Debt, Inflation, War & the Incontrovertible Case for Gold

written by Matthew Piepenburg | October 25, 2023

In this extensive conversation with Cambridge House CEO, Jay Martin, Matterhorn Asset Management partner, Matthew Piepenburg, shares his insights on the historical interplay of war, over-indebted nations, broken bond markets, currency debasement and their inflationary consequences, all of which lead toward (and confirm the importance of) physical gold investing.

Martin and Piepenburg step back from the near-term shock of headlines from the Middle East to address the broader issue of war as a component of deteriorating debt and financial conditions. Piepenburg addresses clear evidence of political, financial and social fracturing in the world in general and the US in particular. Unfortunately, such stress-points are part of an historical pattern that often involves the evolution of military conflicts, the risks of which are expanding daily. Particular attention is given to specific signs (economic, political, and social) that the “American empire” is experiencing a clear and downward turning point.

An open symptom of this decline is the post-sanction rise of the BRICS+ nations and the ever-increasing evidence of a shift from a USD-driven mono-polar world to a multi-polar, real-asset-driven world. Piepenburg offers a number of reasons (in currency, energy, credit and trade circles) why this foreseeable trend away from USD hegemony will continue despite the still obvious power/supremacy of the world reserve currency. Ultimately, Piepenburg maintains that currency debasement is the inevitable end-game.

The conversation then turns to what Piepenburg describes as the “absurd” notion that inflation has been contained. He offers numerous and compelling arguments as to why inflation is rampant and growing rather than controlled or defeated. The overt as well as hidden evidence of a recessionary trend toward more synthetic liquidity, and hence inflation, are unpacked in detail. All of this is derived from unimaginable sovereign debt levels which ultimately demand monetization as the Fed loses control of grotesquely inflated bond markets. As more “fake money” is created to “save” these sovereign IOUs, the collapse in purchasing power and hence the case for gold becomes incontrovertible.