

SILVER VIPERS HISSING

Presented April 2009 by Charles Savoie

THERE ARE SOME OPERATORS IN THE SILVER SCENE WHO'D STEAL CORN FROM A BLIND CHICKEN!

“WE HAVE FOLLOWED A POLICY WHICH HAD FOR ITS PURPOSE THE DESTRUCTION OF SILVER VALUES.”---Lord Frederick Godber, Pilgrims of Great Britain, managing director, Royal Dutch Shell, London, New York Times, April 23, 1933, section 2, page 7. The Lord's London home, built in 1821, is offered at \$28.9 million http://www.robbreport.com/Articles/Home/Design-Architecture/asset_upload_file269_5313.jpg

“During the past four years I have iterated and reiterated the prophecy that the Depression would not end until recognition was given the free coinage of silver at a ratio to gold fixed by international agreement. **THE DEMONETIZATION OF SILVER BY ENGLAND DUMPING INDIA'S SILVER ON THE MARKET, WITH FRANCE DUMPING INDOCHINA'S SILVER, AND WITH BOTH ENGLAND AND FRANCE AND OTHER NATIONS TURNING A COLD SHOULDER TO THE USE OF SILVER, BROUGHT ON THE WORLD DEPRESSION. NEW STANDARDS OF MONEY WILL NOT RESTORE THIS BUYING POWER. THE GREAT TROUBLE IN THESE MATTERS IS SO FEW PEOPLE BOTH IN AND OUT OF CONGRESS MAKE ANY ATTEMPT TO UNDERSTAND THE MONEY QUESTION.**”---Sound money advocate Jeremiah Johnson, New York Times, April 25, 1933, page 16

(Even commentators in the precious metals community have repeated the disingenuous fable that the October 1929 stock market crash caused the Depression. Yes, paper money economists want us to believe that myth. Forces Britain set in motion three and a half years earlier made the Depression unavoidable. Actually, the Crash was a mere tributary event, though quite important. Britain's attack on silver in 1926 and on gold in 1931 caused the Depression!)

“PRESIDENT HOOVER HIT THE NAIL ON THE HEAD WHEN HE SAID THE WORLD DEPRESSION WAS DUE TO THE DISLOCATION OF THE WORLD'S MONETARY SYSTEM, AND WITH HIS INTERNATIONAL PRESTIGE HE MIGHT HAVE OBTAINED AN INTERNATIONAL AGREEMENT TO RESTORE THE AGE-OLD GOLD AND SILVER MONETARY SYSTEM, BUT FOR SOME REASON HE TURNED COLD ON SILVER.”---Also from Johnson's letter. Details on President Hoover's resolute refusal to call an international conference on silver appear in the five part series, “Britain Against Silver,” Archives

“THE PRICE OF SILVER CONTINUED ITS SWIFT FALL YESTERDAY.”---New York Times, December 21, 1935, page 28. The same old tune has been playing in silver for many generations; certainly before a users association existed. The Money Power has been the controlling silver price suppressor. Their tricks are just about exhausted. First, another item from silver's long past---price abuse by the Money Power. The NYT, March 1, 1936, page 36, reported another drop in the silver price (arranged by the London/New York mob of Pilgrims Society financiers; money “creators”). As a consequence of the drop, mining management in Mexico couldn't increase mining wages to keep pace with Mexican central bank caused inflation. 700 miners marched in protest---

“For two weeks the 700 marchers have been SLEEPING IN THE OPEN AND EATING WHATEVER HAS BEEN GIVEN THEM. TWENTY-FIVE WERE IN SUCH BAD PHYSICAL CONDITION THAT THEY WERE PICKED UP BY RED CROSS AMBULANCES ON THE OUTSKIRTS OF THE CITY. CHAVEZ DIED LAST NIGHT.”

Too bad we don't have that event on You Tube so pretty boy Bart Chilton, he of the feverish cloudy disclaimers, could see it! His acumen for playing misleading word games runs high, but it isn't working. My local newspaper, which I value most for using to dispose of pet waste, routinely publishes photos of felons wanted for arson, murder, rape, burglary, kidnapping, armed robbery and so forth. Someday I hope to see photos published of far grander scale criminals---metals suppressors we have discussed here for years. I'm reminded of a line from the original (and best) "Star Trek" series---

“I CAN HAVE YOU SENT TO A PENAL COLONY FOR THIS!”

Or a line from "Mission Impossible" for those who prefer it---

“YOU'RE PUSHING FOR A HOSPITAL BED OR THE MORGUE!”

Just before that item, on February 8, 1936, the Commercial & Financial Chronicle, page 808, had Rupert Beckett (Pilgrims of Great Britain), head of Westminster Bank of London, crowing about how "sound financial policy has been steadfastly pursued" by the British! This was the same cadre of super-criminals who attacked silver in 1926 and gold in 1931, causing the Great Depression, of which the October 1929 market crash was *a mere subset*. Like Senator Elmer Thomas told Treasury Secretary Morgenthau (NYT, May 11, 1934, page 2) ---

“YOU FELLOWS ARE GOING TO HAVE TO HAVE ANOTHER BIG CRASH TO BRING YOU TO YOUR SENSES ABOUT THIS MONEY QUESTION.”

In a letter to the New York Times titled "Silver Supply Meets All of the Demand" that appeared in its edition of June 26, 1991, page A-22, Walter L. Frankland Jr., executive vice president of the Silver Abusers Association stated (first sentence he cited from earlier edition)---

“Silver soared to an eight month high yesterday amid speculative buying prompted in part by an industry report that demand for the metal was exceeding production.” (Business Day, June 7).”

“THERE IS NOTHING NEW OR UNUSUAL ABOUT INDUSTRIAL AND COINAGE DEMAND FOR SILVER EXCEEDING PRODUCTION. THIS HAS BEEN THE SITUATION SINCE 1946, WHEN NEW MINE PRODUCTION OF SILVER WORLDWIDE FIRST COULD NOT MEET INDUSTRIAL DEMAND IN THE AFTERMATH OF WORLD WAR II. Silver from scrap and other easily accessible above ground sources has been required since then to meet demand.”

“The Silver Institute 1991 survey to which you refer shows that since 1978 more than 900 million ounces of silver have been added to above ground stocks worldwide, NOW NUMBERED IN BILLIONS OF OUNCES. YOUR INFERENCE IS THAT THERE IS A SHORTAGE OF SILVER, WHEN THE CONTRARY IS THE CASE.”

“Granted that at a given price there could be a shortage of sellers. However, as that price rises, **EVEN IF IT RISES SLOWLY**, the flow of silver from above ground sources will continue to be more than adequate to meet the demand.”

(End of letter.)

Let's evaluate Frankland's statements. There are many tawdry aspects to consider. There is much appropriate reading between the lines to be done. In the context of many statements issued since 1947 by various spokesmen for the Silver Abusers Association, I won't be putting words into Frankland's mouth---at all. First of all, in an item I offered in 2003, "Severe Oversupply Of Liars," I enumerated over 200 public record references regarding the multi-generation length silver mine supply to demand deficit. It wasn't any all-comprehensive list. At that time the best information I had traced the deficit to around 1951. Since then I noticed this claim on Frankland's part that the deficit has existed since 1946. That makes it a three-generation deficit! No other commodity can remotely approximate that bizarre situation. I imagine the SUA would get high on a series of 13 words I noticed on page 201 of the North American Review, March 1934---

“If we conceive of silver as an object as common as salt water...”

Though his letter dates from 1991, we all know this deficit has continued. It wasn't new to the Silver Abusers Association because they got used to it. However, why should they expect any outside source to view it as not unusual? How can the world devour more of something than what exists? Borrowing silver from past production has been the only basis by which a current production shortfall could be stretched to supply demand. How long can the past be borrowed from? There can be no dispute that silver coin melts on the part of all governments which formerly used these as circulating currency has gone to supply the “perpetual” silver deficit. There additionally can be no dispute that such coin melts must be finite in supply. Please buy some 90% this week and hold them off the market. Help our mining managements who are too timid to speak a whisper about price suppression.

As governments retired or recalled their former silver coinage, their central banks accumulated them, and surreptitiously---in many cases---melted them, and leased the resulting bullion into the controlled market for continued price suppression so as to make their paper “money” seem more “valuable.” Treasury officials have conducted a hate campaign against silver for many years! The January 13, 1968 New York Times, “U.S. Stands Ready To Melt Its Coins” reported---

“Officials in the silver using industries said here yesterday they were encouraged by a statement by Robert A. Wallace, Assistant Secretary of the Treasury, who said that the Government “stands ready” to melt silver coins **AND OFFER THE METAL TO INDUSTRIAL USERS**. In a speech to the winter meeting of the **SILVER USERS ASSOCIATION**---composed of photographic film manufacturers, tableware companies and other consumers of the metal---Mr. Wallace said that coins stockpiled by the Treasury had been held against a possible shortage during the Christmas shopping season.”

“But the danger is past, he added, and the silver in these coins, while not needed at the moment, could be **“MADE AVAILABLE FOR USEFUL PURPOSES BENEFICIAL TO BOTH THE SILVER USERS AND TAXPAYERS WHENEVER NECESSARY.”**

(The blow-by-blow details of the Treasury feeding coin melt silver to these industrial users are documented in “The Silver Raiders” in Archives of Silver Investor. As far as this being a “useful purpose” to the taxpayer---that was an offensive fiction. I again referenced here last January in “The Money Mystery” that the Government not only lost money in the physical operation of these coin melts, but also that they were staged without regard to replacement cost. Like an insatiable, voracious juggernaut that never stops, the United States Strategic Silver Stockpile was later tapped totally out, with most of the metal being drained away by the Silver Abusers Association, in much the same manner as a spider sucks dry the body fluids of hapless insects caught in its sticky web.)

“ON THE NEW YORK COMMODITY EXCHANGE, SILVER FUTURES FELL ON THE NEWS, WEAKENING BY A RANGE OF 1 AND A HALF TO 2 AND A HALF CENTS in trading of 981 contracts.”

(Do these shorts and users ever love any bearish report on silver! Meantime, if the price rises a cent, they make noises that it’s higher than a cat’s back---and that while primary miners tally losses!)

“One executive voiced a common view when he remarked---“The assistant secretary didn’t add anything to what we assumed was Treasury policy---**MAKING THIS COINAGE METAL AVAILABLE---BUT IT WAS ENCOURAGING TO HAVE HIM GO ON THE PUBLIC RECORD.”**

(Speaking of the public record---it’s comforting that we have documentation covering the international larceny that has persisted in silver.)

“Industry sources have reported that there is no acute shortage of silver in the United States, but the price has been inflated by speculators to as much as \$2.20 a troy ounce recently. This was up from the level of \$1.29 an ounce, **AT WHICH THE TREASURY HAD BEEN HOLDING THE PRICE UNTIL LAST JULY.** The Treasury, which has been minting nickel-clad copper coins for nearly three years to conserve silver, is reported to have stockpiled about 210 million ounces of metal in the form of old silver coins. Recently, however, more Treasury silver has been offered at weekly auctions of the General Services Administration in Washington **THAN INDUSTRIAL USERS HAVE BEEN WILLING TO BUY AT THE GOING MARKET PRICE.”**

(Another admission of silver price management sponsored by, as David Bond terms it, the United “Snakes” Government. Many times denials have been issued, yet always items such as this slip past, confirming what was already strikingly obvious. These chiseling silver users have been feeding off the government for many years. They are wondering if they can stage a silver confiscation so the Treasury, once more engorged with silver, can dispense it to them at below going market prices---which they heavily manage to the downside as long as possible.) I’m reminded of what Ben Cartwright said to some flaky riff-raff on a Bonanza episode---

“WHY DON’T YOU RIDE ON---YOU’RE BEGINNING TO MAKE ME FEEL SICK!”

I once read about a jewelry store robbery in which the holdup man insisted he was overpaying, not stealing. His idea of payment was paper clippings of prices advertised for new cars he'd cut from a newspaper. He had to use a gun to get the jeweler to accept the "payment," laughing wildly as he scooped up the take. It suggests the same philosophy of filching silver by the users. How black hearted are they? Try darker than a raven's wing in a coal mine at midnight.

To return to Frankland's letter---other than international coin melts and central bank leasing, scurrilously occulted behind a screen of silence, what other sources of silver besides recycled scrap are there? Bix Weir had what I found to be a stimulating theory---silver from dismantled "calutrons" from the Manhattan Project that developed nuclear bombs---may have been used to cover the deficits. We also had many massive solid silver "bus bars" used in aluminum manufacturing plants during World War II. Aluminum ore processing and manufacture requires lots of electric power and this aluminum was largely fabricated for aircraft fuselage. Hundreds of millions of ounces may have been involved in these "bus bars." Many details appear in "War And Silver," Archives of Silver Investor. To address the question of when will we reach the point when borrowing silver from past production can no longer service the deficit, others may have better postulation, as I haven't had time for this question. My personal view is that figures released by any silver ETF as to actual metal they own or is being held for them by any custodian, are certainly not trustworthy. They can release any amount of serial numbers alleged to correspond to actual 1,000 ounce ingots. These numbers can be concocted on a keyboard like an ENRON accountant could do. I am 100% inclined to believe silver amounts claimed by more reputable sources such as Central Fund of Canada. As far as I'm concerned, the bulk of real silver held by any ETF is dedicated to price suppression by its managers and this also includes certificate programs and pool accounts. I would also regard COMEX figures as open to doubt. Multi-hypothecated silver may be more than triple counted! I say, bring dueling back and let them shoot it out. Those who walk away may make a claim. The prospectus already cheated the tiny folks.

Silver isn't a renewable resource like agricultural commodities. Though price ceilings have been in effect for generations, underground depletion has marched on. Not only have mines closed, but tailings have been reworked. The January 21, 1934 NY Times, page 30 reported the streets of San Luis Potosi, Mexico, were being torn up "because of their high content of gold and silver ores." Those mines were first worked in 1540 under Spanish ownership.

Speaking of silver coins, Frankland in his 1991 letter referred to coinage demand. Other than silver Eagles, this government has issued no silver coins recent to his letter except Eagles and the 1990 Eisenhower Commemorative Dollar which used 1,072,088 ounces of silver in coin mintage tallying 1,386,130 pieces at .77344 ounce troy per coin. Before that there was the Eisenhower Dollar 40 percent series from 1971 through 1976 excepting 1975 that used some 9,559,487 ounces. Looking at Frankland's claim that 900MOZ silver was added to worldwide silver stocks from 1978 up until the 1991 Silver Institute study leaves you rubbing your eyes. How can stocks increase during a deficit? His accounting depended on transference and depletion of silver in other forms, to additional three-niner bullion. This is still borrowing from the past. These people aren't so lunatic as to believe that a production to demand deficit can be maintained for another 63 years, or probably even 63 weeks. I keep coming to the view that when the supply fails, they will call on Congress and the White House for

confiscation from what they call speculators and hoarders. My metal, which I hold only token amounts of at my residence, is ready to slip beneath ocean waves or otherwise cost over \$1,000 per ounce to recover should any Federal dispossession of silver from citizens take place. I know these thieving vermin read what I write. IMO someday they're going to **BUST HELL WIDE OPEN**. When silver starvation hits tell them (James 2:16) "be warmed and filled."

If we had a fund of several million dollars, drawn from contributions from over 100,000 gold and silver mining company investors and bullion holders, we could launch a lawsuit against the Silver Abusers Association for depleting that portion of the former 165.5MOZ strategic reserve we used to have. A jury would be inclined to rule that the absence of the stockpile is a military risk to the United States, and order the SUA to replenish exactly as much as it took---with help from corrupt Congressmen. Let them buy the bullion in foreign markets at whatever rates they have to pay. All military personnel, excepting generals, colonels and admirals who are CFR members, should be with us---not to help silver prices, but to restore the stockpile. At only \$100 apiece, 100,000 metals investors could fund a \$10 million start for this suit. To compensate for the many who would give no more than \$20 are many others who'd give over \$1,000 like me! Military and retired military who aren't metals investors would be attracted to contribute. I am hardly the most qualified organizer, so will the appropriate persons step forward with a website? We need to accelerate the fall of the Sword of Damocles on silver price abusers. The contributions could be converted to silver and stored securely under routine audit and used to pay the expenses of the lawsuit. In event of termination of the suit or over funding, metal could be sold and contributions refunded based on a pro rata system. As an alternative, the remaining funds could be used in a public education campaign on the former silver reserve and who like cockroaches scurried off with most of it.

Frankland's most contemptible statement was about the price of silver rising slowly. It clearly suggests price management strategized to whipsaw people out of their silver holdings for SUA benefit. Let silver rise to a \$21.52 intraday high in March 2008, then smash it down to an \$8.64 a few months later. Give the suggestion to holders that silver is too volatile to be worthy of investment risk. Stampede the little folks to sell on a clubbed-down price movement (not a "correction" as that implies normal market forces.) On the way up from the price smash-down, many will dump their silver to cut their losses. All this depends on people believing that silver will always trade in a shortsided controlled market. This isn't the case. There are so many of us who know an ultimate end must come to the shorts/users chicanery. Silver is a world commodity, not just something for the United "Snakes" Government to drive deep down into a low price hole to defend its fiat dollar. "Smokey and the Bandit" (1977) with Burt Reynolds had a line by the sheriff we'd all like a judge to say to the SUA---

"I'M GONNA BARBECUE YOUR HEAD IN MOLASSES!"

"Free Silver" appeared in the March 1934 North American Review (excerpts) ---

"Solid dollars will not disappear at the stroke of a banker's pen whenever danger may threaten. Since the discovery of America, there has been produced approximately ten times as much silver as gold. During all this time, **THE DESTRUCTION OF SILVER HAS BEEN VASTLY GREATER**. Almost all the gold used

in the arts is recoverable, and as a rule is recovered. Fragments of gold jewelry will be preserved and sold, whereas broken silver spoons are thrown away.” (Page 201)

(The opening sentence referred to credit contraction caused by reversing the discount rate in fall 1929, causing securities bought on margin in the Fed’s artificial boom to become burdensome. The Crash resulted which, contrary to superficial examinations of those times, did not cause the depression, but heightened it. Britain’s attack on silver and gold caused the depression. This is heavily documented in the 324,000 word series “Britain Against Silver,” Archives of Silver Investor. In recent years Ted Butler may have been the first, after Jerome Smith, to stress the destruction of silver by industrial use. However, this effect was in force well before 1934. Damaged silverware hasn’t been routinely discarded for many years, but it once was. Dining halls and cafeterias in the District of Columbia were pilfered of silverware during World War II. Can any of you remember, outside of any private home, when the last time was that you used sterling silver place settings, even in upscale restaurants?)

“The opening of the mints of the United States to the free coinage of silver would have a very slight immediate effect on the economic structure of the country. The great advantage of the free coinage of silver would be that there would be many more metallic dollars in the country, and that it would be possible to lower the proportion of credit to cash and, to a considerable extent, to slow up the circulation of the purchasing medium. **CASH WOULD NOT SUDDENLY DISAPPEAR AT THE FIRST SIGN OF TROUBLE TO ANYTHING LIKE THE EXTENT THAT CREDIT WILL MELT AWAY.** Of course, in hard times there will be more hoarding and less spending no matter what happens. **BUT WITH A VERY MUCH LARGER INDESTRUCTIBLE BASE, WE WOULD FIND AT LEAST THAT OUR MONEY SUPPLY COULD NOT CONTRACT OUT OF SIGHT OVER NIGHT.**” (Page 201)

(So true; but the Money Power, through subversion on Capitol Hill and economic misinformation disseminated by professors, has seen to it that this nation lost silver as a monetary base by summer 1968. The writer referred to silver as “indestructible material money.”)

“Such a widening of the base of our currency would very much lessen the violence of future shocks. Silver would add ballast to our financial organization. The real advantage that could be got from opening the mints to silver, would be that it would provide the community with a money base which could not be withdrawn as suddenly as the credit collapse of 1929. **ALTHOUGH CLUMSIER, SILVER CURRENCY WOULD BE BANKER AND POLITICIAN PROOF.**”

(At present, FRN’s are far lighter in weight than silver, based on correlation of denominations to the COMEX silver price quotes. This could change. The main thing changing is the increase of artificial money versus the mounting scarcity of silver. Silver’s substantiality is more impressive than currency, checks and debit cards. You can use a silver round for a daytime signaling device in the wilderness. You can place them in a sock and use them as a weapon, like Bronson did in “Death Wish” 1974. Well---that was probably filmed with clad, but even zinc pennies cost more to mint than their face value. You can fold a paper note till it separates in the middle. We see torn notes sometimes, repaired with cellophane tape, demonstrating how puny they are. Try and bend a silver dime, let alone a one ounce!

Having reached spring 2009 we are now 29 years and 3 months out from the great silver price explosion associated with the Hunt/Arab foray into the silver market. The deficit has nibbled and gnawed away at above ground bullion stocks and price increases necessary to balance supply with demand have been denied, preventing silver miners from producing more silver. This entire situation is among the most severe financial crimes in all history. Remember when the Twin Towers collapsed on September 11, 2001, and 40MOZ silver was buried under the rubble, and how the banks rushed to short silver to keep prices from reacting? They're many times smarter and many times viler than common criminals in the state penitentiary. The Silver Abusers Association installed an official as head of the New York Mercantile Exchange, owner of the COMEX, which official gave every indication of being in their hip pocket ("Silver Antitrust Violations," Archives.) They called for the entire Indian people to divest of their silver so they could enjoy alleged "benefits" by selling it at below replacement cost as per their standard operating procedure ("An Urgent Warning To India," Archives) and they expressed displeasure as to the fact of silver investors being on the scene, acting as competitors to them for supply ("They Don't Want Us Around," Archives.)

As this is sent for posting the figure for short interest in a major silver company as of March 13, 2009, is 1,973,102 shares, way down from 4,645,844 shares dated January 15, 2009. It isn't likely all the remaining shorts can be covered at a profit. The fiends in the Commodity Futures Treacherous Collusion building will do their utmost to help all silver shorts. They probably like reading about instability in Mexico, as relating to weakening silver shares! That the United States Mint refuses to meet full demand for Eagles in no way signals to the "professional economists" of the CFTC that COMEX price quotes are causing a physical shortage. Meanwhile mining costs are squeezing miners harder! As George C. Scott said to the large scale financial criminal in "The Formula" (1980) ---

"Son of a bitch---**SON OF A BITCH!** "

As the point is reached that silver can't be shorted down, these silver vipers will hiss the louder. I'm reminded of the scene in "Johnny Firecloud" (1975) in which the outraged Red Man gets revenge by tying a burlap sack full of rattlesnakes over the offender's head. When industrial users meet with delivery postponements, and those delays drag on for weeks, they can say with the backwoods Missouri hick staggering in his blue jean overalls struggling with his boar pig, "**THIS THING'S KNOCKING ME A STEM WINDER!**" Will they contact silver websites asking that their urgent needs be posted, and tender open market offers for silver? To repeat---if a confiscation takes place for "national security" and "national emergency" reasons there can be no question the next thing that would happen is the Treasury would start feeding it to the "**NONPROFIT**" Silver Abusers Association. But don't let them get it! Find some capped natural gas wells and toss it down, or bury it in remote wilderness area. After that, we would devastate them by means of consumer boycotts. It was said after General Sherman's march through Georgia that if a crow wanted to fly across that territory, it would have to carry its own provisions. So it shall be for the unrepentant rogues of the Silver Users Association! And to repeat the intro line---

THERE ARE SOME OPERATORS IN THE SILVER SCENE WHO'D STEAL CORN FROM A BLIND CHICKEN!