AN EXCLUSIVE LIVE INTELLIGENCE BRIEFING WITH JIM RICKARDS

Transcript: September 8, 2026

AARON GENTZLER: Hello everyone and welcome. Thank you for tuning in. This is your September *Strategic Intelligence* Monthly Briefing. I'm Aaron Gentzler with Paradigm Press. I'm joined today by the editor of *Strategic Intelligence*, Jim Rickards. How are you today, Jim?

JIM RICKARDS: Doing fine, Aaron. How are you?

AARON GENTZLER: I am great. I'm so excited for today's call. I heard that today is the debut of your 2026 midterm election forecast. Is that correct?

JIM RICKARDS: Yes. We didn't want to start too early because it's challenging, you need a lot of information, but we're close enough now. We have pretty good inputs and we're going to be rolling this out over the next two months right up until the day before the election. So yeah, time to get started.

AARON GENTZLER: We have received so many questions about the DSA, the Democratic Socialists of America. They're winning these primary races all across the country, races large and small. And in a moment I'm going to ask you if they're truly a force to be reckoned with or if this will pass or what we should think of the DSA and ... beyond New York City, for example. First, a few housekeeping items, and I also want to introduce our lead analyst at *Strategic Intelligence*. Dan Amoss, how are you today, Dan?

DAN AMOSS: I'm doing well, thank you.

AARON GENTZLER: Do you find, Dan ... I'm going to ask you one quick question before we start. Do you find that your portfolio over the years does better with a Democrat or Republican in the White House?

DAN AMOSS: Yeah, we can get into some more detail later, but the main thing that I look for is basically very high confidence, super trends that you can ride and that are vulnerable to either party being in power. But I would say if one party controls the White House and Congress, it can accelerate certain trends and returns and it can punish certain other sectors as well. So we can get back to that later, but-I'd say it depends.

AARON GENTZLER: Good. Okay. I was curious if you were going to take a hard position on that one or if you were going to explain it in a very political sense and you did so. I'm glad because I'm going to come back to that soon. So a few housekeeping items before we dig in with Jim. To all of our new readers, readers who have joined us since our last monthly call, thank you so much for being here. To all of our returning readers, thank you for joining us once again. As always, when we do these monthly calls, shortly after the conclusion of today's call, Dan's full portfolio wrap will come to your email, as will the recording and then later, the transcript of today's call.

So if you can't make the whole thing and you miss a little bit, everything that takes place on today's call will be sent to you later. Also, as always, nothing that you hear today should be considered personalized investment advice. Make your own decisions in consultation with your RIA. In the end, it's your money and your decision. One final housekeeping note, I promise, and then we'll kick it over to Jim. You may have seen that we had to reschedule the Ask Me Anything call from last week with Jim and the entire analyst team at *Strategic Intelligence*.

Due to some scheduling conflicts, we're still working on finding a new date for that. As soon as we do, we will notify everyone by email and we will get it on the calendar and we will absolutely do that event. We're just working through a few logistics right now.

So Jim, here we are, 56 days, I believe, until election day 2026. It seems like the dominant opinion is that from the Republican standpoint, the House is lost and the Senate is 51, 49 depending upon the models that you believe.

And now I know that going to 2016, 2020, 2024, you made some very fat tailed predictions about election outcomes and were proven correct each time, including in 2024 down to the exact number of electoral votes that President Trump won. So to kick us off, starting at the big picture macro level, what's your read on which way balance of power is trending here in early September?

JIM RICKARDS: Sure, I'd be glad to do that. And I'm glad you mentioned our forecast in 2024, but we can get in that wayback machine and go back to 2016. We predicted that Trump would win in 2016 at a time. The polls ... pick your poll, was 95% Hillary, 99% Hillary, literally high 90s for Hillary, had you looked that funny if you said Trump. I was on Bloomberg, live TV, pre-election with their top political analysts and Francine Lockwood who was one of their top columnists. I know Francine really well. She asked us point-blank who was going to win.

And I think it was Mike ... I forgot his last name, but he's one of their top guys. He said, "Well you know, in 1992, we were all in bed by 10:30 because Bill Clinton won in the East and he won early and it was all over, but I think this time we'll be in bed by 10:00. We'll know Hillary is going to win before ... you say by 10:00 at night. She's just going to roll up all the states." And then she turned to me and said, "Jim, who's going to win?" I said, "Donald Trump."

Her jaw dropped. She was kind of in shock, but she composed herself and said, "Well, were the polls wrong? Are the turnout figures going to be different?" I said, "Both." And I kind of dissected and went through it analytically. And of course we were right. Flash forward to 2024, we were the only publication, publication analyst, pollster. I don't care what label you want to put on it. We were the only ones who said that Trump would win exactly 312 electoral votes, which is a landslide. He won seven out of seven swing states. A lot of them are easy. The Democrats are always going to win California and New York.

The Republicans are always going to win Alabama and Mississippi. So you go state by state, you can eliminate about 40 of the 50 states. You just know who's going to win. You're down to 10. A couple of them are easier some years than others. But in this last election, in 2024, the presidential election, there were seven swing states. And there were some other analysts who were saying, "Well, Trump is going to win," but they kind of wimped out. They split the difference. Well, Trump is going to get four and Kamala Harris ... see, I forgot her name already.

Kamala Harris is going to win three or Trump will win the big ones, Pennsylvania and she won't get enough, whatever. We said he's going to win all seven. He was going to get 312 electoral votes and we were the only ones who did that. Now you could say, well, big deal. It kind of felt like Trump was going to win last time. He needs 270 electoral votes to win. Who cares if he got 271 or 312? What's the difference? The difference is the model. Getting that number exactly right, validated the model. We don't make it up. We don't guess. We can be wrong on occasion, but our track record ... I mean Brexit, Trump 2016, 2024, our record is the best.

But what it does, it validates the model. So if the model is telling us it's going to be extremely close, we should expect that, and we can work accordingly. And by the way, I just want to go back Aaron, to your question to Dan, whether our predictions do better and if Republicans are in charge or Democrats are in charge. That's a fair question and it certainly matters. I think we do best when no one knows what's going to happen. An election year coming up to an end result that's very uncertain, but where the difference is huge in terms of getting it right.

And if we can get it right, then we've got a big jump on the economic policy that's going to flow out from that. So yeah, so our track record I think is really second to none, but the importance of getting the number right is not so much that it's one number or another. It's that it validates the models. It validates how we do things and that's what we're doing this time. So with that, by way of background, I can say ... and this is going to sound really wimpy, but not to worry about that.

Our job is to be straight with our readers and our viewers. This is going to be close, but saying it's going to be close is probably a little bit out of the box because a lot of people are saying it's not going to be close. The mainstream media, a lot of the polls right now, a lot of the commentators say, "Well, the Democrats are definitely going to take the House, no question about it. And they have a shot at the Senate. They could get both."

But they're willing to say, "Well, the Senate could remain in Republican hands." And by the way, Aaron, what I want to do on this call, and I want to be thorough, but also leave a lot of time for Dan because we've got some recommendations and some new features for the readers that they'll be very interested in. But I've got it right now that the Republicans will hold the Senate comfortably. That will not be as close as the New York Times would have you believe. And we're not quite at the stage. We're about a month away. Before the election, we're going to go race by race.

So our next issue of *Strategic Intelligence* is going to come out right around the end of September, September 30th, October 1st, give or take a day, that's when we get it out. We'll have a lot of what I'm talking about on this call. And then, the last issue, the November issue ... but we call it the November issue, that's just typical in the publishing industry. But it'll actually be out around October 31st or October 30th. It'll be out before the election. Election is early this year, by the way, November 3rd.

It's the first Tuesday in November, unless the first Tuesday is the first day of the month and it's the 8th, but November 3rd is about as early as it can be. But we'll have our final AWN, final *strategic intelligence* issue out, as I say before ... certainly before the election around October 30th or give or take a day. And that's when we'll go race by race and give you the specific calls. But at this stage, we want to look at the big picture, but also the factors because this is the beginning of how you use the model.

Like I say, you don't just guess, you identify the factors, then you put the factors into the model, then you look at the output, then you adjust it for some other issues that may arise and some uncertainties. But I want to go through the factors there. But right now, I've got the Senate remaining in Republican hands. The House will be very, very close. But again, in a world where everyone is saying it's not a contest, the Democrat is going to take it, that's kind of big news in and of itself and it makes a huge difference. Let's look at the House and go through, as I mentioned, the factors.

The first factor favoring the Democrats is history. This is typically, the first midterm election after a new presidential term. The power that's not in the White House gains between 20 and 40 seats, just a huge number of seats. By the way, I should mention that the margin in the House right now is about five seats. Five or six. I mean, it varies. There's some vacancies, there's some special elections going on, but approximately five seats. That's all it would take for the Democrats to take control of the House of Representatives.

And I call the Democrats the ruthless party and the Republicans a stupid party because when the Democrats are in charge, they are tough when it comes to discipline. They can actually run the place with a two or three vote margin. The Republicans can't because you've got the Freedom Caucus and the Libertarians. People like Tom Massie go out on their own and it's like herding cats a little bit. So you need kind of a 10 vote cushion or maybe even more for the Speaker to run the House with any kind of discipline.

When you have a five vote margin, it's very hard to keep your own people on side. Although I would say Speaker Johnson has done a good job of that, but it's tough, but it'd be nice to see the Republicans get a few more. But the expectation ... again, this is history, first midterm after a new president comes in, the out of power party, meaning the party not in the White House, tends to gain, like I say ... or it's at range, but between 20 and 40 seats. So why do I say it's close?

There are a couple of factors, and I'll start with history. Yes, this is the first midterm after the election of a new president, but is it? Remember, Trump has the first non-consecutive terms of any president since Grover Cleveland, which was 1888. And so you say, "Well, hold on, that's ... what is that? 140 years, give or take 140 years ago." That doesn't fit the norm. Is this the first midterm after a new president or is it the first midterm after a second term? Well, it's not exactly that because we had four years of Biden.

It's the first midterm in the second term of non-consecutive terms, which hasn't happened in 140 years. So I'm not sure the historical model applies in quite the same way. In fact, I'm sure it doesn't. Now, that doesn't mean that there couldn't be factors favoring the Democrats, but I wouldn't put too much weight on that historical precedent for the reason I just mentioned, which is there's nothing normal about Trump. I mean, if you like him or hate him, that's up to the individual. But presidents like Trump come along about once every hundred years. I think the last one is quite as crazy as Trump would be Teddy Roosevelt.

For people who don't know, Roosevelt was ... it's Teddy Roosevelt, not FDR, but TR, Teddy Roosevelt was on his way to give a speech, and he was shot at point-blank range in an attempted assassination and he was bleeding. And they said, "Mr. President, we got to get you to the hospital." And he said, "No, I got to finish the speech." And he went and he gave his speech with a bloody shirt. He was still bleeding, finished the speech, and then he went to the hospital.

People talked about Trump having this ... it wasn't the World Wrestling Federation, but it was one of these martial arts ... I think Daniel White is the head of it, and they built a big exhibition ring on the south lawn of the White House, and they had these cage match martial arts fights in the White House, and everyone was like, "Well, he's destroying the decorum of the White House." Teddy Roosevelt had a boxing ring in the East Room. East Room was right next to the Oval Office, and he had a boxing ring.

He used to have boxing matches in the White House, and he was occasionally in the ring. He was the boxer, and they had other professionals in there. So this has happened before. It's just been a while. And then before that, you probably have to go back to Andrew Jackson, 1836. Andrew Jackson was a fighting general, but he was also a duelist. He killed a guy in a duel and sold his wife. He beat another guy with a cane. He was kind of a, pardon my language, a little bit of a badass.

But he also was the last president to leave office with no national debt. People, all you hear about today are 40 trillion dollars of national debt. That's a big number. We can talk about that on another call. So when was the last time the U.S. had zero national debt? The answer was Andrew Jackson. And who ended the Central Bank of the time? The answer is Andrew Jackson. The U.S. had no central bank from 1836 to 1913. So let's give Jackson credit for that. So Trump doesn't fit the mold. I know the history and I recited some of it, but I think we have to allow for the fact that we're dealing with a bit of a wild card.

The second factor, and this definitely favors the Republicans, is redistricting. The United States Supreme Court in the Callaway case, and it's one of these 200-page opinions, I read most of it, I'm still plowing my way through it, but they said that basically if you build your district, each state has a certain number of members of the House of Representatives, and it's based on population. So the bigger the population, the more you have. California has the most. I think they have 53 or 54 seats. I live in New Hampshire. We have two. It's a beautiful state, but kind of small. Delaware I think has one, but New York has 36 or something. I think that's about right.

So my point being, you have to take your state map and carve it up into districts, and each one is a member of the House and has its own primary and its own elections. Well, those maps matter because of gerrymandering. You can draw lines, you can say, "Well, okay, we have a certain number of Democrats in this area. If we put them all in one place, they get one seat, but we get all the rest because you'll have Republicans." Or sometimes you want to slice them up like a pie, put a few Democrats in every district so they don't win any. And the Democrats do the same things with Republicans. I don't have to pick on Republicans. They do it in California, they do it elsewhere.

So that's been around for hundreds of years. But with computers and AI and data, the degree of sophistication in gerrymandering is scientific. I mean, you can just say, "Here's how many districts of each kind we're going to have whether they favor one party or the other." And depending on the state, you can't wipe out the other party completely, although you can try, and lately they have been trying. But the one thing that was resistant to that, everything I just said, were districts designed to favor Black candidates. The idea that to increase African American representation in the House of Representatives, you could design a district. And I've looked at these maps, you have to see them to believe them, but a picture like a centipede with a hundred legs or something like that, that's the way some of these things are shaped. It's like, "Oh, we got a few votes over here. Let's extend the district five miles this way, two miles that way, and then bring it back. But don't put anything else in it because we just want that one's neighborhood where some group lives, et cetera." They're pretty crazy.

But the idea that you could design districts that would more or less guarantee that an African American would be elected in the district was considered okay. It was not reparations, but it was kind of undo the damage of slavery and racial discrimination and a lot of things that went on in the past.

But the Supreme Court finally said, "No, you cannot do that." That anti-white discrimination is just as bad as anti-Black discrimination. Or put differently, discrimination that favors whites is bad and discrimination that favors Blacks is bad. So that you can basically discard or forget about race as a factor. Or put differently, you do not have to go to great lengths to create an all Black district. You can create districts that don't have any Blacks.

Now, just to be clear, a Black candidate can run anywhere. Just do the paperwork and run and start your campaign. And a lot of them have been very successful and have won. There are very, very successful African American candidates who represent predominantly white districts because they're good. They're good congressmen. And that's the hope for the result. But the idea that you would have in effect anti-white discrimination, the Supreme Court threw it out.

Well, once that happened, the states got to work and Louisiana raced their one crazy district, followed a river. It followed a river diagonally across the state. They got rid of that. They made more rational districts, but it looks like... But that was a Democrat district. That's been kind of erased from the map and it looks like Louisiana might have all Republicans in this election.

Alabama, Mississippi did similar things. Now, the Democrats play the same game. Again, no need to pick on Republicans. California redistricted in such a way that they tried to wipe out four or five Republican seats. Believe it or not, there are a few Republicans in California. They kind of been Orange County in the Central Valley, but the Democrats are trying to wipe them out. So it's a tough game all around.

What's the net of the net? Hard to say because the Missouri map, the Missouri legislature approved it, but the Missouri Supreme Court threw it out. The State Attorney General now has a petition to the United States Supreme Court to say that what the Missouri Supreme Court did is unconstitutional. That's still up in the air a little bit. But on that, it looks like the Republicans will gain, again, hard to say, but eight, 10 seats as a result of what I just described. Well, in a world where they only have a five-seat margin and in a world where a swing of 20 might be expected, if you can claw back eight in a non-traditional way with redistricting, that's a big deal. That could keep the House in Republican hands.

So history favors the Democrats, but I would say history may not be a good guy because Trump breaks the mold. Redistricting is going to favor the Republicans. Enough to swing the House? Remains to be seen, but it definitely helps Republicans to some extent.

Sorry, go ahead.

AARON GENTZLER: I was going to say, based on what you're saying right now, I have a devil's advocate hypothetical. That's how I'll couch it. So don't come at me in the comments, everybody.

JIM RICKARDS: I spent enough time with Jesuits. I know where you're coming from.

AARON GENTZLER: As a devil's advocate hypothetical, couldn't you make a case that this comes down to how people feel about affordability, how they feel about Trump personally, like the Lake Ontario, New America, New Mexico nonsense? Again, devil's advocate, don't come at me in the comments, but lack of progress in Iran, for example. We were told that this was going to be a very quick intervention. As you've spoken eloquently about over recent months, it's getting worse. It's not getting better. Iran is digging in. Affordability, beef prices, this ridiculous dispute with Canada right now. Aren't those going to be deciding factors, don't you think?

JIM RICKARDS: Well, short answer, yes, but let's deconstruct that a little bit. Affordability is the number one issue in the polls. Now, I'm glad you mentioned the war. The war has been a disaster. Iran's winning. Trump can always drop a few more bombs, and Pete Hegseth is probably ready to fly over there himself, but the point is it's not going to do any good. It's like Vietnam. We bombed North Vietnam for 10 years and we lost the war. So bombing has some effect. I'm not saying none, but it's not how you win wars. The way to win the Vietnam War would've been to bring back MacArthur in some form and invade North Vietnam at the time. We weren't prepared to do that and we're not prepared for a major land invasion of Iran. I think it would be a horrifically bad idea anyway, but we're not going to do it.

So we're left with endless bombing. Trump wants an exit ramp. So what Trump has been doing lately is having... It's not a formal ceasefire or an armistice, not even close, but it's kind of like a mutually agreed timeout as the U.S. wants time because we're running low on weapons. And by the way, we just wrote a new article, it'd be coming out to subscribers of one of our publications on the weapons aspect of this and actually defense contractors to be looking at. And the reason we're running low on weapons, partly the war in Iran, but partly because we wasted so many in Ukraine.

And again, we said to our readers in 2022, over four years ago, we said Russia was going to win the war. Well, Russia's winning the war. That's why Jared Kushner and Steve Witkoff, the dynamic duo, the amateur diplomats said they're not very good at it, but they're in Kiev right now trying to get Zelenskyy to see reason. Good luck with that. But the point is Russia is definitely going to win the war.

But the amount of weapons, 155 millimeter shells, Patriot anti-missile batteries, attack missiles, HIMARS, these are precision guided artillery type missiles that we wasted in Ukraine. We put in seven patriot anti-missile batteries in Ukraine. They're a billion dollars a piece. I know we're all taxpayers on this call. That's where your money went, a billion dollars a piece. The Russians blew up all seven of them because patriots can shoot down cruise missiles, but they cannot shoot down hypersonic missiles. Guess what? The Russians have very advanced hypersonic missiles and they're firing them and blowing up the Patriots. So now we're in Iran in a war in Iran trying to protect our bases in the Middle East, in Kuwait and UAE and Bahrain and elsewhere. And everyone's like, we're running out of Patriot missiles. Well, that's because you wasted them all in Ukraine. So really, just really badly misguided policies.

And Trump once said, "Get out," Iran won't give them a break. I mean, Iran doesn't have to stop every vessel in the Strait of Hormuz. They only have to blow up two or three a week to get the captains to think twice about going through, not to mention insurance companies, the crews, the vessel owners, the cargo owners, and everyone else involved to drastically cut down on the exports. There have been a lot of workarounds. There's more oil getting out in different ways than was expected at first, but the reserves have been drawn down. It's a very dire situation in Iran.

Having said all of that, it's not clear the American voters care that much. To your point, Aaron, they care a lot about affordability, and we'll talk more about that. But the war in Iran, if you just poll on, do you favor the war in Iran or not, a majority do not favor it. They're not in support of this war. It's very clear from the polls. But when you ask a different question, you say, "Rank your five top issues in this coming election," the war is probably number six. They'll talk about affordability, immigration, open borders, crime, taxes, et cetera. And then the war is on there, but it's not a driving issue. So let's pivot to affordability.

The Democrats are banging the drum about it, and inflation is persistent. People forget, they say, "Well, inflation right now is about..." By the way, there are 15 different inflation indices, so it's like Baskin-Robbins flavors, pick your favorite. But 3.5 to 4% is about where inflation comes out, again, depending on the index. People go, "That doesn't sound too bad." In 2022 under Biden, it was 9.1%, and it was. In June 2022, the inflation that month over the prior year annualized was 9.1%. And people say, "Well, gee, 3.5 doesn't sound that bad," but they forget that the 3.5 is on top of the 9.1. In other words, it's not like we never got that back. People would go, "Inflation's going down." No, it's not. The rate of inflation is going down, but inflation is still going up, and every price increase every month is on top of the ones we already had. So that 9.1% in 2022 is still there. It's embedded in the price of everything you buy at the supermarket plus, plus, plus.

And there's nothing benign about 4% inflation. 4% inflation cuts the value of the dollar in half in 18 years, cuts it in half again in 18 years. So that means in 36 years, which is a typical working career between 25 and 60 or so, the value of the dollar goes down 75%. So there's nothing warm and fuzzy about 4% inflation. So it's a problem. Having said that, so that issue tends to favor the Democrats, and it is high on people's list, but Trump has been making a lot of inroads. The price of prescription medication has come way down. The Trump RX program and other initiatives are taking. They're trying to get lower tariffs on imported beef. The cattle ranchers in the U.S. don't like it, but nothing wrong with Argentina and Australia and other beef trying to get those prices down.

Price of gas at the pump, is it going back down to 320 a gallon for regular where it was a year ago? No. But if they even got it down from $5 to $4.50 or $4.25, people say, "Well, it's still high, but you're moving in the right direction," and give them some credit for that. Affordability favors the Democrats, but I don't think it's a lost cause for the Republicans because the Trump administration, White House, they're targeting very specific things that people notice, and they are getting the prices of those individual things coming down.

AARON GENTZLER: Got it. Dan, I want to come to you. I've said several times on these calls in recent months that I think *Strategic Intelligence* has the smartest, most sophisticated readers of any publication. Some of these questions that are coming in from the chat, I'm going to put one into the question that I'm going to ask you. And I want to ask you, construction of the *strategic intelligence* portfolio, how do you mentally play the chess to construct a portfolio to insulate against changing political wins? It sounds like we may be on the verge of experiencing it in November. And the second part of the question, this is good, this came from the chat. You wake up the morning after election day, what do you see that says we need to make some hard decisions in the... What would be a worst case scenario that you would say we need to make some hard decisions when it comes to portfolio allocation?

DAN AMOSS: Sure. Yeah, that's two big questions. I would say how do I construct it? First of all, I pay very close attention to everything Jim says, including his interviews and his articles. And we have worked together for over 10 years now. It's been a great relationship and education, and I apply a lot of classic value investing principles in terms of accounting and finance and capital cycles. That's something that I've emphasized a lot more recently when I've talked about the lack of investment in energy, in oil and gas upstream, and in oil services. Just the entire sector after basically almost 15 hard years, the return has de-capitalized itself.

They've done a lot of M&A, they've done a lot of cost-cutting, downsizing, consolidation of facilities. And that's where I see a lot of opportunity because I think the best returns come from when you study these cyclical stocks throughout big, big cycles, there's a time to own them and a time not to. And you basically get to identify what the signs are that returns are coming and they're coming soon. Politics can accelerate it. It's not dependent upon politics, but just tying it to right and left and what I would do in response to a surprise morning after the election result.

Now, a surprise would be a Republican sweep or a Democrat sweep, out-performance from the expectations. On the Republican sweep, I think the main beneficiaries of that would be an acceleration into year-end from call it November through year-end because there's always a money manager race, so to speak, to performance rate chase into year-end. I think the energy and the defense stocks would see accelerated returns.

But in energy it would tilt with Republicans more towards oil services because everyone out there on Wall Street, when you're running cash flow models and earnings models on these companies, you want to think about not just next year, next quarter, but five years out, your confidence level and your estimates. And if Republicans outperform, we will see a bigger sense of urgency to maintain favorable tax and regulatory policy for oil companies. That will give the oil company boards a lot more confidence that, hey, you can make a five to 10 year investment with a high degree of certainty. And then you have the game theory basically of musical chairs.

The oil industry upstream with your Exxon, Chevron, et cetera, they've basically been in maintenance mode. They haven't really secured a lot of rigs looking out five years and secured a lot of frack crews and things like that. If they all decide, "Hey, we're going to be drilling at a faster pace a couple years out, we better secure that equipment and those rigs now." And so then you get into a chase to secure capacity and pricing power goes to the oil service industry. And that's where I think the biggest upside surprise could be. It's why I've emphasized so many oil service and equipment names in recent months of *strategic intelligence*, because I think looking out two, three, four years, I think their pricing power will increase and that's not reflected in their estimates now.

So that's one example of a political surprise, what I do.

Now, if we wake up and there's a Democrat sweep surprise, which frankly, I'll be honest, I don't want to see and probably most people in our audience don't want to see because it's not good for capitalism or our country or anything. I think it will turbocharge, and I mean turbocharge the precious metals bull market.

I think at this point under Trump and under the status quo for a lot of big long-term picture reasons that Jim can get into, I think we're in a steady gold bull market that just nice, slow and steady, but I think that will just cause an acceleration in those sectors because for one, and this ties to AI and the CapEx as Jim mentioned, and he's mentioned in a lot of recent videos, if you break down the economic numbers, the AI capital spending phase is really driving private capital investment in the US.

Clearly the left is more opposed, if I were to say, if they win and they win in '28, I mean we'll see moratoriums and data centers and all that kind of stuff. And basically going after the mentality saying to the little guy, let's go after Wall Street, they've done very well, let's do punitive taxes and regulations and all that stuff.

And so I think all those data center plans would just be canceled and as a result, the economic growth would slow and you would see, and Jim can go into more detail, you would see probably the 10-year yield go from five to two or one. It'd be much more of a Japanese scenario where you wouldn't see a lot of private sector activity. And then to cushion the blow of that private sector slowdown, you would see the governments, the Democrats always have, and they had this with Biden, they have an entire wishlist of social programs that they want to add to the budget, and they will just start passing that like crazy.

And so this is a picture I think that Trump should be painting here to campaign for Republicans that's coming down the pike. The budget will just get out of control, will look more like Western Europe, and we'll have to rope the Fed into monetizing a lot of that debt. And that's what I think really plays into the super acceleration of the gold bull market phase. So those are some overarching thoughts.

AARON GENTZLER: Jim, I want to ask you about three letters which are popping up more and more recently, the DSA, the Democratic Socialists of America. And if you really want a good scare, search their national party platform, getting rid of certain institutions. It's much bigger and worse than free bus rides and city-owned grocery stores in New York City. And the joke, this was the woman who was running in Michigan or Minnesota, she wanted to abolish Thanksgiving because of... Anyhow, point being, when it comes to the DSA, some of the craziest things you can think of, that's what they stand for. You can say what you want in the comments on that one. That's not a hypothetical, that's just me saying what I think looking at these people's platforms.

But Jim, they've won primaries. They're running for Senate. They could be a part of the "blue wave" if we get one in the House. How do you view the viability of DSA candidates? Is it analogous to the Tea Party some years ago? They're going to be a very strong, very organized voting block among the Democrats in Congress if things break that way. Are they too radical to truly be elected in most instances? How are you preparing for what's possible with these DSA candidates?

JIM RICKARDS: Well, what's possible is something not unlike the Bolshevik Revolution. First of all, Aaron, you're exactly right, is the Democratic Socialists of America, that's what they call themselves. But socialists is a euphemism. Don't fall for it. They're communists. When I say communists, I'm not name-calling. They call themselves communists. You made reference to, they recently had a convention and they adopted a platform. They're a party within a party.

The Democratic Socialists of America consider themselves a separate party, but they caucus and they form within the bigger Democratic Party. So they'll be on the ballot in November as Democrats, in the Democrat column, even though the candidates are all members of the DSA who call themselves communists. Again, it's not me calling them names. And they're proud of it.

And it used to be that they would hide behind the socialist label. Bernie Sanders, senator from Vermont, good example, he's not a Democrat. He's a socialist. He runs as a socialist. Now, when he gets to the Senate, he caucuses with the Democrats. He's a Democratic vote. He was a committee chairman when the Democrats controlled the, pardon me, controlled the Senate. Now he's a ranking member of the Senate Budget Committee. He's one of the most powerful Democrat members of the United States Senate. But he's not a Democrat, he's a socialist. But it was always a euphemism. They're communists, pure and simple. So that's the first thing to know.

Secondly, they've come up with a strategy which is extremely clever. They identify districts that are just solid Democrats, blue in the jargon. And I said earlier, there's certain places that are always going to be Democrat. There's certain places that are always going to be Republican. And if you're an analyst and you want to predict outcomes, you have to look at the swing districts, which there aren't that many of them. There might be five or six in the Senate, six or seven states in a general election, and maybe 20 or 30 in the House of Representatives, but not 435.

Again, most of these are fairly easy to predict. So they start by looking at solid Democrat districts. It doesn't matter who the nominee is. If you're a Democrat, you're going to win the election. So they're called safe seats. But what you do have to do in those situations, you have to win the primary.

You're pretty much guaranteed to win the general election, but you have to win the primary. But they come in, they know that the turnout in primaries is not that great. It's a lot less than the general election. So with a candidate with enough money, and money is the key to this, you can beat an incumbent, you can beat a mainstream or established Democrat with your communist candidate.

And then once they win that primary election, they're guaranteed to win in November and be sworn in as congressman or women in January. How many of them are there? Well, there were three who did exactly what I described. They won primaries in all blue districts in New York and the New York primary about two months ago. So okay, count them in. There are six or seven who are already in the Congress. Now the squad, AOC being the most famous, Cori Bush, there are a bunch of them. So six or seven, Rashida Tlaib, I think her name is, there's six or seven of them in place right now. They're going to be joined by maybe as many as 10 or more. So you're going to end up with a 15 to 20 member communist caucus inside the larger Democratic Party. Let's just say the Democrats serve 217 votes.

And again, I'm not ready to make a final prediction on that. I'm leaning to saying the Republicans can hold, but they might not. The Democrats might win. But either way, it's going to be in the low 200s. I don't know, if you said 220, let's say, which would be a majority actually, you might have 20 or more communists. I'm not talking about liberals. I'm not even talking about progressives.

They don't think that progressives are radical enough. And so some of the people they've targeted are progressives. They're like, "Well, no, we don't want progressives. We want communists." So that's going to be a large group in the Democratic Party. They might kick out Hakeem Jeffries, who's the Democratic Party leader in the House of Representatives. We'll see how that plays out. The question of whether the Democrats take control or not is an open one. We're going to analyze that very closely. But the issue of whether you're going to have at least 15, maybe more communists is not an open issue. You can see that coming for the reason I mentioned.

Now, there are some seats where the communists won the primary, and they're going to be on the ballot in November where they might be a little too radical for the population of the state. And this is one of the reasons I say that the Democrats are going to hold the Senate, and Michigan is a good example. So it's one thing to say, "Okay, hey, I'm a communist, here I am, but I win a primary in a district where I'm guaranteed to win the general election." Okay, now I'm in the House of Representatives. But the Senate is not by district, the entire state votes. And that's where if you're a communist or a radical, you can still get the primary using the method I described, which is basically combination of money and low turnout.

But you might be a long shot to win the Senate seat in the general election where even the Democrats have some common sense, most of them anyway. And this is happening in Michigan. A lot of Democrats have come out and said, "I'm voting for the Republican. I've been a Democrat all my life, but this is too much." So that actually favors Republican control of the Senate because the Democrats have gone too far in pushing communists for Senate seats. House districts, completely different dynamic, but the Senate is much more, because it's statewide, you're not going to get as much support for the communists.

Now, why is this such a big deal? You have to look at their platform. And again, there's no crystal ball. They've actually told us line by line what they're going to do. They want to expand the Supreme Court to 13 members. So right now it's nine. If you expand to 13, you get four. In a world where the Democrats either take the Senate this year, 2026, or win the White House in 2028, you get to fill those four seats. And of course, right now it's six-three conservative. Chief Justice Roberts is a little flaky at times. Sometimes you get these five-four votes, but they've been pretty consistently six-three favoring a conservative interpretation of the Constitution.

But if you put four more radicals on, all of a sudden it's 7-6 in a 13-member Supreme Court and the radicals win. So this would go a long way to destroying the United States Constitution. I mean, there's a lot at play here. I don't think that the 13-seat change is going to go through, but it's on their agenda.

It's at the top of their agenda. They want a wealth tax. A wealth tax is not an income tax. We already have an income tax. We all pay income tax. And when you invest, you're investing after tax dollars. So you make some money doing whatever business you're doing, your career or job or whatever, and you pay taxes, you take the after tax amount and then you invest it in your portfolio, but you're investing after tax dollars.

You would think that would be the end of it. It's like, "Hey, I pay my taxes. Why can't I keep this wealth?" Well, we all know if you buy stocks and you sell them down the road, you got to pay tax again on the gains on the stocks. The democratic socialists or communists want to go a step further. They're like, "No, we don't care if you sell it or not. We're just going to look at your portfolio and tax you X amount on what you have. It doesn't matter if you sold it, doesn't matter if you bought it with after tax dollars, et cetera. We're just going to take part of it in the form of taxation."

And taxation in general is an exception to rules against confiscating private property without compensation because the power to tax is separately enumerated in the Constitution. Now, whether the particular type of tax would withstand constitutional scrutiny, I don't know, that's a close case. But what if they had 13 seats on the Supreme Court, including four more radicals? I mean, this is all connected. And it kind of goes on from there. They'll seize property.

They might give you some kind of a due bill or some compensation that wouldn't be worth very much, but they want to take over housing, turn it over to the poor supposedly. The Green New Scam will be back in force and so on. So they want to actually abolish the Senate because the United States Senate, it's a popular vote, which goes back to, I think the 21st Amendment, might've been the 22nd Amendment, but sometime in the early 1920s. A lot of Americans don't know that prior to 1920, senators were appointed by governors and state legislatures. Senators were not elected by all the people of the state. They were appointed, as I said, the governor could pick one or sometimes the state legislature would vote on it, but there was no popular vote even on a statewide basis.

And it was part of an earlier progressive movement, which also had communist influence between 1890 and 1930, although probably continued through FDR's administration. But that earlier progressive movement said senators had to be popularly elected, which they are today. But now they're talking about abolishing the Senate completely because they're two per state. Every state gets two senators. It doesn't matter how big you are. So again, I live in New Hampshire, small state. We have two senators. California has, I don't know, 50 million people. They get two senators.

The communists don't like that because New Hampshire's just as powerful as California in the Senate. So turning the Supreme Court upside down, abolishing the Senate, opposing wealth taxes, sorry, imposing wealth taxes, confiscating property, this is the real deal. This is the communist agenda. They say so, they're proud of it. And that's what you're going to get to some extent after this next election.

AARON GENTZLER: Take your most terrifying and multiply by two, and that's what's possible with these folks. Dan, I have a question for you after just a few quick notes. First, a couple minutes ago, you should have seen a link pop up on the screen. If you click on that link, that takes you to a special offer for *Strategic Intelligence* Pro, which is the highest level of *Strategic Intelligence* membership. You get extra interview content with Jim and the analyst team. You get extra picks per month. That's a special offer. It's specifically about this DSA question that Jim just answered. So take a look at that special offer. It's good today for viewers of this call. It'll open in a separate window. It's not going to take you away from what you're doing right here.

Second quick note, it was brought to my attention that even though I said it was a devil's advocate hypothetical, as soon as I asked that question a few minutes ago, I was accused in the chat of being a Joe Biden supporter. To that person, I'd say, "Welcome. You must be new here. You must not have listened to too many of these calls because I am certainly not that." Just want to clear that up for the record so that it's on the transcript.

Dan, you mentioned a minute ago that a Democrat sweep would be good for precious metals, how closely you're paying attention to oil E&P plays right now. Is there a scenario where, say it's a split Congress, let's assume that Democrats retake the House, Republicans hold the Senate. After election day, the market goes into one of those steady as she goes type moments where nothing really races higher, but then we don't see a lot of stress. Do you think that it's possible that we could get through this pretty cleanly?

DAN AMOSS: Yeah, that's possible. So that's why, again, so I would describe it as the trends that we're looking for are imagining the world, and Jim often mentions this, we want to be talking to you guys about topics and things that you'll be reading in the Wall Street Journal and the mainstream media in six or 12 months. So we're always trying to think a year or two or three ahead. And one thing that I often mention in our internal editorial calls is the changing nature of the stock market itself over the past, call it 20 to 30 years that I've been paying close attention to it, it is much more short-term oriented. It is much more, call it recency bias. A lot of quantitative algorithmic trading happens, a lot of overnight S&P 500 features trading and NASDAQ-100 trading happens.

So a lot of this pricing activity that you see in the market and it's driving stock charts is driven by pre-programmed algorithms. And Jim often mentions a lot of these algorithms are only as good as the input and the data that they have. Well, if their data is assuming that the future will always look like the past, they're going to have some big surprises, so to speak.

And just with the scenario Jim just outlined about democratic socialism, if that's the way Democratic Party goes, I don't know if they're going to have their moment where they have a big internal political fight and they branch off. But the scenario that they're painting there is making the US not look like Western Europe, but more like Cuba or Venezuela. That's where it's really, really bad and defensive.

The best you can do in that scenario is precious metals, maybe consider a second passport and things like that.

AARON GENTZLER: Yeah.

DAN AMOSS: I really, really don't want to see because, like Aaron mentioned, we're all Trump supporters just to be honest here. But if we can all agree on principles, conservative principles, we have disagreements as to mistakes made and opportunities lost, we all want to see the best for the next generation and to not just have an opportunity to invest now, but five years from now, 10 years from now. I'd like to have a healthy stock market to analyze. I mean, that's what I do for you all, and that's a part of what makes America great and exceptional.

AARON GENTZLER: Jim, final question for you, I believe. This one came in through the chat. The Green New Scam, which is a phrase that you essentially coined and then Trump and members of the administration picked up-

JIM RICKARDS: Right.

AARON GENTZLER: ... during the Biden administration, taking into account everything that you said about the DSA and what they're advocating for, policies like grassroots style policies in certain communities rising up. Is the Green New Scam gone, off the table, no longer a policy conversation at a national level, or is there a scenario in which we roll back the clock and we go back to that just endless, endless regulation and red tape?

JIM RICKARDS: That's a great question. I think if the Republicans can hold the House, or even if they don't, if they hold the Senate and the White House for two more years, and then maybe in 2028, who knows, it's way too early to talk about 2028, but whether it's JD Vance or Marco Rubio or Ted Cruz, I think they'll all hold the line and that little by little it's the end of the Green New Scam. Even the supporters are embarrassed to talk about climate change is real. It's been real for a hundred million years, but it's not caused by CO2, it's not caused by anything humans do, et cetera. That's all nonsense.

It's just junk science based on models. Bad models will get you bad results, but it's been used as a political cudgel. Aaron, it's to the point, it's actually getting absurd. It's kind of hard to tell what's legitimate news versus the Babylon Bee because they're looking more and more the same. But I read a long article the other day. It's like, we all know electric vehicles and internal combustion engines. I've got a 350 horsepower sports sedan, top speed 155 miles an hour. I like it just fine, but my daughter has a Tesla, so that's fine. I'm all for choice. As long as there are no subsidies. I don't like handing out $7,000 checks when you buy one. I want my money back on that.

But the problem with electric vehicles, and like I say, enjoy it if you like them, but they have short range, much shorter than they advertise, and there aren't enough charging stations, and there's what they call charging anxiety, which is range anxiety. That's the name of it. You get in the car and you're like, "Am I going to make it or am I going to have to stop for dinner just to charge my car and all that stuff?" So they have a solution. Detroit came up with a solution and I read this and I was like, "I can't believe it." They're putting gasoline engines in electric vehicles with a small gas tank to run on so-called fossil fuel, run on gasoline basically, to charge the battery so you don't have to stop for chargers.

But what's the point? Why don't you just get an internal combustion engine? And they're like, "Please don't call them engines. Don't call the motors. They're generators." So now if you own this new kind of electric vehicle, they've got some fancy name for it, you're going to have to stop and get gas to put gas in the gas tank to run the internal combustion engine to charge the battery so you can keep going in your so-called electric vehicle. That's pretty absurd. I understand the engineering, but again, I'm like, "Why don't you just cut out the whole battery scene?" That's how bad it is. Well, that's how desperate they are to cling to it, but they never did really catch on.

And now that they've been around long enough, people are realizing the resale value gets really close to zero because the batteries are $30,000. I run the largest privately-owned solar field in New England, and I know how much my batteries cost. They're not cheap. And so it's like, why do I want to buy a used electric vehicle if the first thing you have to do is buy a $30,000 battery to keep going and et cetera, or just buy new ones? So I think it's kind of running out of steam on its own. The success of Tesla is really going to be based on technology and self-driving vehicles more so than everybody should have an electric vehicle. So I think the short answer is the Green New Scam has been revealed as a scam. More and more scientists are coming out saying, "Yeah, we shouldn't be intimidated by these United Nations and Democrat kooks. CO2 is not really a problem."

In fact, the opposite, we need more CO2. People forget CO2 is plant food. Humans take in oxygen and we expel carbon dioxide. See, I just blew some of my hands. I'm not dying of poison. But CO2 is absorbed by plants and they produce oxygen that we breathe. It's a cycle. I learned this in fifth grade biology or something. But there is evidence that the planet is getting greener because of CO2 emissions, which makes sense because this is plant food. So I think it's falling down, but you can't rule it out because if the Democrats win, they'll bring it right back.

AARON GENTZLER: Gentlemen, thank you so much for your time. Jim, thank you for meeting with everyone today. I want to end this as close to 3:00, right on time today as possible. Once again, if you click that link that popped on the screen a few minutes ago, that's a special offer to join *Strategic Intelligence* Pro. If the moderator can drop it into the chat, that's a link to sign up for special text messages from Jim and his team as we get closer and closer to Election Day. Keep you ahead of all the latest news, the biggest threats and pitfalls and opportunities as the election continues to take shape.

Full portfolio commentary coming from Dan later today. Also, the transcript and recording of today's meeting, you'll get that as soon as it's ready. I believe the recording will come out today. The transcript you'll probably get tomorrow. Jim, they said in the chat that it was too much politics today. I saw that a couple times.

JIM RICKARDS: Okay.

AARON GENTZLER: I don't personally think that there's such a thing as... I could sit around and talk politics all day, every day. This is a final word for you. I'm going to give you the final word. Someone who's very market focused, they're focused on their retirement accounts, building income for the future, and they don't really want to talk a lot of politics. Can you just wrap it up for us and give us that answer why we need to pay attention to politics and why it affects the market so much?

JIM RICKARDS: Yeah. A couple things, Aaron. First of all, I had five more factors on my list we didn't get to, but that's okay. They will all be in the October issue of *Strategic Intelligence*.

AARON GENTZLER: Okay.

JIM RICKARDS: So, we didn't get to them today, it's okay, you won't miss a thing. Just read the October issue, which will be coming out at the end of the month. I don't blame the chat room commentator. I run into people all the time, smart people, people who are very aware of this. They just don't want to talk about politics. They're sick of it. My answer is, "That's okay, that's our job." But if you don't pay attention to the politics, you're not going to understand the economics. To say that the Democratic Socialists of America, do we want to talk about communism and packing the Supreme Court? Probably not, gives most people a headache.

But if they impose a wealth tax, that's going to do more damage to your portfolio in one vote than everything we've been talking about for years, because they're just going to take a piece of your portfolio. They don't care if it's pre-tax, after tax, sold, unsold, realized or unrealized. They're just going to take it. That's what the communists are going to do. They're coming on strong. So you have to pay attention to this. So I sympathize with the idea that we'd rather talk about portfolio construction, but it's hard to talk about that intelligently, pardon me, unless you've got the political landscape right, because that will determine which path we go down.

AARON GENTZLER: Well said. Well said. Perfect end to today's call. Gentlemen, once again, thanks so much for your time. Thank you everyone for tuning in, and we will talk to you again next month as the election gets even closer. Thanks. See you later.