

Welcome to IDP Consulting Group, LLC

Investing Wisely in an Uncertain World

For my part, whatever anguish of spirit it might cost, I am willing to know the whole truth; to know the worst, and to provide for it.

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Patrick Henry (1736-1799)

"We are apt to close our eyes against a painful truth," said Patrick Henry. Global tensions and economic distortions have created an investment environment that is making it extremely difficult for investors to safely navigate with conventional strategies from Wall Street and mainstream brokerage firms. It is perhaps a painful truth that the U.S. economy is about to implode and cause considerable loss and suffering for millions of people who have put their trust in banks, brokers, and traditional business models. But we can expect that these conditions will only worsen as geopolitical threats and America's fiscal bankruptcy become increasingly more apparent in the days to come.

So what can prudent investors do in these uncertain times? What is your best overall strategy for financial survival and profitability? Only you can make those kinds of decisions. But they must be based on knowledge and truth – the whole truth – so that you can make adequate provision for you and your loved ones. The Bible says, "A prudent man sees evil and hides himself, the naïve proceed and pay the penalty" (Pro. 27:12). And this means that we must become "contrarian" investors and be willing to go against the herd instinct.

Should we really trust political speeches and economic commentary in the media to protect our financial assets? We need to be wise and consider this historical fact. In his Inaugural Address in 1929, President Herbert Hoover assured, "In no nation are the fruits of accomplishment more

secure. I have no fears for the future of our country.”

Later in that same year, legendary economist and investor Irving Fisher proclaimed, “Stock prices have reached what looks like a permanently high plateau....I expect to see the stock market a good deal higher within a few months.” As we all know, the Great Depression soon followed and it crushed our nation into financial ruin.

George Bernard Shaw once commented, “If all the economists were laid end to end, they would not reach a conclusion.” Even Wall Street economist John Kenneth Galbraith said, “There are two kinds of forecasters; those who don’t know, and those who don’t know they don’t know.” The majority of the American people are simply dumbed-down and confused when it comes to personal investment strategies and portfolio management.

We need to wake up and realize that we are entering into some critical times, and it is necessary that we take personal responsibility for securing our financial survival. Dr. Laurence J. Kotlikoff, a Boston University economist who deserves great respect, recently reported that our “fiscal gap” in America now totals almost \$66 trillion dollars based on future entitlements and obligations. This is one economist that really knows what he is forecasting. In his book *The Coming Generational Storm* written with Scott Burns, the authors say this:

We believe that conventional financial services can do more harm than good – like the person who goes to an emergency room for a broken arm but dies of a hospital-acquired staph infection, much of the “treatment” offered by the retirement-investment complex represents a major threat to the survival of the investing public. Patients who accept a common placebo would lead a financially healthier life.

Dr. Kotlikoff and Burns cite three reasons for financial malinvestment today: false promises, wrong targets, and excessive fees. In other words, wrong assumptions are made concerning savings rates, return on investment, and future economic stability without considering risk variables, which I have carefully outlined in my book. In addition, clients are charged excessive fees for retaining this “service.” As Woody Allen once joked, “Brokers will invest your money until it is all gone!”

What people need is not a common placebo, but common sense. Enough common sense to realize that America’s financial reckoning day is soon approaching, and there is a great need for some sensible diversification and asset allocation. You are invited to browse this web site for some helpful advice, weekly news updates, web links, and important information on how to obtain a copy of my new book.

Charles H. Coppes, Senior Investment Counselor

Author & Lecturer, *America's Financial Reckoning Day*

