

A Three-Minute Lesson in Gold Investing

By [The Mogambo Guru](#)

01/24/11 Tampa, Florida – TheEconomicCollapseBlog.com had an article titled “10 Things That Would Be Different If the Federal Reserve Had Never Been Created.”

This is like my list of “10 Things That Would Be Different If I Was Rich” instead of being a weird little penniless paranoid recluse whose expensive family and expensive greens fees cruelly devour all my income, preventing me from buying lots and lots of gold, silver and oil as vital protection against the catastrophic inflation that will afflict us, thanks to the horrid Federal Reserve creating excessive amounts of money.

When gold, silver and oil soar to heretofore unthinkable high prices in the inflation, then I could set about achieving the items on my list of “10 Things That Would Be Different If I Was Rich.”

And when gold is up around \$50,000 an ounce, perhaps I could then idle away some time in my life of complete dissipation and luxurious excess by idly working on compiling a list of “10 Things That Would Be Different If I Was Poor” like all the other stupid dirtbags in the world who did NOT wisely buy gold, silver and oil when the central banks of the world were creating so much excess money, and especially so when the purpose was to let their moronic, corrupt governments deficit-spend the money.

Perhaps I could educate these gold-less, silver-less and oil-less morons who will drive by the intersection in their cars, bewildered and lurching about in a desperate search for a job, a place to sleep or a handout, up to where I am standing at the corner, and they will get a red light and have to stop, giving me a chance to tell them how stupid they were for electing the moronic government they voted to install, and how doubly-stupid they were not to buy gold, silver and oil when they first started seeing that the whole thing was going bust and that the government was going to let the Federal Reserve create as much money as anyone wanted so that more money and more debt could, miraculously, solve the problems caused by the Federal Reserve creating too much money! Hahaha!

Economic Collapse notes that “The US never had ongoing problems with inflation before the Fed was created, but now it is just wildly out of control.”

If they had asked, I would have told them that buying gold and silver would put them in control! Hahaha!

And maybe even more “control,” as in “large capital gains” which seems perfectly doable considering the “supply/demand dynamic” that, according to a chart by the Tudor Group and featured in a recent GoldCore.com video, has world annual gold production trending down, since 1999, to 80 million ounces, which is less than the all-time record of 85 million ounces, the level achieved in 1999, which was itself up from less than 40 million ounces of gold produced in 1974, which was 25 years earlier.

I could go on and on about how the decline looks like Peak Gold, and the decline in gold output is a precursor to higher gold prices, which seems compelling in itself.

A better reason, perhaps, as to why gold will go higher is found in their interesting statistic that in 3 minutes, the banks create \$6.4 million in new money, while in the same 3 minutes, only 266 ounces of gold were produced.

This comes out to \$24,060.15 in new money per ounce of new gold, which makes the decision to buy gold so easy that you shout with sublime ecstasy, “Whee! This investing stuff is easy!”