

The Family Barbeque Massacre

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By: The Mogambo Guru

I was cowering in the Secret Mogambo Backyard Bunker (SMBB), shuddering and seething, just having returned from a Fourth of July “family barbeque.”

I knew I had to do something. Anything. I just didn’t know what.

My problem was that my Fabulous Mogambo Plan (FMP) to be rich, very rich, filthy rich, obscenely rich by merely buying gold, silver and oil to prosper during the economic calamity caused by the evil Federal Reserve creating so catastrophically much excess currency and credit was not, alas, going as planned.

And although nobody at the cookout said anything, I could tell what they were all thinking. “Look at him eat like a pig!” they smugly thought to themselves. “And it’s a good thing we didn’t listen to that disgusting Mogambo idiot and put all our money in gold, silver and oil, like he is always lecturing us to do until we are sick of hearing it. I mean, look at silver! It’s down by 50 percent! Gold’s down by a third! We’d have lost our fat butts if we had bought at the high!”

Stung by both being called a “disgusting pig” and having my unfortunate disability of “innate idiocy” mocked, I haughtily wiped BBQ sauce from my mouth onto my sleeve, took a long slug of beer and burped a couple of good ones to get everyone’s attention.

As I did so, I thought to myself, “How should I start putting some smarts into their puny Earthling heads? Maybe by saying something about Chris Powell, Secretary/Treasurer of the Gold Anti-Trust Action Committee, reporting that Tocqueville gold fund manager John Hathaway still writes a newsletter? This surprises me as much as it does you, because if I was as much of a big shot as the famous Mr. Hathaway, with enough smarts to be buying gold so that my financial future and my fund’s future were MORE than ‘taken care of’ by the aforementioned accumulation of gold and silver, I’d be playing golf somewhere sunny and nice with low humidity, perhaps with some beautiful young female caddy carrying my clubs and making goo-goo eyes at me while telling me how I am the best-looking golfer she ever seen in her whole 21 years of life, and texting one of my flunkies to write up a new newsletter for me, penned with my usual style but without my usual stupidity, a talent for which I’d hired him in the first place.”

Then I noticed -- whoa! – that I was really off on a tangent here! Where did all THAT come from? My original task was to cleverly rebut their erroneous thinking that The Marvelous Mogambo (TMM) was, just as they had suspected for a long time, just a raving, paranoid, gold-bug, Fed-hating, Constitution-hugging, sub-standard husband and father whose fabulous advice to buy gold, silver and oil against the inevitable price inflation and total ruination, caused by the foul Federal Reserve creating so much excess currency and credit, was as completely worthless as everything else about him, including his atrocious table manners and bad haircut.

Anyway, now back on track, I immediately thought back to Mr. Hathaway's investor letter, wherein he "attributes the recent fall in the gold price to a bear raid by investment banks and hedge funds doing naked shorting."

This is, in case you want to know, a scam used by the commodities markets, where large corporate entities sell "paper gold", which is a paper contract to, theoretically, deliver gold in the future in exchange for cash today. With this slimy methodology, they can, for example, as suits their whim, dump a lot of new paper gold on the market by simply creating it out of thin air, drive the price down with a massive oversupply of contracts flooding the market, and then, (when the price is low), buy to cover the shorts, and then go long (buy gold contracts) with their profits, thus constricting the apparent supply of gold so that the price rises and they profit again.

You would think this scam would be of interest to market regulators, or the government, but they aren't, in case you were wondering.

Anyway, it's all academic to the physical gold market, as Mr. Hathaway notes "Gold was rarely, if ever, delivered to a buyer. Trades were settled in cash."

The part that startled me the most, however, was when he said "The notional amounts of the transactions on many days exceeded annual mine production, absurd on the face of it." Yikes!

An entire YEAR'S global production of something – anything! -- could be traded in One Freaking Day (OFD)? OFD????

I knew my relatives would not appreciate the powerful use of four question marks as punctuation, a clever literary device I used to indicate that This Is An Important Question (TIAIQ).

Then I had an inspiration!

I said "Here's a funny Dilbert cartoon I saw that is both funny and instructive! The pointy-haired boss asks Dilbert 'Can you get me some failure estimates?' on the project.

"Dilbert replies 'I can if you like numbers that are based on hallucinated assumptions.'

"Then the PHB says, deadpan as usual, 'I kind of do.' Hahahaha!

"Don't ya it?" I asked, almost incredulous at their lack of riotous response, instead of saying something like "Hahaha! Excellent! Tell us another!"

So I explained "Dilbert is the Federal Reserve, see? And he's lying to us with 'hallucinated assumptions', used to 'improve' the precious inputs to the insane Keynesian econometric monstrosity that serves as an excuse to always create more currency and credit, which is the bankrupting, idiotic fiasco that has ruined the dollar, the economy and, by extension, the whole world, by increasing the money supply to allow the growth of such monstrous, ruinous, stupid unpayable debts and a gigantic cancerous blob of an economy that, to stop the creating evermore

currency and credit, is to assure immediate total economic collapse! Which is guaranteed soon enough anyway! We're Freaking Doomed (WFD)!"

Well, after this clever and lucid explanation, I had hoped they would, you know, shout in joyous celebration at the revelation, or say something like "Well said, Wonderful Mogambo Master (WMM)! And gladly reminiscent of the Universal Laws Of Economics (UNLOE) to which you are always alluding, proving how we Earthlings are the most stupid beings in this whole sector of the galaxy for committing economic suicide by expanding the money supply with fiat currency to accrue bankrupting debt and a grotesque, government-centric economy, and then not buying gold, silver and oil to protect ourselves!"

There was, instead, silence and some pathetic, nervous tittering amongst the relatives, with my wife slowly shaking her head, hiding her face in her hands in that classic pose of "Oh, no! Not again! Can't we go anywhere without him making a big deal about how the Federal Reserve, and indeed all the other central banks of the world, created too much currency and credit to, as previously referenced in the preceding paragraph, accrue bankrupting debt and a grotesque, government-centric economy?"

Flustered, I stammered out the cartoon's denouement, hoping that would help. "Then Dilbert says, also deadpan, 'I think we have an understanding.' Hahahaha!"

It didn't help.

In desperation to save the situation, I said "Or how about this one? Dilbert hilariously says 'We doubled our projected income by modifying our assumptions,' whereupon Larry explains 'A lot of this job is mental.' Hahahaha! Changing the results by modifying assumptions! Hahahaha!"

"Get it? Hahahaha! 'It's mental' he says! Hahahaha! That's how the Federal Reserve forecasts a vibrant, recovering economy when it's obvious that's a Big Fat Lie (BFL)!"

Total silence.

Apparently, they were not in the mood for economic wisdom, or in the mood for jokes, so my attempt to combine classical economics and humor was killed and left for dead.

But they are always in the mood to increase their burdensome debt loads to satisfy their habit of gluttonous over-consumption of consumer goods and services, so that they never have any money left with which to buy gold, silver and oil.

Too bad, too. Perhaps living through the near future, as an inflationary collapse ruins everything as it always does after such monstrous monetary excess, will teach them, whereas I have been manifestly unable to, despite my kind-hearted efforts to remind them of what total idiots they are for not buying gold, silver and oil.

Otherwise, they would already know "Whee! This investing stuff is easy!"