

Funding the Bacchanalian Excess

By [The Mogambo Guru](#)

06/30/08 The world of modern economics is a gluttonous feast. The problem is that today's feasters are gorging themselves at the government trough and electing politicians to continue feeding them, regardless of the cost. The Mogambo Guru expounds...

I could see that the audience of reporters and passersby was getting nervous, as I had just finished going through the explanation of how the Federal Reserve creates inflation in the money supply by creating too much money and credit, which causes inflation in things as all of this money enters the economy, and then eventually the inflations in stocks, bonds, houses and the size of government becomes so great that further infusions of money must increase in proportion to the increase in the aforementioned prices of the stocks, bonds, houses and size of government if they are to maintain a static percentage growth, and some of all that increasing avalanche of money starts getting into bidding wars for commodities, increasing the prices of commodities.

But they just weren't getting it. Even that cute little cub reporter from the Daily Planet wasn't getting it. In my imagination, I had hoped that she would immediately see the horror of what I was telling them; thus leaping, whilst sobbing and trembling, into my Manly Mogambo Arms (MMA), she would say, "Oh, save me from the horrors of such inflation in prices that comes from inflation in the money supply, Mighty Magnificent Mogambo (MMM)! And by the way, your Manly Mogambo Arms (MMA) get me hot! Take me! I'm yours!"

But they all just sat there with these stupid expressions on their faces. "Like food and gasoline getting so highly priced that you can't buy them, you freaking morons!" I exclaimed helpfully.

Then they all started yammering about how prices are so high and how the government ought to do something and blah blah blah.

So I asked, "Do any of you morons know what will happen if the government slows down its spending? Chaos! The government is so huge, and so many people now depend upon it for everything, that the government cannot stop spending! And so the Fed cannot stop creating excess money and credit, because there is nowhere else from which the government can get that much money! Inflation will turn to rioting in the streets!"

Well, they all thought that I was crazy, and that raising taxes on the rich and adding a few more government programs would solve everything.

With a weary sigh of resignation, I showed them an interesting article in Archeology magazine that refers to the Roman writer Seneca describing the feasting excesses of Rome, who asks, "We have all heard about the decadence of the ancient Romans, but how much of this is true?"

It turns out that researchers "are confirming the classical author's accounts of the Roman taste for luxury. Banquets were extravagant feasts where patrons competed to outdo and outspend each other".

So, intrigued about the possibility of this kind of thing becoming a fad again (Oh, boy! Oh, boy!) and maybe somebody we know will host one of these Bacchanalian excesses involving undreamt of depravity and gluttony and invite us, we naturally want to know, "How much would one of these Roman feasts cost today?"

The answer is "\$10,000 for a party of 15 revelers."

I know what you are thinking. You are thinking, "Is that all? At a lousy \$667 per reveler? It almost costs that much to fill the gas tank on my damned car! Hahahaha!"

Well, that's not exactly true, I admit, but \$667 per day times 365 days a year is \$243,455 a year, which used to be a lot, but these days, thanks to the rampant inflation of the last few decades, it is not all that much anymore, and half of all government workers probably make that much when you add in the full value of their overly-generous benefit packages!

And even half of that, or \$334 a day, is \$121,727 a year, which, if taxed as income, would yield net-of-tax about what the full Social Security, Medicare, Medicaid and welfare packages now deliver per recipient! Free food, free medical care, free housing, and literally given cash to spend!

But this is not about how little it costs to stage a Roman feast, but about what happens when people are used to getting free gluttony, and then suddenly they are not. Perhaps a clue can be found when the Roman author Seneca "wrote that his friend, the food writer Apicius, drank poison and committed suicide rather than give up the gluttonous lifestyle he could no longer afford."

The bad news is that today's feasters, gorging themselves at the government trough, are not going to commit suicide. They are going to riot, and elect politicians to continue the feast, regardless of the cost. Regardless of the cost! Hahaha! We're freaking doomed!

Until next time,

The Mogambo Guru
for *The Daily Reckoning*
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The Mogambo Sez: Gold, silver and oil. That is all that one can say when asked about investing in such a crazy world: gold, silver and oil.

And note how even the words are soothing; gold, silver and oil. Ahhh! I feel better already! Get some, and you will, too!

Gold, silver and oil! Ahhhhhhhh!