



Written by [Alex Newman](#) on January 23, 2015

Gold Price Suppressed to Benefit Beijing, Says Top Expert

While the [officially admitted manipulation and suppression of gold prices](#) by Western central banks has been documented extensively, world renowned economist and money expert Jim Rickards argued last week that the real purpose of it was to benefit the Communist Party regime ruling mainland China. As China becomes a global superpower in an increasingly globalized world, the dictatorship in Beijing needs gold reserves to match its growing economic clout, explained Rickards, editor of [Strategic Intelligence](#) and author of two books focusing on currency. Eventually, all of that gold — being scooped up by the Chinese autocracy at artificially low rates — will give Beijing a much bigger voice at the table as the [new world monetary order](#) it [keeps demanding](#) slowly emerges from the ruins of the old.



Many analysts who focus on central bank-led gold-price suppression have suspected for decades that such scheming — perpetrated by the Federal Reserve and other monetary authorities around the world, often in coordination with each other — was aimed largely at concealing the accelerating depreciation of fiat currencies. As central bankers [continue to conjure growing amounts of currency into existence](#) out of thin air under various pretexts, the value of everyone's savings is quietly being siphoned away by governments and the banking cartels they enable. If the gold price were rising in tandem with the loss of currency purchasing power, though, such secret wealth confiscation — often dubbed the “inflation tax” — would be too obvious to the victims being looted.

However, with the Chinese dictatorship and its allies gobbling up precious metals at artificially low prices, even while [calling for a global currency regime run by the IMF](#), Rickards' theory on China certainly makes sense. “China does not have enough gold to have a seat at the table right now,” explained Rickards, who also serves as chief economist for West Shore Group. “Think of it as a game of Texas Hold'em. What do you want in a poker game? You want a big pile of chips. Gold are gonna be your chips. It doesn't mean that you automatically have a gold standard, but the gold that you have will kind of give you your voice at the table.” When the widely anticipated global monetary “reset” comes around, gold may well be the last asset standing.

In the current world order, the United States and Europe still reportedly hold most of the gold — whether examined in tonnage, or as a percentage of total reserves. The Communist Chinese regime, meanwhile, owns very little, especially when considered relative to the size of its economy. “If you took the lid off and ended the gold price manipulation and let gold find its level, China would be left in the dust,” Rickards observed. “It wouldn't have enough gold relative to the other countries, and because their economy's growing faster and because the price of gold would be skyrocketing, they could never



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acquire it fast enough. They could never catch up. All the other countries would be on the bus. The Chinese would be off the bus.”

According to Rickards, when the global monetary system has its “reset,” governments around the world will sit down at the table to reshape the system. And because China now represents the second largest economy in the world, its rulers must also have a seat — and for that, they will need a decent amount of gold proportional to their economic weight. “So the global effort is to keep the lid on the price through manipulation, which is very obvious,” Rickards [wrote](#) in his analysis for the online *Daily Reckoning*. “I tell people, if I were running the manipulation, I’d be embarrassed because it’s so obvious at this point.” In fact, as this magazine has documented, even Federal Reserve bosses have openly admitted in congressional hearings that central banks were suppressing gold prices.

“So the price is being suppressed until China gets the gold that they need,” noted Rickards, who wrote *New York Times* bestsellers *Currency Wars* and *The Death of Money*. “Once China gets the right amount of gold, then you can take the cap off. If it doesn’t matter where gold is because all the countries will be in the same boat. But, right now, they’re not, so Chinese has this catch-up.” Rickards also said that evidence supporting the argument — “statistical evidence, anecdotal evidence, forensic evidence” — is piling up. He said he has spoken to members of Congress, the intelligence community, very senior officials at the IMF, and more, in addition to documenting it all in 300 footnotes in his book.

Rickards’ latest analysis is not the first to comment on Communist China’s role in the ongoing suppression of gold prices. More than a year ago, for example, Gold Anti-Trust Action Committee (GATA) Secretary and Treasurer Chris Powell speculated that Beijing and U.S. authorities were likely working together in an effort to control the price of the precious metal. The purpose of the scheming, according to Powell’s analysis, was so that the Communist Chinese regime could “gradually hedge its insane U.S. dollar surplus against the dollar’s inevitable devaluation.” GATA, which works to raise awareness of price manipulation by central bankers, said that Beijing was almost certainly complicit in the “gold price smash” of April 2013.

After that [massive crash in gold prices](#), *The New American* pointed out that the socialist and communist-minded regimes ruling Brazil, Russia, India, China, and South Africa — the so-called BRICS — were still engaged in a gold-buying spree. Shortly before that, those regimes had [signed a declaration reiterating their call for a global currency](#) issued and [managed by the International Monetary Fund](#) (IMF) that would eventually replace the U.S. dollar as the world reserve. The BRICS also demanded a bigger seat at the table in the emerging global monetary system for their own regimes and those misruling other “emerging” economies. Last summer, more than 130 Third World governments and autocracies [made similar demands for what they called the “New World Order.”](#)

When the dollar eventually loses its prized status — [something that has been in the works for decades, and that is now being shouted from the rooftops](#) — gold reserves held by governments are likely to play a crucial role in determining who will hold the levers of power. Already, globalists, central bankers, and governments from around the world are [largely united in seeking to transform the IMF’s proto-global currency known as “Special Drawing Rights” into a true planetary currency](#). Beijing and its central bank have been among the loudest, [openly calling for a “de-Americanized” “New World Order” with an international currency](#). Even top establishment figures in the West, such as billionaire George Soros, [have declared that the Communist Chinese regime should “own” the “New World Order.”](#) But to do that, Beijing and its allies need a lot more gold, and at true market prices, that would be a lot more expensive.



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That is where the price manipulators come in. As *The New American* magazine [explained in an in-depth 2010 report](#), the privately owned U.S. Federal Reserve has been at the center of suppressing gold's price relative to fiat currency — along with the shadowy Bank for International Settlements, which helps coordinate the activities of central bankers around the world. The Fed's role in all of it is hardly a secret, either. "Central banks stand ready to lease gold in increasing quantities, should the price of gold rise," then-Fed boss Alan Greenspan told the House Banking Committee in 1998. Even before that admission, the Fed's gold manipulation was exposed in official central bank documents.

As the world is prepared by the establishment for the emergence of a true post-dollar global currency run by the IMF — [something that outfit itself is openly lobbying for](#), along with [Beijing and other powers](#) — gold is almost certain to play an important role in the process. With misguided faith in debt-based fiat currency likely to evaporate as central bankers destroy it, global institutions hoping to impose a planetary monetary regime on humanity will have little choice but to at least pay lip service to honest currency in the beginning. With the Communist Chinese regime and its allies gobbling up a decent share of global gold reserves at manipulated prices, their influence over the emerging new order will undoubtedly grow in tandem. The IMF is [already openly talking about moving from D.C. to Beijing](#).

For those who value liberty, national sovereignty, and honest money, that is all bad news — to put it mildly. If the United States were to unilaterally restore sound currency by [first auditing and then abolishing the out-of-control Federal Reserve](#), though, it would still be possible to slam the brakes on the whole global-currency plot. Of course, that will require a great deal of education and organization. But it is possible, and, considering the alternative, extremely urgent.

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