

Dumbing-Down the Economic Curriculum

By [The Mogambo Guru](#)

05/12/10 Tampa, Florida – I was curled up in a corner of the Mogambo Bunker Of Mortal Refuge (MBOMR), feeling terrible that I made a Really Stupid Error (RSE) in a previous MoGu where I, in effect, annualized GDP growth figures that were already annualized, which is such a stupid mistake that I am very, very embarrassed, and all I wanted was to be invisible.

For this news I want to thank Lew Rockwell of LewRockwell.com, who not only took time to contact me about it, like so many others, but his was the only one whose email did not start off “Dear Moron”, or “Hey! Pinhead!” which is not to mention the ones that dispense with the salutation altogether and just get right to the task of making sure – making sure! – that I knew – really knew! – what an idiot I am and insinuating how much – how much! – they hated my guts – my guts! – for it.

I firstly tried, of course, to blame someone else, and I spent a fruitless few hours thrashing around blindly, looking for somebody to blame. Finally, cornered like the little rat I am, I sheepishly promise to do better from now on, by at least paying attention, which everybody knows will turn out to be a lie this time, too, or else this kind of “error-making” thing wouldn’t keep happening.

Fortunately, I think I may have found a scapegoat for my problem! Now I think I am on pretty firm ground when I say, “It’s not my fault! Please, please don’t fire me, because I really need this job because my kids are lazy and stupid, and I’ll have to support them the rest of their lives, and I am too old and too stupid to get another job, and anyway, it’s not my fault! Can’t you see that? It’s not my fault! And do you really want an age-discrimination lawsuit because you illegally terminated my employment?”

Well, part of this fabulous excuse I got from a *Financial Times* supplement titled “Business Education”, which had an article that reported that, circa 1944, Harvard Business School started offering “executive training” to business people under a program called “Advanced Management Program.”

They still offer an AMP, and the difference is that in 1944, the program’s curriculum covered, among other things, “Arithmetic” which is refreshing to see, plus things like “Management Controls”, “Production, organization and engineering”, and “Cost and financial administration.”

Here in 2010, either Harvard’s program has been dumbed-down to irrelevance, or computers have removed all need of any math skills, as math and money are not mentioned in the curriculum at all anymore, but instead AMP students are offered such things as “Leveraging the power of marketing”, “Leading in the global economy”, “Mastering the essentials of corporate financial management”, “Setting competitive and corporate strategy”, “Managing innovation and organizational effectiveness”, “Developing leaders”, and (get this!), “Senior team decision making; organizational learning.” What? Hahahaha!

Now you perhaps better understand why the USA is, indeed, in deep, deep financial doo-doo, despite having so many of us post-graduate hotshots running around; they, and I, don't know any math, and we believe any numbers we read, and some of us even believe the stuff we came up with ourselves! Hahaha!

No wonder nobody is exposing the inherent fraud of the whole retirement plan industry, which is actually just a conduit to the stock market; we don't know about the sheer idiocy of it because we are all numerically illiterate! Hahaha!

And what we don't know is the ugly fact that simple arithmetic proves that the overwhelming majority of investors will lose wealth by investing long-term in the stock market, and they are guaranteed to lose either by suffering a nominal loss (whereby the government gets less in tax revenue as these losses are netted against taxable gains, if any), or suffer a loss by the inflation in prices outpacing gains (but, and this is the crucial difference), where the government is rolling in tax money).

I thought that if I let them change my medications I would not be so consistently persistent in saying, "We're freaking doomed!" a part of which is that it is a mathematical imperative that 10 people, each putting \$1 into a bucket that has "stock market" written on it, cannot all come back around and each take \$2 out of the bucket!

It's as simple as that if you are conveniently disregarding dividends, as I am doing, but which are yielding (on the S&P 500) 2.1% if you want to make a Big Stinking Deal (BSD) about it, but which I counter with the fact that the government is taking a bigger and bigger chunk of those dividends away from you in income taxes, but, even disregarding taxes, dividends are yielding much less than the rate of inflation (which is running, according to John Williams at shadowstats.com, at almost 10%), on your investment!!

Now you know how it is possible that an entire nation of mal-educated ignoramuses grunted their approval like pigs at the inherent fraud of "off-the-books accounting", oinked their belief that merely bundling debt and selling it in pieces somehow, magically, made the total risk of the debt go down, and who squealed in piggish delight eating up the slop of "derivatives", and derivatives on derivatives, as a way of "managing risk", which laughably implies that the risk has, again magically, disappeared. Hahahaha!

But this is not about the sheer incompetence of the majority of people who, by their collective actions, have created such a mess, or about how they will pay a terrible penalty for it that I am already calling The Revenge Of The Mogambo (TROT), but about how they are about to be "saved" one more time, this time by the European Central Bank agreeing to create almost a trillion dollar's worth of euros with which to buy Greek debt and the problem debt of anybody they want, which will flood into the money supply, which will all end up, eventually, in somebody's pocket, who will then have to think to themselves, "What do I do with a trillion dollar's worth of money."

Governments, of course, hope everyone decides to put the money into a bubble stock market and a bubble bond market.

I say, as you know I would, to put the money into gold, silver and oil, as these are guaranteed to go up in price as a result of the inflation stemming from such unbelievable increases in deficit-spending and money creation by the world's central banks.

And for those who don't, they may derive some comfort from knowing that they have the IQ of the European Central Bank, which has the IQ of the Federal Reserve, neither of which are buying gold, silver or oil either! Hahaha!