

I'm going to stray from the topics I normally cover to talk about gold.

The NY Times Magazine had some great articles on Hedge Funds and investing. [One article in particular caught my attention.](#)

The article was about gold and the people who follow it as an investment and those who believe it is the foundation of our world's economy. As the article states, "To a small but extremely avid subculture in the American financial community, gold doesn't mean bling, or King Midas, or *them thar hills*. Gold is money; and not just money, but the one true money."

Which got me thinking and made me ask the question... Why do people still think that gold has any more significance than any other precious metal or commodity?

I understand that gold was a common denominator as currency between countries starting more than a thousand years ago. I understand that until it was delinked from our currency that it was possible to exchange currency for gold and that created a "world currency."

But the world has changed since then. Where gold acted as the ultimate hedge against the devaluation of currency in the past, that is no longer the case. Gold is priced in dollars. Not services or other commodities. If the markets and economies were to crash, a basement full of gold bullion would just take space. I couldn't imagine farmers trading chickens and milk cows or fresh vegetables for gold bullion. For guns, ammunition, gas and oil, yes. For gold no.

Nor could I imagine a scenario where our currency was completely devalued and a gold standard was reinstituted. The reality is that our population, and the world population has gotten too big. There isn't enough gold in the world, let alone in the US to reconstitute a new currency based on gold.

So to get to the point. It's easy to understand why the US needs to maintain oil reserves. Without, the country could grind to a halt. Government oil reserves would at least allow us to fight over who got to keep their lights on and their cars running.

What I don't understand is why we still keep [\\$10 billion dollars worth of gold stashed in depositories around the country.](#)

My suggestion, let's sell it.

Let's sell it a little bit at a time so that we don't freak out the markets and decimate the price.

Let's sell it and pay down some of this country's debt. I know it's just a dent. But in order to pay off a debt, you have to make the first payment.

Let's sell it before some other country beats us to it.

Let's sell it while the price is over \$42 per troy ounce.

Just storing and protecting all of that gold has got to cost a fortune. Let's jump into the 21st century and sell it all.

And for the record, I'm not part of any organizations discussing this. I have not had any contact with the government regarding this idea. I am not part of any conspiracy although I fully expect to be entertained by such suggestions and by all the educational comments I'm sure to receive on this post.