

Gold VS The bubble

The magic of the metal that does not tarnish and retains such eye appealing luster is about to lose its glitter. Here is why:

The gold traders on TV place ads every few minutes tells us gold will save us when the value of our currency which is debt created by international bankers and a bribed congress that lost its integrity to special interests. The story begins when international and U.S bankers and a couple of congressmen met at JP Morgan's Jekyll Island, S.C. estate and formulated the Ponzy game of monstrous proportions in 1911. President Wilson, tool of the banking interest, signed the law (Federal Reserve Act) in 1913... a law that was not federal and not a reserve, to establish species money without backing known as debt created money. In 1933, control of government welfare and all other spending began with Franklin D. Roosevelt's New Deal. He and his wife Eleanor, were the ultimate socialist/communist supporters of Joseph Stalin and the visionary proponents of a New World Government which later was backed by David Rockefeller, son of John D. Rockefeller a member of the original Ponzy team.

The outgrowth became the United Nations and centralized globalism. For the last 50 years, the hub of the European Union and international treaties is located within the Hague in Holland. The USA uncontrolled debt is about to exceed 20 trillion dollars and the euro is nearly financially unstable as is the banking systems that support the euro. It would take a miracle to prevent a collapse of these economies unless the capital assets of all participating nations are auctioned to the highest bidder. The physical assets as collateral could be a bases of new currencies. The chances of that happening are politically extremely slim.

So is gold the answer to support currencies?

William Devane, actor and spokes person for Rosland Capital, is the company's mouthpiece for the gold bullion and silver coin and precious metal dealer. He asks "What's in your safe?" Rosland Capital company offers a safe to customers who buy gold for delivery, but dependent on amount of the purchase. He also exhorts buyers to place their purchases in IRAs. The ads are repeated several times a day, sometime four times an hour, on major media outlets. There are hundreds of gold and silver dealers, but mainly the ones you see on national television are less than ten and they vary in commissions from 1% to twice or three times that percentage. The spread between sell and buy that dealers offer vary from 10% to as high as the the sellers can stomach. Obviously, gold dealers are in the business to make as much money as possible.

So let's see why the dealer's sales pitch is misleading. The assumption is that inflation of the dollar will accelerate the price of gold and silver and that happened about 47 years ago when everyone expected the bottom would fall out of the purchasing value of the almighty dollar. The anxiety rose to fever pitch where one ounce of gold was valued at \$1,900 per oz. Then, slowly at first, then faster and faster the price descended to as low as \$900.00. The intensity of the dealers' pitches is now once more accelerating with their threat of a financial bubble about to occur within months. They claim the only salvation is to invest in gold and get out of the stock market. So then what happens when this occurs? And this time, we may see a crash that far exceeds the results of the great depression.

Gold prices could skyrocket to unimaginable heights, so then what happens?

The dollar will, if no solution is reached, be devalued to what happened to the German mark in 1921 after WW I. The German people were starving; a loaf of bread required a wheel barrel full of 1000 mark notes.

If you're in my boots today, a loaf of bread costs \$3.50 and an ounce of gold is about \$1,322.00. If \$1.00 dollar is devalued to one thousand three hundred twenty two dollars of the price of today's gold spot price, the loaf of bread will cost \$462.70.

If your assets are worth \$1,000,000 and you wish to buy a Toyota, that costs \$26,000 at today's price. Multiply the value of a 100% devalued dollar to the value of gold at the present one oz price of \$1,322.00 and the price of the car becomes \$3,437,200.00

A billionaire wants to buy a Mercedes Benz that today costs \$100,000 $\times 1322$ = Thirteen million two hundred twenty thousand dollars is the price, plus tax after the bubble breaks.

But that isn't the worst part because the price of the gold isn't going to remain at \$1,322.00 which is what it is worth today and those IRAs are an open book for the federal Government to easily claim the loot.

So in the end, nobody is going to survive that kind of inflation and gold becomes a worthless commodity that no one can afford to buy or exchange in the long run.

So let's look at what history teaches us and what happens???

In 1933 President Roosevelt used executive order 6102 that required all persons to deliver on or before May 1st of that year all but a small amount of gold coin bullion and gold certificates owned by the Federal Reserve in exchange for \$20.67 (consumer price index) adjusted value of \$378.00 today per troy ounce. Under trading with the enemy act of 1917, as amended by the recently passed Emergency Banking Act of March 9, 1933, violation of the order was punishable of a fine up to \$10,000 (equivalent to \$182,802 today or up to ten years in prison or both.

The US Treasury may be thinking that the entire gold hoard of

the nation, may be the partial collateral to back the dollar once the nation ash-cans the Ponzy plan and dissolves the Federal Reserve with a silver bullet.

How much trust do we have in today's presidents elect or otherwise that they would not exercise an executive confiscation order that would place all gold in the safe hands of the federal government? The government could use a new currency that arbitrarily raises the value of a whatever the new currency may be called... currency that is backed by gold, the value of which is what the government says it is. The question is will the world's nations recognize it.

Gold merchants and politicians will then be scurrying about for a new type of scam. We can be sure there will forever be more rip-offs of the American dumbed downed. It's called capitalism.

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