

# How to Prepare for the Economic Worst

by Gary Kah  
(Written in Dec 2008)

*Note from Pastor Kevin Lea: Gary was a guest speaker at our church on Sunday, June 10, 2001. You can listen to his message by going to our web site ([www.calvarypo.org](http://www.calvarypo.org)), then clicking on the Sermon Archive link, then Topical (MP3) and finally scrolling down to the June 10, 2001 file link titled [En Route to Global Occupation](#).*

It has been a hectic time for both our family and ministry. Ever since September's financial collapse, we have been receiving phone calls from people wanting to know what to do with their money. They are also very concerned about the direction of our world politically and spiritually. After personally responding to as many requests as possible via phone while traveling, I arrived home to many more requests, questions and calls to return. The Lord prompted me to write this column before anymore time passes.

As you know, the economy is continuing to spiral downward. Last month 533,000 jobs were lost – the most in any month since 1974. This will catapult unemployment figures to well over 7% for December, as more than 2 million jobs will have been lost by the end of this year.

Meanwhile, credit remains tight and the US government is out of money. Altogether, there is at least \$50 trillion of bad debt from the mortgage crisis still needing to be dealt with. Entire industries are now on the verge of failing, and there seems to be no end in sight.

Along with the bad debt resulting from ill-advised home loans, the US government is now in debt over \$10 trillion. If one adds state and municipal debt along with troubled consumer loans into this mix the numbers become even more staggering. The only way America could climb out of the current mess and remain a somewhat free nation is if government spending were immediately cut by about one-third. This would require the complete elimination of numerous government programs, agencies and departments. If President-elect Obama made such a move, we could be back to "normal" in 20-30 years. However, this is unlikely to happen since powerful forces are at work that want to bring our country to its knees.

At the risk of sounding too conspiratorial I truly believe that the mortgage crisis and high oil prices were engineered to intentionally create the conditions we are currently facing. A few weeks ago a respected group of mostly European economic and financial analysts (called LEAP 2020) warned that the US government will default some time in 2009. I hope they are wrong, but they have been spot-on in other forecasts they've issued in the last two years. If they are correct, a new global order could be closer than we think.

The collapse of another major sector of our economy, such as the auto industry, could set off an irreversible chain of events. If such a failure were allowed to occur, the potential exists for our unemployment rate to soar past 10% by next summer. The ripple effects would impact virtually every American while dismantling the industrial base critical for our national defense.

All that would be needed is a major domestic act of terror or a flare-up in Mideast tensions, and the financial scales would tip. The recent terrorist assault on Mumbai's Taj Mahal Hotel may unfortunately be a sign of bigger things to come. (For me this act of terror hit close to home. During my time with the government, I stayed at "the Taj" on two occasions and still remember its layout and the location of the restaurant where many of the innocent people were killed.) We can expect more of the same as the pressure to enter a new world order is turned up.

The goal is to make our situation appear so hopeless that people, especially Americans and Israelis, will finally be willing to relinquish their national sovereignty and merge into a global economic/political system that promises peace and stability. Some colleagues believe that the next step for America will be a new currency based on a regional economic union between Canada, Mexico and the United States. Others believe preparations are so far along that this intermediate step could be bypassed and the North American countries be merged directly into a world government and forced to accept a single global currency along with the other nations of the world. I believe only the Lord knows exactly how events will unfold and how soon they will occur.

The uncertainty is causing normally stable people to be anxious at a level I have not witnessed during my lifetime. Many people are genuinely scared and don't know what to do. They call or write us hoping to receive sound advice.

Although my professional background is in economics and international business, I have been hesitant to tell people what to do with their finances, as everyone's circumstances are different. However, because so many of you have asked, I will give you an example of what I would do if I had significant money to invest.

First and foremost, I would get out of debt. But if I had cash left to invest after doing so, here is what I would do with it. I would keep 5% of my money on hand in the form of cash. This would be for short-term purchases of groceries, gas, and day-to-day items in case a banking holiday is declared where banks would shut down for a few days or weeks before introducing a new currency. All other investments would be geared toward off-setting the affects of a currency revaluation that would likely occur if the dollar is replaced with a new, probably regional currency (like the proposed amero).

One should plan to remain in such investments until the new currency is introduced and any revaluation of the "old" US dollar has taken place. This could be several months to several years. After this transition has occurred, some or all of these investments could be traded back in for the new currency. By temporarily putting our dollars into items more likely to hold their value it would help off-set any losses that might occur with a revaluation. For example, if we would eventually be given only one amero for every five dollars, then it would have been better if we had put our dollars into gold or franks and then sell them off in exchange for the new currency once it comes out. This is how I would invest my remaining 95 percent. I would put 10% of my money into silver coins that could be used to barter for goods and services. Silver is currently trading at around \$9-\$10 an ounce, which is a decent buy. Another 25% would be put into a combination of gold and platinum, which should continue to trade in the \$500 - \$1,000 range for the near future – possibly going significantly higher if the crisis intensifies. I would also consider putting 25% into Swiss franks or a combination of other stable foreign currencies. All such purchases would depend to some degree on whether prices are favorable at the time one considers the purchase. Also, the percentages of what I invest in would be conditional on the amount of wealth I have. Someone with a million dollars, for example, would invest differently than someone with \$10,000. I am basing my scenario on what I would do with \$100,000.

I would invest the remaining 35% in survival related items. I would purchase a few acres of land with available firewood and a fresh spring that could also be used for growing food. Good land would be invaluable if hard times come. Also, it would be important to be able to maintain electric power in order to live comfortably. I am aware of a New Jersey company that is getting very close to putting special low cost/high efficiency home power generators on the market, utilizing break-through technology. These would power one's entire home without requiring exorbitant energy. We are keeping our eyes on this.

The irony is that we as a family are unable to do most of the above because we do not have the funds. We have put most of our energy and resources into informing and challenging the body of Christ and are therefore completely at the Lord's mercy. We try to make wise decisions with what we have and trust Him to provide the rest. This is not a bad place to be!

While Christians should be prudent and plan wisely as God directs, I have noticed these last few months that some believers may be too concerned with their finances and not concerned enough about maturing in their walk with Jesus. Our desire is that everyone reading this letter would expend at least as much energy pursuing the Lord and His will as they do on financial planning. Any financial decisions should be made only after fervently seeking the Lord's guidance and in accordance with His over all purpose for your life. I cannot emphasize this enough.

During this season, as we reflect on God's greatest gift, let us remember that God is good and merciful and full of hope for those who seek Him. Even in difficult times when everything seems to be spinning out of control God is still on the throne, reigning over the affairs of men. Nothing happens without His knowledge.

At the end of this age, when Jesus returns, He will right the wrongs and bring justice for those who have remained faithful to Him. May this truth and the eternal hope we have in Him brighten your path in the days ahead.

--Matthew 1:21, Romans 6:23, I John 2:15-17, 28