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Highway to the Fiscal Danger Zone

by The Mogambo Guru

"Yesterday, when inflation in the money supply raised the prices of stocks and the prices of bonds and the prices of houses and the prices of monumental government spending (including the money for programs like his), that was not a 'danger zone' either."

To show you the kind of butthats that are in charge of things these days, and as an example of the complete imbecility that seems so pervasive that it makes you want to scream, SteveQuayle.com posted the news.Xinhuanet.com story that "World Bank President Robert B. Zoellick has called on leaders of the G8 as well as the major oil producers to act now to deal with surging food and energy prices, warning that the world is now 'entering a danger zone.'"

He's upset that price inflation has now entered food and energy, and that makes it a "danger zone." Yesterday, however, when inflation in the money supply showed up in the prices of houses and goosed the economy of the world for almost five years, that was not a "danger zone."

Yesterday, when inflation in the money supply raised the prices of stocks and the prices of bonds and the prices of houses and the prices of monumental government spending (including the money for programs like his), that was not a "danger zone" either.

As soon as I finish my screaming in bloody outrage at this staggering stupidity, I will explain that he, in agreement with the World Food Program (WFP) and the International Monetary Fund (IMF), "estimate that about 10 billion dollars is needed to meet short term needs of people hit hardest by the crisis." And these are the SHORT-TERM needs, where most of the money will "disappear" along the way! Hahahaha!

What a moron! What a collection of morons!

He, and the rest of those worthless dimwitted trashy organizations and people, was completely silent as the Federal Reserve created all that money and credit for all those years in a massive monetary inflation, and he was "mum's the word!" all the time that all the other central banks of the world had to inflate their own currencies to soak up all those mountains of dollars that were flowing into their countries via the trade deficit, which they felt they had to do to prevent their own currencies from becoming strong as they traded zillions of dollars for their own paltry supplies of their own currencies on the foreign exchange market, which would mean higher prices to American consumers (or falling profits to the foreign producers).

All of that was okay with all of these guys.

But now that people are literally starving to death from the rise in food and energy prices, "catastrophe" looms, which it does, which means that an Angry Mogambo Screaming Fit (AMSF) has started in earnest! AhhhoooOOOoooo!

After that aural onslaught, Mr. Zoellick has decided that he is still in favor of central banks creating too much money and credit, thus he is in favor of making everything

worse and worse, but now he wants some of that new money to be given away to "them-that-need", so that they can buy food, thanks to inflation in prices, thanks to inflation in the money supply of the world, thanks to morons like him aiding and abetting it to be committed by central banks their whole freaking careers!

To be fair, Mr. Zoellick also said, "What we are witnessing is not a natural disaster - a silent tsunami or a perfect storm: It is a man-made catastrophe, and as such must be fixed by people", which is exactly right; it IS a man-made catastrophe!

But my words of praise turn to ashes of contempt because people like him, the World Bank, the Federal Reserve, the IMF, every central bank, every government, and the majority of worthless PhD "neo-Keynesian" university-spawned "economists" spent the Last Few Freaking Decades (LFFD) urging the creation of more money and credit, congratulating each other on how much money and credit they were creating, and urging each other to create more and more money and credit for which they could be congratulated, all spent on speculations (driving up the prices of stocks and bonds, to name but two), spent on consumer goods (driving up the prices of houses and collectibles, to name but two again), and spent on whole new glittering universes of government, government, government, dispensing enormously expensive and expansive perpetual boatloads of communistic, "from-those-that-have-to-those-in-need" government programs! Hahaha!

And now the money has (unfortunately) stopped inflating just the prices of stocks, bonds, houses and government, and is now inflating the prices of food and energy, which leaves the consumer with less money to spend for stocks, bonds, government and housing! Hahaha! We're doomed!

And it's not like these guys are new at this, as the World Bank says that its budget in 2007 was \$26.8 billion (which included \$2.1 billion for administrative expenses!), that the World Bank has been around since 1944, it has 10,000 employees, and says it gives out "technical advice, loans, credits and grants for poverty reduction and the improvement of living standards". Hahaha!

With completely, utter stupidity like that rampant in the world, what can one do but laugh, unless it is to wonder in amazement that we've lasted as long as we have? Hahahaha! Ugh.

The Mogambo sez: When I die, I do not want the words "Strange visitor from another planet" on my headstone, or any words even hinting to the fact that I am a total failure as a son, a boyfriend, a husband, father, brother, neighbor, in-law, citizen or total freaking stranger.

I would like it if, on the other hand, it had something tasteful about "Anybody strictly following Awesome Mogambo Investment Advice (AMIA) to buy only gold, silver and oil, and things related to them, would have made a big damned pot full of money and kicked investment ass the whole time as a result of betting against a Federal Reserve creating excess money and credit, which means that gold, silver and oil will soar in freaking value as the dollar loses its value due to the excess creation, which they did, in spades, and now I look like the freaking genius that I am and everybody else can kiss my big, fat butt!"