

Euphuistic Claptrap

By [The Mogambo Guru](#)

06/30/03

Last week, the number of S&P 500 futures contracts exploded to a huge new record just before expiration. Being a big believer in conspiracy theories, especially ones that involve government meddling, I naturally look at “outside events” like this with a lot of interest.

This wholesale buying of futures, probably including the Fed, may seem unconventional to you and us doofus people who are still laboring under the impression that America has free markets. But remember that the Fed is on record as saying that they will stoop to anything – no matter how stupid, no matter how corrupt, no matter how low, filthy or underhanded, no matter how legal or maybe illegal, no matter how many pornographic websites they have to subscribe to – but dang-nabbit this economy IS going to respond to monetary stimulation or everybody will die trying. And getting out our secret decoder rings, we decipher that when they say “to respond,” it means to “go up in price.” And by “everybody,” they mean “you.”

I figure that the market is being rigged also for the foreign holders of U.S. assets, who are probably getting verrrrrrryyyy nervous right about now. And who want to sell. But it is such an enormous pile that selling that gigantic load of U.S. assets would have seismic repercussions of such size that they would probably destroy the world. Perhaps unleashing Godzilla, who is, as I recall, slumbering under a mountain outside of Japan, and believe me when I tell you that releasing Godzilla, or any giant, destructive, rampaging primordial creature, is the last thing that the economy needs right now.

Fiat Money Inflation in France: A Loss for Words

A solicitous reader named Hans Martin wrote in to The Daily Reckoning website to say he was depressed to read that I have been occasionally lost for words when describing the horrific stuff that the government does, as regards monetary and fiscal policy, and recommends “Euphuistic clap-trap,” which he assures me is defined in the Webster New World College dictionary as “artificial, affected, high-flown style of speaking + showy, insincere, empty talk, expression etc. intended only to get applause or notice.”

I cannot verify this, of course, since the only local copy of that Webster’s is in the library, and the librarian there won’t let me use the dictionary anymore, since she is sure that I and my hoodlum friends only use it to look up naughty words and then disrupt the whole place with giggling and poking each other and having a fun time. So we will accept Mr. Martin’s report as factual. Well, as grateful as I am, and with all due respect, I will soon again be writing about the egregious policy errors being made in monetary and fiscal policy, for the twin purposes of 1) holding those guys up to public ridicule, because that is what they deserve and that is the kind of lowlife gadfly bastard I am, and 2) having something to do with my day other than hiding in the closet and whimpering in terror from THINKING about the egregious errors being made in fiscal

and monetary policy. And since he has the dictionary so damn handy, how about him supplying me with a word that means, “consciously doing something that you know is wrong, because it has been wrong every time any government has tried it for the entire course of human history, but now they are trying it again for some bizarre reason that is apparently not connected to reality as we know it, and expecting that now, after it has failed every single freaking time it has ever been tried, it will somehow work this one damn time and surprise the hell out of everybody, and shut me up once and for all, and the handsome prince marries the beautiful princess and they all ride off into the sunset on white horses and everybody lives happily ever after.”

Fiat Money Inflation in France: Politicians and Federal Reserve Chairmen

In MY dictionary, the one into which I insert new words that I make up in the margins, this is my definition of “Democrat Party, The,” but actually that is more of a phrase, and not a word. And even that definition is getting to be so “old school” now that the Republicans are acting the same way, only worse, to my everlasting sorrow and shame. So maybe the word that fits that definition should be “Politicians and Federal Reserve Chairmen,” which is STILL a damn phrase, and so obviously I need Mr. Martin’s help more than ever in finding that perfect word.

Nonetheless, a buddy of mine named Kevin, aka Dr. O, (well, he will be my buddy again if I ever pay him the money I owe him, and the chance of that ever happening is very slim indeed since if I had any money I would certainly use it to buy a refill on some of my prescriptions so that I could connect with reality long enough to at least open the mail to see if I won the Publisher’s Clearing House Sweepstakes, and that would be sweet indeed, and maybe pay a few bills, maybe a few of those that are marked “last notice” and especially those that say “We’re coming over there to your house to shake some money out of you, deadbeat”) has taken my bad advice and obtained a copy of the book entitled “Fiat Money Inflation in France,” and now hates my guts for it, because now he is scared of the future of America, too.

Furthermore, his marriage is probably starting to founder on the rocks because of that book, as he did not take the precaution, as I did, of marrying a woman who doesn’t give a rat’s ass one way or the other whether he lives or dies, or whether he is panicked and borderline suicidal about monetary policy or not, and whose only demand is that if he DID die, then just go ahead and do it and get it over with, because she is getting a little more-than-tired of hearing his whining about economics-this and economics-that, so just go do it outside, for Pete’s sake, so it won’t make a mess in here because she doesn’t want to clean up any more damn messes.

But he is right to be scared, because this is the book that actually contains the blueprint for the disaster waiting for us. Because, as Henry Hazlitt himself so eloquently put it in his 1959 introduction to this book of extraordinary horror, “The broad pattern of all inflations, historic and modern, is the same. It is the persistence of delusions. The arguments of the inflationists, then and now, are essentially the same. The inflation in revolutionary France was begun to pay off a debt, and finance a budgetary deficit. Inflation was to be the short road to prosperity.”

To which I will add, circa today, in my own little foreword, “And the inflation in twenty-first century America was begun to pay off a huge pile of debts, too, debts so big that those wimpy French bastards would have choked on their baguettes and hopped around comically saying

“Sacré Bleu and oui oui oui, I am – how do you American swine say? – choking! Oui oui oui!” if they had faced debts even HALF as big as we have right freaking now, even a QUARTER as big, so don’t get me started on how the freaking French had it so bad, boo hoo hoo.

Fiat Money Inflation in France: Proletariat Necks

“And now we are doing the same damn thing, to finance a huge, grotesque budgetary deficit, AND at the same freaking time – and you will note by the way my eyes pop out of their sockets and the spittle that flies off my quivering lips as I say this, that this is something very bad – they are proposing a new, massively expensive prescription drug benefit on top of a massive, record-exploding budget deficit! And tax rebates! And lower taxes! And waging continual, low-key international wars! And paying more money to the states! And the installation of a bigger Police State both domestically and internationally, so that government can keep its hobnailed boot on our nasty proletariat necks in case we start getting uppity and maybe out of line, and if you want to see how well THAT works out then go and read George Orwell’s book ‘1984’ again.”

To which I add, with a certain smug satisfaction, that in eighteenth-century France, it was us proletariat necks who eventually applied the guillotine to the wearers of the hobnailed boots. So when it comes time to choose sides, and it will, you might want to remember that fascinating little historical tidbit the next time you’re tempted to heed the latest euphuistic freakin’ hogwash to emanate from the rabid denizens of the Fed.

Best regards,

The Mogambo Guru
For The Daily Reckoning
June 30, 2003

P.S. Another solicitous reader wrote and asked if there was anything anyone could do to save our economic butts, or are we necessarily doomed? Well, I used to think so. And then I got an e-mail that opened my eyes.

A guy named Bow Slightly wrote, “Have you heard about the Mormon crickets that are overrunning the west? There are 110 million acres with something like 20,000 crickets per acre. I figure that at roughly \$200 per cricket (shipping, handling, sales tax, and chocolate for dipping extra, of course) we could make about \$44 trillion by selling them to the Chinese. Not only would this solve Medicare, Social Security and the hungry-critter problem, but it would also give us something to ship back to China in all those containers that just pile up on the western docks.”

The interesting thing about this idea is that just the other day I was commenting that we needed a burst of genius, and lo and behold, Mr. Slightly has come through for us. And now that he has enlightened us, all there is left for us to do is slap ourselves on the forehead and say “Of course! It’s so obvious now! Thank you, Mr. Slightly!”

This is SO much better than the government’s idea to fill those containers with dollar bills and American jobs! This way, we can keep the money AND the jobs, right here in America! And

make new careers possible, namely cricket rounder-upper, or cricket cowboy! Yaaa-hooo! Ride 'em, cowboy!

Of course, if this DOESN'T work, then yes, we are doomed.

Mogambo Sez: You don't need a crystal ball to realize that something bad will be here very soon.