

Greenspan Goes Bananas

By [The Mogambo Guru](#)

02/28/05 A lot of people were angered by Alan Greenspan's remarks to the House of Finance Committee, but no one was more livid than the Mogambo Guru...then again, when is he not infuriated by the Fed Chairman?

A lot of people were watching Alan Greenspan testify at the House Finance Committee, and like a lot of us, most thought it was a laugh-riot. Peter Schiff of EuroPacific Capital is one of them, and in an essay, "Greenspan Tells More Whoppers," he writes, "Like a kid in a candy shop I don't know where to start in refuting these claims. Perhaps the most memorable moment of the entire spectacle was Congressman Ron Paul quoting Greenspan to Greenspan, requiring the chairman to admit that his younger self was wrong. Unfortunately, Greenspan the younger was not wrong, just early. It seems only fitting that in a testimony fraught with contradictions, Greenspan's greatest critic was in fact himself."

Personally, I missed most of it, as I was caught up in the clutches of the American healthcare system, and while I missed almost all of the testimony, I am able to lend credence to the reports that there are a lot of people on Medicaid and Medicare, because let me tell you that it is the damn truth, as the only other patients I ever saw, the whole damn time, were old and/or poor, although all of them were better looking than me, and better dressed than me, and smelled better than me, which none of them seemed to tire of pointing out.

Purchasing Power and the Fed Chairman "Thou Shalt Not Debase Thy Money"

But I get a few minutes to quickly catch some of the testimony. As soon as I walked in and turned on the TV and turn off the VCR which is still in "pause" mode from where I was screening a how-to video on making a machinegun out of old washing machine parts, my stomach convulses into a knot, as there is Alan Greenspan listening to a question and he licking his lips, with his beady, rat-like eyes darting from side to side in panic, and I know that he knows, although I don't know HOW he knows, but he knows that I am suddenly watching him, and he senses that I am using my Secret Mogambo Vision (SMV) to stare into the foul darkness of his soul, a soul so corrupt that is going straight to Hell when he dies for sinning against the Eleventh Commandment, "Thou shalt not debase thy money," which is one of the little-known and long-suppressed Missing Commandments, recently discovered by me, The Mogambo, while using a variation of the Da Vinci Code search algorithm to find hidden messages in the Bible. The theory is that God gave Moses more than Ten Commandments, but the others weren't very popular, and so the tablets were put into the basement of one the government buildings and forgotten.

But the mystery of the Missing Commandments is now revealed, thanks to the Da Vinci code, which involves going through every page looking for "hidden" words that are written backwards, or diagonally across the page, or something. Unfortunately, as it is being used now, it is a very labor-intensive process, and so therefore very unpopular with lazy guys like me, who want

instant fame and fortune for doing as little as possible and who are upset and angry when we don't get them, and people call us childish, and make fun of us, and pretty soon my own family won't sit with me in restaurants because the restaurant always has this convenient "policy" where they can refuse service to anyone, and that apparently includes older men screaming and crying and kicking and whining because he didn't get as much love and money as he wanted.

But in a moment of "Eureka!" I was inspired to hurry things up, and forthwith I invented the Mogambo Method Of Enhancing The Da Vinci Code Search Engine (MMOETDVCSE). It's all very complicated, of course, but in essence I go through the Bible and circle those words and letters that spell out what I want to find, going page by page, and searching for letters only in that area of the page that corresponds to using a roughly sine wave function that goes on page after page, because when you print out my results on a computer, man! It looks impressive as hell! This beautiful regular pattern is going up and down the page, like some undulating wave out on a gently rolling ocean. It screams, "Proof!" which in itself screams, "Nobel Prize for The Mogambo, because he could sure use the money!"

Purchasing Power and the Fed Chairman: "Money Shall Be Only Gold and Silver"

The essence of this Missing Commandment is "Money shall be only gold and silver" which is eerily echoed in the Constitution of the United States itself, a point that I will bring up in my next book, "The Mogambo Explains How the Founding Fathers Knew of the Missing Commandments." But you can see that governments, being the dirt bags that they naturally are, would not like the idea of not being able to print up as much money as it wanted, anytime it wanted, to spend on anything it wanted.

But I'm looking at the TV screen and you can see by the expression on his face that his heart has turned to some mutant, stone-like material like the stuff that must be clogging up the arteries in his brain when he realizes that The Mogambo is out there, watching his every move, and it is not going to be pretty, because I am going to criticize his every word, deed and action, tearing his ass up every chance I can. And if I don't get any chances, then I will make up some lies about him that I hope will get him in trouble, and that brings up my brilliant Mogambo insight (BMI) that all our economic problems could have been prevented if we had appointed someone younger to be the chairman of the Federal Reserve, instead of Alan Greenspan, who is a zillion years old, and if we had instead appointed a YOUNGER Fed chairman, then I could call up his mother and tell HER what her idiot son is doing, and SHE could do the rest for us!

But one line that keeps ringing in my head is when Alan Greenspan said that maybe one reason why foreigners keep buying American debt is that our debt is so safe. Well, as far as getting money back and paid, then, yes, I guess it IS "safe." After all, as long as we have paper and ink, we can always print you up as many dollars as you like! And with electronic blip money, the creation of more and more money is even easier.

Purchasing Power and the Fed Chairman: How It's Supposed to Work

But this is not the Mogambo definition of "safe," as my definition of safe is that I am saving buying power, and I expect to get all my buying power back, with interest. For example, suppose

that I am on my way to the army surplus to get that spiffy self-propelled cannon that I have had my eye on, when I am accosted on the street by a guy who convinces me to take that money, "invest" that money in some American debt, and in a few years I get all my money back, and a little something extra to pay me back for the pain of having postponed the gratification of consumption for those few years, and then I will have enough money to buy the cannon AND a few rounds of that special ammunition that they keep in the back storeroom that they don't tell anyone about.

THAT is how it is supposed to work, as interest rates typically are higher than both inflation and tax reduction added together. Nowadays, interest rates are, as hard as it is to believe, less than the sum of these two! People who are idiotically "investing" in U.S. debt are voluntarily losing purchasing power, because the dollars they get back after all those years won't buy squat! Hahahaha! Suckers! They are voluntarily making themselves less wealthy! That IS a conundrum! But as it is REALLY working, the chump who buys American debt will only get back enough money to buy half of a cannon! Hahahaha! So you have suffered the pangs and regrets of postponing glorious, delicious, wonderfully satisfying consumption, but you also lose half a cannon!

In fact, Greenspan said as much! He said: "We can guarantee cash benefits as far out and at whatever size you like, but we cannot guarantee their purchasing power." But he can! The Fed Chairman is guaranteeing less purchasing power by his every word and deed since 1998!

Ron Paul asked him whether a gold standard would prevent the government from amassing such huge debts. Greenspan replied, "I think we have been remarkably successful, in my judgment ... mimicking much of what the gold standard does... I think in that context so far we have maintained a stable monetary system." Hahahaha! What an idiot! His monetary system has ZERO in common with a gold standard! What does he think we are? A bunch of chumps that we don't know what a gold standard is? Hahahaha!

Then he REALLY goes bananas when he says, "I do not think that you could claim that the central bank is facilitating the expansion of expenditures in this country" Hahahaha! I am laughing so hard in contempt and rage I am spitting up blood! What a lying moron!

Regards,

The Mogambo Guru
for The Daily Reckoning