

Driving a Fiat Currency into a Tree

By [The Mogambo Guru](#)

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Floy Lilley at the Mises Institute, in her essay at LewRockwell.com, notes that the gold-standard dollar “provided us with nothing less than relative peace and prosperity over a span of 136 years” until that fateful year, 1913.

So how does she quantify “relative peace and security”? Well, one good way is to look at the value of the dollar, which would be strong if the country was a good investment, which it was, and in fact, “It had not only retained one hundred percent of its value, it had gained eleven percent. That’s right. **The dollar we started with in 1776 bought us eleven percent more after almost seven generations.**”

Then, on the “quiet 23rd of December in 1913”, J.P. Morgan and buddies got Congressional quislings to pass legislation authorizing the creation of the Federal Reserve, and to which I add that the jerk Woodrow Wilson then signed it, thus going down in history as the disastrous guy who set in motion the destruction of the dollar by the Federal Reserve creating excess money and credit.

She doesn’t make a point of it, but back then, the dollar was still gold, and thanks to the loathsome Federal Reserve creating the money to finance the bubbles of The Roaring Twenties that resulted in the Great Depression, the despicable Supreme Court infamously ruled in 1933 (and upheld by every traitorous Supreme Court case since then) that, contrary to what the Constitution said, the dollar did not have to be made of silver or gold, and that **a paper “fiat” currency could be created, without limit, for any reason, even at a mere whim**, anytime, day or night, 24/7, including holidays, not realizing that they were the idiots that REALLY destroyed the dollar! Gaahhh!

With this kind of disastrous stupidity, I dryly and humorlessly ask that you don’t talk to me about any “wisdom” emanating from the Supreme Court.

I was hoping that Ms. Lilley would spontaneously pick up on the theme of “heap scorn on the Federal Reserve for creating too much money and credit out of thin air and the despicable Supreme Court for letting them.”

I was going to suggest that she could, you know, maybe even put in an endorsement for the Mogambo Mindless Mob (MMM) brand of products, like the popular Mogambo Pitchfork (very effective when brandished threateningly) and the classic Mogambo Flaming Torches that will be so hard to get when the proletariat bozos start forming mindless mobs bent on revenge after so much hurting from the horrifying inflation in consumer prices, the pervasive, lingering economic depression, ruination, bankruptcy and the embarrassment of realizing that it was caused by the people we elected to Congress, who picked the people to run the Federal Reserve, which is the

biggest failure one can imagine and should be immediately abolished, how Ben Bernanke, its chairman, should be turned over to me for some sessions at my new Mogambo Re-Education Center, where our muscular, trained technicians will slap the hell out of his stupid face, and the stupid faces of Congresspersons (except Ron Paul), and the stupid faces of anyone who still believes in getting, or giving, a free lunch to, or from, anyone, especially the government, which is so corrupt that it once gave smallpox-infected blankets to the American Indians, which is only marginally worse than destroying the currency of the country and makes you reflexively scream in horror every time you see the money supply go up.

Well, it does me, anyway.

Instead, she goes on that the result was that since then, “the purchasing power of a dollar has plummeted over 95%”, which means that **“We now pay twenty times more than J.P. Morgan did for any item.”** Yikes!

Suddenly, my ears pricked up as she said, “Few have written on the mechanics of getting back to sound money”, which I immediately noticed makes me a genius, meaning that people should worship my gigantic brain, my wife and kids should stop calling me “idiot” and saying how much they hate me and maybe I should get a Nobel Prize.

The reason I am suddenly so enamored of my intellect is that achieving a “sound money” is the easiest thing in the world! Just stop creating more of it! That’s all you need! It’s simple! It is my Profound Mogambo Genius (PMG) that has solved the puzzle!

Okay, I am embarrassed that I got carried away there, and I admit that I am not very smart, and that is why I stole the whole idea from the fact that **this is all the gold standard did; it prevented increases in the money supply**, and the only thing that Congress had to worry about was doing smart things so that gold came into the country (increasing our money supply) and not doing something so stupid that it went someplace else better (decreasing our money supply).

But those days are all over now, and the only people who are buying gold, along with silver and oil, are the people who know what happens to an unsound, fiat currency (like the dollar) in the hands of a government composed of a bunch of socialist, commie-think yahoos (like the US Congress) that willingly deficit-spends insane amounts of money thanks to a central bank (like the Federal Reserve) creating it and a population sitting around saying, “Duh! Okay with us!” Hahaha!

We’re freaking doomed!