CALL OFF YOUR DOGS WALT

The line above comes from "Hunt The Man Down," an episode of "Have Gun Will Travel" starring Richard Boone as the white knight (in black) gunfighter Paladin, aired on February 7, 1959. The complete line he recited was, "Call off your dogs Walt---**don't make me hurt them to show my size!"** As you can guess, Paladin had his way and the bad guy's hired hands backed down. This could be said in relation to the silver market in a sense, telling the derivatives bad guys to call their dogs (naked shorts and other items) off before they get hurt. But as we know, someone will get caught short in the squeeze ahead. Someone's dogs, so to speak, will get hurt when the silver market shows its size by way of the law of supply and demand overwhelming the bad dog derivatives. Many times dogs should have been called off before they got hurt---like the five 125 pound plus Malamutes who were beat up by a 50 pound wolverine, one of them having his jaw broken (The Literary Digest, August 20, 1932, "A Hound of Hell Fights for his Life," page 23). According to Science Digest, August 1972, "Meanest Animal in the World," page 64,

"Weighing only 50 pounds fully grown, the wolverine fights grizzly bears, mountain lions, and armed men. Its strength and cunning are legendary. This fiery, unbelievably powerful little beast has been seen driving mountain lions and grizzly bears away from their kills."

You could say the silver market is a wolverine about to show his wrath to its derivative tormentors; or like Paladin, about to hurt the bad guys who made the sad mistake of tangling with him. Butler made reference to "the usual group of suspects" among the 8 or less largest traders having naked short silver positions including JPMorganChase (the derivatives nightmare pirate galleon corrupting the financial seas); Goldman Sachs; Bank of Nova Scotia; American International Group and others to which you might add Lehman Brothers, Citigroup and HSBC Bank, a British institution originally known as Hong Kong & Shanghai Bank, often said to have roots deep in the opium trade for centuries (see for example International Herald Tribune, September 30, 2000). Considering what is likely to happen in the nearing silver crisis, HSBC vaults are the last place I'd want to have any 1,000 ounce bars stored for me---if you have any there I suggest you arrange to remove them immediately. Trust them? You can trust yourself more fully. To repeat---if I owned a snowball I wouldn't be inclined to store it in hell! Any insurance covering silver held at HSBC likely has severe claims limitations spelled out in fine print, and you may only be "protected" for the purchase price, and not covered for a massive silver price rise. HSBC was among foreign banks raided by police after federal judge Norberto Oyarbide signed an order to seize records on January 16, 2002, in connection with the looting of the Argentinean economy and some 385 armored cars transporting cash---some $30 billion---from banks to jets leaving the country. If HSBC was concerned about moving paper currency out of Argentina, what will its view on precious metals be when the crisis starts? Sleep better by taking delivery of your metal! The rank and file shareholders of these metals rigging institutions will suffer badly, because, so to speak, Walt didn't call off his dogs! JPMChase has already suffered badly and Citigroup (another bank visited by Argentine police raids) isn't far behind. Warn small investors as to what's approaching, and freakazoid media commentators jump to their feet like a Jack in the box, point their trembling, unmanicured fingers and cry foul!

DERIVATIVES & SILVER AVAILABILITY

We've seen the horrifying display of derivatives holding silver prices low in the face of a catastrophic deficit. The conclusion, reached by such as Morgan and Butler years ago, and obvious to any thinking silver market researcher, is that the only force that will move silver prices sharply upwards, and on a sustained basis, is widespread unavailability of silver. I recently made a phone survey of area gold and silver dealers. Many had no ten-ounce bars, no one-ounce bars, and no hundred-ounce bars. No one dealer had on hand the bullion assortment I specified in only a small order---$1,000. My favorite dealer reports over 50 times as many buy as sell inquiries coming in. What good does it do to price something at $4.30 per unit if you can't get any at that price? Look at the disconnect between the COMEX spot price and what silver Eagles are going for---50% over spot! What will happen when 10,000 times as many people want to buy silver as are currently buying? Did you hear the true story about the woman who complained to the grocer about his hamburger being priced at $1.75 per pound, and told him she could get it down the road for $1.50 per pound? He told her, go down the road and get it for $1.50 per pound. Her reply was, they were out of it. He told her, "Lady, when I'm out of hamburger, I sell it for $1.25 per pound!" This is where derivative creators have sent the world---to an environment of silver shortages. International Forecaster recently commented, "silver is scarce and getting hard to find." Millennium Bullion Fund, Toronto, says silver stocks will be exhausted **before** 2003. Tulving Company, a large web based dealer, stopped offering 1,000-ounce bars in late August. Their offerings of 40% silver Kennedy halves are also suspended, apparently due to unavailability. Other well-informed sources say the silver will run out by midyear 2003, however one of these also notes the crisis could still begin in 2002. And this at a time when short exposure has just been reduced. The keys to this may lie in factors such as---will a run on remaining silver occur? (It should!) While users like Kodak may face softened blows because of silver byproduct contracts with polymetallic metal producers, I have to wonder about other important emerging users like American Superconductor and Intermagnetics General. Also, is there a sizeable silver stockpile remaining somewhere which is under negotiations for leasing, and will the silver be leased or declined to be leased? If it exists, but is not leasable, then the silver crisis cannot be postponed for 5 to 7 months.

The metal manipulation has squeezed so much silver out of the woodwork; the sponge is almost bone dry. In an authoritative article dated May 26, 1997 in Barron's entitled, "What Gives? Why don't silver prices rise?" by Michael Santoli, CPM Group at that time estimated silver supplies as covering the next three years deficits, while Goldfields estimated 4 years worth of deficit coverage. So, as of June 2001, we were going to be out of silver, however as these metals think tanks have often appeared to use "fuzzy math" in their estimates and calculations, we are now about a year and a half beyond the deadline forecast in May 1997. At this point we are on very thin ice. Derivatives have done their devil's work to guarantee years of shortages ahead. If you attain to a consciousness as to how near we are to seeing the silver Himalayas thrust skyward out of the flat plains of depressed prices, you would consider every way possible of depriving yourself of all comfort related expenditures and place that money into silver and the right shares at once! Which brings us to the next topic---those who slam mining shares versus physical, and those who do the reverse.

PHYSICAL SILVER VERSUS EQUITIES

I've read commentaries by metals dealers criticizing numismatic investments, and I have to agree with them. Unless you're a real genius at numismatics, you'll buy high and sell low even in the huge metals run up approaching. Then these same dealers slam mining shares. People who don't make money if you buy shares would seek to shake your confidence in shares so they can enjoy some of your funds instead, and sometimes the self-interest is so obvious it's a textbook case. We aren't speaking of Bre-X scam companies, but the fine silver equities we know about. Someone says, if you buy mining shares, you're just buying more paper investments. But this is begging the question. These companies own title deed to mineral rights, and surface rights, so what you have fractional ownership of is extraordinarily valuable real estate. We also hear, by buying physical silver, you actually have it in your possession. However, as with mining shares, what do holders of this physical silver expect to exchange it for? Why, for paper money, of course, and in due time, far more than it cost going in. I have been fortunate to take what are by my standards large profits in a silver stock because of its leverage to the underlying commodity, at a time when this was not possible in physical silver due to the dealer spread. Where did all the available physical silver come from? From dealers? No---it came from mining companies! Physical silver only advocates say---mining shares entail risks including nationalization/expropriation (government theft). The same prospect could occur with physical silver. An advantage of mining shares is---a burglar or thief cannot take them from you, as he can take your physical silver in a break in or hold up when you go to sell.

You can minimize mining share risk by avoiding companies operating in locations like Indonesia, where 2 Americans were ambushed and killed en route to the Grasberg copper-gold mine on August 31; then there's the nightclub blast in Bali this October. Argentina must be mentioned, as there are some 53 foreign mining companies operating or exploring there. These companies aren't stupid and if nationalization was a significant risk they wouldn't be there. The Argentinean Supreme Court recently ruled in favor of private property rights, and foreigners are on the same footing as nationals (as long as laws aren't being violated). There is no value to Argentina in nationalizing foreign owned mineral deposits when they lack the money to develop them. Additionally, the national and provincial governments oppose nationalization because this would also eliminate employment when it is badly needed. Finally, Argentina must be able to trade with the rest of the world to meet its needs and if nationalization occurred, this would finally close the coffin on their economy. It is also extremely likely that strategically placed Argentines have bought shares of many of these companies, possibly in private placements! Honestly, there are plusses and minuses with both investments. In the event of need for barter or use of silver as money, the physical holder has the lead over the pure equity owner. The mining shares feature not only vertical, but also horizontal leverage---number of ounces per share, so return on investment is superior. As far as comparisons to other periods of rising silver prices with share and bullion analysis---they may not all be valid, since we are entering a different era---a time of real shortages unlike ever before. As soon as silver skyrockets, millions of people will rush out to buy silver in coin and bullion form, but will find availability severely constrained and price quotes rising frequently. In this environment, they will also stampede into mining shares. To cover the drawbacks of each type of silver position, hold something in both. Concerning Butler's recent salvo of criticism against some producing silver companies for remaining silent in the face of COMEX chicanery, while his points are valid, another observation can be made. As with those buying physical, miners buying those greatly discounted ounces in the ground can negotiate lower acquisition prices during the price manipulation. If miners take legal steps to end it before it burns itself out, they end their low price acquisition opportunity that much sooner---and could cost shareholders the addition of a hundred million ounces or more.

Silver futures or options on the COMEX? You might make a big return if you use double margin but why risk their sorry record of rule changes when shorts aren't winning? The only way you might win there is by being party to a class action lawsuit, then you wait for years during litigation. There's still another type of individual in this landscape---the sort who tries to shake your confidence in what you know is a sound company so you'll buy his shares instead. Just be sure you know the sound companies from the rest. One of many attributes I like about the company I took a position in is, it spent a six figure sum last year to have an independent review of its assets conducted by an internationally respected mining consulting firm based in Denver. A word of caution to silver shareholders---because of the lateness of the hour, those of you who are traders may wish to join long term holders also---you should consider suspending your trading to buy orders only, because of the risk of being caught outside the move of the century. Furthermore, I urge all shareholders of the right kind of companies to hold for another reason---management needs your support. You don't want to see the board ousted then replaced by one that will hedge all production at 1% over break-even prices! Before the physical only investor says, I just made their case---I don't see the boards being replaced with hedgers. The word to all long shareholders is---I counsel you to stop selling expecting to buy more on dips. The risk is great that you won't have your shares when the ride starts. Barring a major earthquake in silver before January, expect to see shares of a major miner move up then due to announcements concerning 11.47 miles of recent drilling, and to move up even before then because of acquisition announcements. Also, they bought two "sleeper" properties for a mere $20,000 each with which one of their geologists is very impressed.

WHAT CHARTS CANNOT DO!

Some comments about charts are in order. After admitting they have their worthwhile uses, let's discuss what they can't do for you. They can't tell you when a major event might upset the financial landscape---like September 11, 2001, or when other events like that may transpire. They can't tell you when silver leasing will end, will there be a run on remaining supplies, or when a leading silver company will have a press release announcing a major acquisition, merger, joint venture, or large addition to its reserves by way of fire assayed drilling results from exploratory areas. Many commodity brokers and analysts seem to rely near 100% on charts for their decisions, and if you bring up fundamentals, they look at you like you just shot Kennedy---you're a heretic failing to acknowledge their omniscient charts. They think as long as they have a chart, they can predict silver prices, and since silver has been low for so many years, they believe it will continue to stay low. You don't even need any silver mining; you just need charts. The boys at the COMEX will see that things don't ever go wild again! They know how heavily and successfully silver has been shorted, so being long is totally out of style. Brokerages also use charts, and research reports on some silver miners speak of silver someday attaining to $5.25 to $6 per ounce. One featured silver rising to $7. It seems the shortside conspiracy has influenced many sources. An unknown day is marked on the calendar in the near future to totally embarrass these chart worshippers, as leasing ends and a buying panic sweeps the global silver market. Their charts won't be fit for recycling into bathroom tissue. Predictions based on charts have been published as to how silver could rise to around $15 per ounce in December 2002. Whenever silver does start moving for real, that $15 level will be swept away in the rocket launch upwards. If a chart tells you silver's potential limit is $15, you probably also believe the Pacific is 15 feet deep somewhere. The day before silver goes berserk, many investors will take short positions because their Ouija-board charts told them to, then they'll howl like the neighborhood boy I knew who had a medical emergency when he was stung on the eyeball by a red wasp! As David Morgan remarked to me, "If there was three ounces of silver in the world and the chart looked bad, people would go short!" Just thinking about would be prophets of price action who rely exclusively on charts and their formations, and ignore fundamentals, is like listening to a drunk weather forecaster saying wet streets cause rain!

SILVER MISCELLANY, SENATOR ENRON & A BANKING "WARTHOG"

(Because someone else has a lock on the potpourri!) In the October essay hosted here I forgot to mention a critical detail---now to be remedied! If Arab interests are to be blamed for the coming silver shortages, so too might the Chinese Reds. After all, they form the real backbone of Bush's "Axis of Evil," North Korea, China and Iran. So maybe the Chinese will also be accused of removing phantom silver from mythical London stockpiles! A Kung Fu expert, I was told, could strike a victim in 7 places in the time it takes you to clap your hands, so maybe that's how the Chinese could be alleged to be responsible, along with Arabs, for the silver crisis, being fast operators. On the topic of highly placed public officials and Wall Street connections, we note that as of October 2002 outgoing Texas Republican Senator Phil Gramm, "Senator Enron," will become vice chairman of investment bank UBS **Warthog**---I meant to say, UBS Warburg, as of January 2003. This is a subsidiary of Union Bank of Switzerland, doubtless one of the Swiss banks mentioned by Butler as having issued unbacked silver certificates representing more phantom bullion. Its peer institutions are Swiss Bank Corporation and Credit Suisse. My, what company we run with---the pliable wife once headed the CFTC for money interests in the earlier days of silver leasing and remained silent on the matter, the conniving husband lobbied to have Enron's energy derivatives unregulated, and the public took another body blow from the elitists. And what elitists we have here in the name Warburg, intermarried with the more famous Rothschilds and with them and others key figures in the Anglo-American network I mentioned last month. Paul Warburg was a pivotal figure behind the creation of the Federal Reserve System in 1913. Robert Sobel in "Panic On Wall Street" (Collier Books, New York, 1968) said Paul Warburg was a major figure on Wall Street for two generations (page 366).   Ferdinand Lundberg in "America's 60 Families" (Halcyon House, New York, 1937), page 122 observed:

"The financiers wanted a central bank on the European model, to facilitate the large scale manipulation of the national economy. An instrument was desired that would function as had the United States Bank, smashed by President Andrew Jackson because it concentrated immense monetary power in private hands."

How about that, a rare historian---one who was honest! Jackson withdrew U.S. funds from that bank and wrecked its charter, whereupon the financiers circulated vicious cartoons about Jackson. It was an open secret that the bank was controlled from London, and on July 10, 1832, Jackson delivered his veto message to the Senate as to rechartering the bank. The Senate, then as now, was in the pockets of spidery financiers, and it censured him. However, by 1835, Jackson had paid off the national debt---the first and only time in our history, and when he left office in 1837 the Treasury had a surplus! No wonder the banxters hated him! Speaking of the Treasury department, Douglas Dillon was at its helm in 1961-1965 when we were taken off silver coins. He was Ambassador to France from 1953-1957, chaired the Rockefeller Foundation from 1972-1975 and was a director of AT&T and Chase Manhattan Bank. His father Clarence was a big financier on Wall Street ("the brilliant financier of the 1920's") who saved Goodyear from bankruptcy, created National Cash Register and bought Dodge Brothers for $146 million cash (Business Week, July 12, 1976). Douglas Dillon's daughter Joan is the Princess Joan de

Luxembourg, and he was personal financial advisor to Nelson Rockefeller (the almost unelected president who died in strange circumstances---a la Edmund Safra of Republic Bank, taken over by HSBC?) With all these interconnected links between big rich, it should not surprise to know that Dillon Read & Company later merged to become Warburg Dillon Read---all under the aegis of Union Bank of Switzerland. Douglas Dillon was born in Geneva in 1909. You might say, the money went home---along with the silver we used to see in change and the Swiss bank silver certificates Butler alleges to represent phantom silver.

A more recent Warburg, Sir Siegmund, was profiled in a Business Week article, November 23, 1974, pages 92-93 entitled, "A European Prefers Wall Street." It said that Warburg, creator of the huge Eurobond market, "still runs the bank from his home in Switzerland" and "counts among his friends some of the most powerful men in the world." Warburg's mother Sara was a personal friend of Otto Von Bismarck (1818-1890) who became Chancellor of Germany. Bismarck wielded profound influence in Europe in the period before World War I, and Max Warburg headed the German secret police during World War I. Frederick Warburg was with American International Group in 1919-1921, and Butler has occasionally mentioned AIG in connection with the silver shorting manipulation. Public officials like Gramm and his CFTC wife Wendy also ex of the Enron board, have no compunction about pillaging the public then taking positions with their real bosses behind the scenes; people like the Warburgs connected to the Federal Reserve System and the Bank of England.

According to Stephen Birmingham in "Our Crowd," Harper & Row, 1967, page 209, the Warburgs took their name from a German city but originally came from Italy, where their name was "del Banco," meaning, the bankers! As we know, bankers are enemies of honest gold and silver money since they cannot create it at will. However, not ignoring metals like silver, king makers like the Rothschilds turn up by proxy on boards like that of the leading silver company in the world (measured by share price), and rumors are heard about George Soros fronting for them. This same company attempted to acquire silver properties from "61 Neutron Corporation" (my nickname for a leading silver company); this is a solid guarantee as to the value of its shares! Interestingly, Max Warburg, Paul Warburg's brother, was a member of the board of Hamburg-America Line in the 1930's, at a time when Birmingham said its position "became notably Hitlerian" (page 394). Warburg interests are centered in the Union Bank of Switzerland, a $700 billion institution, and in the City of London, which uncoincidentally is at the center of 24-hour international banking time. The December 1, 1945 Chicago Tribune, page 1, noted British interests owned vast holdings in 80 large American corporations. Evidently if you try to retake the colonies in the War of 1812 and fail, and are thwarted again in 1833 by an uncontrollable President, you send someone over to establish a central bank in 1913 and succeed financially where you failed militarily, then you use the junior partner as your main muscle in preplanned wars to follow.

FLASHBACKS TO JULY 2002 & FEBRUARY 1950

In his 5-page letter of July 27, 2002, Michael Gorham of the CFTC made a successful rebuttal of Butler's assertions concerning the silver market---successful when read by a credulous simpleton. Gorham noted that a conspiracy across multiple markets would be required to manipulate silver. Apart from the fact that COMEX dominates the silver price, the necessity for a conspiracy is quite factual. There is nothing startling about this. It stems from greed, and greed and lust for power are inseparable twins. The fact that so many big rich worldwide are intermarried, including descendants of European and British royalty, explains the situation. In America it is the "60 Families" which was the subject of a book by Ferdinand Lundberg. International finance is dominated by a wolf pack of intermarried, long established rich. Trends in world finance and trading arenas are therefore a result of planning behind the scenes, and are not the result of impersonal and haphazard forces. The long term trashing of the silver price was planned and implemented. These planned financial trends have been going on for centuries. In his "House Divided" speech, Lincoln said---

"We cannot absolutely know that all these exact adaptations are the result of preconcert. But when we see a lot of framed timbers, different portions of which we know have been gotten out at different times and places and by different workmen---Stephen, Franklin, Roger and James, for instance---and when we see these timbers joined together, and see they exactly make the frame of a house or a mill, all the tenons and mortices exactly fitting, and all the lengths and proportions of the different pieces exactly adapted to their respective places, and not a piece too many or too few---not omitting even scaffolding---or, if a single piece be lacking, we can see the place in the frame exactly fitted and prepared to yet bring such a piece in---in such a case, we find it impossible to not believe that Stephen and Franklin and Roger and James all understood one another from the beginning, and all worked upon a common plan or draft drawn up before the first lick was struck."

So here we see Senator Enron joining the Warburg faction of finance. Please note that after launching the Federal Reserve Act, along with Rockefeller relative Senator Nelson Aldrich (for whom Nelson Aldrich Rockefeller was named), Paul Warburg declined Woodrow Wilson's offer to be the first head of the Fed, but instead became president of the Bank of Manhattan, which later merged with the Rockefeller led Chase National Bank (named after Salmon P. Chase, an Ohio Governor and Senator who became chief justice of the Supreme Court in 1864) to form Chase Manhattan Bank, which more recently merged to become JPMorganChase, seemingly the leading gold and silver manipulator. The Warburgs also had an interest in Chemical Bank (Lundberg, page 38), which later merged into Chase Manhattan. UBS Warburg is also big in metals. You should be **alarmed** to know the Warburg outlook for the rest of us, shared by their fellow intermarried financiers (from the Congressional Record, February 17, 1950, testimony before the Senate Foreign Relations Committee on revision of the U.N. charter)---

"We shall have world government whether or not you like it---conquest or consent."

Thus spoke James Warburg who made a mint financing Polaroid ("The Rich and The Super Rich," Lundberg, page 55), son of Paul Warburg, of this family who "counts among their friends some of the most powerful men in the world," and Senator Gramm is joining them next January. I guess he already knows Lord Roll of Ipsden, one of their main British executives. The corruption of Senator Enron Gramm is off the scale, running as he does with macabre financial hobgoblins like the Warburgs. Small wonder Lundberg called James Warburg "politically aggressive" (page 13). This Warburg was a Democrat and wrote "Hell Bent For Election" in 1935. Other Warburgs had Republican connections, showing that at the top, the same interests run both parties. James Warburg spoke of conquest, and an earlier relative of his, Felix Warburg, was a contributor to the League To Enforce the Peace, which as Lundberg noted (page 265) was---

"Formed in 1915 to carry on a systematic press campaign for drawing the United States into the war."

So there you have it---central banks, unbacked paper money and warmongering are all children of the same nightmare parents. James Warburg was with the Office of War Information during 1942-1944 in a safe location while soldiers were dying. Other interests involved in the League included J.P. Morgan and the Fords. Lundberg, who on page 26 estimated a worth of $97 million for several Warburgs in 1924 and noted their sponsorship of Republican Presidential candidates (page 456) and said of the Warburgs and others such as the Mellons, Vanderbilts, Rockefellers and Du Ponts, that they are one of the---

"Clans whose selfish activities have tormented the American people for many years."

Another public official pliable to the powers on a mission to eliminate the middle class is Harvey Pitt, head of the Securities Exchange Commission, who has taken much Congressional heat concerning lack of SEC intervention in sham corporations like Enron and Global Crossing which figured in the stock busts. The SEC, investigating key banks and investment dealers including Goldman Sachs, was jeered again in October as Harvey Pitt met with Goldman Sachs officials---who I suppose gave him his operating orders. With appropriate anticipation we await the great transition in silver prices, very positive for us, sickening to the unbacked paper money interests, and very bad for those who didn't call all their derivatives dogs off!

Goldman "Sacks" the little guy,
He's for ripping off, lousy small fry,
Keep him poor till his day to die,
How did we fool him? With lie after lie!

SEC's Harvey Pitt sez he won't quit,
He doesn't care if small investors have a fit,
Goldman Sachs yawns as many take a terminal hit,
With their stocks---a rat's rump on a banana split!

Texas Senator Enron, Joining UBS Warthog,
His wife, like a poison Brazilian rainforest frog,
He, like a wily eye patch pirate sipping his grog,
Making small investors get lost in a fog!

Notorious string pullers at JPMorganChase,
Have $3500 in derivatives for everyone in the human race,
Trashing gold and silver for years, what a disgrace,
Their ruins will splatter all over the place!

Citigroup, Lehman Brothers and HSBC,
Are like disease killing a big tree,
As their derivatives die degree by degree,
Will their executives attempt to flee?

Stocks, bonds and currencies in a free fall,
String pullers hidden behind a tenebrous pall,
Claiming to be investigative, media has their gall,

Little people with their backs to the wall!

They always told us, gold and silver aren't cool,
But in this environment, precious metals rule,
The prostitute analyst looks more of a fool,
Who had better advice? Even a stupid old mule!

Gold and Silver, the bankers downfall!
Their pain, like a wasp sting to the eyeball,
Like swallowing a fluoroacetate highball,
And crashing head first into a concrete wall!

Banxter metal manipulator, what the hell are you?
Always prowling for someone to lay waste to,
More of a nasty demon, with each turn of the screw,
Beware! This time you ain't gonna breeze through!