

# Financial Death by Gold Deficiency

By [The Mogambo Guru](#)

05/07/09 Tampa Bay, Florida If you are like me, then you realize the importance of gold and understand the relative unimportance of things like family, friends, coworkers, community and career, none of which are needed when you have a lot of money because you spend all your time having a wonderful, wonderful time, and the only communication you have with any of those vampires sucking the last of your will to live from your dry, drained soul is to say to them, "Tell it to my lawyer!"

And think of the time you will save! Relish all those freed-up hours of not having to ever again scornfully say to them, like you have said thousands of time before, "I told you to buy gold, but did you listen, you moron? No! 4,500 years of history told you to buy gold, but did you listen, you halfwit? No! The Austrian school of economics told you to buy gold, but did you listen, you butthead? No!

"Now you must suffer – yea, perhaps nigh unto financial death! – because that is how Mother Nature and raw Darwinism team up to give mutant stupidity the reward it so richly deserves! Hahaha!"

James Turk of GoldMoney.com is not looking to get into a discussion with me about mutants, probably rising from the dead to eat human brains, and writes instead that the idea of the "carry trade," namely, borrowing cheaply one place and investing the money in something with a higher yield someplace else in order to profit by pocketing the difference, included playing with gold!

Indeed, "Gold also became a favorite vehicle to borrow because of its low interest rate", which I notice runs less than a mere, tiny, insignificant fraction of less than a mere, tiny, lousy tenth of one percent per year! Almost nothing!

If you are one of those people who dismiss my loud accusations and condemnations of conspiracies and regulatory malfeasance by asking questions like, "You are an idiot, so why don't you just shut the hell up?" (Answer: I don't want to!), or "Are you as creepy and repellent as you seem?" (Answer: Yes), then I note with a smug grin on my face that Kitco.com bears me out by showing that the 1-month lease rate on gold is, and has been for quite a while, less than zero!

I am not sure who pays who, what, when or how when borrowing gold, or anything else, at a cost of less than zero percent, but there it is! Weird, huh?

Anyway, Mr. Turk is apparently not surprised at such blatant manipulations, and seems disappointed in me that I hadn't noticed anything amiss until now, which I explain is because I am, unfortunately, very stupid, and if I wasn't too stupid to notice something obvious like this, then I am also too stinking lazy to even make the effort to find out! Hahaha!

Mr. Turk soon realizes his mistake in assuming that I was “normal” in most regards, and continues on without me, saying that the greasy, slimy schemes, scams and manipulations was possibly because, “This gold came from central bank coffers, but they refused to disclose how much gold they were lending, making the gold market opaque and ripe for intervention by central bankers making decisions behind closed doors.”

Well, as a guy who is Just Smart Enough (JME) to be completely cynical, distrustful and paranoid about anything connected to powerful people in, or out of, government, and so this kind of revelation is, I am afraid, old news.

And old, old nightmares!

And these kinds of market-distorting government manipulations are old, old, old reasons to buy gold, silver and oil to protect My Darling Self (MDS) against the sheer bankrupting idiocies of another bizarre economic experiment of huge, growing, permanent governmental deficit-spending to fund massive entitlement programs, financed by an intellectually-corrupt central bank creating the necessary massive excesses of money and credit to loan so that the debt could be bought.

The bad news is, of course, actually much worse, as the ridiculous debt-creates-money monetary system that we have adopted requires that every debtor must pay back more than he borrowed, thus paying back both all the original principal and a lot of interest, whereas he only borrowed the principal.

Ergo, in the aggregate, debt can never be paid off, but instead, debt must always grow bigger and bigger and bigger, or be defaulted upon, which means that the investor loses all his money and (the real crux of the matter) the government gets less in tax revenue, and just when they needed it the most.

The obliging Mr. Turk, despite my constantly interrupting, finally gets us back to gold, which was the original point, and I, for one, was glad that he did, as this is when he reminded us of the astounding fact that “The amount lent by central banks has been reliably estimated in various analyses published by GATA to be 12,000 to 15,000 tonnes, nearly one-half of central banks total holdings and 4-to-6 times annual new mine production of 2500 tonnes.” Wow!

And this is only the part that has been loaned out! One can only speculate with horror and a rising need for revenge when one wonders what OTHER slimy things have been done with America’s gold, like, for instance, how we gave the IMF a few thousand tonnes to get started with their Special Drawing Right currency, for instance, and now they want to sell it. And then there are all those other little whispers of dastardly deeds done.

I was halfway through with quickly downing the rest of my drink and high-tailing it back to the Glorious Mogambo Bunker (GMB) for a little security when I remembered, “Hey! I have gold! I’m protected!”

And what I don't remember is that I actually said, "Whee! This investing stuff is easy!" but I should have because it is!