

Bearing in mind that the banking system, and indeed the concept of currency, are artificial constructs designed to make society function more effectively, it is important that the systems be underpinned by government. In the case of banks, this requires ring fencing to protect deposits, with the ring fencing required to be high. I would argue that this arrangement is important enough to the ongoing activities of society to require additional protection in the form of government guarantees that savings funds protected by government mandated ring fencing requirements be further guaranteed by government should the requirements prove to be Insufficiently stringent.