

## Economy Collapses, Damage less than Expected

"Experts were surprised today when the entire economic foundation of the United States collapsed. Most economists had been calling for a partial collapse only, believing that a late injection of cash from the treasury would allow the economy to keep functioning until the full effect of the stimulus could take hold. One noted economist did sound a note of optimism in that the collapse did not immediately lead to civil war, as some had suggested it might. It is believed that even now, economic experts are touting the upcoming partitioning of the former United States into six new economic cooperative zones, as being the start of the much anticipated recovery."

I fully expect that this exact news summation may be in our very near future. Isn't it funny that the "Economic Experts", almost always get it wrong? It is also amazing how hard the propaganda machine works to overemphasize the positive, actually most of the time they are outright creating the positive out of thin air. Sears reported that sales fell by 3.6% in the third quarter, but net income was up and the upcoming Christmas season looks to be less severe than originally forecast. Really? Come on now are we that stupid?

Look, I am not trying to be the gloom and doom guy here, but I am trying to get you to think for yourself. Stop allowing the propaganda machine to set your mood and your outlook. They are using their tools for their own ends. You must learn to do the same for yourself.

An example of what I am trying to get everyone to do:

1. Unemployment is 10.2%, minimum
2. The average workweek is down to 33 hours
3. The average wage increase this year was one half of one percent.
4. One of every 21 homes in the United States is in foreclosure.
5. Personal credit is falling at the fastest rate ever.

Now, based on the information above, you make a forecast of what Christmas sales are going to look like this year. Do you need an "expert" to tell you that retail

sales will decline this Christmas season? See that wasn't too hard, let's try some more of this thinking for ourselves stuff.

Christmas sales will be less this year than last year. I think we can say this with a great degree of confidence. What will the results of this be, that is the next question. Here are a few items I think we need to consider.

1. Sales tax revenue will fall by the same percentage as sales.
2. Commercial real estate will be in even worse shape in January.
3. More people will be laid off as a result of store closing.

Just these three things right here will have repercussions throughout the economy that will affect our lives in some pretty dramatic ways. We must be prepared to deal with these coming problems.

As the economy gets progressively worse crime will increase. Because tax revenues are falling in all cities, there will have to be cuts in personnel in Police Departments and Fire Departments in a huge number of these cities. You need to be prepared for increasing crime, increasing time it takes for the police and fire personnel to respond to 911 calls, and decreasing overall responsiveness of city governments.

Some State budgets are in holes so deep that they will be helpless to solve the problems in a managed and orderly way. California, New York, Arizona, Michigan, Ohio and others are facing absolute collapse. If you are a state employee with a guaranteed pension plan, worry! Pension plans in some states will collapse. Bonds that were sold in some states will be worthless when the state has no money to redeem bonds. You must plan for these things.

The budget deficit of the United States will drive most foreign countries to stop purchasing Treasury Bonds and convert their foreign exchange reserves from dollars to something else. When this happens the dollar will absolutely crash. Gold will go up to as much as \$10,000.00 per ounce and foreign goods will be unaffordable. Anybody want to buy a \$300,000.00 Volkswagen Jetta? You must prepare to survive in a world with a dollar that is useless.

**We must start planning for the worst just in case this whole thing goes south.**

## Economic Disaster?

Okay, I have taken off my tin foil hat, I am refraining from looking for the black helicopters and I promise not to mention anything about the illuminati.

So I ask you for your full attention for a few moments. Please consider the following:

1. In December of 2008 the official unemployment rate was 8% or so.
2. Right now the official unemployment rate is 9.8%.
3. That means there are about 2 million more unemployed people this year.
4. People who are unemployed spend less at Christmas than those with jobs.
5. Retailers count on Christmas sales to be up to 70% of their total business.
6. This year retail sales have fallen about 5% from last year.
7. Last year retail sales fell about 8%.
8. That means that sales are off 13% from 2007.
9. Commercial Properties almost always have sales driven revenue clauses.
10. A 3% fall in sales at Christmas can mean as much as a 20% fall in rental income for Malls and other commercial properties.
11. The commercial real estate market in the U.S. is in serious trouble.
12. A commercial real estate collapse that is half the magnitude of the housing market collapse will cost the U.S. Economy 2.5 Trillion Dollars.

So let's review a bit, shall we? A drop of 3% in Christmas Retail sales could end up triggering a commercial real estate collapse that could cost the economy 2.5 trillion dollars. Will this happen for sure? My best tin foil hat odds are 85% yes. Merry Christmas everyone.

Now just wait a minute, I am not trying to depress anyone, I am trying to get your attention. This Christmas, it would be a good idea to change a few things.

I am asking everyone to be cautious. 2010 from an economic standpoint is shaping up to be much worse than 2009. I know, I know; but the "news" says that "stuff's getting better". **THEY ARE LYING TO YOU!** Please just stop and think

# Your Personal Economic Preparations

## Part 1

This is the disaster that we will all face within the next two years. We have assured ourselves of this eventuality because of the economic miss steps that have been taken over the past year and those that are continuing today. The shape of this coming collapse has yet to be determined; will it be hyperinflation, or possibly a collapsed dollar, or banking collapse? This is the only mystery about what is coming.

The question I have for you is; what will you do to prepare for this disaster?

You have options and some time to prepare for survival in the post disaster world. In a lot of important ways these preparations are like the steps you take to prepare for an earthquake or a hurricane. You must be ready before the disaster hits or you will be totally dependent on others for your survival. In this case you do have some flexibility and opportunity to really tailor your survival kit to meet your specific needs.

The key to creative your perfect survival kit is to focus on what you can do right now. I would guess that the vast majority of people reading this are not capable of going out and buying 100 ounces of gold tomorrow. I would be willing to wager that most of you are able to purchase two one ounce silver coins per month. You could all probably pay an extra \$20.00 toward eliminating those credit card bills. Most of you can even begin to set aside barter goods right now. We will look at each area of preparation in some detail. We need to begin with a basic understanding of Economics before anything else; so we will discuss that area first. Relax, this will be fun!

## Cowboy Bob and George the Survivalist

This is a two part story set in two very different times in our nation. The one common thread is our hero the one ounce gold coin known as the Eagle. This is an illustration of the fact that the true value of gold has not changed; it is the value of the dollar that has changed. Here we go!

Cowboy Bob lived in western South Dakota in the late 1800's. Our story is set in October of 1883 in the town of Monkey Spit. Cowboy Bob has just entered town for the first time since spring. He has spent the late spring and all of the summer working out

at the Bar X ranch. Bob worked hard and for his work the ranch owner has paid Bob 3 gold eagle coins. This is a very fair wage for the work and Bob is about to stimulate the economy of Monkey Spit.

Bob's first stop is the general store. He needs a new rope, a new pistol and some ammunition, he figures he will also get a new saddle blanket and sleep pack. Bob hands one of his eagle coins to the store owner and asks what else he can get to spend the whole amount of the coin. The owner of the store adds a good bowie knife with a nice sheath and a box of 30-30 rounds for Bob's rifle. Bob says he will be back later for the items and strolls out the door on the way to Thompson's Dry Goods Store.

At Thompson's Bob sees the owner behind the counter and walks up to say hello. They chat for a bit and Bob then hands Thompson a gold eagle coin and asks him to get a month's supply of food and whatever else is needed to spend the full amount of the gold eagle. Thompson adds a cast iron pan, an extra bag of beans, a few sweets, some coffee and sugar, a good canteen, a knife and fork set and some chewing tobacco. Bob says thank you and says he'll be back later in the afternoon and heads out the door.

Bob walks a few doors down and enters Annie's Clothiers. He thinks the name is a touch fancy for the town of Monkey Spit, but who is he to say? Once inside Bob asks the girl working in the store to help him find a good pair of new boots, a couple of shirts and pants sets, a few handkerchiefs, a couple of pair of socks, some long underwear and a pair of suspenders. Bob try's all of the items on and the girl marks the pants and shirts for the tailor to correct the lengths. Bob asks how long it will take and the girl says they will be ready by sundown. Bob hands her the last of the gold eagles and leaves.

After having a good lunch and a very nice nap Bob begins to round up his purchases so he can get back to the ranch before it gets too dark. Bob revisits all three stores and picks up his items and heads out of town. He rides off knowing that he has made the most of his wages and is very satisfied with the quality of all that he has gotten. (The list of purchases follows the next story line.)

We now jump ahead 126 years to Phoenix. It is October of 2009 and our subject is George. George is a survivalist, a member of a group of people who are convinced that the world is going to hell in a hand basket and they are determined to be ready to survive no matter what. George has spent the past 4 months working at the Wall Mart. George has worked hard even a bit of overtime here and there to save up some money

so that maybe he can get a bit of gold or maybe just some more stuff for his survival provisions. George looks up the price of gold and decides that he would rather spend the money on the provisions. After taxes George has the equivalent dollar amount as three gold eagle coins, about \$3,150.00. George heads into Phoenix to hit a few stores, he figures why not do a little stimulating all those people on the news keep talking about.

George stops first at the gun store and looks around for a while before deciding on that new pistol he has been eyeing. He asks for a few boxes of ammunition and a box for his rifle as well. The store also has some of the other items that are on George's list so he goes ahead and gets them as well. George picks out the bowie knife, the military style sleeping bag, a good 50' nylon rope, a nice blanket for the truck seat that is wearing out and the neat sheath for the knife. George has everything totaled up and the final price is about what one of the gold coins he was going to buy is worth, about \$1,050.00. George passes the background check and heads out to the truck with his new purchases.

The next stop is the big Army surplus store a few miles down the road. There George rounds up a month's worth of MRE's, a cast iron pan, enough freeze dried coffee for a month, a Coleman type lantern, a field mess kit, a good canteen, a shemagh, and a few other things. George talks with the cashier while she totals his purchases. The total with tax adds up to a little over \$1,025.00. George thinks to himself, 'there goes another gold eagle.' George is satisfied though because he has made some very good buys today and the provisions will serve him well when the time comes.

The last stop is at the large sporting goods store. George needs a good pair of boots and a few shirts and a few pair of those new tactical pants. The boots are the kind the troops wear over in the war and the pants are the type most security personnel swear by. George also gets a couple of pairs of good socks, some long underwear and a tactical belt for the new pistol in the truck. Everything is expensive but well worth the money, George is now just about ready for anything. The total at the register is \$1045.00, the last of the gold eagles thinks George to himself, but he will have enough left for a good lunch at least. George heads home that afternoon knowing he got a lot of good items for the money and considers the day a great success.

## The List of Goods

Bob and George each purchased the same items:

1. Pair of boots
2. 1 pistol
3. 100 rounds pistol ammunition
4. 1- 50' rope.
5. 2 boxes rifle bullets
6. A blanket
7. Sleeping bag
8. A bowie knife
9. 1 months rations
10. Cast iron pan
11. Knife and fork kit
12. Socks
13. Pants
14. Shirts
15. Long Underwear
16. Belt/suspenders
17. Canteen
18. Handkerchiefs/Shemagha
19. Sheath

Now for the really amazing part, they each purchased these items for the same amount of money. What? "There is now way that these items cost the same, especially considering that Bob lived 126 years ago!"

I submit that Bob and George spent the same amount of real money, Gold! Bob and George spent the same three one ounce gold eagle coins. The true Value of gold has not changed in 126 years, only the value of the dollar has changed. What cost Bob \$20.00 in 1883 now cost George \$3,150.00 in 2009. The underlying gold has not lost 1 cent of value while the dollar has declined by a factor of 157.

Let's look at a couple of other examples that illustrate this same point.

A brand new Ford Model T in 1909 cost an average of \$650.00. Gold was valued at \$20.67 in 1909. Therefore a Model T cost 31.44 ounces of gold. A comparable car today

costs an average \$30,000.00 or at today's price of \$1,040.00 per ounce a good car brand new would cost 28.57 ounces of gold. Gold has not changed!

How about a new home? In 1935 my Grandparents purchased their first home for \$5,000.00. Gold was \$21.00 per ounce. That would be 238.1 ounces of gold. That would buy a \$248,000.00 house today. An average house for 238.1 ounces of gold no matter whether you are talking about 1935 or 2009

### **The true value of gold does not change!**

What does this mean for you today? I am neither qualified nor licensed to dispense financial advice. But common sense seems pretty obvious. We will further examine the possibilities in Part two.

## P. E. P. Part 2

Okay, for the sake of argument, let's say that you are reading this because you find it at least a teensy bit plausible that the whole economic mess might just come crashing down around our ears. The thing is you don't want to completely join the tin foil hat community just yet. Some basic preparations do seem like a good idea, but you don't quite know what to do exactly. Well we can look at some simple options and create a basic plan to get through whatever is coming down the pike. Better to be ready and not need any of this than vice versa.

**Remember now, this is not financial advice, just some brainstorming!**

Start simple and work your way to the more complex. Simple plan number 1 is...

**PAY OFF THE CREDIT CARDS-** I understand the purpose of cards. I like credit cards. My wife and I have a few, but they are for emergencies and unforeseen expenses. We try very hard to pay them off immediately. I for one do not want to pay 21+% interest for anything! Running a high balance on a card makes you a slave to debt because it seems that all of your money goes directly to the card and you see no benefit from those payments. At least with a car loan or a mortgage you have something that you use every day and can see value in that. Do you remember the value in that cute outfit you bought last year or those cool rims on the truck? Not so much! Be careful with the cards and get the balances down as fast as reasonably possible.

**PAY OFF THAT STUDENT LOAN-** Having a college degree is a good thing! Paying for it over the next 20 years is not. Start adding an extra 50 dollars a month to your payment you will be amazed at how fast you can get the debt amount down.

**COMMIT TO BUY TWO OUNCES OF SILVER PER MONTH-** It may not seem like much now, but it adds up quickly and it will enable you to survive in hyperinflation or devaluation. An example would be; hyperinflation has set in and the price of gasoline has risen to 10 dollars a gallon. Fortunately for you, the silver you bought at 18 dollars an ounce has risen to 300 dollars an ounce now! So one ounce of silver is now able to buy 30 gallons of gasoline. Not too bad for an 18 dollar investment!

**CUT OUT SMALL THINGS TO GET BIG REWARDS-** Do you stop and get a latte or juice twice a week or more? Eliminate one stop per week and save 5 dollars per week.

Have lunch out more than once a week? Stop one lunch out and that is another 5 dollars a week. That right there is 40 dollars a month! Use bottles of water? Buy gallons and save money! Do you buy books to read? Library cards are free! Use coupons, buy store brands, we all know how to save it is just a matter of making the commitment. I am almost willing to bet that if you think about it hard enough you could come up with ways to save about 100 per month by just paying a bit more attention to what you are doing every day.

**KEEP SOME CASH AT HOME**- Keep an amount of cash on hand at home just in case. What would happen if for some reason all credit and debit cards stopped working for a week? How long could you exist without spending any money at all? Cash is always taken, even when other payment methods are not. How much cash? That is a question only you can answer. How much would you need for a week? Make sure to keep it safe, and this means NOT in the freezer.

**BE READY TO PULL MONEY FROM THE BANK**- The FDIC, is by their own admission, broke. All savings in banks are insured by the FDIC or its Credit Union equivalent the NCUA. If banks begin to fail in any large numbers, and this will happen, they could all be closed at a moment's notice. Will your money be safe in such circumstances? I am not willing to take that chance. Watch the bank news and be ready to get your money out in a hurry in an emergency.

**COLLECT CHANGE**- If you are like most people you do not regularly spend change. If that is the case, collect that change in a jar, piggy bank or whatever. Make it a point to cash that change in every so often and invest it in silver or gold.

**PICK UP PENNIES AND CHANGE**- If you will take the time to actually bend down and pick up those pennies and other change it actually adds up to about 25 dollars a month. This is actually a source of free money!

Okay that is a basic list of the simple stuff. Taking these steps is a very good beginning. Everything that you do now will make it easier in the future to prosper in any economic environment.

## Personal Economic Preparation Part 3

This here is the story of an average couple who live in the United States of America in the year of 2009. We for the purposes of this story will call them Cliff and Christine. This couple is meant to represent all of us in this story so we will give them some basic statistics.

Cliff has a good job working for XYZ Corp. He is a mid level manager and makes a good living but is by no means rich. Cliff is married to Christine who is very hard worker for ABC Company. Cliff and Christine, who we will call C & C from here, own a very nice home with a manageable mortgage payment. They each have cars which are paid off. They have a minimal amount of credit card debt and average other expenses. Each has a retirement account and they have a small investment account. They have begun to accumulate some small amounts of both Gold and Silver and have been stockpiling food, water and weapons.

Now what can our all American couple do to prepare for the coming economic problems that this country is going to experience? Well this story is meant to illustrate those preparations, as well as some of the problems that are beginning to manifest around us at this moment.

We know that at this moment the commercial real estate collapse has begun in earnest. The bankruptcy of Capmark and Cit Group has signaled this beginning very dramatically in the past few days. C and C are aware of these facts because they pay attention to the news they find on the net and piece together from various sources. This is their first survival step. There aren't necessarily any actions that need to be taken based on this information, but it is part of their whole picture point of view.

**PAY ATTENTION TO WHAT IS GOING ON EVERY DAY.**

The price of precious metals has been rising a bit and the dollar has been falling. This coupled with the knowledge about the commercial real estate market gives C and C reason to try and accelerate their acquisition of gold and silver. They have been buying silver American Eagles and Gold Eagles and so called junk

silver. They decide to increase their purchases by half. They have taken their second step to their survival.

### **BUY GOLD AND SILVER**

C and C very closely watch the bank failures for the year. They are very aware that if one or more of the too big to fail banks actually do go down the whole system might collapse very quickly. They decide to begin keeping some cash at home and not put all cash in the bank. There are some bills that can be paid in cash without too much trouble and they decide to keep cash for those out of the bank and in the home. C and C decide to keep the investment account open, but to watch very closely for signs of trouble. They know very well that they will have to anticipate trouble by at least a week to be able to get everything out before a bank holiday is declared. They have now taken step three.

### **WATCH THE BANKS VERY CAREFULLY AND BE READY TO ACT**

Our couple noticed that there was some talk about the possibility of the Congress trying to pass a bill that would effectively eliminate 401K retirement plans. The bill in question is currently in a Senate Sub-Committee and may or may not see the light of day, but it does bear watching. This possible legislation would roll all currently private 401K retirement plans into the Social Security Administration, so that people would not be as easily able to access their 401K accounts. The theory being that the common people have no idea how to manage their own money and the Government must step in for the good of the common people. Now that C and C are aware of this possibility they will be watching and waiting to yank any funds out of a 401K if necessary. There has not been one word of this on any propaganda outlets. Step four.

### **WATCH WHAT THE GOVERNMENT IS TRYING TO DO TO US ALL**

Given that there seems to be a great deal of uncertainty around banks and there seems a possibility of banks closing, it makes sense that plastic money may one day no longer function. C and C have decided to keep a few thousand in cash on hand at all times. This may seem like a lot of money, but by saving only two hundred dollars per month, they can have their goal achieved in one year. They

figure that if the worst does happen they will be able to live for a month on that cash. If whatever crisis creates the need for cash lasts longer than 1 month, well by then the situation will require other more extreme actions. Step five.

### **KEEP A FEW THOUSAND IN CASH ON HAND AT ALL TIMES**

Knowing that any number of different types of crisis could result in most of the fleet of truck that keep our stores stocked parked on the side of the road; C and C resolve to do more shopping at local produce stands and small local stores. It is very likely that these type places will have a supply of food and goods a few days longer than the larger national stores. These stand type places can be a place to stock up in an emergency. Step six

### **THINK IN LOCAL TERMS TO PLAN FOR EMERGENCIES**

C and C have invested some of their resources in what they are calling trade goods. They are accumulating food products and other products that they may or may not use themselves. They have a small supply spam, raisins, honey, nutrition bars and other food items set aside strictly for trading with others should that become necessary. They also have a few yards of plain cotton cloth, some toilet paper, and tobacco products and so on. Step seven

### **COLLECT GOODS SPECIFICALLY FOR TRADING**

By taking these and other steps our couple has managed to place themselves in a decent survival position. This will not guarantee anything, but being prepared costs very little compared to being unprepared. Being ready economically is as important as being physically ready. The list of steps:

1. Pay attention to what is going on every day.
2. Buy gold and silver.
3. Watch the Banks very carefully and be ready to act.
4. Watch what the Government is trying to do to us all.
5. Keep a few thousand in cash on Hand at all times.
6. Think in Local terms to Prepare for Emergencies
7. Collect goods specifically for Trading.

## Trade Goods Part One

You can go ahead and call me cynical; there is no need to wait for the Christmas rush. I will admit right up front that I am cynical, but remember that a healthy dose of cynicism never hurt anyone!

This being said, let's take a look at some very likely presumptions. First you can safely guess that less than 10% of the total population is in any way seriously preparing for any upcoming crisis, especially the economic meltdown we will be facing very soon. Second, we can safely guess that most people who are preparing will have barely enough for themselves and their immediate families. This leaves what seems to me to be an opportunity for some enterprising people to take advantage of a situational shortage in the not too distant future.

Situational shortages are created when something of value is harder to acquire because of some uncontrollable outside force has created scarcity. This is not the same thing as an economic shortage. The difference is that in an economic shortage occurs because of a rise in price making a certain commodity out of reach because of the price itself. A situational shortage occurs for example when an early freeze eliminates the strawberry crop. The crop no longer exists.

When a major disaster does occur it creates a massive amount of situational shortages. If you are aware of this you can take advantage of the situation for your benefit. This was a major part of how many fortunes were made during the depression of the 1930's and during the prohibition years of the 1920's. If you are prepared you can be in the driver's seat!

I know that there are some of you who are beginning to bristle at the thought of taking advantage of your fellow human beings. I say that if you wish to stock up enough water, food and the like for everyone go right ahead. If you want to generously give away all that you have put aside in a bid to gain sainthood, have a good time! You can probably not bother wasting your time reading the rest of this article. I am not trying to chase you away, I am just asking you to be realistic.

Trading is an agreement between two parties to exchange things of value for one another. This is a mutually beneficial arrangement; this is not one party taking

advantage of another. In a survival situation, you must be willing to do everything you can to assure your survival. If this means that you are profiting from someone else's failure to prepare, then so be it!!!

Now that we have gotten all of that out of the way let us proceed to describe what one can do in order to have tradable goods available after whatever may happen in the next few months to years.

We must proceed with a few stipulations. First, you have set aside everything that you consider necessary for you and your family to survive the coming economic disaster. The second is that you have the space and current funds to plan for some future trading after said collapse and lastly that you are willing to take advantage of the situation to better your overall status post disaster.

Good, now let's establish some basic ground rules to operate under and then we will get to the particulars of what to stock. Rule number one is: **NEVER TRADE AWAY WATER OR WATER PURIFICATION SUPPLIES.** Clean drinkable water is the key to survival, never part with it! Rule number two is: **ALWAYS TRADE FAIRLY AND QUIETLY.** If you act fairly, people will generally treat you the same way. Keep your supplies quiet and never allow anyone to know the full extent of your stash. Rule three: **NEVER TRADE AWAY MEDICAL SUPPLIES OR MEDICINE.** You will need all of these supplies at some point. If anyone finds out that you have medical supplies it could be life threatening. Last rule: **IF ANYONE SERIOUSLY ATTEMPTS TO TAKE STEAL YOUR SUPPLIES KILL THEM.** I know that this is harsh, but if you allow anyone to get away with any part of your supplies, they will come back with a lot of their friends to take the rest of those supplies and they will kill you.

Remember that I have no faith what so ever in my fellow human beings when it comes to living through a crisis of this sort!

## What to Stock?

Begin with addictive items and simple comfort items. Next on the list are food items and then hygiene products. Shelter additions and tools are next. Remember

that you want a lot of a few items; you are not necessarily aiming to set up the Post Disaster General Store. So keep the list relatively short.

Cigarettes and Alcohol are the first items on the list. People who smoke will trade quite willingly for smokes. (In World War Two, Vatican City ran a very lucrative cigarette trading and selling operation to fund secret smuggling operations to help get some Jews out of Europe. Mind you this was all done behind the back of Pope Pius XII.) Be sure to keep cigarettes dry and relatively cool so that they will last longer, they will dry out in about a year, so be careful not to stock too early. Always buy your cigarettes on Indian Reservations to avoid the taxes. Stock only good quality brands, and always by the filtered kind. Stay away from menthol cigarettes and cigars; they will not have the value that others do.

Stockpile whiskey, bourbon, red wine and brandy only, all others are a waste. Fancy liquors are useless; vodka can be made from potato peels, white wine has little medicinal value and all others are a waste of space. Stay with quality, but here is no need to go overboard. 100 dollar bottles of brandy will be a waste. Stay away from anything that you see in the grocery store Christmas displays, people buy those for the pretty packaging only. Go cheap on the red wine, nothing over 8 dollars a bottle. Wine will be used mostly for cooking anyway.

Get a few thermal type blankets, some wool socks, a few basic tee shirts and some towels. Get a few army surplus pillow cases and a few sun screening hats. These items will be very valuable to anyone who is traveling, or finds themselves homeless.

When it comes to stocking food items for trading later; keep you selections to a few key items with long shelf lives and relatively small containers. There is no point in loading up on the 5 gallon Ketchup bargain from Costco. Think along the lines of soups, spam, nutrition bars, raisins and other dried fruits, beef jerky, nuts, oatmeal packets and so on. Try to buy the items by the case with the idea of trading them by the unit later. Small dried soups are another excellent idea as are jars of popcorn. (Avoid anything that is primarily designed to go into a microwave oven; we may all be cooking over open camp fires!) Avoid large containers and glass

containers where possible. Also avoid cereal and sweet desert type foods, as these both have limited utility.

Hygiene products are an excellent thing to stock for trading because we all benefit from them, they last a very long time and they are relatively small. Tampons, toothbrushes, tooth paste, hand sanitizer, soap (ivory is good), deodorant, sanitary wipes; dental floss, razors and many other items are excellent choices. Avoid shampoo and conditioner, shaving cream, makeup, hair spray, and other purely vanity items. Pick a few items and stock a lot of them.

Probably the single most useful item to stock for trading is duct tape. This is the most useful product for survival that there is, bar none. Get quality tape and get a lot! Also useful are basic tools (hammer, crescent wrench, pliers, razor knives and screw drivers), a couple of rolls of heavy duty plastic sheeting, axes and debris clearing tools, tarps, shovels and 5 gallon buckets. All of these are optional and should be last on the list of acquisitions as they will be the most bulky and the most expensive.

A complete list of items with quantities and dollar amount is compiled in part two of this report. With a bit of advanced planning and a reasonable investment you can have a stockpile of goods that will provide you with a base from which you can trade for items that you may need in a time of crisis. **Being prepared costs very little when compared to the price of failing to prepare!**

## Trade Goods Part Two

This is an example of a stocking plan for trade goods.

<u>Item(s)</u>	<u>Quantity</u>	<u>Item Price</u>	<u>Total Price</u>
Carton Marlboros	5	\$42.00	\$210.00
Jack Daniels 750 ml	5	\$13.00	\$65.00
Canadian Whiskey	5	\$12.00	\$60.00
Brandy 750 ml	5	\$9.00	\$45.00
Jim Beam 750 ml	5	\$12.00	\$60.00
Red Wine 750 ml	24	\$5.00	\$120.00
Thermal Blanket	5	\$10.00	\$50.00
Wool Socks	12	\$4.00	\$48.00
Tee Shirts Lg.	24	\$2.50	\$60.00
Hats	12	\$3.00	\$36.00
Pillow Cases	48	\$1.00	\$48.00
Towels, Bath type	12	\$5.00	\$60.00
Spam (Case of 12)	4	\$25.00	\$100.00
Cup o Soup (Case)	10	\$8.00	\$80.00
Peanuts	24	\$3.00	\$36.00
Popcorn	12	\$3.00	\$36.00
Beef Jerky Packets	12	\$5.00	\$60.00

Nutrition Bars Box	50	\$3.00	\$150.00
Peanut Butter Jar	24	\$2.00	\$48.00
Oatmeal 12 packs	24	\$3.00	\$36.00
Dried Fruit	36	\$2.00	\$72.00
Tooth Brush Packs	10	\$3.00	\$30.00
Tooth Paste Case	5	\$8.00	\$40.00
Dental Floss	12	\$1.00	\$12.00
Razors	12	\$2.00	\$24.00
Ivory Soap	24	\$1.00	\$24.00
Hand Sanitizer	50	\$1.00	\$50.00
Sanitary Wipes	24	\$2.00	\$24.00
Duct Tape Case 12	3	\$36.00	\$108.00
Basic Tool Kit	5	\$12.00	\$60.00
Tarp large	5	\$8.00	\$40.00
Shovels	5	\$10.00	\$50.00
Plastic Sheeting	2	\$25.00	\$50.00
Axe	6	\$8.00	\$48.00
Machetes	6	\$10.00	\$60.00
5 Gallon Bucket	10	\$2.00	\$20.00

I am not suggesting that you go out and buy all of these items that would cost well over \$2,000.00. If you have that kind of money, hey knock yourself out! Pick a selection of items from this list and run with it. An investment of 50 Dollars per

month will build a decent stockpile very quickly. I have no idea how much time that we have before the economic crash that is waiting for us on the horizon. My best guess would be between six months to a year and a half. That would be May 2010 to May of 2011. Start now and acquire a little bit at a time, you will be surprised at how fast your stockpile grows.

Looking ahead is the key to this whole process. You can easily forecast that post disaster, whatever shape that may take, these goods will be at least ten times their current value. You must also remember to price items in either silver or gold. Silver would be easier as it is a smaller unit of value.

For example; silver is currently \$17.75 per ounce, lets round that off to an even \$18.00 to make things easier. This means that one Silver Eagle is worth \$18.00. We can say then that 1 carton of Marlboro cigarettes costs 2 and 1/3 silver eagles at the current rate. Post disaster, that same carton will be worth at least 20 Silver Eagles. So let's carry this out to the full extent. If you spend \$1500.00 on stockpiling tradable goods, this would currently be roughly 84 Silver Eagles. This will net you more than 800 in the not too distant future.

So what will you be able to get with a Silver Eagle in the post disaster period? Well, if gasoline is still available it could very easily cost \$20.00, and the price of silver could easily rise to \$200.00 per ounce. Thus 1 silver eagle could get you 10 gallons of gasoline. **STOCK UP TRADABLE GOODS NOW!**