

# Gold's Eternal Answer to the Boom to Bust Cycles of Markets & Human Nature

written by Egon von Greyerz | June 29, 2022

**Starts at 1:05**

In this 30-minute conversation with Kai Hoffman of Soar Financial, Matterhorn Asset Management principal Matthew Piepenburg discusses the broader themes of gold and the hard truths of the current and highly distorted global macro environment.

Matt tracks his path from traditional risk asset markets to precious metal markets in general and working with Egon von Greyerz in particular—a path which culminated in a more informed understanding of currency risk. This understanding is based in part on an understanding of the broader history of debased currencies, a history which also tracks the predictable but often overlooked history of human psychology and desperate leadership from the top down. Primary lesson: All debt-soaked regimes fail along with their debased currencies.

Matt discusses the open dishonesty (from inflation to MMT) which otherwise passes for policy in a world seeking to solve a global debt crisis with more debt. He explains why the Volcker era of rising rates can never be revived as an inflation solution in the background of current debt levels. Matthew further addresses the current and open symptoms of an already-failing financial system, from declines in public trust to declines in securities markets. In this backdrop of mouse-click (i.e., debased) currencies, gold serves as a more loyal, anti-fragile and honest indicator of financial systems collapsing under the weight of unsustainable debt and inflation levels of which figures like David Hume to von Mises have pre-warned.

Matt also discusses the trend toward de-dollarization and a future whose darkest days are yet to come, including a disorderly “re-set” or “Bretton Woods 2.0” which will require a linkage to gold to have any credibility. Toward this end, those nations with the most gold will enjoy the most influence, which leads to a discussion on Russian and Chinese gold holdings, as well as a more specific discussion on the current gold price—headwinds and tailwinds.