

# Investing in Silver, Moving out of the Dollar: The Roman Denarius, the American Dollar and the Return of Silver?

By [Timothy Alexander Guzman](#)

Theme: [Global Economy](#)

Global Research, February 04, 2013

[Silent Crow News](#)

*If the US dollar collapses, it will have a dramatic impact on the world economy because the dollar is the standard unit of currency for commodity markets, especially gold and oil. The U.S. dollar is still the world's reserve currency, but the reality is that it can lead the world into an economic depression.*

Nations with large external debts will not be able to trade sufficiently to earn the needed income to service their debts. They will slide into bankruptcy. However, countries such as Russia and China are taking necessary steps to avoid an economic tsunami caused by a collapse of the US dollar by announcing in 2010 that they will use their own currencies which is the Russian Ruble and the Chinese Yuan for bilateral trade.

Iran and India decided to trade gold for oil due to US sanctions on Iran because of its nuclear program.

Japan and China announced that they will also trade in their own currencies despite diplomatic problems involving the Diaoyu Islands in the East China Sea. One thing is certain, the world is slowly but surely moving away from the US dollar.

The cost of living among people who deal with the US dollar on a daily basis especially by those who live within the United States will see a rapid decline in the standards of living due to Federal Reserve Bank's debasement of the dollar by printing unlimited amounts of money through Quantitative easing (QE). The Federal Reserve's action will cause food, clothing and energy prices to soar, which will hurt the average family. As the US Federal Reserve Bank continues to print dollars, the result will be inflation. It will cause panic on the world markets and civil unrest among the people who realize that the US dollars they depend on would no longer be able to buy their basic necessities. What can be done around the world to avoid such a scenario when the collapse of the dollar is inevitable? History proves that silver can become an alternative currency that can replace the dollar, although many countries are purchasing large amounts of gold such as Russia and China with other countries in Latin America and Asia following in the same footsteps. However, silver will still be a good option. At least you have a choice in which precious metals you can invest in.

✘ Silver has been used for thousands of years as a monetary system for the economies of past civilizations. Silver was first discovered in 4000 BC in Anatolia, today's Modern Turkey with the use of "Electrum", a gold and silver mix currency. Between 449-413 BC Greece used the "Athenian Owl" a pure silver coin remained in circulation up to 30 BC.

Silver was recognized as more precious than Gold in ancient Egypt as early as 930 BC. The Roman Empire relied on silver to pay for certain commodities such as silk from China. In the Roman Empire, the “denarius”, a pure 100% silver coin was the currency of choice for more than 5 centuries until its gradual debasement that began with Emperor Augustus.

This debasement of the metal in terms of purity fluctuated with the strength of the Empire through its military. It was an indication that Rome lacked precious metals and reduced treasury savings due to their expansionist Imperial policies that resulted in inflation. High taxes on the Roman population further weakened the economy to pay for military expenses. Roman Emperor Nero (54-68 A.D.) preferred to debase the denarius to 87% silver to pay the costs of the military and the ever expanding bureaucracy than raise taxes on the people who were already being heavily taxed. But Nero and other emperors that followed chose to debase the currency by reducing the denarius metal content was already a form of taxation. The devaluation continued with the silver content valued at 50% towards the end of the 2nd century. By the middle of the 3rd century, the denarius was comprised of 0.05% silver.

Around A.D. 215, Rome issued the “Antoninianus” that was valued at twice that of a denarius but was short lived, as the silver content was also removed over several decades of devaluation. The coin was then made from bronze that eventually became useless as the circulation of these coins contained no silver as the Roman currency became worthless. Rome collapsed soon after.

China also used silver throughout most of its history for trade. In 1791, the first Secretary of the Treasury of the United States Alexander Hamilton called for the establishment of a national currency with gold and silver or “bimetallism” as a form of money. The US Congress passed legislation the following year by establishing gold and silver as the “monetary standards” of the United States through the 1792 Coinage Act. The gold standard was regulated at 15 times the value of silver. The dollar was then established as the basic monetary unit that was instrumental in the creation of the national mint. The dollar was defined through the weight of silver. The death penalty was enacted as a rule of law for anyone who decided to debase the value of the new currency. But these laws were changed as the system became politically corrupt as the years went by. In Article 1, Section 10 of the US Constitution stated the following:

*No state shall enter into any treaty, alliance, or confederation; grant letters of marque and reprisal; coin money; emit bills of credit; make anything but gold and silver coin a tender in payment of debts; pass any bill of attainder, ex post facto law, or law impairing the obligation of contracts, or grant any title of nobility.*

The future of silver has potential to become an alternative currency because the world’s reserve currency, the US dollar, is not stable. “The dollar is an unreliable international currency and should be replaced by a more stable system” according to CNN on June 29, 2010 based on a report conducted by the United Nations Department of Economic and Social Affairs. Silver can be used for a number of industries that produce goods that can be sold internationally. It can open the global markets for trade among nations. Silver is the best conductor of electricity. From computers to cell phones and switches all must use silver. Technology based industries that produce lasers, satellites, and robotics need silver to operate. Digital technology and telecommunications also need silver. It is used in televisions, wall switches and refrigerators and other appliances. Silver is used in the chemical industry for the production of plastics. In the Healthcare industry silver is found in

many pharmaceuticals such as silver sulfadiazine, which is used for burn treatments. It can be used for water purification purposes as well. And the list goes on. Silver is a valuable metal that can be used for many industries.

The US government is on the path to an economic collapse just as the Roman Empire when Ben Bernanke announced unlimited QE back on September 13, 2012. This means endless printing of the dollar until it becomes completely worthless. The US has devalued their currency by printing dollars to bail out the banks and auto industry and to fund the Military-Industrial Complex which will have an impact on the economy. The more you print, the dollar becomes less valuable just as what happened to the denarius during Roman times. The US dollar will collapse sooner or later as countries around the world continue to move away from the dollar and look to other forms of currencies that are reliable.

The United States government cannot finance its debt by printing more money. Market forces will dictate when interest rates will rise as it would make the US Federal debt more expensive to service the debt.

If the Federal Reserve Bank decided to run the printing press, it would lead to hyperinflation. A scenario the US population and the rest of the world does not want to see. The US population would no doubt witness a massive rise in interest rates on practically everything from credit cards, home mortgages, student loans, auto loans and every other loan you can imagine.

The best option for anyone who wants to protect themselves from the dollar collapse should invest in silver or any other precious metals that includes gold. History has shown that precious metals especially silver can be used as a currency that has intrinsic value. The best thing people and nation-states can do is to look outside the US dollar because sooner or later the Federal Reserve Bank would not be able to sustain the economy with the printing press because market forces as always will be the deciding factor. Silver is a viable option for both short and long-term investments. The most important factor to investing in silver is to protect you and your family. Silver will be in demand in the near future as it was in the past because history has always told us so.

The original source of this article is [Silent Crow News](#)  
Copyright © [Timothy Alexander Guzman](#), [Silent Crow News](#), 2013

---

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Timothy Alexander Guzman](#)

About the author:

Timothy Alexander Guzman is an independent researcher and writer with a focus on political, economic, media and historical spheres. He has been published in Global Research, The Progressive Mind,

European Union Examiner, News Beacon Ireland, WhatReallyHappened.com, EIN News and a number of other alternative news sites. He is a graduate of Hunter College in New York City.

**Disclaimer:** The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)

[www.globalresearch.ca](http://www.globalresearch.ca) contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)