

# World Class Imbeciles

By [The Mogambo Guru](#)

06/14/04 The MoGu has decided to drop his challenge for the Nobel Prize in Economics. Apparently he can no longer compete with all those other dimwits. But don't despair...there's always the Peace Prize.

It was a record-setting week in the world of economics, as the Federal Reserve increased Federal Credit to a new record of \$749.6 billion. A new record! And Foreign Holdings at the Fed are going parabolic, up another \$10.6 billion last week, to \$1.220 trillion. Another new record!

This debt is so big, so ingloriously huge, so monstrously immense, so impossibly gigantic, a debt so humongous that I am running out of descriptive words to convey its true size. I am on the verge of lapsing into another long string of obscenities. My anger can now only be partially controlled by powerful medications, and it is only the Supreme Willpower Of The Mogambo (SWOTM) that keeps my rage under the guise of control.

In a way, incurring such debt actually has a positive side! I mean, it is one thing to be so abysmally stupid to amass debts this big in every corner of our financial universe, but for foreigners to actually lend us this much money, and just as we are about to start World War III, must mean they are more stupid than we are! It seems incredible, I know. But it is true!

And believe me when I say we have got some world-class imbeciles on our team. I include Mankiw and that unholy crew on the Council of Economic Advisors, and Greenspan and Bernanke at the Fed, and all the rest of those bizarre people, both in and out of the Fed and the government.

## **Currency in Circulation: 26 out of 42 Nobel Prize Winners**

And speaking of dimwits, I have officially given up trying to get a Nobel Prize. I have made this decision because 1) I am an idiot and admit I can't even impress little children with my intellectual powers, and 2) the Economist sent me a copy of the 2004 edition of their "Pocket World in Figures," and when I was thumbing through the pages looking for the swimsuit section, I find a table that shows "Nobel Prize winners 1901-2002." There have been 42 Nobel Prizes awarded in economics during that time of which the United States has won 26! The next biggest winner on the list is United Kingdom with 8. Everybody else has two or one!

Americans won over half of them? We have Alan Greenspan, a central bank, a fiat currency, and an economics profession that has not raised its voice one time in horror, and yet we won Nobel Prizes in Economics over half of the time? I am aghast! I spring to my feet and scream, with that patented Mogambo banshee wail of anger and betrayal, "Noooooooooooo!" Therefore, even if some knucklehead can recognize my brilliance, there's no way I want to be tarred with the same brush as those other 42 losers.

But out of the corner of my eye I can see an attendant turning his back to me and quietly filling a syringe with tranquilizers. Using the CCTV, they can see me working myself into a tizzy, and the froth is beginning to collect on the floor in puddles.

So while we are waiting for things to settle down, let's move back, for a change of pace, to a topic that doesn't appear in quite so many court documents, namely currency. Thus I bring up one of the more surprising statistics from the week, namely the huge increase in Currency In Circulation. It suddenly ballooned – boiiinnngggg – up thirteen billion smackeros!

### **Currency in Circulation: Bank Robbery or Check Writing**

There are many people who maintain, and with good reason, that actual currency – the kind made of simple ink and paper – only becomes "money in circulation" when somebody demands it, either by:

1) Sticking a loaded handgun in the face of a terrified bank teller and ordering them to load up this bag with money, and be quick about it, and don't do anything stupid and nobody will get hurt, and don't touch that alarm, because bells make me crazy and I already feel like I've got spiders crawling on my skin, so hurry up, hurry up, hurry up or...

2) Writing a check against their account, and as the teller then gives them a fistful of money, the guy turns around and sticks it up under my nose and riffles through that big wad of cash and says: "Look what I got! You want some, and you need some, but you don't have any! But I do!" And then they laugh at me, and then I chase them out into the parking lot, crying and screaming at him to act like a man and strap on some pistols and we'll settle thing this once and for all, right here in this parking lot, and I keep yelling at him about how they are yellow-bellied cowards until they finally start their cars and drive away, and then I go back into the bank and I have to get at the BACK of the line because nobody would save my place! I mean – my pain never stops!

But it isn't so. (In case I distracted you with my rant, I was talking about how currency becomes "money in circulation.") I bring this up because money was printed, and given away, in Iraq. They didn't demand it or borrow it; we just gave it to them. And as you well know, and as I know, and as everybody knows, the money soon goes "sluuurrpp" into the Global Economic Body, sort of like the pieces of Terminator 2 when being absorbed back into the Cyborg, after getting broken off chasing Arnold Schwarzenegger.

Thus the money supply of the globe is expanded, and thus the dollar is debased some more, and thus imports cost more. The only difference is that instead of money being created by being borrowed, the damn government just gave it to somebody.

So, take the generous donations together with the Treasury loans, which, last week, took us to another new record in ridiculous, bankrupting debt (the number came in at an eye-popping sum of \$7.21 trillion, which is, by sheer coincidence, the exact same figure as the average number of insults I get per week, according to recent computer surveys) and I can only think of one word to conclude this essay with: Inflation. Inflation, inflation...and morons.

Regards,

**The Mogambo Guru  
for The Daily Reckoning  
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—Mogambo Sez: Arch Crawford publishes the Crawford Perspectives, which tracks the astrological influences on the market. He says "Sometime between mid-August 2004 to March 23, 2005, we think that the market will crash again" and that this is due to a Mars-Uranus thing that happens every two years. The Wall Street Journal reporter, who wrote this up, notes that "It doesn't guarantee a crash – but it has been evident during every crash for the last 100 years."

Whether or not you believe that the stars and planets influence your life doesn't matter. Enough people DO believe in it, people who will sell on that basis alone, and then it WILL happen, just like he said. And I note that there isn't a newspaper on the planet that does not have a horoscope section – even the home page of my Internet server has one. And they are there because people want it, and may even believe in it. So, it ought to be an interesting time, to say the least.