“That the trial of your faith, being much more precious than of gold that perisheth, though it be tried with fire, might be found unto praise and honour and glory at the appearing of Jesus Christ.”
(1Peter 1:6)

More Precious Than Of Gold

As you have most likely noticed we post a lot of news articles concerning economics and the worlds economy. The reason which we are sure you are aware is that so much of the Endtime, the antichrist, etc. revolves around economics, as borne out in that very well known verse:

> “No man might buy or sell, save he that had the mark, or the name of the beast, or the number of his name.” Revelation 13:17

It is all about economics and being able to conduct business, buying and selling. Isn't that how the world operates today with ever increasing speed in transactions to the point where no one understands the financial system completely except the international merchants and bankers who are virtually one and the same.

The Bible two thousand years ago had the elite pegged.

> “And the merchants of the earth shall weep and mourn over her; for no man buyeth their merchandise any more...for thy merchants were the great men of the earth; for by thy sorceries were all nations deceived.” Revelation 18:11,23

By the printing of fiat currencies, which are not backed by anything today, and the lending of these currencies the great men of the earth have managed to enslave mankind.

As the Bible says in Revelation 18, one day it is all going to blow up in their faces.

> “I am God, and there is none other beside me, telling beforehand the latter events before they come to pass, and they are accomplished together.” Isaiah. 46:9-10

Below is an explanation of just how valuable gold, not paper, was esteemed in the Bible.

Following that is an explanation of how the world economies used to be run before the abandonment of the gold standard, this is then followed by a brief synopsis of how the demise of the worlds fiat, paper, currencies is at hand.

This will surely pave the way for the mark.

Remember no matter how valuable gold is, the Lord considers our faith even more precious.

Biblical Gold

Don Stott

Gold is the first, and most frequently mentioned metal in the Bible, as at Genesis 2:11. From the beginning, it has been a noble metal, highly valued for its weight, rarity, durable non-tarnishing luster, shimmering beauty, ductility, and malleability. A number of Old Testament Hebrew terms refer to gold, such as zahav, charuts, kethem, paz, seghor, and ophir. In the New Testament, the Greek words khrysos and khrysion are used as reference to ornaments, coins, and gold in general. Gold's rarity, throughout history, and even in Biblical times, gave it a monetary value, which made it useful in commercial transactions, as well as a measure of wealth and prominence. The color and luster of gold, and its resistance to oxidation or tarnishing, makes it valuable for jewelry and ornamentation of all kinds. In early Biblical times, it was found in its native purity in gravel deposits and riverbeds. It was easily separated and recovered because of its great weight. In the book of Job (28:1,2,6) mining and refining operations are mentioned.

In the construction of the Tabernacle, built by Moses, Exodus 25, 30, 37, and 39 describes using gold being beaten into plates for overlay, sheets, and even thread used in garments used by the high priest. In The Most Holy, the Ark of the Covenant, was gold. Solomon's Temple, extensively used gold in its décor. As is done with several modern coins, even ancient Israel evidently mixed an alloy with gold to harden it. (I kings10:16). David set aside 100,000 talents of gold for Solomon's Temple. A talent is about 75 pounds! The Temple's lamp-stands, utensils, forks, bowls, pitchers, basins, cups, etc, were all made of gold and silver, with a very few being made of copper. The cherubs in the Most Holy, the alter of incense, and even the entire inside of the house was overlaid with gold. By today's prices, the gold in Solomon's Temple would probably be valued at $50 billion.

Solomon received large amounts of gold from the King of Tyre (120 talents), the Queen of Sheba (120 talents), and from taxes and revenues from his own merchant fleet. First Kings says that the weight of gold that Solomon received in one year, was 636 talents of gold. The incredible amount of gold that was transacted and used in David and Solomon's day is unbelievable…but true.

When Israel captured cities, God commanded that they not use the captured gold and silver for themselves. Evidently the captured gold was re-refined to purify it. The exception was Jericho. Its gold and silver were turned over to the priests and used for sanctuary use, according to Jos. 6:17-19, 24.

Gold was so valuable and cherished, that in the Bible, gold is likened to wisdom, faith and knowledge. Psalms says that God's laws and commandments are more desirable than gold. (Psalms 19: 7-10, 119:72, 127) Psalms also says that while gold has great value, it is unable to give life. (Psalms 49: 6-8) Job says that no amount of gold can buy the wisdom that comes from God. (Job 28: 12, 15-17,28) The Apostle peter said ones' faith is of greater value than gold, which can withstand fire, but be worn away by other means. (I Peter 1:6,7) No amount of gold can deliver one in the day of God's anger. (Zep 1:18) The point is that gold is the most valuable thing one can possess, according to the Bible, other than knowledge, faith, life, and righteousness.

Even in Biblical times then, TANGIBLE WEALTH, as opposed to spiritual wealth, has always resided in gold, and silver. Throughout recorded history, gold and silver have been actual wealth, as opposed to currencies made of various things, such as mulberry leaves, bark, cigarettes in WW II, sea shells, and other trivia, but mostly PAPER. History, in all faiths and in all books of wisdom, and various holy books, have all used gold and silver as the ultimate form of tangible wealth. In all races, and throughout all of recorded history, gold and silver have been wealth, stability, and irrefutable riches.

The Classical Gold Standard—1870 to 1914

Economists are nearly unanimous in pointing out the beneficial economic results of this period. Giulio M. Gallarotti, the leading theorist and economic historian of the classical gold standard period, summarizes this neatly in The Anatomy of an International Monetary Regime: Among that group of nations that eventually gravitated to gold standards in the latter third of the 19th century (i.e., the gold club), abnormal capital movements (i.e., hot money flows) were uncommon, competitive manipulation of exchange rates was rare, international trade showed record growth rates, balance-of-payments problems were few, capital mobility was high (as was mobility of factors and people), few nations that ever adopted gold standards ever suspended convertibility (and of those that did, the most important returned), exchange rates stayed within their respective gold points (i.e., were extremely stable), there were few policy conflicts among nations, speculation was stabilizing (i.e., investment behavior tended to bring

currencies back to equilibrium after being displaced), adjustment was quick, liquidity was abundant, public and private confidence in the international monetary system remained high, nations experienced long-term price stability (predictability) at low levels of inflation, long-term trends in industrial production and income growth were favorable and unemployment remained fairly low. This highly positive assessment by Gallarotti is echoed by a study published by the Federal Reserve Bank of St. Louis, which concludes, “Economic performance in the United States and the United Kingdom was superior under the classical gold standard to that of the subsequent period of managed fiduciary money.” The period from 1870 to 1914 was a golden age in terms of noninflationary growth coupled with increasing wealth and productivity in the industrialized and commodity-producing world. A great part of the attraction of the classical gold standard was its simplicity. While a central bank might perform certain functions, no central bank was required; indeed the United States did not have a central bank during the entire period of the classical gold standard. A country joining the club merely declared its paper currency to be worth a certain amount in gold and then stood ready to buy or sell gold at that price in exchange for currency in any quantity from another member. The process of buying and selling gold near a target price in order to maintain that price is known today as an open market operation. It can be performed by a central bank, but that is not strictly necessary; it can just as well be performed by a government operating directly or indirectly through fiscal agents such as banks or dealers. Each authorized dealer requires access to a reasonable supply of gold with the understanding that in a panic more gold could readily be obtained. Although government intervention is involved, it is conducted transparently and can be seen as stabilizing rather than manipulating. The benefit of this system in international finance is that when two currencies become anchored to a standard weight of gold, they also became anchored to each other. This type of anchoring does not require facilitation by institutions such as the IMF or the G20. In the classical gold standard period, the world had all the benefits of currency stability and price stability without the costs of multilateral overseers and central bank planning. Another benefit of the classical gold standard was its self-equilibrating nature not only in terms of day-to-day open market operations but also in relation to larger events such as gold mining production swings. If gold supply increased more quickly than productivity, which happened on occasions such as the spectacular discoveries in South Africa, Australia and the Yukon between 1886 and 1896, then the price level for goods would go up temporarily. However, this would lead to increased costs for gold producers that would eventually lower production and reestablish the long-term trend of price stability. Conversely, if economic productivity increased due to technology, the price level would fall temporarily, which meant the purchasing power of money would go up. This would cause holders of gold jewelry to sell and would increase gold mining efforts, leading eventually to increased gold supply and a restoration of price stability. In both cases, the temporary supply and demand shocks in gold led to changes in behavior that restored long-term price stability. In international trade, these supply and demand factors equilibrated in the same way. A nation with improving terms of trade—an increasing ratio of export prices versus import prices—would begin to run a trade surplus. This surplus in one country would be mirrored by deficits in others whose terms of trade were not as favorable. The deficit nation would settle with the surplus nation in gold. This caused money supply in the deficit nation to shrink and money supply in the surplus nation to expand. The surplus nation with the expanding money supply experienced inflation while the deficit nation with the decreasing money supply experienced deflation. This inflation and deflation in

the trading partners would soon reverse the initial terms of trade. Exports from the original surplus nation would begin to get more expensive, while exports from the original deficit nation would begin to get less expensive. Eventually the surplus nation would go to a trade deficit and the deficit nation would go to a surplus. Now gold would start to flow back to the nation that had originally lost it. Economists called this the price-specie-flow mechanism (also the price-gold-flow mechanism). This rebalancing worked naturally without central bank intervention. It was facilitated by arbitrageurs who would buy "cheap" gold in one country and sell it as "expensive" gold in another country once exchange rates, the time value of money, transportation costs and bullion refining costs were taken into account. It was done in accordance with the rules of the game, which were well- understood customs and practices based on mutual advantage, common sense and the profits of arbitrage. Not every claim had to be settled in gold immediately. Most international trade was financed by short-term trade bills and letters of credit that were self-liquidating when the imported goods were received by the buyer and resold for cash without any gold transfers. The gold stock was an anchor or foundation for the overall system rather than the sole medium of exchange. Yet it was an efficient anchor because it obviated currency hedging and gave merchants greater certainty as to the ultimate value of their transactions. The classical gold standard epitomized a period of prosperity before the Great War of 1914 to 1918. The subsequent and much maligned gold exchange standard of the 1920s was, in the minds of many, an effort to return to a halcyon prewar age. However, efforts in the 1920s to use the prewar gold price were doomed by a mountain of debt and policy blunders that turned the gold exchange standard into a deflationary juggernaut. The world has not seen the operation of a pure gold standard in international finance since 1914. From: CURRENCY WARS by James Rickards – pages 45-48

The world is now entering its third currency war in less than one hundred years. Whether it ends tragically as in CWI or is managed to a soft landing as in CWII remains to be seen. What is clear is that—considering the growth since the 1980s of national economies, money printing and leverage through derivatives—this currency war will be truly global and fought on a more massive scale than ever. Currency War III will include both official and private players. This expansion in size, geography and participation exponentially increases the risk of collapse. Today the risk is not just of devaluation of one currency against another or a rise in the price of gold. Today the risk is the collapse of the monetary system itself—a loss of confidence in paper currencies and a massive flight to hard assets. Given these risks of catastrophic failure, Currency War III may be the last currency war—or, to paraphrase Woodrow Wilson, the war to end all currency wars. From: CURRENCY WARS by James Rickards – page 100

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