

Investing in Gold: No Doubt About It

By [The Mogambo Guru](#)

05/11/10 Tampa, Florida – I spend a lot of time worrying about how “We’re freaking doomed!” and thus I spend a lot of time crying in fear and occasionally screaming in outrage, a fact that has gotten me thrown out of a lot of bars, and which has not made me any new friends, either, which Suits Me Fine (SMF), actually, since everybody I meet seems to be a moron who cannot see the wisdom of buying gold, silver and oil to protect themselves against the ruinous inflation in prices that will follow the Federal Reserve’s creating So Freaking Much Money (SFMM) and all the rest of the world’s banks creating SFMM and all of the world’s governments (except Norway, Saudi Arabia and Hong Kong) deficit-spending their little pea-brains out.

As to how this is insane, I agree that it is insane, and as to what becomes of all this money, I scratch my head, as there are not that many places where one can constantly invest tens of billions of new dollars at a crack.

Perhaps this is what caused Rick Ackerman of Rick’s Picks newsletter to say that he is “looking for an approximately 1400-point rally in the Dow Industrials this summer”, which sounds about right to me since I have no idea one way or the other, but I understand how avalanches of new money pouring into the economy have to go somewhere, and it will drive up prices, regardless of value.

So, I guess he thought I was going to disagree with him, probably since I seem to be one of the most disagreeable and pessimistic of paranoid cynics, who is Absolutely Freaking Sure (AFS) that the unholy duo of the deficit-spending Congress and the money-creating by the Federal Reserve will destroy the buying power of the dollar and, by extension, the stock market and, by further extension, us.

So why are we both agreeing that a nice rally might happen this summer? Perhaps he was talking for both of us when he explained, “Regarding our bullish call on the stock market, let us say up front that it goes sharply against our instincts and every shred of logic that we possess. Permabears do not come easily to the notion that stocks could rally so powerfully amidst a patently fraudulent economic recovery – a recovery that has touched almost no one we know and which, even at a very low level, cannot conceivably be sustained. Even so, putting our opinions and instincts aside, we’ve learned to simply trust the charts whenever there are doubts.”

Doubts? Well, I’m a guy who trusts almost nothing and thinks my own wife and kids are out to get me, along with being the target of the FBI, probably the CIA, whoever sends those invisible helicopters to hover over my house, and almost certainly foreign governments whom I have insulted many, many times for not having a gold-standard money and which, by their deplorable actions on this one subject alone, shows a real stupidity on the part of whatever lowlife loser scumbags were in charge there, just like the lowlife loser scumbags in charge here in America.

Naturally, then, I have doubts about everything. Everything, that is, except about investing in gold and silver over the long-term, because the last 4,500 years of history shows that these metals are a lead-pipe cinch when so much fiat money is being created.

And with oil being so necessary today, in so many ways, that's why I say, "How can I go wrong?"

Well, having spent a lifetime pigeonholed as a "not a very smart" guy, I find that I never know all the ways how things can "go wrong", but they usually do, and not in the way I expect, it always seems.

But even I, a paranoid, suspicious little rat who sees calamity around every turn and assassins in every bush, cannot imagine how anything could possibly "go wrong" for gold, silver and oil.

Especially – especially! – when so much new money is being created that even the birds singing to me through the window chirp, "So amazingly much new money is being created! So insanely suicidal much new money is being created!" in their little bird voices that, apparently, only I can hear.

Given that, for gold, silver and oil not to go up would be what we economists call "a result from Beyond The Bizarre Barrier (BTBB)", in that such a ridiculous result has never happened in 4,500 years, or came close to happening in 4,500 years, which means the risk of it happening now must be close to zero, which is the exact, precise degree of risk that I want in an investment.

And better yet, investing in gold, silver and oil, when the government is spending so much new money that the Federal Reserve is creating, makes investing so easy that you happily shout, "Gold, silver and oil! Whee! This investing stuff is easy!"