

Gold Bulls Bust Myths

By [The Mogambo Guru](#)

05/03/10 Tampa, Florida – John Nadler at Kitco.com had a recent column with the terrific title “Who You Gonna Call? Mythbusters!”

When I read that, I began to sing the song to myself! “Something strange, in the neighborhood. Who ya gonna call? Mythbusters! Something weird, and it don’t look good. Who ya gonna call? Mythbusters!” Wonderful!

Of course I was impressed with the cleverness of Mr. Nadler, as it is perfect that he would use a line from Ghostbusters theme song to introduce a commentary with a gold theme and about the whole stinking economic situation, and I wish I had thought of it, especially since I now can’t get the theme song out of my head. “Who ya gonna call?” Hahaha!

My happy mood was briefly spoiled by a moment of paranoia when I thought that he was referring to me and how I am a big fraud just because I don’t know what I am talking about, and I stopped singing long enough to sarcastically think of a rebuttal, probably in the, “Where the hell have you been, Nadler? Everybody already knows that I am an idiot! Hahaha! The joke’s on you!” vein.

Thankfully, he was not referring to that at all, but instead is about one of the “myths”, which is that “gold is in a bull market”, as he cites as evidence “an online opinion poll conducted by Commodity Online, a majority of the respondents have hinted at a possible fall in gold prices in the near future, and better earning opportunities will come knocking on the door.”

And note that this was no absurdly small sample size, carefully crafted to confirm a preconceived notion, like that infamous time when I deduced, from a sample size consisting of a single incident, that all American supermarket managers were idiots after that one time when I was particularly incensed at inflation in prices and demanded to see the manager at the grocery store.

With a flourish, I pointed to my register receipt and commandingly said “\$147.53!”, whereupon I turned and pointed dramatically to the pitiful few bags of groceries in the shopping cart before continuing, in a voice both loud and irritating, “You’re charging me \$147.53 for that little pile of food, you little moron? This is an outrage! You and all your filthy retailing ilk are raising, raising, raising prices until we scream in outrage, and which shows, once again, how you had better have gold and silver to offset the inflation in prices that is killing us all – killing us, I tells ya! – as a result of the government’s gargantuan deficit-spending and the Federal Reserve accommodating that insane amount of borrowing-and-spending by, unbelievably, creating the insane amounts of money with which people, mostly the Federal Reserve, can buy their stupid bonds!”

Then I asked him, pointblank, “Are you buying gold, silver and oil? Are you? Huh? Are you, punk?”

Well, he just stood there with his eyes bugging out, looking at me, speechless, which I took to be a “no”, which is why I extrapolated, as I said, from this one sample that all managers were idiots, and why I said, “Then you’re a moron!”

I later realized I was wrong in having such a small statistical sample, and I was wrong in calling him a moron, because the prices are not his fault, and thus it is wrong of me to blame him, and the only reason that I blame him is because the Federal Reserve won’t talk to me and wife and kids are whining, “Blame somebody else for awhile, because we are sick of it!”

No, this was a huge sample, and was “A sample size of 21,600 respondents selected from across the globe”, and it came up with the surprising fact that “93%, or 20,100, of the total sample size opined that there would be a fall in gold prices due to a recent upbeat mood in the global equity markets.” Wow! 93%!

Now many of you may look at this and say, “Hahaha! The idiot Mogambo is wrong about the necessity of buying gold, and probably everything else, too, and this proves he is an idiot just like we have all been saying all these years!”

To these 20,100 people I reply that their forecast is, seemingly paradoxically to them, actually comforting news to me in my extreme, yet otherwise normal (considering the circumstances) opinion that We’re Freaking Doomed (WFD), and that gold will soar as the dollar, and all paper currencies, fall in purchasing power, thanks to such massive over-creation of money, in that it is an inescapable Cold, Hard Fact (CHF) that the majority of investors investing in a market must lose money so that a minority of investors can make a profit, and they will lose either nominal money (because their shares went down in price), or by inflation (in that their shares may have gone up by double, but the general prices of everything went up by triple), or both. Probably both.

And so I stand up Proud And Loud (PAL) to say, with a wry smile of Mogambo Arrogant Self-Assurance (MASA), that if you are not buying gold, silver and oil in response to such monetary and fiscal insanity, then I not only laugh at you, but Laugh In Scorn (LIS) at your screwing up something so easy, so easy that one is compelled to squeal girlishly in delight, “Whee!”