



QE Finished, Gold Fans Clearly Crackpots

By Adrian Ash
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The US Fed just ended quantitative easing. Anyone thinking history or gold worth a look must be a crackpot for worrying...

TIME WAS the Gold Standard simply existed...like rain or snooker tables, *writes Adrian Ash at [BullionVault](#).*

Zero rates and quantitative easing are the monetary equivalents today. Doing anything else puts a central bank into the "[hall of shame](#)" according to Bloomberg. The *Financial Times* gasps that today the US Fed's "grand experiment is [drawing to a close](#)..."

Oh yeah? The world hasn't yet seen the last of US quantitative easing, we think. Not by a long chalk. QE is getting new life after 15 years in Japan, the world's fourth largest economy, and it has barely begun in the single largest, the Eurozone.

Only China to go, and the QE Standard will be truly global. But financial markets and pricing mechanisms the world over are already [through the looking glass](#). After \$3 trillion of US Fed asset purchases, climbing back to the other side will take more than a month's rest from extra money printing.

The Gold Standard, meantime, now exists only to fill space when financial hacks run out of other silly things to talk about.

Take this [classic Phil Space nonsense](#), for instance, from the *Washington Post*.

To recap...

Over a week ago, billionaire tech-stock investor and former PayPal boss Peter Thiel appeared on right-wing shock jock Glenn Beck's TV show. He [mumbled something](#) about the value of money...reality...and the virtual world of monetary politics we've all lived in since 1971.

Nothing to see or hear in that. Even the laziest gold bug can see US president Nixon's decision to [end the Dollar's gold link](#) changed nothing and everything all at once. Metaphysical mumblings are the best anyone's since managed in trying to understand how humanity got beyond itself in that moment.

Yet on Friday, Thiel's comments were picked up by a [right-leaning think tank blogger](#)...and finally last night, [this "unthink" piece](#) appeared at the *Washington Post* online.

So what? Well, George Selgin, new Cato Institute director, said earlier this month that anyone challenging the way money currently works [must do better if they want to be taken seriously](#). Amateur bug-o-sphere stuff only makes things worse.

But Selgin underplayed the task ahead, I fear. QE, zero rates and unlimited money-supply growth are big, important issues. Today's US Fed meeting proved that once again.

On the other side of the debate however, even the most qualified and serious economist daring to doubt the sanity of printing money to buy up government debt, mortgages, stocks or other nation's currencies now looks like a "crackpot" to most politicians, financiers and reporters today.

Because, hey! Nothing bad has happened. No inflation, currency destruction or financial apocalypse fuelled by money-from-nowhere.

Not yet. And now the Fed is turning off the taps. For now.

What could possibly go wrong? We must be crazy to bother owning gold as financial insurance, never mind worrying about how money itself...as basic to civilization as the written word...is being bent and remade in the latest central-bank experiments.