Every year, in September, the Village Headman used to go and visit the Wiseman of the Mountain, to ask him how cold the Winter was going to be, and to plan how much Firewood was to be stacked. As he walked his way to the Mountain, he thought “This is the last year I am the Headman; I must learn how it is that the Wiseman knows the future!”.

After arriving at the top, as always, he asked: “Wiseman, how cold is next Winter going to be?”.

The Wiseman, staring down, said: “Given my present information, I say: It will be cold”.

The Headman went back to the Village and ordered: “Stack some Firewood: it will be cold”.

After one week, curious to test the Wiseman’s ability, the Headman dared to return to him, and asked more precisely: “Wiseman, you said that the Winter will be cold: how much cold?”.

The Wiseman, again staring down, said “Given my present information, I say: It will be very cold”.

The Headman went back to the Village and ordered: “Stack some other Firewood: it will be very cold”.

Next week, the Headman could not resist the temptation to go back to the Wiseman, and asked him: “Wiseman, you said that the Winter will be very cold: can you please be more precise?”

The Wiseman, looking down, said “Given my present information, I say: It will be very, very cold”.

The Headman went back to the Village and ordered: “Stack more Firewood: it will be very, very cold”.

The fourth week the Headman took the courage to go back to the Mountain once more:

“Wiseman, you know, this is the last year I am the Headman. Please, tell me: how can you predict the weather so precisely?”

The Wiseman, looking into the Headman’s eyes, said: “My dear, you see, there is a Village down there: I simply watch how much Firewood they are stacking”.

CAST

The Wiseman, also named the Guru in a recent remake

An Economics Nobel Prize winner, wishing to remain anonymous

The Headman

The CEO of a big Bank, wishing to remain anonymous

The Village

Some hundreds brokers working for the Bank above, wishing to remain anonymous

The Winter

The value of the collaterals (cold = high)

The Firewood

Junk bonds

The Mountain

Orland Hills

§ Thanks are due to C.B. for correcting some mistakes; the remaining ones are my responsibility.