

Dueling Currencies

By [The Mogambo Guru](#)

09/14/10 Tampa, Florida – My daughter, for some reason, decided that breakfast is the best time of day to tell me that she needs me to give her a wad of money, more money than I earned in a freaking month when I was her age, and for some stupid “back to school supplies” or to “have the sutures removed,” or something, I can’t remember the stupid details, but whatever it was, I remember that did not want to pay for it.

I knew I had to change the subject, so I, all distractingly casual, say to her, “I read about some guy saying that perhaps the British pound was not as weak as the pessimists say, as its price was \$1.40US, and it has been higher, and it has been lower. Of course,” I say with an insiders-wink like I am some kind of savvy insider, “I knew the guy was a currency trader by the way he hoped to prosper on such small moves in the foreign-exchange markets.”

She looks at me with this stupid look on her face, and she says to me, “I don’t care. Are you going to give me the money or not?”

Ignoring her rude interruption, I continue, “Whereas guys like me notice that gold is up when priced in both the pound and the dollar, and will continue to do so because...?” I trailed off, looking at her and arching an eyebrow as a clever, non-verbal way of asking her why the pound and the dollar will continue to fall in terms of gold, which I hope will make her stop thinking about how she needs me to give her my money and start thinking about how governments can create more fiat currency but they cannot create gold, and that is why gold will gain in value against paper currency.

Instead, she again looks at me with a petulant look on her face and her mouth full of Corn Flakes, and she again says, “I don’t care. Are you going to give me the money or not?”

I continue in a lighter vein, “Comparing the merits of two fiat currencies that will both lose purchasing power in terms of gold is like saying that one pile of poodle poop is better than some other pile of terrier poop, or the other way around, I am not sure which, but one of them is definitely the one to buy. Hahaha!”

So, Little Miss Prissy looks at me with this pained expression, and sounds just like her mother when she says, “Ewww! Gross! Do we have to talk about dog poop at breakfast, or do you just like grossing me out so that I’m gagging all over myself?”

Suddenly, I leap to my feet in a surprising and startling move, snarling, “Do I like grossing you out? Is that what you want to know? Do I enjoy it? Is that what you are asking me, you little snot?”

She looks up at me with this startled, frightened look on her face, thoughts of getting money out of me having long since disappeared. Enjoying the scene, I pause for a delicious moment,

towering over her in a menacing way, heightening the drama, before I say, “No, I don’t enjoy it! But because both the British and the Americans have stupid governments who are heavily-indebted and yet are deficit-spending more and more incomprehensibly large amounts of money, and both countries have stupid central bankers creating the malignant, monstrous amounts of money to accomplish this insane spending, this means that both of them, meaning us, are doomed as a result! We’re Freaking Doomed!”

Again, she gets this bored look on her face and starts to say how she doesn’t care, when I cut her off by shouting, “You’re doomed! You’re dead! That’s probably why you stink! I thought maybe you pooped in your pants, and that is why you stink, or maybe your stench is caused by your not bathing, but not that you stink because you were dead! And I would have to be crazy to give money to a dead girl who is rotting and who is stinking up my house! Stinky! Stinky! Hahaha! I’ll call you Stinky Girl!”

Predictably, she sputters in frustration and runs from the room, shouting, “I hate you! I hate you! I hate you!” the whole time, instead of thanking me for the Valuable Mogambo Lesson (VML) in the value of gold versus fiat currencies that are being created in such staggering quantities.

So I used the money I saved to buy a little more gold, silver and oil, because with socialist deficit-spending morons like the Obama administration distributing the new money created by the Federal Reserve, these three assets are guaranteed winners and, and because, the dollar is a guaranteed failure.

And if there is one thing I like about betting on a guaranteed winner, it is that it makes winning so easy that you giggle to yourself, “Whee! This investing stuff is easy!”