

# Gold Investing: A Bet Against the Idiocy of Money Creation

By [The Mogambo Guru](#)

11/15/10 Tampa, Florida – I was delighted by the humor of Su Wei, a Chinese climate-change negotiator at the international climate change conference, calling the United States “a pig preening before a mirror.” Hahaha! It’s funny because it’s true! Hahaha!

Of course, he meant in the context of carbon emissions and all of that “green” stuff, but it perfectly describes the fiscal policies of the Obama administration, too, but not our monetary policies.

No, I envision that Mr. Wei (or Mr. Su, I never can remember which is which, and for whom it works and for whom not) would describe the foul actions of the despicable Federal Reserve in creating So Freaking Much (SFM) money so that the odious Obama administration could deficit-spend us into an additional \$3.5 trillion of national debt over the last two years as, “An idiotic counterfeiting pimp preening before a mirror, who stupidly prints money for massive Congressional deficit-spending, thus screwing the dollar, where inflation in prices pillages up and down the country, everything turning into crap until everything is in ruins, and misery and suffering abound.”

And speaking preening, a lot of people are congratulating me on how good I am as an investment advisor to have been recommending gold, silver and oil all these years.

Naturally, I tell them that I am a brilliant guy with a gigantic brain and washboard abs, but the truth is that it was child’s play to recommend gold, silver and oil as investments when the Federal Reserve was creating too much money.

I mean, it was completely obvious to me and others of Austrian Business Cycle Theory school of economics, although I am one of the few who twists what I misunderstand into a simple way to get rich by betting against a profligate and stupid government that constantly deficit-spends money that was created for that very purpose by the foul Federal Reserve.

And remember, Alan Greenspan created a stock market bubble, a bond market bubble, a housing bubble, constant simmering inflation and a huge bubble in the size of government by creating a lousy \$10 billion a month in new money.

That was inflationary, and made even more so since the horrid Ben Bernanke, who has been creating about \$20 billion a month, every month, infamously almost tripled – tripled! – Total Fed Credit in 2008.

And now he is, staggeringly, promising to create \$110 billion a month! Per freaking month! I scream in hysterical outrage, “Gaaahhhh!”

From a punctuation perspective, the use of the exclamation point at the end of the sentence is instructive. Normally, such terrifying news would merit a whole series of exclamation points and the sounds of a grown man Screaming His Freaking Head Off (SHFHO) about the inflation in prices that is going to destroy the dollar, and, by extension, us all, because the horrible Federal Reserve is creating so, so, so much money.

The use of only one exclamation point perhaps shows that I am growing jaded and cynical, in addition to growing more crazy, paranoid, fearful and angry at the Federal Reserve, at the horrible system of suffocating socialist governments that account for half of all spending in the USA, and at the smug morons who elected the lowlife government trash that allowed the Federal Reserve to create all that money because they love spending money.

And I think that even the Bible has something about “the love of money is the root of all evil,” although the shortened, bastardized version is “money is the root of all evil”, which, in this case, is entirely appropriate in the case of the Federal Reserve, the World Bank, the Bank for International Settlements, the International Monetary Fund, the Bank of Japan and the European Central Bank, just to name a few of the banker scumbags who saw a chance to make money for themselves and their friends by heedless expansions of their respective money supplies to finance an expanding menu of leftist “social justice” idiocies, which they did with an almost idiotic blithe abandon.

And they still do it today, even as results of their insane previous expansions of the money supply collapses around us all! Yikes!

And now Bernanke is going to quadruple his monetary insanity, and create a staggering \$110 billion in new money per month!

So if \$10 billion a month under Greenspan, and then \$20 billion a month under Bernanke, made gold go from a low of \$250 to over \$1,400 an ounce and silver from \$4 an ounce to over \$28, what do you think will happen to their prices when Bernanke injects his promised QE2 of \$110 billion a month? Hahaha!

Me, too! Me, too! And that is why I am even more frantic than ever to buy gold, silver and oil, because, man, oh man, “Whee! This investing stuff is easy!”