Gold is an investment. Should you buy it? The gold standard is a highly debated issue in America. The United States abandoned the gold standard when the U.S. currency increased more than the value of gold. In the two passages, the proponents and opponents present their argument on the issue. The first passage thinks the U.S. should go back to the gold standard, while the second passage argues that the long term use of the gold standard has a cost. While both sides make an acceptable case, the second passage makes a stronger argument because it claims that the gold standard has a short term stability in the economy; it's costly to maintain and is a less favorable monitoring system.

Firstly, the opponents' argument is stronger than the proponents' argument because they prove that the gold standard has a short term stability in the economy. For instance, the opponents state that historical events such as the "California Gold Rush (which resulted in a sudden increase of gold) and the Civil War (which destroyed infrastructure, making goods scarce) caused major inflation under the gold standard." (4) This suggests that because of the major inflation, resulting from these historical events, there was economic instability while using the gold standard.

Secondly, the opponents have a stronger argument than the proponents because they prove that the gold standard is costly to maintain. For example, the opponents claim that "Economist Milton Friedman estimated that in 1960 the cost of maintaining a full gold standard would be 2.5% of the Gross National Product (GNP)." (5) This data estimates that the cost of maintaining a full gold standard in 1960 was greater in the Gross National Product (GNP), making it impossible to maintain it in today's market.

On the contrary, the proponents believe that the government should return to the gold standard. They argue that "the average yearly inflation rate from 1880 to 1914 was only 0.1%, while the average yearly inflation rate after the gold standard was altered and then eliminated, from 1946 through 2003, was 4.1." (2) However, the opponents have a stronger argument than the proponents since the proponents' economic data is unreliable. Additionally, the opponents claim that "According to historical data, price swings were greater under the gold standard." (4) This proves that the gold standard is not a good monetary system for today's economy.

In summary, the opponents' argument that the government should not return to the gold standard is better supported than the proponents' argument. The opponents prove that the gold standard has short term investments that are more costly to produce and maintain in today's economy. Also, it is a less stable monetary system overall. Since the gold standard has presented issues in the past, its value in today's market could not stand the test of time.