

Bet Against the Majority. Buy Gold.

By [The Mogambo Guru](#)

03/11/10 Tampa, Florida – I was laid out on the couch, which I remember distinctly because my wife was yelling, “If you’re going lay down on the couch instead of doing something around the house to help me out, at least take your damned shoes off!” and I was using the remote to idly flip through the channels on TV, hoping to catch something in the vein of happy mindlessness, maybe something in the *Gilligan’s Island-Bewitched* genre, so that I did not have to keep track of a complicated plot and/or a bewildering cast of multi-faceted characters.

I needed this kind of mental break to take my mind off of, for one thing, the sheer horror of today’s economic situation and how we are So Freaking Doomed (SFD).

Finally, I happened to catch a moment on CNBC just where Larry Kudlow was correctly making fun of Greece for saying that it will raise taxes and cut spending in an effort to get its ludicrous deficits and preposterous budget under control, and he had a deliciously snotty, supercilious, sarcastic attitude (the True Mogambo Way!) towards the idea of raising taxes and reducing spending as an economic stimulus of some kind! Hahaha!

I was with him all the way, too! And I had a few choice things that I wanted to say to Greece, too! Most of my complaints about Greece are about how Greek salads always seem to come with a damned oil and vinegar dressing that is terrible until you add some sugar, then it’s pretty good, so why in the hell don’t they add sugar to start with, the lazy bastards? God knows they had the money!

And then to add sour ripe olives to the mix – which is more of the same, only worse! – makes me want to jump to my feet and shout, “What is the matter with Greeks that they would they would do such a terrible thing to an otherwise delicious salad?”

So with Mr. Kudlow on the case to make sure that Greece gets its act together, I am sure that their deficit problem will soon be resolved, and this salad dressing thing will soon be a thing of the past, too, which may be part of the reason why I thought he was really good for about, oh, three seconds, which is about as long as the average period of time that I usually agree with Mr. Kudlow, or my wife, or my kids, or my boss, about anything.

The aforementioned three seconds during which I agreed with Mr. Kudlow is because he said something scornful in a rapier-like rebuttal, something like “Raising taxes and cutting spending is not the answer!” which is true.

But it is only true because there IS no answer! To even ridiculously assume that someone can come up with a plan to dissolve consumers’ debt and simultaneously pay off their creditors – the fabled “win-win” situation! – is ludicrous! Hahaha! Beyond ludicrous! Hahaha!

Mr. Kudlow and his little panel of “experts”, however, ignore my scornful laughter and the way that Icky Mogambo Spittle (IMS) shot from my lips, and implied that there really is a solution to this problem out there, somewhere, anywhere, maybe over here, maybe over here, which would marvelously, and magically, enable debtors to get rid of their debts without paying anybody anything, and creditors to get all their money back without being paid anything by anybody! Hahahaha!

But I understand that it’s Mr. Kudlow’s job to take positions on monetary, fiscal and economic policy that are the opposite of mine, because my job is to stay away from the majority, and his job is to get people to join the majority.

My position is so antagonistic because in these three cases, “the majority is always wrong.”

The majority is wrong in encouraging monetary insanity by always yammering for more and more monstrous Federal Reserve money-creation to buy the fiscal insanity of Congress’s avalanche of new government debt to fund Obama’s spendthrift imbecilities, which will cause inflation in prices, which is The One Big Freaking Thing (TOBFT) that you don’t ever, ever, ever want to have, which means that you can never, never, never allow excessive amounts of money to be created in the first place.

The majority is wrong on economics because they still, laughably, believe in the proverbial “free lunch”, a childish fiction where somebody gets something and nobody has to pay for it, and the majority are willing to bankrupt themselves, and destroy their own country, by letting Congress try to provide a free lunch to anyone and everyone who walks up with a hand out or a sad story.

And the biggest reason to go against the majority is in investing, because it’s less than a zero-sum game, and thus the majority must lose money and be bled dry by a ghoulish financial services industry (that is so large that it makes up 70% of all profits made in the country, and thus pays most of the taxes, which are actually paid by the “investors”) so that a minority of people (hopefully, me!) can make money despite being bled dry by the financial services industry and despite paying taxes on the gains. “Investing for the long term!” Hahahaha! I snort with derision! Snort!

So you can see why my natural anti-establishment makes me pound the table for gold and silver simply because the majority ignores them!

Okay, the real reason is that today’s dire economic condition, due to a staggeringly incompetent government and incompetent citizenry, has been played out thousands of times in the last 4,500 years, and in each case, the only thing that saved anyone’s butt was gold and silver.

There are those, of course, who say, “That explains why you are buying gold and silver, but it does not explain why you are always screaming at people to invest in oil, as well as in gold and silver.”

Well, since you asked, I say invest in oil because it has the most energy per cubic centimeter, and now that it is used in practically everything everywhere, nobody in the industrialized world can

live without lots and lots of it, with guaranteed continual rising demand, but it is being rapidly depleted. Rising demand and falling supply? Who could ask for more in an investment?

As for those who go on to say, “Well, that is pretty convincing, alright, but it doesn’t explain why you are such a hateful, disrespectful, little creep”, I admit that, no, it doesn’t.