

Golden Sanity Amid Fits of Fiscal Madness

By [The Mogambo Guru](#)

01/20/09 **Tampa, Florida-** Completely surprising me, people continue to ask me questions, like I have any answers about anything – like, for instance, where I was last Tuesday night when somebody caused a disturbance at a local Chinese-food restaurant when the little proprietor had to be instructed that around here, an “order of egg rolls” means two egg rolls, not one! Two! And no, I did not eat one already, no matter what the waiter says, what the other customers say, what kind of tasty crumbs were on my lips or what my breath smells like!

Anyway, as I told the police, I don’t know anything about that incident since I was obviously somewhere else; I forget where, but whoever the noble, brave customer was, he was absolutely right; an order of egg rolls means two egg rolls, not one. Two, dammit! Two!

But not even this scandal has stopped anyone from asking me questions, and one of the more popular questions is, “What in the hell is wrong with you that you are always yelling at us to buy gold? You make us completely miss fabulous, fabulous investment opportunities in all kinds of other things, like that terrific business opportunity they advertise on TV all the time where my computer makes money for me without me doing anything, and I just sit around scratching my big, fat butt and counting all the money that comes rolling in!”

As to “what in the hell” is wrong with me, alas, nobody knows, although there are several theories and a lot of powerful medications to try and keep it under control; I still hear the voices, but I can’t understand what they are saying! Hahaha!

As to why I continually disrespectfully bellow, “Buy gold right now, unless you are an idiot!” until my throat is raw and sore from all the screaming, and my kids and neighbors are likewise hoarse from their yelling back, “Shut up! Please shut up, shut up, shut up!” – it is because I assume that you are, like me, a greedy paranoid little squirt and you want to make a lot of money when this whole fiat-money idiocy collapses.

And I even know WHY you want to make a lot of money! You want riches so that people will have to come to you and grovel for a loan, and then you can make them humiliate themselves for mirthful hour after hilarious hour (“Pick your nose and eat the booger! No, a bigger one!”), while laughing at them (“Hahahaha!”), and then, finally, telling them, “No! No money! Now get the hell out of my sumptuous palace overlooking the ocean or someplace else equally as nice! Hahahaha!”

But regardless of your motives, gold is always popular at the beginnings of the busts that follow the booms that you get when somebody is stupid enough to use a fiat currency (like the U.S.A. and now all the other stupid countries of the world) that gets multiplied to excess so that inflations in the money supply causes inflation in other assets like stocks, bonds, houses and size of government and, unfortunately, food and energy.

And as the bust continues, gold always becomes MORE valuable as everything else turns to crap and the government starts destroying everything with fits of fiscal madness in its insatiable quest for more money, more money, more money!

And the reason that Congress wants to spend, spend, spend is perfectly summed up by Massachusetts Rep. Jim McGovern, who is quoted by the Wall Street Journal as having said, “Congress has to accomplish things.” Hahaha! Says who? Hahahaha!

The weird news is that this quote comes in a piece by John Fund in the Wall Street Journal as he describes how the odious and thoroughly repugnant Nancy Pelosi and her fellow-travelers in the House of Representatives have changed the rules, and now, “The new rules mean that the only way to push for a tax cut will be to propose a tax increase somewhere else”, which “Democratic leaders” said “were needed to make the legislative train run faster”!!

I deliberately inserted those two exclamation points at the end as part of my Mogambo Editing Duties (MED), mostly because there is nobody here big enough to stop me or even tell me that I can't, and now I can, unrestrained, use these punctuation marks to send secret signals to Junior Mogambo Rangers (JMRs) around the world that this is some Weird, Weird Crap (WWC), which (if you bother to look WWC up in your Mogambo Desk Reference (MDR)), means that “We are freaking doomed to die from consumer price inflation as a lagged result of excess monetary inflation, and you should be buying gold, gold, gold, beautiful, beautiful gold in self-defense, and if you are not, then that means you are some kind of mental defective!”

But we were not talking about how the socialist-communist/fascist morons running the place have doomed America, but “Why gold?” The reason is that there will be a lot of rich people selling the aforesaid stocks, bonds and houses, as that is how market tops are formed and why prices fall, and then the sellers will have a lot of money sitting there, meaning that now they have to find someplace to put it, and then they notice that everything else is turning to crap, and that is “Why gold”!

Nobody is ever satisfied with that explanation, and in the past I always had to convince people by out-shouting them (which is time-consuming) or wrestling them to the ground and getting them in a chokehold of some kind (which is tiring).

I say “in the past” because now I can use the Telegraph.co.uk headline, “Merrill Lynch Says Rich Turning To Gold Bars For Safety”.

Without even the courtesy of mentioning me by name, or how I have been screeching about this stuff for years, “Merrill Lynch has revealed that some of its richest clients are so alarmed by the state of the financial system and signs of political instability around the world that they are now insisting on the purchase of gold bars, shunning derivatives or ‘paper’ proxies”.

It shows that the rich ARE different in that they are not particularly stupid, which probably explains how they got to be rich in the first place.

And part of that intelligence is to understand the possibility of corruption inherent in derivative, paper assets, and to know that with the “possibility” eventually comes dead-bang “certainty”, and thus they shun paper assets and demand real, physical gold.

And it is that “possibility that leads to dead-bang certainty” that makes the possibility of the Federal Reserve creating too much money and the possibility of the Congress allowing so much money to be created so that they can possibly spend which makes the decision to buy gold, silver and oil so simple that you shout, “Whee! This investing stuff is easy!”

Until next time,

The Mogambo Guru