

The Circle of Gold

Courtesy Chris Martenson – www.deviantinvestor.com

A – 1913: Gold was money in the United States. Double eagles (\$20.00), Eagles (\$10.00), and Half-Eagles (\$5.00) circulated freely. Silver dollars and smaller coins were common and used for commerce. ***And then the bankers created "The Federal Reserve."***



B – 1933: President Roosevelt issued [Executive Order 6102](#) and forbid US citizens from owning gold. They received paper money in exchange. One \$20.00 Double Eagle (0.9675 ounces gold) was exchanged for a \$20.00 paper certificate. Gold was therefore valued at \$20.67 per ounce. Soon thereafter President Roosevelt devalued the dollar so that gold was valued at \$35.00 per ounce. ***And gold was illegal for US citizens to own.***



C – 1971: President Nixon was faced with a tidal wave of dollars returning from the rest of the world (*excessive spending and debt*) that the US was obligated to exchange for gold. Official US gold reserves had already been reduced from over 20,000 tons to about 8,000 tons. President Nixon thereafter refused to honor the Bretton Wood Agreement and allowed the dollar to sink in value compared to gold. He blamed speculators instead of Government deficit spending and Federal Reserve policies and assured everyone it was only “temporary.” ***And then came massive consumer price inflation, devalued dollars, and uncontrolled debt increases.***



D – 2013: [Chairman Bernanke testified](#) before congress and stated that gold “*is an unusual asset,*” and that “*No one really understands gold prices.*” ***And the devaluation of the dollar continued with QE, ZIRP and other fiat currency creations.***

E – 20??: *(Speculation!) Following a devastating deflation and hyperinflation caused by global central bankers “printing” currencies in ever more insane quantities, the global economic system crashed, confidence in fiat paper and digital currencies reached new lows, and the central bankers heard the cry of the people, “Do something to fix our money!” After numerous failures they finally did the “right thing” and pegged dollars, euros, yen, SDR, Yuan, and Rubles against gold. By that time gold had largely disappeared from official western vaults and was by 20?? almost entirely held in Asia and by large corporations, global banks, and immensely wealthy individuals. Dollars and Yuan were again backed by gold and gold certificates circulated freely. **The wealth transfer had been completed.***

From Jim Sinclair:

“QE to Infinity, followed by Gold balancing the balance sheets of the sovereign balance sheet disasters. Just as there is no tool other than QE to feign financial solvency, there is no tool to balance the balance sheet of the offending entities other than Gold. It is just that simple.”

For Comparison: A – 1913: Price of gold was \$20.67 per ounce. US National Debt was about \$2.9 Billion

B – 1933: Price of gold was \$35.00 per ounce.

US National Debt was about \$22.5 Billion

C – 1971:

Price of gold was \$42.00 per ounce.

US National Debt was about \$398 Billion

D – 2013:

Price of gold was about \$1,300 per ounce.

US National Debt was about \$16,738 Billion or \$16.7 Trillion

E – 20??: (This is speculation!)

Price of gold is perhaps \$10,000 per ounce, depending on "money printing," hyperinflation, and monetary insanity.

US National Debt is \$40,000 to \$100,000 Billion or \$40 to 100 Trillion or more.