

Alan Greenspan and the Ruination of the US Financial System

By [The Mogambo Guru](#)

04/15/10 Tampa, Florida – *The Financial Times* had the article “Greenspan Mauled Over Role In Meltdown”, which was about that loathsome, worthless lunatic Alan Greenspan testifying at the Financial Crisis Inquiry Commission, which is enough to make you laugh in itself; the morons who perpetrated constant deficit-spending are facing off with the guy who provided the money and credit with insane levels of monetary inflation to make it happen! Hahahaha!

For his part, Greenspan lamely admitted that he and the Fed had never tried to do anything other than keep creating money, day after day, month after month, year after year, to finance those boom-era boondoggles, like, for example, the housing bubble, a federal government idiocy of massive size and a particularly odious failure, a pungent stinkeroo made possible with the low, low, low, insanely-low interest rates and laughable banking changes that Greenspan, alone, provided.

Even worse, to make such low interest rates somehow defensible, Greenspan and Michael Boskin rigged up a slimy methodology (commonly referred to as “hedonic adjustments”) for “adjusting” both the price changes and the standard, measured market basket of goods and services, so that inflation in prices was always understated by, apparently, as much as they wanted! Hahaha!

For the Federal Reserve to do otherwise (to wit: not act like morons), says Greenspan, “Congress would have clamped down on us”, which means that he is admitting, on the record, that the fabled “independence of the Federal Reserve” is just another Stinking Load Of Lying Hooey (SLOLH), which I say means that he ought to be dragged out into the street and horsewhipped, along with all Congresspersons (except Ron Paul), either living or dead, meaning, of course, that if a former Congressperson was dead, then his or her dead body ought to be dug up, taken out into the street and whipped, too, and then all of them thrown into prison, except for the dead ones, of course, because that would look, you know, stupid.

Of course, DailyBell.com is too classy to get dragged into discussing the merits of Extreme Mogambo Retribution (EMR), and, instead, calmly says, “We start with Greenspan and his recent denial of any role in provoking the current financial crisis by keeping interest rates very low for an extended period of time. We are a bit baffled by his denials. He knew then and he knows now that paper money creates difficulties when issued by private/public central banks under the aegis of the state. He understands the business cycle, Austrian economics and how destructive publicly issued fiat money can be. First comes the boom – courtesy of an overprinting of paper money – and then the inevitable bust.”

Exactly! Almost taking the words out of my mouth, they continue that the boom-bust cycle is inevitable because “It always happens that way as Ludwig von Mises and FA Hayek showed us.

Greenspan knows, and must know, for he wrote about it as a youth and supervised the mechanism as a mature economist and regulator.”

What to do? Lie! And just like most of us (me) lying at work about whose fault something was (me), and who ought to be fired for it (not me), and his future salary disbursed to the remaining workers (me), Greenspan denied everything, prompting Daily Bell to note “We suppose he must deny it. One doesn’t go to Capitol Hill and admit that one caused the undermining of the wealth of the Western world. And certainly it wasn’t Greenspan’s fault entirely.”

It was that last sentence, “And certainly it wasn’t Greenspan’s fault entirely”, where I saw my chance! An opportunity is dropped into my lap to get a little attention (and to probably commit professional suicide) by disagreeing with the Daily Bell!

Thinking that they would be persuaded if I couched my rebuttal in terms of Long, Loud And Rude (LLAR), I said “You’re wrong, you morons! Hahaha! You’re wrong and I’m right for once in my lousy life! It was all Greenspan’s fault! Greenspan is the one that created the money that made it possible! Don’t you see, you nitwits, that without him, and the monstrous mountains of money he created, none of this bad stuff would have happened!”

Well, I learned Long, Loud And Rude (LLAR) was not the ticket to recognition and acclaim at the Daily Bell, although I am right about Greenspan being singularly at fault, just as I am right about how you ought to be buying gold, silver and oil right now instead of sitting there reading my Stupid Mogambo Crap (SMC).

Perhaps, in hindsight, I should have taken the more up-tempo and literary road, and say, all sophisticated-like, “As P.J. O’Rourke, the famous writer, might have put it if he was paraphrasing himself, just because teenage boys want whiskey and car keys doesn’t make them guilty of anything, especially when it was their own stupid dad that gave them the whiskey and car keys while telling them to have a good time because there was nothing to worry about!”

Still no response from Daily Bell, even when I offered that “Maybe if he was sending the kids out to buy more gold, silver and oil because he was unable to go himself, then maybe Greenspan could be forgiven. But he didn’t, and now look at the mess we are in!”

Again, nothing. So, I surmise that the lesson for today is that nobody cares about how I feel about the odious and satanic Alan Greenspan, who is the lying, repulsive turd that caused the booms and the busts.

And, apparently, nobody cares for my constant exhortations to buy gold, silver and oil, either, which they must do to survive financially as a result of the insane Federal Reserve creating so insanely much money so that the insane federal government could borrow and spend an insane \$1.6 trillion this year, and trillions and trillions more borrowed and spent dollars for at least 10 years, which will double, triple, maybe even quadruple the money supply, which will cause such ruinous, catastrophic inflation in consumer prices that you can hear me, way off in the distance, screaming “We’re freaking doomed!”

And if you do you decide to get some gold, silver and oil, go and get it yourself, and not trust some drunken kids to get it for you. We've seen what happens!