

Vindicating the Austrian School of Economics

By [The Mogambo Guru](#)

08/16/10 Tampa – Florida – Finally the Austrian school of economics, sometimes referred to as the Austrian Business Cycle Theory (SBCT), is getting some respect, as we learn from DailyBell.com, that quoted an editorial from Ron Smith at *The Baltimore Sun* saying “The few economists that warned that the credit explosion of recent years would hasten and deepen financial disaster were mainly from the so-called Austrian school and were derided by their Keynesian counterparts as kooks. Who looks kooky now?”

As grateful as I am to Ron Smith for this public recognition that the Austrian school of economics is the only correct theory of economics, and his realization that the current bunch of lowlife trash that hew to the ridiculous neo-Keynesian econometric crapola should be rounded up and put in prison for impersonating persons with intelligence, and for causing so much trouble for everybody, and probably destroying the country, and perhaps the world, with their laughable stupidity and surprising gullibility that using equations and computer models to justify creating constantly more money would optimize an economy.

Okay, Mr. Smith did not actually say that, but perhaps he would have if the editorial was written by “Mr. Anonymous” so that he could write without fear of reprisal about how the Obama administration is a clutch of incompetent yahoos who are bankrupted and desperate, which is not a good combination. We’ll never know.

Of course, I know that I don’t specifically remember any success stories of incompetent yahoos running a government, starting off being bankrupted beyond hope of repayment, yet achieving ultimate economic success by desperately killing anybody who gets in their way of clutching at monetary and fiscal straws, creating and spending a lot of money to create inflation in prices that kills the real economy, but then again, I don’t remember a lot of things, like other people’s birthdays and anniversaries, or remembering a promise to fix that stupid window, which is probably because the window is currently being perfectly secured by a pair of vise-grip pliers strategically placed, a pair of pliers I wasn’t even using, thus employing idle resources, which I think shows a lot of economic savvy on my part.

Believe it or not, there are many people who know me not as a weird, grumpy little creepy guy who thinks he has a lot of “economic savvy” and who thinks that the Federal Reserve creating too much money is the root reason that We’re Freaking Doomed (WFD), but who know me as a guy who thinks that the market price of silver is woefully, woefully undervalued in relation to its historical value relative to practically everything, and that I am thus a person who is Completely And Absolutely Certain (CAAC) of two things.

Firstly, I am sure that anybody with any smarts should be exploiting this huge, yawning, gaping disparity of price versus value by buying silver by the ounce or convenient ton (depending on your circumstances and greed).

Secondly, I know that anybody who doesn't is some kind of, you know, lackluster bozo.

Of the many, many reasons why I am uber-bullish about silver, and openly contemptuous of those who are not, is the fact that silver is more and more appearing in an explosion of anti-bacterial clothing, an industry that went from literally nowhere 5 years ago to silver-impregnated, "germ-free" clothing being now one of the biggest users of silver in the world! Wow! Talk about growth!

Perhaps it was this heightened sensitivity that made my eyes zero-in on the Silver Summit Investment Conference proclaiming that not only would they be presenting information and speakers about mining silver, exploring for silver, silver bullion and silver in medicine and industry, which you would expect, but also (get this!) "clothing!"

Not only that, but there may be another look into the future in this single advisory, as now that China has spent the last several years locking up ownership and/or control of most of the world's sources of rare earth materials, because of "popular demand, the agenda has been expanded to include rare earth elements"!

And lastly, a very interesting item to a silver bug like myself was that the registration fee "is \$35.00 fiat money or one ounce of .999 fine silver," which shows me that there is more going on than meets the eye, and that these Silver Summit people are offering a huge discount to cash in order to, apparently, amass a lot of silver in lieu of dollars, and if not, then they should be, but whether or not they do, or will, or are, or have, it is a Good, Good Idea (GGI) to buy a lot of silver from now on.

And at these prices, it doesn't get easier or more obvious than this, which gives you a chill to realize "Whee! This investing stuff is easy.