

Complicating Economics

By [The Mogambo Guru](#)

07/08/10 Tampa, Florida – A column by Ambrose Evans-Pritchard of *The Telegraph*, and appearing through blogs.telegraph.co.uk, recently sported the headline “Time to shut down the US Federal Reserve?”

Good question! If I were writing about this subject, of course, I would have opened my scathing condemnation of the Federal Reserve with, “Unfortunately, the time to shut down the Federal Reserve was long, long ago. As a result, we’re freaking doomed, and the only thing left to do is round these lowlife Fed morons up and punish them severely for their arrogance and incompetence! And Congress, too! And the Supreme Court! A pox on all their houses!”

Most people can tell at a glance the difference in our styles when he opens with the line “Like a mad aunt, the Fed is slowly losing its marbles”, which I think is a terrific line and shows a lot of subtle-yet-classy wit and wisdom, whereas I would follow this up with something more earthy as regards such monetary insanity, like, “The Federal Reserve is an intellectual cesspool of self-deluded neo-Keynesian econometric halfwits who have created so much excess money and credit, for so long, that they created boom-time inflations in stocks, bonds, houses, simmering-yet-ruinous inflation in consumer prices, a huge inflation in the cost of and reach of government, not to mention a terrifyingly gargantuan derivatives industry that swamps everything else, all of which shows some kind of insanity to not say, ‘Whoa! This can’t be right!’ a long, long time ago, especially since, because of them, We’re Freaking Doomed (WFD)!”

Mr. Evans-Pritchard, continuing with the civility for which he is now famous, completely ignores me and my spittle-spewing, hate-filled rant, and instead merely makes note of Kartik Athreya, senior economist for the Richmond Fed, who “has written a paper condemning economic bloggers as chronically stupid and a threat to public order.”

Well, I certainly appreciate him mentioning me, and am very flattered! And, boy, has he got me pegged! Wow!

I always knew that I was kind of stupid, but also a “threat to public order”? That would certainly explain a lot of other things about my life!

Then, to my surprise and pleasure, Mr. Evans-Pritchard, out of nowhere, sticks up for me! He says, “Dr Athreya’s assertions cannot be allowed to pass. The current generation of economists have led the world into a catastrophic cul de sac.”

By this time, I am beside myself, thrilled that he is agreeing with me when I say that the morons in the Federal Reserve, academia, the media, Congress and the Supreme Court are all responsible for the economic collapse now descending upon us, and the sheer horror of what they have done with their staggering incompetence cries out that they should be rounded up and put into some stinking cesspool of a prison so that they can’t breed and pass on their damaged chromosomes.

Naturally, I am applauding and shouting, “Bravo! Well said indeed, Mr. Ambrose Evans-Pritchard!” sure that he can read my mind and will echo my thoughts about this important subject.

Apparently encouraged by my appreciative outburst, he went on to further condemn the guilty by saying, “And if they think we are safely on the road to recovery, they still fail to understand what they did.”

Naturally, being the vindictive, hateful kind of guy that I am, a man who thinks that giving immunity to the Federal Reserve for their egregious sins of creating too much money, and Congress for allowing them to create the money so that the already-guilty Congress can increase their calumny by deficit-spending the new money, I think that his use of the term “fail to understand” is much, much too mild.

I think I would have used the immortal line from the Tom Hanks movie *Forrest Gump*, “Stupid is as stupid does,” even though “Treacherous and malignant is as treacherous and malignant does” is more (I am very, very sorry to say) apt.

Regardless of my helpful suggestions, he has a lot more insightful and clever criticisms of his own concerning Mr. Athreya, the Federal Reserve and mainstream/university “economists,” all of which is better than anything I can write. So I can only point you to *The Telegraph* and tell you to go read Mr. Evans-Pritchard yourself if “intelligent and educated with a British accent and refined, thoughtful discourse” is what you want, ya little wimp, but if you want an angry guy screaming his head off about how the foul Federal Reserve creating so much money will lead to inflations in prices that will destroy us, where your only hope is to buy gold, silver and enough firepower to protect them, and delivered with an American accent laced with implied gutter obscenities, gratuitous violence and strangely recurring references to yummy foods and alcoholic beverages, then you know where to find me.

Feeling sorry for myself, I was sulking about how I am always standing in the shade of Mr. Evans-Pritchard’s mighty pen, when I noticed that Mr. Athreya reveals that he has not read Henry Hazlitt’s classic book *Economics in One Lesson!* Hahaha!

He gave himself away when he said, “Economics is hard. Really hard. You just won’t believe how vastly hugely mind-boggingly hard it is. I mean you may think doing *The Sunday Times* crossword is difficult, but that’s just peanuts to economics. And because it is so hard, people shouldn’t blithely go shooting their mouths off about it, and pretending like it’s so easy. In fact, we would all be better off if we just ignored these clowns.” Hahaha!

I laughed! I laughed the Mogambo Laugh Of Scorn (MLOS) because economics is actually easy!

It only gets hard when you try to do something as Stupid (S) as trying to define the relevant variables of an economy and their relationships in order to build a mathematical model of the economy, and then trying something Really Stupid (RS) like trying to measure these variables and insisting on three-decimal place precision in an environment of constant “adjustments” to the data, and then to trying to do something Really, Really Stupid (RRS) like trying to forecast the

path of the economy using these numbers, and then to do something Really, Really, Really Stupid (RRRS) like trying to adjust monetary policy to affect that forecasted future, and which always involves creating more and more money and credit to distort the future! Hahaha!

And if you or Mr. Athreya want something really easy, then just buy gold, silver and oil to capitalize on the mess that the Fed and Congress have made of the economy by creating too much money and then borrowing and spending too much money, respectively! It's too easy! Whee!