

# Why Inflation is Always a Bad Thing

By [The Mogambo Guru](#)

10/20/10 Tampa, Florida – *Bloomberg* had the news that the Labor Department released its new report to show that “Including volatile food and energy costs, wholesale prices rose 0.4 percent” from the prior month, which is pretty bad. Included was the snippet that “The cost of food increased 1.2 percent in September from a month earlier, the most since March.” Yikes!

Energy prices increased 0.5%, which made the Mogambo Food And Fuel Index (MFAFI) jump by 1.7% in One Freaking Month (OFM)! As a guy who fears inflation with an all-consuming dread that used to border on insanity but is now waaaAAAAaaay past that arbitrary boundary because of the fiscal insanity of the despicable deficit-spending Obama administration and the treachery of the foul Federal Reserve to create enough new money to accommodate the calamitous overspending, I can actually feel myself becoming hysterical with fear!

Stunned, I slowly rise to my feet in preparation to scream my guts out in fear, as is usual for me, when I was rendered speechless by Agora Financial’s *5-Minute Forecast* plopping into my email in-box, where I read that “the producer-price index was up 0.4% in September” over the month before, and, “Compared to a year earlier, wholesale prices are up 4%. In fact,” they say, “we see an unbroken string of year-over-year increases throughout 2010 ranging from 2.8-5.9%.” Gaaahhh!

If you are wondering why I screamed in terror like a sissy little girl and why I seem to have peed in my pants, it’s because of the horror of 5.9% inflation in prices!! This is horrific, as indicated by the use of two exclamation points, and which is so horrific (audience shouts out, “How horrific, Wonderful And Masterful Mogambo (WAMM)?”) that even writing about it requires at least one exclamation point, as I prove thusly!

The Eternal Ugly Truth (EUT) is that 4,500 years of history has conclusively shown that any inflation in prices is Bad News (BN), especially a sustained, years-long inflation, and anything over 3% annual inflation is always Bad, Bad News (BBN). So, 5.9% inflation in prices would be considered, continuing in this vein, Really Bad, Bad News (RBBN).

If you are NOT likewise screaming in horror and surreptitiously checking to see if you have, likewise, peed in your pants as you suspect, then I assume you are either drunk, stoned, distracted, stupid, or have remarkable bladder control, or else you know very little about the Austrian school of economics – the only true theory of economics, and which can be found, free, at [mises.org](#) – and thusly I know that you have no interest in using Mogambo’s Iron Laws Of Economics (MILOE) to intelligently invest your money in gold, silver and oil when the foul Federal Reserve is creating trillions and trillions of new dollars – Every Freaking Year (EFY)! – so that the corrupt, bankrupted federal government can borrow it and spend it, also EFY! EFY!!!!

Junior Mogambo Rangers (JMRs) are instantly on alert by the appearance of the rare “quadruple exclamation point” particularly as punctuation for an acronym, especially following the same acronym followed by a single exclamation point in the previous sentence, and they conclude that this must be some kind of Secret Mogambo Code (SMC).

And indeed it is SMC! It is a Powerful Mogambo Signal (PMS) to immediately buy as much gold, silver and oil stocks as you can, and to keep buying them for as long as you can, using every dollar you can, no matter what your family says about what a cheap, stinking, stingy, paranoid gold-bug lunatic you are, or how much they whine and complain that you need to give them more money because prices are rising and rising but you won't give them any money because (and this is the important part) you are too busy using all the money to buy gold, silver and oil.

Putting up with the ceaseless crap of spendthrift family members is not the easy part of being a cheap stinking, stingy, paranoid gold-bug lunatic. Buying gold, silver and oil is, and that is why Junior Mogambo Rangers (JMRs) are known to exclaim in glee, “Whee! This investing stuff is easy!”