

Raising Taxes to Combat Recession: The Ultimate Fiscal Folly

By [The Mogambo Guru](#)

07/20/10 Tampa, Florida – When I saw that Illinois cleverly solved its budget crisis by just not paying its bills, I knew that the end is near, or would be, if we still had a dollar that was not a stupid fiat currency, because nowadays it would be child’s play for the Federal Reserve to just create as much money as any state wanted! And they can do it in less time than it takes to tell you about it, too!

And then the Federal Reserve can turn right around and use that money to buy up all the state debt out there! Wipe debt completely out! And flood the economy with money!!!

The more astute Junior Mogambo Rangers (JMRs) out there noticed the rare triple exclamation point, which is a Secret Mogambo Code (SMC) for, “We’re freaking doomed, and you need to buy gold and silver with all the money you have left over from building a fortified bunker in the backyard to protect yourself from the starving, rioting, desperate people who did not!” because all this new money created by the Federal Reserve and spent by the Obama Congress will cause prices to rise in a horrible inflation that will probably destroy us forever, or as long as you live, whichever comes first.”

Actually, this “death by inflation” thing is the only reason why they don’t do more of this create-money-and-borrow-money-and-spend-money crap than they do! Hahaha!

So, it is obvious that Obama and Congress, either this one or the next one, will bail out Illinois, California, and all the other dirtbag states that are literally or technically bankrupt, and then all the other states will want to jump on this “free money to pay off our debts” bandwagon, and the Federal Reserve will simply create the fiat money that Obama and Congress want to, thus, give away.

Oh, I know that there are those who think that I am now going to launch into a Howling Mogambo Outburst (HMO) of anger and outrage about how all this new money is going to create roaring inflation in consumer prices, which history has shown to be the One Thing To Be Feared Above All Others (OTTBFAAO).

Normally, I would do exactly that, except that my throat is already raw and sore from all the previous HMOs of late, from the foul Federal Reserve destroying the dollar by creating so much more money, to the corrupt Congress deficit-spending, over-regulating and micro-managing the economy into the Wretched Rat Hole Of Doom (WRHOD) in their panic, their desperation, their stupidity and their arrogant sense of omnipotence.

And, too, I am already so battered and beleaguered by my fear of the unstoppable, imminent collapse of the economy that all I can do is whimper and sigh in weary resignation, hugging my

teddy bear a little tighter, not even rising to the bait of ridiculing Illinois's comptroller, Daniel W. Hynes, ludicrously saying, "Only the most delusional people think you can solve this without raising taxes," as if there is Any Freaking Way (AFW) to "solve" any of this, because if there were, I certainly think I would have heard of a plan to "solve" economic ruin by raising taxes, which sounds so ridiculous that I, in spite of my dark outlook and homicidal mood, laughed out loud! Hahaha!

Whew! That little laugh made me feel better! Thanks, Mr. Hynes!

Maybe this has something to do with how the federal House Democrats (all Republicans voted against it) passed a "deemed as passed" non-existent \$1.12 trillion budget. The effect is, as one said, "to allow Congress to start spending money for Fiscal Year 2011 without the pesky constraints of a budget."

The federal government, on the other hand, has also decided that what this country needs, despite my snorting in Rude Mogambo Derision (RMD) at the concept, is more taxes, and to that end, Claude Sandroff, writing at americanthinker.com, reports that "In 2011, one of the largest tax increases in American history goes into effect. Not only do capital gains rise, but so too does the payroll tax, the income tax, and the estate tax." Yow!

As if my constant-yet-irritating advice to buy gold, silver and oil in response to the unbelievable fiscal and monetary insanities around the world were not enough, but now I am howling louder and longer than ever that we Americans are committing the ultimate fiscal folly; raising taxes in response to a recession/depression!

When one is past yelling and screaming in fear at such economic insanity, and one is collapsed, spent and exhausted, on the floor, drawn up into a fetal position and choking on one's own bile at the mere contemplation of the economic horror of what is unfolding, what can one do except buy gold, silver and oil, and what can one say except, "Whee! This investing stuff is easy!"