

Gold & Silver off to the races

written by Egon von Greyerz | August 22, 2012

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Last week was the 41st anniversary of one of the most disastrous days in world history. The 15th of August 1971 was a fatal day for the world economy and is likely to lead to more human misery than any world war. This was the day when Nixon closed the gold window which led to governments worldwide creating endless amounts of worthless paper money.

The resulting credit bubble has created a world debt exposure of over US\$ 1 quadrillion (including derivatives). It has also created perceived wealth for big parts of the world's population – a wealth which is only backed by promises to pay and by grossly inflated assets. Few people realise that this wealth is totally illusory and will implode considerably faster than the time it took to create it.

Gold reveals the truth

Gold reveals governments' deceitful actions in destroying the value of paper money and the wealth of nations. This is why most Western governments dislike gold. Because gold tells the truth and the truth is that since August 1971 the US dollar has declined 98% in real terms.