

# Imbeciles, Halfwits, and Low-Life Morons, Oh My!

By [The Mogambo Guru](#)

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I have long argued, until my throat is raspy and raw from rudely calling people "imbeciles", "halfwits" and "low-life morons", that facts and figures don't lie, and from them one learns, to one's paralyzing horror, that We're Freaking Doomed (WFD).

Of course, being brought up on a steady diet of television and movies, I always thought that the world would end with an invasion from outer space, maybe with aliens sucking our blood for the hemoglobin or invading our brains so that we become slaves, and the best we can hope for is to be ruled by beautiful hot-looking young women running around in skimpy outfits, as sometimes happened.

More probably, though, the end of the world would be fire-breathing monsters rising up from beneath the ocean, going on a murderous worldwide rampage after succeeding, where all other monsters have failed, in finally destroying Tokyo by stomping all over it and burning it up with laser beams shooting out of their eyes -- zzzt! -- and we, hopefully, somehow, end up getting ruled by hot-looking babes parading around in high-heel shoes and very skimpy outfits.

It was only when I grew older that I learned, with a certain joylessness about the relative lack of pretty girls in skimpy outfits in the real world, of the actual reason why we are all inescapably doomed: A central bank creating so much money and credit over the years that the entire fabric of the economy changes into a disgusting mutant economy, everything horribly twisted and distorted, totally dependent upon government spending, riddled with corruptions, pandemic mal-investments and constant inflation in consumer prices.

Of course, I may be wrong in my cheery optimism, and it could be far, far worse.

Did I say "could be" worse? Hahaha! That just shows you what a wonderful, delightful sense of humor I have! How come nobody likes me and are all out to get me?

The truth is that it WILL be worse! Much worse! Unimaginably worse! Hahaha!

Notice how I bravely laugh in the face of disaster! Hahahaha! My arrogant bravado is real this time, and not like that time I lied when I said "Baby, I don't care if your dad catches us, just gimme some of that hot monkey love!"

Well, it turns out that I did not laugh when her dad actually caught us, but I laugh now because I know what is going to happen because the demonic central banks of the world

are creating insane amounts of money and credit, on top of the staggering mountains of money, credit and debt they created over the decades, in yet disastrously more of their ridiculous and preposterous neo-Keynesian quackery.

And because I know what is going to happen, I am naturally hunkering down with some serious weaponry and a "don't trust anyone" attitude, hoarding gold, silver and oil, which gives me the courage to laugh the aforesaid laughs at the similarly aforesaid preposterous monetary crap of the Federal Reserve, the aforesaid idiotic foreign central banks for the same reason, and the laughably-inept and deeply-corrupt aforesaid federal government.

Few others will laugh, however, as they are, one-by-one, busted-out by inflation, and are finally reduced to scratching around in the dirt looking for weeds and bugs to eat.

And their complete lack of humor about starving to death will be because they did not buy gold, silver and oil in reaction to all the inflation in consumer prices, which is what I typically screech about in absolute horror, that will be caused by all that new money and credit created for the last half-century by the evil Federal Reserve, and still being created to the tune of trillions of dollars a year today.

Even worse, as in "making my guts crawl with horror," most of all those trillions of dollars created by the Federal Reserve were borrowed by the federal government, to be deficit-spent by one idiotic Congress after another, until we are now bankrupted from accrued debt, which is assuming nothing bad happens, which it will.

Now, bankrupted is one thing, but inflation is quite another, and so let us take a look at an essay titled "Deflation - Nowhere To Be Seen" by Adrian Douglas of Market Force Analysis.

He has looked at the Continuous Commodities Index over the past ten years, and found that "in examining price trends, the U.S. is experiencing shocking price increases" in prices.

Indeed, as his chart shows, the CCI was at about 200 in 2002, and at 550 in the middle of 2012, which is a rise of 275%! In ten years! Ten Lousy Years (TLY)!

This 275% rise in prices over a short ten years calculates out to a mind-blowing, yearly, compounded inflation of 10.65%! The Rule of 72 says that prices will double in less than 7 years!

As completely astounding and as morbidly terrifying as it is, I scream in yet more terror that the CCI at 550 is still lower than a cyclical peak of about 640 reached 2008, and another peak of about 680 in 2011!!

Please notice the use of two exclamation points to indicate particular emphasis. This obviously means something, and the presence of two exclamation points cinches it! This is Bad News Aplenty (BNA)!

But what is the BNA? Switching to a snotty, sarcastic tone, I say "In case you are new around here and ain't heard, or are brain-damaged, it means We're Freaking Doomed (WFD), ya moron! Hahahaha!"

Like a drowning man clutching at straws, you nervously ask "So what is the CCI? Maybe there is something wrong there! Maybe this is not as hopeless as it looks, and the Mogambo is a big fat stupid jerk for being afraid of nothing! Id' love that!"

I'm glad you asked that question instead of asking me one that I can't answer because either I don't know the answer or I am pleading the Fifth, as in answering the query "Where in the hell were you until two o'clock in the morning?"

In this case, thanks to your fortuitous question, I can just cut and paste the answer from Mr. Douglas's essay, which is that "The CCI is an index of 17 different commodities namely: Cocoa, Coffee 'C', Copper, Corn, Cotton, Crude Oil, Gold, Heating Oil, Live Cattle, Live Hogs, Natural Gas, Orange Juice, Platinum, Silver, Soybeans, Sugar No. 11, and Wheat."

As to your question about "Maybe something is wrong with the way the index is calculated, and it makes things just look bad, and so Mogambo is a big fat stupid jerk after all!", Mr. Douglas deftly anticipates it, and punctures your slim hope by explaining that "The index is equally weighted so it is the geometric mean of these 17 commodity prices. This means that the price of the CCI cannot spike due to an increase in price of just one or two commodities. For the index to rise 10% all 17 components would need to rise 10% or one component would have to rise 500%. If oil were to rise tomorrow to \$400/bbl and all other 16 components did not change in price, the index would only rise by 10%."

His next sentence is the one that should send you screaming in terror, jumping into your car, careening wildly down the street to buy more gold, silver and oil.

He says "This means that the CCI is a stable indicator of price trends."

Buying gold, silver and oil in the face of price inflation of more than 10% year, and in the face of yet more rampant, irresponsible, insane amounts of money-creation by the Federal Reserve and the other central banks of the world, is So Freaking Obvious (SFO) that one can only chortle with unrestrained glee, happily chanting "Whee! This investing stuff is easy!"