

World Money Expert Sees Gold at \$420 per Ounce

Copley News Service

Franz Pick, the world's acknowledged authority on currencies and gold, has strong views about just which way the monetary world is heading.

"What lies ahead is very unpleasant."

It is only a matter of time, and not much of that, in his opinion, before the free market price of gold reaches \$420 an ounce (ten times its present official price), and before there are so many dollar devaluations that the U.S. currency is wiped out.

Hot Air

He sees a rise in the cost of living that will make savings worthless. And governments, here and abroad, in his view, are powerless to change what he sees as inevitable.

"All this talk of government reforms is hot air," he says. "There is not one person living who can repair the financial wrongdoing of

the government."

What follows from this? "I would not like to go into details. Just say that it is going to be very unpleasant."

Pick talked about the recent upheaval in the world currency markets at his New York headquarters at Pick Publishing Corp. He issues the World Currency Report and has published 66 books on the subject.

What does Pick see ahead?

"There will be another devaluation of the dollar — two, three, four, five. Until our currency is wiped out. And it will be soon."

The free market price of gold, he predicts, may reach \$420 an ounce. The official price "will have to be changed, probably this year. It might go to \$80 an ounce from its present \$42.22."

Currency Sick

With the free market price of gold reflecting the lack of

confidence in paper money, Pick commented:

"Every currency is sick and we have infected them. Of the 140 currencies in the world, only the Japanese yen and six European currencies are stronger than the dollar: the German mark, French franc, Dutch guilder, Belgian franc, Swiss franc and British pound sterling. All the rest are as bad off as the dollar."

So far as the U.S. is concerned, Pick said, "We are bankrupt. Because of Watergate the government now has no power."

Cost of Living

"Foreign governments also are powerless because through the dollar we have infected them. There is nothing we can do."

Pick sees the domestic cost of living going up 15 percent and eventually rising until "what you have in the savings banks is worthless."



FRANZ PICK
Strong views

As for investment, Pick said, "I wouldn't touch a savings account. Real estate is nothing. Bonds are a certificate of confiscation. The stock market is sick. I would buy gold bars — that is the only thing that will count."

For Americans, who are legally prohibited from owning gold bullion, Pick says, "Buy yourself gold coins. They are better than any bank account. Gold is in the area of \$120 an ounce now, and we cannot prevent it from going up."