

U.S. Government Buys Hypocrisy With Fiat Currency

By [The Mogambo Guru](#)

03/27/09 Tampa Bay, Florida Doug Noland of PrudentBear.com has found all kinds of interesting things this week, especially if you enjoy heart palpitations and crushing chest pains, which is what you get when you read Mr. Noland reporting that “The M2 (narrow) ‘money’ supply surged \$39.8bn to a record \$8.343 TN (week of 3/9)” which means, “Narrow ‘money’ has now inflated at an 18% rate over the past 25 weeks and \$766bn over the past year, or 10.1%”! Yikes!

The “yikes!” comment at the end is chosen specifically to indicate that the preceding section is “Bad, but I’ve seen worse, and we will see a lot worse over time as the treacherous Federal Reserve will continue to be required to create more and more money so that the moronic, desperate Congress can borrow it so that they, their parasitic entitlement friends and more and more desperate people can merely survive at this point, and who are all more and more destitute from the huge inflation in the money supply, that produced the higher prices, that produced the bubbles in stocks, bubbles in bonds, bubbles in houses, bubbles in derivatives and bubbles in size of government, that has now produced the bursting of the aforementioned bubbles that were caused by the foul Alan Greenspan, insane chairman of the despicable Federal Reserve from 1987 to 2006, creating all the mountains of excess money and credit that made it all so, so horribly possible.”

Actually, this \$766 billion increase in the M2 money supply, normally staggering and enough to send me dialing “9-1-1” on the phone while gobbling nitroglycerine pills so that when the police dispatcher answers “Nine one one, what is your emergency?” I say “Hebba ah uh mmmmba!” – now seems quite mundane compared to the loathsome Obama administration and the despicable Congress plumbing the depths of stupidity born of desperation with their new \$1.9 trillion budget deficit for next year!!!

Not surprisingly, then, the Economist magazine shows that our federal governmental budget balance, as a percentage of 2009 GDP, is already a NEGATIVE 13.7%, which can be interpreted to say that just the borrowing to finance the stunning deficit-spending by the federal government for the next year constitutes almost 1/7th of the total value of every good and service (GDP= \$14 trillion) that this whole freaking country produces in a Whole Freaking Year (WFY)!

And this humongous 13.7% of GDP is just the BORROWED part of one year’s federal government spending!!! Astounding!

What can one say except “We’re freaking doomed to death by inflation, and that means that anyone not buying gold Right Freaking Now (RFN) either has something very, very wrong with them, or they are more victims of the Mealy-Mouth Mainstream Media (MMMM), who are not “reporters” or “investigative reporters” anymore, whose original purpose was to expose corrupt

government and pursue justice, but they are now all girly “journalists” who wish to discover the painful emotional traumas suffered by tragic “victims” of various kinds, yet turning it into a heroic story of hope, renewal and redemption.

So, even more embarrassing, America used to strut around the world, scolding countries that got into this deficit-spending-gone-kaput mess, sanctimoniously preventing them from increasing their government deficit-spending as a condition of getting bailout loans from the U.S., the International Monetary Fund, the World Bank, miscellaneous secret government slush funds and terrorist goon-squads, and instead we insisted that they increase taxes and cut government spending! Hahaha!

Now, in a spate of irony, the tables are turned, and we smug Americans are doing what we tried to prevent other countries from doing when their economies fell apart after their stupid governments overspent, over-borrowed, over-leveraged, over-estimated and over-enacted a lot of overly-stupid legislation that forever changed the economy for the worse.

And not only are we doing what we wouldn't let anyone else do, but we now have a much larger negative budget-deficit as a percentage of GDP than all the others in the list of top-30 major countries, by size, of the world! We're the absolute worst! Hahaha!

And although I can hear you whining and complaining about how this is sure to make me launch a Screaming Mogambo Bellow Of Outrage (SMBOO), I am still going to make it all worse by noting, during the SMBOO, that industrial production around the world is getting hammered, too, being down 11% in the USA, down 11% in Britain, down 9% in Germany, down 4% in France, a terrifying 24% in Spain, (in the whole euro area, industrial production is down a hefty 12%), down a scary 31% in Japan, and down a terrifying 43% in Taiwan! Yikes!

It's a good thing that we have gold, silver and oil to protect ourselves! Whee! This investing stuff is easy!