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Beyond fiat currencies [1]

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There's a new way to by-pass fiat currencies that governments can debase. From Euro Pacific Bank [3] come two new cards, one gold and one silver. Instead of drawing from your cash reserves held in sterling or dollars or whatever, or of spending on credit and paying the bills in such currencies, these cards draw on bullion. You own gold and silver in a vault, and what you spend is converted into bullion and drawn from your stock:

> *Now you can actually own precious metals and convert the amount you choose into cash at an instant. Spend cash from your metals backed card at more than 30 million locations and 1.4 million ATM?s worldwide.*

With the gold card you spend gold, and with the silver one you draw from your stock of silver bullion. This solves one of the problems of a commodity-backed currency, namely the ease with which it can be traded in small amounts. These cards subtract coins and notes from the equation, replacing them by electronic transfers of bullion.

It's an intriguing idea. If it catches on in a big way, it could give hard-pressed savers some respite from the ravages inflicted upon them by governments through inflation and artificially low interest rates.

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