

Unemployment Figures, Right Between the Eyes

By [The Mogambo Guru](#)

02/06/09 Tampa Bay, Florida I am hoping that someone from the media will ask me about my current thoughts on the “deflation or inflation” debate, but they probably won’t, since the last time I held a Mogambo Press Conference (MPC) where they asked me that question, the reporters screwed it all up and seemed to fixate on the fact that I yelled at them, “If you think that the government or the Federal Reserve is going to allow a true deflation, which is a fall in the money supply, when they have the ability and authority to create as much fiat money and credit as they want (literally without limit!) then you are the biggest idiots in this entire Quadrant Of The Galaxy (QOTG)! Get out! Get out of my office, you morons! Get out before I kill you all!”

Naturally, they reported in great depth about that and how I chased them into the parking lot with a baseball bat, blah blah blah; but what they did not print (a glaring omission that fits with all the other shortcomings of a biased liberal media), was that I was yelling at them the whole time, “And if you think that a temporary fall in prices due to temporary lack of demand means that prices will remain down when all the other producer costs of taxes, insurances and labor are NOT going down, but instead are going up, then again I laugh (hahaha!) in rude scorn and contempt at your stupidity if you think everyone will remain in business when they are always losing money!”

I thought that they would at least pick up on my last memorable line, “Then how much will a macaroon cost when nobody makes macaroons? Hahaha! Run! Run out and get sterilized immediately before you pass on your defective genes by producing any mutant children, too, you morons!”

So as I wait for the phone to ring for Round Two, it occurs to me that I’m not sure I know what in the hell I am talking about, because if total loss of wealth in America is around \$10 trillion or so, then a few trillion in proposed deficit-spending and TARP spending is certainly not going to offset that! Ergo, if unrealized losses are counted, then the money supply will be going down despite the wild injections, right? Deflation! Not inflation!

Many people look at this contradiction as further proof of my Mogambo Schizoid Nature (MSN), but it is not, as there will come a time when some chart in the future will show the upward-sloping curve of monetary and fiscal excesses of the Federal Reserve crossing the downward-sloping curve of falling asset prices, and then the Super- Duper Hyperinflationary Hell (SDHH) will truly begin!

So the Big Freaking Question (BFQ) is: How long before the hyperinflationary phase about which I have been yammering begins – bringing back up the prices of stocks, bonds and houses so that the moronic government can once again wallow in a sea of tax receipts? Hahahaha!

The rude laughter in response to the BFQ is because, in case you are just arriving here from Mars and are not up-to-speed on current events, the terrible mission of the despicable Fed and stupid Congress at this point is to create so much money, so damned much money, so staggeringly damned much money that they will, literally, be able to buy everybody out of bankruptcy, thus explaining the “Hahahaha!” because such massive amounts of money will drive lots of other prices to the moon, too, and the rioting and suffering of chaotic social unraveling because the prices of food, energy and necessities are so high will mean that nobody is going to care about some stupid stocks, bonds or houses! Hahahaha!

Well, as one would expect in a declining economy, Bloomberg.com reported that “U.S. business activity shrank in January for the fourth consecutive month,” which they say is “a sign the downturn in manufacturing may worsen this year.”

At this, I laugh and say, with the usual gratuitous snotty attitude, that “The fall in employment in the manufacturing sector for the Last Few Freaking Decades (LFFD), as jobs and whole industries were shipped overseas, has been a sign that manufacturing ‘may worsen’, you morons!”

I added that “you morons!” at the end so that Mr. Bloomberg would see it and say to himself, “Hey! This guy is right; manufacturing employment has been falling for years and years! This means that the people who currently write for me are a bunch of idiots! I’ll offer this Mogambo fellow a nice, cushy job at a huge salary to write for me and then people will see what in the hell is going on!”

Well, as a guy who is incorrigibly lazy and incompetent, I understand that a job offer would truly be a miracle, but I am getting used to needing miracles, and with the way things are going, I will need a miracle to keep my job, my marriage, and my life since I just know that one of the damned kids or a co-worker is going to be “Et tu, Brute?”

And it is not just me needing a miracle, but lots and lots of people, as the Institute for Supply Management’s “business barometer” has just “decreased to 33.3, the lowest reading since March 1982, from 35.1 the prior month.” Helpfully, they add “Readings below 50 signal a contraction”, as if the whopping 5% contraction was not enough to make your heart go “thud.”

This squares perfectly with the Commerce Department’s report that says, “Gross domestic product contracted at a 3.8 percent annual pace from October through December”, which is not only bad, but it is, instead, Bad, Bad News (BBN) in that “the U.S. economy shrank at the fastest pace since 1982 in the fourth quarter as consumer spending slid the most in the postwar era.”

Everything was bad, as the reading of new orders fell to 30.7 from last month’s 31.5 reading, “the production index declined to 29.7 from 32.4”, and, worst of all, the “employment index dropped to 34.8 from 39.2”, which is a stunning 11% drop! Yikes!

And, since all things are connected to all things, and apparently keeping with the “since the postwar era” theme, they add, “Slumping demand may lead to more firings this year after the economy lost 2.6 million jobs in 2008, the most since 1945.”

You are probably wondering why I am not bringing up signs of inflation in prices, since complaining about inflation in consumer prices and warning about inflation in consumer prices and screaming my guts out in fear of inflation in consumer prices is about all I do anymore, making life into a living hell for my wife, children and neighbors as a result.

Well, the reason is that I was saving it for last, figuring to play a little joke on you where I would wait until you got pretty bored with unemployment figures and “barometers” of various economic variables, and then when you were relaxed and unsuspecting, probably saying, “This is boring! Why am I reading this Stupid Mogambo Crap (SMC)?” I would hit you with it right between your eyes, and the impact would be so great that you would say, “Wow! We’re freaking doomed, and that Damned Loudmouth Mogambo (DLM) was right when he said to buy gold, silver and oil to protect ourselves from roaring inflation in prices, and we owe a real debt of gratitude to the DML for such uncommon wisdom!”

This terrible-although-instructive news is that the report includes the terrifying news that “A measure of prices paid for raw materials increased to 39.8 from the prior month’s 32.7 reading”, which is an 18% increase!! In one month!!!

Serious scholars who delve into the more arcane aspects of the Teachings Of The Mogambo (TOTM) instantly notice the surfeit of exclamation points in the above, as befits such a Serious, Serious Increase (SSI) in prices!

For an example of the horrors to come, The 5-Minute Forecast notes, “For the first time in their history, the Girl Scouts of the USA this week announced they will be making smaller cookies and putting less in each box...but still charging the same price.”

Lest one think that the Girl Scouts are a bunch of greedy, inflationary pigs like bankers and the Federal Reserve, Girl Scout spokesperson Michelle Tompkins explains that they are just another victim of the inflation in prices caused by the Federal Reserve creating all that excess money and credit (inflation in the money supply), and that the by-laws of the Girl Scouts of America forbids their being armed with AK-47 assault rifles with which to take Washington, D.C. by storm, which was my suggestion, as I figured, “Who would shoot a cute little Girl Scout?”

Well, she did not say that officially, of course, but her meaning was clear when she said that putting fewer cookies in each box, but charging the same old price “was the only alternative.”

Reflect again on gold, silver and oil, and now Girl Scout cookies, and be instructed!