

The Flight into Gold and Silver

By Bob Chapman

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The world is awash in dollars and that is being reflected in the USDX, which are six major currencies versus the dollar. The loss of value is being loudly trumpeted as the IMF says a replacement must be found. This is the same IMF that has been foisting non-gold backed SDRs on us since 1969. Every time they have tried this it has been a failure. We can give the Illuminists an 'A' for effort, but what they do not get is that the professionals and investors see right through it. Another batch of fiat currency is not going to solve the world's currency crisis, which can only be saved by gold backing. Needless to say, the mainstream media will never talk about this in realistic terms, because the elitists control them. The denigration of currencies versus gold and silver are advancing apace, as the elitists day after day try to suppress gold and silver prices.

The major media is as complacent as ever because they are totally controlled. It is not ignorance or incompetence. It is control. The media tells us the stock market is headed higher, but fails to tell us why. The reason is manipulation by the US government, and those who control it, and funds swamping the market via QE2. This is an economy where few jobs are being created, unemployment remains steady and we are told that a rising stock market means recovery, which is far from the truth. Propaganda flourishes as well as physiological warfare. There is no truth for the American people and the people of the world, it is all controlled and capsulated for consumption and control. There is no real recovery; it is all smoke and mirrors to mislead the public. Government and the media declare there is no inflation, but yet it abounds. This is the same media that has ignored the climb in gold and silver prices for 11 years. They have few explanations as to why gold and silver prices are rising. It is because the value of fiat currencies are falling versus gold and silver, but that is not the explanation we hear. We are told a number of absurd falsities.

Gold and silver are just now beginning to break out of government instigated doldrums, which has been government induced by those who own the Fed. None of the old tricks and nostrums is working anymore, so new tactics are being taken. You have seen ongoing attacks on gold and silver that has been going on since 1988, and in the last 15 years they have been relentless. As of late the theme is destroy the gold and silver shares to make people believe that there is little value there, to shake novices out of their positions. The psywarfare plan is to force down gold and silver share prices and gold in order to destroy silver prices so that JPM and HSBC can cover their shorts. It hasn't worked and won't work. Needless to say, we get the usual from CNBC, CNN, MSNBC and Fox. Is it a bubble or a craze? Again, what else would you expect from a media which is usually wrong.

The debt and inflation will become more terse as we struggle forward. Government knows it has to cut Social Security, Medicaid and Medicare, screwing the participants and better enabling government to control and reduce these benefits. Allowing government to renege over and over again does not instill confidence in its citizens. There are mammoth cuts coming, but the military industrial complex will experience few. This is how the elitists keep their empire by threat of force. Just look around you and look at the Patriot Act and Homeland Security or the new Gestapo the FBI. Yes readers, you already live in a police state.



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As Americans overlook these developments and the fact that anyone who criticizes government is a terrorist, price inflation is destroying their purchasing power and it's being done deliberately, as a result of saving a broken banking system that only catered to the wealthy and connected. Loans are available, but generally only to AAA corporations and fellow elitists, as interest rates begin their devastating rise into the future. That needless to say will be accompanied by a falling dollar and higher gold and silver prices. Many other countries have duplicated these events, so not only will the US dollar fall in value, but also so will the currencies of most every other country versus one another and particularly versus gold and silver. In case you missed it, or forgot, versus nine major currencies over the past 10 years on average gold has appreciated 15-1/4% annually and silver 20-3/8% annually, thus, these facts are nothing new. They have just been hidden from you. As a result of the loss in purchasing power and ever building debt we have seen demonstrations and riots throughout Europe for the past two years. That has been followed for the same reasons, plus price inflation, in the Middle East with the overthrow of the governments of Tunisia and Egypt. Several more monarchies and dictatorships are on the verge of falling as well. In

the US the attempt to radically change retirement benefits and unions has led to demonstrations in Wisconsin, Indiana and Ohio. We believe in time as unemployment rises with prices and there is no economic recovery that demonstrations will increase and they could, as they have elsewhere, turn violent. If police in the US fire on civilians or beat them into submission there will be retaliation and law enforcement will get decimated.

There is absolutely no way the dollar and other currencies can be saved. That is why the prices of gold and silver move relentlessly upward. There already is waning confidence in the dollar and many other currencies, and that is why the USDIX, the dollar index, as a yardstick, is inferior to measuring all currencies versus gold and silver. You may not realize it now, but you are living through the collapse of fiat money systems. The future of monetary and fiscal matters will take many twists and turns, some good, some bad. It is far too early to make solid predictions on what routes will be taken. At this juncture it is easy to see where we are headed, but the future is more difficult. It could be inflation, hyperinflation, deflationary depression and another contrived war to distract people from the more important issues of the economy, finance and economic survival. In the meantime in reaction to such events gold could go to \$5,000 or \$10,000 and silver \$100 to \$500, as the flight to quality becomes a stampede.

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