

US Deficit Spending: Greenspan and the Government Giveaway

By [The Mogambo Guru](#)

05/06/10 Tampa, Florida – I have long maintained that there is, actually, nothing new under the economic sun for (checking my watch for the precisely correct time) the last few thousand years or so, and if you look deep into my Serious Mogambo Eyes (SME), you will see, as the acronym suggests, total sincerity when I tell you that there have always been the usual few things; income, taxes, spending, saving, borrowing and debt, and something along the lines of interest, which is not to forget, of course, money itself.

Everything else financial is, as far as I can tell without doing any research whatsoever or actually thinking about it, just some combination of a couple, or a few, or many, or all of these 7 things, usually presented with some fancy new name that implies, as always, “Invest your money with me! You can’t lose!”

Of course, True Mogambo Historians (TMH) know, or would know if there were any TMH, that I stopped talking about this stuff soon after I discovered that nobody cares, it makes no difference one way or the other about anything, and nobody will argue with me about it because my whole debating style seems to have fallen into the predictable rut of relentlessly tracing all problems back to the foul Alan Greenspan, former chairman of the Federal Reserve 1987-2006, who is directly responsible for creating all the Unbelievably Much Money (UMM) that financed the now-busting booms in stocks, and the now-busting booms in bonds, and the now-busting booms in houses, and the now-busting booms in collectibles, and the (unfortunately) continuing booms in growth of government, the continuing booms in government-provided services, the continuing boom in accumulating debt, and the horrifying continuing booms in astounding, terrifying, suicidal amounts of deficit-spending, making Alan Greenspan solely, and directly, responsible for the inevitable catastrophic, ruinous busts.

Of course, by this time you are saying, “Bah! The same old Tired Mogambo Tirade (TMT)!” thus – thus! – declaring by your own words that it is imperative that we drag Greenspan’s lying, filthy butt out of whatever fetid sewer he is cowering and deliver a punishment of such inhumane, prolonged cruelty that it makes an indelible-and-timeless example of him, so much so that even Hannibal Lector will cry out in pity, “No more!” so that current and future Federal Reserve morons may be instructed, and perhaps other central banks around the world, who are every bit as loathsome as the Federal Reserve, if not more, would be, too.

Usually, mouths drop open in horror when I say this kind of vicious, bloodthirsty thing and pretty soon some quack doctor is “adjusting” my medication regimen, but in my own defense, as a cost-benefit ratio, it is logically imperative that we torture the hell out of Alan Greenspan because the pain suffered by this one man would be insignificant to the immense joyful benefit that would accrue to billions and billions and billions of people due to the immense economic pleasures of having a stable money supply, zero inflation, and where the economy grows

blissfully without the use of more money because the costs of producing goods and services gently fall due to productivity increases, which automatically produces a higher standard of living to everyone, especially to the poor.

And isn't "helping the poor" what all governments always want to do?

Unfortunately, you know by the way my lips curl into a cruel grimace that something nasty and cynical is coming, and you were right, in that the tragic, pathetic plight of the truly poor – thanks to the Federal Reserve creating more and more money – is to suffer a constantly lower and lower standard of living, meaning that, every day of their poor, miserable lives, they get literally poorer and poorer.

This happens because the buying power of the precious little bit of money that the poor can muster is constantly falling because so much new money is being created to "help the poor" by the government spending more money (created by the Federal Reserve), and all of this new money makes prices for everything constantly go up for everyone, even the poor people who are getting the new government money, who will (theoretically) remain at a mere standstill by offsetting the higher prices with their higher government transfer payments, but which makes the huge remaining population poorer, dragging down the middle class towards poverty and tragically further impoverishing the uncompensated-poor! Gaaahhh!

This is the real tragedy of the Whole Stinking Mess (WSM), which is just another euphemism for The Evil Federal Government (TEFG), which is just another acronym for The Idiotic Democratic Party (TIDP), which is the political party of laughable morons who actually think that the purity of their big-hearted compassion, their dreams of "economic justice" and all of the rest of their best intentions will cause the Iron Laws Of Economics (ILOE) to make an exemption in their case. Hahahaha! Democrats! Ya gotta laugh! And I do!

The funnier-yet-sadder thing is that now, after seeing how well this stupid government-giveaway crap works in elections, the Republicans have been doing it for decades, too! Hahaha! Morons all! Hahaha!

Happily, the Tea Party has sprung from the ashes of such an intellectual swamp, who I thought would be most sympathetic to my plan to, you know, never again allow banks to create extra money to finance weird, government-centric distortions in the economy and inflation in prices, by viciously persecuting Alan Greenspan as a, you know, warning.

And, as an afterthought, maybe display his bleached bones outside of the Federal Reserve in Washington, DC as a "visual aid"! Hahaha!

Well, I am still waiting for their reply to my request for an endorsement, and in the meantime I tried to interest the folks at Prudentbear.com into backing my candidacy for Emperor of the United States, which would give me the Raw, Unchained Power (RUP) to order the Federal Reserve to not increase the money supply.

I am sorry to say that Prudentbear.com is ignoring my Mogambo Plan Of Vengeance (MPOV) and my candidacy for Emperor, but had, instead, on their site, a quote of John Kenneth Galbraith's from his book *A Short History of Financial Euphoria*, which validates, I think, my assertion that "there is nothing new under the economic sun."

Mr. Galbraith said, "Financial operations do not lend themselves to innovation. What is recurrently so described and celebrated is, without exception, a small variation on an established design . . . The world of finance hails the invention of the wheel over and over again, often in a slightly more unstable version."

Naturally, I was going to enthusiastically say, "I agree! I don't understand why anyone would want a more unstable wheel, either! I mean, there you are, going down the interstate, the radio blaring and it's a beautiful day, but your wheel is bouncing up and down and in and out, and the whole car is jumping up and down, and it is hard to steer at today's highway speeds, but I figure he is saying to forget about buying unstable wheels, but to buy gold, silver and oil, and actually investing your money in them with a sense of dread and panic as your guiding hand."

If not, at least we both agree on the "nothing new under the economic sun" thing, although I notice that I, who advocates buying gold, silver and oil, am alive to write about it, whereas Mr. Galbraith (1908-2006), who perhaps did not, is dead.

Ponder and be instructed.