

December 12, 2008

It's Always About the Money

by The Mogambo Guru

"It is always about the money!' for me, and you are hoping that I will use my dictatorial powers to get your money back for you, again proving that 'It is always about the money!' with you, too! Hahaha!"

Since gold has fallen so far, so quickly, for so little reason, the future for gold looks increasingly good, too, as the future of the dollar and the economy looks increasingly bad, and asset-type things (like houses and stocks) falling in value certainly looks deflationary, like the \$30 trillion that has been lost in the world's stock markets in the last year, which may have been what prompted Howard Ruff of the The Ruff Times newsletter to say, "It is axiomatic that deflation is the spawning ground for inflation, as the government doesn't know how to fix deflation, depression or recession other than to throw money at it. The creation of all the money floating through the economy will eventually meet all the conditions for inflation."

Exactly! But before I could take over and start with my usual rant about inflation and why you should buy gold as a result, Mr. Ruff cleverly cuts me off by saying that "Gold and silver will bounce back when inflation reasserts itself."

Well, inflation "reasserting itself" is a given, as far as I am concerned! Hell, the money and credit necessary to finance all those higher prices is already being created, and if you don't believe me, then explain how there is already an estimated \$8 trillion in new government spending and lending announced, in an economy whose GDP is a measly \$13 trillion to start with! This means a budget deficit of over 50 percent of GDP! 50 percent! Yikes! Unheard of!

That's the kind of astounding news that makes you run screaming into your Mogambo Blast-Proof Bunker (MBPB), locking the doors behind you in a panic, mentally making plans to get more physical gold bullion against the day when this Whole Stinking Mess (WSM) blows up.

And that kind of panicky, mama's boy, gold-buying cowardice (The Mogambo Way (TMW)!) may be getting more popular than ever, as Antal Fekete of professorfekete.com reports that "According to the December 3rd Comex delivery report, there are 11,759 notices to take delivery. This represents 1.1759 million ounces of gold, while the Comex-approved warehouses hold 2.9 million ounces. Thus 40% of the total amount will have to be delivered by December 31st."

Not being an expert on Comex, commodity futures, or much of anything else, or even being sure that I have the facts, if any, I am nevertheless sure that corruption and fraud permeates the Comex like, umm, the apparently eye-watering stink of my feet whenever I take my shoes off (according to my wife and family, although the cat often seems fascinated with the novelty), just like the stench of corruption has permeated everything else, which is always what you get at the end of long booms financed by over-expansion of the money supply.

And that is why I am proposing that everyone should send me as much cash money and

gold as they can, addressed to "Occupant", priming me with huge, blatant bribes to take command and lead this proud country in a Second American Revolution to replace a hateful government that is "eating out our substance", which was the cause of the first American Revolution, which proves that "It is always about the money!", which is also why I am running this "Bribe The Mogambo" scam for all it is worth, again proving that "It is always about the money!" for me, and you are hoping that I will use my dictatorial powers to get your money back for you, again proving that "It is always about the money!" with you, too! Hahaha!

Well, I can see that Mr. Fekete is suddenly anxious to get away from being seen with a raving revolutionary anarchist con-man swindling little cheating rat-like bastard and world's worst husband and father.

So, prior to retreating, he supplies the synopsis, which is, "Since not all the gold in the warehouses is available for delivery, Comex supply of gold falls far short of the demand at present rates. Futures markets in gold are breaking down. Paper gold is progressively being discredited."

Then he was suddenly gone, but from the gist of it, it looks like there could be some fireworks in gold within a matter of days or weeks, where the best-case scenario is that gold goes to a zillion dollars an ounce, finally giving us gold bugs the money to skip town and get the hell away from this sleepy little nowhere burg and start over, perhaps to find real love and purpose in life, where thoughts of armed rebellion seem suddenly so far, far away! Whee!