

An Introduction To The "D" Word

There is little doubt that the United States is headed for serious economic disaster. Over the last several months news sources have presented a dire string of reports on the fall out from the sub-prime crisis, and increasingly, there is little doubt that the problem extends far beyond mortgages given to people who can't afford them.

We are now faced with the possibility of the collapse of an empty banking system. I won't go into a detailed analysis of the situation because frankly, it is too complicated to understand - even for the financial wizards who created this mess in the first place.

Suffice it to say, economic pundits have stopped using the **"R" word** (recession) and have started using the **"D" word** (depression).

The crisis isn't limited to the United States. In a global economy the entire house of cards is about to collapse. Toss in the wild cards of grain shortages, oil wars, outsourcing, climate change (is it global warming or the next ice age?) and international hostilities and you have a really excellent recipe for disaster soup. Add a sprinkling of Islamic terrorists, a dash of crazed Venezuelan dictator and ... well only God knows what's ahead. Expect the unexpected.

Food riots are now a reality, and it won't be long before we experience them in our own cities. Economists tell us that since we've stopped storing grain, the entire world has only a 53 day supply.

Frankly, I think most Americans are completely oblivious about the impending disaster. We're too busy amusing ourselves to death. And when we've plunged into the equivalent of the new dark ages, our enemies will be ready. The radical Muslim world has a long memory and although it's not politically correct to say so, the current situation is really just a continuation of the Crusades. If the day comes when Americans sit stunned in the darkness without their television sets and air conditioning, the people who live in caves will be ready. When we can't heat our homes and fuel our SUVs, the crazed oil rich Venezuelan dictator will be ready to step in to "help us out" - along with his new found friends, the Chinese, who already own more of our economy than any of us care to think about. If we think about it at all.

It's Y2K all over again - but this time, it's for real.

While we don't have the answer to what is in store in the days, weeks and months ahead, we do know that prices for food, housing and gasoline are soaring beyond the reach of many. We do know that many businesses will go bankrupt and thousands, if not millions will lose their jobs, their health insurance, their pensions and their ability to survive. And when they try to figure out how to provide for their needs and wants, it won't be pretty.