

Inflation Corroded Copper Coins

By [The Mogambo Guru](#)

06/07/10 Tampa, Florida – Junior Mogambo Ranger (JMR) Phil S. sent an article from the *Globe and Mail* where I learned that inflation in Canada has been so persistently corrosive over the years that, like in America, “it now costs the Royal Canadian Mint more than a penny to make a penny, and because of penny ‘hoarding’ by Canadians, the mint has to keep making more.” Hahaha! “Hoarding”? Hahahaha!

Well, the facts seem to be that, like in America, inflation has so corroded the buying power of Canadian money that it costs one and one-half Canadian pennies to make a Canadian penny, which makes Beverley Lepine, the mint’s chief operating officer, say, “So we are into a negative situation on every penny.”

I don’t know why she seems so surprised, as this is exactly what must happen when the buying power of the currency constantly falls and falls, and so if you see Ms. Lepine, tell her I said, “Hahaha! What did you think was going to happen, you moron?” Hahahaha!

I mean, look at the disappearance since the ’60s of the British farthing coin (quarter of a pence), the ha’penny coin (the half pence), the penny itself (which was a copper coin almost an inch-and-a-half in diameter!), the tuppence coin (two pence) and the thruppence coin (three pence). All gone.

I guess nobody in Canada has ever heard of Britain, nor Gresham’s Law, either, which states that bad money in an economy drives good money out of the economy, which is because everybody wants to hold onto the valuable money made from materials that have intrinsic value (the good money) while they rush to get rid of the money made from bogus promises of paper and/or computer entries (bad money).

The obvious course of action, of course, would be for Canada’s government to hire me as an expensive consultant to come roaring in there, making a big fuss and wielding lots of power to make them stop doing whatever crap it is that they are doing (creating excess money and credit) and immediately get on a sound, gold-money economic system.

This would make their currency so strong that imports would fall dramatically in price, including productivity-enhancing capital equipment, and thus consumer prices would fall in price, too, giving everyone in Canada a higher standard of living as The Fabulous Mogambo Plan (TFMP) to enforce a strict gold-money monetary policy fixed everything and everybody lived happily ever after. Just like that!

Instead, the Canadian federal government is every bit as stupid, slothful and corrupt as our American one, who likewise disparage The Fabulous Mogambo Plan (TFMP), just like all the other dirtbag governments around the world who continue to create money from thin air and use it to irresponsibly deficit-spend themselves into national bankruptcy in some disgusting orgy of

collective monetary and fiscal lunacy born of corruption and greed, and condemning themselves to an inflationary hell into which many have previously descended in the history of the world, and the few who have ever returned bore the painful scars of the experience for years and years afterward.

I notice that my telephone not ringing, ringing, ringing with the Canadian government calling me up to offer me some fabulous deal if I will please, please, please save their nasty Canadian butts by putting me in charge so that I can kick some stupid Canadian butt into gear as concerns deficit-spending which is running at 4.4% of GDP, I must assume that they are no smarter than any of the other mental defectives running other governments.

But this elimination of coins is just part of the tragedy of constant, simmering inflation in prices, and just a taste of what is to come, which is why Gresham's Law is true, why buying gold, silver and oil in response to irresponsible government over-creation of money (Mogambo's Law) is also true, and why I laugh at those who do not obey the law!