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Avoiding Responsibility

by The Mogambo Guru

"And let's not forget that this lying lowlife loser, St. Louis Federal Reserve President William Poole, is a guy about whom Marketwatch.com reports, 'Last year, he voted in favor of all the FOMC's rate cuts'! Hahaha! What a creepy little worm!"

If you want to know the reason why America is freaking doomed, it is because of lowlife halfwit losers like St. Louis Federal Reserve President William Poole, who is being quoted at MarketWatch.com as saying that nothing is his fault, as, "Investment professionals' 'shortsightedness' led them to make fundamental errors that led to the mortgage crisis and credit meltdown." Hahaha!

MarketWatch.com reports that, "In a speech to financial planners, Poole detailed five key mistakes that borrowers and lenders made that have pushed the economy to the brink of recession." These "mistakes" were, according to the Poole jerk, that "Borrowers took on mortgages they could not afford", which sidestep the issue that nobody would have taken out a mortgage if the damnable Federal Reserve, of which he was a part, had not created all the money. Which created inflation, as it always does, in housing.

The second "mistake" was supposed to be that, "Mortgage brokers put too many people in unsuitable mortgages. They knew, for instance, that adjustable-rate mortgages probably wouldn't be right for many borrowers if interest rates rose as the market expected." Hahaha! Again this Poole halfwit does not mention that the banks, with his approval, provided so much money and credit that they drove interest rates down to abnormally low levels! Of course they had to rise!

The third "mistake", he says, was that, "Investment banks jeopardized their reputations by securitizing mortgages without doing due diligence on the underlying assets, many of which were based on 'inadequate or spurious information.'" Again, the damned banks underwrote the whole thing by creating all the money necessary, so you can see where everybody else thought that the banks had already done due diligence!

Another "mistake" was, he says, that "Rating agencies put their stamp of approval on securitized mortgages without considering whether AAA ratings could be maintained if house prices fell." Again, there is not even a mention that the rating agencies could not help but notice that the banks has loaned all of this money for this overpriced housing crap, and if the due diligence of the guys whose money was at risk were okay with this stupidity, then you can see how the rating agencies were mollified.

And, then, this Poole bozo says that lastly there was the "mistake" of how investors, "scooped up those securities without doing adequate analysis" by "too readily" accepting the AAA ratings at face value, as if the investor had to actually disregard the fact that Poole and the stupid, greedy banks and Federal Reserve had dropped interest rates to historic lows to loan money on the houses, AND ignore that the rating agencies had given them a clean bill of health!

Mr. Poole is obviously implying that everyone should know by now that the Federal Reserve and its banking system is a stupid, lying pit of vipers who cannot be trusted, and that the ratings agencies are even worse, and that only an idiot would trust either of these despicable organizations to tell you the correct time of day, much less rely on them to know what they are doing in establishing risk or telling you the truth about it when they are all raking in the big bucks by being incompetent.

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Mr. Poole, obviously embarrassed by my rude comments, says that, "A reach for yield with inadequate attention to risk is another basic lesson that apparently cannot be relearned often enough", when he actually means, "To never, ever trust the word or competence of the Federal Reserve is a lesson that cannot be relearned often enough."

And not only is the Fed a bunch of laughably incompetent morons, but they never learn, and using his own words against him, says ""There are no new lessons here. The mistakes that brought us to this point have been made before."

Indeed they have! And that is why the Constitution has the requirement that money be only of gold and silver; to keep bank morons and government morons from creating so much money that they produce inflation and busts!

Hell, so much money was created that the Government Accountability Office says that government agencies were unable to determine "the full extent to which improper payments occur", and not only that, but these agencies had no idea how to even "identify and resolve information security control weaknesses and manage information security risks on an ongoing basis." Hahaha!

Anyway, the point is that the government's promises for future benefits payable under the Social Security and Medicare programs are now estimated to be at $53 trillion, in current dollars. This is up from about $20 trillion in 2000.

Naturally, I whip out the old HP12C calculator, and in a matter of just a few moments I had produced several contradictory answers to the question, "What in the hell is the hyperinflationary horror, in percentage terms, of liabilities increasing from $20 trillion to $53 trillion in 7 years?", most of them clustering around 15%, which is so terrifying a number that I instinctively repeat the calculations, hoping I am wrong. But I am not.

So a lot of money has to be created, and for those who wish to know the eventual outcome of a central bank constantly creating excess money and credit over the long term, the Reserve Bank of Zimbabwe (the worst of the worst) calculates that their inflation in consumer prices was 24,059% in 2007. In other words, if a loaf of bread cost $1 in January, it now costs $240.59 in December.

Actually, it is much, much worse (MMW) than that, as the Voice of America reported that "Recent estimates of Zimbabwean inflation by independent economists have tended to run quite a bit higher, ranging from 50,000% to 100,000%", and "Zimbabwe's Central Statistical Office stopped providing data on inflation in September saying it could not find prices for key goods because they were not on store shelves." Hahaha!

In America (the place where lying with statistics achieved official government status, thanks to the loathsome Alan Greenspan, the worst central banker in the history of central banking, and the despicable Michael Boskin of Stanford University, his willing henchman), a complete absence of goods on store shelves means that "everything costs zero"! And then Greenspan and Boskin could, with their new method, claim that this proves that inflation is falling! Hahaha! Time for a rate cut! Hahahaha!

And that would have been all Mr. Poole would have wanted to hear before voting to create more money on the spot! Hahaha!