represents that woke – Trudeau has that woke mindset, that religion. He is part of that religion.

**WOODS:** Yeah. And it's incredible how quickly this all happened. I mean, obviously the general idea is associated with wokeism, at least the idea that the position of various groups is determined by racism and discrimination or something like that.

That's been held in an unspoken way by the left for a long time. But now it has become the single obsession they have in every single case that comes before them. In the United States we call it disparate impact.

So, if I have some seemingly benign requirement in my job listing, that the applicant has to have completed high school or not have a criminal record or not have a dishonorable military discharge or something, if I can't prove that that requirement is strictly related to the job, then because that requirement will have a disparate impact on the various races, the presumption is that I'm a person of bad will.

Or, they don't even care if I'm a person of bad will, they're still going to punish me. And that has gone from just a legal doctrine to a social doctrine. That almost anything we do, if it has a racially disparate impact, needs to be called into question. And that is a recipe for ongoing revolution, which is why they like it.

**FRISBY:** Yeah, I call back to my point I made earlier in the conversation, Tom, about the intellectual inconsistency. And how the left cannot see how this is prejudice, how this is discrimination, and just people will use whatever weapon is available to them in the ongoing culture war, even if it is totally inconsistent with things their great-forefathers fought for.

**WOODS:** Yeah, I'm thinking about that. I mean, I don't think they care. And I think some of them are deeply alienated from their forefathers.

**FRISBY:** Yeah, they probably don't even realize. The main thing is to take down Donald Trump. To take down Nigel Farage.

**WOODS:** Yeah, I think that in a way is the difference between them and at least some of the conservatives going after them. The conservatives going after them are trying to appeal to general principles: *Well, wait a minute. You're violating these general principles we all cherish*.

And although they wouldn't put it quite this way, their obvious answer to that is: *You can take your general principles and stick them you know where. What matters is punishing our enemies. Then we'll think about general principles*.

And so, this is the tricky thing. When you have some people who believe in general principles they want to apply impartially to everybody because they genuinely are trying engage in fair play, and you pit them against people who are not trying to engage in fair play, but who are simply trying to punish their enemies, I worry about which one of those forces wins out over time.

**FRISBY:** Well, I don't think there is a winner in this battle between left and right, between authoritarian and libertarian. I think it's a battle. It's a war. It's a dance. It's a struggle that's been going on ever since we had civilization.

And there are times when one side wins and there are times when another side wins. But we do seem to be in an important juncture. And a few wrong decisions here, and we're going to a very bad place, particularly in Europe.

Europe's worse than the states, in my opinion. But there are so many brilliant people fighting on our side of the argument, Tom, that it amazes me that some of the stuff that's going on is still happening. But I just – I'm amazed.

And I think the problem is that we don't have a machine. The state is a machine. And even under Thatcher and Reagan, when supposedly was a good time for free markets, the state still grew. It just didn't grow by quite as much as it had been growing before, or, indeed, as it grew afterwards.

It was just the rate of growth that slowed. And so, my big argument has always been at the bottom of all of this is our system of money. And while one body in a society has the power to create money at no cost to itself, it is inevitable that that body will grow too big, too powerful, too influential.

And the great expression amongst Bitcoiners is, *"Bitcoin fixes this."* Well, it really does. If the state could not print money to fund itself, then none of this stuff would have the oxygen to breathe.

Or, very little of it would have the oxygen to breathe, because it just would not be able to survive in a much freer market. It is given the oxygen by fiat. And so, I'm afraid the answer is fiat. If we're to throw something into the fires of Mount Doom, it has to be our fiat money system.

And I heard a wonderful quote last night. I was listening to a talk by a hedge fund manager. But he said, *"In a democracy, inflation is inevitable."* And I'd never heard that expression before, and it really stuck with me.

And it's not just inflation of the money supply. It's an inflation of the size of the state. When I say inflation here, I mean the blowing up. It's an inflation of idiocy. It's an inflation in grade standards. It's an inflation of decline in morality. All this, there's so much interlinked.

And for me, the ring of power is our fiat system of money.

**WOODS:** Can you tell us what the story about Albania was before we wrap up?

**FRISBY:** Sure. So, I was persuaded by some friends to go to Albania. I was told it was very cheap, very beautiful. And we got there the first night and we went for a walk. And the beaches were so crowded and there was, like, music coming out.

And it was just like, for me, hell on Earth is a really overpopulated beach where everyone's like a sardine on the beach. And I was like: *Oh, no, please don't tell me I've got a week of this*.

And we were going down to the beach the following morning, and I said to the man in the hotel: *Look, what do you do with your phone when you go swimming here? What's the normal procedure?* And he said: *Oh, nothing gets stolen on Albanian beaches because they're all privately owned.*

And I said: *What do you mean?* He said: *Well, you go to Spain or Italy, all the beaches are publicly owned and stuff gets "lost"*.

And I said to him: *Are you familiar with the tragedy of the commons, the economic argument that everyone uses them, but nobody looks after them?* And he said: *Yes, yes, of course, but that doesn't happen in Albania*.

And my ears immediately pricked up. So, I went to these beaches suddenly knowing they were privately owned, and I realized, like, they're the most beautifully kept beaches ever.

They might not be desolate and wild like the Maldives or something, and everyone is crammed into them, but actually they're an incredibly efficient use of space. The guy who looks after your deckchairs makes sure that nobody nicks anything, doesn't nick your phone or whatever.

There's all sorts of different hierarchies of deckchairs that you can have. You can have a VIP one with champagne on a prominent position with curtains around the deckchair so you've got privacy. Or you can have a riff-raff one at the back, or you can have a mid-range one.

And then each different section of beach is owned. And because it's in the interest of that owner of that little section of beach to get as many people onto his little section of beach every day, he's constantly incentivized to make his little section of beach as good as possible.

So, the water's beautiful. There's a million different entertainments to do in the water. The restaurant next to the beach is nice, the bar. And it's just really good. And it was like a little kind of free market corner that has emerged.

And I'm sure the way those beaches fell into private ownership after the fall of communism, I'm sure that's not particularly nice. But it was suddenly like a little bastion of free markets, and just it gave me a little bit of pleasure.

**WOODS:** I, of course, had no idea about this, and I find that extremely interesting. So, you didn't know that till you got there. So, what made you settle on Albania as a vacation destination?

**FRISBY:** Well, I was going with my two sons, and we were having a little boys' holiday. And I was going to go to Bulgaria in the Black Sea. I've never been to the Black Sea. My two sons really like Eastern Europe.

And I'm becoming like – I'll tell you where our salvation is coming from, Tom. It's coming from Eastern Europe. Because they've lived through communism, and they know what happens. And they've lived through cultural Marxism, and they just know where this is going.

So, they're all really hard working, really entrepreneurial, loads of get-up-and-go. I'm talking about Poland, Romania, Czechs, Slovakia, all the Balkan countries. So, I'm kind of really into Eastern Europeans as a result of all of that.

Also, it's dirt cheap. And I was going to go to the Black Sea and then I just said on Twitter: *Should I go to the Black Sea, or should we go to Montenegro?* And they said: *Oh, go to Albania*.

And Albania has got such a bad reputation because of all the Albanian drug barons in the UK, I thought it would be quite a sort of contrarian thing to do to go to Albania. And I had a great time.

**WOODS:** Well, that is good to know. I have a long list of countries I need to get to. I don't think Albania is on it, but maybe it should be.

**FRISBY:** Well, make sure it's not in alphabetical order, otherwise it'll go to the top.

**WOODS:** No, that's right. Well, look, I'm a guy with a last name of W. I have a prejudice against alphabetical order, so never do anything that way. But, good stuff. I'm going to have your Substack...

**FRISBY:** I was going to say, Tom, if I ever become president of an independent nation, I set up my own city state, I'm going to call it "Aardvark" or something like that. So, every time you have a drop-down menu, they have to say which country you're from, it always comes out on top.

**WOODS:** [laughing] That's smart. Well, I look forward someday to living in the, I hope, independent city state of Aardvark, which will be very prosperous and delightful place to live.

**FRISBY:**  It'll have great beaches and deckchairs.

**WOODS:** Yes, no doubt. Having learned the clear lesson of Albania, people should read your Substack. I'll link to it at TomWoods.com/2372 – 2372 is the episode number.

Any links or anything you want to give out right now? I'll gladly receive it. I'll put your Twitter and everything up there at TomWoods.com/2372.

**FRISBY:** Well thank you very much, Tom. And have one investment newsletter called The Flying Frisbee, and that's full of sort of investment ideas, economic commentary. And I have another one, which is all my comedy stuff, and that is Frisbys.news. And you are invited to sign up to one or both of those.

**WOODS:**  Okay, I'll put that up on the show notes page. Also, Dom, I appreciate you talking to me in the middle of driving. But you really bailed me out and you had some great information and insights to share with the audience. So, I appreciate that very much. Thanks a lot.

**FRISBY:** It was my pleasure. Tom. It's made this journey that much more enjoyable than it otherwise would have been.

**WOODS:** Thank you so much. Safe travels.

**FRISBY:** You, too. Take care.