# ‘Self-sufficiency is key’

written by Edward Maas | November 28, 2011

## THE MATTERHORN INTERVIEW – November 2011

# “Self-sufficiency is key”

*In our Matterhorn Interview series, the German journalist Lars Schall talked with geopolitical trend spotter, natural resource expert and economist Chris Berry about the various factors that are pushing prices for precious metals and crude oil up; the short-sighted energy policy of the West; the rare earths industry; and the importance of pot ash to combat world poverty.*

Egon von Greyerz

By Lars Schall:

**Mr. Berry, let’s start with gold. How do you summarize this year’s action in that market?**

Chris Berry: We are in a ten year secular bull market for gold and nothing has changed in 2011 to alter my opinion. In terms of summarizing this year’s action in gold, , the yellow metal hit an all-time high of $1922 per ounce this summer, then has sold-off a little bit and traded sideways since. There is quite a bit of volatility associated with the gold price, however, the factors that comprise the secular bull market continue to provide a good floor under the price of gold and are still intact. These include flat new supply coming into the market, strong buying of bullion from India and China, and Central Banks becoming net buyers of bullion as they look to replace fiat paper currencies with a legitimate store of value. So despite the fact that gold has traded sideways in recent months, I expect to see higher gold prices in the future.

**Do you think that short-term speculators are a factor?**

Chris Berry: I certainly think there’s an element of speculation in the gold market. Recently, the London Bullion Market Association attempted to figure out the size of the gold market by looking at the gold futures trading in London. What they found was that every single day about 19.6 million ounces of gold is traded, which might or might not seem like a lot, depending upon your perspective, but when you think about the fact that last year only 86 million ounces of gold was mined globally, basically what this means is that every week during this year the entire stock of last year’s gold production was traded. Another story: I have a friend who traded gold futures in New

York and happened to be at work on September 11, 2001. He said that none of the traders could understand what was happening as gold was up $10. Today gold routinely moves $10 and oftentimes more in a day which tells me there is more activity in the gold futures markets and opportunity for speculators.

**What does this tell you?**

Chris Berry: It tells me that speculation is certainly a factor in the gold market. The fact that just in London alone, last year's entire stock of gold is traded every single week is telling. The volatility in the price of gold is another indicator. This ignores the activity in New York futures trading, in Shanghai, and in other futures markets around the world. Exchange Traded Funds have also given the masses a way to speculate in the gold bullion market as well. This type of speculative trading adds volatility to the markets, which adds to the uncertainty and direction of global economies. Overall, however, the credit bubble and the resulting debt crisis that we now face in the Eurozone and also in the United States more than anything, I think, has pushed gold higher and will continue to do so as Western Governments "kick the can" down the road delaying any resolution of this crisis. I don't see any short-term resolution for this. If you have a long-term view, gold bullion is a great place to be.

**Given the development of gold during the last ten years, why would you say that gold isn't in a bubble yet?**

Chris Berry: Gold is not in a bubble for a number of different reasons. We've mentioned a couple of the reasons already, but they bear repeating. Number one: consumers in countries like China and India are now buyers of gold and silver because of their rising disposable income and rising quality of life. These citizens want to protect their newfound wealth by buying physical gold and physical silver. China was on a silver standard until the 1930s and so the idea of a currency backed by hard assets is not a foreign idea to them. Number two: Central Banks are net buyers of gold bullion. I have seen reports of Central Banks accumulating a net total of 500 tonnes of gold bullion in 2011. This is up from a total of 77 tonnes in 2010. Previous to this, Central Banks were net sellers. From China, to Mexico, to Kazakhstan, Central Banks around the world are rushing to a store of value – that store is in gold just as it has been for centuries. Number three: New supply of gold coming onto the market is flat and has been for the past several years. If demand continues to increase, senior mining companies will need to "replace ounces" which bodes well for junior gold mining and exploration companies going forward. Number four: Newfound interest on the part of investors in "owning" bullion through exchange traded funds. I recently looked at the size of GLD, the exchange traded fund which is supposedly backed by gold bullion. The fund has been in existence for seven years and has roughly US $64 billion in assets which is larger than the gross domestic product of 142 countries throughout the world. Number five: perhaps the biggest reason for gold's ascent is the economic situation both the United States and the Eurozone find themselves in today. A sizable debt burden at both the consumer and federal levels shows no signs of abating. As Western governments attempt to inflate their way out of this debt crisis through printing paper currencies, gold and silver will continue to benefit as safe havens.

**Would you like to name us your favorite three precious metals mining companies, junior or senior, both in silver and in gold?**

Chris Berry: Sure. But these are in no particular order; they are just ones that I focus on. Also, please keep in mind that I am not an investment advisor, so thorough due diligence on the part of your readers is a must. Starting with silver, one company I like is Endeavour Silver. This is a Vancouver-based company run by Brad Cooke.

**I know Hugh Clark, who is the head of their corporate communications.**

Chris Berry: Hugh is a fantastic representative for the whole silver industry, a very smart guy.

**Yes.**

Chris Berry: Endeavour Silver has properties in Mexico, and I visited one of them in Guanajuato, Mexico in May of 2010. This is a company that is growing its silver production and reserves at double digits. They also produce a small amount of gold which lowers their overall cost of production. Endeavour is an emerging silver producer that is generating a tremendous amount of cash flow based on the fact that silver prices are now roughly about $33 an ounce. Last time I looked at Endeavor's cost of production it was $5.03 an ounce net of gold credits. In their most recent quarterly update, net earnings, EBITDA, operating cash flow and revenues all increased substantially as did their silver and gold production (all compared to the Third Quarter of 2010). To add to this, their cash costs fell which all combined for a very positive quarter and outlook going forward. Endeavour increased plant capacity at Guanajuato to 1,000 tonnes per day which clearly helped deliver these positive financial results.

Secondly, another company I like is Hecla Mining, which is a company that would be considered a senior producer of silver. This company is the largest silver producer in the United States and operates mines in Alaska (Greens Creek in operation since 1989) and Idaho (Lucky Friday in operation since 1942) as well as other properties which are undergoing exploration activities. The company has no debt, over $400 million in cash and pays a dividend according to their most recent corporate presentation. Hecla produces between 9 and ten million ounces of silver annually and is in the process of expanding their production capacity by roughly 50% over the next five years. I think this is an undervalued company based on production and their plans for future growth in the business. It trades in the United States now around $5.75 a share.

Another interesting producer is Alexco Resources. One of the two or three mining “hot spots”, if you will, for exploration and production globally is the Yukon in Canada. This is a territory that about a hundred years ago experienced the Yukon gold rush and is now experiencing a similar rush based on high metals prices and advances in mining technology making certain deposits legitimate candidates for advanced exploration. Alexco has been in the Yukon for some time, and they operate a mine that is called Bellekeno, which holds the distinction of currently being the only primary producing silver mine in Canada. The silver being mined here is also very high grade – thought to be among the highest grade silver in the world.  The company will produce between 2.2 to 2.5 million ounces of silver in 2011 and has an aggressive goal to produce 5 million ounces of silver in three years. Last time I looked, the company had about $50 million in cash on its balance sheet so they are clearly positioned to grow. Alexco is similar to Endeavour Silver: they are thought of as a “mid tier” producer with ample opportunity to expand their production. Additionally, both companies are in great jurisdictions for mining as well. A final aspect that I like about Alexco is the leadership, it’s a very well run company. The CEO, Clynton Nauman, is a gentleman with a wealth of experience in the mining industry and is the right person in the right place in the right job.

In terms of gold I would point out Midway Gold. Midway is a company that is involved in advanced exploration for gold, as their name suggests. They have properties in the Western United States, predominantly in Nevada. Their centerpiece property, if you will, is a 70-30 joint venture with Barrick Gold called Spring Valley. I believe the qualified NI 43-101 resource estimate is 2.1 million ounces of gold in the measured and indicated categories and roughly 1.9 million ounces of gold at a cutoff of .14 grams per tonne in the inferred category. Anytime that a junior can attract a senior producer to earn into one of their properties says volumes about the caliber of the company and also about the caliber of the asset. Midway has other properties that are in various stages of development including the Pan deposit in Nevada.  They have stated a target of 2013 for production  on this property which has a NI 43-101 qualified proven and probable reserve of 864,000 ounces of gold at various cut offs of .21 grams per tonne and .27 grams per tonne and a measured and indicated resource of 1,130,000 ounces of gold at a .14 grams per tonne cut off.  A feasibility study was completed on this deposit and the after-tax capital expenditure was $99 million and assumes production of 81,000 ounces per year at a total cash cost of $585 per ounce. I own shares in Midway Gold.

In terms of senior gold producers I have to say that they had a really rough go over the last year if you look at the price of bullion, it’s been up between 10 to 20 percent, and some of the senior producers just haven’t followed suit. That said, the senior gold producer that I follow right now is Goldcorp. This is a company that is paying a dividend, generating tremendous amounts of cash flow (over $680 million dollars worth in the Third Quarter of 2011), and has a cash cost of production (on a by-product basis) of $258 per ounce of gold. With gold trading for roughly $1,650 to $1,700 per ounce right now, you can see why the company is in a strong financial position. Goldcorp’s Penasquito mine in Mexico is expected to deliver strong cash flow going forward as the company will be producing gold, silver, lead, and zinc from the mine, again lowering the overall cash costs for the company. Goldcorp stands to benefit from exposure to precious and base metal production and a strong development pipeline in the future. I own shares in Goldcorp.

The final company is a hybrid in the sense that it has both precious metal and base metal properties across North America, and that is Quaterra Resources. The company is involved in advanced exploration throughout North America and is run by Dr. Tom Patton. Dr. Patton has a wealth of experience in the mining industry with both senior and junior companies and as CEO of Western Silver Corp, was actually involved in the discovery of the Penasquito mine which I referenced above. I am most excited by this company for the potential it holds with its copper property in Nevada – specifically the Yerington property. This is a former open pit mine with a historical resource estimate that Quaterra is working to make NI 43-101 compliant. I personally am bullish on copper going forward and want to find promising deposits in reliable political jurisdictions such as Nevada.

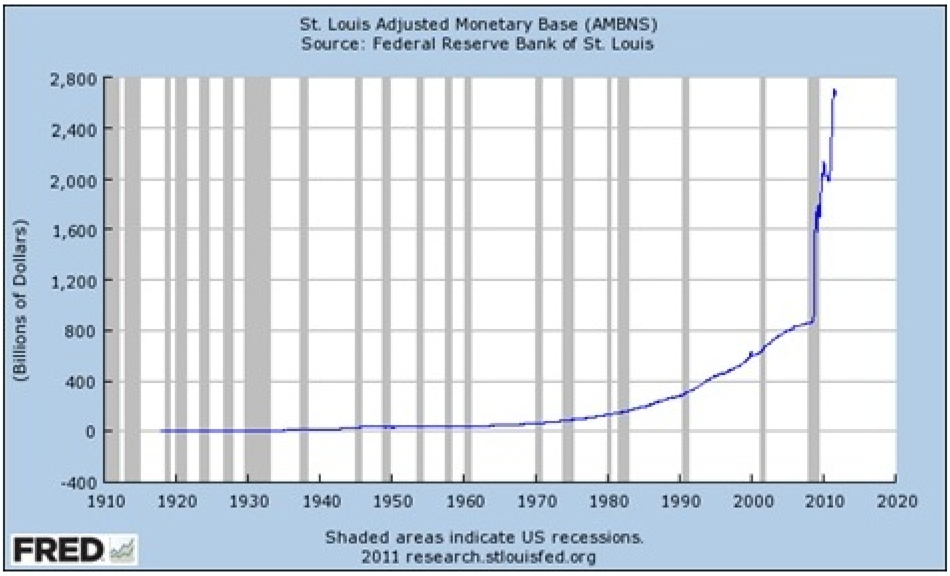
So those are a few names that I follow in the precious metals arena on right now.

**Given the potential for a depression, do you think that silver would perform well under those circumstances?**

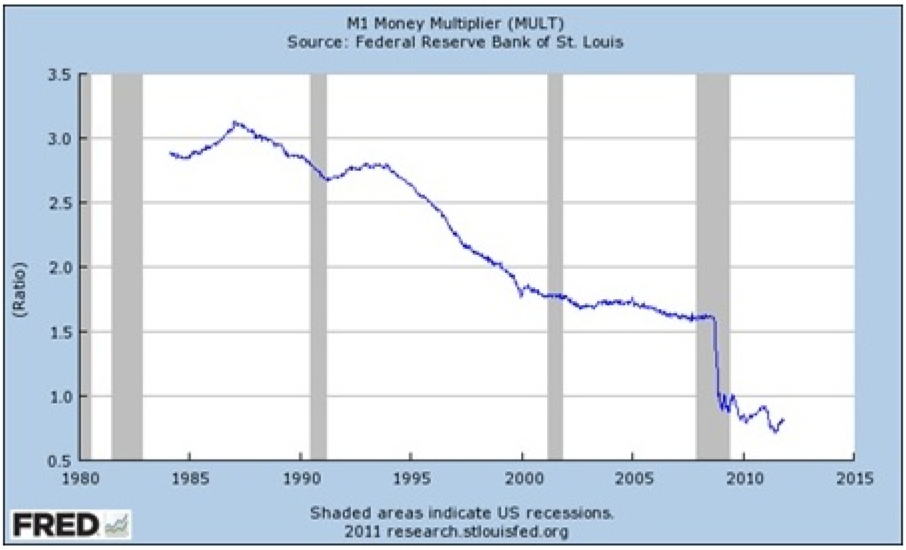
Chris Berry: If we go into a depression, I would argue that silver will not perform well, and the reason why is because silver is predominantly an industrial metal. In a depression there would be very little economic activity or growth, if any at all. We would likely be faced with a scenario of perpetual economic contraction which would tell me to avoid silver.

**Do you see a depression indeed in store for us?**

Chris Berry: I’m looking at this from an American perspective, and I think in the United States we are headed for a deflationary spiral. Look at what Fed chairman Ben Bernanke has done to the monetary base. He has opened up printing presses and they have not stopped which has exponentially increased the money supply in the United States. Let me show you this chart which shows relatively steady growth in the monetary base in the U.S. economy – and then it just absolutely explodes when the Great Recession hits:




Next, look at what happened to Money Multiplier in the US economy:




Essentially, for every dollar put into circulation in the US economy, at least an additional dollar should be created through lending and economic growth. This chart shows us that every dollar injected into the US economy is now creating *less* than one dollar of growth. So while the money supply is increasing, the Money Multiplier tells us that that money is not being lent, suggesting sluggish economic growth going forward at best.

The theory behind this idea is that you flood the economy with money to stoke aggregate demand, credit, bank lending and, ultimately inflation. Inflation is a dirty word, generally speaking, but a little inflation in an economy is actually a good thing. There are, of course, differences between cost-push and demand-pull inflation, but that is another topic for another time. After all of this activity, banks are not lending which I think says something about the true state of their balance sheets. Basically what the banks in the United States have done is taken this money from the Fed and they are holding on to it. Nevertheless, the Fed continues to print more money, which is another reason why people around the world are running to gold.

There appears to be a little growth in the US economy with Third Quarter GDP growing at 2% but this growth is not robust enough to stoke aggregate demand in the United States.  This challenge is compounded by a high structural unemployment rate. You have tremendous slack in the economy, and that's why I think deflation is what we will see before we will see any inflation. Every credit cycle has to clear itself and finish before a new one can begin. Every debt must be repaid. In the United States we are still muddling through a collapsed credit bubble. You have a gigantic debt overhang on the consumer and on the corporate level as well, and until that clears, until this deleveraging process that needs to take place is done, banks will not continue to lend at levels that can aid in economic growth. Most deleveraging cycles can take between five and seven years to complete. The Fed can print all the money it wants, it doesn't appear that it's going to do any good.

**Why are the gold policies of the developing world fundamentally different compared to the gold policies of the West?**

Chris Berry: Well, let's take China. I mentioned earlier that as recently as the 1930s, China was on a silver standard. The idea of sound money is not a foreign one to the Chinese. China of course has $ 2.5 to 3 trillion of foreign reserves that consists predominantly of paper fiat currencies. The Chinese obviously realize this and that's why they are diversifying out of dollars and Euros and into hard assets such as gold. Just as an example, in the year 2000 China was responsible for 6 percent of global gold bullion demand. Ten years later, in 2010, they were responsible for 18 percent, and that will increase allegedly again in 2011. Another example is India, which is the largest importer of gold bullion in the world. Last year they imported 958 tons. This year they will import more than 1000 tons. China and India have to support their populations with sound money. Paper currencies will not rule the day – they never have. Additionally, take a look at the recent actions of the Central Bank of Kazakhstan that has exercised what is known as "priority right." That gives the central bank the right to buy all domestic gold production starting on January 1st, 2012. One final example is Mexico. In January of 2011 they imported 7.3 tons of gold, in July of 2011 they imported 100 tons – it increased in seven months by more than a factor of ten. These are just two relatively obscure central banks in the developing world that are running towards gold because they seem to have realized the folly of fiat currencies.

**You've mentioned China. What are your thoughts related to the fact that China is not just the largest silver producer in the world, but is also importing a lot of it?**

Chris Berry: This speaks to their voracious appetite for metals in general. China is the biggest producer and consumer of a whole host of metals. Gold and silver are just two of them. They are responsible for over 40 percent of global copper consumption as well. With respect to silver, China was exporting as recently 2005 100 million ounces of silver every year. Last year they imported over 100 million ounces. This dramatic reversal has to do mainly with economic growth and silver's indispensible role as an industrial metal, but also again with the fiat currency argument and silver's role as a store of value.

**There are clear signs for a Sino-Russian "comprehensive relationship," as Chinese president Hu Jintao called it.What are the reasons for that and what do you expect from that?**

Chris Berry: I think it revolves around access to natural resources. China's leaders are trying to keep their population happy, for lack of a better phrase, and they will do so by providing an increasing quality of life for their citizens. This increasing quality of life is built on the back of resources. Russia is a country that is blessed, similarly to Australia or Canada, with abundant natural resources. So this "comprehensive relationship" really revolves around access to natural resources. Furthermore, China and Russia don't want the United States meddling in their back yard anymore, as it did in 2005 when George W. Bush went to India and signed a civil nuclear agreement designed to grant access and transfer of nuclear technology to India for civilian purposes. Recent moves by President Obama to establish a US troop presence in Australia are sure to raise some eyebrows in both Beijing and Moscow as well. It is also instructive to see Vladimir Putin recently call for a "Eurasian Union" bringing together various former Soviet states and leveraging their strengths. I think that is also a push-back against the United States and their military and diplomatic presence in the region.

**Do you think that China and Russia will both issue one day maybe two gold backed currencies or even a common one?**

Chris Berry: Well, if things continue the way they are, I absolutely do. One sign of things to come is the agreement that Russia and China signed to avoid the U.S. dollar in bilateral trade. The thinking here is that this is a small step in the direction of dethroning the US Dollar as the world's reserve currency. However, the U.S. dollar right now is so liquid and it is so entrenched – about 85 percent of global trade is settled in U.S. dollars, and 60 percent of that has to do with trade which originates and settles in countries outside the United States. It's an overwhelming percentage of global trade that is settled in U.S. dollars, and ultimately yes, I see that changing, but I don't see it happening anytime soon. And to hammer that point home as to why, the United States has the strongest military in the world, and as long as it has the strongest military in the world it will have the reserve currency. These are the types of politically incorrect statements that politicians can't make, but let's face it, it's true.

**Since one could make the argument that the U.S. is using its military in order to ensure that it gets a large chunk of the global crude oil supply, which is priced in U.S. dollars: what are your thoughts related to Peak Oil?**

Chris Berry: I think we have past the point of “Peak Cheap Oil,” so to speak. If that s not the case, then why is British Petroleum drilling in three miles of water off the coast of Louisiana? Or in Saudi Arabia, why do they have to pump more and more water down the oil fields like Ghawar? It appears to me that the easily accessible, or cheap oil, has been found. Peak Oil is a little bit of a moving target – if we haven’t reached it, we are certainly close. And that’s a problem when you consider economic growth rates emanating in the emerging world continuing at their current pace. These economies will need access to oil to aid in the growth their economies. Additionally, we in the West have become accustomed to a high quality of life that is built on the back of hydrocarbons such as oil. Are we willing to accept a lower quality of life so those in the emerging world can catch up with us? I don’t think so.

Therefore, you will see upward pressure on the price of oil, and it will be harder to find and more expensive to refine. So “Peak Cheap Oil” is the more appropriate phrase. The recent discoveries of shale oil and gas in North America with fracking technology and horizontal drilling offer hope, but the end game remains to be seen.

**Are we in the West following a short-sighted energy and natural resources policy?**

Chris Berry: Answering this from the U.S. perspective, I don’t think we have a clear policy at all.

**Well, at least Richard Cheney had one in the past with his “National Energy Policy” that was published in May of 2001. (1)**

Chris Berry: Yes. But in general the phrase here to use is “NIMBY” – Not In My Back Yard. We have a very high quality of life in the West, but to support this it takes an increasing amount of resources. People want to ignore some domestic sources of energy such as coal because it is dirty, and instead they want to focus on other forms such as renewable like wind turbines and solar. They certainly have their place as the energy mix in the future will involve renewable energy sources – but no one source is going to win out. In the United States our political class needs to realize that and needs to level with the electorate and say: Look, coal is going to be around for a long, long time, so is oil, so are hydrocarbons in general, and renewable energy sources have their place, but it will continue to be a very small percentage of electricity generation going forward in my opinion. We need to find a balance between “business as usual” and a sustainable future because right now, globally we’re headed for conflicts surrounding resources as billions of citizen strive for a better life.

**Do you think that the oil market is really a free market driven by supply and demand?**

Chris Berry: Predominantly, not entirely, but predominantly the answer to that question is yes, but again going back to what we've talked about a little bit earlier with gold, ETFs and futures trading, I'm sure there is also speculation in the oil markets. When oil hit $147 per barrel in 2008, you look at the chart and it just went too far too fast. There was a lot of speculation in there, no question, because as quickly as it went up to $147 it fell down $35. That said, coming back to the quality of life theme I have mentioned several times in this interview, this is the real driver of oil demand going forward.

**Do you think that it is inevitable that continental Europe will have to built something like an energy alliance with Asia?**

Chris Berry: I would change that question slightly, I think an energy alliance is inevitable, but it will be with Canada or with the United States., A lot of the gas and a lot of the resources that are being produced in Asia are being consumed internally. Europe is obviously very reliant on Russia for gas imports, but because of diplomatic snafus the Russians can literally "turn off the tap" and suddenly Europe starts to shiver during the winter months. This is a huge trump card that Russia holds over Europe and so if I were a politician in Western Europe I would actively be looking at closer relationships with the United States and the shale gas deposits that are now being discovered or with Canada and their oil sands deposits in Alberta and Saskatchewan.

**You pay a lot of attention to the lithium industry. Why?**

Chris Berry: Lithium is one of the lightest, if not the lightest of all metals and the lithium-ion battery is on the verge of revolutionizing the transportation industry and the energy storage business. China and the United States are spending billions of dollars on battery research. In fact, China is spending quite a bit more to innovate and develop intellectual property surrounding batteries and vehicle electrification. Lithium is at the forefront of this race for next generation technologies. It is a critical metal, and it will remain front and center going forward. Lithium is mined mainly in China, Chile, Argentina, and Australia by four primary producing companies. If electric vehicle adoption (both electric vehicles and electric bikes) really takes hold, lithium will be a very profitable metal as technological advancements are certain due to the research and development dollars governments around the world are pouring into battery research.

**Another industry you pay close attention to is the rare earth industry. What**

**are the keys to understand that specific industry? Do rare earths become increasingly subjects of geopolitical games?**

Chris Berry: Yes, absolutely. Rare earths are politicized metals. Two years ago they were not in the news at all, and now they are routinely on the front page of many newspapers throughout the world. Politicians in Brussels, Washington DC, Ottawa, and Beijing are all aware of the strategic importance of a reliable supply of these metals for industrial and defense purposes. It has been a great ride for investors in the rare earth industry, but that ride is just about over. The issue here is you have over 300 companies globally that are involved in the rare earth industry searching for rare earth deposits outside of China, which controls 97 percent of a market of about 130,000 tons of supply. Those 300 companies are way, way too many. This industry, as quickly as it blew up, it will shrink down to five or ten core companies that have deposits outside of China and are able to set up a supply chain. That will take between five to ten years, so this supply crunch that I think we are seeing in rare earths is here to stay, but in terms of investing the easy money has been made. You should be very careful, focusing on deposits that are in safe geopolitical jurisdictions, for example Canada or Sweden, focusing on deposits that have a preponderance of heavy rare earth mineralization as opposed to light rare earths, and you should look for companies that have a good understanding of the metallurgy of the deposits, because you have to separate all seventeen rare earths one by one. This is key and is an enormously difficult task to accomplish, both technically and financially.

**Do you think that the blackmail potential associated with rare earths will increase?**

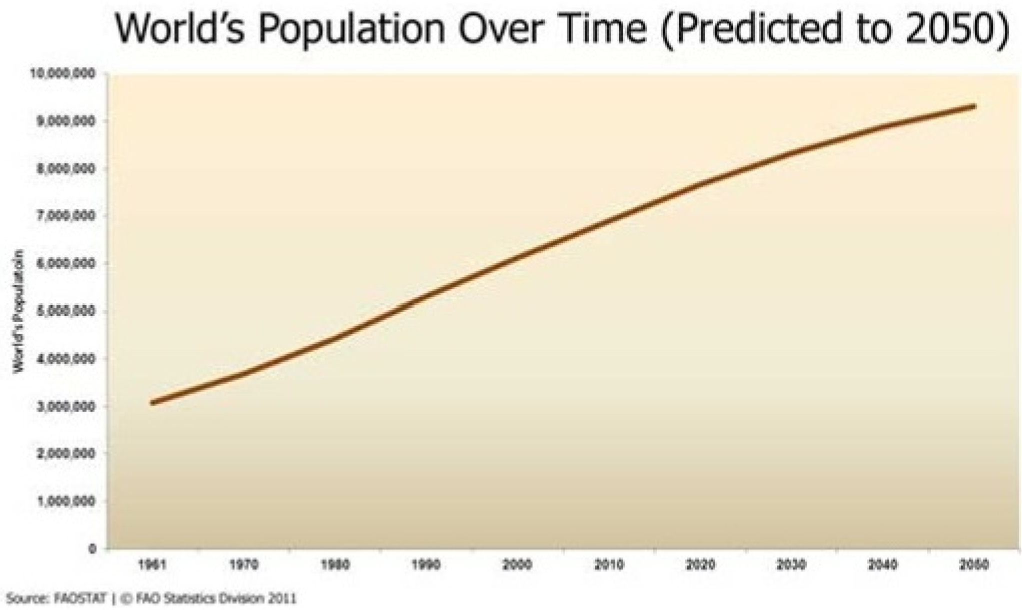
Chris Berry: I think so, but it will increase to a point. If the prices of these rare earths continue to go up by triple digits, like they have been, you will see companies like Toyota or BMW engineering around the use of rare earths in the motors and magnets for their vehicles. So rare earth demand will not vanish, it will be a very tight market and out of balance for a number of years for select rare earth elements, but you are starting to see companies engineer around the usage of these critical materials, and they really are critical for example in terms of magnets. The Chinese have instituted export quotas on rare earth oxides in recent years and I expect this to continue in various forms as the Chinese look to maintain their stranglehold on the rare earth market and build their own clean tech and defense industries.

**The book author F. William Engdahl wrote a few months ago:**

*"'A man can get used to pretty much anything with time, except dying…and even that with some practice.' Well, as fate has it, it seems we, the vast majority of the human race, are about to test that adage in regard to the availability of our daily bread itself." (2)*

**How do you think will that test of a life without food turn out on a global scale?**

Chris Berry: Feeding a hungry and growing population is key for any society, and I think this is an interesting question because on October 31st, 2011 according to the United Nations the 7 billionth human being on earth was born. You are seeing a global population that is increasing at an increasing rate. This rate of increase is not forecast to continue indefinitely, but nevertheless on the one hand you have population increasing and on the other hand arable land decreasing to the tune of 103,000 square kilometers every year. To put that in perspective, that is the size of the country of Iceland. So the next time you are looking at a map look at Iceland, this is roughly how much arable land is lost each year on a global scale. This trend makes the case for another one of my favorite elements which is potash. I am very interested in potash and its usage.




**Why?**

Chris Berry: Because of what it does for crops. It has a whole host of beneficial factors: it increases yield, it retains water in the soil, it produces fresher produce, all kinds of things. Potash and phosphates will be key in the future based on increasing and hungry populations and decreasing arable land.

**Do you think Monsanto will target this?**

Chris Berry: If they haven't already, they will. The potash market is controlled by a small number of major players and can be thought of as an oligopoly. Monsanto isn't included in this oligopoly, but is really more of an agricultural giant.

One of the uses for potash is in the growth of biofuels. This is sort of a question that opens Pandora's Box: Is it right to take corn and use it to create ethanol or bio-diesel for transportation, when you have a billion people globally that live in poverty and need to eat? That is probably another conversation for another interview, but this is an open moral question that we have to ask ourselves as the population gets bigger and it gets harder and harder to feed everybody.

**What advice would you like to give our readers at the end in order to survive the hard times we're going through?**

Chris Berry: Self-sufficiency is key. Relying on government, relying on anybody except yourself or your loved ones is a very bad bet going forward. Shall I tell you my own personal philosophy in that respect?

**Please.**

Chris Berry: I have about 5 to 7 percent of my wealth in hard assets, gold and silver bullion and coins and I continue to accumulate each. I have six months of living expenses readily available and not in a bank. Regarding investing, we practice what we call Discovery Investing where we use a ten point grid to evaluate micro-cap companies that have potential to make discoveries, whether they be a gold deposit or a cure for cancer. We believe that wealth is created through discovery. I welcome your readers to sign up for our free newsletter at www.discoveryinvesting.com.

I would try to avoid debt at all costs. Being liquid, staying liquid, staying debt free, protecting yourself and making wise investments in precious metals and select companies focused on commodities markets I think is wise.

**And also the awareness that threats like a depression are looming.**

Chris Berry: Yes, being aware is a great point. This is again what I do: I try to learn everything I can about how the rest of the world is living their life, I travel extensively and look at history as a guide, and I also consume information about resources, resource dependence, resource wars and resource nationalism because this is another theme that will continue to rear its ugly head with some potentially unfortunate consequences.

**Thank you very much for taking your time, Mr. Berry!**

SOURCES:

(1) Compare "National Energy Policy. Report of the National Energy Policy Development Group", May 2001 under:

http://www.wtrg.com/EnergyReport/National-Energy-Policy.pdf

(2) F. William Engdahl: “Getting used to Life without Food. Wall Street, BP, bio-ethanol and the death of millions”, published at Global Research on July 3, 2011 under:

http://www.globalresearch.ca/index.php?context=va&aid=25483

*The interviewee:*

*Chris Berry (1974 – Phoenix, Arizona) holds an MBA in Finance with an international focus from Fordham University and a BA in International Studies from The Virginia Military Institute. He spent more than a decade working across various roles in sales and brokerage on Wall Street. In 2010 he founded House Mountain Partners LLC. The firm focuses on the intersection of three spheres:*

** The changing geopolitical relationship between emerging and developed economies;*

** The commodity and energy space;*

** Junior mining and resource stocks.*

*Chris Berry is a member of the Canadian American Business Council and an active contributor to the Morning Notes email newsletter, along with his father Dr. Michael Berry (see: DiscoveryInvesting.com), and writes columns for various publications such as the Gold Report. He lives in New York City, U.S.A.*

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