

# Investing in Gold When Governments Take Action

By [The Mogambo Guru](#)

03/21/11 Tampa, Florida – I was kind of amused at the CNBC headline that read “Welfare State: Handouts Make Up One-Third of US Wages,” as if this is something new.

I mean, where have these CNBC weenies been the past decade?

Well, their complete cluelessness was immediately evident when they started out with the phrase, “Even as the economy has recovered,” which makes me laugh and laugh and laugh, and then I try to stop laughing because my stomach hurts from all that laughing, and then I get grumpy and fussy because my stomach hurts, and I put the blame squarely where it belongs; with the clueless CNBC saying, “even as the economy has recovered,” which still makes me want to laugh at its utter stupidity, and I would laugh, too, if my stomach didn’t hurt so much.

Instead of apologizing, though, or even offering me a nice pizza and a six-pack to help settle my upset tummy, they breezily go on to explain that “social welfare benefits make up 35 percent of wages and salaries this year, up from 21 percent in 2000 and 10 percent in 1960, according to TrimTabs Investment Research using Bureau of Economic Analysis data.”

The article went on, sort of hammering it home, “Government payouts – including [Social Security](#), Medicare and unemployment insurance – make up more than a third of total wages and salaries of the US population,” which they ominously follow up with “a record figure that will only increase if action isn’t taken before the majority of Baby Boomers enter retirement.”

“If action isn’t taken” is such an ominous phrase when you stop to think about it, and which, if you do stop and think about the government “taking action”, makes you want to frantically run, screaming, to buy gold and silver bullion since the history of the results of government “taking action” is almost uniformly Bad, Bad News (BBN).

Apparently in an effort to calm me down, CNBC goes on to cite a comforting parallel, in that “At the very least, we can take solace in the fact that we’re not quite at the state welfare levels of Europe. In the UK, social welfare benefits make up 44% of wages and salaries,” as if that makes it better! Hahaha!

Unfortunately, instead of calming me down, it makes me more scared and outraged, if not at least infuriated and paranoid delusional, and predictably makes me want to frantically run, screaming, to buy gold and silver bullion, even more than before, which was only two lousy paragraphs ago.

And with lightning reflexes like that, there is nothing left to do except say, “Whee! This investing stuff is easy!”

