



# USD DOMINO SURVIVOR



**Surviving Financial Collapse  
Your Guide To Financial Freedom And Security**

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# CHAPTER

1

# THE BEGINNING OF THE END OF THE US DOLLAR



There is a storm brewing in the global economy, and the US economy is at the heart of that storm. When it breaks (and at this point, its breaking is inevitable), it is going to destroy the world as we know it.

Oh sure, the world will go on, but the new order that arises from the ashes of the old will look, feel, and act quite differently than the order that you grew up in, and are used to.

In the current order, the US reigns supreme, and the US Dollar was the world's default currency, which it has been since the end of World War Two. EVERYTHING is convertible to dollars because everyone wants dollars. Even oil is priced in dollars. If you want oil, first you have to buy dollars, then you use dollars to buy oil.

That, of course, puts the country that prints the dollars in a remarkably powerful position. After all, since everybody wants your currency, you can do fun things like run long-term trade deficits without having to worry about balancing your accounts (the balance is made up by the fact that everybody wants your dollars, so they do not mind holding onto them). It

also allows you to just “print” more dollars because there is a readily available market FOR them.

Of course, if you do too much of either of those things, eventually the bloom comes off the rose. The demand for dollars is, after all, finite, and once supply equals, then exceeds demand, basic economics tells us that the price of the good or service will begin to fall toward zero.

Have you observed what’s been happening to the value of the US dollar in recent years? If you have not, I’ll show you a graph that will probably disturb you:

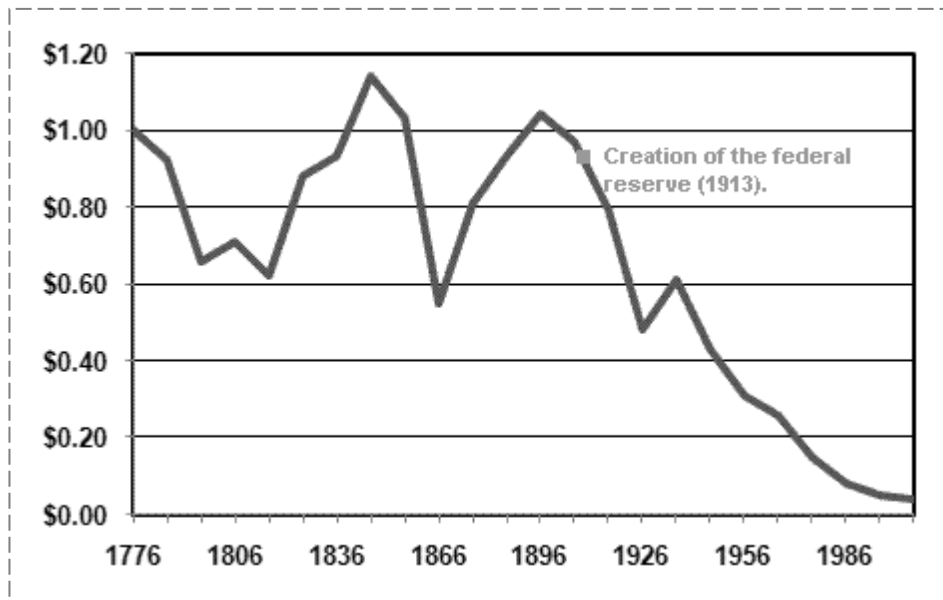


Image credit: <http://www.intellectualltakeout.org/library/chart-graph/value-us-dollar-over-time>

As you can see from this chart, the mighty have fallen, and boy have we fallen! Since our nation’s founding, the value of our currency has dropped by some 98%! Sadly, there is just not that far left to fall, and what do you think happens when the value of our currency hits zero? How many people do you think will still want dollars when that day comes?



The problem is actually worse than that, however, because before the value of the dollar hits zero, all those people who are currently content to hold dollars (like say, for instance, China, which holds an enormous portion of our nation's current total debt) will try to sell them in order to convert them to some other currency that's actually WORTH holding.

When they do that, it will, of course, flood the market with yet MORE dollars, pushing the price lower still, and hastening the demise of the current system. That, in broad terms, is what we are facing, so the title of this chapter is actually a double entendre, though it is more disturbing than funny, because the system as it is currently constituted is set up to fail. WHEN it fails, millions of innocent people are going to be hurt and will suffer for years, and perhaps decades.

Those people are the ones for whom this book was written, and I am glad you are reading these words, because I want to spare you from the worst of what it to come.

## **A BRIEF HISTORY OF CREDIT, MONEY, AND BANKING**

### **How It All Got Started**

Before we get to solutions, we've got to talk about root causes. In the introduction, I painted a quick-but-vivid picture of the current situation, but the root PROBLEM is actually much, much older, and it is an interesting story. It is worth telling because you need to know exactly what you are up against.

You need to understand that when the current economic system falls apart, the vultures who set the whole thing up to fail will still be there. They'll be lurking in the shadows of whatever new economic order arises, and once the chaos boils down to a simmer, they'll put in another appearance and quietly take the new system over, with the intent of sucking even MORE wealth out of the global system because that's 'what they do. That's 'what they continue to do until there is simply nothing left.

Our modern banking and financial system was actually created in Renaissance Italy. During that time, Italy wasn't a unified country, but rather, a motley collection of competing city-states.

These city-states lived and died by way of international trade. As such, they were in almost constant contact with other parts of Europe and the Middle East and India. This put them in the position of dealing with a wide variety of different currencies.

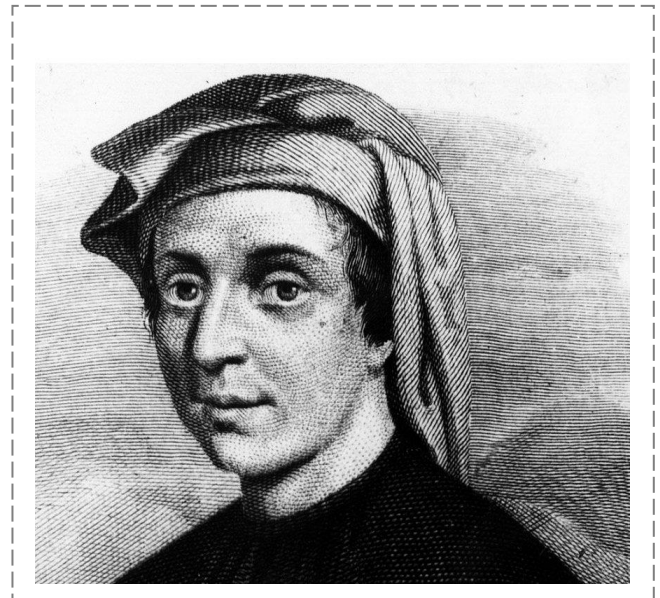
Back then, all accounting was done by way of Roman numerals. You can imagine what a nightmare that was, right? If you get XVII coins of one type in, converted them into local currency, then shipped out IIII worth of goods out....well, you can see how the system would be time and labor intensive from an accounting perspective, and it was, but that was only ONE of the problems.

Another? Roman numerals do not have a value for zero.

Think about that for a moment. Zero is actually REALLY important in terms of balancing your accounts, right? Because in order for an account to balance, by definition, assets and liabilities should be equal, which means that assets minus liabilities should come to zero if you are in balance, and the number system they were using FOR accounting had no way to express that. Sounds pretty stupid, doesn't it? But that's the system they were saddled with.

Then a man named Leonardo Fibonacci published an essay in 1202. If that name sounds familiar to you, then you probably read Dan Brown novels. Yup. Same guy who created the "Fibonacci Sequence," and the "Golden Ratio."

In the essay he published in 1202, he outlined how business would be better off, by far, if they switched to Arabic numbers for accounting. He went on to demonstrate several accounting calculations that would have taken a scribe HOURS using Roman numerals, but which could be completed in just minutes using Arabic numbers.



From an efficiency standpoint, it was a big win. It saved tons of time, and made the business of business in Renaissance Italy run faster. AND the "new" number system included the number zero, which made the act of balancing accounts possible for the first time ever.

The essay caught on, and in less than a hundred years, the new accounting system had spread to much of Europe and Roman numerals for that purpose began falling into disuse, but that was only the first part of the equation. That was the catalyst, to be sure, but there is more.

During that time, Italian traders were aggressively looking to expand their markets to new, far-flung lands. It was that desire to expand trade that led to Marco Polo's famous expedition to Asia in 1271 (he was the first European to reach China). Remember, all of this is more than two hundred years before Christopher Columbus' discovery of the New World!).

There was a problem though. The problem was that long expeditions, whether over the sea or over the land, were very risky propositions.

They were risky precisely BECAUSE there were so many unknown factors.





A bold explorer needed money to fund his expedition, but the investors had no way of knowing if they'd ever see the explorer again. If you were a rich guy living back in that time, and an explorer came to you needing money, say, the equivalent of \$10,000 in today's money, would you finance him if he offered to repay your \$10,000 if and when he got back?

Of course not! You'd need that amount, plus something for your risk, right? Interest. And that was the problem. Christians were FORBIDDEN to charge interest on money lent. As you might imagine, that made GETTING financing for such expeditions, because if you could not charge any interest on the money (and you really could not, or else you would be excommunicated by the Church), then why would you ever do it in the first place?

Of all the city-states in Italy, the crown jewel was the city of Venice. Thanks to its location, it had the most contact with those far-flung, exotic lands, and grew the most powerful because of it. It was the Venetians who hit upon the solution to the "no-interest" problem, and their solution gave them a powerful advantage over their competitors.

The city of Venice had a large Jewish population.

These people were required to wear a yellow ribbon on their person if they remained in the city for longer than two weeks so they could be readily identified, and they were confined to a specific quarter of the city (which came to be known as the "Jewish Ghetto."). They were even locked IN this ghetto at night in order to keep them separated from the rest of Venetian society.

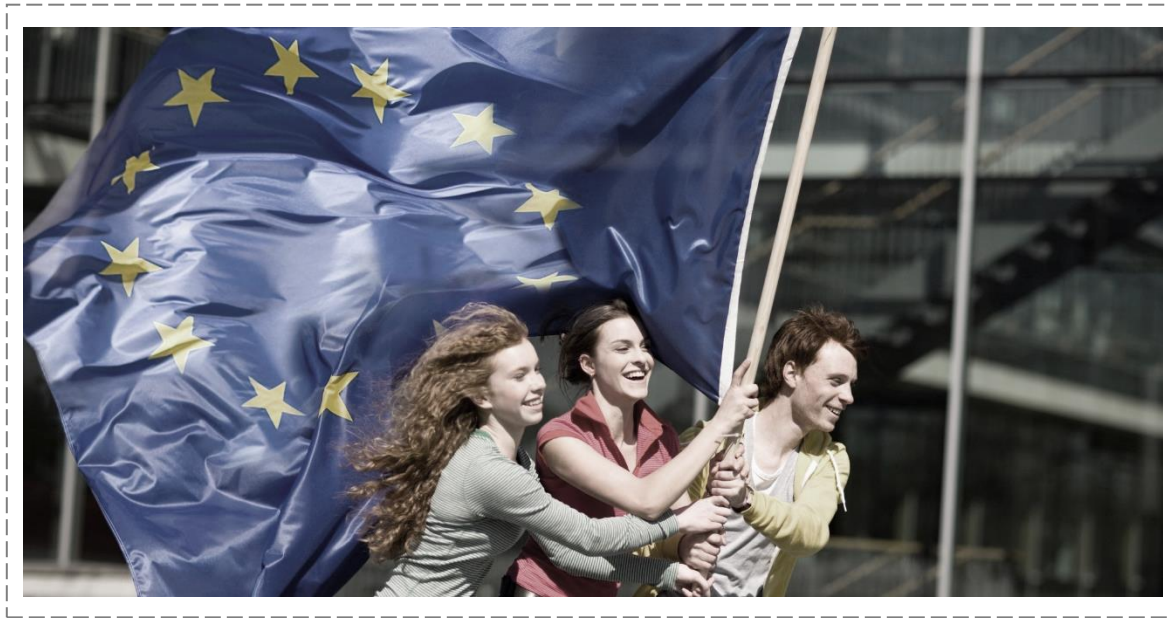
This is a HUGELY important detail in the creation of the modern banking and financial system because unlike the Christians, the Jews were not prohibited by their religion from charging interest. This obviously created some tensions between the Christians and the Jews, who regarded the latter as engaging in sinful behavior by being "users." That is, charging interest on money.

They were treated as pariahs, but the Doge of Venice clearly and quickly recognized how important this function could be, and allowed them to conduct their business inside the Jewish ghetto, which of course, created a kind of love-hate relationship with the Jews.

On the one hand, would-be explorers, Princes and Kings desperately NEEDED their money. On the other hand, that money came with a price, and this fact goes a long way toward explaining why the Jews have been considered outcasts, lesser, shifty, and all sorts of other things in Europe's long and bloody history.

That goes back to biblical times, actually. Remember the story of Jesus casting the money-lenders out of the Temple? That happened because they were charging interest on their loans, which of course, the new faith that Jesus was establishing back then forbade them to do, so this idea has been with us for a very long time.

When you put those two things together though, the adoption of the Arabic number system and the concept of zero, with the Jewish ability to lend money at interest, and then combine that with an era of global exploration, what you get as a result is....a blueprint for our modern banking and financial system.



## FAST FORWARD TO MODERN TIMES

In short, you've been lied to.

In school, you were probably taught about the “fractional reserve system,” and the ability of banks to create money. The story, according to most text books is that you take money that you’ve earned, and open up a savings account. Say you have a thousand bucks.

The bank takes that thousand bucks, keeps it in a lock box with your name on it, and uses it as a reserve to make \$10,000 worth of loans, at interest, thereby “creating money.”

That sounds great, and it looks really good on paper, but think about what that’s actually saying for a moment.

Under that system, lending FOLLOWS deposits. The deposits have to happen first, or the bank can’t lend any money. The reality is that it works nothing like that.

If a bank has a prospect who needs a loan, they go ahead and issue the loan, creating money by doing so.



Then, after the fact, if they find that their “fractional reserves” are insufficient, they simply borrow money to hold onto to make up the difference. If they get a deposit from you, great.

That’s that much less they have to borrow, but they could care less whether you deposit money with them or not. It doesn’t interrupt their operations, or even slow them down. In other words, bank lending happens entirely independent OF your deposit. The bank is in no way required to wait around for a deposit to be made in order to lend money.

That’s important, and we will show you why in the next chapter. For now, it is important for you to understand that all money in existence in the US economy was “loaned” into existence at interest.

By definition then, that means that if payment on all outstanding loans were made right now, today, there wouldn’t be enough money in existence to cover them, plus the accrued interest. Some people would be FORCED to default. It is just the way the system is rigged.

This creates “false scarcity.” More dollars are needed to repay all outstanding loans plus interest than there are dollars in existence, and that concept of false scarcity has been used by the wealthiest 1% to cause an endless amount of hardship, misery and financial ruin among those who aren’t in on the game. Those who aren’t part of the inner circle.

Again, we do not tell you this stuff to depress you, but it is VITAL that you fully understand what you are up against. This is a game that’s been played out for a very long time. Up until right now, you’ve been a pawn, caught up in the intricate web that this system has woven around you. Over the course of the rest of this book, we will show you how to break free of that web.



**CHAPTER**

**2**

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**THE TRUTH  
BEHIND THE  
ELITE 1%**

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The introduction laid the broad groundwork. It outlined for you HOW the current banking and international financial system got built. The framework which it rests upon.

It is this framework that has allowed the 1% to systematically plunder the planet, creating war and chaos when it suited their purpose, inflating various asset bubbles to entice those less knowledgeable and experienced in the world of investing to pony up their hard-earned money, only to pop the bubble at the right moment, robbing millions of their life savings and further enriching themselves in the process.

Now, you might ask why.

Why would anyone who isn't a sociopath DO such a thing?

The answer, unfortunately, is simple greed. For some people, there is no such thing as enough, and they do not care how many hopes and dreams they demolish. How many lives they destroy so that they can have more.

“More” is all that matters to these people.

Albert Einstein is credited with once saying that “compound interest is the most powerful force in the universe,” and he’s not wrong. The wealthy know and understand this. They use it to their advantage, just as they have for literally centuries.

Every “get rich quick” book ever written uses the same basic idea – the same basic principle. Spend less than you make, do it consistently, and invest your money over the long term so that compound interest will work for you. Of course, what they do not tell you is that if you have a fat salary to begin with, then it is worlds easier to actually DO this.

Now, we are not saying you can’t make use of the same principles – you very definitely CAN, and we will show you how to not only do that, but also, by informing you about the specific mechanisms that make it possible for the rich to abuse the system, we will show you how to minimize your risk of being caught up in one of their games.

## **THE DUAL NATURE OF MONEY**

Money serves two masters. It serves two purposes at the same time, but the central problem is that those two purposes are inherently at odds with each other.

Think about it for a moment. When you buy a computer, does it gain, or even retain value over time? If you sell your computer a year after you buy it, will you get something close to what you initially paid for it? Of course you won’t. You will be lucky to get twenty bucks for it at a pawn shop or yard sale.

The same is true of almost everything. Now, some people will point out specific things like classic cars, or old coins that DO increase in value over time, and sure, there are occasional exceptions, but think about the car you drive right now.

The moment you drove it off the lot, it lost half its value. If you bought a Chevette Scooter the last year they were made, or a Yugo, or any number of other vehicles, the same thing applies. It loses about half its value the moment you drive it off the lot, and when you resell it later, you won’t get much for it.



That's because physical goods wear out over time. They go obsolete. In the case of perishable goods, they just plain go bad. Sure, you could get a sweet deal on, say, bread, if you could buy all the bread you could eat in your entire life in one shot (bulk buying), but that would never work in practice, because of course, after about a month, it would go bad and you'd lose all the money you spent.

You know what doesn't go bad over time?

Money.

Unlike every other good in existence, money retains its value over time, if properly invested. In fact, money will actually MULTIPLY over time. That's how the rich get richer, after all.

What we are describing here is money as a STORE OF VALUE. This is the first master it serves. Being a store of value.

Money's second master is that it is the juice which makes the economy run. The more that money circulates through an economy (ANY economy), the better that economy functions. Note here that we are talking about the speed at which money circulates (its velocity) not necessarily the quantity. Too much money circulating in the system will just create inflation, but not enough money circulating will choke off growth.



There have been some countries that have suffered from having too much money circulating in the system. World War Two Germany is one, and more recently, Zimbabwe was another. This, however, has NEVER been a problem in the United States. Our problem, since the 1980's, has been just the opposite. We have too little money circulating through the system. No matter how fast it flows around, there is just not enough of it to foster a real, dynamic, permanent cycle of growth.

Think about what happened in the 80's.

Prior to that time, when companies made productivity gains by investing in technologies, those gains were pretty evenly shared between the owners of the corporation (capital) and the workers (labor). What you saw from the end of World War II to about 1980 was that middle class incomes grew at roughly the same pace as the upper class.

SINCE 1980, that has changed. The owners of the nation's corporations have kept most of the increased profits due to increased productivity for themselves. That is how and why CEO salaries jumped from being roughly 12x the salary of the average American to more than THREE HUNDRED times.

The problem with money serving these dual purposes is that they are diametric opposites. Money can't both be hoarded to preserve value AND circulate to drive the economy. Any given dollar can only do one or the other. It can never do both.

That's why the middle class is dying.

# MARGINAL PROPENSITY TO SPEND

Think about it like this: Let's say that a guy walking home from his minimum wage job at McDonalds finds a twenty dollar bill on his way home from work. What do you think he's going to do with that sudden, unexpected windfall?

He's going to spend it, right? On food, a new pair of shoes, a new shirt...SOMETHING.

Why?

Because at his salary, he's not making enough money to see to his basic needs, much less anything extravagant where entertainment or education is concerned. He's got bills and expenses that need paying RIGHT NOW, and that money is going to be put to immediate use.

In economic terms, we describe this person as having a high "marginal propensity to spend." Every dollar he makes or finds, he's very motivated to spend, because he's got basic needs that he's struggling to meet.

Now, same situation, but let's say that a member of the Walton family (owners of Wal-Mart) finds a twenty lying on the ground. They're going to pick it up, sure, because it is free money. And they'll probably shuffle it off to one of their offshore accounts. In economic terms, we describe this person as having a very low "marginal propensity to spend," because he doesn't have basic needs that he's struggling to meet.

In the first case, that twenty dollar bill gets circulated through the economy. It helps the minimum wage worker in an immediate and tangible way, and it helps the economy as a whole, because that dollar circulates.

In the second case, the money is sidelined. It is taken out of the economy. Sure, it gains interest, most often by loaning that money at interest to China or India or some other developing nation to build another giant factory there to suck more jobs out of the United States, but as far as helping US...nope. It doesn't. At all.



A billionaire could buy thousands of iPads, but why would he? He may get one or two. He may even be extravagant and get one for every day of the week, but beyond that, there is just no point in buying gazillions of the things. He would simply never use them. That's a simple example, but it serves as a good case in point.

Money in the hands of people with a high marginal propensity to spend WILL be spent, and that spending will drive the economy to new heights. Money in the hands of those with a low marginal propensity to spend will be sucked out of the economy and used to help foster growth (for a tidy profit) in other parts of the world.

Now, I know what you are thinking. Probably some variant of, "Yes, but what about people who invest in the stock market? They're helping fund American companies, right?"

Nope. Overwhelmingly, this is not the case.

If an investor buys stock at an IPO (Initial Public Offering), that money goes to the company direct, but that is a tiny fraction of the total trades conducted daily in the stock market. Nearly all the stock purchased by investors, day traders, Hedge Fund Managers, 401-K managers, and the like are bought in the secondary market.

The companies themselves do not see any of that money...it just moves from one investment account to another. It is not building anything and it is not creating jobs. It is not actually helping the economy at all. Well, it probably helps some broker earn an eight figure bonus, but see the point above about iPads. It is just not helping.

Money was designed (on purpose) to serve two masters. Guess which master it serves better?

You do not need to guess, because you already know the answer. Money serves the needs of the rich first, and everyone else gets what crumbs are left over. In case you hadn't noticed, those crumbs are getting smaller and fewer in number, and in the next section, we are going to describe for you how the rich are gobbling up what few crumbs remain.

## DIRTY TRICKS OF THE 1%

In this section, which will occupy the rest of this first chapter, we will talk about various "dirty tricks" that the richest among us use to siphon more and more wealth from the hands of the rest of us, to further line their own pockets. Again, we are not sharing this information with you to depress you (although it may wind up doing just that), but so you can be more mindful of HOW they do what they do, so as to be better able to guard against these tactics! With that said, let's take a closer look at them:

Asset bubbles are a particularly nasty "dirty trick" that the uber-rich play on the rest of us. Bubbles can occur in any investment category. In 2001, we had the "Dot-Com" bubble, which centered on the stocks of hot, young internet companies. In December of 2007, the bubble was in real estate. In any case, the mechanism is always the same, as is the eventual economic impact.

Bubbles form because there is too much money chasing too few good investment opportunities. It really is that simple. In the case of the "Dot-Com" bubble, there were only so many good internet companies to invest in. The wealthy could have bought those companies lock, stock, and barrel many times over had they been up for sale, but since they weren't, the next best thing was to buy stocks in the secondary market.



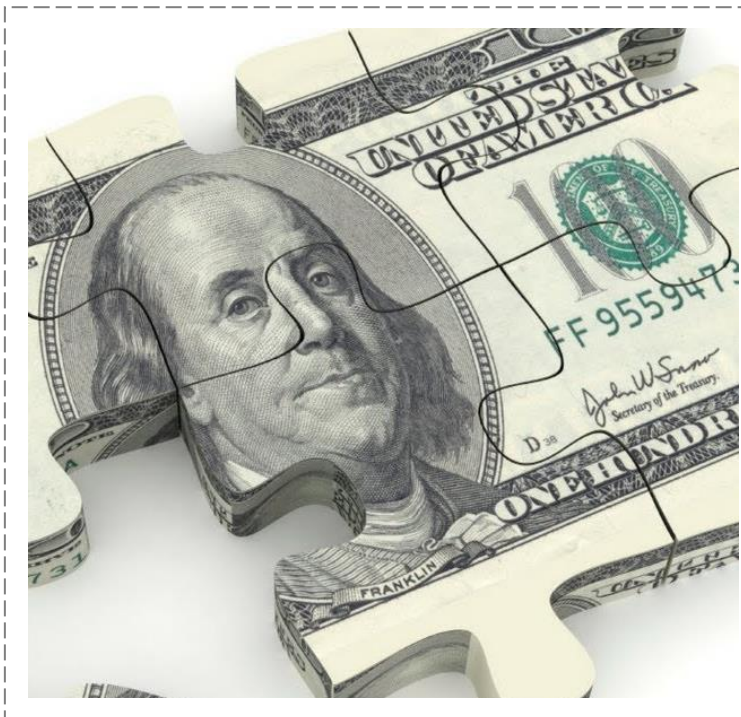
**Asset Bubbles**

The more uber-rich investors who were drawn to these fast-growing up-and-coming companies, the higher their stock prices went, until the stock prices of all of these companies became totally disconnected from the earnings potential OF those companies.

As the stock prices of those companies rose to meteoric heights, more and more little investors bought into the hype, and invested in those companies, seeking to cash in on the boom.

401-K's and pension funds began investing heavily in them, hoping to capture some of the huge returns that the 1%ers were seeing, but the game was rigged from the start, as it always is.

Once the little guys were lured in, and had a substantial portion of their wealth tied up in these hot stocks, the rich began dumping their shares, sending prices into a tailspin.



The little guys panicked, and started selling their shares at fire sale prices, hoping to preserve at least a little bit of their meager wealth, and those same rich investors swooped back in, capturing their shares for a song, further consolidating the nation's wealth in just a few hands.

The same thing happened in 2007, although in the case of the real estate bubble, it was even more insidious. See, in 2007, it wasn't actually real estate that was the problem...at least not directly. It was a thing called a CDO.

CDO's have been around since the 1980's, but in 2000, the rules governing CDO's were subtly changed, creating a loophole. What mortgage companies began doing was, they would buy up tens of thousands of mortgages.

They would group them into "tranches" which described what kind of mortgages they were. There was a AAA Tranche, a AA Tranche, a BBB Tranche, a BB Tranche, and so on.

These "Tranches" were essentially bundles of mortgages that people could invest in, and the higher the Tranche rating, the "safer" the mortgages (the AAA Tranche was supposedly filled with mortgages from people with excellent credit ratings, AA was mortgages from people with "good" credit ratings, and so forth).

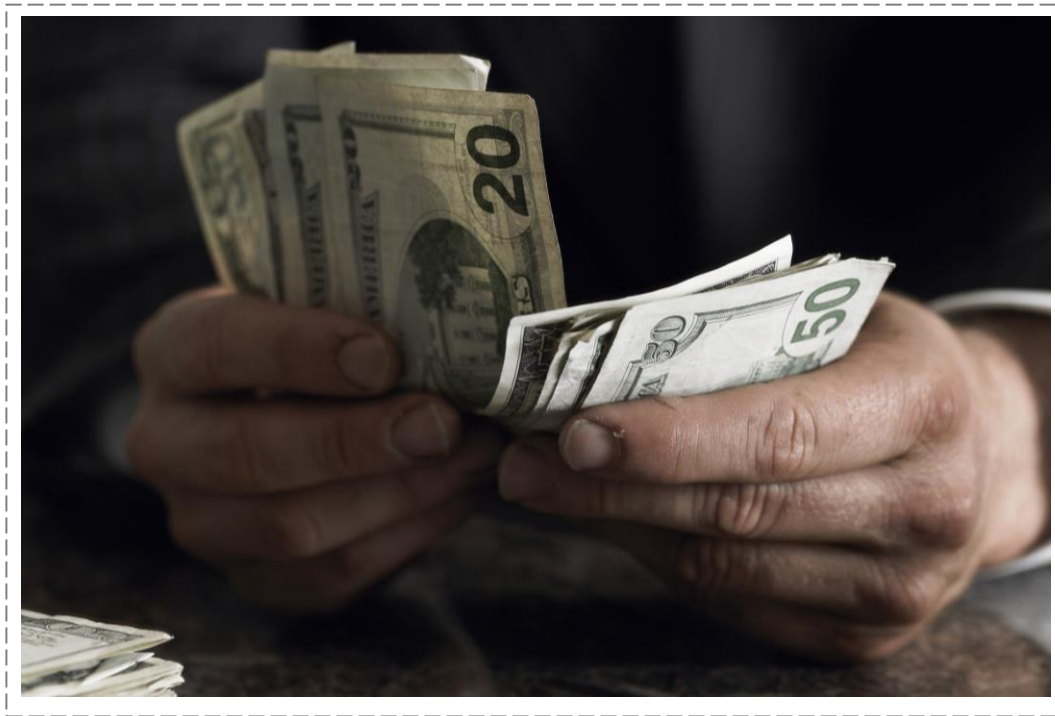


But that word “supposedly” is key.

The people bundling the mortgages...lied. Just outright lied.

They grouped “sub-prime” mortgages (those from people with poor to bad credit ratings) in with the AAA mortgages, but still called the whole package AAA.

The ratings agencies, who were supposed to serve as watchdogs to make sure this kind of funny business didn't happen either weren't watching at all, or were totally in on the scam. They did NOTHING.



Once again, pension funds bought these up, worldwide, because after all, real estate has always been seen as a safe investment, so why not? And the companies selling them were offering attractive terms (of course they were! They KNEW they were selling total garbage!).

Eventually, the economy slowed down, and some people at the bottom of the economic heap started defaulting on their mortgages. Not many, but a few.

The problem though, wasn't that people started defaulting. That happens all the time. Banks expect it. No, in this case, when those people started defaulting, the pension funds that had

bought these CDO's started losing money. "How can this be?" They asked, "Given that we bought AAA Tranches?"

It soon became apparent that the AAA Tranches were anything but, and since these instruments had been sold worldwide, we saw a worldwide panic. Suddenly, nobody knew if they were holding a "Real" AAA CDO, or if they were holding one filled with poison.

They started dumping them, which broadened the panic, and we all know what happened next.

YEARS of financial misery for the 99%, and boom times for the 1%.

With millions of homes suddenly going into foreclosure, the rich stepped in and snapped them up for pennies on the dollar. In 2012, in the city of Atlanta, Georgia, an investment group came to down and bought more than 6,000 foreclosed homes IN A SINGLE DAY.

What did they do with them?

They turned around and rented them back to their former owners, of course, which further indentured millions to the 1%. That's' what they do every time. EVERY. SINGLE. TIME.

## CURRENCY ABUSE

This is a "fun" game that the wealthy like to play, or get governments to play at their behest. The idea here is that you pick a country, and buy up tons of its currency. Supply and demand says that the less there is of something, the more its value rises. It is the same basic idea as the "bubbles" we described above, but it can have catastrophic effects on nations.

As a nation's currency increases in value, exports become more expensive on the global market, while imports become cheaper. This causes jobs to be exported overseas, where better value can be found (sound familiar?).

Then, and here's the kicker. Once ENOUGH of a nation's currency is held by foreigners, if that currency were to be "dumped" on the open market, it will destroy its value almost overnight, utterly crashing that nation's economy.

There are many people who believe that this is what's happening to the US Dollar right now. TRILLIONS of dollars are being held by China and Japan alone. Russia also holds big dollar reserves.

If all three were to suddenly “dump” their dollars, they'd suffer a financial loss, sure, but the pain they feel in doing that would be NOTHING to the decades of economic misery it would create in the United States. It is a ticking time bomb, and when it happens, you can bet that the 1% will be right there, ready and waiting to swoop in and buy the remaining assets of the middle class, again, for pennies on the dollar.

## DEBT AND DEFICIT

This, in many ways, is the “other side of the currency games coin.” The 1% owns our Federal government lock, stock, and barrel. They own every member of congress, and the President (no matter which political party he's in). If you doubt that, you are deluding yourself.

By driving the nation to ever-expanding deficits, it causes the government to issue more T-bills (Treasury Bills), many of which are held by the 1%ers, and many more are held by foreign governments, adding to the nation's total debt.

The debt is so vast at this point that it can literally never be repaid. Make no mistake, this is the means by which the currency games will be played out (as described above) that will spell the utter economic ruin of the United States of America. It is a blow from which we may NEVER recover. If we ever do, it will take literally decades, and of course, in that time, the rich will have gotten what few crumbs they've missed in their previously engineered crises.

## BAD ACCOUNTING PRACTICES

This is a “trick” that all 1%ers and their immediate lieutenants use. You see it in the tax returns of Fortune 500 companies (many of which pay almost no taxes at all), and of course, in the tax returns of the 1%ers themselves, who typically pay a lower percentage of taxes than you and me.

The old saying is true. “He who has the gold, makes the rules,” and they do. Of course, WHEN they make the rules, especially as they relate to taxation, they make sure that they get all the nice perks and kickbacks.

There are plenty of loopholes to ensure that they can hide the greater bulk of their income so that the percentage they actually pay works out to be the lowest rate of any industrialized nation. On paper, our rates are among the highest, but of course “on paper” doesn’t really matter. What counts is the EFFECTIVE tax rate. The rate which is actually paid in.

Okay – pop quiz time: What does the law of supply and demand say happens to the price (or value) of something when there is more of it? It drops, right? It decreases in value.

So what happens when you start a multi-year process of pumping an average of \$85 BILLION dollars a year into the economy? You guessed it – the value of those dollars plummets. The other thing that happens is that the “Velocity of Money” decreases, the more money you pump into the system.

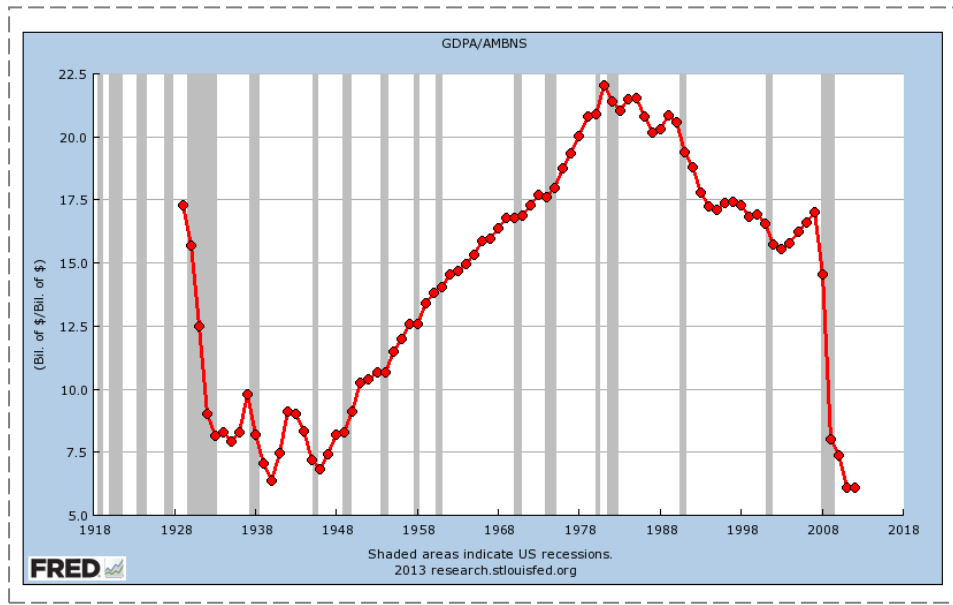
### Quantitative Easing

We’ve talked about this before. The faster money circulates in an economic system, the healthier and more vibrant it is. Conversely, the more slowly money circulates in that system, the weaker that economy is. Here’s a chart showing the historic “Velocity of Money.” Notice anything frightening?

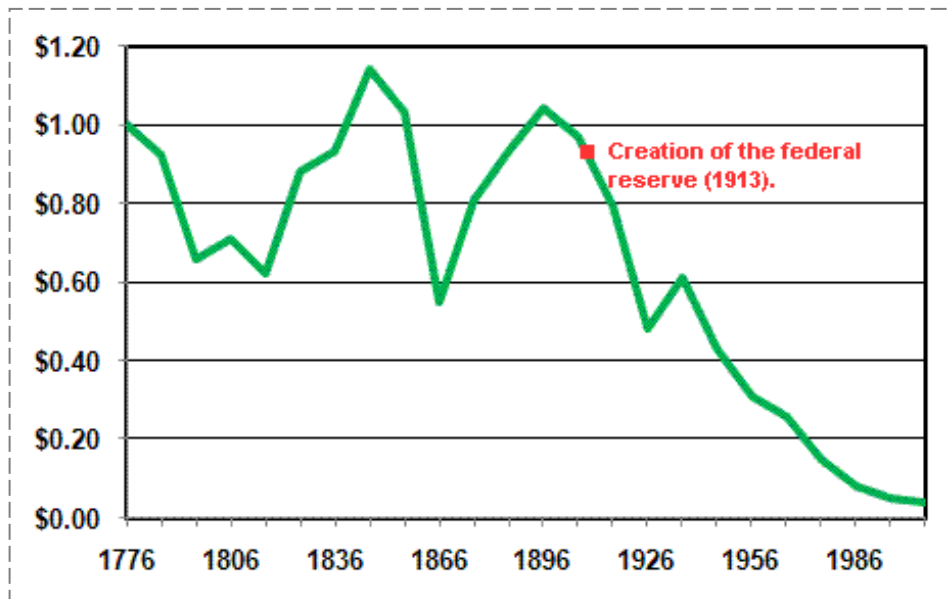
That’s right – the Velocity of Money is currently slower NOW than it was during the worst part of the Great Depression.

Know what’s causing that?

In large part, Quantitative Easing.



So what does the future hold for the US economic system?



Well, so far, we've shown you two charts that map out (broadly) the shape and direction of the economy over the long term. You see the "Velocity of Money" chart just above. We will put the "Value of the Dollar" chart here again (from the introduction).

When you look at these two charts together, you begin to get a pretty good idea of what the future holds, and it is neither good, nor pretty. Our once mighty currency...the primary driver of the world economy since the Second World War, is dying.

Unmistakably dying. It has lost more than 95% of its value, and the velocity of money is lower now than it was during the Great Depression, and we are being told that the danger has passed. That the recession is OVER.

If it is really over then why is our dollar worthless? If it is over, then why is the velocity of money value so low? Again, you already know the answers to those questions. Everything is NOT okay. Our nation is in deep, SERIOUS trouble, and everybody is pretending that it is all good. That there is nothing to worry about.

These charts, by the way, are publicly available. Everyone can see them, including the leaders of foreign nations, who, as you will remember, hold literally TRILLIONS of our dollars. It is becoming increasingly, painfully apparent that their investment in those dollars was a very bad one.

When you make a bad investment, do not you cut your losses at some point?

Do not you sell off the non-performing investment and move on to something else, rather than riding the express elevator all the way to the basement?

Of course you do, and if that's what you would do, what makes you think that the leaders of foreign countries would behave any differently?

THAT is why the crash is coming.

That is why it is a foregone conclusion, and ultimately, that's why you are now reading this book. Because before you even bought this course, you knew deep in your bones that something was

terribly wrong. You may not have known the particulars, but you still sensed it, and now...now you know the full extent of the problems we face, and why a crash is inevitable.

The rest of this book will be dedicated to you, and to showing you how to not just survive the coming crisis, but to actually thrive in it.



**CHAPTER**

**3**

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**FINANCIAL  
FUNDAMENTALS  
OF THE  
FILTHY RICH**

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# THE RICH 1% DO NOT THINK LIKE THE REST OF THE 99%

In the last chapter, we revealed some inconvenient and uncomfortable truths about the financial elites who secretly control most of the wealth, not just in the United States, but on the entire planet. What we didn't do was to explain to you exactly HOW they do the things that they do. How they got themselves in the position of such considerable power.

Those things will be the subject of this chapter. We will give you a crash course in thinking like a 1%er, not because we want to enable you to become an evil mastermind and take over the world, but because we want you to be able to use their playbook against them so you can start to build a robust system of financial protections for your family.

It doesn't matter if you do not earn six figures (although if you do, that puts you that much ahead of the game!). It doesn't matter if you've never made an actual investment in your life. We will teach you what you need to know to start thinking, living, and acting like the guys who own most everything on the planet. Ready? Here we go....

You know how it goes...you've probably been there a million times. You get your paycheck, and you pull out the bills to see what's due next. What you can afford to pay right now, what you may have to wait till the NEXT paycheck, what you have to skimp on to make ends meet...you know, all the usual kitchen table mental gymnastics you perform when pouring over the family budget.



The Rich 1% Do  
Not Think Like The  
Rest Of The 99%

Yeah, the rich do not do that, and they didn't do it before they were rich, either. They think differently, and it causes them to ACT differently.

No matter what your current financial situation, PAY YOURSELF FIRST! The more you can pay yourself, the better, but even if it is only five or ten bucks a week, do it! Set that money aside before you start in on the pile of bills, and do not just bury the money in your back yard, or stick it in an envelope in your desk, DO something with it.



If you are looking for a quick, painless way to start paying yourself first, then look no further than an app called Acorns (<https://www.acorns.com/>). This app works like certain kinds of checking/savings accounts that banks used to offer (but that you can hardly find any more). When you set up the App, you go through a wizard that assesses your tolerance for risk. Your answers to these questions put you into one of a handful of categories.

There are investment funds organized around those risk thresholds. Any time you spend money with your debit card, Acorns rounds your purchase up to the nearest dollar, and invests the loose change in the fund you picked by answering the questions at setup. You can access the fund at any time and assess your performance. Quick. Simple. Painless. You will never miss it, and it will guarantee that you “pay yourself first.” AND you will be earning good returns on your money.

No, this alone won’t make you rich, but it will help you get started. Well worth it!

It is not enough to do this “just because the rich do it” though. You’ve got to understand WHY it is so important. The reason is simply this: No one is going to put you first, except you. If you do not do it, then it simply won’t get done. Yes, you owe people money. Yes, that’s important. It matters. But it doesn’t matter more than YOU matter, so start acting like it, and prioritize yourself.

Earlier, we mentioned a quote that has been attributed to Albert Einstein. “Compound interest is the most powerful force in the universe.”

The real magic isn’t the act of investing itself. It is the act of the interest your money earns, ALSO earning interest, and allowing that to build over time. Think about an avalanche. It starts small, sure. One or two little chunks of ice and snow falling from a high shelf on the top of a mountain.

That random chunk of ice or snow hits another bit of snow at a lower elevation and knocks it loose. Then those bits hit MORE ice and snow and knock them loose. Before you know it, there is a tidal wave of cold stuff streaming down the mountain, creating an unstoppable Force of Nature.

It is the same way with compound interest, except what makes it work in the case of compounding is time, rather than altitude. The more time you have to invest, the more powerful the effect comes.

Consider this: The average lifespan in America (for men) is just a little bit above 66 years. That's it. That's all the time you get, on average (higher for women, and higher in many other parts of the world). That might sound like a lot, but of course, you spend a third of that time sleeping, so you've actually only got access to about 44 of those years. That's it. Worse, you only spend about a third of your life engaged in pursuits that actually earn you money, so now you are down to 22 years, and that's if you work until the day you die.

But the magic of compounding works even while you sleep. Twenty-four hours a day, seven days a week. No vacations, no down time. No rest. Compound interest is relentless. It works for you, even while you are sleeping, or taking a vacation, or fishing...doesn't matter. Compound interest sits there in the shadows, quietly churning away. That's what the rich know and you do not. Use it. It is an immensely powerful tool.



You've probably heard a lot of investors say that debt is good, not bad, and it can be. Of course, the way that the rich utilize debt is very different from the way the rest of us utilize debt.

Understanding those differences is key, so right AFTER you pay yourself, and take care of the bills you have to pay to keep your modern life functioning (keeping a roof over your head, keeping the lights on, etc.), the next best use of what money you have is to eliminate the "bad" kinds of debt, because these debts cost you plenty.

So what is bad debt?

Mostly, it is credit card debt that you carry from one month to the next. This debt generally comes with strings attached, and those strings take the form of ruinously high interest rates charged on the money you spend when you use those cards. Let's face it, if you can pay off a card whose balance carries a 19.9% annual interest rate, then you are essentially making an investment with a return of 19.9% interest, right? Because you are no longer having to PAY that rate of interest, which is just as good from a financial point of view. So focus on getting rid of all that bad debt, and if you use your credit cards in the future, try hard to pay the balance off at the end of each month.

When paying credit card debt, there are actually two dimensions to consider. One is, of course, the interest rate you are being charged, but the other is the outstanding balance you have on each card. You might naturally be inclined to just focus on whatever card has the worst (highest) interest rate, but that's not always the optimal play, because all cards, regardless of their prevailing interest rates, make you pay a minimum amount.

The best, fastest, and most efficient way to pay off your credit card debt is to use the "snowball" method. What you want to do is to create momentum that will help you pay off all the debts even faster, like the avalanche described above.

To do that, you will need to list out all your debts, the rate of interest you are being charged for them, and your outstanding balance.

To get a feel for which one to pay off first, group your debts into the following categories:

- Less than \$500
- \$501-\$1000
- \$1001-\$2000
- \$2001-\$5000
- \$5001+



Inside each of these sub-categories, order the debts not by their outstanding balances, but by their rate of interest.

Pay the minimums on EVERYTHING but the debt with the highest rate of interest in the first category you've got debts listed in. Every spare dollar you get (after paying yourself first and taking care of the bills you can't avoid month to month), apply toward that one debt. Again, necessary minimums only toward all the rest.

Once that debt is gone, march through your list systematically, until all the debt in your first category has been eliminated. Then move onto the next category. As you do this, you will find yourself with an ever-expanding pool of money you can use to eliminate your outstanding debts.

It might take a while, depending on how much debt you have actually accumulated, but doing this will leave you in a MUCH better financial position, often freeing up literally hundreds of dollars a month by the time you are finished.

The next trick then, is to KEEP the debts at bay by resisting the temptation to carry revolving balances. It is just ruinously expensive to do that. You will live better and more freely by putting that money to better and more productive use, and once the debts ARE gone, you will have a nice, fat pool of money to invest with.

If you do not want to invest all of it, that's fine, but the more you invest, and the longer you invest it, the more powerful the compounding effect will be. This will, from a financial perspective, be the same thing as giving yourself a raise. Whatever amount of money you were formerly spending keeping your creditors at bay...you now have that amount of money available to spend on other things, or to invest in your future and the security of your family. It is important. It is vital. Do it now, starting today.

Now, I can almost hear you thinking the question: If collapse is inevitable, why not just stop paying your debts altogether? I mean, if the chaos is going to be complete, what will it matter?

It WILL matter, and here's why. Ultimately, the money you owe, you owe to the 1%. While the government won't be able to do anything for the 99%, you can bet that they will fight to the last to protect the interests of the 1%. As things begin to fall apart, they'll be using armed squads of police to evict home owners who fall behind if they still hold a mortgage. Or if you fail to keep your car payment current. Or even if you fall behind on your credit card debt.

The punishments for failing to pay what you owe the 1% will grow increasingly draconian. Debtors prisons will come back into fashion and families will be destroyed as a direct result of it. While you are rotting in a cell, your family will be on the street.

THAT is why you need to get your debts paid, and note that this includes more than just credit debt (which will obviously be the first thing you target), but also, the note that the bank holds on your car and your home. It is the ONLY way you will be able to hold onto those things, post-collapse.

Another big area where the rich and the rest of us think differently. Honestly, how much time do you spend thinking about the amount of tax you pay? You probably do not think about it much at all, except during tax season, of course, when you march through the steps of some online wizard, plug in your numbers and pay what the system tells you to pay, right?



That's the way most people do it, but of course, the rich aren't like most people. They know what and where the loopholes are, and they use them to maximum advantage.

### Taxation

They should...after all, they paid good money to have those loopholes written in the first place! Here's a quick overview of the way the 1%ers use perfectly legal means to get out of paying most, if not all of their annual tax bill:

- **Offshore tax shelters** – by keeping their money tied up out of the country, any interest they earn on it isn't taxable in the US. Even better, there are many countries scattered all over the world who are hungry for foreign money, so they'll either charge no taxes, or very low rates. That amounts to a huge savings every year for the 1%.

- **Exploiting (or creating new) onshore tax breaks** – Oftentimes, when a big corporation wants to build a new factory in the US, they'll shop around, pitting various cities against each other. The city that offers the most “perks” gets the factory.

These perks include such things, as the city eating the entire cost of creating the tie-in to the municipal wastewater treatment plant, paying for the parking lot and all the lights in it, tying into the city power grid (things you and I often have to pay for if we buy a property and build a house that's not already grid-connected), and of course, tax breaks.

Most often, this takes the form of the company getting X number of years totally tax free when they build the factory. The rich do the same thing. They won't spend money unless they can get a good deal. That good deal almost always involves trading for favors which sees them lowering their total tax bill.



- **Shell Corporations** – Hiding assets out of the country is only one “trick” the rich use. They also create shell corporations. Companies that do not actually “do” anything but own assets for them. Think about that for a moment, and how powerful it actually is. If YOU go out and buy a car, here's what happens:
  - The purchase is not tax deductible and you do not get depreciation benefits
  - Your personal spending power is reduced by the amount of the price of the car in the year you purchased it.
  - If you buy the car using a loan, you now have monthly payments (not tax deductible) and an interest charge to deal with.
  - If you are involved in an accident, you are on the hook for the damages, either directly, or via your insurance company.

Now, contrast that to what happens when a 1%er buys a car via one of his shell companies:

- The purchase is tax deductible and every year depreciation is tax deductible (it is a piece of business equipment, see? And as such, it is just a necessary cost of doing business)
- If the car is involved in accident, there is no personal liability. If anybody gets in trouble at all, it is the corporation, which of course, can't go to jail, since it is not a real person, and if the legal bill is too much, the corporation simply declares bankruptcy, is dissolved, and the bill is wiped away. By the following week, a “new” shell corporation is created and the rich guy goes on about his way.

Or, consider home ownership. If you need money desperately, you might consider selling your home, then “downsizing” to something smaller and cheaper, using the profits from the sale to get you out of whatever bad financial trouble you are in.

Again, the rich do not do that. Instead, if they need an infusion of cash, they'll simply borrow the equity in their homes, rather than sell.

Why?

Well, if they sold the property, they'd have to declare that as income, which would be taxed at a high rate (the current rate is 39.5%). If they borrow the money, they only get charged the prevailing interest rate (currently around 5%). The difference is the amount that they save.

Plus, the interest itself is tax deductible, which makes the tax bill on the rest of their income that much lower. This money, of course, is then used to purchase more assets and further extend their wealth, and round and round it goes.



- **More Ways to Hide Assets** – Of course, the rich have more than one trick in their bag of tricks. It is not always necessary to use shell companies. You could start a Trust fund, for example.

This is a legal vehicle for storing assets “in trust” for future generations (trusts can either be revocable, allowing you to end them voluntarily, or non-revocable, usually set up when you want to pass assets to your heirs).

In both instances, the assets held by the trust can't be touched by taxes, until they're used. That means, if you do not OWN the house that the trust holds, it is not taxable. Same with the car.

Same with the money. And of course, if you are sued for some reason, the person suing you can only go after assets you personally own, but if you do not actually own anything, then what can they get? NOTHING, and that's the entire point!



The same thing can be done if you, say, for example, start your own religion (the Church of Scientology, or the Cannabitarian Church come to mind as recent examples), or a charity foundation. You can give assets to these groups which are, of course, totally tax EXEMPT, but you still have full access TO those assets. I am sure you've noticed a trend here.

The rich do not care about ownership. We've been taught from birth that ownership is a good thing. It is part of the American Dream. Former President Bush even went on national TV once and touted his vision to turn America into an "Ownership Society," except that the rich do not play that game.

What the rich want is CONTROL of an asset. Unrestricted use. They do not mind (at all) letting some fictional entity they create "own" the asset if it makes it tax free. After all, they OWN the fictional entity, and since they do, they control all the assets that the entity owns anyway.

The difference, of course, is that they do not have to pay a cent of taxes that way. That's what the rich know, that you do not. And they use it every single day to amass more of the world's wealth.

The thing is though, you can put these practices to use for yourself! You do not have to be a millionaire to start a corporation. You can do it through Legal Zoom for less than two hundred bucks!

([www.legalzoom.com](http://www.legalzoom.com)) If you are not, you are as good as leaving money on the table, and you will never improve your financial situation that way! Do not worry, we will go into more detail about using these strategies for yourself in later chapters in this book.

Let all of that sink in for a few minutes and think about the vast differences in mindset the rich have, compared to the way you are used to looking at the world. You've got to retrain your brain. You've got to start looking at the world more like they do in order to be fully prepared for what's coming.



These strategies are powerful when used by themselves, but they're not meant to be used in isolation. When you COMBINE these asset protection strategies with the power of compounded interest (like the rich do), THAT's when you start seeing big impacts. In the next chapter, we will start getting down to brass tacks and particulars, and show you precisely how.

One final note here is tracking. You need a simple, effective way to keep track of where you "are" at every step of your journey toward financial independence and freeing yourself from nationalistic influences.

What you do not need is to spend money on such a solution. Here's your answer. A free app that makes tracking your financial position an absolute snap:  
[https://www.personalcapital.com/landing/registration/affiliate?utm\\_source=Stock+Gumshoe&utm\\_medium=affiliate&utm\\_campaign=Personal+Capital+%24100k+Aggregators&utm\\_content=](https://www.personalcapital.com/landing/registration/affiliate?utm_source=Stock+Gumshoe&utm_medium=affiliate&utm_campaign=Personal+Capital+%24100k+Aggregators&utm_content=)



**CHAPTER**

**4**

**PERMANENT  
ASSET  
PROTECTION**



Okay, so let's get to it. No matter where you are, and no matter what your current financial situation, the goal should be to get you on a firmer financial footing. To do that, we've got to start with the basics. The basics, of course, begin with the concept of paying yourself first, as we mentioned in the last chapter.

Even if you do not make a lot of money, you should, at the very least start off by downloading and using the Acorns app (<https://www.acorns.com/>). It is a no-brainer, and the easiest way to make sure that you are consistently paying yourself first. You won't miss it, and it is an easy way to get started.

Once you are paying yourself first, the next step is to get rid of all the bad, high interest, revolving debt. That's the single biggest thing you can do to free up resources to be used for other purposes.

True, that doesn't actually protect your assets, which is the topic of this chapter, but then again, you've got to have assets to protect before you can worry about protecting them, right? Clearing out all those high interest debts will put you in the position to start acquiring valuable assets.

I'll reproduce the categories from the last chapter here to save you from having to flip back. Remember, divide your debts into the following categories:

- Less than \$500
- \$501-\$1000
- \$1001-\$2000
- \$2001-\$5000
- \$5001+

Within each of those categories, arrange your debts so that the highest interest rates float to the top of each list. Pay the minimum require amount on everything except the one at the top of the list. That's the one that gets all your extra resources. Once it is gone, apply all that money (which now includes the minimum payment amount from the debt that you just paid off) onto the next debt on your list.

This is a variant of the “debt snowball” that will see you paying your debts off in the fastest possible way, and when the dust settles, you will have a sizeable chunk of money to play with. It might take a while, depending on how much debt you’ve got, but if you stay at it, you will start seeing results very quickly!

Once you’ve got the debts gone, let’s start talking about securing your newfound income stream.

Money in the Bank is Good, Right?

NO! Remember, we are predicting that a collapse is coming, so you are not going to want to just leave your money sitting in a US bank. First of all, that money is going to earn you almost no interest.

Not good. Sure, you need to leave enough money in the bank to cover immediate expenses, but every other dollar you collect, you should be putting to work for you in some fashion.

That means that you’ve got to start thinking in terms of safety and security, plus rate of return. The goal here is to maximize both. You want a good return, but you also want safety – that is to say, you want the money to be there when you actually need it. But how to do that?



Well, there are a number of ways, but the two most powerful ones you should consider are setting up offshore bank accounts, and offshore corporations that can own your various assets for you.

# THINGS TO KEEP IN MIND WHEN STARTING AN OFFSHORE CORPORATIONS

I know what you are thinking. Some variation of the idea that you've got to be a millionaire to start playing in those waters, but the reality is that you do not! Think about it – if it was hugely expensive to start an offshore corporation or set up an offshore account, then it wouldn't be worth it for the rich to do it. The reality is that almost anyone can, and for not very much money.

We've already talked about asset protection, so of course, that's the major reason, but there are others as well, with the main one being privacy. Look, you do not have to be doing anything nefarious or illegal (or even questionable) to want your privacy.

The bottom line is that your business is your business. No one else's, and it doesn't make you a freak of nature to not want anyone poking around in it.

When you are contemplating exactly WHERE to set up your company, the following are your biggest considerations:

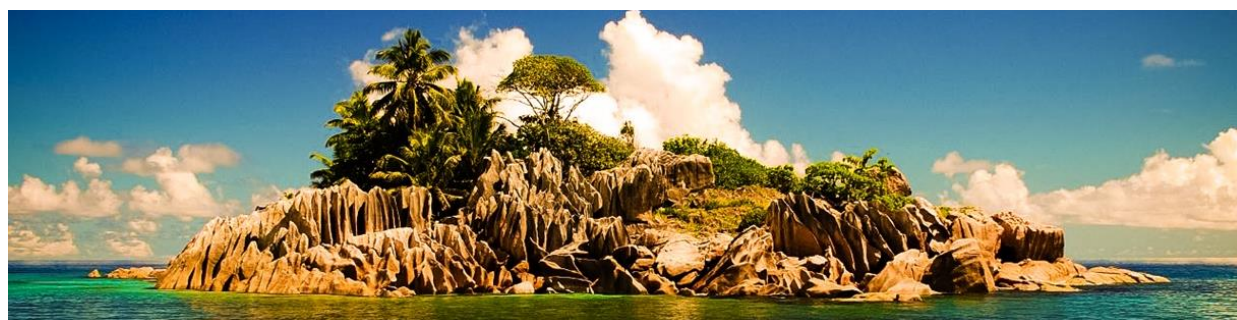
- Simple and Quick filing (this isn't usually a big deal for you personally, because you will be hiring someone to do the paperwork for you, but simple and quick usually translate to cheaper, which is why you want to think about it).
- No taxation! The whole point of doing this is to avoid taxation, so this has got to be really high on the list.
- NO capitalization requirements. Remember, what we are doing here is building a "legal fiction" in order to protect assets. Since your company isn't really going to "do" anything, the last thing you want is to have to "capitalize" your business.
- English speaking – for obvious reasons
- Ability to bank anywhere – some countries require you to bank in their nation if you have your company set up there. That's inconvenient for a number of reasons.
- PRIVACY! – Big, huge deal here. Again, it is not that you are doing anything illegal, it is just nobody's business but yours.
- Only 1 member required to establish the company (so no board of directors or secretary needed)
- No audits
- No requirements that company meetings be held in the founding nation
- No local directors required
- Strong asset protection laws
- A good jurisdictional reputation

In looking at the list, you suddenly realize that the question is a bit more complex than you perhaps first thought. That's okay though, because we've evaluated the various options, and distilled it down to the top four. If you establish your offshore corporation in ANY of these locations, you will have all the security and protection you could want.

1. **Belize** – This tiny nation is in close proximity to the US. If that's important to you, you will want to give the little nation a look. Until recently, it had a somewhat sketchy jurisdictional reputation, but that's been improving lately, and makes it an EXTREMELY good pick!
2. **The Seychelles** – If you are like most people, you will need to consult a map to even know where the heck this place is! Find Africa. Find Madagascar sitting next to it, and look up and to the right. You will see a tiny little series of islands. Welcome to the Seychelles! It is another great choice for setting up your offshore.

They've been doing it for a long time, but are a little on the shady side where jurisdictional reputation is concerned. It is not a deal breaker by any means (or else they wouldn't have made our top four), so they're definitely a solid contender. Shop and compare prices, and you will find that they compare quite favorably. Probably the best budget conscious option on the list.

3. **Cook Island** – Another top tier choice with very light requirements and strong asset protection. They're not QUITE as well known and well respected as the British Virgin Isles (below), but they're a close second, and an excellent choice if your primary purpose for setting up the company is asset protection.
4. **The British Virgin Isles** – A bit more expensive than the rest, but hands down your best all-around choice. The British Virgin Isles have been a safe haven for decades, and are enormously respected. With minimal requirements and no questions asked, worldwide banking, it is awfully hard to argue against setting up shop here. Sure, you can find cheaper options, but to a certain point, you get what you pay for. (Note – you will often see this abbreviated as BVI – same thing!)



Bear in mind that it DOES cost money to set up and maintain an offshore corporation. As mentioned previously, you can set up a US corporation for a couple hundred bucks.

You will be spending a couple thousand to set up an offshore corporation, and you will need to spend money each year to maintain it, but the key is – if you use your offshore corporation to “hide” assets in, then you won’t be taxed on those, and you can write off interest as a “business expense.”



So what if you have to spend a thousand bucks a year to maintain your corporation? If it is saving you six grand a year in taxes, then you are coming out five thousand dollars a year to the good, and that number will only grow over time, as you use your newfound corporate protection to shelter more and more of your assets. Remember, ownership isn’t important. You own the corporation, so you do not need to own the assets to maintain full control over them!

There are a number of decent companies you can work with, but two of the best I’ve found are these:

**Where to File**

[http://hfsoffshore.com/Order01.aspx?kw=offshore%20corporations&mm\\_campaign=cdee62e6eb8c8e68154b2606ecd1997a&keyword=offshore%20corporations&\\_vsrefdom=adwords&gclid=CPOy7qKX4sUCFVUSHwodzZ8A3q](http://hfsoffshore.com/Order01.aspx?kw=offshore%20corporations&mm_campaign=cdee62e6eb8c8e68154b2606ecd1997a&keyword=offshore%20corporations&_vsrefdom=adwords&gclid=CPOy7qKX4sUCFVUSHwodzZ8A3q)

<http://www.unitrustcapital.com/services.html>

Either of them will serve you well, and you will be up and “running” before you know it!





Okay, so that gets us all set where offshore corporations are concerned, but what about bank accounts? Well, we will go through the same basic process for those that we did above. What we are looking for in terms of offshore accounts are these things, primarily:

- **Lower Taxes and Fees** – Note that American law requires you to report ALL income, even income earned in other countries. If you do not, you are going to be hit with hefty fines. You might think that would negate much of the advantage of starting an overseas bank account, but you'd be wrong, because where the savings is truly realized is when you conduct business IN other countries, and as you will see later, this is a big part of our strategy.
- **More/Better Investment Opportunities** – Having an offshore bank account can open the door to investments that you'd be hard-pressed to make with a US bank. Less red tape, less paperwork, and lighter reporting requirements all work very much in your favor here.
- **Better Rates!** – US banks have among the highest operating costs on the planet – by moving your money offshore, you get access to a bank with less overhead, which translates both into lower fees and better rates. The better rates also stem from the fact that investing IN the US isn't as attractive as it once was. Many other countries regularly outperform the United States, a further sign of our nation's decline.
- **Asset Protection** – Despite America's claim to be the "freest nation on the planet" it is just no longer true, and if the government decides to, they can EASILY freeze (or seize) every asset you have. Except those held overseas, in places that have no treaties with our Federal government regarding financial assets. By keeping your money abroad, you gain protection from the growing power of "Big Brother." Remember, collapse IS coming, but before it does, you can bet that Big Brother will do everything it can to survive, and that will include seizing assets of hard working Americans in a desperate bid to keep itself afloat before the end finally comes. MILLIONS will be made penniless overnight when that happens. Do not let it happen to you. Protect yourself and your family from financial ruin.

- **Less Political/Legal Risk** – Strongly related to the above. The United States is quickly becoming a Police State with an increasingly militarized police force (current law forbids them to buy surplus tanks from the military, but everything else seems to be fair game). If the cops decide you are a troublemaker, or take any interest in you AT ALL, they can simply seize everything you have. Even if they do not, if you get sued by anyone, they can come after all of your domestic assets, but they can't TOUCH your assets held overseas. Something to think about.
- **Increased Privacy!** – Again, one of the things that makes an international bank a great choice is the fact that they do not have to tell your Federal government ANYTHING about you, your account, your transactions, investments or balances. Because they're not required to reveal that information, you gain enormous freedom from prying eyes.

So...with all that in mind, what ARE the best banks to consider? In addition to the above, our top five picks were also made because at the time of the writing of this book, they all had pretty modest minimum deposit requirements to start an account. Here they are – the best of the best:

### Banca Privada d'Andorra (BPA)



Established in 1957, and with jurisdictions in Andorra and Panama, you will find a lot to like here. Strong private banking and international commercial banking offered, you get maximum privacy, and while the minimum deposits ARE negotiable, you will probably need in the neighborhood of \$100k to get started here. Credit cards and multi-currency support are both offered.

The only drawback? No mobile banking. That's usually not a deal breaker, and while you might not have the resources to open an account right off the bat, this one was included because it is good enough to aspire to use down the line, and I didn't want you to lose sight of it.

Find out more here: <https://www.bpa.ad/eng>

### Bank of Valletta (BOV)

Established in 1974 in Malta, you will find a lot to like here. Both personal and commercial banking is offered, and you can even open your account remotely, but you WILL need an intermediary to represent you in that case. Minimum balances range from 0 to 2,000 EUR, and the bank offers both mobile banking (both iOS and Android supported), and full credit card coverage.

The bank has won a number of awards for technical and support services. They offer among the best interest rates in the world, which makes up for the singular disadvantage with using this bank. A lack of private banking. That means that IF records are requested by another government, BOV will likely hand them over. Depending on how important that is to you, this might be a deal breaker. Everything else about it is so good though, that it absolutely deserves a place on the list.

Find out more here: <https://www.bov.com/>

### **DBS Bank**

Established: 1968, with jurisdictional influence in Taiwan, Malaysia, Hong Kong and Singapore, you will need at least \$10,000 to open an account here, but it is WELL worth it. You will find mobile banking on offer (both iOS and Android platforms), and full credit card coverage. Private banking, with both personal and commercial accounts on offer. A superb choice.

Website: <http://www.dbs.com/>

### **HSBC**

You won't find many banks easier to deal with than HSBC. Its jurisdiction is Hong Kong, has an easy account opening procedure, and low minimum balances to start (25,000 HKD to start). Even if you drop below the minimum balance, the fee is a nominal 50 HKD per month. Known for its excellence in customer service and flexibility, this is an excellent choice, whether you are looking for a commercial or private account.

Find out more here: <https://www.hsbc.com.hk/1/2/home>

## **Multibank**

Minimum deposits in this Panama jurisdiction bank ranged from \$1000 to \$35,000 USD at the time this ebook was written. Bank accounts in Central and South America tend to be somewhat time consuming to open, but Multibank makes it a fairly painless process. They've got great customer service, offer enormous flexibility and a great range of products. Extremely internationally friendly, and a great choice for anyone looking to expand internationally and "cover their assets."

Find out more here: <https://www.multibank.com.pa/>

## **FINAL THOUGHTS**

Get it out of your head that you have to be a Bond Villain, or uber-rich, or a drug runner to make good use of offshore bank accounts. You do not. There is nothing shady or shifty about it, but doing so will give you added privacy and security, a great many more investment opportunities, and a tremendous amount of flexibility as we reveal the rest of our "Surviving Financial Collapse" plan.



A close-up photograph of a person's hands on a steering wheel. The person is wearing a dark suit jacket and a gold watch with a black dial. The background shows the interior of a car, including the steering wheel and dashboard. The overall tone is professional and focused.

# CHAPTER 5

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# INCREASE YOUR NET WORTH DURING A FINANCIAL FALLOUT

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Okay, we are going to take this step-by-step. There are a number of fantastic ways to steadily increase your net worth. Some of it involves looking at the world in a way that you are perhaps not used to, but all of them are amazingly effective.

### Your Mindset

See – your goal is not to “merely” increase your paper wealth. If that was the goal, then all you’d need to do is create a diversified stock portfolio.

That won’t work because the stock market will be the **FIRST** casualty when the collapse happens. You can expect it to lose 80% (or more) of its value in a matter of just days. This, of course, will destroy the net worth of millions of average Americans, and allow the 1% to swoop in and acquire everything for pennies on the dollar.

No, if you want to steadily increase your wealth in times of financial crisis, there is only one way to do that. You **HAVE TO** invest in tangible assets that people will need and recognize in value, and assets that will increase in value over time, and strategically invest in currencies abroad that will be better able to weather the storm.

That’s it. That’s the entire trick to increasing your net worth during, and in the months and years following the collapse. Fortunately, there are a **STAGGERING** number of great investment opportunities, and we will break them into categories and explain why you need them in detail.

Your mindset is everything when it comes to investing. The most important things you can do are to develop a strong, sensible plan to keep your family safe and your assets growing, and to keep your wits about you. When everybody else is panicking, you will remain calm and disciplined and continue to execute your plan.



The single biggest thing about your mindset, though, is to think globally. As you will see in the chapters that follow, much of the plan we are revealing to you will revolve around you traveling the globe strategically to take advantage of opportunities as they arise. We will go into that, beginning in the next chapter, but for now, it is enough to mention it, so you are certain to build it into your thinking. Global is good.

The last thing we need to talk about in terms of mindset is lifestyle. Make no mistake, when the shit hits the fan, your lifestyle WILL change. You've got to adjust your lifestyle and your expectations to the economic realities you find yourself in.

Think about this: In the Great Depression, a number of fairly well-to-do families COULD HAVE saved themselves from financial ruin. They had the resources to do it, but they made a tragic mistake. Their mistake was that they continued partying like it was 1929 (before the crash). They didn't adjust their lifestyles at all, until it was too late to matter.

So they wound up going to, or throwing lavish parties, buying expensive toys, all the while, bemoaning the fact that they didn't have the money to pay their bills. You can imagine how that turned out for them, and this goes a long ways toward explaining why so many fairly wealthy people wound up committing suicide in the months following the onset of the Great Depression. They just didn't know how, or could not stomach the idea of downshifting their lifestyle in the face of changing economic circumstances. Do not let that happen to you.

Trust me, compared to the vast majority of the people in the world (the ones who do not have the benefit of this book), you will be world's better off, but that doesn't mean your lifestyle won't change. If you are not flexible...if you do not make necessary adjustments to your family's lifestyle, you are going to wind up being your own worst enemy.

### Your Debts

We've talked about this in previous chapters, but it bears repeating here. Again, the reason you need to focus on paying off your debts is because ultimately, you owe that money to members of the 1%. To the extent that the government still functions, they will be doing the bidding of the 1%. Punishments for failing to pay what you owe to the people who think themselves your Masters will become increasingly draconian and punitive. This is one reason.

The other reason is, if you are currently paying 19.9% (or higher) interest on credit card debt, that FAR exceeds any return you are likely to get by investing, no matter what you invest in. Paying that off means you stop paying that rate of interest. That's as good as EARNING that rate of interest, which makes them your first choice.

The same thinking also holds in terms of paying off your car and your home, but in these cases, we add a new wrinkle. Post-collapse, your home will be your castle. Your fortress. That is, of course, provided that it is YOUR home, and not the bank's, which is just another way of saying that it belongs to the 1%.

We are not saying you have to pay ALL your debts off before you begin investing, but the one thing you absolutely want to do is, any time there is a decision to be made between making an investment or paying off a debt, simply compare interest rates. If the bill you are considering paying off carries a higher interest charge than the rate of interest you could earn on the investment, pay the debt first. If the investment stands to earn you more interest, do that first.

Remember, this is a race, at this point. Under normal investing circumstances, you have a timeline measured in decades, or perhaps even generations. With the collapse looming, your priorities have to be different. You have to think in terms of immediacy. That means making mostly tactical moves, with strategic moves being factored into your plans as calculated risks when that makes the most sense. With all that in mind, let's take a look at your options.



**It is no secret** – the dollar is a sinking ship. These days, it is barely worth the money it is printed on, but there ARE currencies that are in much better shape. We've already talked about offshore corporations and bank accounts, and these will be your "in." These will be the vehicles you will use to begin making strategic investments in currencies that are well positioned to do well post-crash.

Understand that immediately after the collapse, there will be NO currency that will be in good shape. Having said that, there are three that will be positioned to do well in the months and years following.

## ALTERNATIVES TO THE US DOLLAR

What you will see happening in these cases will be that the national currencies in the overall best shape will wind up being strong regional currencies that will lead the way to a relatively faster regional recovery. These will then plant the seeds that will foster a broader, deeper, global recovery.

The top four currencies that are currently in the best shape to play those roles are:

- The Swiss Franc
- The British Pound Sterling
- The Indian Rupee
- The South Korean Won



If you ask a different expert, you will likely get a different answer, but here's why we see strength in these four.

**The Swiss Franc** – Switzerland's impressive holdings position it well to weather almost any financial storm. The country has a long history of financial conservatism, and their location in Europe make the Franc a natural choice for a flourishing regional European unit of trade in the post-collapse world.

**The British Pound Sterling** – You might be somewhat surprised to see this currency on the list at all. After all, Great Britain is, at least on paper, not in much better shape than the United States, but here's the difference: Great Britain has been down this road already. At the height of the British Empire, they were in the same position that the US has been in since the end of World War Two.

Their empire, and their currency suffered much the same fate that ours is about to, and they survived it. This makes them uniquely qualified to recover more swiftly from the economic calamity that the world will endure when the USD collapses. You can count on the fact that Britain will surprise the world with their resiliency, post-collapse.

**The Indian Rupee** – Again, on paper, India's currency isn't in great shape, but India has enormous advantages nationally, that make it stronger than it would appear. In the first place, it will be India, not China, that winds up deciding the economic fate of Asia and the Middle East.

India's population will eclipse China's within fifty years, making it the most populous nation on the planet, and while China's population is aging, India's is significantly younger and more vibrant.

Also, India is moving much more quickly toward sustainability than China is, and India's middle class and wealthy citizens LOVE gold. They buy it rabidly, and in huge quantities. Much of it is currently in private hands in the country (in amounts that dwarf India's rather modest gold reserves), but one could easily envision the Indian government doing what our own government has done in the past, and confiscating much of the private gold wealth. This then, could quickly position the country to begin backing the Rupee with gold.

**The South Korean Won** – This one is something of a dark horse, but of all the "Asian Tiger" economies, South Korea's is, pound for pound, in the best shape overall. They won't be able to compete with India in terms of becoming the dominant regional currency once we start digging out from the chaos of the collapse, but they'll be a strong complimentary currency in the new world order that slowly begins to emerge.



Note that these were our top picks at the time this book was written, but new opportunities may emerge over time. If you get advice from a trusted source that reveals a new opportunity, do not be afraid to take advantage of it!

### Precious Metals

No discussion about alternatives to the US Dollar would be complete without mentioning precious metals. They should DEFINITELY be included in any plan you make for yourself or for your family. At this stage in the game, you should be devoting at least 10%, and preferably 15-20% of the money you have available for investment into precious metals like silver and gold.

These have been reliable, globally recognized stores of value since humans first started USING money. When the collapse happens, those metals will once more become the standard units of trade in the post collapse society. Eventually, when currency begins to reemerge, odds are good that they'll be backed by these metals, just as they were until Nixon took us off the gold standard.

There are, however, a number exogenous factors that are driving up the price of precious metals, especially gold. There is only a limited supply of the metal in the world, after all, and I am sorry to say that you do not have the purchasing power of whole countries. That means that bigger players in the market can drive up the price of gold for you. This should not dissuade you from making the purchase, because after all, when everything falls apart, having gold will be better by far than not, but you need to understand the major forces impacting the market today and in the near future.

## **China's Buying Spree**

China has been busily buying up everything. Oil and mineral contracts in Africa and other parts of the world, raw materials, and yes, gold. They've been buying lots and lots of gold. Do they know something we do not? Maybe. I know that if I was the leader of China, and I wanted to hurt my long-time rival the United States, one thing I would do would be to buy and hold a bunch of US debt and dollars (which they have), and then buy lots of gold.

When the moment was right, I'd dump all my dollars on the market, shattering my rival's currency (probably, I would use those dollars to buy as much oil as I could afford). Since I sold my stored dollars first, sure, I might take a loss, but the losses of the other nations holding dollars would be even worse.

It would be painful for me, yes, but the pain my country would feel would be nothing compared to the devastation that my rival would face, and I could use my vast gold reserves to more quickly stabilize my country.

I am not some uber-genius, and if I have been able to reason out this strategy, do not you imagine that it is at least possible that someone in the world's most populous country has as well?

## **The India Factor**

The Indian government has decent, but not excessive or noteworthy gold reserves, but the same cannot be said of the Indian population. They love gold. They're positively rabid about it, and they buy more than any other group on the planet. That gives India an unrecognized "pool" of gold that the government could easily tap into if things get bad.

Remember that in World War Two, our own government began confiscating coins for the precious metal content in them. With the stroke of a pen, it became illegal in the United States to own precious metals.

Now you see why we recommended opening an offshore bank account. Should that happen again here, you will be very glad you've got that offshore account! But back to India, the bottom line is, much of the recent run up in the price of gold can be attributed to the insatiable hunger for gold in the Indian market. It is a hunger that shows no signs of being satisfied any time soon.

## Do not Stop There

There is more to precious metals than just silver and gold though. You should, at a minimum, consider platinum and palladium as well. Both of these metals have a monetary history, and both have a variety of industrial uses as well.

## BITCOIN – GOOD OR NOT?

### Storage and Security

There are two things to consider where storage and security are concerned. One is physical, on-site security (as in, bullion or coins kept securely on your property), and the second is remote storage.

When it comes to the former, I'd recommend something simple and elegant. You can buy a 10'x40' Conex Container (international shipping container), bury it, and turn it into a very effective storage bunker. It is solid steel and virtually impervious. That, coupled with good security on your property, augmented by two large-breed dogs, and you have the makings of a good security system for not just your precious metals, but for the other durable and trade goods you will want to keep close at hand.



Where remote storage is concerned, that's already been covered. If you've followed our advice regarding offshore banking, then your bank will be able to help you there. Many of the banks we listed handle precious metals and secure storage. Those banks are all well positioned to survive the collapse, and their word regarding the amount of gold or silver you have in your account will be all you need to conduct transactions without interruption in the post-collapse world.

Here, we aren't JUST talking about BitCoin, but rather, are using it as a shorthand to represent a broad range of internet-based currencies. Some are purely digital, and others, like BitCoins, are represented by actual, physical coins.

These alternate currencies are hugely exciting, and have generated a lot of buzz. They represent a vast, global experiment in alternative ways of handling commerce and economic matters that exist outside and beyond the direct control of government. These are grassroots economic experiments, and while they are all still in their infancy, you would do well to at least begin to participate in these experiments to gain contacts and familiarity with them.

It is too soon to say yet which one or ones will shake out and prove viable in the long term, so our advice would be to limit your participation to no more than 5% of the money you have available for investment, at least until a clear winner in the alternate currency arena shakes out. I personally believe very strongly in alternative currencies, but at this stage in the game, it is too early to say who the dominant players will ultimately be, so invest and get involved, but do not make a firm commitment to any individual alternate currency until the situation becomes more clear. Right now, this is an idea that's still in its infancy.

## Barter Goods

When the collapse happens, the first three to four months will be the worst. That's when the lion's share of the deaths will occur. What the riots do not kill, the first winter without grid-connected heat will finish off. By the spring following the year when the collapse happens, America is likely to have half to one third its former population, and possibly less.

You will need to stockpile enough food (canned and dry goods) and have a water catchment and filtration system in place to last at least 4-6 months. After that time, the survivors will begin haltingly reaching out to one another to trade for things they are lacking.



Different people will prepare differently. One person might stock up heavily on medicinal supplies, but be lacking in canned goods. Someone else might have an abundance of ammunition, but be low on medicine. You see how it goes. The point is that after the initial bloodletting (which will last months, and be truly awful), the survivors will slowly start reaching out to each other. Paper currency will be useless. Most people will probably either burn it to keep warm or use it as toilet paper, so people will begin utilizing direct barter trades with each other. Half a dozen eggs for milk. A pair of shoes for a hunting knife, and so on.

This will represent the first halting steps that you and your fellow countrymen will make toward putting the nation back together again. In order to participate in that, you are going to need to have goods to trade. Here's the short list of things to focus on. These are the items that most people will desperately need in the post-collapse world, and if you have these in surplus, it will put you in a powerful trading position indeed.

Short Term List (These items have a shelf life of 18-months or less)

- Alcohol (use for both medicinal and trading purposes)
- Baby Food
- Baking Powder

- Baking Soda
- Beef Jerky
- Bottled Water
- Cereal
- Coffee
- Cooking Oils
- Crackers
- Diapers (and wipes)
- Dried Fruit
- Hard Candies
- Honey
- Juice Mix (powder)
- Pancake Mix
- Pet Food
- Popcorn
- Powdered Milk
- Spices



The list above will be essentials you will want/need to get you over the first year or year and a half, but this barely scratches the surface. In the longer term, here's the list of goods you will want to focus on:

- Canned Goods (they last for years)
- Guns and Ammo
- Seeds
- Rechargeable Batteries (all sizes, including 40v batteries for electric tools)
- Gas/oil
- Knives, hatchets, axes
- Duct Tape
- Toilet Paper
- PVC pipe
- Water storage tanks and filtering equipment
- Matches

- Flashlights
- Oil Lamps
- Medicines (antibiotics especially, but general pain relievers, and anything else you can find)
- Needles/thread
- Compasses (the more you have, the more you have to trade)
- Backpacks (the more you have, the more you have to trade)
- Shoes (the more you have, the more you have to trade)
- Clothing (the more you have, the more you have to trade)
- Building Supplies (shipping pallets, used tires, five gallon buckets, cinder blocks, etc.)
- Gardening tools (hoes, shovels, etc.)

This is a lot of stuff, as you can see, and you will need a lot of room to store it all. We again recommend an 8'x40' Conex container. These are durable and cheap (you can find them on Ebay for less than \$2000 all day long).

This is a cheap way to securely store everything you are collecting. Note here that this is BY NO MEANS a comprehensive list. There are literally hundreds of items you will need. Use this list as a starting point, and add to it from there, but if you go by this list, you will be well positioned to have a number of trade goods on hand, and enough supplies to get you over the worst of the collapse.

Remember that AFTER the collapse, you will need to start thinking in terms of providing all your own food and power, because you won't be able to just run down to the grocery store to pick up what you need.



When the building supplies are concerned, those things might look like junk to you now, but post-collapse, they'll be as good as gold, enabling you to build chicken coops, pens, or even housing. Did you know that a single used truck tire, packed with mud, weighs in excess of nine hundred pounds? A stack of them can be lined up and covered over with stucco to create a surprisingly attractive, all but impenetrable wall.





If you want to go more high-tech, consider building a FabLab (you can do this in your garage, or in another Conex container). Using this technology, you can “print” almost anything (tool or otherwise), you could ever need. Here’s a link to get you started down that road:

[http://blog.ted.com/start\\_your\\_own/](http://blog.ted.com/start_your_own/)

## DIFFERENT TYPES OF CURRENCY

Remember before, when we talked about currency serving two masters? Here’s the interesting thing. It doesn’t have to. It is possible to design currency in such a way that it only serves ONE master. In other words, you can design currency that ISN’T a store of value.

This has happened before. There have been many examples of local currencies that have done wonders for local economies. The two biggest and best examples would be “The Miracle of Worgl” (read about it here: <https://mises.org/library/free-money-miracle> ).

Note that this essay is on a libertarian site, and they claim to “know” that had the experiment would have been allowed to continue, it would have ultimately crashed and burned. That’s convenient, because it aligns with their beliefs, but it is just a story. What we KNOW is that while the experiment was allowed to continue, it performed miracles.

The other example is Ithaca Hours, which was a local currency started by Paul Glover. You can read about it here: <http://www.ithacahours.com/> As with the Miracle of Worgl, this (currently ongoing) experiment did, and continues to do a great deal to help improve the lives of the residents of Ithaca.

The point of the thing is that local currency has historically, and can make a big difference in the lives of the people who use it. Currency can literally be anything. People can band together in communities and simply agree on a given unit of trade. As long as the participants agree that the currency in question has value, then it has value.

As long as the participants agree that it can serve as a medium of exchange, then it does. All it requires is agreement and confidence. Paul Glover just “decided” one day to print currency and use it. He got people to agree with him, and they did. That’s literally all it took to get the ball rolling. If these people can do it, you can do it too. On the Ithica Hours site, there is a link to an ebook that will teach you exactly HOW to start your own local currency. It is well worth looking into.

## SPECIFIC INVESTMENT STRATEGIES TO EMPLOY DURING FINANCIAL CRISIS

The above is all well and good, but when the rubber meets the road, you need specifics, and that’s what this section will entail. The following are the specific investment strategies you can employ to steadily see the value of your assets rise, even during times of dire financial crisis, along with important notes of things you need to be aware of as you start down this road.

Mix and match these as you see fit, and depending on your personal level of investment expertise. Momentum is the important thing here. You know the clock is ticking. If you haven’t started yet, you need to, NOW.



### BUYING GOLD

This one is the easiest and probably the most straightforward of the bunch. The fact is that in times of financial distress, people look for the sure bet. Gold (and to a lesser extent, other precious metals) IS that sure bet, because gold has been a store of value and a unit of exchange since the beginning of recorded history, and probably before.

You’ve probably heard the phrase, “the surety of gold.” As a store of value, it’s about as safe as it gets, and here’s the thing: Think about it. You know financial collapse is coming. You know that when it happens, everyone is going to start buying gold in huge quantities, but there’s only so much of it to go around. So what happens when you have a fixed supply of something and more and more people suddenly want it? That’s right, the price goes through the roof.

With that in mind, if you start buying gold in advance of the financial collapse, then you'll be buying it on the cheap, or at least, "cheap" relative to the prices it will reach when millions of increasingly desperate individuals start trying to get their hands on some. That means, by definition, that the gold you buy today will be worth a hell of a lot more in the future, and that's exactly how you use gold and other precious metals to increase your assets during times of financial turmoil.

Remember too, that we've mentioned the enormous upward pressure that's already on gold, both from China's massive buying spree and because of the insatiable market in India. You combine those price pressures with a looming financial crisis, and gold becomes a ridiculously safe bet, no matter who you are or how conservative your investment strategy.

### SHORT-SELLING STOCKS

Short Selling is a clever trick you can do when you think that a stock's price will fall in the near future. The way this works is that it allows you to sell something you don't actually own. That is to say, you can sell shares of a company's stock (even though you don't technically own it), with a promise to buy it back at a specified date in the future.



If the stock's price falls, you'll be buying it back at a lower value than you sold it, and you get to pocket the difference. If, however, the price of the stock rises between the time you sold it and the time you have to buy it back, you'll have to make up the difference out of your own pocket.

This, of course, plays very much in your favor, because you're now reading this book, so you'll be able to spot the crash in advance, and in the weeks leading up to it, you'll be able to identify companies that will be ruined by the coming crisis (which is, of course, most of them), and make a killing by doing so.

## PUT OPTIONS

In a similar vein, you can use “put options” to your advantage. The basic idea here is that you enter into a contract that gives you the right (but specifically NOT the obligation) to sell a given stock at a predetermined price.

Here’s how you would use this: With a put option, you maintain the right to sell that stock at an agreed upon price (let’s say \$20). During the life of the put contract, if the price of the stock falls below that (say to \$10 a share), YOU can still sell at the price specified by your put option, which means you can still get your \$20 a share out of it. Your profit is the difference between the actual selling price and your option price.

Some people will say that this is “gaming the system.” That you have an unfair advantage because you know what’s coming, but that’s what these markets are actually for. When you think about it, it’s a kind of legalized gambling, but you’ve got all the cards stacked in your favor, because you can see what’s coming in the future.

That’s powerful and it enables you to profit tremendously. Yes, when you win, it means that someone else loses, but that’s the nature of the market itself, not anything you’re doing, so don’t lose any sleep over it. The bottom line is that everybody who participates in this market knows the risks. There are going to (by definition) be winners and losers. This book, and your foreknowledge of what’s coming will make sure you’re among the winners. It’s just as simple as that.



## PLAY DEFENSE

There are, of course, some companies that seem to thrive, even during the darkest of financial times. These are companies that produce staple items that you see every day. For example, when the collapse happens, those who still manage to hold onto their jobs probably won’t be going to Starbucks every day. The five dollar coffee is a luxury that will be an early casualty of the crisis. On the other hand, people are going to keep right on buying toothpaste and toilet paper for as long as they’re able. Those industries might not be very glamorous or sexy, but they’re solid performers during times of financial distress.



### IETFS

You may not have even heard of an IETF. Few people outside the investment world actually have. The acronym stands for “Inverse Exchange-Traded Fund.” You’ll also see these called “Bear ETFs” or “Short ETFs” because they have many of the same traits as short selling stocks, with the advantage that you’re actually investing in a whole fund, rather than an individual company, which helps to mitigate your risk.

### BROKER OR NO BROKER?

Some people are scared of investments and investing in general. They think they don’t have, and could never gain the necessary expertise to make good investment decisions, and because of that, they’re dead set on using a broker. Here’s the thing though: Brokers charge a commission on every transaction. Whatever that commission is, it’s eating into your profits.

There are some instances, say, short selling, where you may find some value in having a broker hold your hand for the first few transactions, just until you learn the ropes, but once you gain a certain comfort level where investing is concerned, you’re almost always better off going it alone. There are companies that allow you to do just that, and two of the most popular are AmeriTrade and Scott Trade.

These charge a very small, flat fee per transaction for using their service, and it winds up being MUCH cheaper than using a broker. Those sites also have some fairly robust investing tools. The particulars vary from service to service, but the bottom line is pretty much the same. There are millions of people, right now, using these sites and making a good living day trading, or simply regularly buying and selling stocks. There’s NO reason you can’t do the same.

Look, investing isn’t rocket science. Sure, there’s a process to it. There are steps to be followed and rules to the game, but isn’t that true of most anything? As a kid, you picked up the game of baseball easily enough didn’t you? Investing isn’t really any different, and honestly,

this is about your family's financial well-being. Do you really want to put that kind of power in someone else's hands?

## OTHER TIPS

One of the biggest and best things you can do for your portfolio is to copy the moves of the “big fish.” Specifically, set up Google Alerts that will notify you of headlines concerning people like George Soros and Warren Buffet.

These two are clearly and obviously part of the elite 1% we've been talking about, and if there's one thing you already know about the 1%, is that they'll make the necessary moves to not only survive when the crash comes, but to actually use it to get richer. You can do the same thing by LITERALLY doing the same thing, just on a much smaller scale. The idea here is that when you see an alert describing a financial activity by one of the people you're following, you copy their moves as best you can. It really is that simple.

This section is also a good time to bring up an important point about US banks. We cover elsewhere about the importance of making use of an offshore banking account, both to open up new investment opportunities, and also to prevent Uncle Sam from freezing your assets in an attempt to claim them. Most people don't realize this, but the US Treasury Department has transaction reporting rules for transactions of \$10,000 or more.

That is to say, if you pull ten thousand dollars (or more) out of one of your US accounts in a single transaction, the Treasury Department files a report on it. Understand the importance of this. It is the policy of the Treasury Department to track the movement of ALL large dollar amount transactions (ten grand or more), of everyone who keeps their money here. Now why do you suppose they do that? It's pretty easy to construct a few scenarios, none of them pretty. All the more reason to move your money offshore!

You're probably thinking two things at this point. First, that you can game the system by making your transactions no bigger than \$9,999.99. Unfortunately, the Treasury Department is smarter than that. If you do that, and move more than \$100,000 in a given twelve month period, you'll go to jail. Why? For no other reason than a) you're violating their reporting rules, and b) you're trying to keep them from keeping tabs on you, which of course, they don't like.

The second thing you're probably thinking is that this would never apply to you, because you don't have that kind of money. Maybe you don't right now, but that's part of why you're reading this book! To learn how to grow your family's nest egg. Even if you don't have that kind of money right this second, if you follow the advice here, you soon will!



Yes, collapse is coming, and yes, it is possible to increase your net worth, even in a bearish economy.

The 1%ers do it all the time. In fact, there are many who believe (this author included) that the wealthiest among us intentionally engineer periodic financial crisis in order to further their own wealth, sending the economy into a tailspin, depressing prices, then buying assets for pennies on the dollar while everyone else suffers.

If they can do it, you can too. Remember the section on thinking like a member of the 1%. This is an example of that very thing, and is a living example of the kind of thinking you have to get in the habit of, and the sort of mindset that will be needed to thrive in the post-collapse world.

There is no sugar-coating this. There are only going to be two kinds of people in post-collapse society: those who thrive, and those who die. Some of the ones who die will do so quickly, and others will struggle in increasing despair before succumbing. The point though, is that you want to do everything you can to make sure your family is on the winning side. Formulating your investment strategies (pre and post-crash) is an absolutely essential part of this.

# CHAPTER 6

## RAPID RISK REDUCERS







So let's talk about risk. With collapse on the horizon, uncertainty abounds. People do not tend to thrive in the kind of uncertainty that's coming. We are social creatures and we need stability. Stability creates predictability, and in the post-collapse society, predictability will be as rare and valuable as gold.

The same is true of your investments, but here, it is the classic risk-reward tradeoff. Safer investments are all well and good, but they aren't terribly profitable. If you want to make a decent return, you've got to expose yourself to at least SOME risk, and there is the rub.

## INVESTMENT STRATEGIES TO MINIMIZE RISK

As we've mentioned in an earlier chapter, the best, safest "investment" you can make is to pay your existing debts. That's a guaranteed rate of return equal to the interest rate you are being charged on that money.

We've also talked about why it is important to pay off your car and your home, because foreclosures and repossessions will still be happening, even after the collapse starts. If you do not own your own home, then it will be taken from you when your job evaporates and you can no longer make your monthly mortgage payments. That puts the value of your home and your vehicles at FAR above whatever interest rate your loan carries.

There is more though. You absolutely need to diversify your portfolio, but remember, we are NOT talking about investing in either stocks or bonds. Again, the stock and bond market will be among the earliest casualties of the collapse, so your investments need to take other forms. Precious metals and foreign currencies will lead the pack, but also other physical, tangible goods that will maintain or increase in their value over time.

Specifically here, we are thinking of multiple homes owned in other countries. The next section of this chapter will talk about “Flag Theory” and point you in the direction of amazingly inexpensive countries to consider setting up a second (or third, or possibly even fourth) residence in, and why you should consider doing so.

Of course, in each of these residences you establish, you will want to also establish a cache of emergency goods, and make each homestead as self-sustaining and independent as you can possibly make it. That way, as you thrive by being a citizen of the post-collapse world, you will always have everything you need to be successful, no matter where your travels might take you. And of course, all the while you are doing this, you do not actually OWN these assets.

That why you established your offshore corporation and your offshore bank account. Your company owns everything – you own nothing, but maintain perfect control, just like the 1%ers do it. Copying their moves is always the very best way to minimize risk, because it is’ what keeps them at the top of the heap. They’ve gotten EXTREMELY good at minimizing risk, so what they do...you do.

The biggest and best thing you can do though, in order to minimize risk, is to become a producer. Grow your own food. Make your own electricity. Make your own fuel. Furniture. Tools. Everything you can make, you should learn to make for yourself. The more skills you acquire before the collapse happens, the better shape you will be in when the collapse happens. SKILLS then, are the very best investment you can make. That’s an investment that no one can take away from you.

## WHEN YOU NEED A LOAN



Sometimes, the worst happens. Sometimes, you take on a project that’s just too big for you to save month after month until you get the funds you need. The last thing you want to do though, is to be beholden to the banks (all owned by the 1%), not even your trusted offshore bank, so what to do when you need money quickly?

Fortunately, there is an answer. Just as power generation and food production is becoming increasingly decentralized, so too is lending. Peer to Peer lending isn’t very old (at least not in its current form), but is a surprisingly effective way of getting money from regular folks just like you. Here, I am talking about websites like these:

Lending Club: <https://www.lendingclub.com/>

Prosper: <https://www.prosper.com/>

This is just one of an almost innumerable ways that the internet has been a transformational technology. See, here's perhaps the biggest secret that the 1% do not want you to know. At the end of the day, we do not need them.

They're parasites. All they do is suck up the wealth of the world, for the purpose of sucking up the wealth of the world. Nothing more. Never mind the fact that in the long run, that actually HURTS the global economy. It hurts millions of everyday men, women, and children. It destroys lives. None of that matters to them.



They have convinced the rest of us though, that we DO need them. We need them for their expertise, for their money, and for their ability to “create jobs.”

NONE of those things are true. Websites like the ones we listed above are proof that we do not need them for their money, and as to their expertise and “job creation” ability – they do not. They never have. Do you know what actually creates jobs? Demand. Nothing more, and the 1% do not create much demand because they're such a tiny fraction of the population. YOU and the people like you create the demand which creates the jobs....so what do we need the 1% for? What purpose do they serve, except to be blood sucking parasites?

None at all, and the more people who find that out, the weaker they become. Their power is entirely dependent on their ability to keep the 99% hoodwinked. Stop playing their game. Stop being their patsy.



### FLAG THEORY – WHAT YOU NEED TO KNOW

You've probably at least heard of Flag Theory. If you haven't, it is an alternate theory of life and living first put forth by a man named Harry Schultz, and later expanded by W. G. Hill. The theory essentially says "go where you are treated best." This, of course, is VASTLY different from the way most Americans, and in fact, most people in the world, live their lives.

Most people are born, attend school, and get a job in the same country they were born in. If they ever leave the country of their birth, they do so only briefly while on vacation. They keep all their assets in the country of their birth, get all their health care in that same country, and only own property in that same country.

The problem with that approach is two-fold. First, it is not what the 1%ers do, and there is a reason for that. If you want to improve your personal financial situation, you have to follow their moves. The second reason builds on the first. The REASON that the 1%ers do not do this is because it is not financially efficient or effective.

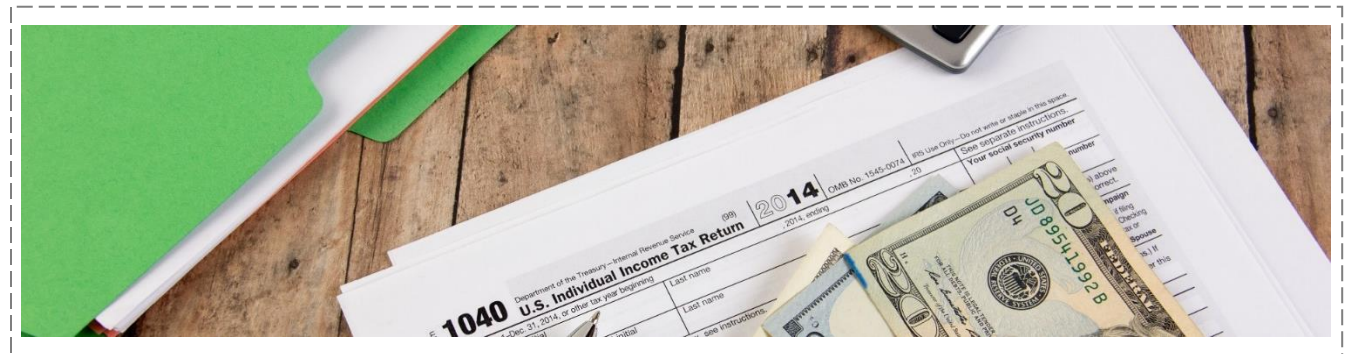
What's the first rule of investing? Do not put all your eggs in one basket, but that's exactly what you are doing if you live, become educated, work, invest and die in the same country. The rich do not do that because they understand that the government in the country of their birth can turn on a dime. Tax rates can rise. Confiscation can occur. Currency games can be played. Assets can be frozen. That's the risk you take when you put all your eggs in one basket. That's the reason that Flag Theory is so effective.

Most people think that this "multi-national lifestyle" is exclusively the playground of the rich. It isn't. As you've seen in the earlier chapters, it is actually surprisingly cheap to set up an offshore corporation and an offshore bank account.

Later on, we will show you how to get health care for a fraction of what you'd pay for the same services in the US, and why shouldn't you, especially if you can GET to those other countries for

little to no money? Why WOULDN'T you go to the place you are treated best, even if that happens to see you traveling to several different countries?

In the original incarnation of flag theory, there were three flags. Time and circumstance have upgraded that to five (or six) flags depending on how you count them. We will outline each of them below.



- **Citizenship**

The goal here is to have your citizenship in a country that does not tax income that comes from a foreign source or control your movements. The US is a bad country to have your citizenship in for both reason. The US exerts all sorts of control over its citizens when they leave the country. US citizens are still subjected to a number of US laws, even when they're visiting another country.

This also has to do with taxation. There are three “types” of taxation. Residential, Citizenship-based, and territorial.

Residential taxation is typically based on the “183 day” rule. This basically says that you pay taxes based on where you live. If you spend at least half of your time living in a given country, then you are liable for tax on your worldwide income.

If you leave that country and live somewhere else, you avoid paying taxes because you are no longer a resident. Therefore, if you do not stay in any one place longer than 183 days, then you technically do not live ANYWHERE.

Citizenship-based taxation is actually only an issue in two countries. One of them is Eritrea, and the other is the United States. According to this type of taxation, the citizens in these two countries have to pay taxes, no matter where on the planet you live. That, as you might guess, is very bad for you.

Territorial taxation means that if you live in a given country, the income that's earned outside of that country isn't locally taxable. To give you an example, if you are a citizen of Singapore, you can earn income anywhere in the world, and you won't pay a cent of tax on any of it in Singapore.

The ONLY kinds of income that are taxable in Singapore are local income. So if you live in Singapore and own a house in, say, Greece, then you only pay tax in Greece on the income that property might earn. Also, if you live in Singapore, you can avoid income tax altogether if you take your salary in dividend payments. Pretty sweet, huh?

- **Legal Residence**

This one is simple. If you have a legal residence in a country that doesn't tax income (usually overseas income, but in some cases, no income at all), then you have taken a major step forward. This location can serve as a "base" for you to work from that will keep you from having to pay taxes to whatever country your base is in.

- **Business Interests**

This is where the importance of the offshore corporation comes in. Your business pays your salary. Your business is set up in a country that doesn't have taxes, so your income isn't taxed. Since it isn't taxed, and neither is your legal residence, your tax bill falls to ZERO.

- **Asset Haven**

This is where the importance of your offshore bank account comes into play. Note that this may be (and probably is) different from your business base and where you live. Here, the main features you are looking for is a country with a strong judicial system. You also want a bank that's capable of storing physical assets like gold, or other valuable, tangible assets that you want to keep safe.

- **Playgrounds**

If you've chosen your country of legal residence well, then you won't have to pay many taxes beyond sales taxes, and possibly VAT (Value Added Tax). Buying things here might be quite expensive, so you need one more "flag." A place where you can go to play, have fun, and buy goods for your home without paying much (if anything) in the way of taxes on them. Note that these playgrounds may be fairly expensive places to live.



All of this ties back into the “keeping all your eggs in one basket” theory. The more “flags” you have planted around the world, the less control any one of those nations can exert over you. If one of those countries should happen to change their laws, it is easy to move just that flag to some other country. This section then, is the part that begins to tie the different things we’ve been talking about so far together. Now you begin to see the importance of the material we’ve presented so far.

## YOUR GUIDE TO GETTING A SECOND PASSPORT

In the two sub-sections that follow, we will outline the best places to get a second passport, why you will want to consider having more than two, and how to go about GETTING those passports. The specific processes you have to follow will vary from country to country, but broadly speaking, it amounts to filling out paperwork, lots of hurry up and wait, and paying some form of fee, and/or making an “investment” in the country in question. We will get into specifics below.

## WHY YOU WANT MORE THAN ONE PASSPORT

This goes back to the “all your eggs in one basket” idea. The fact of the matter is that conditions can change in countries. Laws change and morph over time. New restrictions are imposed, and old ones fall away. A country that is IDEAL for a second (or third, or fifth) passport now might wind up being even more restrictive than the United States in years to come.

Some people will try to make the argument that having your citizenship tied to a single country amounts to a form of slavery. If you buy into that argument, then having multiple passports would also have to be considered slavery, but in an even worse form. In this case, the natural extension of the argument would be that you’d still be a slave, but you’d have multiple “masters.”

This is actually quite far removed from reality. The truth is that having multiple passports expands your options, and makes it increasingly unlikely that anyone can touch you. The more passports you have in your collection, the less influence any one country can actually exert over you. This line of thinking mirrors the reasons for planting “flags” in various parts of the world. That way, no individual country can shut you down if conditions, laws, or governments change.

# BEST COUNTRIES TO GET A PASSPORT FROM

We are basing our list on the fact that most of the people reading this will be US Citizens. Not that this list contains bad “picks” if you live in some other country, but the simple truth of the matter is that most Americans are somewhat reluctant to set up shop in another country.

If they do, they would prefer that the country they establish a second residence in be fairly close to home. For this reason, most of our “top picks” are countries in Central and South America.

There are other reasons besides this though. Asia has a number of countries with very attractive second residency programs, but for a variety of reasons, it can be a combination of difficult and/or frustrating, and/or expensive to actually acquire them.

Additionally, a number of places that would seem at first blush to be excellent choices in Asia, turn out to have hidden “catches” that make them less than ideal. Take Singapore, for example. On the face of it, it would appear that this would be an ideal place to establish a second residency, but it is got three key things working against it.

First, it is pretty expensive to actually live there. Second, mandatory military service is required, and third, if you were to get a passport there, it precludes you from having any OTHER passports. As we outlined in the section before this one, it would be in your best interest to have a whole collection of passports. All of that said, here are our top picks for countries to consider, and the particulars you need to know:



- **Brazil**

Brazil has an excellent investor visa program that offers a path to (eventual) citizenship, making it a unique and interesting choice. The requirements are almost laughable. You have to be of legal age, own a Brazilian company (refer back to our section on “offshore corporations” for links to help you get this set up), and “invest” \$65,000 in your company. That’s it.



And as mentioned above, after four years, you can apply for citizenship, provided you know at least a little Portuguese. The only drawback? You can't spend more than 18 months outside the country during those first four years, so there IS a bit of a time commitment involved here.

If that's not a deal breaker for you though, it is a fantastic option. Best of all? Brazil doesn't extradite its citizens. EVER. The only drawbacks are that the process might take a while (you've got to love the bureaucracy) and that as a citizen, you will be taxed on worldwide income – plenty of loopholes to reduce your income, however).

- **Panama**

In 2011, Panama created a program called “The Friendly Nation's Visa” program. This program makes it almost laughably easy to get a passport (and a 5-year path to Panamanian citizenship) if you live in one of the 48 nations on the “friendly” list (which includes the United States, most of Europe, minus the Italians, and a few scattered countries in Asia) – note that Panama has nothing against the Italians, on the contrary, they have an even easier time getting a Panamanian passport, which is why they're not on the “Friendly Nations Visa” list.



To qualify, all you've got to do is make a bank deposit in a Panamanian bank (remember that one of our top picks for an offshore bank account IS a Panamanian bank) of at least \$5,000 dollars. If you are moving your family there, you will need to add an additional \$2000 USD per dependent.

You will also need to demonstrate some type of economic activity to Panama. This can take the form of either buying an existing business (except an existing retail business), or starting a new business, buying real estate there, or getting a job. Note that forming an offshore corporation in Panama DOES qualify, and you begin to see how the various pieces start tying together. About the only requirement this program has is that you've got to visit the country to set it up, and you will need to come back at least once a year. I think you will agree – those are pretty easy requirements to meet.

- **Colombia**

For years, the word in the US about the nation of Colombia is that it is a festering pit of blood, violence and drugs. An unsafe location to visit, much less to consider living in.



Nothing could be further from the truth. Have you ever wondered why the US issues its various “travel warnings?”

Do not you think it might have something to do with using fearmongering tactics to keep its population at home where they can be more easily controlled? Colombia has two programs that are worth looking into. The first basically allows you to “buy” your residency (contrasted with Panama’s). Basically all you have to do is invest at least \$200,000 in real estate in the country, and you are in, so it is a second home and economic citizenship, all rolled into one.

If that’s too rich for you, you can qualify for a different visa program that will cost you just \$32,000. The only drawback there is that your path to citizenship will take you longer (currently five years, with talk of reducing it to two). If that’s not a deal breaker for you, it is a fantastic option, and once the investment is made, the rest of the process is fairly quick and painless.

- **Paraguay**

Slow and steady wins the race. Paraguay is known for its slow-moving bureaucracy. If you know and understand that going in, you won’t get frustrated when the process takes longer than you think it should. People from the US who live in the American South will know what I am talking about here. Life just...moves more slowly in Paraguay. It is a more leisurely pace.

If you are used to things happening right away, the process of getting a second passport from Paraguay will likely make you pull your hair out. Do not let it get to you, because Paraguay is a truly EXCELLENT place to get a second passport from. If you get their “express service,” the process can take up to two months. “Standard service” can take as long as half a year. The good news though, is that the price is right, costing as little as \$2,000.

The great thing about Paraguay is that there is absolutely no requirements that you live in the country as a resident. If you DO want to live in-country, Paraguay has plenty of land available at some of the lowest prices on the planet. The tradeoff here is that the country will require you to open a local bank account or own local stocks. Generally less than \$10,000 will suffice.

- **Uruguay**

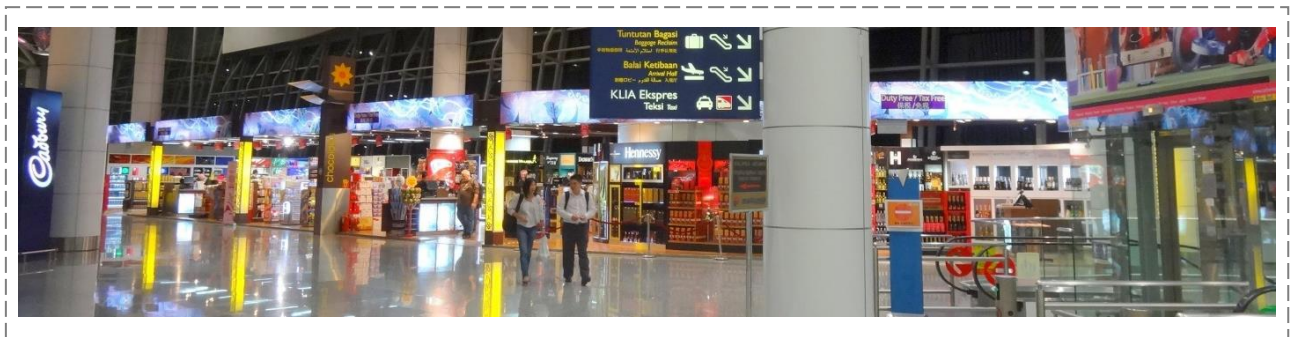
How many reading this can even find Uruguay on a map? It is one of those “forgotten” countries in South America. That’s a shame, because it is one off the most advanced countries on the continent, and exceedingly modern. The downside there is that it is one of the more expensive countries to live in by South American standards, but that’s the key phrase. “By South American standards.”

Compared to the US, Uruguay is still ridiculously inexpensive. And, it is close to two other attractive nations you should also consider, Chile and Argentina. The only wrinkle here is that the country **REQUIRES** you to live in-country. Six months out of the year is the minimum, and the longer the better. After four years, you can apply for citizenship. It takes a bit longer, but is well worth it.

- **Nicaragua**

Nicaragua suffers from many of the same “image problems” as Colombia. It is a fantastic option for a second passport, with some of the easiest, most straightforward requirements anywhere. The entire process will only set you back about a thousand bucks, and about the only requirement is that you are able to demonstrate an income of \$600 per month (that figure increases to \$750 per month for couples).

The other requirement is that you have to live in-country for six months out of the year, but this is a requirement that is rarely enforced. Note that residency does eventually entitle you to citizenship. If you are interested in that, the only requirements are that you know a bit of Nicaraguan history and have the ability to speak a bit of Spanish. You could not ask for a simpler, easier process.



- **Malaysia**

As we mentioned at the start, **MOST** of the countries on our list are in Central and South America for the simple reason that most Americans prefer to stick fairly close to home. Also, most of the countries in South America are anxious to attract foreign interest, so their programs tend to be relatively easy to navigate. Malaysia, however, is the exception. The country has a program called MM2H – the My Second Home program, and it is well worth a look.

The country established this program to make it easier for foreigners to invest and move to their nation. All you have to do is agree to deposit money in a Malaysian bank, pass a medical exam and buy health insurance. That’s it. That’s all there is to it.

As to the amount of your bank deposit, if you are fifty years old or older, you've got to show a net worth of \$110,000 or an income of \$3100 per month (USD). If you do not meet the income requirement, then you will need to make a deposit of 150,000 Ringgit (roughly \$46,000). You are allowed to withdraw a third of that after a year, IF you use the funds to buy real estate in the country, or to pay for medical care or educational expenses.

If you are UNDER fifty, you will need to deposit 500,000 Ringgit (roughly \$153,000). You will be able to withdraw half of that amount after the first year, with the same provisos above. Again, it is a bit on the expensive side, and probably not the ideal country for your second passport, but absolutely worth considering once you've built up your asset base a bit. The best part of all though is that there are absolutely NO residency requirements, so you can come and go as you please.

# PERPETUAL TAX PREVENTION



How would you like to give yourself a big, fat raise, making more money than you've ever made in your life, and see the world at the same time? If that idea grabbed your attention and lit a fire under your imagination, then keep reading and we will show you how!

## USING THE “PERPETUAL TOURIST” STRATEGY

Most countries on the planet abide by a “183 Day” rule. The reason? 365 days in a year, and 183 days is JUST OVER half a year. Stay in a country for 183 days or longer, and you are obligated to pay taxes. Stay in a country for a shorter amount of time, and you do not have any tax obligation.

You see where this is going. You now know the importance of obtaining multiple passports and setting up shop in countries around the world. Building on that, the plan is to simply start “hopping” between your various places of residence, mixing in some vacation hot spots (outlined in the next chapter) as the mood strikes you, always moving before your 183 days are up.

Since you are never in one place long enough to meet the threshold, you are never in one place long enough to owe any taxes to that country's local government. This, of course, turns you into a kind of Digital-Age Nomad, but is that a bad thing? Think about it for a second. In the United States, odds are good that you are paying about 30% of your income in taxes. By adopting this strategy and combining it with the others outlined in this book, you are effectively giving yourself a 30% raise.

What do you think your boss' reaction would be if you walked into his office and demanded a 30% raise? Can you envision ANY scenario where you wouldn't be laughed out of his office and possibly fired? Probably not, but you can give YOURSELF a raise of that magnitude with relative ease.

## TOP 5 DESTINATIONS TO IMPLEMENT THIS STRATEGY

Of course, some of the destinations you'll bounce around to will be the countries you selected to buy additional residences in, but if you mean to adopt this strategy, then that might change, shade, or color the list of countries you'll consider. Even if it doesn't, these countries should get a closer look because they're ideally suited TO this kind of strategy.



- **The Seychelles**

One of the most popular locations to set up an offshore corporation, did you know that it is also an incredibly easy place to visit? It is! In fact, it is one of the most open nations on the planet for tourists. Citizens of literally every country on the planet can obtain a tourist visit for up to 90 days, upon their arrival.

Once there, visitors can file extensions for up to a year, in three month increments. There is a lot to see and do in the country, and if you've set up an offshore corporation or bank account here, then that's as good an excuse as any to pop in for a periodic visit, just to check in on your affairs, while netting yourself a good vacation in the same moment.

- **Ecuador**

There are only ten countries where you're required to obtain a visa before entering, giving Ecuador one of the most lenient countries on the planet. In the overwhelming number of cases, you can get a 90 day, visa-free visit to the country, and this "clock" can be reset simply by paying a day (or weekend) visit to nearby Colombia.

Note that Colombia is on our "recommended" list for second passports, making this an ideal vacation destination to consider.

Real Estate here is incredibly cheap, so you may decide you want to do more than just visit repeatedly. It deserves an honorable mention in terms of countries you may want to consider getting an additional passport from.

- **Mexico**

Mexico probably deserves an honorable mention when it comes to countries to get a second passport from, but it didn't actually make our earlier list. Even if you're reluctant to live there full time, it is still a magnificent place to visit.

There is so much to see and do in the country that you'll find yourself wanting to come back year after year. You'll find beautiful beaches, cheap prices, and a friendly population. A superb place to visit, and in most cases, you'll be able to stay up to 180 days, making it a great destination in terms of running out the annual clock, too.

- **Hong Kong**

You would need quite a lot of money to set up a permanent or semi-permanent residency here, but as a place to visit, it is hard to top Hong Kong. Sleek and modern, with all the comforts and conveniences you're accustomed to, and then some, you'll find yourself wanting to return to Hong Kong year after year.

Bear in mind that Hong Kong is an excellent place to set up an offshore bank account, so you can easily kill two birds with one stone, visiting and enjoying all that Hong Kong has to offer, while periodically checking on your investments, if you've chosen to open an account here.

- **Cambodia**

Frequently, the US issues travel advisories against Cambodia, warning US citizens to steer clear of this country. There have even been suggestions that Cambodian cities lack street lights, making it a dangerous place to wander around at night.

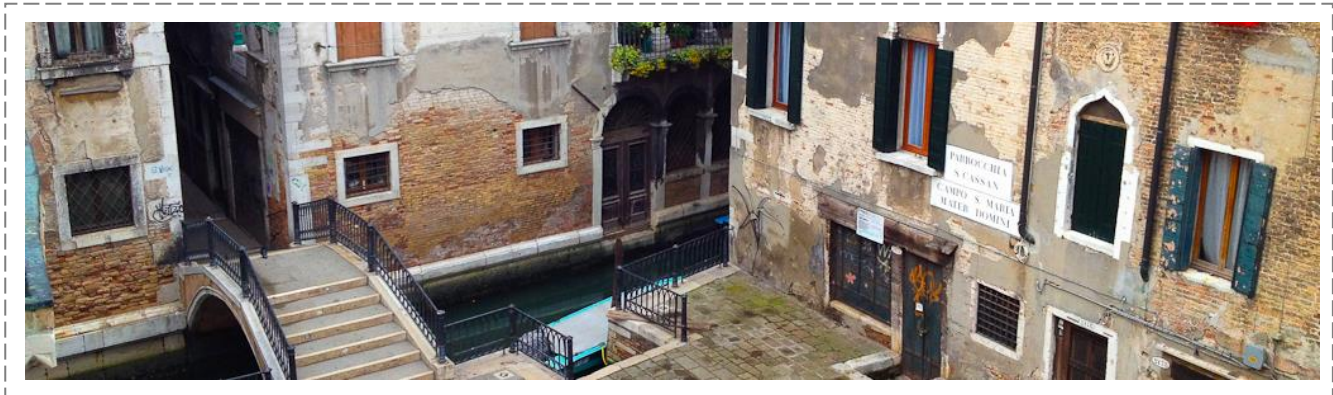
None of these things are true. As a country, it is warm, open, friendly and accepting. This is another instance of the US government's fearmongering in order to keep its citizens from venturing out and exploring the world to see for themselves. Don't buy into the hype.

Give Cambodia a serious look if you're genuinely interested in becoming a citizen of the world. You'll be very glad you did. Note: You can easily and inexpensively obtain a 30-day visa when you arrive. You won't be able to stay for an extended period, but if you're looking for stopover between other destinations, then this is a great choice.



Note here, that we have to give an honorable mention to Panama, which we've mentioned before as a great place to get a second passport from. Panama also has extremely lenient visitation rules, especially for Westerners. Almost anyone can get a 180-day tourist visa, upon arrival, and the country has the added benefit of utilizing the US Dollar as its currency, so there is no currency conversion to worry over.

Note, however, that when collapse comes, you can expect Panama to quickly adopt their own currency so as to avoid the problems that the United States will endure. That doesn't make it a deal breaker by any means, but it is something to keep tucked away in the back of your mind.



## USING THE “SEMI-PERMANENT RESIDENT” STRATEGY

This is a variant of the “Perpetual Tourist” strategy, and relies upon the list of countries we gave you earlier when we recommended acquiring your second, third, fifth, or whatever number of additional passports you'd like to acquire. The idea here is to simply divide your time between your various “bases of operation” in the different countries you have selected to set up residency in.

## COUNTRIES WITH THE MOST FREEDOMS FOR ITS CITIZENS

If your main goal is to maximize your personal freedom, but don't want to live in a slum or a hellhole like Somalia (which clearly offers no-holds-barred freedoms, but is not recommended by any means), then you're in luck. You should consider any of the following countries, adding to your list of possibilities;

- **New Zealand**

Ranked at the third most peaceful nation on the planet, this country ticks a lot of boxes in terms of freedoms for those living there. Yes, taxes are somewhat high, so if you're looking for a country with maximal economic freedom, then this will probably be a deal breaker for you, but the nation is strongly devoted to the freedoms of its people, has a temperate climate, and some of the most breathtaking landscapes on the planet. Have you seen the Lord of the Rings movies? That's New Zealand.

Well worth your consideration.

- **Bermuda**

Three of the nations on our list are countries that have no income tax laws governing the people living there. Its laid back island culture makes it an ideal location to consider, and it is relatively close to the US if you want to stick fairly close to home, while enjoying more freedoms than your home country offers. It is a bit more expensive than life and extended vacations in the Bahamas, but it is still well worth considering.

- **The Bahamas**

Another island culture, and another country with no income tax laws. The Bahamas also make an excellent choice to consider, for all the same reasons that Bermuda does. Imagine that? The prospect of living in an island paradise and enjoying more freedoms. That's absolutely remarkable. This island nation is one of the best values in the Caribbean.

- **The UAE (United Arab Emerites)**

You might be shocked and surprised to find ANY country in the Middle East on the list of nations with minimal interference, and it is true – the UAE has a few issues, not the least of which is imperfect religious freedom. Despite this fact, what most people really care about in terms of freedom is ECONOMIC freedom, and here, the UAE shines. No income tax. At all. That alone makes it well worth considering.

- **Iceland**

The only member nation of the EU on our list, Iceland is a stellar location that, due to its remoteness, barely notices the various (sometimes draconian) restrictions that EU laws place on member nations. Remember, the EU didn't turn Europe into "The United States of Europe." The laws of the EU are more like stern suggestions, carrying significantly less weight than Federal laws in the United States. Iceland's isolation and distance from the rest of Europe makes it a fantastic choice to consider. Note, however, that life here is significantly more expensive than other parts of the world.





**CHAPTER**

**8**

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**EXPLOITING  
GLOBALIZATION  
LOOPHOLES**

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### SPEND LESS MONEY AND PARTY LONGER

Let's face it, yes, we are ultimately talking about collapse, but life can't be all about preparation, doom and gloom. There is got to be some fun, or what's the point? The good news is that if you've followed our advice to this point, you will now be a citizen of the world.

Well-traveled and wise to what's coming. In the process of traveling the world, you will no doubt stumble across a number of great, shockingly inexpensive vacation destinations, and you should avail yourself of them every chance you get.

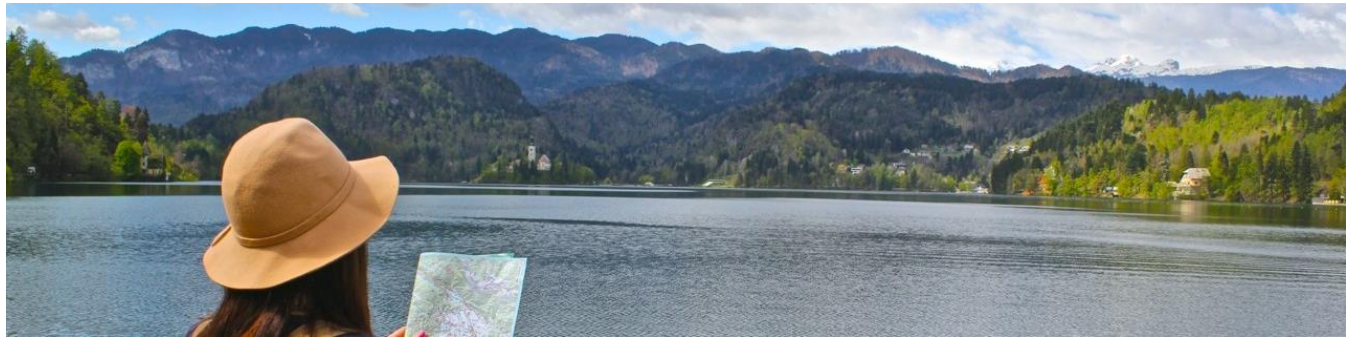
The first time you do, you will feel your "old life" falling away. Your life will be divided into two distinct phases. The life you had before you began adopting these ideas and putting them into practice for you and your family, and the time after.

In your life "before," which would be the life you have right now, IF you got to take a vacation at all, you probably traveled somewhere fairly close by, and managed to scrimp and save enough pennies to take a week off in some low-budget hotel or third rate resort.

In your life after, once you begin adopting these strategies, you will be vacationing at five-star resorts, staying at some of the most stunningly beautiful locations on the planet, and partying like a rock star. The best part? You will be doing all that for pennies on the dollar.

Why it matters is this: Until the collapse happens, you **DESERVE** every ounce of pleasure you can squeeze out of the world. Not to mention, these trips will give you opportunities to make contacts and connections all over the globe that will serve you well, post-collapse.

The world will be a place forever changed by the collapse, and friends in the right places will be more valuable than all the precious metals you've managed to stockpile, so yes – by all means, vacation. Take advantage of the secrets of the 1% and enjoy the hell out of it. While you are doing that, make valuable connections that will serve you well for years to come.



## BEST PLACES TO VACATION (NO VAT!)

One of the drawbacks to vacationing in many parts of the world is the fact that many countries have a VAT (Value Added Tax) which can be as high as 25%. This VAT can make vacations HUGELY more expensive. There are, however, a number of places you can vacation that have no VAT. Among these are:

- Japan
- Hong Kong
- The UAE (United Arab Emirates)
- Greenland
- Turks and Caicos (in the Caribbean)

These vacation destinations might not have even been on your vacation RADAR before now, but they're well worth considering. Some of them can be expensive, but of course, you make up for much of that by virtue of paying no VAT. You also need to put on your "Smart Shopper" hat and look for all-inclusively package deals.

These will save you a bundle, and when you combine smart shopping with the absence of a VAT (and the "sky miles" trick we will outline at the end of this chapter), you can net yourself a hugely inexpensive vacation.

Note that while most of the countries in Europe have a fairly high VAT, there are some selected territories held by European nations that have an exemption from VAT. Places like Jersey (UK) and Ceuta (Spain), in North Africa.

## WORST PLACES TO VACATION

Unless you just like spending money, do not bother with most of the countries in Western Europe. The currency exchange rate between the US Dollar and the Euro works against you, and that's BEFORE you consider the VAT, which can be as high as 20-25%. No matter how you slice it, that spells a hugely expensive vacation.



## HIDDEN GEMS, OFF THE BEATEN PATH

If you like less extravagance and more genuine adventure, here are some “backpacker” prices for vacations in out of the way places. Note that the average price per day is per person, and hotels on the cheap. You can absolutely spend more and stay in the nicer resorts, or, you can stick with the cheap plan and stay for LONGER. Totally up to you.

In any case, here are some destinations you may not have considered. Note that all of these cities can cost you less than twenty five bucks a day, if you go on the cheap. Again, you can find five-star hotels in all of these places, and staying in those will raise your average daily vacation price, but as you will see below, these cities represent a TREMENDOUS travel value.

- **Pokhara, Nepal**

You can't get more off the beaten path than Nepal. The whole country is filled with picturesque beauty and adventure. Pokhara isn't as well-known as Kathmandu (which is also on the list, but a bit more expensive), but it is a stunning vacation destination and well worth considering, especially if you enjoy mountain climbing or other outdoor adventures.

The average price per day if you do it on the cheap? Just \$16.56 per person, per day, making it the best vacation destination on the planet in terms of value for the money.

- **Hanoi, Viet Nam**

Steeped in history and home to an ancient culture, there is a lot to love about Hanoi. If you want night life, spend more and go to Saigon, but if you want to really get a feel for the country and see all the natural beauty the place has to offer, Hanoi is your choice, and it'll only cost you an average of \$17.04 per person, per night. Where you really save here, by the way, is food. You can get a three or four course meal for two or three bucks, and local beers will run you about a dollar each. An absolutely magnificent deal!

- **Saigon, Viet Nam**

A lot like Hanoi, but more modernized and with a significantly better night life. If that's what you want from your vacations, then Saigon is a much better choice than Hanoi, which is more traditional, but every bit as chaotic in its city center. It won't cost you much more either, averaging just \$17.36 per person, per night.

- **Goa, India**

Goa is a province in India that contains a number of towns ranging from small burgs to medium sized cities, many of them coastal. All of them are fantastic vacation spots, and all of them are fantastically priced. If done on the cheap, your vacation could cost you as little as \$17.66 per person, per day. It is hard to beat value like that.

- **Kiev, Ukraine**

Kiev is decidedly off the beaten path in Europe, and is hands-down the most inexpensive tourist destination in Europe. There is plenty to see here – lots of culture and history, great food, and a good mix of scenic vistas and night life. You can vacation here for as little as \$18.25 a night. Again – that's far and away the best deal in Europe.

- **Kathmandu, Nepal**

The premier tourist destination in Nepal. There is a lot to see and do, but as with Pokhara, this destination is more geared to those who are looking for a wilderness adventure rather than a thumping, pulsing night life. If you watch your pennies, you can get away with an average of \$18.79 per person, per night here.

- **Chiang Mai, Thailand**

While Bangkok (also on our list), is Thailand's most popular city, Chiang Mai is a reasonably close second. It is more secluded and atmospheric than the former city, with a lush and beautiful mountain setting. With an average vacation price of just \$19.26 per person, per day, it represents an enormous value for the money. If you are looking to upgrade, you can get very good, 3-star hotels for the price of a humble hostel in Europe. A stellar deal, no matter how you slice it.



- **Vientiane, Laos PDR**

Vientiane is the capital of Lao, but it is decidedly unlike other national capitals. I am sure you have noticed that a number of the cities on this list are located in Asia, and that's not a coincidence. Asia is one of the cheapest global destinations on the planet, and among the most beautiful and exciting vacation destinations.

Vientiane is an extraordinary location with so much to see that you will want to keep coming back year after year. A fabulous vacation there can be yours for as little as \$20.18 per person, per day, and do not worry if you are not a fan of Asian cuisine. You will find a huge number of restaurants that feature Western foods. The local cuisine is cheaper, of course, but no matter what your taste buds prefer, this city is garden of delights.

- **Delhi, India**

All of India is relatively inexpensive, Delhi is actually slightly MORE expensive than the rest of the country, but it made the rest because it has such a rich history that it is well worth a visit. Probably, after one visit, you will want to stay in other parts of the country, but do not let that dissuade you from a visit here.

If you eat the local cuisine, you will save quite a lot of money, because restaurants offering regional or global fare are significantly more expensive. The good news is that there are a number of attractions in the city (and in surrounding New Delhi), and these are all free or ridiculously cheap. On the whole, you can get by in Delhi for an average of \$22.49 per person, per day. A solid value, and well worth looking into.

- **La Paz, Bolivia**

A totally unique place to stay and explore, the climate of La Paz is all but unchanging. No matter what time of the year you visit, you will find consistent weather, and it is mild and warm. It is also fairly inaccessible and truly off the beaten path, having among the highest elevations of any major city in the world. Plenty to see here, and plenty to do, all for an average of \$22.87 per person, per day. There is also a wide variety of food and drink on offer, to suit any budget.





- **Quito, Ecuador**

Another high altitude city with perpetual spring-like weather. If you are planning to visit the Galapagos Islands (and you should), then this is a logical stopping point, both here, and if you are making a tour of the continent or the world. The average price per person, per day, if you are doing it on the cheap, works out to \$23.15. As with other places, you will want to stick with local cuisine in order to keep prices low, or splurge a bit if your budget will allow it. Either way, it is a fantastic place to visit, with plenty to see, and plenty to do.

- **Hoi An, Viet Nam**

A simply delightful city in Viet Nam, this one should immediately be placed on your bucket list. Even the 1-star hotels have AC and Wi-Fi, and you can frequently score a room at a 5-star hotel for a song. On the cheap, you will find an average visit to the city costing you about \$23.31 per person, per day, and there is plenty here to keep you coming back time and time again.

- **Luang Prabang, Laos PDR**

Another fantastic city in Laos that's well worth a visit. Again, there is so much to see here that you will want to keep coming back year after year. There is a wonderful mix of colonial architecture and traditional temples, plus beautiful vistas and plenty to do. It is a bit expensive by Asian standards, but with an average price (on the cheap) of just \$23.46 per person, per day, it is a bargain by almost any other standard. Definitely a destination you won't want to miss.

- **Phnom Penh, Cambodia**

Although Cambodia has its own currency, most of the ATM's you will run across dispense US Dollars, making it very easy to get access to your funds, even if you do not yet have an offshore bank account. You can visit the city on the cheap for an average of \$23.75 per day, per week, but there is surprisingly little price variation amongst the hotels you will find (except at the extreme top end), so with a very little extra, you can land yourself and your family a beautiful place to stay.

Most of the restaurants in the city serve Western food, but of course, if you are interested in local cuisine, you will have virtually unlimited choices, and these will be even less expensive. There are a number of attractions to visit, both natural and man-made, and all but one (the firing range near the killing fields) are either insanely cheap or outright free.



- **Bangkok, Thailand**

There are only two drawbacks to visiting Bangkok. First, if you go absolute bargain basement on hotels, you are all but guaranteed to get a dive that will probably be scary to stay in. The good news here is that if you are willing to spend even slightly more, you will find yourself in a significantly better room.

The only other drawback is that if you came to enjoy wine, beer, or other forms of alcohol, you will find getting drunk in the city is quite expensive. With those two things in mind, so long as they're not deal breakers for you, you will find a lot to like here. Bangkok is a magnificent city that will dazzle you year after year. On the cheap, you can get by for an average of \$24.10 per person, per day, but as we mentioned, you will probably want to spend a little more to get a better quality room.

- **Bucharest, Romania**

Some people complain that this city still hasn't shaken off its Soviet-Era past, and that can give the city a bit of a gloomy feel. I personally think this is bunk. The city may lack a bit of polish, but it is one of the cheapest destinations in Europe (second only to Kiev), with an average price per person, per day of \$24.68.

There is a lot to see here, but as mentioned at the start, this city used to be controlled by the Soviet Union, so some of the historical sites you will be visiting while you are here ARE rather dark and foreboding. Even so, the history of the place is deep and fascinating, both before the Soviet era, during, and since.

- **Cairo, Egypt**

On the cheap, you will find a stay in Cairo will cost you an average of \$24.85 per person, per day. You will find plenty of options on the high end, plenty of options on the low end, and a middling amount of options in middle of the price range.

Food is cheap and varied, and there is so much history here that you will be dazzled and amazed. The one thing you won't find here easily or readily is alcohol. As long as that's not a deal breaker for you, this is a fantastic place to visit, time and again.

## **Bonus Tip – Sky Miles**

Remember before, when we talked about how ANYTHING could be used as currency, as long as there was mutual agreement and trust? One of the most popular "alternate currencies" in the world today are Sky Miles.



Some credit card companies have made agreements with the major airlines, and every purchase you make using that card will generate some number of “miles.” Generate enough miles and you can get a free trip to pretty much anywhere in the world.

Here’s what you do: Get one of these cards and use it for EVERYTHING. For gas. For groceries. Pay everything you can using this card. Every purchase you make is quietly generating sky miles. You can pay your bill in full every month, avoiding interest charges while keeping all the accumulated miles. Before you know it, you will have enough miles to take your family anywhere in the world you want to go. For free. First class.

This has actually developed into a kind of obsession for some people. There are a number of blogs on the web devoted to different people’s FREE worldwide adventures. Here’s just one example: <http://metro.co.uk/2015/04/09/traveller-bags-round-the-world-trip-for-free-5141509/>

Try it for yourself. You will be amazed at how quickly you can rack up those miles!

# CHAPTER 9

# PERMANENT PRIVACY PROTECTION



## THE INTERNET & YOU

Have you ever heard of PRISM? You may not have. It was created with the passage of the Patriot Act, but not officially launched until 2004 when the program officially began. PRISM is a MASSIVE government-sponsored computer operation that enables government servers to capture, catalog and analyze computer transmissions, including but not limited to email, tweets, Facebook posts, and blog comments.

Any and everything you do online can be captured and filed away for later. It doesn't matter if you did anything or not. The government doesn't need a warrant. They do not need to suspect you of anything. They just hook up the equivalent of a giant, digital vacuum cleaner and suck everything up, storing it for review later.

The internet, as people are finding out to their chagrin, is forever. Everything you post online, and every email you send or receive is being captured and spot-checked. There is no such thing as privacy any more. The government is literally the all-seeing eye now, and there is no walking it back.

There is no un-building the machine. Even after the collapse, some remnants of the government will survive to look after the needs of the 1%, and you can bet that agencies like PRISM will be alive and well long after all the services that help the 99% are shut down and relegated to the dustbin of history.

Barely a week goes by that the NSA isn't in the news for some or other infraction. Keep in mind that this isn't some fringe conspiracy theory – this stuff is being reported by the mainstream media, so it is impossible to ignore. Impossible not to take it seriously. Then there are the headlines generated by WikiLeaks and Ed Snowden. These things are happening. They're absolutely undeniable.

## PROTECTING YOUR PRIVACY FROM BIG BROTHER

Okay, so you can't provide your own internet access cheaply or easily, but what you CAN do is that when you are online, take steps to maximize your invisibility while online.

There are a couple of excellent ways to go about protecting your anonymity, but one of the best is to download TOR. <https://www.torproject.org/> While nothing is completely untraceable, TOR is about the best security money can buy, and the best part? You do not have to pay a cent. It is an absolutely free, volunteer-driven project. Download and enjoy your newfound web anonymity!

Another excellent option, if you are looking for a way to surf safely, securely, and in (relative) anonymity is to download a browser extension called "Https everywhere." There are versions of this extension for both Chrome and Firefox, so it is easy to find, and free. Basically, this gives you secure socket protection, anywhere you surf.

Bear in mind that neither of these are bullet proof solutions. The government has the resources and the ability to crack the best encryption we can invent. Having said that, the government is like any other thug. If you've got bars on your windows and a top-tier security system, odds are good that they'll pass you by and look for a less well fortified house to rob.

Same thing here. By taking care to protect yourself, you make it unlikely that the government will pry the doors to your defenses unless you give them a compelling reason to do so. They could, sure, but unless they suspect you of something serious, they're not going to go through the trouble, or expend the time and resources that would be necessary. That makes you pretty safe.

## WHAT NOT TO DO ONLINE

It is important though, that you ALWAYS be mindful of everything you do when you are online. The normal precautionary rules apply here. Do not go to an untrusted site. Do not enable cookies, or if you have to, make an exceptions list and keep it as short as you possibly can.

Where emails are concerned, again, the usual applies, including do not even OPEN emails that come from people you do not know, and certainly do not click on any links those mails might contain if you DO open them.



There is more though, and here, we need to talk specifically about Yahoo mail. You probably didn't realize this, because honestly, how many people actually READ the Terms of Service when they sign up for a service or account, but Yahoo recently made changes to their terms of service that gives them the right to read ANY of the mail you generate and send from your account.

Their TOS further gives them the right (if you agree to it when you create your account) to access and read the mails of anyone who SENDS mail to you. And they stipulate that it is YOUR responsibility to inform anyone you trade emails about Yahoo's "rights."

Can you believe that? The audacity and nerve it takes a company to ACTUALLY write something like that into a TOS document? The presumption is just unbelievable. Honestly, although Yahoo is the hands-down worst in terms of email, ANY free email service is going to be relatively easier for the government to get their hands on than a paid, secure, encrypted email system.

It may seem pointless to pay for something when you can get it for free, but it all depends on how important your privacy is. Remember the analogy about the thug breaking into homes. If you've got bars on your windows and a big attack dog, and your next door neighbor has the windows open and the doors unlocked, which one is the thug going to break into? Honestly?

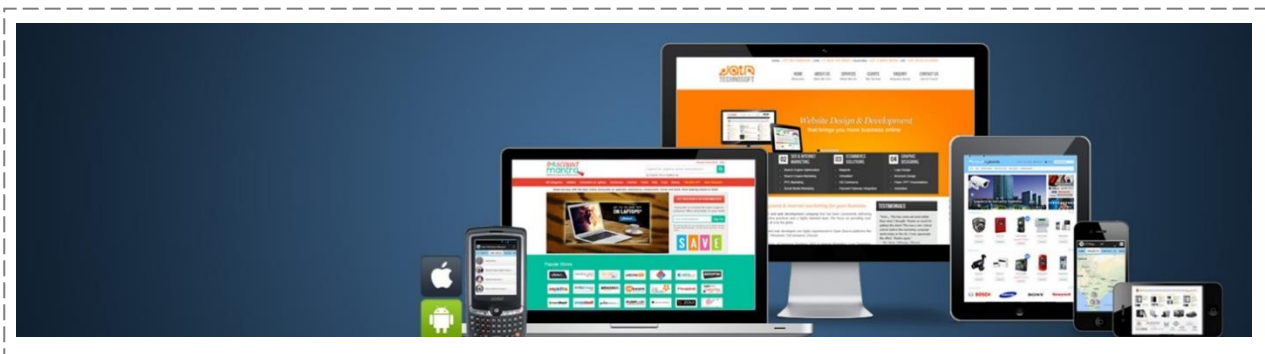
You guessed it – they're going to bypass you because you are not worth the trouble. That's why you might want to at least consider using a paid email service. They do not cost a lot, and they're a great deal more secure than the free services.

## OFFSHORING YOUR WEBSITE

If you have a web-based business, or heck, even if you do not and you just do some blogging now and then, you should SERIOUSLY consider moving your website offshore. The more revenue your site brings in, the more important this becomes, and the reasons for this are the same as the reasons for creating an offshore corporation and moving your banking out of the country.

The sad truth is that the government can, pretty much on a whim, reach out and shut down any business operating on US shores. You can protect yourself simply by having your site hosted elsewhere. If you are interested in doing that, then the best place to consider is Sealand.

What? You've never heard of The Principality of Sealand? It is its own country. Seriously. The smallest nation on the planet – all of six acres in size, with a population of just 27. The “nation” was started by a quirky family of pioneers, and it has a surprisingly colorful history, including participation in one “war” and diplomatic recognition by a few countries.



The “nation” began life as an offshore platform in the North Sea, in international waters. When it was abandoned, a family moved into it, staked a claim, and then declared it a sovereign state. You can read more about the micronation here: <http://www.damninteresting.com/the-history-of-sealand/>

Of particular interest is the formation of HavenCo, a hosting and data security company based in Sealand, which offers world class privacy and security, and, being that the place is its own, independent “nation” and doesn't have any extradition or other treaties with the United States, it is about as secure a place as you can find to park your website. Find out more about HavenCo here: <https://www.havenco.com/>

<http://www.sealandgov.org/sealand-news-1/HavenCo>



Here are some other options to consider:

- Iceland (<https://www.orangewebsite.com/> )
- Norway ([https://hostripples.com/norway\\_web\\_hosting.php](https://hostripples.com/norway_web_hosting.php) )
- The Netherlands (<https://www.altushost.com/netherlands-web-hosting/> )
- Romania (<http://www.site5.com/p/bucharest-romania-web-hosting/> )
- Switzerland (<https://www.hostpoint.ch/en/webhosting/webhosting.html> )

Of these, four of them are on the list for their extremely potent privacy laws (now you know why the Pirate Bay has made its home in Norway for about half of forever!), and the last, Romania, because of the connection speeds.

Shockingly, tiny, backwater Romania has some of the fastest internet speeds on the planet! There are, of course, a number of hosting companies in each of these locations. We've included one from each country to get you started, but by all means, supplement this with your own research – you might find an even better deal out there!

The bottom line though, is that if you make any money at all online, you need to get your website OUT of the United States for all the same reasons you moved your bank account and the ownership of your assets. If you do not...if you overlook this point, you might find yourself losing control of a very important income stream. Do not let that happen to you.



**CHAPTER 10**

**AVOIDING  
HIDDEN  
FINANCIAL  
TIME BOMBS**



## HEALTH ISSUES

How's your health?

Probably, it is pretty good right now, but that won't always be the case. There aren't a lot of people who like to think about, much less talk about the day when your health becomes an issue, but pretending the problem doesn't exist won't make it go away.

Sooner or later, everybody gets sick. That includes you too. You are, in effect, a ticking time bomb, and sooner or later, that bomb is going to go off. So what's the solution?

Well, recently, health care in America got a little bit better with the passage of the ACA. You may know it as "Obamacare," but the bottom line is that in the world, the US health care system ranks an abysmal 37<sup>th</sup>. Our health care is the WORST system of any industrialized nation, and we spend more than twice as much for it.

Think about that for just a second. We spend more than double, and get crappier care. How twisted is that? There are a couple of good solutions, however, and we will go over them in detail below:

## MEDICAL TOURISM

Do you know how much Angioplasty costs in the United States? The average is \$27,907. You can get the exact same surgery in Argentina for \$5,246. An Appendectomy? \$13,910 here, and \$1723 in Argentina. Here are some other examples:

- Bypass Surgery: \$75,345 here, \$15,742 in the Netherlands
- C-Section: \$15,240 here, \$2844 in Spain
- Cataract Surgery: \$3762 here, \$1038 in Argentina
- Hip Prosthesis: \$11,806 here, \$3177 in Spain
- Hip Replacement: \$26,489 here, \$6862 in Argentina
- Knee Replacement: \$25,398 here, \$6015 in Argentina
- Normal Childbirth Delivery: \$10,002 here, \$2237 in Argentina

Americans get consistently overcharged for EVERYTHING medical, and there are a lot nations in the world with top quality health care systems. You can make use of any of these to get your medical conditions treated for a song, by comparison.

The problem, of course, is knowing WHERE to go for treatment. Fortunately, we've taken all the guesswork out of the equation for you. Below are the top ten countries for seeking medical care when you are traveling (and if you are following the advice laid out in previous chapters, you will be doing a LOT of traveling!)

## **Thailand**

More than a million people a year travel to Thailand each year, seeking medical treatment of all types. There is a reason for that. The tiny nation boasts some of the best hospitals with the most comprehensive and professional care in the world. It also happens to be about the cheapest care you will find anywhere. While you can get treated for most anything here, more people come seeking cosmetic surgery and rehab services.

## **Mexico**

Another country that sees in excess of a million medical tourists a year, with some 70% of them coming from the United States. Again, medical centers in Mexico are surprisingly modern, and you can receive treatment for any number of conditions, although the most common reasons that medical tourists visit Mexico are to get dental work and to have weight loss surgery performed.

## **Singapore**

Every year, more than a half million medical tourists visit Singapore, which has some of the best and most advanced facilities in the world. There are a stunning 22 JCI accredited facilities, capable of treating a wide variety of conditions. You will be in good hands if you venture to this country!

## India

India is among the most popular medical tourism destinations. It has top notch private hospitals, and the most common conditions that people come seeking treatment for are cardiac and orthopedic procedures.

## Malaysia

Another Asian powerhouse where medical tourism is concerned, and again, featuring numerous state-of-the-art treatment centers. If you suffer from burns, this is the number one place you want to head to for care.

## Argentina

You probably noticed a trend in the cost comparisons we did above. Argentina's hospitals aren't state-of-the-art, but they ARE quite solid. You will receive quality care at drastically reduced prices. A highly recommended medical tourism destination.

## Brazil

Slightly better than Argentina overall, Brazil specializes in plastic surgery, with more than 4500 practitioners in-country. Do not let the focus on plastic surgery fool you though. You can get world class care here, for almost any condition you may have.



## Turkey

Turkey plays host to more than a hundred thousand medical tourists each year, and plays home to a number of Western trained doctors. Procedures here cost on average 60% less than comparable procedures in the United States. Most medical tourists come here for eye-related issues, though again, you can get quality treatment for most any condition you may have.

## Taiwan

With 22 JCI accredited facilities and world-class facilities, Taiwan offers a wide range of treatments at prices that tend to be half what you will find in the United States. Truly a great place to get medical care.

## Costa Rica

While you can get good quality care for most conditions, Costa Rica's specialty is dental care and routine surgical procedures. The best part, it is a relatively little-known medical tourism destination.

## **Places To Avoid**

The places to avoid where medical tourism is concerned are places you probably wouldn't want to get medical treatment anyway. They're either horribly expensive (the United States, Australia), or places that do not have much in the way of medical facilities to begin with (most of Africa, most of Central America—with Panama being the notable exception, and the places in Asia we didn't mention).

The good news here is that the places we've mentioned are scattered all over the globe. We did that on purpose, so that no matter where your travels may take you in the world, there is always going to be a country on the "good list" within fairly easy reach.



## **DIY HEALTH CARE**

You can actually do a lot to improve your health simply by eating right and getting plenty of exercise. If you've followed our advice thus far, you will be eating better than you ever have in your life (thanks to the portable farms), and you will be getting plenty of exercise because you will be a globe-trotting citizen of the world. Beyond that, however, there are a number of things you can do entirely on your own, that will help you stay healthy. Here are a few ideas:

**Technology** – There has been an explosion of tech-based health care solutions that puts the power for a healthier you right at your fingertips. Much of this has been driven by the arrival of the Apple Watch on the marketplace. Given that the watch is worn next to the skin, there are an array of apps that allow you to monitor most of your own vital signs, and store them on the cloud.

You can make these records available to any health care provider you decide to visit, if your condition should worsen beyond your ability to control it, but in the meantime, simply by monitoring your own vitals closely and changing your living and eating habits, you can oftentimes avoid going to the doctor altogether.

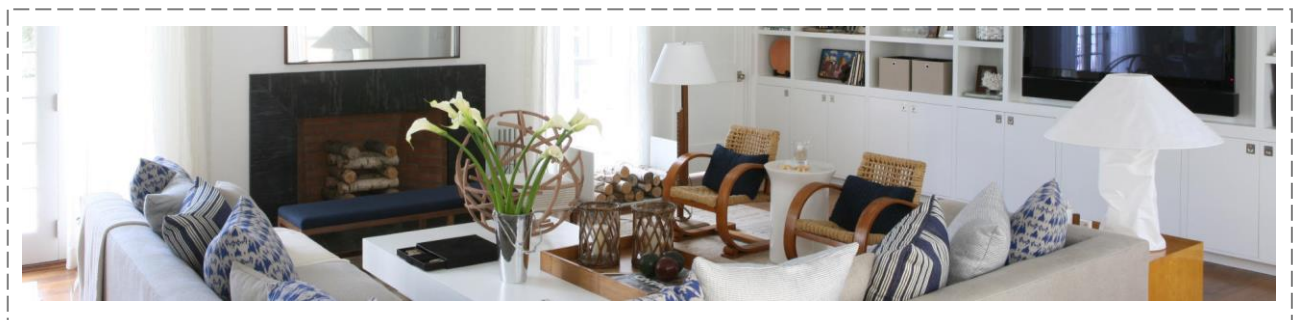
One example of a monitoring app is Qardio (<https://itunes.apple.com/us/app/qardio-heart-health-blood/id855275752?mt=8>), which monitors your heart rate and blood pressure. Nike + Run, on the other hand, is a pedometer that can track the distance you've run, walked and biked, and track that information over time. Both of these are invaluable to health maintenance.

In addition to these though, there are a number of web-based clinics that can help you monitor and even diagnose your condition, getting help from trained professionals online, from anywhere in the world. Examples here include:

**First Derm** (<https://www.firstderm.com/>), which allows you to take pictures of skin conditions and upload them to a licensed professional who can help you with a diagnosis and treatment plan.

**Opernative** (<https://www.opternative.com/>), a way to get a cheap eye exam online, again, from anywhere.

**Tinnitracks** (<http://www.tinnitracks.com/en>), a website designed to treat Tinnitus affordably, from wherever you can get an internet connection.



If you think you might need a hearing aid, you can get tested for \$499 online by [Audicus](https://audicus.com/) (<https://audicus.com/>), and forego the \$2,000-\$3,000 charge that most doctors will hit you with.

Of course, DIY health care extends far, FAR beyond techno-gadgets, no matter how cool or helpful they are. Sometimes, decidedly low tech solutions are best. If you've taken our advice so far, then you've got a portable farm set up. There is nothing that says you can't grow your own supply of herbs with known medicinal qualities.

There are a STAGGERING number of field guides for medicinal plant all over the internet. All of these are available for free, and all come from highly respected organizations. We've selected five of the best (attributions are embedded in the PDF's themselves) and included them with your packet. One of them was even written by the World Health Organization (WHO). Armed with this wealth of information, you grow your own highly effective medical treatments.

It doesn't stop there though. At this website: <http://fas.org/irp/doddir/milmed/> you can download a variety of field medical guides, mostly from different branches of the US Military. We've included a total of fourteen free medical guides that cover nearly every symptom and condition you might have. Combined with the medicinal herb manuscripts we've gathered for you, you have literally everything you need to handle a wide range of medical emergencies.

## OTHER TIME BOMBS TO CONSIDER

Remember when we told you all the reasons why you should consider investing overseas? That the US made it hard, and sometimes quite punishing to invest here? Well, now that we've outlined our plan to you, and shown you how, where, and why to invest overseas, we are going to highlight a few "gotchas" that you may not have even known EXISTED in current American tax law.

### RENTAL PROPERTY

If you've purchased a second home, you may be using it as a rental property. If that's the case, you've probably been making repairs and writing them off on your taxes. You've also been claiming other various depreciation credits...possibly for years. Here's what you do not know.

If you own a property that you've rented out and been claiming tax deductions all along, the IRS has "depreciation recapture rules" in place that will impose a hefty tax on all of the depreciation you've formerly claimed. That means that when you sell your property, you won't get nearly as much as you thought you might. In fact, with the sudden appearance of an unexpected tax, you may even face a financial loss. If the rental property in question was a key part of your retirement plan, it could all but ruin you.



### THE HOME OFFICE TIME BOMB

Those same depreciation recapture rules can apply to your home. Increasingly, people are working from home. When they do, they often declare a part of their home as a home office and take depreciation credits accordingly. Again though, when it comes time to sell your home those depreciation recapture rules kick in, and will reduce (sometimes dramatically) the amount you actually get from the sale.



# CHAPTER 11

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# LOSING YOUR LIABILITIES

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Do you want to know the single biggest danger to your US-held liabilities?

Our own Federal Government. Look, we've said it before, and we've outlined the exact reasons why. The US economy is going to crash. Whether the catalyst is the global dumping of the US Dollar, or political paralysis and continued economic mismanagement, or a manufactured bubble popped at just the "right" moment by the 1%ers, but one way or another, the US economy is done. There is no avoiding it at this point, as the headlines that appear in the news make painfully clear to those who are wise to what's happening and paying attention.

Before Uncle Sam gasps his last breath though, you can bet that he'll take every step he can to keep himself alive for a little bit longer. No matter the cost. No matter the liberties and freedoms trampled on. None of it will matter.

The sad truth is that when this begins to happen, it will do an enormous amount of damage on multiple levels. The economic devastation will be massive, and literally millions of lives will be ruined before it is all said and done.

We've already gone over several strategies that relate to protecting yourself, your family, and your growing pool of assets from the government menace, and this chapter will build on those strategies.

Consider these to be "life hacks" that you can use pretty much anywhere in the world. If you are committed to maintaining a home here in the United States, then the least you can do is help to see to it that you've got the best possible chance of your US Residence escaping relatively unscathed.

Note here that we are talking essentially about unplugging from everything. The power grid. The water grid. The waste management grid. All of it. Now, you might think that this idea will see you essentially living in a cave or in some ratty underground bunker somewhere, but that's not AT ALL what we are talking about.

What this is really about is freedom. Ask yourself this question: If the government (ANY government, not just the US government) can flip a switch and cut the power or water to your family home, how free are you.



That might be “freedom” but it is certainly not FREEDOM, and there is a huge difference, so once you’ve walked through the various steps we’ve outlined in this book to protect your assets, the next thing you need to do is to start taking command of your life in other ways.

### **WATER**

For literally decades, the government has been putting Fluoride and other chemicals into municipal water supplies, all across the nation, even though the American Dental Association is on record as saying that it doesn’t do any good.

Fortunately, it is EASY to take control of your own water supply – it is just a matter of digging your own well (or paying to have one dug for you, which is easier, by far). This does three things for you. First, it starts to get you out from under the government’s thumb.

Second, it prevents the government from adding anything to your water supply, and third, it makes good financial sense. One less bill to pay every month. Once the well pays for itself, it is pure profit from then on.

### **ENERGY**

It has never been easier to take control over your own energy production and supply. Technological advances are relentlessly and inexorably opening the door to decentralized energy production, and that’s exactly what we are talking about here.

There are a broad range of technologies you can use to gain your energy independence, from solar to wind, to micro-hydro, and even biogas. As with the water supply mentioned above, you gain three key advantages. Getting out from under the thumb of the government, preventing them from shutting you down on a whim, and having one less bill to pay, which translates into pure profit once the system is paid for.



## FOOD

Big Agriculture is a significant player in the government arena. Their lobbyists own a number of congressmen. In the US, Monsanto is leading the charge to create genetically modified foods. The problem?

There have been NO studies (none at all) regarding the long term effects of these food products. That means we do not really know what they'll do to our bodies. It is for this reason that much of Europe has outright banned GMO foods, and those nations that haven't, have placed harsh restrictions on their sale.

Is this what you want for your kids? For yourself? Probably not. The good news is that as with energy and water, it is never been easier to take control of your own food supply, and it is a useful skill to have. Estimates are that when the shit hits the fan, it will take all of three days for riots in the cities to start. Three days.

Also bear in mind that fully 85% of Americans now LIVE in urban centers. Most people simply do not know how to grow their own food any more. You can grow all the food your family will need quickly and easily using portable farms, however. <http://portablefarms.com/>

Imagine that. For a one-time investment, you can grow all the food your family will need. Healthy, nutritious, NON GMO food. And it won't be a huge time sink, either. Once the system is up and running, you can maintain it for about an hour a day. That's it. That's all it would take.

As you can see here, we are NOT talking about living in a cave. There is no reason that you can't enjoy a modern lifestyle with all the perks and conveniences, while still being selectively "unplugged" from the government's tentacles. If you are not plugged into the system, then you reduce the number of ways the government can track or control you.



All of these things represent liabilities on your household budget's balance sheet. By getting rid of them, you not only empower yourself, but you make it that much harder for the government to track or control you.

## WHERE TO “UNPLUG”

So knowing that you can unplug and still enjoy a modern lifestyle, the next question is WHERE? We've talked about being a perpetual tourist, and the various parts of the world you can visit on rotation, or even live. Any of those will work to do this, provided that you can buy property in those countries.

If you want to maintain a presence here in the United States, here are the top areas to consider:

- **Anywhere in the rural Southeastern United States**  
The great thing about this part of the country is that SO MUCH of it is rural. The climate ranges from warm to downright hot for most of the year, and the winters are extremely mild, but this is only mentioned to give you a feel for what to expect. Using portable farms, all your growing will take place indoors, so the climate won't have an impact on when, or how long you can grow food. Land is plentiful and cheap here.
- **Appalachia**  
A huge area that tracks the course of the smoky mountains up the eastern portion of the United States. Commonly referred to as the most economically depressed area of the country, it might seem to be a poor choice at first glance, because finding a job here might be difficult. Fortunately, that's changing, and the region is rich in opportunity. Relatively few people have caught onto this fact, however, and land prices here are extremely attractive. If you love the idea of mountain living, then you will be genuinely excited about looking here.



- **The Great Plains**

Here, you will find land cheaper than any other part of the country. The soil quality tends to be marginal to poor, but again, that's not an issue for you if you are using portable farms. Land in this part of the country tends to be ridiculously cheap. If you are not accustomed to cold winters and lots of snow, however, you could be in for a bit of a nasty surprise, so bear that in mind when if you are considering looking here.

Remember, you can't truly be free if you are renting. The whole point of buying land and a home (or buying JUST land and build your own place) is to maximize your freedom. Not to mention, if you are renting a townhouse or apartment someplace, your landlord isn't going to be too keen on you trying to dig a well or set up a portable farm. All that to say, if you want to maximize your freedom, and make sure your family is safe in the months and years following a collapse, then you are going to want to buy land, and somewhere a bit off the beaten path is the best option of all (all three of the areas we recommend most definitely fit that bill!)

## FINAL THOUGHTS

So there you have it. Over the course of the last eleven chapters, we have outlined a detailed, systematic plan to slowly hide yourself from the prying eyes of "Big Brother," and by degrees, put yourself in a position of protecting your assets so as to enable you to survive ANY financial crisis, no matter what form it takes.

We believe that a financial collapse of the United States is inevitable, and one of the central ingredients of protecting yourself from that looming event is to become a "citizen of the world." Flag Theory plays an important role in that of course, but as you've seen over the course of this program, there are many other elements in play here, and many other components to consider.

We've taken pains to make the process of protecting yourself and your family as painless as possible, putting a vast array of resources at your fingertips. Taken in isolation, each step may seem small and inconsequential. They're anything but, and when you put them all together, you end up with a comprehensive system that will enable you to weather any financial storm, of any duration.

Our hope is that you will achieve a level of freedom you've never known before, and that you will parlay that freedom into ironclad security that will last for generations. You could not give a better gift to your family.

Good luck, Godspeed, and by all means, keep in touch. We'd love to hear how you are doing as you take this remarkable journey.

~ Your Friend,

**Ron Richards**