

Price Inflation to Pay the Debt

By [The Mogambo Guru](#)

01/04/11 Tampa, Florida – The lights of the Mogambo Security System (MSS) glowed dimly in the gloom of the bunker as I cowered in the darkness, and there were no sounds except the thumping, thumping, thumping of my terrified heart at The World Outside (TWO), a place I consider to be a vicious, hostile environment containing not only enemies of every sort, both real and imagined, but family members who want to know if I am coming out for dinner, or to tell me that someone is on the phone for me, or that somebody is going to greedily eat the last of my treasured Double-Stuf Oreos, somehow trying to get me outside and into their clutches so that they can take all my money and ask me to sign various forms and documents.

And when I innocently and politely ask, “What is this paper that you want me to sign?” they hastily snatch it back out of my hand and rudely say, “Never mind, then!”

So I sighed in relief, sitting there in the darkness, armed to the teeth and scared out of my mind, that I got through one more day without the world erupting in flames as the prices of consumer goods soar and there is mass rioting everywhere because of the foul treachery of the Federal Reserve creating trillions and trillions of dollars, thus inflating the money supply, which causes inflation in prices, and for the horrifying purpose of buying new government debt so that the Obama administration can deficit-spend almost \$2 trillion in the next year, a debt for which comes to an other-worldly \$20,000 a year for each of the nation’s 100 million private-sector workers! Each! With interest due, too!

As you may have guessed, my trigger finger spasmed in terror at the monetary and fiscal insanity, but the Uzi I was clutching with a death-grip did not fire, as I had cleverly remembered to put the safety “on” so that I would not have a sudden explosion of accidental gunfire like, you know, those other unfortunate incidents that nobody likes to talk about, except my idiot neighbors, who perpetually taunt me and call me “gun nut,” and “homicidal maniac,” and “creepy weirdo old man who ought to be locked up” ever since.

Naturally, I object to the label “gun nut” because I am NOT a “gun nut,” although I firmly believe that adult citizens should be allowed and encouraged to carry as much awesome lethal firepower as they are able to lift off of the ground and somehow holster under their bulging, ludicrously-oversized overcoats.

And as for “homicidal maniac” I would say, “No. Not yet, at least. Thought about it, though.”

That leaves the charge of “creepy weirdo old man who ought to be locked up,” to which I explain, in my own defense, “So? Screw you!”

I say, “screw you” because most of them are middle class workers, and middle-class workers are only the middlemen in this gigantic wealth-transfer, as their incomes will tend to keep up with prices.

The people who will ultimately “pay” the debt are those whose incomes do not keep up with the roaring inflation that is inevitable from such stupendous money creation.

In short, the whole thing is paid for by inflation in prices, measured by the poverty and misery of the unemployed, the unemployable, and anyone living on a fixed income, like somebody stupid enough to buy an annuity or a long-bond.

And trust me when I say not to waste your time trying to explain to these miserable poor people that while they got poorer, the rich get richer, which makes the government “do something” by increasing aid to these poor people, which means that the government must sell more debt, which means that the Federal Reserve must create more money with which to buy the new debt, which is borrowed by rich guys to buy the government debt, which makes the money supply go up, which makes prices go up, which makes the misery of the poor worse, and in the end the rich get all their money back plus interest, making them richer while the poor got poorer.

This, in actual practice, I am sorry to say, is the monumental idiocy of the modern Democratic Party, for which I now have absolutely no respect whatsoever, and have as little for the loathsome Republican Party, too.

In fact, the only things you can trust are gold and silver, which have always prospered in the last 4,500 years whenever a government pursued such fiscal and/or monetary insanity, which makes it all so easy that you gotta say, “Whee! This investing stuff is easy!”