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Special Alert

There are several forces (factors) converging at the same time that will drastically impact the livelihood and way of life of you and your family. These forces/factors are centered primarily in the areas of economics/finance and politics.

The political battle in the Democratic race for President has become so contentious that many are predicting the fight will go all the way to the Democratic Convention in August, being held in Denver. There are even some polls that show as many as 20 to 22 percent of Obama and Clinton supporters will not support the nominee if their candidate loses. Both Clinton and Obama are borderline, if not outright Socialist/Marxists. If either of them is elected President, you can be assured of higher taxes and bigger and more tyrannical government. John McCain, the presumptive Republican nominee, does not have a solid conservative track record and is having difficulty convincing the conservative base in the Republican Party to fully and enthusiastically embrace his candidacy. He is certainly better than either of the alternatives but how he would govern is uncertain. However, the most important races are for the Congress and state legislatures. Everyone should work hard for a big turnout to vote in these races in November, as the Congress and state legislatures may be the last resort to stop a lot of the political nonsense.

In the area of economics and finance, the financial crisis that started unfolding and manifesting itself a few months ago is far from over, and is likely to get worse. We are seeing higher food and gasoline prices, and these are but forerunners to the explosion of inflation across the board. Look not only for higher prices, but even food shortages, as we have seen in rice supplies. The U.S. imports over 60 percent of its food and we are the mercy of foreign suppliers. The average supermarket has seven to ten days of food supply on the shelves; and in warehouses in some areas like New York City, there is only a half-day supply. We recommend keeping a 30-to-90 day supply of food in your pantry, as a natural disaster, terrorist attack, or even a trucker strike could empty the shelves in warehouse of many supermarket chains.

Further, study carefully the cover story in this issue to make preparations for your financial well being. MER readers may call 1-800-325-0919, extension 7400 for the free "Economic and Political Risk Special Report."