The Unfunded Liabilities Monster

The Most Devastating Part of United States Debt. Nobody Wants to Talk About. Don't Be Ambushed. Protect Your Income.

by Jelani Asar

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There is a monster.

Lurking. Creeping. Growing. Feeding.

Feeding on your trust. Feeding on your security. Feeding on your future.

You are expecting it to take care of you. During you greatest time of need.

You do not know it is planning to let you fall. Or eat you even before you hit the ground.

It is the Unfunded Liabilities Monster.

<u>What if you were expecting a safety net to break your fall when you need it most? What if, to your surprise, when you fall, that safety net is not there?</u>

Wait! Stop!

The fact you are reading this report confirms your desire to survive conquer the Unfunded Liabilities Monster, and hence your rare power in American society today. The only way to stay current and prepared is to...

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Who Am I? - My Story

While you are thinking about your answer to that question let's take care something first.

Let's learn a little about me - who am I and how is it that I came into this knowledge?

You will be learning more about me later in our journey. For now, let me share with you a story about a series of experiences that changed my life for the rest of my days.

My name is Jelani. I am in my twenties and I am living in Atlanta, Georgia. About two years ago I had a spiritual crisis. I didn't know when it would end, but I knew how it would end. In fact, it has not yet ended. The paint is still drying. This report is my artwork for you.

I remember the feeling so vividly. It was so confusing and so powerful. I was in university in Atlanta. Finishing the last three months of my third year of study. Halfway through the year I was developing a numbness to the routine activities that once gave me immense enjoyment while at college.

I am sure you can imagine - parties, women, laughter, friends and the various games that we all play as young adults. Hehe.

As I was saying, these games, in which I had participated quite heavily and hosted on many many many occasions (deejaying, 'party at my place!', were becoming lifeless and no longer satisfying. Again, I was developing a numbness.

By the time my final three months of school came, I was a new person.

I kept having this nagging, gnawing feeling that my studies were useless. I was just sure that somehow my schooling would be utterly disregarded once I entered the real world of business and life.

I remember having an earnest interest in economics yet feeling strangely disappointed by my economics courses because I was sure that my tests on economic theory and essays on Keynesian economic history would not be practical in my life.

This was my general feeling. “This schooling is not practical. This stuff is not going to make me happy. Not going to make me money. Not going to make me who I am in my life. What am I doing here? Why continue?”

I was finding it increasingly difficult to make it to my classes, even though I was deeply interested in the subjects I was studying - economics, spanish, philosophy, and writing.

I made a decision to relinquish the irresponsible college partying and produce stellar grades in all of my classes. Once I produced a string of top marks, I would begin withdrawing from my classes in order to study what my heart truly desired and what would have the most practical, real value in my life.

While gradually withdrawing from my classes, I would use all of my spare time to study my own selected readings. Suddenly the school library, which before I only used occasionally as a quiet place to complete my work or prepare with a study group before a test, became my favorite place on campus.

I burrowed through the bookcases like a mole of self discovery. I was particularly interested in texts related to self knowledge, philosophy, and spirituality. You see, it was one of those times in life. The big questions.

Who am I? Why am I here? How did I get here? Where am I going? What about my environment? Nature or nurture? To what extent? Now what?

I read through ancient Indian texts, old books by the greats of philosophy such as Jean Paul Sartre, David Hume, and Gottfried Leibniz. I remember searching the internet one day for videos on enlightenment and finding this absolutely ridiculous video.

It was unfathomable. And certainly well beyond the realms of what my university curriculum consisted of. I needed to know more.

It was a video of a young enlightened guru named Paramahamsa Nithyananda. He was sharing his first Samadhi experience. Samadhi is the height of sprititual revelation. As with any system with levels of achievement, Samadhi is the highest level of achievement and you feel completely in tune with yourself and your environment. Your power and ability raises to a godly level, at least by your perception. You feel godly. You feel so in sync, that you can act with success in your field at will.

What make Samadhi completely special is that its field is life itself, rather than a specific niche such as business, art, golf, basketball, speaking, writing, investing, or mathematics. It is life itself and therefore incorporates all niches.

Imagine being at the top of your game in everything that composes life itself. Can you imagine feeling so in sync with the life experience that everything seems to flow smoothly with your conscious will and your unconscious desires?

This is Samadhi. Yes, I know what are you thinking, “What does Samadhi have to do with the Unfunded Liabilities Monster and my financial future?” Everything. Let me tell you, this story changed me. It changed me. And it led to the creation of this report and my awaking into this knowledge. *And your success during mass financial disaster.*

I remember, Nithyananda told of how he was a young boy studying under the wing of spiritual masters in India. He was being told by these masters that there is no such thing as pain and suffering is an illusion - this type of thing.

So, to test this theory, one day he took a knife into his leg and ended up with pain, suffering, and thirteen stitches. Then, with laughter, one of his masters told Nithyananda to search for the source of this pain. Find out where it was coming from. Then he could just, turn it off.

One day he was just sitting on a rock, atop a small mountain in India. He was searching for the source. The source of his identity. The questions I was dealing with while at university - he was searching for the source of the answers to these questions.

Then, spontaneously, it happened. Something opened in his mind. Suddenly, although his eyes were closed, he could see 360 degrees. All around him. *With his eyes closed*. Front, side, side, back, up, and down.

Also, he was able to feel himself within his environment. The same way you feel alive in your skin right now. He was able to feel this aliveness in everything around him. As if his body encompassed his entire environment. As if his skin was the sky. As if the trees were his bones, the rocks his organs, and the air his own mind.

He spoke of fearlessness. He spoke of all-pervading relaxation and inner calm. As he describes it, it was simply - bliss. (This video right here - just to warn you, it’s weird)

I didn’t know if was true. I didn’t care if it was *possible*. I wanted to experience it.

After seeing this video. Textbook theories and flash cards for terms to memorize for the next test became immeasurably boring. I knew there was a more exciting life. This is why I am doing what I am doing now. This is why I am here with you right now.

I began studying. Choosing my own texts to study. I remember sharing my thoughts with my advisor and him telling me that I could create my own major. I lit up. I remember creating my own curriculum. Unfortunately, my advisor had to leave to be in Colorado for his son’s birth.

Basically, I eventually withdrew from all of my classes and spent all of my time in one of two ways - reading up on spirituality and personology, and riding my bike to allow my thoughts to marinate.

I knew that formal education did not fit. “So what does fit,” I asked in earnest. Again, “Who am I? What I am made for?” What followed was months upon months of intense and incessant study into finding out who I am and learning about the relationship between the individual and the environment.

What happened next I could not have foreseen with a NASA-grade telescope.

Incredibly, all of this spiritual seeking led directly to - money.

I looked around. I noticed that a common thread between all of my spiritual study was self-realization - the achievement of one’s true and highest potential. I noticed that very few if any of the people around me - in my physical space, my city, my television, my memories - were living on this level. Living with this personal achievement.

I also noticed that although the spiritually inclined people were speaking the words of self discovery and freedom in life, they were clearly in pain and even more clearly in slavery - financial slavery.

I noticed that the vast majority of older people around me did not ever answer the big questions for themselves, and were dissatisfied with their life as a result. Furthermore, many of them apparently did not value money because they were always needing more, yet everything they did in life revolved around money.

Their job, their family, their home, their pleasures, their stress, their peace, their depression, their regret, their happiness.

I realized, to my shock, that one of the greatest barriers to spiritual achievement in my life would be a lack of financial success. I realized with clarity at that moment that I would need to take care of my financial needs before I could even think of ascending into the level of inner peace and fulfillment I was studying intensely for so many months.

Do you think people dream of having another chance to make financial decisions in their life? Better financial decisions? Do you think some people are angry about their lack of freedom to make their own choices and live their life more freely, because of insufficient funds? Do you suppose some people wish they had better beliefs about money?

I learned that if I did not turn my attention to learning finance and the rules of financial success that I would be one of those people - running out of time, running out of money, and having an abundance of only regrets. Even worse, I would never achieve the spiritual freedom I read so earnestly about. The experience that Nithyananda shared. The inner calm. The fearlessness. The bliss. None of it.

So I continued my study, except I found in my hands books on investing, personal finance, and economics, rather than spirituality, personology, and quantum physics.

Oh, I almost forgot. Before I began my journey of study after withdrawing from university, I emptied my bank account. I figured that by being completely broke, I would be *forced* to find out how to make it in this world. I would be *forced* to find out my passions and natural abilities. I would be *forced* into creativity.

I used all of the money I had saved in my life up to that point to buy my books, food, travel tools, and multimedia educational materials. Haha, I went on a spending spree for knowledge and self experimentation.

When I made the transition from spiritual study to financial study, I formed a special relationship with three books in particular. They were *Breaking the Money Barriers* by (one of my mentors here in Atlanta) self-made multi-millionaire Dr. Michael J. Duckett, *The Creature from Jekyll Island* by G. Edward Griffin, and *Rich Dad, Poor Dad* by Robert Kiyosaki.

I learned about the importance of the environment in changing the individual during my spiritual studies. I learned about this idea of oneness, as well as the power of other people in affecting one's ability to think positively.

Seeing the importance of this connection, I figured I needed to study the economy in order to achieve sustainable levels of *personal* financial success. Macro, micro.

During this time I developed quite an intimate relationship with an Amazonian goddess (who would think $0.99 plus shipping and a few other books 'I might be interested in' could amount to so much money? The little things sure do add up, don't they? Geez).

Before getting to what I learned while studying macroeconomics, let me share a key revelation I've been having while absorbing these texts, audios, and videos on personal finance.

Watch this.

To my pleasant surprise, a common theme I found emphasized by these experts on financial success was the lack of needing a college education to get rich. Furthermore, more often than not, these experts often *criticize* the educational system.

The Motley Fool brothers, Kiyosaki, Dr. Duckett, Robert Allen, G. Griffin, and even Benjamin Franklin. They all share one thing in common, they either say that schools teach you how not to be rich, schools do not teach you how to become rich, or schools are not necessary to become rich.

Yes! Thank god.

So now, I found myself melting into texts on macro economics. Then I was shocked again. Funny enough, apparently, now is a history making time in economics.

Apparently there is some major ‘wealth transfer’ going on. Apparently only a few years before I began this study, there was a major crash on Wall Street. Apparently people are losing their homes and their jobs in throves. Apparently the United States is losing its status as the leading economic power of the world. Apparently, now is the best time to get rich or lose everything, better than ever before *in history*.

It all just seemed to fit.

Also, the economics I was learning in the books I chose was surely not the economics I was learning in university hahaha.

Interestingly, I found the authors frequently citing the cause of our financial woes in the United States and around the world to be an addiction to easy money and particularly ‘Keynesian economics’.

The basic theory of Keynesian economics is - all economic problems can be solved with spending.

Too much debt as a result of too much spending? Spend more. Too much inflation as a result of too much money creation? Create more.

This theory is also known as ‘supply side economics’, ie. using money supply to control the demand for goods and services, rather than the demand for goods and services to control the money supply. The latter is a hedge against fiscal and monetary irresponsibility, the former is often a recipe for widespread debt and inflation. Hmm.

Funny enough, Keynesian economics is what we were learning in class! How could this be? There has got to be more to this. Hasn’t there?

So now we come to where we are right now, right here. The Unfunded Liabilities Monster.

As was customary during my spiritual study, I often summarized or wrote my thoughts about what I was studying. This helped me understand the material and remember its contents.

I figured that one quick and easy way to learn the material and live these principles of finance would be to teach it. Your report is a fruit of these efforts.

Interestingly, I am finding on my journey to learn and implement the proper steps towards financial success that financial growth is the most spiritually engaging experience of my life.

I am by no means rich. I am just learning. I am just developing. I am finding that I have to do quite a bit of personal change to accumulate the money I seek. I am having to learn new skills, new vocabulary, new interests, new habits, new thought patterns.

I am having to consistently and fiercely challenge my levels of self confidence, self worth, and insecurity. I am learning that maybe one reason why so many of the older people that were around me have been able to speak on spiritual success yet not actually live it is because they neglected to move through one of the greatest spiritual challenges of life - the challenge of achieving financial success.

One of the most challenging (and now most enjoyable) parts of this journey has been sticking to my principles when interacting with other people - being true to myself despite the powerful pressures of the environment.

I have had to detach from those components of my sphere of influence that were conducive only to a life of poverty - poverty of knowledge, of true spiritual living, of finance. Even those in my sphere who were positive influences became dangerous. Dangerous simply because I was in the process of change, and still am. I needed time and space for the mold to set, and still do.

People who were once extremely close to me have become memories. Some have actually become threats. Threats to my happiness. Threats to my success. Threats to my successful transformation. Threats to my ability to resist a relapse - a relapse into old thinking patterns.

(Ugh, old and rotten thinking patterns. What a distasteful indulgence.)

To say the least, my life has *completely* changed. For good. And for good. What I have seen has changed me. I cannot fully go back. Even if I wanted to.

The fact you are reading these words right now means you are facing the same fate. Are you sure you want to continue? Sure, you have already been permanently affected since you have already read the words (haven't you?), although you can still stop now. Every character your eyes absorb is changing you forever. Are you sure you want to continue?

What happened with me was simply the culmination of a cycle. It was rebirth, that's all. Natural cycles, like economic cycles or the cycles of nature. I understand it happens and I fully expect it to happen again when the cycle again completes. What made this natural cycle so special is that - it just seemed to have really awesome timing.

Not only once in a lifetime significance. Once in *history* significance. As entrepreneur Lady de Rothschild once said, “I’d rather be lucky than skilled every time.”

In a nutshell, I am infinitely more afraid of what could happen if I do not act on these principles of economics and finance than if I do. And that fear drives me.

So, as for who I am - I am an economics enthusiast. How is it that I came into this knowledge - intense study into one of the most important factors in whether I live a happy and fulfilled life or not.

You know how they say, “I have seen the promised land.” Well, I have seen the dead zone. The zone when dwell the older generation I once looked up to, facing a financial future that is barren of money, barren of change, barren of independence, barren of choice, barren of escape. Barren and dead. And unfortunately - promised.

To say the least I am so happy with my choice. So happy. Because if I *did not* decide to withdraw and do my own studying, I would have never learned the facts contained in this report. Therefore, I would likely be done for within this decade or the next, as millions upon millions of Americans are. Financially dead or tortured.

Don’t believe me? Exaggeration?

Okay. Read on.

Part One

What If The United States Was A Man Named Joe?

Chapter One

Joe, the United States

Joe's Promises

A story about Joe, the man who makes many promises.

There is a man named Joe. Joe is a rather spectacular person, or at least he appears to be.

Joe is well respected and looked up to as a leader and role-model of success, personal power, and financial prowess. Joe has developed such a cache of personal power, that he shares his power by taking care of others in their time of need. Joe provides you strength of character, although the most important way he takes care of others - is financially.

Joe actually has a few financial support programs, referred to collectively as Joe's Promises. Anyone who enrolls in Joe's programs is entitled to a financial promise.

It is a great financial promise and many people are coming to rely on Joe's integrity as their sole source of financial support in the certain situations that Joe's promises cover.

Specifically, each member is entitled to money to cover their medical expenses and to live on after they reach a certain age and are no longer working.

That's right, Joe is promising money.

Want some? Most people do. Most people are getting theirs.

Why wouldn't you?

So now you have your promises and you feel safe. You've got help with your medical expenses - the most outrageous and damaging expenses of all. When you get old and your energy to produce - ie. your earning power - decreases, you've got Joe to pay you money and keep you safe. And with Joe's promises, you are safe, aren't you?

But wait, there's a problem. Potentially, a big problem.

Problems with Joe

"What's the problem with Joe?" you overhear being whispered between two other members of Joe's Promises. You see, as we learned earlier, Joe *appears* to be spectacular, although the validity of his magnificence has been growing somewhat shaky.

Joe is a social man and a provider. Joe keeps his financial records public, for all to see and have confidence in his power...and his promises. The problem is - the people do not have confidence in Joe's finances. Joe's finances look bad - real bad - and how many people are *depending* on super solid Joe's Promises?

Word got out about Joe's financial problems and some people have begun to talk about it. Those who know are worried. Angry. Devoid of hope. Shocked. Confused. Dumbfounded. Appalled. Preparing for it all to break loose.

Why? Why such drastic reactions? It's Joe, how bad could it *possibly* be? We are talking about *Joe*, aren't we? What's the ridiculousness?

That is exactly what you want to know, right now. How bad could it be - because you're depending on Joe's Promises too, aren't you?

Finally, you quiet your thoughts as you hear the other members start getting to the nitty gritty. What you are hearing is absurd. You listen closer to ensure your ears aren't playing inappropriate tricks on you.

This is what you are learning:

1. Joe earns $15m/year
2. Joe has current debt of $14.5m
3. Joe incurs debt at $0.5m/year
4. Joe has 1 out of of every 2 people in the community enrolled in Joe's Promises
5. Joe is promising to pay these people a total of $115m

What?! How could this be?

That's how bad it is. Joe is promising to pay $115m and only makes $15m - all of which could technically be required to pay Joe's other debts.

Here's the worst part.

Remember we learned earlier that Joe's Promises pay money when people get to a certain age and when they get sick? Well, a bunch of people are about to reach that age - 1 out of 4 people in the entire community. Which means it's time for Joe to pay up. Yet, according to Joe's financials, not only does Joe not have nearly enough money to pay up...Joe's broke.

All of those people, <u>including yourself</u>, are promised money that Joe does not have. Joe's broke! And therefore, so is your financial security.

Upon reflecting on the implications of this horror, your eyes begin exploding wide open, your throat is swelling, you are attempting to swallow the non-existent saliva on your dry tongue, and you immediately begin rethinking your financial life.

"I've got to take care of myself," you whisper, "Or else, I'm done for."

From that moment forward you begin developing income protection and financial self-sufficiency for yourself. Joe ignores the monster beneath his bed and the people are unknowingly awaiting a surprise. Aren't they going to be just so appreciative?

Joe, the United States

This story of Joe is a story of the United States. That's right.

1. Joe = the United States
2. Joe's Promises = Entitlement programs and Unfunded liabilities
3. Joe's numbers * 1000 [including the income, debt, promises, members] = the numbers of the United States
4. Members of Joe's Promises = the American people
5. You = You, Me, and other members of the informed public

Chapter Two

If this was Your Financial Situation, What would You Do?

Bringing the Monster Home

Putting it into perspective and bringing the monster down to earth.

Can you think of a time when you were bogged down by debt? Can you remember a time when you owed money to someone you cared for - and didn't have the money to pay them back?

Can you remember the feeling in your stomach? The quenched fire behind your belly, receding, dimming, draining life from the whole of your body and forcing your Ego into hiding and shameful depression?

Can imagine having that feeling now? Owing even more money. To even more people. Who are even more important to you. And need your integrity even more.

Just a thought.

Looking at the massive numbers and discussing the problem as one that *the United States* has, can put the problem out of perspective and disconnect us from the situation. "Oh, that's happening over there, not here. It's a big, lifeless nation, not me. It's not my problem, it's the United States's problem. It's national, not personal." Speaking through the wide-angled lens of economics can have this effect, can it not?

Let's bring this Monster home so we can relate and actually understand the immense gravity of this problem.

What about you. Yes, you.

Suppose this is *your* situation and *you* are Joe. How is this feeling now? This is becoming real for you. The very fact you are to be reading the following words makes it easier for you to understand them - and easier to actually make it out of the Monster's belly - alive.

Here you are.

You are working day in and day out.

You earn $42k/yr.

You have your home, your car, your pleasures - and you have your debt. You have your home, your car, your debt. The bundle of debt that you are most familiar with is equal to $41k.

You have $41k of debt.

You have your family - your children, your other half - and you also have your parents.

You are in your early 30s and your parents are in their late 50s. Your parents are about to retire. Also, you have the responsibility of taking care of not only *your* parents when they are no longer working, but also your other half's parents, as well as various aging cousins, uncles, and financially struggling friends.

All in all, the number of soon to be retirees dependent on you amounts to 1 out of every 4 people you know.

You have to pay $230k to those dependent on you.

So:

1. You earn $42k/yr
2. You have at least $41k in debt
3. You owe $230k in financial support

This is your situation.

You owe more than 9 out of every 10 dollar you earn - to creditors. On top of this, a mass of people is expecting you to pay them a total of over 5 times your annual salary - your entire salary - in order to take care of them in their time of greatest need, which is right now.

This is your situation.

You - are the United States.

Now do you see?

Now what do you do?

Furthermore, what are you doing? Right now?

Part Two

Unfunded Liabilities?

Chapter Three

What are the Unfunded Liabilities?

Definition of Unfunded Liabilities

Okay, we are seeing the problem, we are hearing the horror, we are sensing the danger, and we are smelling the monster. Ugh.

One question - what are unfunded liabilities?

Good question.

Unfunded Liabilities - An unfunded liability is a liability or debt that is not covered by an asset (such as income or collateral) of equal or greater value.

The debts or liabilities in this case consist of the promises of financial support that the US government is making for the American people. These promises have numerous forms and can get quite specific.

In the interest of simplicity and for our purposes in this report, the unfunded liabilities/unbacked promises consist of the big three - (1) Social Security, (2) Medicare, and (3) Medicaid.

Tens of millions of Americans are expecting these programs to provide them financial support and are secured by these promises (they are?), although as indicated in their name, these programs are unfunded - hence, the money that millions of Americans are expecting, does not presently exist!

Read that definition again. Your understanding of those words distinguish you from a the unfortunate fool hoping for recovering and money from government and an intelligent American with the power to actually care for yourself and your family.

Be one of the twenty percent who actually read those words again and make necessary changes during these make or break times.

Social Security - As we previously learned when defining unfunded liabilities, these programs can be quite specific. Social security for example, can be broken down into two major components and many others - each with its own volume of defining characteristics.

The two major components that compose social security are Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI).

SSDI is money accumulated through taxation and provided by the government to SSDI recipients who are enrolled in the program because they are considered ‘disabled’, ie. disability insurance . Those eligible for SSDI include the blind, widowers, and physically disabled individuals for example. SSDI is meant to provide recipients with financial assistance to fill the gap in opportunity for financial security due to their disability.

In essence, SSDI is a transfer of wealth from the able to the disabled in order to ensure equal opportunity for financial security.

SSI (Supplemental Security Income) is what we typically refer to as social security, that is, when we typically speaking of Social Security, we are referring specifically to SSI, not the combination of SSI and SSDI.

SSI, again, is money accumulated through taxation and provided by the government to SSI recipients who are enrolled in the program because they are considered to have insufficient earning power or opportunity for earning power.

Those eligible for SSI include the blind, physically disabled, and people over 65 for example. The key point to note about SSI is that it is a supplement to one's income in order to provide sufficient security for them and thus, the one common characteristic of SSI recipients is - low income.

Notice also this word 'supplement'. In other words, it is additional, it is garnish, it is desert. Not foundation. Not the main source. Not the whole meal. It is additional support.

In essence, Social Security is a transfer of wealth from the able to the disabled in order to ensure equal opportunity for financial security.

Medicare - Medicare is another financial support program funded by tax revenues and allocated by the government. Although, whereas Social Security provides general financial support, Medicare provides financial support specifically for medical expenses rather than general living expenses.

Medicare insurance consists of money accumulated through taxation and provided by the government to Medicare recipients who are enrolled in the program because they are considered to have higher than average medical expenses. Those eligible for Medicare include those with lifelong physical disability and people over 65 for example.

Medicare can get quite specific as well - consisting of four programs - Medicare A, B, C, and D, which provide hospital insurance, medical insurance, and prescription drug money. In the interest of simplicity and for our purposes in this report, we will be referring to Medicare as simply Medicare rather than highlighting its more specific components.

Medicare is medial insurance or 'medical care' for the elderly and physically disabled.

In essence, Medicare is a transfer of wealth from the able to the disabled in order to ensure equal opportunity for medical and financial security.

Medicaid - I understand it may be easy to confuse Medicaid with Medicare, and although these two programs are similar in kind they are vastly different in character.

Whereas Medicare is health insurance specifically for the elderly and physically disabled, Medicaid is akin to Social Security in that recipients of Medicaid money must be low-income earners.

I understand that it may not be easy to distinguish between Medicare and Medicaid. What I do is I remember which is which by looking at the name.

Medi-*care* brings thoughts of physical or health care, such as for the elderly or physically disabled. Medic-*aid* brings thoughts of financial aid for low-income earners or people with expenses demanding more than their capacity to pay.

To put it simply, Medicare and Medicaid are health insurance for the elderly, physically disabled, and low-income earners.

In a nutshell, the common thread of the big three unfunded liabilities (as well as the smaller and more specific programs) is that they are forms of social welfare and social insurance.

In essence, these promises are forms of financial aid for the elderly, physically disabled, and low-income earners. The financial aid comes as a recurring income through a program such as Social Security and a financial safety net through programs such as Medicare and Medicaid.

The unfunded liabilities are the result of a desire to diminish disparities in financial security and the opportunity to meet basic financial needs by necessitating a transfer of wealth from the able to the disabled, as distributed by the government through programs such as Social Security, Medicare, and Medicaid.

Dreaded Origins of Unfunded Liabilities

I know what you are thinking right now. What is the nature of the Monster? What is its history?

Well we know that the Monster began growing in the 1940s, at the beginning of the baby boom. At this time the population in the United States began exploding and at this time began the progression towards making enormous promises to enormous numbers of people that simple could not be kept - to an enormous degree.

At this time, and particularly four decades later in the 1980s, taking on more debts and choosing the path of short-sighted financial suicide was becoming a national phenomenon. Whereas financial responsibility and common sense financial planning became a cultural faux pas.

To really understand the nature of the Monster, we must look only as far as the history of its components, so that is what we shall do.

The Dreaded Origins of Social Security - Social Security was created in 1935. The Social Security Act was enacted by President Franklin D. Roosevelt.

Actually, Social Security is more formerly known as the Old-Age, Survivors, and Disability Insurance program (OASDI) and now encompasses virtually all of the the well-known and most significant social programs of the United States.

For example, although when we speak of Social Security now we are typically referring to the income supplement, the Social Security Act encompasses such financial aid and insurance programs as unemployment benefits, State Children's Health Insurance Program (SCHIP), Medicare, and Medicaid.

Social Security is funded by the people, for the people - and merely *distributed* by government. This is key. Remember that. This money is *always* the peoples' money. **Your money.** The funds for this transfer of financial security are accumulated through the Federal Insurance Contributions Act tax (FICA), which most of us know all too well.

Roosevelt brought the program to life in order to lessen the struggle of American life at a person's weakest moments - such as during unemployment, single parenthood, and old age. Roosevelt said when he signed the program into existence on television:

"This measure, gives at least some protection to 30 millions of our citizens against the loss of a job and against poverty-stricken old age."

As reasonable as Roosevelt's ambition may seem, he was actually the first President of the United States to establish government-administered financial support for the elderly.

Since it was created in 1935, Social Security has simply grown - in terms of the quantity of money it is promising and the quantity of people it is promising this money to.

As we learned earlier, this social program is funded through tax revenues. The tax revenues become the responsibility of the various trust funds that represent the multiple programs that the Social Security Act encompasses.

To illustrate the growth and increase of significance of Social Security in the American life, consider this - according to the 2011 annual report by the Social Security Board of Trustees, Social Security is the largest government financial support program on the planet, the largest expense of the federal budget, and will be supporting over 120m Americans in the next two decades - although it started supporting only 30m.

<u>The Dreaded Origins Medicare and Medicaid -</u> Medicare and Medicaid were created simultaneously. In 1965, three decades following the creation of Social Security, the Social Security Act was amended by President Lyndon B. Johnson. Two amendments were the creation of Medicare and Medicaid.

The push for government-administered financial assistance began in the early 1900s and gradually moved into acceptance. The idea has faced opposition in the United States largely because it is a distinctively socialist idea that is thus a bit outside the democratic limits and capitalist principals of this country.

Part of the gradual acceptance of medical insurance programs is due to the economic need of the nation, regardless of the political desires of the people. Specifically, (1) the cost of healthcare has been growing out of control - out of people's pockets and causing them to enter into bankruptcy - and (2) people are living longer - thereby increasing their trips to the doctor and chances of joining the hundreds of families being bankrupted by medical expenses every single day.

In other words, we needed financial support for medical expenses because healthcare costs in this nation were tearing us to pieces - and have been for decades.

In a nutshell, the social programs exist as a form of financial support during your greatest times of need - when your health is in danger and when you have no income upon retirement. The problem is that these safety nets, these liabilities - are *unfunded* - meaning there is not nearly enough money to provide for you when you need it most.

Once again, the money you are expecting exists only in your imaginations of your financial future.

Now that we have an understanding of the origin and growth of the Unfunded Liabilities Monster, now we are asking the question - just how big is the hole in my safety net?

Just how big is the Monster?

Chapter Four

How Big is The Monster?

Just How Much do the Unfunded Liabilities Amount To?

As we know, the Unfunded Liabilities Monster is composed of the big three:

1. Social Security
2. Medicare
3. Medicaid

There are various calculations of the size of each component, with the total size of the Monster ranging from $22t to $118t (when including Medicaid) .

What we are now going to do is present the various calculations, along with a bit of background on the source of the calculation - that is, why the particular source is important to us.

While scanning the various documented sizes of the Unfunded Liabilities Monster, be sure to notice the disparities. (ULM stands for Unfunded Liabilities Monster, ie. the sum total of Social Security, Medicare, and Medicaid; totals are rounded for ease of communication and remembering)

Source/ Importance	Social Security	Medicare	Medicaid	ULM
Government Accountability Office (GAO) - *the accountant for the US government; responsible for figuring the financial status of each branch of government* (2010)	$7.9t	$22.8t	-	$30t (+) Medicaid
Board of Trustees of Social Security and Medicare - *oversee and report on the financial operations of the Social Security and Medicare trust funds, which house the money funding these social programs* (2010)	$17.9t	-$0.1t	-	$18t (+) Medicaid

Source/ Importance	Social Security	Medicare	Medicaid	ULM
National Center for Policy Analysis (NCPA) - *nonprofit, non partisan think tank for free-market economic policy* (2009)	$17.5t	$89.3t	-	$107t (+) Medicaid
USDebtClock.org - a *private website dedicated to informing the American public of the dire financial disease known as the United States, using complex formulas and inside sources to calculate and verify the various financial statistics of the US economy in nearly real time* (2011)	$15.1t	$99.4t	-	$114t (+) Medicaid
Richard Fischer - *President and CEO of the Federal Reserve Bank of Dallas, which is one of the twelve extensions of the monetary authority for the entire nation - the Federal Reserve System (responsible for controlling the money supply of the United States)* (2008)	$13t	$85.6t	-	$99t (+) Medicaid

So we see that the calculations for the size of the Unfunded Liabilities Monster are quite varied. The Monster's size ranges from $18t according to Board of Trustees of Social Security and Medicare, to $114t according to the USDebtClock.org.

As an average, we can say that the Monster is either around $30t or $100t. Considering the two sources that present relatively low totals of unfunded liabilities are government agencies and may therefore be inclined to downplay the significance of negative numbers through complex calculations or misleading appearances, I prefer to cite the Unfunded Liabilities Monster to be around $100t big or more.

So how big is the Monster - over $100t.

What we also see is that not one of our sources present figures for the unfunded Medicaid promises.

You are asking, “Why is Medicaid often not included in calculations of unfunded liabilities?”

Here’s why. There are three main reasons:

1. Medicaid is considered a social welfare program whereas Social Security and Medicare are considered social insurance programs.

For our purposes and for what it means to your pocket and your financial security, as well as the potential financial destruction of this country, the detailed differences between social insurance and social welfare - Medicaid and Social Security/ Medicare - are unnecessary.

You still pay for them through taxes. People are still expecting that money. There still is not nearly enough money to pay them.

Simply to clarify, the main difference between Medicaid and Social Security/ Medicare is that Medicaid is financial aid on an immediate-need basis that is analogous to an emergency support for a certain type of person; as well as being funded by a combination of state and federal government. Social Security/Medicare is insurance for an expected need that is analogous to a basic financial right for most people (most people get old and sick, which is not the case for living with an extremely low income); as well as being funded by purely the federal government.

For example, if we take a sample of babies, we can reasonably expect the majority of these people to live beyond retirement age and therefore be ‘entitled’ to financial support during their non-working years. We can expect a much lesser number of these babies to be low-income earners. Having low-income is also much less of a natural, uncontrollable effect of life than living beyond a certain age, therefore social insurance has much more of a role as a universal entitlement than social welfare.

To simplify the difference in two words, the difference between social welfare such as Medicaid and social insurance such as Social Security/Medicare is that social insurance is much more of a perceived *entitlement* and is thus much more *guaranteed*.

Again, we have only learned the differences between social welfare and social insurance because although Medicaid, Medicare, *and* Social Security combine to form the big three of the Unfunded Liabilities Monster, in your research you may find only Medicare and Social Security presented as unfunded liabilities. Now we know why have learned why. And we know what may be missing from the big three.

The most important point to note furthermore, is that the detailed differences between the basic types of these social programs are unnecessary information for our purposes. Social welfare and social insurance are both *social programs*.

What does this mean for you and me? Why again, is this important for us? Why are we reading these words right now?

We care because regardless if the name is social welfare, social insurance, social security, medicare, medicaid, et cetera - people still plan on having that money as their safety net; you are still paying for that safety net; I am still paying for that safety net; the government is still using our money to pay for that safety net; the government is still promising to provide nearly 10 times more safety nets than it can actually get from us and supply to the tens of millions of people expecting their safety; the Monster may have many faces and scents - although it still stinks and it is still ready to to eat our financial future as Americans.

That's why we are reading these words right now.

Medicaid is projected to require a total of $4.3t of spending by 2019 according to the Department of Health and Human Services. The projection is definitely a low-ball figure, although the point to remember here is that even though the size of the number is greatly significant, the most important point is that the money to pay for these expenses does not presently exist.

Even if it was twenty bucks, the money still isn't there.

$4.3t may seem like a low payment by comparison to the massive debts of Social Security and Medicare although by comparison to the entire economy of the United States - at around $15t-16t by 2019 - this payment is huge; requiring nearly one out of every four dollars composing the entire US economy.

Actually, in order to keep up the pace with spending projections for Medicaid, the United States would have to cut spending in all other important areas of our economy and our life such as national security and education. In fact, Medicaid spending is projected to require 67 percent of all spending by the federal government. That means nearly 7 out of every 10 dollars the US government has available to spend must go to the Medicaid financial support program.

Someone is losing in this situation. Either the Medicaid beneficiaries get their health or the American people get their defense and education. Perhaps neither. Probably neither. I am planning on neither.

Chapter Five

ULM Recap

Going Back Through The Unfunded Liabilities Monster

1. What is the Unfunded Liabilities Monster?

The Unfunded Liabilities Monster is the sum total of financial promises the United States government is promising to keep, although it has basically none of the money it is promising to pay. The Unfunded Liabilities Monster is composed of various social welfare and social insurance programs, of which the largest and most well-known are the big three - Social Security, Medicaid, and Medicare. These programs are holding promises to provide financial support to the elderly, physical disabled, and low-income earning Americans using taxation of the American people. Taxing you.

2. What is the problem? Why is it the Unfunded Liabilities *Monster*? I'm not scared of monsters...am I?

The unfunded liabilities are liabilities because they are promises to pay and unfunded because the funds to pay them do not exist.

Here is a simple way to see the Monster with your own eyes and make it real for you.

Make a list of all the liabilities you are expected to pay for the next five years, such as your mortgage, car loan, school loan, and credit card debt. Total up all of your these liabilities and subtract all the money you are expecting to pay off.

If for example, you are planning on increasing your liabilities over the next five years by purchasing a car or a home and you do not plan to increase you income correspondingly, then by going through this exercise you would see that when you take on those added payments you will be expected to pay out more than you bring in. In order to cover these costs you must either cut the costs, reform the payment programs, sell your assets for extra income, or take money from another area such as discretionary spending, health insurance, or even food money in order to cover these extra liability payments.

Imagine going through this exercise and seeing a big fat circle in red ink around a payment that exceeds your allotted ability to pay - by multiples. In this case, you are the United States. You have an enormous amount of liabilities to pay and you simply do not have nearly enough money to pay them. In fact, you are expected to pay 10 times more than you actually can. Your liabilities are unfunded and they are monstrous.

Over the coming decades and starting as you are reading these words, through the Unfunded Liabilities Monster the US government is promising to provide at least 10 safety nets for every 1 safety net it is planning to collect from the American people through taxation.

What happens has your neighbors and friends who are expecting their financial safety net fall through a mirage of insufficient federal funds?

You already know the answer, don't you?

Their financial body shatters and the Unfunded Liabilities Monster licks up the carcass.

3. How big is the Unfunded Liabilities Monster?

Although there are various calculations for the sum total of the unfunded liabilities as well as questions regarding Medicaid's technical status as a quote 'unfunded liability', we can reasonably conclude that the size of the Unfunded Liabilities Monster is over $100t including Medicaid - a figure that is at least 7 times the entire economy of the United States, let alone the comparatively miniature sum of typical tax revenues.

I Have Questions Deeper than Money

These promises are looking rather shaky, are they not? Since these unfunded promises are coming from the government and they are supposed to be support for the people, the sight of this Monster raises a few important questions beyond financial matters and into philosophical concerns, such as:

1. Can we rely on the government for our financial security?
2. Are we relying on the government for our financial security?
3. Why are we relying or not relying on the government for our financial security?

Our next and perhaps most personal step is to take on these potentially paradigm-shifting and life-liberating questions.

Part Three

Individualism

Chapter Six

Can We Rely on the Government?

Can I Rely on the Government for My Financial Security?

Here is a fiscal response, not a political response.

Fiscally, that is financially and mathematically, the answer to this question appears to be a bold and glaring - '**No**'.

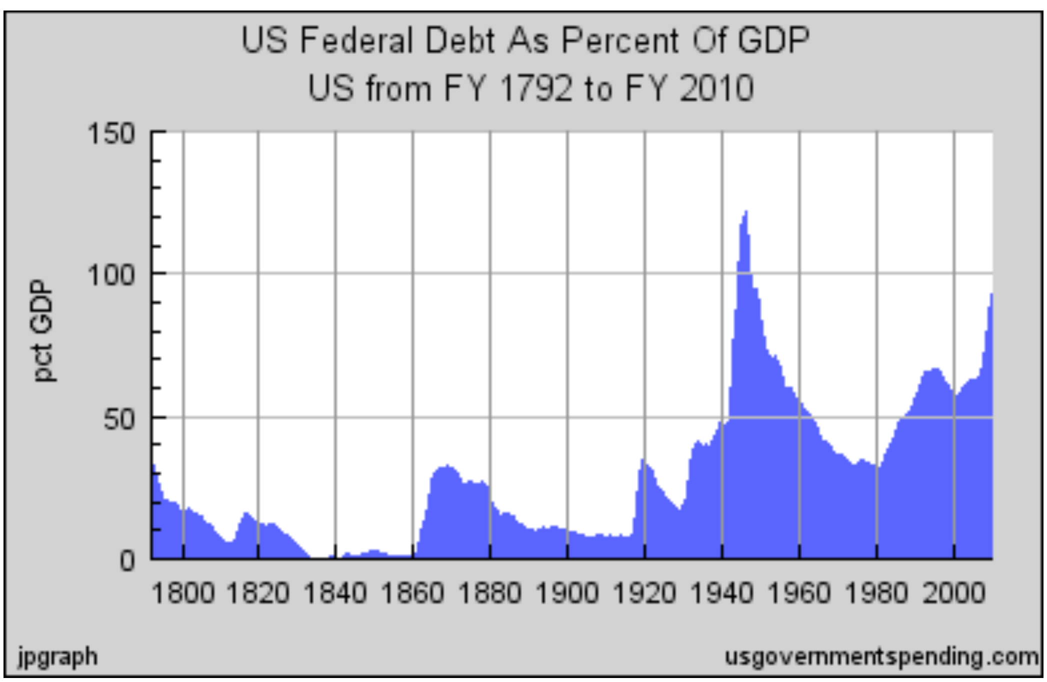
Not at all!

Why?

We need only to look at the government's fiscal report card to determine its reliability as a source of my financial security. Over the past thirty years the United States government has been engaging in gross over-consumption, to the point of consuming itself - taking you and me with it. Suffice to say, the US government is strongly testing its ability to take care of *itself*, let alone actually being able to take care of you and me!

Ever since the 1980s the US government has been taking on exorbitant amounts of debt and choosing short-term gain with long-term loss by default. Its become a habit. We're addicted.

US National Debt as Percentage of GDP - 1792-2010:



The above chart is illustrating the development of US federal debt as a percentage of US gross domestic product from 1792-2010. This chart is basically showing how many dollars of debt we have been taking on for each dollar of economic production.

That huge spike is World War II, when the many nations involved borrowed and printed enormous sums of money to finance their survival in war. Big debt during times of war is acceptable and expected - in fact, it better be the case of our country is on the line, right?

What is unacceptable and not reasonably expected is the growth of debt following the war to end all wars. The decades following 1945 did not feature major wars yet the debt remained at double the typical peace-time levels and continued to grow from there.

Right now, while you are reading these words, if you can believe it, the federal debt is equal to over 97 percent of the GDP. In other words, for every 100 dollars of economic production by the United States, the federal government takes on over 97 dollars of debt - and that is just one form our debts.

US National Debt, GDP, and Debt to GDP - 2011:

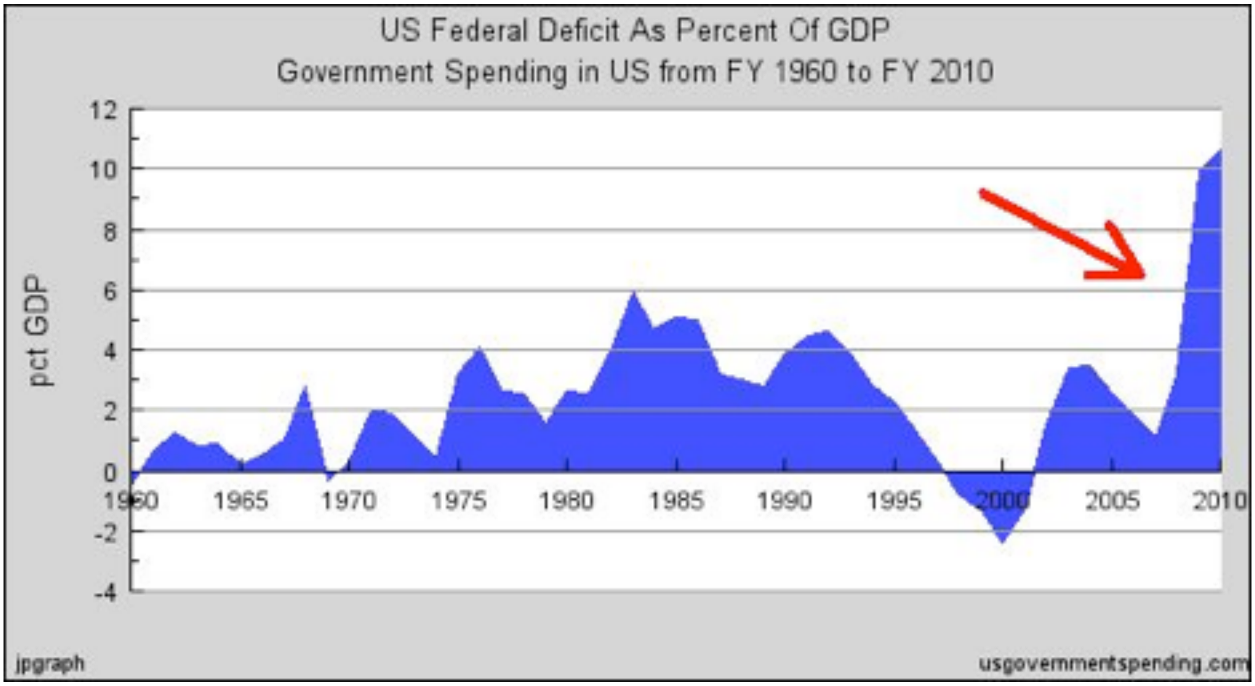
Source: USDebtClock.org

It took 198 years for the US government to borrow the first trillion dollars and in only *twelve* years the government has borrowed another three trillion dollars. In 2006, *before* the greatest explosion of federal spending, simply the interest on the national debt absorbed nearly 4 out of every 10 dollars of our income taxes.

To reflect taking on more debt, the US government has been spending well beyond its revenues, for decades. It *is* possible to take on debt and not necessarily be spending beyond your income, for example taking out a loan for your car and paying the debt in pieces that are much smaller than your monthly income.

When the US government is running a deficit and taking on more debt this means that it is accumulating debt in addition to spending beyond its revenue. This would be equivalent to you taking out a loan for your car and taking out a personal loan because you when tallying all of your monthly expenses you find that you are spending more than your monthly income.

US Deficit as Percentage of GDP:



The above chart is illustrating the amount that the US government is spending beyond its revenue, expressed as a percentage of gross domestic product (GDP).

Remember, GDP is economic production so we generally compare money flows to economic production for proper perspective. In this case, by expressing deficits as a percentage of GDP we are showing how much the government is spending beyond revenues by comparison to the total economic value of the United States.

As you can see, the US government has been consistently spending beyond its means since 1960, except for a few periods of sound money management. What is most obvious is that big red arrow pointing to a massive, steep rise in deficit spending. You know when that is? Right now.

The US government has been going into high gear with its fiscal irresponsibility and over-spending. In only three years from 2007-2010 the US government increased deficit spending from 1 percent of GDP to 11 percent of GDP. 11 times! - due to unforgettable bank bailouts, too big to fails, and spending on social programs that is only planned to increase, exponentially.

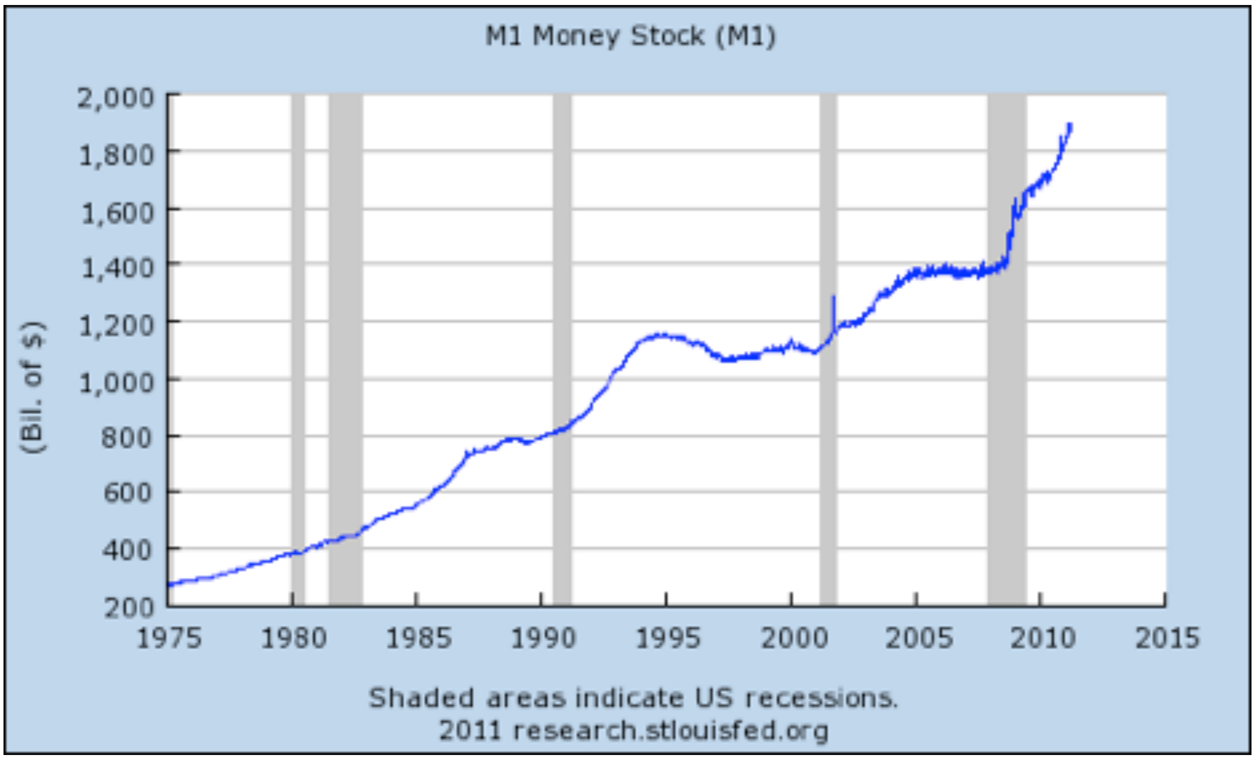
The final illustration of the US government's frightening inability to provide my financial security is the increase in our money supply. The government has been taking on enormous percentages of debt, spending well beyond its means, and printing money to cover its debt payments and finance its spending habits. (!!!)

The following chart is the reason why if you are a saver, then you are a loser. Once again, if - you - are - a - sa - ver, you - are - a - loo - ser.

Have you ever wanted to know conclusively if you are a winner of a loser? Do you suppose people dream of knowing if they are on the path of the financial winner or loser?

Look at this line.

US Money Supply - 1975-2011:



The above chart illustrates the growth in the US money supply since 1975. The blue line charts the amount of dollars in circulation in the United States. The US money supply has been consistently increasing for decades and you can see right before 2010 the line just goes vertical. Again, this growth in the money supply is a reflection of the US government's addiction to excess and ultimately harmful illusions of easy-money.

Too much money supply equals inflation. Inflation equals deteriorating dollars. Thus, all of your dollars, which you think are growing in your savings account, are deteriorating in your savings account. That beautiful blue line is why, once again, if - you - are - a - sa - ver, you - are - a - loo - ser.

Even quickly glancing at these three charts is sufficient for you to know that the US government has not been qualified to provide its own financial security and is no more reliable to provide your financial security. Simply know that if the line is going up, then US fiscal responsibility is going down.

Look at the charts once again. Now, do you think relying on the government is a good idea?

Look again.

Do you still think relying on the government is a good idea?

Really? Interesting...

Considering the astronomical and consistent growth in federal debt, deficit spending, and the money supply for decades, to say the least the United States is broke - as a joke. Yet, it is certainly not a joke, because you have to pay the bill. You have to reform the system. You have to cover you own assets or be financial ruined by an Unfunded Liabilities Monster surprise party.

I don't know about you - I'm not big on surprise parties, unless the surprise is good. And this surprise is not good.

At all.

Chapter Seven

Are We Relying on the Government?

Am I Relying on the Government for My Financial Security?

To answer this question we are focusing on two main areas - (1) the number of Americans employed by the federal government and (2) the number of Americans enrolled in social support programs.

We are focusing on the number of Americans employed by the federal government because these numbers tell us how many Americans are directly dependent on the government for financial security through their paycheck as an employee.

According to the Bureau of Labor Statistics (BLS), the federal government is “the Nation’s single largest employer.”

Ed O’Keefe of *The Washington Post* is the founder of the Federal Eye news source for current events surrounding the US government. O’Keefe’s Eye developed its own method of measuring the number of federal employees for ultimate accuracy and fairness.

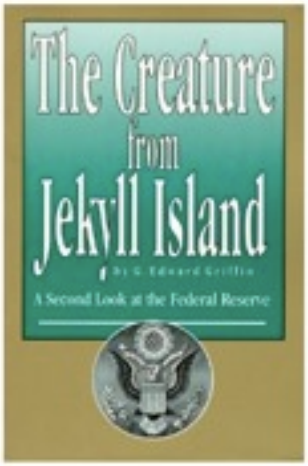
According to The Eye, currently at least 2.65m of 310m Americans are employed by the federal government. Therefore, 1 out of every 117 Americans is directly dependent on the government for their financial security - through their paycheck as a federal employee. What is interesting is that this is the lowest recording of government workers per American going all the way back to before the 1960s.

Although the percentage of government workers is low by comparison to previous years, the percentage of government workers that exceeds the percentage of workers in the sectors of fundamental production for the American economy - such as manufacturing and agriculture - has been growing out of control.

In other words, the emphasis on government work rather than work for US economic growth - has been getting huge.

One person who has been tracking this growth of government and thus, growth of dependence on the government, is G. Edward Griffin. Ed Griffin is the author of *The Creature from Jekyll Island: A Second Look at the Federal Reserve.* Although the book was first published in 1994 it continues to be the foremost authority on the Federal Reserve and its role in the development of the US economy and the financial life of the American individual.

The Creature from Jekyll Island has been revised and updated numerous times and is current. To illustrate the immense popularity of Ed Griffin’s *Creature*, consider this - the book is ranked in the top 5,000 books on Amazon, and is rated with 4.5 stars, as well at least 100 customer reviews for each edition. As I scanned the reviews I found that most people described *The Creature* with the same words - “a must read.”



The Creature from Jekyll Island : A Second Look at the Federal Reserve [Illustrated] [Paperback]

G. Edward Griffin (Author)

(136 customer reviews) | Like (36)

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Customer Reviews

136 Reviews

5 star:	(97)
4 star:	(17)
3 star:	(7)
2 star:	(3)
1 star:	(12)

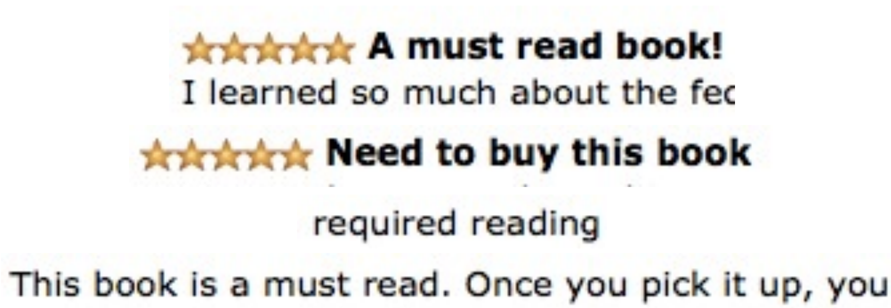
Average Customer Review

(136 customer reviews)

Creature from Jekyll Island is a "must read." Your world view will definitely change. You'll never trust a politician again - or a banker.

it is sufficient to say that this is a must read for anyone

This book should be required reading.



Furthermore, Ed was called upon to be interviewed by one of the most influential thought leaders in American politics and economics - Glenn Beck.

Click here to [watch this video] on the Unfunded Liabilities Monster YouTube Channel

Why is Griffin's book being so well received and in many cases worshipped as a "must read"?

Because Griffin presents a hard-hitting and shocking analysis of the developments in the American economy and its relation to the quality of American life using an incredibly deep root system of exquisitely researched history, as well as cold facts, and an engaging commentary.

We mentioned earlier that Ed Griffin is one person who has been following the growth of and dependence on the US government. Here are some words from Griffin that show why his book is so popular and powerful, and what has been occurring with the US government with a special emphasis on the hideous Unfunded Liabilities Monster:

"The size of government is growing larger, not smaller. There are more people working for government than for all manufacturing companies in the private sector...

When it is possible for people to vote on issues involving the transfer of wealth to themselves from others, the ballot box becomes a weapon with which the majority plunders the minority. That is the point of no return, the point where the doomsday mechanism begins to accelerate until the system self-destructs. The plundered grow weary of carrying the load and eventually join the plunderers. The productive base of the economy diminishes further and further until only the state remains.

The doomsday mechanism is also operating within government itself. By 1992, more than half of all federal outlays went for what are called entitlements (The ULM). Those are expenses - such as Medicare, Social Security, and government retirement programs - which are based on promises of *future* payments. Many of them are contractual obligations, and millions of people depend on them...

The programs that do involve contractual obligations - such as Social Security and Medicare - could be turned over to private firms which would not only operate them more efficiently but also would pay out higher benefits. Congress, however, does not dare to touch any of these entitlements for fear of losing votes...

Normally, with contracts for future obligations of this kind, the issuer is required by law to accumulate money into a fund to make sure that there will be enough available when future payments become due.

The federal government does not abide by those laws. The funds exist on paper only.

The money that comes in for future obligations is immediately spent and replaced by a government IOU.

So, as those future payments come due, *all* of the money must come from revenue being collected at that time.

Herein lies the doomsday mechanism. These obligations *will* be paid out of future taxes or inflation. Entitlements...are growing at the rate of 12% each year. When this is added to the 14% that is now being spent for interest payments on the national debt, we come to the startling conclusion that two-thirds of all federal expenses are now entirely automatic, and that percentage is growing each month...

These are the doomsday mechanisms already in operation. If we do not understand how they function, we will not be prepared for our trip into the future. The scenes that will unfold there will appear too bizarre, the events too shocking."

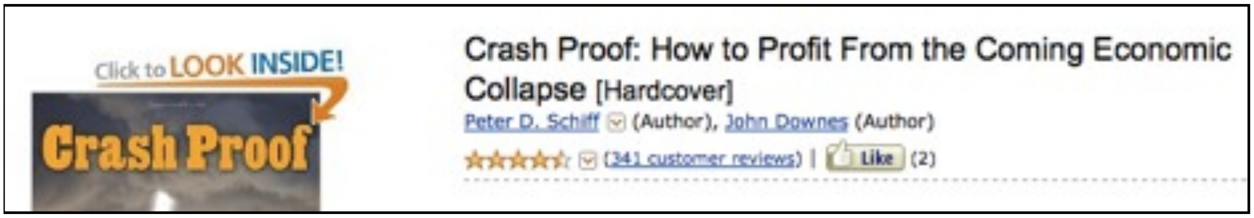
The best part about Griffin's analysis is that he is nearly spot on. The worst part about Griffin's analysis is that he is still wrong. Yes, the federal government is growing out of control and is spending even more out of control, although his words were written in the mid 2000s (in my edition) and the fact is that the problem has been growing even more serious and at an even faster rate.

Haven't you noticed?

Are you prepared for more? Of course you aren't. Are you?

Another expert who has been following the growth of government and the decrease of American financial self-sufficiency is Peter Schiff. Peter Schiff is a highly respected economist who advocates free market capitalism as a solution to the big government living nightmare in the United States.

Schiff is most well known for his accurate predictions - such as his foresight of the Great Recession as detailed in his book *Crash Proof: How to Profit from the Coming Economic Collapse*, which was published in early 2007. His book is another best seller and fan favorite on Amazon.com.



Click here to watch this video on the Unfunded Liabilities Monster YouTube Channel

Due to his incredible powers of economic forecasting and outspokenness on important yet painful issues such as the detrimental growth of government, the universal American debt disease, and the Unfunded Liabilities Monster, Schiff is often featured on authoritative financial news shows such as CNBC as well as documentaries.

One popular documentary that features Peter Schiff is named Meltup, by the National Inflation Association (NIA). NIA is a non-partisan organization dedicated to informing Americans about the financial meltdown, with particular emphasis on the coming tsunami of inflation. If you would like to converse with other people interested in NIA, click here to join my LinkedIn Group - National Inflation Association Users.

Towards the beginning of Meltup there is a section about the Unfunded Liabilities Monster and the growth of government that features Peter Schiff. What we experience is video of Peter Schiff speaking during a presentation interspersed between the narrator dictating frightening statistics, and the result is a type of dialogue:

(Click here to watch this video on the Unfunded Liabilities Monster YouTube Channel)

NIA Narrator: While US consumer spending has risen...the US savings rate has fallen..[and] 43% of Americans now have less than $10,000 saved for retirement. (!!!!!!)

What's going to happen when the US government is inevitably forced to default on it Social Security obligations?

Retirement will become a thing of the past.

Americans getting ready to retire need to assume now that Social Security won't be there.

Peter Schiff: Bernie Madoff is in jail for a reason. He's in jail because Ponzi Schemes don't work. They don't work when the private sector tries them and they don't work when the government tries them.

We have a coming disaster in Social Security if we don't do something and do something about it soon.

NIA N: Retirees will soon be forced to re-enter the workforce, which could send the unemployment rate up to Great Depression levels.

The only area of our economy that has been seeing increasing employment is the government...

Including benefits, the average federal worker now earns twice as much as the average private sector worker. While incomes in the private sector are contracting, federal workers are receiving a...pay raise...

P Schiff: How can that be? They're supposed to be - civil servants. They're supposed to work for us. What is this, the Twilight Zone? You know, there was a time when the government workers actually earned less - they really were servants.

Who's, who's the servant now?

As we have seen highlighted by prominent experts in the study of American finance - Ed Griffin, Peter Schiff, and the minds of the National Inflation Association, the US government has been growing. It is borrowing more. It is spending more. More people are joining it. More people are becoming dependent on it. More people are risking their financial life on it. More people are heading into the shock of their life by following it.

More people are becoming food for the Unfunded Liabilities Monster. People like you?

We remember that the two faces of the Unfunded Liabilities Monster are technically referred to as social welfare and social insurance. In addition to the social welfare of Medicaid, there is another social welfare program that reflects the degree of dependency the American people have on the government. In fact, this other social welfare program reflects an even deeper degree of dependency, because of its importance in human life.

If you are depending on this social welfare program, your degree of dependence on the nearly bankrupt and indebted US government and your painful lack of self-sufficiency is at a pulsatingly dangerous level.

The next and final illustration we are going to look into as a measure of American dependence on the government and an answer to the question - Are we relying on the government? - is, food stamps.

Food stamps, technically known as the Supplemental Nutrition Assistance Program (SNAP), was created in 1939.

Food stamps are a form of government financial assistance for low-income earners to use for purchasing their food. Food stamps started out as actual paper squares worth various increments of money. Now, in this age of electronics and light speed transfers of information, food stamps exist in the form of a card named an Electronic Benefits Card (EBT Card).

Food stamps are representative of great dependence because they are the money people use to buy *food* - ie. the stuff you and I eat to *survive*. Yet, this basic need for survival is not being provided by oneself, it is being provided by an external force - a fiscally irresponsible US government. I wonder, is that safe?

The risk involved in relying on the government to provide your sustenance for physical survival is immeasurable. The most unsettling part about the food stamp program is that the number of people on it would absolutely shock you. These people, these people are basically dependent on the government in a way similar to a child being dependent on the parent, for food.

Can you imagine - (1) being entirely dependent on an external source for your food and (2) having that source spending your food money wildly and gambling with your survival?

Again, the number of people on food stamps is shocking.

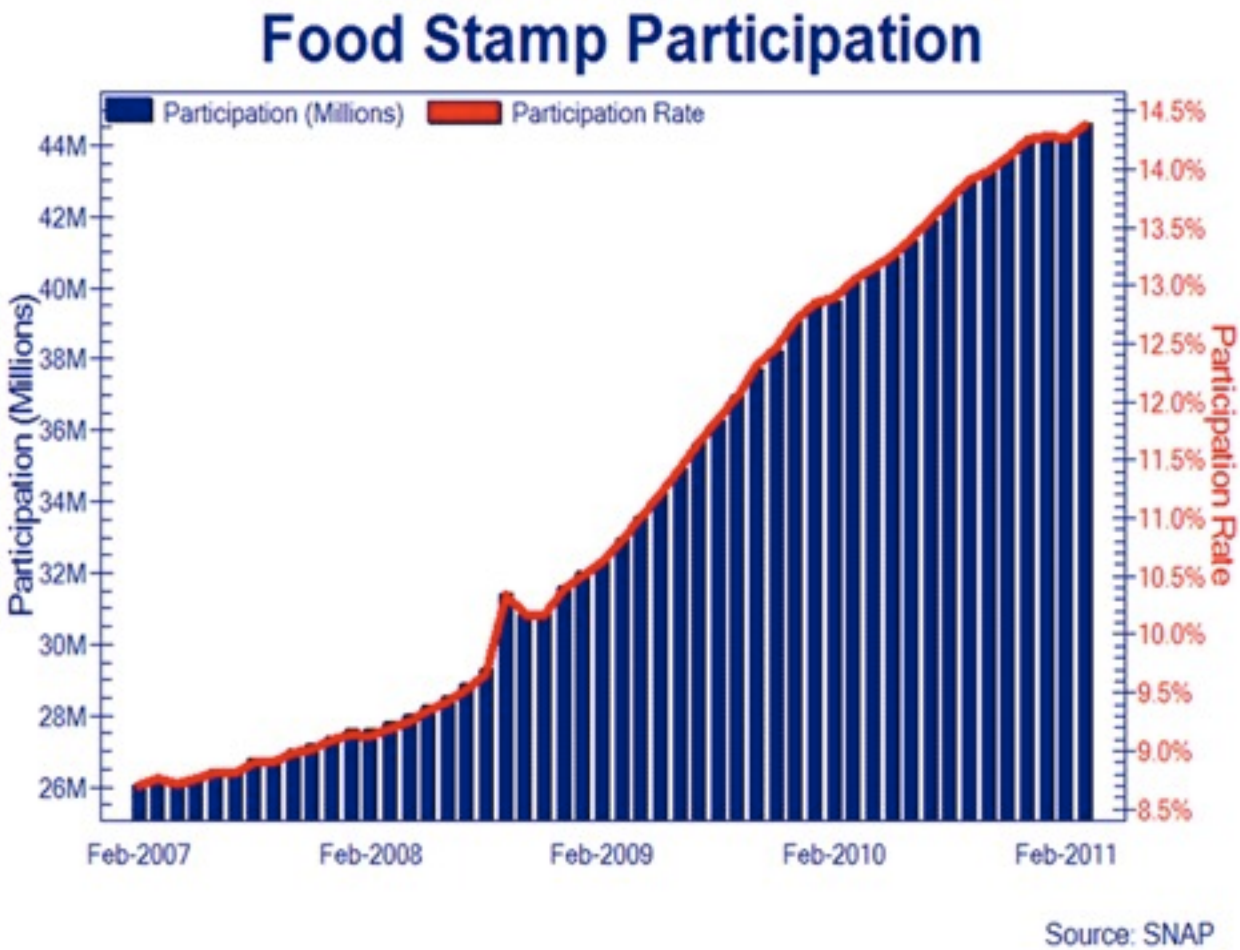
Recently I was speaking with a elderly man about the Unfunded Liabilities Monster. He began sharing his current experience and to my surprise, he was on food stamps! While we were speaking he said to me, “What happens when the government can’t pay Social Security anymore? What happens if they can’t pay food stamps? If they do that, I’m done. I live off that stuff.”

These are dangerous times, and I feel for this man. He is one of the tens of millions of Americans who, for numerous reasons, did not have proper financial cushions prepared for their later years and are now planning to live off of the financial support from an insolvent gambler.

Once again, the number of people on food stamps is shocking. Consider these figures:

1. At least 44 million Americans are receiving food stamps, according to the US Department of Agriculture. This is the highest number since the program’s creation and the 37th monthly increase in a row.
2. In Mississippi and Washington, D.C, more than 1 out of 5 people are on food stamps, according to the *Democracy Now!* radio news service.
3. As of 2009, 1 out of 8 Americans and 1 out of 4 children were on food stamps and the program is growing by least 20,000 more Americans every single day, according to *Reuters* news service.

Food Welfare in the United States - 2007-2011:



4. As of 2011, more than 1 out of 7 Americans are on food stamps and the percentage of Americans on food stamps nearly doubled from early 2007 to early 2011, according to SNAP itself.

Considering what we have just learned about food stamps, it should be plain to see that a dangerous percentage of Americans are depending on the Food Stamp Program and the decrease in financial self-sufficiency - even physical self-sufficiency - is rapidly diving towards a critical point of destruction.

Considering what we have learned about the growth of government spending and its gross financial irresponsibility, it is clear that the US government cannot currently be financially depended on for anything other than waste, excess, and devastatingly false promises.

Considering what we have learned about the growth of government size and influence, it is clear the the US government is absorbing an increasing chunk of your American finance, your American power, and your American choice - and you are funding this. Also, we are seeing that while the US government is growing its size and influence the American - you and I - is *diminishing* their size and influence, resulting in a transfer of power and rise in dependence upon the government parent.

Considering what we have learned about the Unfunded Liabilities Monster, social insurance, social welfare, food stamps, government and personal fiscal irresponsibility, and the growth of government, it appears that amongst all of this excess, one component that is lacking is the original American spirit of individualism.

The American individual has been bred directly or indirectly to be independent, self-sufficient, and to draw power from personal potential and small government, not collective support and big government.

This incredible growth of social welfare, social insurance, and government influence has been breeding a beast even more deadly and frightening than the Unfunded Liabilities Monster - one that is simply contrary to the very spirit and essence of this country and that is the opposite individualism - named, collectivism.

Which brings us to our most important question in our journey - I know I cannot rely on the government for my financial security, I know I am relying on the government for my financial security - now I need to know, *why* am I relying on the government?

The remainder of this journey will change your life.

Chapter Eight

Why are We Relying on the Government?

Why am I relying on the Government for My Financial Security?

In addition to the fact that the US government is simply incapable of providing my financial security, the reason we are asking this question is because the United States was founded on the principles of independence, individualism, and self-sufficiency - particularly with relation to financial matters.

Early America was born from the fighting desire to be free from big government and dependence on an external authority.

What has happened? What has happened to us? What has happened to you?

Consider the economic history of the United States and how it compares to this current era of the Unfunded Liabilities Monster.

Prior to the birth of 'the United States of America', this nation was simply a collections of colonies; extensions of the mother in Western Europe.

As you are surely familiar with, in 1776 the thirteen colonies fought for and declared their independence from Great Britain, subsequently joining forces and assuming the title - the United States of America.

In less than 25 decades the United States has grown to be the leader of the global financial system and the world economic star. In spite of its current deathtrap, the US economy is still widely considered to be the strongest economy on the planet.

A sturdy and inspiring capitalist system combined with rich resources and the entrepreneurial fire have been the driving factors in America's financial ascent. Due to the strong emphasis on financial opportunity combined with an environment of abundant riches, this country has consistently attracted immigrants from all around the world seeking to experience financial self-determination and the opportunity to grow rich.

Think about it, how often do you travel through a community specific to a particular nationality, such as Chinese, Indian, Korean, or Mexican, and not be inundated by a plethora a small businesses and service providers to choose from? Lining the roads from here into the distance.

Furthermore, a major reason why these people have been able to choose the US as thee place to become an entrepreneur is because America has opened the opportunity and operated through a system that provides the potential. These people left their homes and traveled vast distances physically and emotionally because their home did not offer this opportunity. Their governments were too big. The potential was too small.

A golden key to the financial success of the United States is its foundation of financial individualism.

Millions upon millions of people come to the US to flee the constraints of collectivism and taste the space of individualism. Without the spirit of financial individualism and small government, America is simply not America; furthermore, America is a different type of financial animal all together - perhaps one that is not financially successful - at all.

What have *you* been seeing?

So then, what is this financial individualism and what is collectivism? In order to answer this question of why I am relying on the government for my financial security, we are going to define collectivism and individualism and show that the reason why I am relying on the government is simply because I have been choosing collectivism before individualism.

This next section will distinguish the individualist from the collectivist and assist you in defining your identity by listing who you are if you an individualist and who are if you are collectivist. It will tell you who you are and why you are or are not contributing to the uprooting of America's economic principles and the financial chaos we are experiencing right now and far into the future as a result.

The Collectivist and the Individualist

The basic difference between the collectivist and the individualist is their views on the influence of government and the answer to the question - who comes first, the individual or the group?

The fundamental difference between the collectivist and the individualist is their answer to our question (group first or individual first); the influence of government is only important to the two types of thinkers because the government is the authority responsible for establishing and maintaining the social philosophy. The philosophy is the command and the government is who follows the command.

From this single question - who comes first, the individual or the group? - the collectivist and individualist designs their entire life and the extent to which they enjoy freedom of choice and self-determination - financially and in all other areas.

Who are you? Do you desire the freedom to choose?

(Much of my knowledge on collectivism and individualism was inspired by G. Edward Griffin, author of *The Creature from Jekyll Island* whom we profiled earlier. Griffin's deeper purpose is actually not the personal and national economic chaos, rather the role this chaos is playing in each person's freedom.
For a video outlining the differences between collectivism and individualism, click here to watch this video produced by Ed Griffin's team and featured on the Unfunded Liabilities Monster Youtube Channel.)

If you are a collectivist, then you believe the group comes before the individual and the government - as the supreme reflection of the group - is the ultimate authority for providing powers and freedoms for the people. You believe that the individual should be sacrificed to benefit the group. "Majority rules," you say, because the group comes first.

If you are an individualist, then you believe the individual comes before the group and the government is given its powers by the individuals and the government's role is not to *provide* power and freedom, only to *protect* the people's powers and freedoms. You believe that the individual should not be sacrificed to the benefit of the group. "Individual rules," you say, because the group is composed of only individuals, so the individual comes first.

Before we get into the table that defines what extent you are an individualist or collectivist, let us cover a couple quick and important points with regards to these philosophies and the Unfunded Liabilities Monster.

The United States was founded on the principles of individualism. In fact, the only reason the United States was formed was because the people were fighting the big government rule of Great Britain.

In a sense, America *is* individualism.

As you know, this individualism is interwoven in the American economic fabric, in the form of opportunity and entrepreneurialism. Therefore, since America is individualism, individualism has been our economic foundation, and our economy has often been the strongest in the world throughout its lifetime, then it follows that our economic prowess has been intimately connected to our individualism. Not necessarily dependent on, though necessarily connected to.

This is important to understand because we can see that if our individualism is fading and our financial supremacy is falling, then not only are we seeing the fade of America itself, we are also seeing a strong logical connection between our financial fall and our lack of individualism.

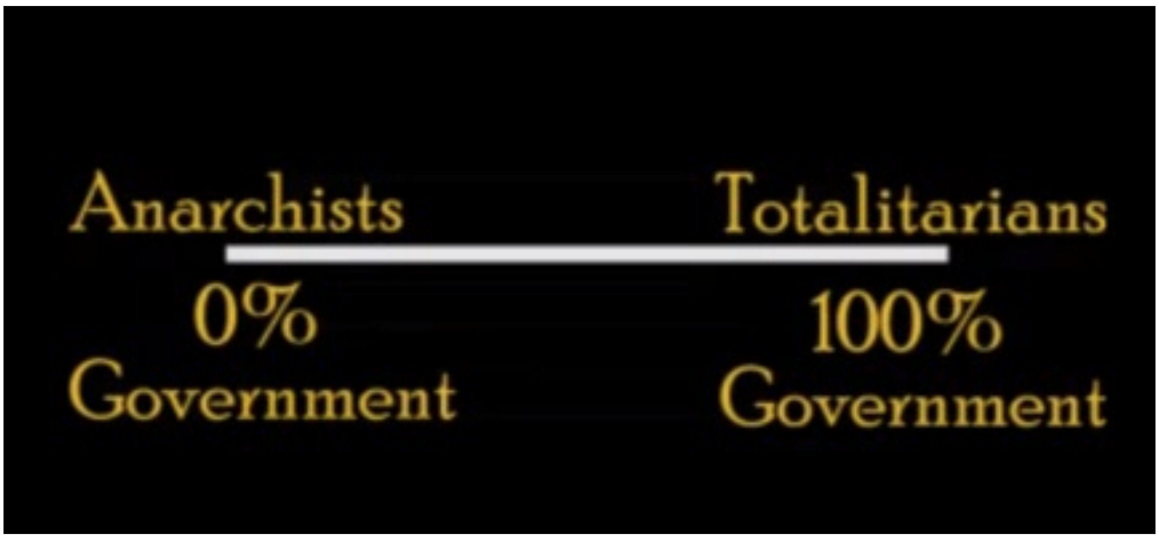
What does this mean to me?

This means that to the extent I am contributing to the draining of financial individualism in America - by my actions in my own life - I am also contributing to the draining of America's prime source of economic prowess - hence, I am contributing to the draining of my country's money and since my country is made of millions of me's, I am contributing to the draining of my own money as well.

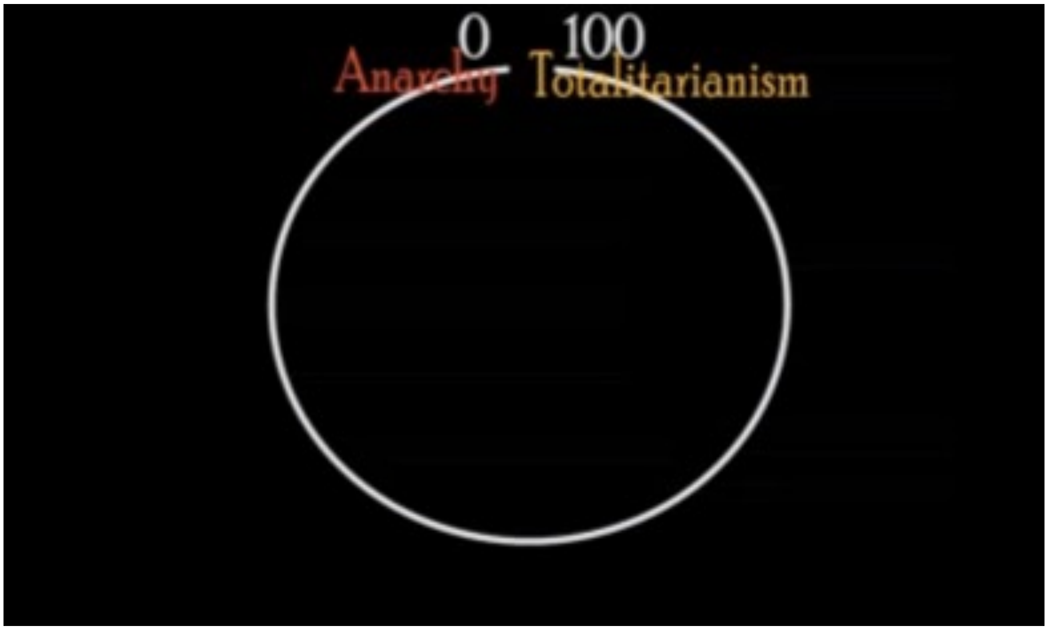
Self sabotage.

With this revelation in mind, let us look into a simple way to distinguish the collectivist from the individualist. The collectivist values group supremacy and government power, ie. big government. The individualist values individual supremacy and individual power, ie. small government.

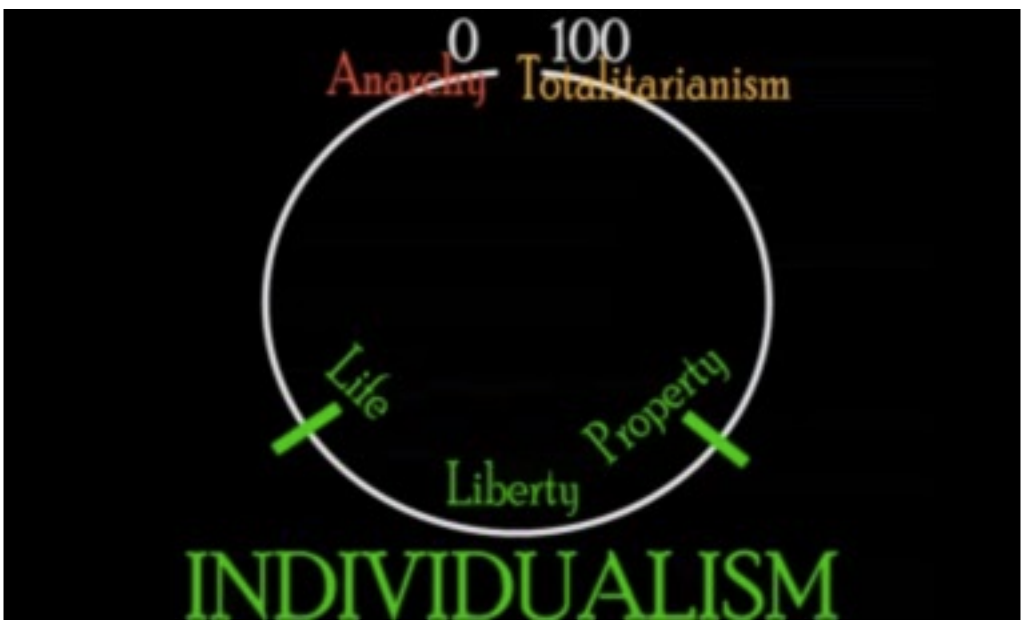
If you are a collectivist, then the ultimate economic system would be at the farthest end of both sides of the spectrum - no government and all government.



Yes, no government would technically be the opposite of a collectivist dream, although with no government the rule of power comes into play and the result is totalitarianism by the most powerful - which is the same as all government.



If you are an individualist, then your ultimate economic system is towards the center of the spectrum - only the amount of government that is necessary for it to have a passive role as protector of your financial freedoms and rights, nothing more.



Remember, if you are a collectivist, then you are contributing to discarding and diminishing the essence of America and the prime source of the Unfunded Liabilities Monster - the government's abuse of your money, your financial future, and your trust.

If you are an individualist, then you are contributing to keeping and growing the essence of America and possibly the prime source of American financial success.

Are you ready for this?

Who are you?

Financial Collectivist	Financial Individualist
The government is the parent of the people and creator of the people	The people are the parent of the government and the creator of the government
I am analogous to a corporation created by the government It makes sense to have the corporation giving and taking rights from the shareholders	The government is analogous to a corporation created by me It makes sense to have the shareholders giving and taking rights from the corporation
The government can have powers and rights that I cannot give to it and I do not have myself	The government cannot have powers and rights that I cannot give to it and I do not have myself
Communist Manifesto	US Constitution
People like me are typically supporters of democracy, communism, fascism, socialism, leftist thinking, progressivism, big government, or more regulation	People like me are typically supporters of the republic, capitalism, rightist thinking, small government, or a more free market
If our airplane is going down, then I am entitled to the flight attendants putting an oxygen mask on me and I should put an oxygen mask on others before seeking and oxygen mask for myself	If our airplane is going down, then I should put on my own oxygen mask before putting one on others and I should put my mask on myself
The government should provide my financial security for my later years	I must provide my financial security for my later years
The government should provide my income protection	I must provide my income protection
The government should provide my medical insurance and money to cover my medical expenses	I must provide my medical insurance and money to cover my medical expenses

Financial Collectivist	Financial Individualist
People should be forced to give to others or punished for not giving	I should be able to give voluntarily or not give if I so choose
Welfare is good and I would accept welfare	Welfare is bad and I would not accept welfare
Food stamps are good and I would accept food stamps	Food stamps are bad and I would not accept food stamps
My employer should provide me benefit money for healthcare and when I am out of work	I must provide a source of money for my healthcare and when I am out of work
The government exists to provide freedom and the people exist to protect government	The government exists to protect freedom and the people exist to provide government
Laws should be created to favor some and hurt others in order to make society financially equal	No special favors or punishments Financial equality comes in the form of opportunity, not money Financial equality is not given or taken, it is intrinsic and simply must be protected
Tax favors such as those for corporations and punishments such as the estate tax	No special tax favors or punishments
Employee hiring quotas	No quotas
I am a member of a group and therefore, I am the group and the group is me	I am only an individual, possibly within a group of individuals
The government or my employer should protect my money	I should protect my money
The government should play an active role in my financial life	The government should play a passive role in my life
The government is my problem solver	The government is my solution protector

Financial Collectivist	Financial Individualist
I earn money for the government and for others	I earn money for myself
The government can fund itself (using my money) and do so with our without my consent	Only I fund the government and I can choose to fund the government or not
Company pension and retirement program	Individual retirement account
The government exists to redistribute my wealth	The government exists to protect my wealth
The government is responsible for providing me my rights and my money	I am responsible for providing me my rights and my money
I prefer financial guarantees	I prefer financial options
I prefer other people or the government to control my money	I prefer to control my money
I am waiting for the economy to recover	I am not dependent on the conditions of the economy
I am an employee	I am an entrepreneur
I am not smart enough to control my own finances safely	I am smart enough to control my own finances safely
I am trusting the government to take care of me	I am not trusting the government to take care of me
There should be a financial law for this	I have to make a financial change for this
I should join with other people to take money from the rich to give to the poor, using our votes - because this is ethical and balanced	Theft is theft, regardless of apparent ethics And if I do want rob someone, it is my responsibility to get it done, not the responsibility of others or the government

Financial Collectivist	Financial Individualist
I support social insurance and social welfare Money should be provided by others to me through coercive methods such as taxation	I do not support social insurance and social welfare Money should be provided to me by myself and this process should be assisted by government through incentives such as a great system to protect my gains from social plunder and further incentives to reward my positive contributions to the economy
The government should provide me my entitlements and feed the Unfunded Liabilities Monster	I am only entitled to my own freedom to provide for myself and the government should shrink the Unfunded Liabilities Monster or let it die

There are 36 distinctions in that identity definition tool.

Tally up the number of times you choose either financial collectivism or financial individualism and you have an idea of who you are. Yes, this identity definition tool is not absolute, and there is certainly a grey, middle ground. Once again, your numbers simply give you an idea of who you are.

Remember, if you are a collectivist, then you are contributing to discarding and diminishing the essence of America and growing the prime source of the Unfunded Liabilities Monster - the government's abuse of your money, your financial future, and your trust.

If you are an individualist, then you are contributing to keeping and growing the essence of America and possibly the prime source of American financial success.

Back To Our Question

So again we come back to our question - why am I relying on the government to provide my financial security?

The reason why you would be relying on the government to provide your financial security is simply because you are acting from a more collectivist standpoint than an individualist standpoint.

To the extent that you were an individualist, relying on the government to provide your financial security would simply not be compatible with your way of thinking.

Furthermore, the reason why you would be relying on the government to provide your financial security is simply because you did not know about the Unfunded Liabilities Monster. If you need a reminder of just how incapable the US government is of being relied upon for providing your financial security, simply at those incredible charts in chapter six and seven.

Now that we have found that I cannot rely on the government, I am relying on the government, and the reason why I am relying on the government is because I have been acting from a collectivist standpoint, now it is time to make my choice and get busy.

Do I prefer financial independence of the government, not to trust the government to figure some way to keep my retirement and medical money from being eaten by the Unfunded Liabilities Monster, and to provide my own financial security and perhaps, financial freedom?

If my answer is yes, then now it is time for my financial response.

Let's get cracking.

Part Four

Your Financial Response

Chapter Nine

Why Develop My Financial Self-Sufficiency?

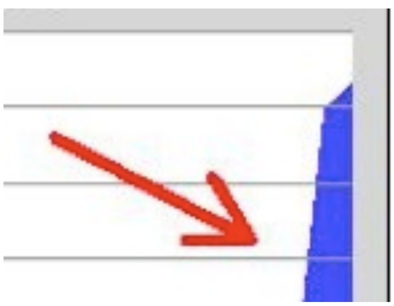
Further Reason for Me to Develop My Financial Self-Sufficiency

As individualism dwindles and government grows, we must rely on government more.

We can expect the size and number of social programs and the temptation to participate in these insidious programs - to grow accordingly. We can also expect the mathematical inability of the government to actually pay on these promises - to grow as well.

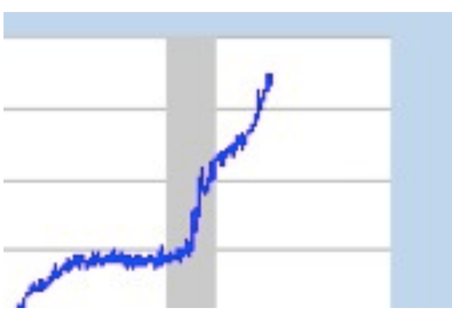
Is reliance on the US government for financial security wise?

Before you answer, consider what we have learned thus far:

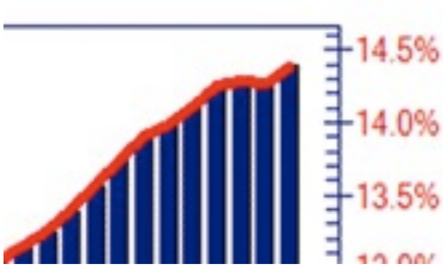


1. The government has been spending your money way out of control (Deficit)

2. The government has been going into debt with your money - way out of control (Debt)



3. The government has been printing money to finance its spending of your money - way out of control (Inflation)



4. The government has been promising food stamps it cannot pay for with your money to other people - way out of control (Food Stamps)

5. The government has letting their empty promises to pay people social welfare and social insurance with your money turn into a disgusting Unfunded Liabilities Monster that is eating your financial life - way out of control (!!)

Seriously, how secure is a government guarantee?

I'm not depending on it.

Besides, I am excited by individualism, financial self-sufficiency, and solid security. Entrepreneurship and supporting myself gets my juices flowing and brings peace to my mind.

How about you?

Are you excited by individual power?

Are you excited by individual opportunity?

Are you excited by individual income protection?

Are you excited by financial self-sufficiency?

Are you desiring more than the security of a shameless government promise?

I know I am.

Chapter Ten

O Where, O Where Have My Entitlements Gone?

We know the Monster is vicious, horrendous, and vile. It is big and no substantially positive outcome seems possible at present. So what is going to happen?

First we are going to go through some possible solutions. Then we are going to go through the probable outcome of chaos.

Solutions!

There is a documentary that outlines the enormous financial problems facing this country today, named I.O.U.S.A.: One Nation. Under Stress. In Debt. IOUSA has become one of the most popular and well produced video on our United States financial crisis. IOUSA features such thought leaders and policy makers as Warren Buffet, Robert Rubin, and Paul Volker. I have seen IOUSA numerous times so far and have consistently found it to be highly entertaining and informative.

Apparently many people on Amazon.com agree with me.

Average Customer Review:

Amazon Bestsellers Rank:

#25 in Movies & TV > Television > PBS > **All**

IOUSA covers our four major deficits - (1) budget deficit (where the Unfunded Liabilities Monster dwells), (2) personal savings deficit, (3) trade deficit, and (4) leadership deficit.

After detailing the deficits, David Walker, the former Comptroller General of the United States whom we have profiled before (the government's accountant), and his team produced a follow-up video named IOUSA Solutions presenting solutions to the four deficit disasters.

We care about two disasters and two solutions, the budget deficit where the Unfunded Liabilities Monster dwells and the personal savings deficit where the need for income protection is born.

Regarding the ULM - Social Security, Medicare, Medicaid - which combine with interest payments on the national debt to form what is called 'mandatory spending', IOUSA presents these solutions:

1. According to Steny Hoyer, the House Majority Leader representing the Democratic Party from Maryland, by 2019 the government will be spending 9 out of every 10 dollars of revenue on the Unfunded Liabilities Monster and interest on the national debt.

This means only 1 out of 10 dollars will be remaining for all other expenditures, such as our homeland security, our public education, our veterans assistance, our national parks, our food stamps, our infrastructure, and our NASA program!

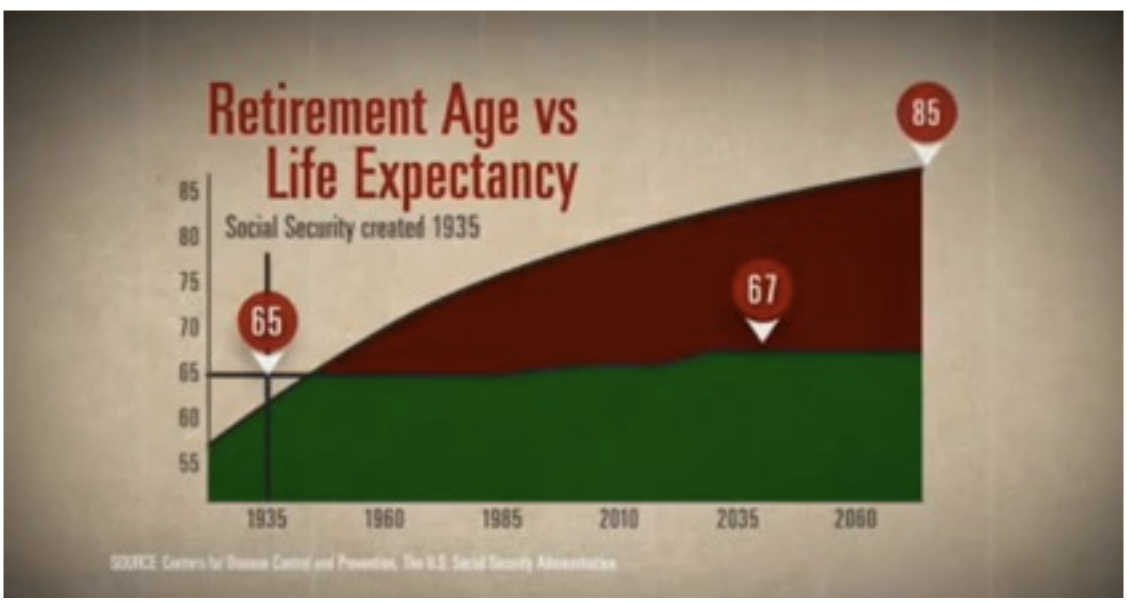
US Spending, Organized - 2011:

US Spending, Organized - 2019:

Due to this enormous, growing issue, we will be forced to cut promises of financial support or go deeper into deficit spending - ie. pay more and higher taxes.

2. When Social Security was created in 1935 the retirement age was sixty-five and people were not expecting to live much longer than that, so the amount Social Security was required to pay out was sustainable. Nowadays people are living longer, more people must be accommodated for and this trend is only expected to increase. Therefore, the size and number of unfunded promises through Social Security is expected to expand.

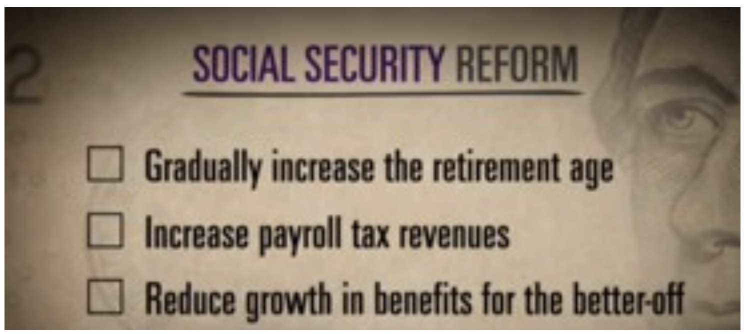
US Retirement Age vs. Life Expectancy - 1920-2075:



A simple solution to this problem would be to simply gradually raise the retirement age so less money is paid out of Social Security. When I interviewed with Matt Allen, the Director of IRA Lending for North American Savings Bank and author of *Leverage Your IRA*, he proposed this simple solution to the Social Security problem as well. If Social Security has to pay x dollars per month for 15 years then it would instantly and easily save money if it instead had to pay x dollars per month for only 10 years, for example.

3. Raise taxes. This is a way to generate more revenue although, how do you feel getting taxed even more?

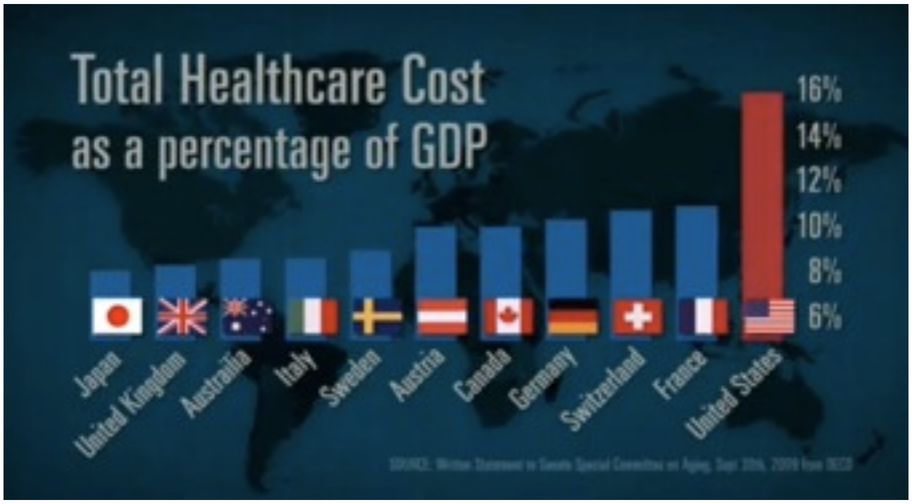
4. Make payments reflect the financial need of the beneficiary. In other words, the more money you have and the more financially self-sufficient you are, the less you need government financial support and thus the less money you receive. This is a great way to cut spending and keep Social Security payments from being excessive in certain cases.



5. Healthcare costs are expected to rise well beyond people's budgets. Elliot Fischer, M.D., M.P.H, Director of Population and Health Policy at the Dartmouth Institute says that if he were to worry about how we're going to have a sustainable financial future for the United States, healthcare would be at the top of his list.

When I interviewed Jim Bacon, author of *Boomergeddon: How Runaway Deficits and the Age Wave Will Bankrupt the Federal Government and Devastate Retirement for Baby Boomers Unless We Act Now*, he echoed Dr. Fischer's point that the most major financial problem for the United States is healthcare costs.

Dr. Harvey Fineberg, President of the Institute of Medicine of the National Academies, says we have a Medicare cost crisis and we cannot solve the *Medicare* cost problem unless we solve the problem of cost for *all* of our nation's healthcare.



One solution to the healthcare cost problem is to slow the growth rate of healthcare costs through various reforms such as fostering better decisions about end-of-life care, reducing administrative overhead, and increasing the accountability of the healthcare professionals.

6. A second solution to the Medicare disease is to promote improved better health and wellness so less of us are seeing the doctor due to eating greasy fast foods, smoking, and not exercising.

7. A third solution to the healthcare and Medicare horror is to cut Medicare costs through, for example, capping benefit payments, raising premiums, and raising the eligibility age - the same way as with Social Security.

Now that we have gone through solutions to the Unfunded Liabilities Monster, let us now see the nastiness that is more likely to occur than the cleanliness of successful solutions to such a massive mess.

Chaos...

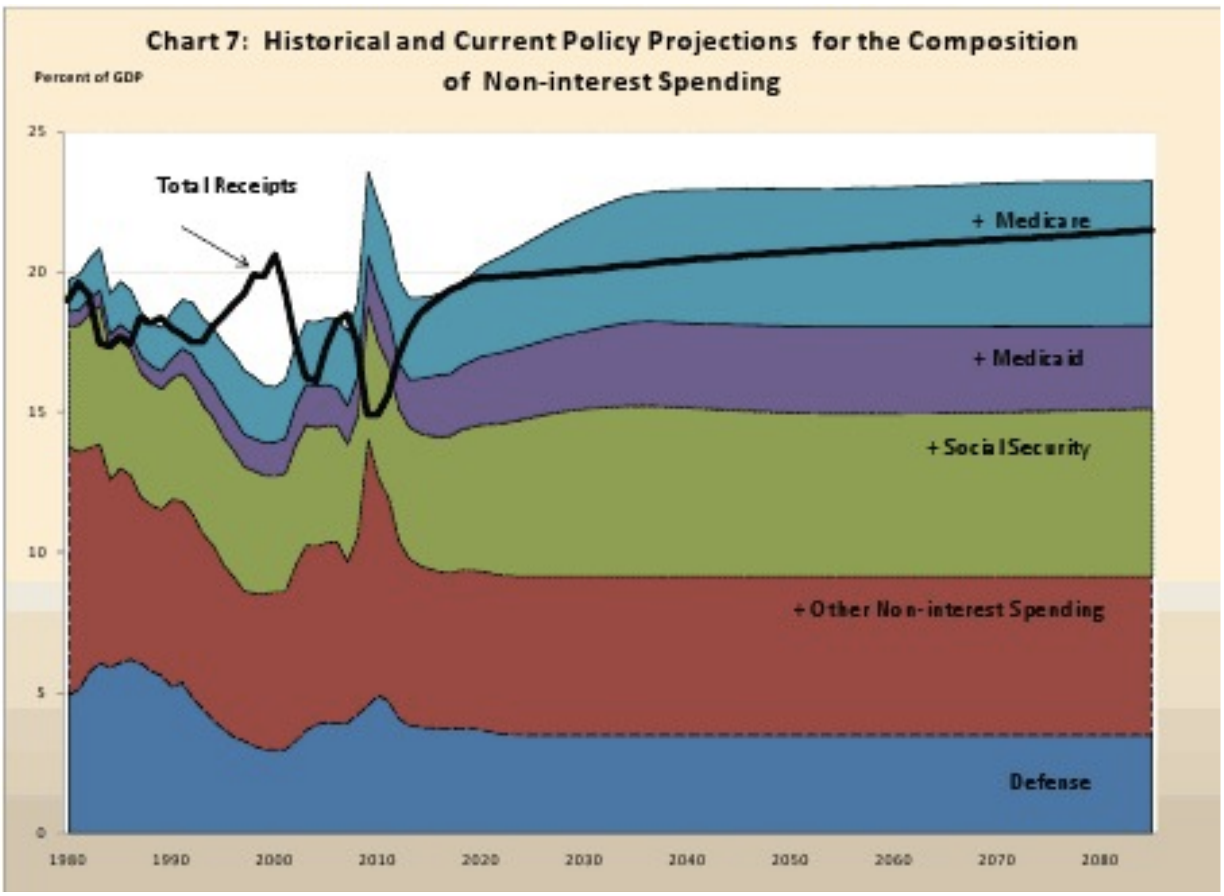
1. Considering we got into this mess through living beyond our means, pushing the limits, and amplifying the inevitable payments of tomorrow for the short-lived gains of today, I suppose we can expect more of the same in our steps to clean up this mess. This country has a massive debt and liability problem. What would you do? Let's go through the potential responses to this problem moving from the least chaotic to the most chaotic.

First we have positive reform. This response consists of implementing the type of solutions discussed by the team of experts affiliated with IOUSA. Reforming the system in various ways and with the goal of gradual change rather than shocking shifts would be an incredibly effective and healthy way to deal with the Monster.

One issue however is that, as we have mentioned, taking wise actions before easy self-sabotage is very much not the US government's style. With this in mind, despite the healthiness of reform, I am expecting us to choose the greasier options.

2. In addition to the Unfunded Liabilities Monster, the US government has other spending obligations. Journalist Scott Horsley wrote an article for NPR entitled "What A Debt Default Would Really Mean For The U.S." that highlights this problem. Yes the ULM is massive, and when it comes down to spending cuts, something has got to go. Since the ULM is categorized as mandatory spending and tens of millions of struggling Americans are counting on it, it has priority over other spending.

Spending Projections in the United States - 1980-2080:



Source: US Treasury

As Horsley notes, it may actually come to the government having to basically play innie minnie miney moe to choose between stiffing Social Security recipients or active-duty military. Yet, this concept is not entirely new to us because we have already learned that keeping up with the Unfunded Liabilities Monster will require 9 out of every 10 dollars of revenue by 2019.

This chaotic response basically deals with spending cuts. Who gets cut? Whether it is the military, public education workers, other government workers, or enrollees of the Social Security, Medicare, or Medicaid programs, someone is going to be without money and with a chip on their shoulder.

3. The next option to cutting spending would be to raise taxes. This option is one of the least desirable because you and I both do not like to pay taxes and certainly are not excited to pay more taxes, right? Also, the multiple by which taxes would have to be raised in order to cover such a gross financial gap would almost fatally wound many American incomes.

There is one quote in IOUSA that focuses on this issue and really brings the severity of the problem into your heart. It is my favorite quote in the series. These words from Judd Gregg, a Ranking Member of the Senate Budget Committee, highlight the possible bomb of taxes on your financial life and that of your children:

"The only thing that's more severe than this would be the idea that an Islamic Fundamentalist would get his hands on or her hands on a nuclear weapon and use it against us.

Beyond that there's nothing that's more severe than this.

This, this – issue – represents the potential fiscal meltdown of this nation and it *absolutely* guarantees, if it's not addressed that our children will have less of a quality of life that we've had.

That they, that they will have a government that they can't afford and we will be demanding so much of them in the area of taxes that they will not have the money to send their kids to college, or buy that home…"

Imagine that.

4. If reform is avoided or insufficient and if tax raises are unsuccessful or too devastating then the next worst response is a default on the debt. In this case we would be defaulting on the national debt. This means that we would simply declare that we could not repay the over $14t of debt we owe to the rest of the world.

The result of this action would completely change the view of America as the financial and power leader of the world - forever.

This loss of credibility and respect would manifest financially as a grave difficulty in selling more debt to finance our economy and consumption, which means less goods here and less sales overseas. With such a deep decline in inflows from borrowing, the American quality of life would dip into a recession or depression experience - reflecting the shortage of funds.

Also, because of our diminished creditworthiness and greater riskiness as a borrower, our interest rates would shoot up - as in personal finance. This means higher interests rates in every area of your life - car, home, school, credit card, et cetera, et cetera. Ugh.

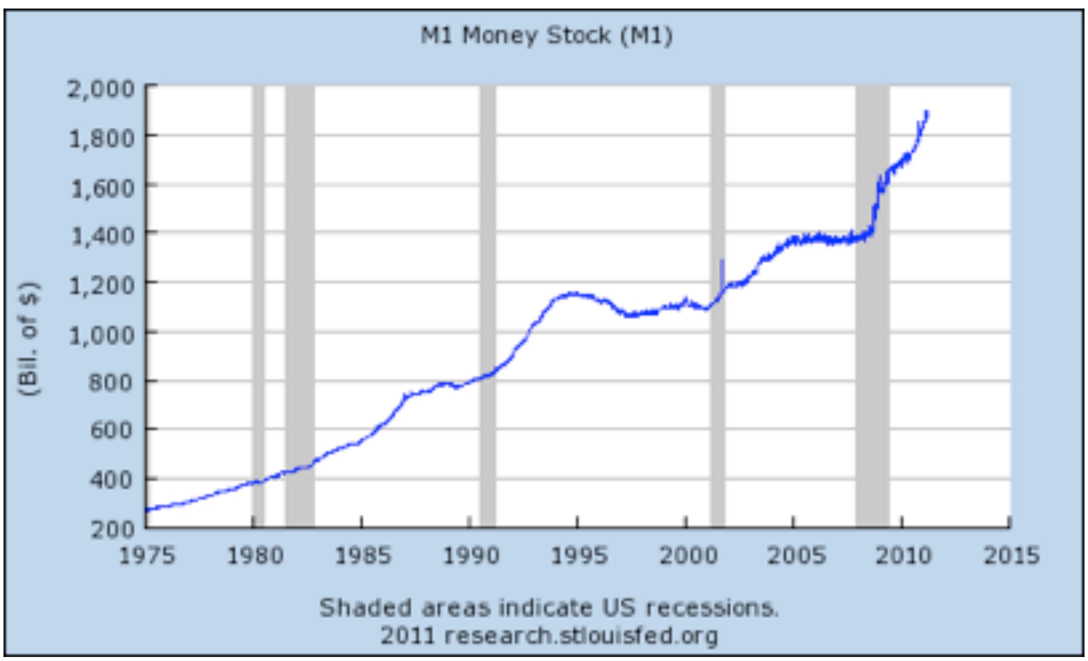
The confidence in the dollar would fall along with the fall of confidence in America. Our prices would rise and the price you and I pay for our necessities would make the option of discretionary purchases not even worth dreaming about.

The worst part of a default on the national debt is that the national debt is 'only' \$15t at present. The Unfunded Liabilities Monster is approximately \$115t!

5. The worst and most chaotic response to the ULM would be hyperinflation. Although this is the worse response and would certainly have the most painful effect on your life, this is perhaps the most likely response. Why? Simply because it is easy and the government has been choosing this option habitually and with an addictive tendency in recent years.

Remember the growth in the US money supply?

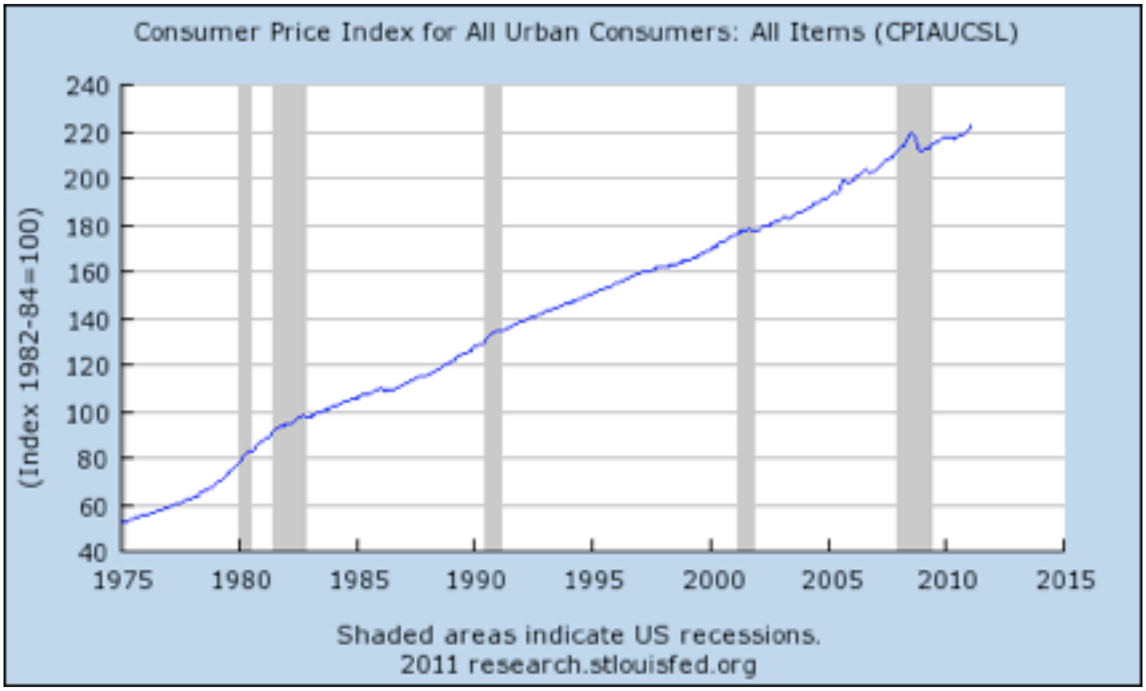
US Money Supply - 1975-2011:



All of that money feeds inflation. The higher and faster that lines goes up, the more inflation, the less your dollar is worth, the less you can buy with your monthly inflows, the less your savings are worth (if you have any savings), the less your retirement is worth, the more all of your expenses go up. Read that again. One more time. It's key.

To see the effect of that excessive growth in the money supply, look at this chart illustrating the increase in prices in the United States over the same time period.

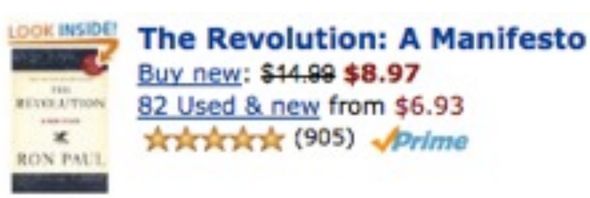
Prices in the United States - 1975-2011:



Hmm, interesting. So that's why I am spending twice as much on gas than on car insurance.

Think of it this way. Here you are with 12 times as much debt than income and hundreds of millions of people expecting you to pay up. Here are your options - (1) earn money, (2) borrow more money, (3) print money. Which would *you* choose?

Ron Paul is an extremely popular Congressman who has been speaking and writing on these US financial woes for many years. He has written numerous best selling books such as *The Revolution: A Manifesto, End the Fed, and Liberty Defined: 50 Issues That Affect Our Freedom*.



In case you did not notice, Dr. Paul's last three books have received a total of nearly 1400 customer reviews with an average review of at least 4.5 stars. That is incredible.

Michael Maloney, author of *Guide to Investing Gold and Silver* (included as part of Robert Kiyosaki's *Rich Dad* collection), featured Ron Paul for an interview regarding US financial meltdown, the crackdown on personal freedom in America as a result, and the use of gold and silver as a hedge against inflation.

During the interview with Maloney, Paul says regarding the Social Security crisis and inflation, 'we are always going to send you a Social Security check, but it may only be able to buy you a cup of coffee.'

More precisely, Paul says:

"[Inflation is a tax]. It is a tax. And the easy credit is *very seductive*. Politicians love it. The people who get to use it love it. Few people understand it. And I think we're gonna have a collapse before they really get around to really thinking seriously about...why we have to revamp...

Recently we have seen the dollar go down sharply. I think it's going to continue and hopefully it'll wake the people up...

There are too many [entitlements], because we should be entitled to - our lives - and entitled to our responsibility to take care of ourselves. That's what's in a free society...

our economy's in bad shape and people *are* getting poorer...Entitlements do not satisfy the best interest of the people - that eventually *destroys* a country...

This is so huge that nobody can quite comprehend it...all we know for certain is it's not workable and it *will* fall apart.

I always tell the elderly, "You're always going to get a check. We're always going to send you a check for your Social Security and it's going to go up. But we will always fudge on what the real rate of inflation is so you're real income is going to stay flat or go down. But you're always going to get a check and it'll try to keep up, but the question is - *what's it going to buy?* You know, even if it comes gradually and electricity doubles and your check doesn't double - you're going to suffer."

And I think that is what's going to happen.

I think this country's going to get much, much poorer. And the entitlements are gonna have to end, because just printing the money or running up the deficit...it's not going to last, it's just a dream, and it's very, very serious.

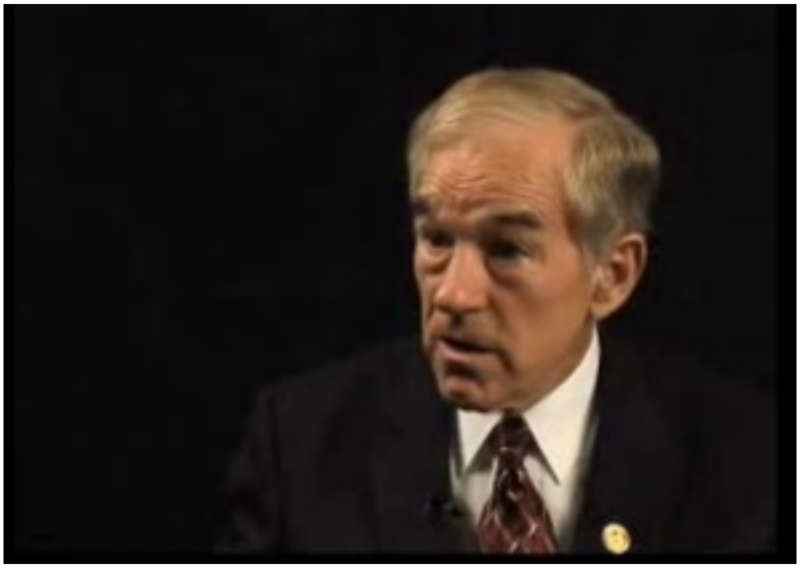
There's a few people in Washington who talk about. They're not really serious about it...It's a *game* that they're playing. They're not thinking about the cause of liberty and the future and understanding economic policy and why this thing won't work. That's the lowest on their priorities...

But in a way though, when the crisis hits, there'll be some good things that come out of it. People will recognize that hard work is an honorable thing to do and we have to work to maintain a standard of living...

[it's] gonna end, not because of some great wisdom that gravitates through Washington, it's gonna end - because we're gonna run out of our wealth.

And the entitlement system *will* be declared bankrupt."

Click here to watch this interview



Once again, Dr. Paul is extremely popular.

Largely because of his passion for protecting freedom, his patriotism, and his comfort with saying things that you simply cannot imagine would come forth from a politician's mouth. Well you heard it - the tax of inflation, the worthless Social Security check, the necessary collapse and crisis to get to reform, and the bankruptcy of the entitlement system.

Anything else Dr. Paul?

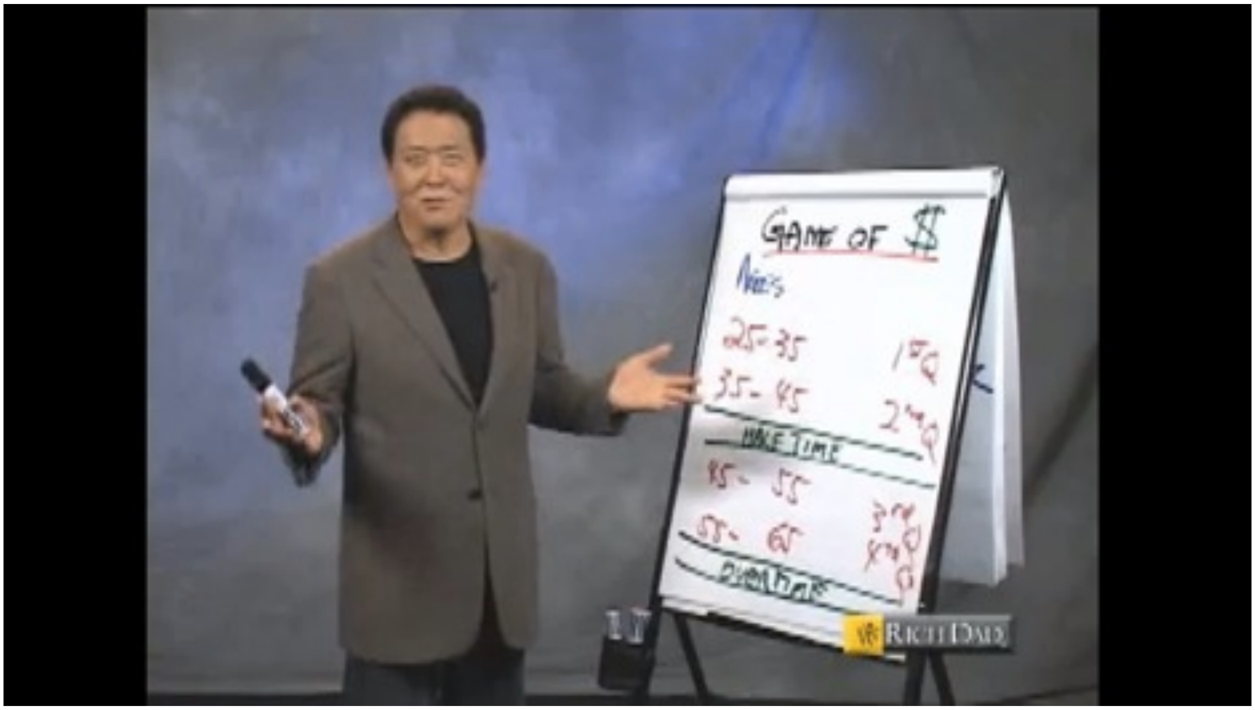
If the government looks at its enormous obligations and unfunded promises and decides to go the route of printing money to pay it off, the hyperinflation that results would bring each of our lives to a new low of peace and a new high of chaos.

6. Here is the most painful and sickening chaotic result for the Unfunded Liabilities Monster. What is going to happen to all of those boomers?

The problem is that even though these social insurance programs should be additional, they have become fundamental. Instead of people using this money for spending change, they are relying on this money to live on!

What happens when they don't have it? I just cannot imagine the suffering that would ensue. This problem reminds me of a 3 minute video Robert Kiyosaki produced on ‘The Four Quarters of Life’. These boomers are heading into their final quarters, after decades of working - with nothing to show for it.

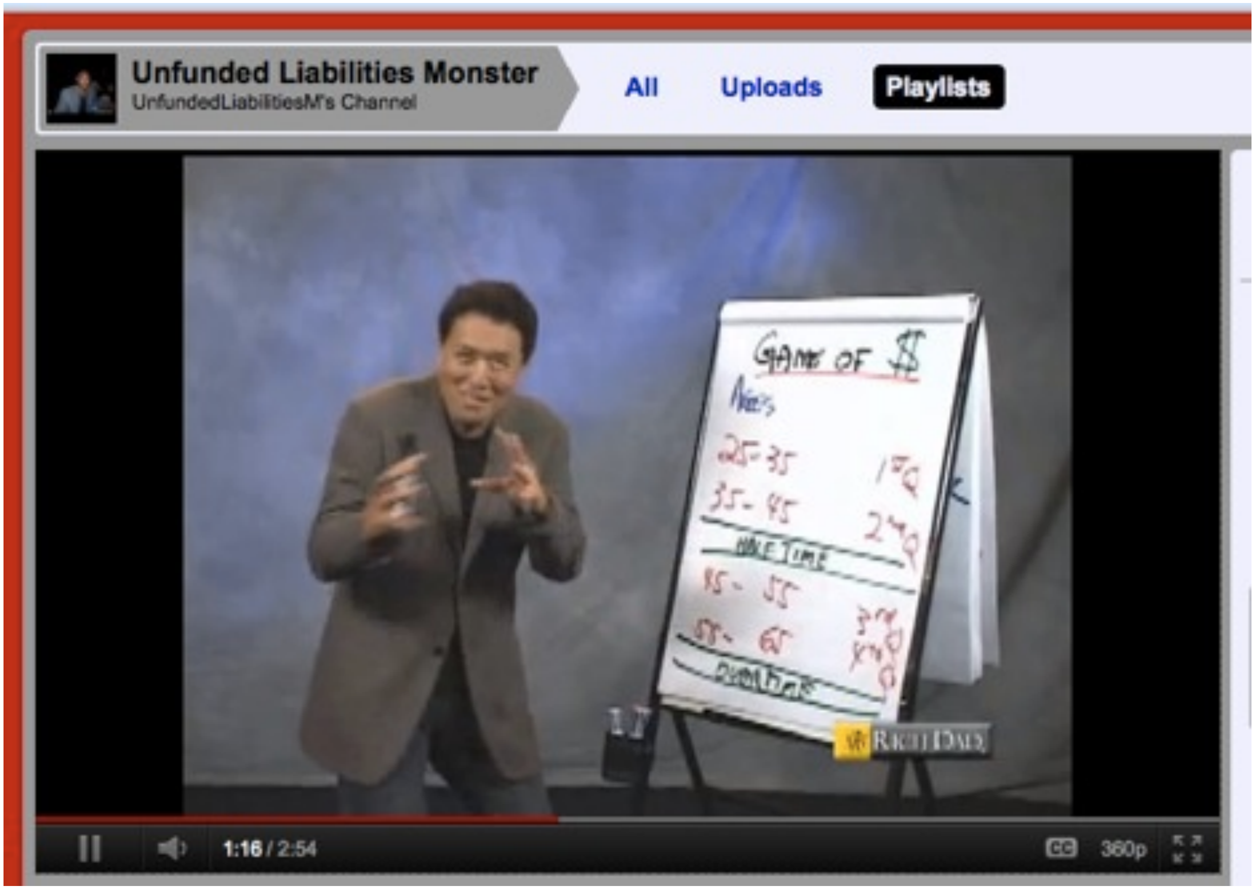
Click here to go onto the Unfunded Liabilities Monster Youtube Channel and watch this hilarious video...hilarious for some.



Kiyosaki describes it this way. Generally we start working at 25 and stop at 65. This forty year block can be divided into four 10 periods or ‘quarters’. They are quarters because life is a game, the clock is counting down and their are winners and losers in life.

Kiyosaki said that his goal was to retire (be free from the *obligation* of working or more precisely - have more passive income than expenses) in the second quarter, between 35 and 45. He retired in the third quarter and his wife retired in the second quarter - each by only a year or two.

He emphasizes that without financial education and playing the game correctly, you will hit halftime (between 45 and 46, also known as the mid-life crisis) and think, ‘Holy mackerel! I’m not making it! I’m too deeply in debt,’ and all this. Sometimes, you go into a huddle and make some changes to shift the game.



If you have not retired by 65 then you go into Overtime. "You know, I don't have enough money! I can't retire! Where's my Social Security! Where's my Medicare!" Then after that - you're out of time.

He goes on to say that the reason for building financial intelligence is to that *you can get on with your life*. If you follow the typical *pattern* of - work hard, save money, invest in your 401k, then:

"You'll be old! You'll work *all your life* and you might not anything to show for it - if the market crashes, if there's no Social Security, or if the Golden Hand dies or whatever the case is.

...We don't want you to work all your life and put all your money away in a well diversified portfolio of mutual funds, because - you'll be old.

Why, be old?

Why not retire...as young as you can and start enjoying life.

To me it makes no sense to work hard all your life and then to go into overtime then out-of-time and still not have enough money."

Kiyosaki's question is - at which age will you win the game of money?

The problem is the for 75 million boomers, the majority of them won't ever win. Ever! I know of people right now who are in the third quarter (45-55) and are heading right towards out-of-time. How many times have you seen someone who is obviously old as the hills - wearing some corporate uniform and working the nine to five?

I have seen them. I see them often. Everytime I go into a big shop or department store, I see them. Are they working just because they love to work? I don't think so.

I know one guy named Paul who does food demos in Costco. He is an outlier. He had a successful career as an entrepreneur. In his own words, he ran his own business for over 20 years and then sold it for a lot of money. Now he is one of the most successful salespersons for this food company. He is working only because he loves people, he loves to sell, he loves the game.

I know of another guy who is much more typical. Although he also used to be an entrepreneur - restaurants, print shop... - he left his safe secure job with great benefits for an entrepreneurial venture. It just kept sucking up his money and he couldn't stop the bleeding. He also invested in real estate, expecting the value to go up. We all know how that is turning out.

Now he is completely broke and entering the fourth quarter of his life. Now what?

I know of a lady who used to own a couple restaurants. Now she is in the fourth quarter, working, working, working - paycheck to paycheck - grinding through a life she visibly dreads. She said to me, 'If there is one thing you do, prepare for your later years. Put money aside.' Now, with no money to live on, she is completely broke and the clock is counting down. Now what?

I have so many of these stories.

They are heading to be a total loser in the game of money.

The Unfunded Liabilities Monster is planning to win.

The time to prepare is now and only now and the pressure on financial survival is mounting. You already know this. You just need a next step. A way to protect yourself. Here is where I come in and a major reason why I started learning about the ULM. You need income protection - and that is my business.

I want to show you how you can protect your earning power from the devastation of rising medical costs - and you can get it in exchange for one extra meal per week.

I want to show you how you can provide a trustworthy form of financial support and medical insurance that is not in the hands of game-playing, fiscally insane politicians.

I want to show you how you can be one of the few who actually would financially survive the coming chaos that could claim your job, your savings, or your back-up plans.

I want to show you how you can quickly and easily protect your income right now.

What I am about to show you is armor to protect you from the Unfunded Liabilities Monster as well as the peace of mind you deserve.

You are ready for what you deserve, aren't you?

Chapter Eleven

Financial Individualism?

Before I show you your income protection and purchasable peace of mind - first, a quick word on financial individualism.

We have gone through an exciting and often frightening journey about the dangers of financial dependence. Before we get into the methods of moving away from this risky and uncertain financial dependence, we must first outline some of the core reasons why we would be interested in financial independence - in financial individualism.

I imagine that you could use a bit of a mental massage to ease you out of connection to the financially collectivist mindset and give you more comfort with financial individualism.

I know I could. I like to let the reason and persuasion pile on so it can grow deeper and deeper - eventually becoming natural and then some.

We outlined some 36 of the core beliefs and action steps of the financial individualist earlier. Now, we are going to go into financial individualism by looking specifically into an incredible text on financial freedom - *Rich Dad's Guide to Investing* by Robert Kiyosaki.

Perhaps you are familiar with Robert. Remember, he was also one of the three top financial influences in my life when I transitioned from spiritual achievement to financial success. He is the mega best selling author of *Rich Dad, Poor Dad: What the Rich Teach Their Kids About Money -- That the Poor and Middle Class Do Not!*

After he was featured on Oprah, Kiyosaki has gone on to sell over twenty million copies of this classic book. Simply put, *Rich Dad, Poor Dad* is one of the top selling personal finance books of all time. Kiyosaki is prolific and has built quite a volume of books on the financial individualist mindset. At one point, his three-part series - *Rich Dad, Poor Dad; Cashflow Quadrant,* and *Rich Dad's Guide to Investing* were number one, two, and three on the Amazon.com Bestseller list for business and investing.

In *Rich Dad's Guide to Investing* Kiyosaki ends the series with the action steps to actually build wealth, following the preliminary, more philosophical steps in the preceding books. The reason why we are focusing on Kiyosaki's *Guide to Investing* is because it covers financial individualism and - the Unfunded Liabilities Monster.

You see, even though this book was published all they way back in 2000, Kiyosaki was watching the trends and wrote about the Unfunded Liabilities Monster and retirement crisis back then - warning of impending financial doom. Due to his knowledge of investing and especially considering the ULM, Kiyosaki invests a great deal of focus into the need for your income protection, which is another reason why we are covering this book.

Once again, times of great problems call for great solutions and my business is income protection, therefore, the economy is calling me to provide this service.

Moving forward with the important principles outlined in *Rich Dad's Guide to Investing* is part of the problem solving process.

The book is written like an autobiography, so what we will now do is go through my chosen sections - paraphrasing here and directly quoting there.

Please enjoy.

Investing, Financial Individualism, and the ULM - from Kiyosaki

In a nutshell, Kiyosaki's story is that he grew up with two 'dads'. He had his biological father and the father of his best friend, Mike. He calls his biological father his poor dad and his friend's father his rich dad - and I bet you can guess why.

Kiyosaki's whole purpose is to educate people on how to control and grow their finances so that the process of becoming rich is demystified and achievable.

His biological father (poor dad) represents the typical earner in America. He was highly educated; worked hard for a safe, secure job with benefits; and eventually became one of the top teachers in the state of Hawaii. His friend's father (rich dad) dropped out of highschool, started with nothing, and eventually became one of the richest men in Hawaii.

What is interesting is although his poor dad was highly educated and followed the typical life plan we learn - get good grades, go to school, get a safe, secure job with benefits - his dad ended up poor; living paycheck to paycheck even though he was highly paid ($100-200k); and dying with nothing more than pocket change in his bank account. Although his rich dad followed a completely different plan than the typical life plan we learn, once again, he eventually became one of the richest men in Hawaii.

Robert wanted to live happily and learned from his rich dad that living that type of lifestyle required funding, so he taught Robert how to become rich. Now, through his various information products, Robert is teaching you how to become rich.

Since this time and experience-tested plan is typically quite contrary to what we learn and are constantly re-learning as individuals in society, much of Kiyosaki's teaching is aimed at shifting your thinking and basically revamping your entire perspective on money to fit the point of view and living style of the rich.

Kiyosaki's books are what caused me to make fundamental shifts in my life path and my vision for myself and I continually review his teachings to keep me from relapsing. I highly recommend his books and audiobooks.

Kiyosaki says that when he was only 12 he was looking at his rich dad's beautiful newly acquired piece of real estate on the beach and realized that it was not money that made his rich dad that a rich investor. He had a thinking pattern that was nearly the exact opposite of the thinking of his poor dad. He says that he learned that wealth is a way of thinking not a dollar amount.

Thinking like his poor dad would almost guarantee the life most Americans are living right now. Thinking like his rich dad would almost guarantee the life only 2 out of 100 Americans are living right now.

Prior to *Rich Dad's Guide to Investing*, Kiyosaki revealed in the preceding books that his poor dad became what so many are taught to become - either employees or self-employed people. Although, those who make more money and the most money are businesspersons and investors - the people who provide the employees with food money.

In *Rich Dad's Guide to Investing,* Kiyosaki teaches how to be a businessperson and investor. As we learned earlier, what is interesting is that although this book was published in 2000, Kiyosaki strongly affirms that the Unfunded Liabilities Monster would be coming around now and growing on into the future.

Also, Kiyosaki stresses the need for income protection and the importance of insurance as a vital component of your investment portfolio in order to live the financial life you desire.

Early on in the teaching, Kiyosaki asks you, “Are you planning to be rich or are you planning to be poor?”

He says that today he often hears people say, “When I retire, my income will go down.” And then - it does. He continues, saying that although many people say, “My needs will go down after I retire, so I will need less income,” most people do not factor in that while some expenses go down, other go up. Some of these expenses go up rather drastically, such as long-term care. He points out, “An average nursing home for the elderly can cost $5,000 a month. That is more many people’s monthly incomes today.”

Furthermore, remember that when Roosevelt signed the social programs into being, he said that it ‘gives at least *some* protection for the poverty of old age.’ Now if those aren’t the word of one who is planning to poor, then what is?

Continuing, Kiyosaki says that other people say, “I don’t need a plan. I have a retirement and medical plan from my work.” (Not anymore these days) Yet the problem with this type of thinking is that it does not factor in that there is more to a financial plan than investments and money. All financial needs must be taken into consideration, he says, such as education, retirement, additional medical costs, and long-term care.

Kiyosaki affirms that, “Many of these often large and pressing needs can be provided for by investing in products other than stocks and bonds or real estate, such as **insurance** products and different investment vehicles.”

Then Robert goes into his prediction of massive financial meltdown, particularly for the elderly and aging population who are simply not prepared or protected. He says that he writes about money to help educate people to provide for their long-term financial well-being. He says that ever since the advent of 401Ks he as grown concerned about the people who are not prepared, because when a person’s 401K or ‘cash balance’ is drained dry, it is the individual’s problem, not the company’s. He then emphasizes:

> “It is imperative that our schools begin to teach young people to invest for their long-term health and financial well-being. If we do not, we will have a massive socioeconomic time bomb on our hands.”

Robert concludes this section by simply asking you again, “Are you planning to be rich or are you planning to be poor?”

When going into the importance of having a financial plan, Kiyosaki impresses upon you this fact, ‘Remember, only 3 out of 100 Americans are rich. Some people only have a plan to be secure or poor. And most people have no financial plan at all.’

When detailing the actual components and procedures involved in drafting your financial plan, he spends a significant amount of time on emphasizing the need for insurance.

I find Kiyosaki’s emphasis on the need for insurance important for two main reasons - (1) I have been finding that too many people have not been realizing that insurance is a top priority and (2) I am in the business of insuring your income and considering the pain coming from the Unfunded Liabilities Monster, Kiyosaki’s emphasis on insurance could not be more relevant to my service and our needs.

Kiyosaki explains:

"Many financial advisors sell different types of products. One such product is **insurance**. **Insurance** is a very important product and needs to be considered as part of your financial plan, especially when you are first starting out [or about to finish]. For example, if you have no money but have three children, **insurance** is important in case you die, are injured, or for whatever reason are unable to complete your investment plan.

Insurance is a safety net, or a hedge against financial liabilities and weak spots.

Also, as you become rich, the role of **insurance** and type of **insurance** in your financial plan may change as your financial position and needs change.

So keep that part of your plan up to date...

Rich dad always said, '**Insurance** is a very important product in anyone's life plan. The trouble with **insurance** is that you can never buy it when you need it. So you have to anticipate what you need and buy it hoping you'll never need it.

Insurance is simply peace of mind.'"

This passage is key.

I imagine there is a reason why Kiyosaki chooses insurance as step one - because it is your security, and it is your safety net. It is your foundation.

Could you imagine a tree with weak roots or no roots? Could you imagine a building with a crumbling foundation? Would you buy a home with a cracking foundation? Could you imagine how risky it would be to live like an inverted pyramid?

What is crazy is that this imaginary scenario is American daily experience.

Do you think the government has insurance in its financial plan? Do you think the government cares about safety and what could happen if something goes wrong? The government's insurance is taking on more debt and stealing money from the people through taxation. Debt and theft. Do you have that option?

What is even more crazy is I know too many people who are not properly insured and do not properly have their income protected. As Robert's rich dad always said, "Insurance is simply peace of mind." I know too many people who do not have that peace of mind - and their insecurity and financial disturbance is readily apparent.

You can see it. You can even feel it. People are living on the edge.

Do you think most baby boomers are protected and prepared for the Unfunded Liabilities Monster? Social welfare and social insurance *was* their income protection. Do you think most baby boomers have actual protection in place? And what happens next? Do you think it's pretty?

The craziest part is that it is so simple, so quick, so *easy* to get your necessary insurance, your vital income protection - and actually enjoy living with the security of peace of mind. That is what I want to show you.

First however, Kiyosaki has a bit more to say on this issue. He can hardly keep it in. Apparently he is quite passionate.

What comes next hits close to home for me.

Kiyosaki shares how his real dad - his poor dad - ran for office when he was fifty.

He was running against his boss.

He was running to assist in getting money out of politics and clean the US government up. He lost. He also lost his job. So there he was - he had done everything *very* right by conventional standards - very good grades, very good job, very 'safe, secure' job with very good benefits.

Yet there he was, having to start all over at fifty. No job. In spite of his income he was still living paycheck to paycheck. No income. No savings. No income protection or retirement plan of his own. No desire to become a business person or investor.

He was in a bad place. A very, very bad place.

I know people like this. Again, I know too many. *Starting all over at fifty*. At basically zero. Technically negative when considering debt payments. I am sure you are with me and know your fair share of people who fit this criteria, don't you?

It is ugly and painful, isn't it? As Kiyosaki says, 'My dad was running out of time and running out of money. It is not pretty to watch someone who is out of time *and* out of money.'

For Kiyosaki, learning to be a financial individualist *is* his income protection, although it goes even further. Robert describes his father's financial woes:

"As rich dad and I sat there, my mind and heart drifted to my poor dad. I knew he was hurting and struggling to start his life over again...

In retrospect, my real dad had a plan only for financial security via job security. The problem was this plan failed when he ran for public office against his boss. He failed to update his plan and continued to plan only for security.

Luckily, he did have his financial security needs covered by a teacher's pension, Social Security, and Medicare. If not for those safety nets, he would have been in very bad financial shape."

Uh oh.

“When I was between the ages of 12 and 15, rich dad would occasionally have me sit at his side while he interviewed people who were looking for a job...

I saw grown adults asking for jobs that paid $1.00 an hour...I also saw people with college degrees, even several with Ph.D.s asking rich dad for managerial or technical jobs that paid less than $500 a month.

After a while, the novelty of sitting behind the table on rich dad’s side wore off...Finally, when I was 15 and bored of sitting behind the table, I asked him, ‘Why do you want me to sit here and watch people ask for jobs?..Besides, it is painful to see grownups so needy for a job and money.

Some of those people are really desperate.

They can’t afford to quit their present job unless you give them another job. I doubt some of them could last three months without a paycheck.

And some of them are older than you and obviously have no money. What’s happened to them?”

The important point to note here is that, well - how many millions upon millions of Americans are in this space right now. How many do you know are feeling this pain right now?

Worse, what can you really do about it?

Kiyosaki’s final lesson for today concerns the risk employees and retirees face. The cutting of job benefits - one of the top selling points of a job. The baby boomer bomb. The lack of income protection. The vulnerability to the Unfunded Liabilities Monster.

Robert begins with a conversation between he and his rich dad about how most people are trained to become employees and self-employed rather than businesspersons and investors.

Rich dad says that the only thought most people give to investing is making sure they choose a job with good benefits [remember, insurance is also an investment] and a good retirement plan - in other words, letting the company take control of your financial future. Rich dad tells Robert that this system is rapidly changing [and has changed].

Their conversation continues, with rich dad saying:

“‘We are entering a period of a global economy,’ said rich dad. For companies to compete in the world, they need to get their costs down.

And one of their major costs is employee compensation and employee retirement plan funding. You mark my words, in the next few years businesses will begin shifting the responsibility of investing for retirement to the employee.’

‘You mean people will have to provide for their own pension instead of relying on their employer or the government,” I asked.

‘Yes. The problem will be the worst for poor people, and they are who I worry about,” said rich dad. That is why I reminded you about sitting across the table from people whose only financial support was a job.

By the time you are my age, what to do with people without financial and medical support when they are older will be a massive problem.

And your generation, the Baby Boomer generation, will probably be tasked with solving that problem. The severity of that problem will be very prominent sometime around 2010.’

‘So what should I do?’ I asked.

‘Make [investing] the most important...Choose to be an investor when you’re grown up. You’ll want to have your money working for you so you don’t have to work if you don’t want to, or cannot, work.

You don’t want to be like your dad at 50 - starting all over again..and realizing he is trapped..’”

You remember that during my story at the beginning of this journey, I shared with you that I have seen the dead zone. The zone where the older generation is barren of money, barren of time, barren of change, barren of escape. What Kiyosaki and his rich dad were discussing, all those years ago - not wanting to be like his dad, starting all over again and realizing your trapped - I am seeing this right now.

Again, I have seen the dead zone.

Those who were adults when I was a single digit and middle aged when I was a teen are now elders in my adult years - these people to whom I once looked for advice and the image of strength and achievement, are now wearing garment of those I strive to not become.

Having now a transformed perspective, I am seeing things I had never seen before. Perhaps unconsciously, perhaps not even that.

Seeing unhappiness and failure in their life. Seeing unnecessary struggle. Seeing their drastically low standards of success. Seeing financial challenge. Seeing that ‘starting over at 50’. Seeing that ‘starting over at 50’. Seeing that ‘starting over at 50’.

And realizing they’re trapped.

What I once thought was wealth was merely the appearance of wealth - the asset, not the liability. The car, not the car loan. The debt growing beneath the surface. The lost property. The happiness and feelings of achievement when earning double the national average - a number that I am now learning simply *cannot* cut it. At all.

Think of spending habits. Of credit habits. Of economic volatility. Of the pricetag of your desires and dreams - their real pricetag. How can the national average be the measuring stick when striving to live the life you desire? As my buddy Reid L.

Rosenthal says, ‘Well I don’t know what planet you’re from if you think 100 or 200 thousand dollars per year is rich.’ Most of it is often lost anyway. Isn’t it?

Here they are, the only asset they have is their job. No assets. That’s too risky.

I honestly do not remember hearing of the concept of a personal asset while in university, and my top class was accounting. I actually thought I was going to be an accountant for a while - handling *other* people’s financial statements.

I remember doing the calculations and seeing the role of assets in examples of *other* people’s businesses. I remember working out the formulas involving *other* people’s assets. Although I do not remember learning about creating *my own* assets. I am not saying it was not taught. I am just saying I do not remember learning it. I would venture to bet that those in the dead zone do not remember learning it either.

Do you?

Kiyosaki writes in *Rich Dad’s Guide to Investing* about what he calls the riskiest investor. He says that when you look at the riskiest investor’s financial statement, what you see is nothing in their asset column, a population of liabilities, and their only source of income is their labor. Geez. How many people do you know who fit that bill?

What is so crazy about the Unfunded Liabilities Monster is that even if you do have assets. Even if you are an accredited investor - earning at least 200k per year or having a net worth of at least $1m (only 2 out of 100 Americans). Even if you do have more than $10k for your retirement. Even if you do have job security. Even if you do have a thriving business. Even if you do have passive income. Even if you are taking advantage of this buyer’s market. Even if you are a millionaire.

This Monster could wipe you clean.

Why? Remember the various scenarios of chaos we have gone through.

Who cares that you have job security, when tens of millions of boomers are forced to enter the job market, thereby increasing the supply of workers, lowering the demand for you, and making your years of loyalty disposable. The Monster.

Who cares that you are ‘grandfathered in’ so you are guaranteed your Social Security and Medicare even before reform or collapse, when the cost of living shoots up just so businesses can see a profit during the economic chaos. The Monster.

Who cares that you have great benefits that pay you disability when you are out of work and insurance when you get sick and deals on the company’s products, when your company is forced to cut costs in order to survive and your benefits are the first to go - right before you. The Monster.

Who cares that you are making $300k per annum and increasing this number every month, when the government is taxing you such that 7 out of every 10 of those big bucks you're making is snatched just to pay for bankrupt social programs. The Monster.

Who cares that you have a sterling education from a prestigious university with a promising future, when tens of millions of boomers are booming in want for financial support and are piling upon your back so you can pay for their last decades of life in near poverty - while the international marketplace is clawing to take you position as a world leader. The Monster.

Who cares that you are actually making enough to survive and live humbly, when our country's debt woes force interest rates so high that you have to learn entrepreneurship just to have a place to live in the next six months. The Monster.

Who cares that you have millions in multiple accounts, you are living free and clear, and your business is super cashflow positive, when the Fed decides to print your life away and turn every one of your dollars into a dime. The Monster.

Who cares?

The politicians don't care, do they? The bankers don't care, do they? The foreign investors don't care, do they? The neighbors don't care, do they? The dollar doesn't care, does it? The economy doesn't care, does it? The laws of supply and demand don't care, do they? The rules of mathematics don't care, do they?

And here's the thing. Most of us may be good people. It doesn't matter. Those people around whom I grew up - who are now in the dead zone. They're good people. They are. They are also done for.

This is the most painful realization. Unfortunately, this is all real. Unfortunately, it is claiming those of us who are not following a strategic plan formed with people we trust and respect - a plan for our financial life, our financial *survival*.

The economic cycles do not discriminate based on ethics or 'good citizenship', do they?

Do I really want to wait to find out?

I am seeing people who were once very much my mentor - going down and out. Being drained and hung out to dry. Stuck in the routine and getting nowhere. Nowhere!

I am seeing so many, who are - done for. Done for. Unless they experience a transformation of the level akin to the one I experienced before I was about to head down their same path, they are done for. Done for.

And who can prophecy the possibility of such a transformation occurring?

How?

Done for.

With that said, now it is time to take a short and quick step into investing. Remember Kiyosaki's emphasis on insurance as an investment product, as well a source for peace of mind?

Remember that I want to show you how you can quickly and easily protect you income for about a meal per week?

Well now it is time to move forward and be one of the few who actually have some form of protection from the Unfunded Liabilities Monster.

Before we unveil this protection, let me be clear that I am not a financial advisor. I am not in any way qualified to be a financial advisor. In fact, the reason I am in the business of income protection and learning about investing is because I need to.

The prime reason I am presenting and emphasizing Kiyosaki's points is because people in this country and this country itself - are struggling. Struggling, largely because both are following the plan for financial pain and lack of protection, as outlined by Robert. Relying on their job and the government. Relying on others. Having no plan for their future. Having no funds for their protection. Having no savings. Having no income protection.

Living on the edge.

Both the people and the government.

Like they say, birds of a feather, get shot down together.

Now, it is time for you to put on your bulletproof armor. Let's move forward.

Chapter Twelve

My Income Protection?

Investing in My Income Protection

As you well know by now, my business is to provide you with income protection.

That's me, to the left.

You remember that my vision for my life and my life plan changed when I began reading Kiyosaki's teachings. Particularly, there is one chapter in *Rich Dad, Poor Dad* entitled, 'Work to Learn, Not to Earn.'

In this chapter Robert emphasizes the need to work not for money, rather for education and experience.

Specifically, you want to work in fields that fit with your life goals and where you can develop the skills necessary to live the financial life you desire.

Robert says that when it comes to getting rich, business and investment skills are key, and when it comes to business and investment skills - the ability to sell, communicate, and negotiate are pivotal.

He says that education is more valuable than money, in the long-term. That the world is filled with immensely talented and educated people - who are poor. That the technical know-how and talent are worth pennies without the ability to market and sell.

He is speaking directly to me. And he is looking directly at you.

Robert tells of how after consulting with his rich dad, he left a promising, safe, secure job with benefits and opportunities for promotion in order to take a job as a door to door salesman for Xerox.

His rich dad told him that in order be successful in business, he would need to learn how to connect with people, communicate with people, and sell for people.

Robert explains:

"Job security meant everything to my educated dad. Learning meant everything to my rich dad...

Returning from Vietnam in 1973, I resigned from my commission, even though I loved flying. I found a job with Xerox Corp. I joined it for one reason, and it was not for the benefits.

I was a shy person, and the thought of selling was the most frightening subject in the world.

Xerox has one of the best sales-training programs in America.

Rich dad was proud of me. My educated dad was ashamed. Being an intellectual, he thought that salespeople were below him.

I worked with Xerox for four years until I overcame my fear of knocking on doors and being rejected. Once I could consistently be in the top five in sales, I again resigned and moved on, leaving behind another great career with an excellent company.

In 1977, I formed my first company...

The most important...skills are sales and understanding marketing.

It is the ability to sell - therefore, to communicate to another human being, be it a customer, employee, boss, spouse or child - that is the base skill of personal success. It is communication skills such as writing, speaking and negotiating that are crucial to a life of success.

It is a skill that I work on constantly, attending courses or buying educational tapes to expand my knowledge...

The skills of selling and marketing are difficult for most people primarily due to their fear of rejection.

The better you are at communicating, negotiating and handling your fear of rejection, the easier life is."

After reading this chapter and doing quite a bit of thinking, I decided that I would need to learn how to sell.

I have been selling really throughout my whole life. Selling high-quality home furnishings from the family business when I was younger than ten. Selling gourmet cutlery in between high school and college. Selling *Jelani's Signature Gourmet Cookies* towards the end of college.

Now I am selling income protection.

Phone to phone, business to business, face to face - just like Kiyosaki when he was learning with Xerox.

I am not sure when it clicked.

One day I was thinking about the needs for income protection and it became clear - there I was, studying the American economy as a hobby and it had just then occurred to me that there are tens of millions of people who in for a devastating surprise due to these unfunded liabilities!

Realizing the severity of this problem and the usefulness of my business as a solution, I became active and started bubbling on the possibilities with this 'Unfunded Liabilities Monster'.

What is interesting is that Kiyosaki focuses into the retirement disaster in that chapter as well. When I first read it, I did not comprehend. Now, here I am working to learn and providing a solution to the very problem that Kiyosaki emphasizes. He asks, "Just like a little hamster, I wonder if people look at where their hard work is taking them. What does the future hold?"

Then he goes into the retirement crisis. He cites a passage from *The Retirement Myth* by Craig S. Karpel:

"'I visited the headquarters of a major national pension consulting firm and met with a managing director who specializes in designing lush retirement plans for top management. When I asked her what people who don't have corner offices will be able to expect in the way of pension income, she said with a confident smile: 'The SIlver Bullet.'

'What,' I asked, 'is The Silver Bullet?'
She shrugged, 'If baby boomers discover they don't have enough money to live on when they're older, they can always blow their brains out.'"

One way to help keep yourself from choosing The Silver Bullet is to pay attention to this income protection service.

Your Income Protection

First we are going through the four economic pains driving the need for income protection right now.

Then, we are going through what income protection insurance has to do with the Unfunded Liabilities Monster - '10 Needs for Income Protection and 10 Solutions Provided by Income Protection Atlanta.'

Finally we are going through the most important part - how you can move forward most quickly and easily to use our services and work with our business, Income Protection Atlanta.

Our team is based in Atlanta, Georgia and we operate throughout the state of Georgia.

Let's go.

The Four Economic Pains Driving the Your Need for Income Protection Insurance

Economic Pain 1: No savings.

The savings rate in this country has been dropping ever since the 1960s.

Savings Rate in the United States - 1960s-2000s:

As absurd as this may sound, the savings rate in the United States is negative.

In the 2000s, so far our savings rate is negative three percent. In other words, every month, our savings are not growing, not remaining the same, they are decreasing.

Our savings are decreasing by three percent of our income every single month. For example if you are earning $4k per month, then your savings are being chunked away by $120 every month. Therefore, unless there are some changes, you have 33 months or about three years until you have absolutely no savings. Nothing.

Since we have no savings, we have no cushion and no margin of error. Our savings are the distance between us and the edge of the cliff. More savings, more space, more room for error and experimentation. More security.

With little to no savings, the distance between us and the edge of the cliff is minimal and all it takes is for the wind to blow a little harder today and we will be sent flying off the cliff, only to be broken and shredded on the jagged rocks of bankruptcy and repossessed assets.

Economic Pain 2: Paycheck to paycheck.

Yes, the fact that our savings rate in this country is negative may be ridiculous, yet we have another problem that is even more difficult to believe and accept.

9 out of 10 of us are living paycheck to paycheck.

In a room of 10, only one of us is *not* living paycheck to paycheck. And this does not necessarily mean this outlier is living well or even financially secure. It just means they are *not* living on the edge. All the rest of us are.

There are several points that are amazing about this fact. One of which is that this country is known as the richest in the world and its people among the highest earning. Yet, here we are, paying out as much as we are bringing in, every month, with nothing left over.

What is most amazing is that this paycheck to paycheck figure includes - everyone, ie. all income earners. From the impoverished to the middle class to the upper class and accredited.

$10k, $20k, $30k, $40k, $70k, $80k, $100k, $300k, $500k, $1m, $10m and so on.

Think about that.

What this means is, money is not the solution to this financial problem. The problem is the management of money, not the supply of money.

Saving is a faux pas in this country. Investing is not really taught. Budgeting is annoying. What this means is that regardless of the income level, in this country, we are all living on the edge. That is amazing.

Furthermore, this means that in addition to not having any cushion, we are not adding to our cushion. We are on the edge and stuck in this position.

This pain is a huge driver of your need for income protection because with no savings and no way to increase savings, all it takes is one chunky expense to be pushed over the edge. Bankruptcy. Foreclosure. Repossession. Downsizing.

Just like that.

What we are doing through Income Protection Atlanta is preventing this pain by providing you that cushion, and giving you the space to breathe the relaxing air of financial peace of mind.

Insurance, is just - peace of mind.

<u>Economic Pain 3:</u> Healthcare costs are going up.

The cost of medical insurance is rising. This insurance is necessary because again, one incident could be the endgame and your protection is required.

The problem is that the cost of this protection is rising.

Healthcare costs are rising and the doctor's bill in this country is the highest in the world - by far. Plus, you are living longer. This means more time for life to take effect and more time in those years when the body is creaking and acting up a lot more than it used to.

More doctors visits. Higher doctor's bills. More money flying out of your pocket and decreasing your savings.

Since healthcare costs are going up, again, your medical insurance premiums are going up. Every single year.

Income Protection Atlanta is solving this problem by providing you money to cover these growing healthcare costs. Plus, you always get your coverage at the same rate. No rising premiums. Only solid systems.

Economic Pain 4: Medical insurance causes bankruptcy.

The fourth and final pain driving your need for income protection is by far the most shocking. I suppose there may be debate over which is the most devastating, although this pain is surely the most shocking.

Medical insurance causes bankruptcy? What?

Well, let me clarify. Your insurance will not cause you to go bankrupt. Rather, it is the belief that your medical insurance prevents you from going bankrupt that causes you to go bankrupt.

You see, your medical insurance only covers you partially. You are still exposed. Would you knowingly where half of armor to protect yourself? Or half of a coat? Or half of a seatbelt?

Well this is what you are doing with your medical insurance.

Let me explain.

There were two studies conducted by a Harvard research team on medical bankruptcy. All in all the research and conclusions from this study were collected over the first ten years of the 2000s.

As published in *The American Journal of Medicine*, in the article "Medical Bankruptcy in the United States, Results of a National Study", the research team used three methods for collecting their data - questionnaires mailed to debtors immediately after bankruptcy filing, court records, and telephone interviews.

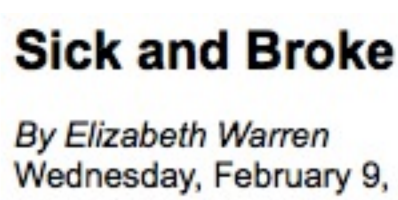
What these studies revealed is incredible.

These studies were conducted to answer this question - why are Americans going bankrupt due to medical expenses?

The four researchers were Dr. David Himmelstein of the Harvard Medical School, Dr. Steffle Woolhandler of the Harvard Medical School, Dr. Deborah Thorne of the Department of Sociology for Ohio University, and Dr. Elizabeth Warren of the Harvard Law School.

There are 3 startling discoveries this research team made.

Startling Conclusion 1) A monstrous number of at least 2,000,000 Americans are filing for medical bankruptcy each year. To put this in perspective, at least one American *family* is forced into medical bankruptcy every 45 - *seconds*.


Sick and Broke

By Elizabeth Warren
Wednesday, February 9,

Dr. Elizabeth Warren of Harvard Law emphasizes in her article in the *Washington Post* entitled "Sick and Broke":

"Nobody's safe. That's the warning from the first large-scale study of medical bankruptcy...

Health insurance? That didn't protect...Americans who were financially ruined by illness or medical bills last year.

A comfortable middle-class lifestyle?

Good education?

Decent job?

No safeguards there.

Most of the medically bankrupt [are] middle-class homeowners who had been to college and had responsible jobs - until illness struck...

Without better coverage, millions more Americans will be hit by medical bankruptcy over the next decade. It will not be limited to the poorly educated, the barely employed or the uninsured. The people financial devastated by a serious illness are at the heart of the middle class.

Every 30 seconds in the United States, someone files for bankruptcy in the aftermath of a serious health problem.

Time is running out.

A broken health care system is bankrupting families across this country."

Listen to this. 6 out of 10 of all bankruptcies are due to medical expenses! Again, at least one family in America is forced into medical bankruptcy ever 45 - *seconds*.

Startling Conclusion 2) The reasons for these bankruptcies are generally not catastrophic. Your neighbors and coworkers are not filing for bankruptcy simply because of some major procedure such as a open heart surgery, a major transplant, the application of a prosthetic limb, or terminal illness.

No, the people in your daily circle are filing for bankruptcy because of a broken leg, a twisted knee, their child swallowed a small toy, or treatable breast cancer.

Bloomberg.com | Business Exchange

Bloomberg Businessweek

Study Links Medical Costs and Personal Bankruptcy

Catherine Arnst, Journalist for Bloomberg Businessweek comments in the article, "Study Links Medical Costs and Personal Bankruptcy":

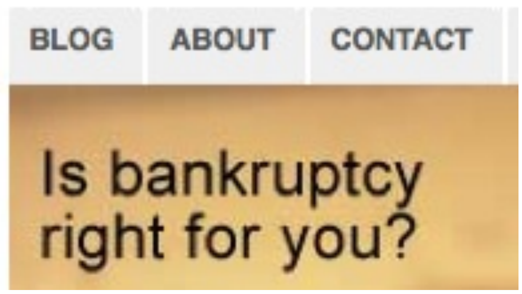
"Medically related bankruptcies have been rising steadily for decades.

In 1981, only 8% of families filing for bankruptcy cited a serious medical problem as the reason, while a 2001 study of bankruptcies...found that illness or medical bills contributed to 50% of all filings.

This newest, nationwide study, conducted <u>before</u> the start of the current recession...found that the filers were for the most part solidly middle class before medical disaster hit. Two-thirds owned their home and three-fifths had gone to college.

But medically bankrupt families with private insurance reported average out of pocket medical bills of $17,749."

What we are seeing is that relatively medium size health events are costing many thousands of dollars and forcing millions of us into the most extreme action when facing financial challenges. Bankruptcy.



Furthermore, it is written in the Bankruptcy Headquarters website:

"Medical bills can easily be thousands of dollars, and without insurance, many incomes simply <u>aren't enough to ever repay</u> the debt.

Nobody sets out in life planning on filing bankruptcy, but...For the majority of us that are living paycheck to paycheck, repaying a debt like this just isn't a reality and bankruptcy might be the best answer."

Startling Conclusion 3) The third and most incredible conclusion of the Harvard Study into medical bankruptcy is - are you ready for this - the vast majority of all medical bankruptcies are being filed by individuals ***who have medical insurance!!***

That's right.

8 out of 10 of us forced into filing for medical bankruptcy have insurance. We thought we were covered.

How could this be?

Two reasons - (1) Health insurance leaves you exposed; even though I have health insurance, I am always going to have to come out of my pocket to some extent (copays, deductibles, or the portion that my major medical cannot pay for); (2) when I get sick or hurt, I am going to be out of work and no longer earning income, yet my bills (as well all know) do not stop - bigger expenses, smaller income - huge problem.

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Medical Bankruptcy: Middle Class Families at Risk

by

Elizabeth Warren
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Dr. Elizabeth Warren fully explains the problem here:

"No family wants to file for bankruptcy.

Bankruptcy is an unmistakable sign of failure; an indelible mark that will be remembered long after the creditors have moved on and the court records have been archived...

Financial problems piled on top of health problems can be overwhelming.

For too many hard-working middle class families, a single diagnosis or accident can mean financial ruin....

Together, the work of many researchers strongly suggests that America is facing a crisis in health care. The current system for paying for medical care is bankrupting hard-working, middle class families...

According to economists, for every family filing for bankruptcy, another sixteen families are in serious enough financial trouble that they would benefit from bankruptcy if only they were more willing to file...

The families that file for bankruptcy are not concentrated among the chronically poor.

Instead, they are people who have been to college, who have gotten decent jobs, and who have bought homes and started families.

Most are wage-earners, although about one in seven has started a small business.

In other words, when measured by the most enduring criteria, they are our neighbors and friends, a sample of middle class and working class America.

Right up until the bills piled up or the time lost from work left them unable to cover basic expenses, most of these families never dreamed they would end up in a bankruptcy court...(have you?)

So each year, 2 million Americans -- those who file and their dependents -- face the double disaster of illness and bankruptcy.

But the bigger surprise is that three-quarters of the medically bankrupt have health insurance.

How did illness bankrupt middle-class Americans with health insurance?

For some, high co-payments, deductibles, exclusions from coverage and other loopholes left them holding the bag for thousands of dollars in out-of-pocket costs when serious illness struck. But even families with Cadillac coverage were often bankrupted by medical problems...

Bankrupt families lost more than just assets. One out of five went without food. A third had their utilities shut off, and nearly two-thirds skipped needed doctor or dentist visits. These families struggled to stay out of bankruptcy. They arrived at the bankruptcy courthouse exhausted and emotionally spent, brought low by a health care system that could offer physical cures but that left them financially devastated...

The problem is not in the bankruptcy laws. The problem is in the health care finance system and in chronic debates about reforming it. The Harvard study shows:

Health insurance isn't an on-off switch, giving full protection to everyone who has it. There is real coverage and there is faux coverage. Policies that can be canceled when you need them most are often useless...We need to talk about quality, durable coverage, not just about how to get more names listed on nearly-useless insurance policies.

The link between jobs and health insurance is strained beyond the breaking point. A harsh fact of life in America is that illness leads to job loss, and that can mean a double kick when people lose their insurance...Comprehensive health insurance is the only real solution, not just for the poor but for middle-class Americans as well."

If you think your health insurance is covering you, according to these Harvard studies, you could easily be one regular incident away from financial disaster and utter personal shame - as well as years of miserable memories.

Lead author of the Harvard Study, Dr. David Himmelstein of the Harvard Medical School, echoes:

“For middle-class Americans, health insurance offers little protection. Most of us have policies with so many loopholes, co-payments, and deductibles that illness can put you in the poorhouse.

Unless you're Warren Buffett, your family is just one serious illness away from bankruptcy."

The brutal obviousness of the need for healthcare reform is not just being endured by you, by me, by the Harvard research team, and millions of our fellow Americans. President Barack Obama has spoken enthusiastically on this piercing issue as well:

“Health-care reform is not a luxury. It's a necessity we cannot defer. Soaring health-care costs make our current course unsustainable. It is unsustainable for our families, whose spiraling premiums and out-of-pocket expenses are pushing them into bankruptcy and forcing them to go without the checkups and prescriptions they need.”

So now we know the problem.

Medical insurance is leaving you exposed. You have to come out of your pocket to pay the doctor’s bill if you are expecting medical insurance to cover you. Unless you are an outlier in this country, you have not pocket. Your monthly expenses have eaten your pocket.

Therefore, when you are shocked with the fact that your insurance is leaving you with a bill, you also have to deal with the pain and shame of giving up your assets or being forced into the financial failure of bankruptcy.

Thankfully, our income protection services solve this problem for you.

Copays or deductibles to deal with? Use your money from Income Protection Atlanta.

Have to pay the portion major medical does not? Use your money from Income Protection Atlanta.

Dropped from your insurance company? Use your money from Income Protection Atlanta.

Out of work, recovering, and have to buy groceries? Use your money from Income Protection Atlanta.

Have tens of thousands of out of pocket expenses? Use your money from Income Protection Atlanta.

Health insurance premiums rising too high? Use your money from Income Protection Atlanta.

Losing your job because of accident or illness and then losing your health coverage? Use your money from Income Protection Atlanta.

Hear this - we are always here with you. We keep your rates the same. We cannot drop you. We pay you directly. It is your money. No copays. No deductibles. Just money. We are your income when you don't have income and your insurance *because* you don't have insurance - even if you think you do.

So what exactly is Income Protection Atlanta?

Income Protection Atlanta

Income Protection Atlanta is our business. We have just learned all about the disaster of healthcare in America. We have learned people are (understandably) thinking that because they have health insurance they are covered. We have learned that these people are getting skewered.

Income Protection Atlanta is protecting its clients from this painful demise. The point is that tens of millions of us are skipping doctor's visits just so we don't have to look that bill in the eye and millions of us are biting the bullet only to feel the pitiful shame of filing for bankruptcy because the doctor's bill knocks us out the game.

Income Protection Atlanta's clients do not have to think about filing for medical bankruptcy. They have peace of mind.

How?

Income Protection Atlanta is unlike any insurance you have ever invested in. This income protection insurance pays all money directly to you, not to the doctors, not to corporations, not to other people. It's your money. That is big difference number one.

Big difference number two, we cannot drop you or raise your rates. Your health insurance and car insurance and drop you and raise your premiums. Not us. We keep you no matter what and you keep your same rate. We have never even adjusted for inflation.

The reason why you need income protection insurance is the same reason why you need any type of insurance. And you need insurance, don't you?

No matter what your business of life is, you need insurance.

Well, look, you may not *need* insurance, although it certainly helps and without it, you could get hammered, right? That's all I'm saying here. Consider this, we have home insurance, car insurance, business insurance, legal insurance, et cetera.

Why wouldn't we have health insurance? Well, we may *think* we have health insurance, yet...

Furthermore, we are insuring all of these external things - car, home, possessions - yet, how many of us are insuring the very thing that makes having all other things possible? *Our self!*

If you lose you home, *you* can get another. If you lose your car, *you* can get another. If you your possessions, *you* can get others. Yet, what can you get if you lose you?

Now, I'm not talking about life insurance, which pays us when we die, I'm talking about life insurance while we are still living, which pays us when we cannot work. The most important asset you have is yourself, isn't it? Your ability to work and earn income. Why not invest in protecting your number one asset? Why not invest in insuring the fruits of your labor and learning - your income?

I gladly invest in insurance because it covers me. Insurance is one of the most ROI positive, risk-reward positive investments in existence.

Think about it, a nominal routine investment for continuous peace of mind *plus*, when I do actually use my insurance, I get paid years worth of my monthly investment. Depending on the insurance, one incident could cover decades worth of my monthly investment. How many months of $40 bucks does it take to equal tens of thousands?

The issue is that unfortunately, we generally have the illusion that our health insurance is fully insuring us. Nope. We are only partially covered. Therefore, we still need insurance. This is a huge, huge, **huge** problem.

It may almost be better to have no insurance than to have insurance and think you are insured, because when you know you are not insured as least you know you are coming out of your pocket.

Simply put, my medical insurance leaves me exposed and I need insurance to get me covered fully.

To protect your income, your assets, and your pride, we are providing various financial products that pay you your money directly when you need your money most, such as our accident policy, hospital policy, disability policy, and *Cancer policy*.

Considering businesses are having to cut benefits in order to keep up with healthcare costs, Income Protection Atlanta can be a breath of fresh air because we offer income protection insurance as a voluntary employee benefit that is free for the company to offer!

For an overview of common needs and how Income Protection Atlanta is solving the need, look over the following table.

10 Needs for Income Protection and 10 Solutions Provided by Income Protection Atlanta

Your Income Protection	
Need	**Solution**
1. When you get sick or hurt and you are out of work, you need money to pay your bills, right?	When you get sick or hurt, your income protection pays you money quickly and directly so you can still pay your bills and cover your living expenses
2. When you need emergency money to pay for outrageous healthcare bills who are going to get money from? Friends and family? - Maybe, and they probably are strapped for cash too Loan? Not for medical expenses Paycheck advance? Maybe, and it probably won't be enough	Your income protection pays you the emergency money you need, with quick and direct deposit. Your income protection becomes your friends, your family, and your employer
3. Are you expecting Medicare or Medicaid? When you find medical insurance from the government to be worthless, how to you pay for your need for medical care?	Your income protection pays you money quickly and directly for your medical care - money you can actually depend on Since you are in need of medical insurance and the government cannot provide it for you, your income protection is here for you

Your Income Protection	
Need	**Solution**
4. Healthcare costs in America are among the highest in the world Harvard conducted a study that revealed 6 out of 10 bankruptcies are due to medical expenses and 8 out of 10 medical bankruptcies are filed by people with health insurance These medical costs are killing people financially because they are sharp and people are financially vulnerable You need to complete your insurance to make sure you are actually covered	Your income protection pays you money quickly and directly to make sure you have enough money to pay for your medical expenses when you get sick or hurt
5. You are living paycheck to paycheck, along with 9 out of 10 of us in America When a financial problem strikes, you are crushed out because you have no savings to protect you On average, when people file medical bankruptcy, their out of pocket costs for living expenses total $12k according to Harvard Do you have $12k ready to be consumed by healthcare? How many months can you survive without your paycheck?	Your income protection pays you the money you need to protect yourself when a financial problem strikes Your income protection *is* your savings, or at least a way to not give away your bank account for one measly unforeseeable accident
6. As the US government gets into more debt and makes more unfunded financial promises, you are going to have to pay more and more taxes to feed the Unfunded Liabilities Monster	Your income protection can be payroll deducted and give you much needed tax savings

Your Income Protection	
Need	**Solution**
7. The cost on businesses to provide you benefits is rising Your benefits are diminishing and financial support from your job is gradually being cut	Your income protection provides you with the benefits you desire from your job and the financial support you need for your life
8. For business owners, the cost of providing benefits and compensating your employees is rising You need great benefits to attract A-players away from your competitors, keep your team members from leaving you, improve employee morale, and increase employee productivity	Business owners absolutely love this income protection insurance because - it is free to offer It is an employee-funded, voluntary benefit Also, your business saves money on payroll taxes Therefore you vastly improve your team, save money, and do so for free
9. You have very little cash to spend Living paycheck to paycheck leaves very little money left over after mandatory spending such as car payments, mortgage payments, credit card payments, tax payments, food payments, water payments, and home maintenance payments eats their share - just like the US government. Since you have little money to spend, you must only choose purchases that are necessary or affordable	Your income protection is both necessary and perhaps most importantly, it is extremely affordable It would be a tragedy to find a service you want and need, only to find out you simply cannot afford it, would it not? You remember me saying that you can get your income protection for about a meal a week. Well, more specifically, $5-$10 a week gets you covered You can afford to protect yourself

Your Income Protection	
Need	**Solution**
10. You are starving for a little peace of mind. You are living on the edge and this has you on edge Paycheck to paycheck. Foreclosures. Bankruptcies. Inflation. Tax increases. Government irresponsibility. All of this financial chaos is disturbing your peace. You need trust and you need security	As Robert Kiyosaki's rich dad told us earlier, "Insurance is simply peace of mind." When you purchase your income protection, you are purchasing peace of mind Yes you are purchasing emergency armor to save your financial life, although you are also purchasing peace of mind - that pays you dividends of trust and security right away and throughout your life That is the main reason why I love income protection - I get the benefit right now and for the rest of my life

Simply put, the need is - money - because costs are out of control and money is tight; the solution is - money - and that is exactly what we provide.

You know who Income Protection Atlanta is, you know what income protection is, you know what needs are pressing you right now, and you know the solutions income protection is ready to provide you right now.

Now, you need to know how you can get your income protection insurance and purchase your peace of mind.

Where and How to Get My Income Protection Insurance

At the very beginning of our journey we learned that I live in Atlanta, Georgia. This is where Income Protection Atlanta is based.

If you are in Georgia, we can provide you your income protection quickly and easily. We can provide your employees with their benefits, quickly and easily.

We provide income protection insurance directly for individuals and as an employee benefit. The best way, for greater ease and financial gains, is to receive your income protection as an employee benefit through your company or business, although you can get your income protection directly if you like.

Since I know you are wondering how it is we set you up with your income protection through your company in Georgia, let me quickly outline the procedure for you.

Our procedure is as follows - we bring your favorite food for lunch while you are at work; we do a short presentation for you and your coworkers; we set you up with the type of protection you feel best fits the needs of yourself and your family. Your monthly investment is deducted from your paycheck, saving you and the business on taxes. Plus, you receive a deal (about 40 percent off) that our clients who get their protection directly cannot receive. This is exclusive.

What if I want it purely for myself and not through my company?

If it works best to work directly with you rather than your whole company, then we are glad to do so.

What is most important is that you are protected.

Finally, although our team operates in Atlanta, Georgia, we are happy to connect you with a qualified professional wherever you are living in the United States.

For a free income protection quote or to schedule a time to meet, simply contact me (Jelani) or Doug, or fill out your request form on our blog. Be sure to let us know you heard about us through the Unfunded Liabilities Monster:

Jelani Asar, Sales Agent and Internet Marketing Manager:

Subscribe to our email list for quick solutions - Subscribe to our newsletter
Email - incomepa@mail.com
LinkedIn - http://www.linkedin.com/pub/jelani-asar/2a/8a0/577
Red Beacon - http://redbeacon.com/s/jelani-asar
My City - http://www.mycity.com/memberProfile/73638/
Twitter - http://twitter.com/#!/incomepa
Better Networker - http://www.betternetworker.com/members/incomepa
Facebook - http://www.facebook.com/profile.php?id=100000094970591

Doug Misch, Sales and Hiring Manager:

Email - douglasmisch@gmail.com

So, now you know all about our income protection services and you know exactly how to protect yourself from the Unfunded Liabilities Monster.

As an added bonus, I have interviewed some members of our team because they have extremely important stories regarding people's financial needs, as well as how our income protection has solved problems for them.

Some of these stories may shock you. I say they *may* shock you because most people suffer in silence and I imagine there are more people who have felt similar pain and simply do not show it. In other words, you may be familiar with what you are about to read, perhaps all too familiar.

Interview with an Income Protection Atlanta Team Member

Here have Doug Misch.

Doug is our Sales Leader and Trainer and has four years of experience in this business of income protection insurance. Doug was a Pastor and has a wellspring of heart energy as well. I can tell you first hand that Doug understands what value of human capital. Doug has been relentless in training me to be as successful as possible in providing financial solutions. His willingness to cater to your needs is palpable and breeds tremendous trust.

Doug has enrolled hundreds of businesses and thousands of people with income protection. He has seen people's needs and real financial pains.

Listen to Doug tell his shockingly painful yet very real story of income protection insurance in action.

Jelani Asar: Well alright alright alright alright. Here we are, this is Jelani Asar with the Unfunded Liabilities Monster and here today we have an interview with Doug Misch.

Doug is the Top Sales Leader for Income Protection Atlanta and his business is income protection - a dire need during these financial times in this economy, and a great desire right now - just the peace of mind.

So we're going to go through some of Doug's ideas on the need for income protection right now. As well as some of his stories of how his service, his solution has actually been able to be there of people, not in the way that, say the government for example, is making promises yet not able to assist people.

So, Doug how you doin?

Doug Misch: Good, how are you Jelani?

JAsar: I am *awesome.* Awesome awesome. So, let's just first start off with what your ideas on the need for income protection are right now. What are you thinking?

DMisch: Well wonderful, sure thing Jelani. Basically, when it comes to income protection I guess we have to start with the basics. And when we look at the basics, you've got to look at the US economy.

Looking at the US economy we can see a few things that show the need for income protection. For instance, most financial planners say that you should have about six months worth of income saved in an emergency fund. I don't know about you Jelani, but I'll tell you right now, I don't have six months worth of income just saved up. For income protection.

So if you look at the amount of people in the United States who actually do have that kind of emergency fund stored away, you're looking at five to ten percent conservatively.

I would say probably ninety percent or more of people, *do not have that kind of money stored in their savings.*

So that's one issue.

The other issue is, most Americans live paycheck to paycheck. Now for people who are married, the issue is even worse, because we as Americans tend to spend up to our means.

So what happens is, if you've got two people that are married and they're living on two incomes, if *one* person gets sick, or *one* person gets hurt - it kinda screws up the whole gameplan; because, if you need both incomes to survive, and you're only living on one, that's an issue.

Also for single parents, it's even worse, because - they're the only breadwinner. So if they get hurt, they get sick, something happens to them, they need surgery, if they're disabled, et cetera - there is a huge huge issue.

So that's, that's basically where we're at, in America. Financially, we're in trouble.

So, the kind of protection that I sell and that I try to provide - it helps to eliminate those problems. What we do with Aflac Atlanta is we make sure that if a policyholder is sick or a policyholder is injured, that they have money coming in from Aflac to pay their basic bills.

So, a lot of people think Aflac is health insurance. That's not what it is, haha. It is income protection.

Protects your income. Pays cash directly to the policyholder so that they can take that money and they can do whatever they want with it.

Now another issue that we're dealing with now is - medical insurance - is, just, *another problem*, because every year, the premiums go up.

JAsar: Yup.

DMisch: And you know, twenty or thirty years ago if you had a full time job you could expect to maybe not even have to pay out of your pocket for premiums, and there may not have been any copays or deductibles back then. But now, you have to pay money out of your pocket for your premiums and it just continues to go up and go up and go up.

So businesses cannot afford to provide the kind of coverage that they used to be able to afford. So you've got that issue as well. So now, people have high deductible plans and they're even more strapped for cash.

So if you get sick or you get hurt, not only are you going to have to pay for your extra out of pocket medical costs that you've got to deal with, but again, you've got to continue to pay your mortgage. You've got to continue to pay your rent, your car payment, your groceries.

Those issues never stop.

Those continue to come in. Month after month after month.

So if you're unable to work, you're kinda in trouble.

JAsar: Right, haha.

DMisch: You know. So, I think it's a pretty clear need for income protection. At least in my eyes. And most people, when I talk to them and they realize that, they agree.

It's not something that people understand. They, they get it. And they know, that for the most part live paycheck to paycheck, if there is any kind of financial challenge in their lives, they're in trouble.

So yeah, there you go.

Does that make sense *to you?*

JAsar: It makes plenty of sense. It makes, total sense. I mean, it's kind of crazy because I feel like, in general we are just living on the edge. It's analogous to a situation where you know someone who is doing something extremely risking, yet they're just blocking the risk out of their mind, and then as long as they can keep doing that - well then it's all peachy.

Yet, they're not leaving themselves, *any margin of error*. They have their own mistakes to leave room for *and* they have the environment. So, if just the environment causes a little bit of challenge, they could be done. They could be done.

And it's so interesting because it seems like this is the norm. Like this is the culture here, like this is the thing to do.

It's kinda nuts...

So you provide solutions to this. You are a solution provider.

So, share some of your stories of successful solution providing.

DMisch: Sure, absolutely.

I've got three stores I'm going to tell.

The first one is about a small business owner. This was in Ohio.

JAsar: That's where you're from right?

DMisch: Yes, that's correct. He bought an accident policy for himself and his family a few years back. Never thought he'd have to use it. He just thought, "Ya know, this is something that - you never know - you never know if you have to use it or not."

So, he bought an accident policy. And the situation he found himself in - again, not thinking he'd ever have to use it - he was with his friend in the car and his friend was driving and they got a flat tire.

They were on a major highway, so they had to pull over to the side of the road. He was changing the tire - on the front drivers side of the car and he was exposed to traffic because they had to pull over to the right side of the road.

While he was changing his tire, there was a woman driving a car and she wasn't paying attention. She was texting and driving. She slammed into him. Pinned him between her car and his friend's car.

Basically what happened to him was he lost one of his legs and the other leg he had to have several surgeries on.

So *after* his medical insurance kicked in, he still owed a little over $17,000 out of his own pocket for his medical expenses.

You know, most people think, "I have health insurance, it's going to cover me and I'm going to be fine." And obviously medical insurance is extremely important, but it doesn't cover everything.

So our business owner collected a little over $35,000. So what he was able to do was take seventeen of it and pay off his medical bills. Then he had a little over eighteen to pay for, you know, those other expenses that you don't think about when something happens - again, your rent, mortgage, car payment, utility bills, groceries, et cetera.

So he was able to live on that money for a few months before he was able to get back to work and run his shop again.

So that's how income protection works.

JAsar: And you have another story?

DMisch: Yes, the second story I've got is about a woman - this is not as catastrophic.

She had short term disability.

She twisted her knee while she was walking to her car, in Ohio (lots of snow and ice) and had to some some surgeries on her knee.

She had disability protection and basically what that does is pays you and replaces your income while you are not working.

So she was out for five months and collected her checks and she was able to continue to pay her bills while she couldn't work after the surgery.

So that was a good thing for her as well.

The last story is about someone that I used to work with when I was again in Ohio. She was the State Administrator at the time and she had urged her mom to purchase a Cancer policy.

And again, the Cancer policy pays you cash if you have Cancer.

So her mother bought the Cancer policy and covered herself and her husband with it and never thought that her husband would get Cancer because Cancer ran on *her* side of the family, not his.

Well, her husband got Cancer so thank the Lord that she got coverage on her husband as well.

And he went through an extensive Cancer treatment - 10 months.

They collected about $81,000 on that Cancer policy.

He didn't make it, but what that allowed the family to do was not have to worry about their mortgage, basically.

They took that money and they used that money how they needed and it allowed that family to spend time together and say goodbye to the father.

JAsar: Wow.

DMisch: So, you know, income protection doesn't fix everything but it certainly does help. What the woman said was that it gave her peace of mind and allowed her to spend time with her husband and say goodbye.

So those are my three stories. Three different types of income protection. Three different ways that people use it.

Now, another great way to use income protection is for young families who are having a child. I've seen young families be able to get money where normal coverage wouldn't help them. They have had for example, babies who have been in the natal intensive care unit - *that* is an expensive bill.

Just seeing families at least have the money to pay their bills and make it through because, you know, if you have a child going through something like that - who's brand new, just born into the world - where do you think the parents are going to be?

They're not going to be at work. They're going to be with their child as much as they can.

So that's just another way income protection helps people.

JAsar: Wow. Well, we know that time continues and every second is another second of risk for something to happen. We know that savings are non existent. We know that the various debts and deficits of the US government are increasing at incredible rates. We know that unemployment is growing.

So how do we get in touch with you?

You're in Atlanta right now, right?

DMisch: Yes, that's right.

JAsar: So how do we get in touch with you? How do we get our income protection as soon as possible?

DMisch: Well there are a few ways you can do that. You can contact me personally on my cell phone at 217-710-1227. Or email me at douglasmisch@gmail.com.

JAsar: Awesome, well thank you very much Doug.

DMisch: Thank you Jelani.

JAsar: Alright, well this is Jelani with *The Unfunded Liabilities Monster*. Cya.

The Monster is Gobbling the Unprotected...Fight for Your Life!

Now here's the thing, the ULM is just exacerbating the need for income protection. As we learned earlier, all types - rich, poor, middle class - can be eaten alive by the Monster. It all comes down to the chaos.

The chaos is happening right now, isn't it? Are you experiencing - higher gas prices (inflation), higher food prices (inflation), higher taxes (taxes), higher interest rates (government debt crisis) or job threats (collective fear)? If so, then you are feeling and experiencing the mark of the Monster.

The problem is not the Monster. The Monster is the manifestation, the reflection of widespread radioactive financial mutations that have been occurring in this country. The radiation poisoning is sure to last decades and the effects are being felt daily. The Monster is simply the wonderchild of this poisonous financial environment.

If you are nearing retirement and looking forward to social insurance, what will you do if it is not there? Or not enough? Then you will have to keep working and if you get sick or hurt and cannot work - now what? Doesn't your income drop? Isn't that a risky situation?

If you are young, what will you do if your taxes are doubled or tripled in order to care for the boomers? Or your dollars are devalued in order to pay for the debts to the boomers? Or your healthcare costs doubled simply as a result of a disordered healthcare system? Or your job outsourced or swiped from beneath you as international players and millions of boomers are squeezing into the marketplace? Then you will be severely strapped for cash and time and if you get sick or hurt and cannot work - now what? Doesn't your income drop - even more? Don't you have a doctor's bill to pay? Isn't that an undesirable and risky situation?

It just seems that having my income protected is a no brainer. It is ROI positive. Little risk. Much reward. Plus, I don't like what can happen by not investing in my security. I like my security and peace of mind much better. Don't you?

The Next Step: Advancing My Methods of Income Protection

Ah, protection and peace sure does feel good.

Step one is to protect your income and insure your earning power. Once you have your base earnings protected, next it is time to protect your financial life by growing your earnings and protecting your dollars from the Federal Reserve.

We are going to touch three ways we can all protect our incomes right now (Yes, even though 9 in 10 of us are living paycheck to paycheck and many of us have been forced to downgrade our living style).

Security Source 1 is investing in gold and silver to protect your dollars from the tax of inflation. Silver Saver.

Security Source 2 is investing in whatever you choose to invest in - through your IRA, thereby saving you big-time on taxes. IRA Lending.

Security Source 3 is investing in land to protect your money from inflation and your quality of life from the stresses of living in a society disintegrating under the pressure of decades of bad financial decisions. Reid L. Rosenthal.

Security Source 1 - Silver Saver

Silver Saver is a magnificent service.

Before we go into the incredible value of investing in silver in this economy, let us get a brief overview of Silver Saver (or you can watch this video).

What is it? Silver Saver is an automated way for you to invest in silver. As you may gather from its name, the thought behind Silver Saver is - rather than putting your money into a savings account, where you receive basically no return from interest and where it is food for inflation, why not put that same money into silver, where you receive great returns and where it is protected from inflation?

Every month, at least $50 is transferred from my bank account into my account with Silver Saver. My account with Silver Saver consists of silver - coins, bars, bricks. My silver is stored in a vaulted, secure storage facility named First State Depository in Kansas. When I want my silver in my hands, I just make the call or even easier - make the click - and have however much of my silver delivered directly to my door. When I want to turn my silver back into dollars to use for purchases or take profits, I simply make the call or the click and my silver is switched into dollars for me.

That's it.

Silver is security. Silver Saver is an easy way to protect my money and earn on any appreciation of the silver as well. Nearly nothing changes. My money is still going into an account and I can take my money out when I need to. The only main difference is that now I am protecting and growing my money, rather than losing my money.

The problem is that when the Federal Reserve Bank prints more money, all or our money loses more value. The value of the dollar has dropped by over ninety cents over the last century. This is why I am losing the money in my savings account. Every bundle of dollars the Fed prints is a bundle of dollars lost from from savings.

More dollars is more inflation, higher gas and food prices, and less value for my money. Again, every dollar I leave in my savings is eaten away by the Federal Reserve's floods of money printing, quantitative easing, and bailouts - inflation, inflation, inflation. On the other side, every dollar that I have automatically switched to silver is saved and grown.

Now a word on silver.

Silver has been rocketing upwards recently. The main reason is that it has been money for thousands of years and a symbol of financial security for equally as long. Right now, people are scared stiff, and their wallets are equally as stiff. Silver is security.

Plus, during times of inflation, the people - the smart people - have always gone out of the paper money and into the metal. The reason is because the metals tend to hold their value while the paper deteriorates. To put it simply, as the dollar goes down, prices go up and your silver goes up.

The more you silver your save the safer you become, the more silver you save the safer you become.

Plus, since the silver saving process is automated and carried out at set time intervals, the longer you are living, the more you are winning, the longer you are living, the more you are winning.

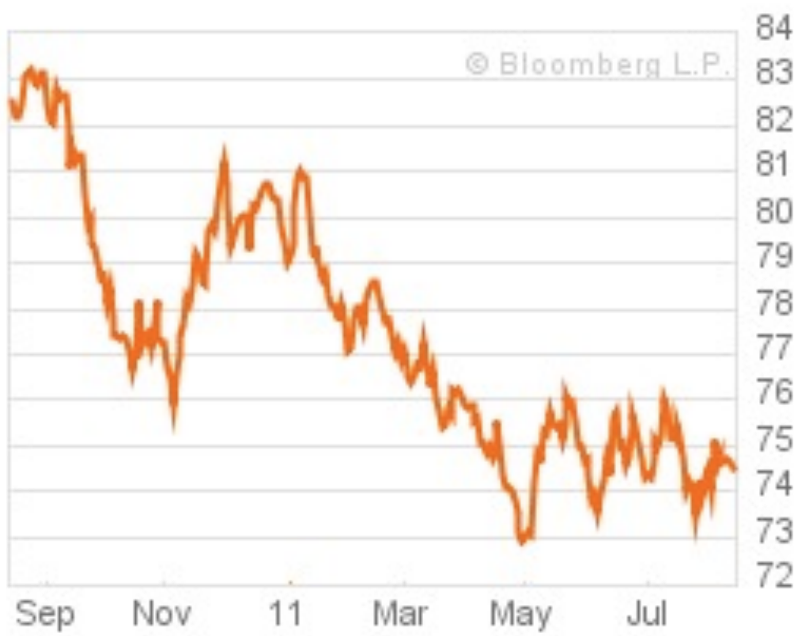
The less your invest, the more you are losing. The more dollars you have, the more you are getting taxed.

Basically, if you have your money in dollars as we move forward in this economy, you will be losing your money. If you have your money in silver, you will be keeping your money and very likely, growing your money.

Look at the following charts for illustration. Dollar down. Silver up. Money down. Money up. Which do you prefer?

Money down.

Dollar Value - 2010-2011:



Or Money Up?

Silver Value - 2000-2011:

To illustrate the money growing potential of saving in silver, know that at the time of this writing, since this time last year silver has doubled! Every percentage point that your silver appreciates by is automatic gain for you. Is it not? You like that don't you?

Robert Kiyosaki comments on this awesome opportunity:

"Most people think saving is smart. One of the things my rich dad told me years ago is that savers are - losers.

Now I know this goes against the grain of what most people tell you. You know, 'save money, save money, save money.'

One of the reasons we have so much economic volatility today - high gas prices, high food prices, stock market booms and busts, housing values going down - all can be attributed to [excess money printing]...

We do not subscribe to the idea of being a saver. *We* think it's more important you learn to be an investor.

For example, if you had invested in oil ten years ago, you'd be rich person today even though savers are losers. If you had invested in gold [and silver] you'd have been a lot better off...

So if you want to get ahead, you need to not be a saver, but learn to be an...investor...

Repeat after me - caaaash isssssssss *trash*...

So all of you savers out there. People trying to save this trash - you're going to lose, big-time."

Yes. And this is why I specifically like the Silver Saver company.

I like Silver Saver because I know I would be investing in silver anyway, so for me it was just a choice of with which company. I like that it is so easy. Investing in the metals can become unnecessarily complex. Silver Saver is so easy for me. I like how automated it is. Rather than having to manually invest every so often with another company, my investing is automated. I like that my silver is stored in the United States.

It's easy. It's automated. It's safe. I'm on the winning track.

Now, as I was saying, investing in the metals can become unnecessarily complex and you may find when researching the nuances that if you are the type to have your silver with you, there may be better deals than Silver Saver.

Personally, I do not know how to store my silver, where to store my silver, how to protect my silver, how to travel with or transport my silver - generally, I do not know how to manage my silver when it is in my home. Therefore, I am more than happy to have the experts with Silver Saver and First State Depository manage all of this for me.

Again, if you prefer to keep all of your silver at home and manage it yourself, then there may be better options for you. If you prefer to have your silver in secured storage and managed for you, then Silver Saver may be just what you need - as it is for me.

Savers are losers. *Silver* Savers are Winners. Period.

For more information on protecting your money with Silver Saver, watch this video.

By the way, here is perhaps the most amazing quality of Silver Saver - it is available as an employee benefit!

In the same way that your income protection insurance through Income Protection Atlanta is a voluntary employee benefit, so is Silver Saver.

What does this mean? This means that you can have your silver savings account set up through your company and by doing so, you get a deal on your silver that no one else can have. It's exclusive. An exclusive deal. Just for you.

The main reason why companies will offer their service as a voluntary employee benefit is so they can serve more people. It is much more easier and more efficient to serve a group than one individual by one, isn't it? It is much easier and more efficient to serve 1000 people as a group than 1000 people one-by-one, isn't it?

The main reasons why companies offer these voluntary benefits is because - (1) they are free to offer, (2) some can save everyone tax dollars, and (3) their employees get a deal on the service.

By getting your Silver Saver as an employee benefit, you are basically getting your silver at wholesale, while everyone else has to pay retail.

I do not know of *any* other silver investment company that is offering this rare and innovative opportunity.

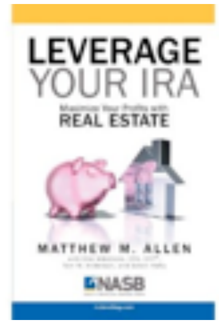
The employee benefit is the security blanket. Silver is safety and sound money. The Silver Saver employee benefit is the security blanket under which your money can rest safe and sound.

For more information on having Silver Saver as your employee benefit or as a benefit for your employees, click here. When you have found what fits and are ready to move forward, simply enter this code when you are signing up - **SNS4J** - so that Silver Saver knows that Jelani has sent you.

There are two more ways to protect your income and provide for your financial future.

Security Source 2: IRA Lending

We learned earlier that I interviewed Matt Allen, the Director of IRA Lending for North American Savings Bank (NASDAQ: NASB). Matt is in demand as a public speaker and recently authored *Leverage Your IRA: Maximize Your Profits with Real Estate.* Matt's expertise is using your IRA to boost your investment income.



Matt specifically champions a particular type of IRA loan named an IRA 'non-recourse loan'. Basically, this type of loan allows you make a purchase - say for real estate for example - and protect yourself from creditors seizing your assets as collateral.

During the interview Matt tells us that he has been seeing an explosion of demand for these types of loans because people are seeking greater return on investments and greater security than they would get from the typical stock or mutual fund.

Plus, consider this - suppose we experience a market crash or even a major dip, just as we did when our national credit rating was downgraded the first time, what happens to your portfolio of mutual funds and diversified stocks?

With Matt's service, people are investing in real estate for cashflows, starting businesses, and purchasing land - which are all growing tax-free in their IRA.

Considering the need for income protection in the face of the Unfunded Liabilities Monster, the need for financial individualism through investing as taught by Robert Kiyosaki, and the need for tax savings in the face of a fiscally irresponsible government - you could find leveraging your IRA to be just what you need.

For more information on Matt Allen and IRA lending, read our interview between ULM and Matt Allen.

Matt is also offering fans of the Unfunded Liabilities Monster a FREE copy of his beautiful, hard-cover book - *Leverage Your IRA* - only when you contact him and let him know Jelani and the ULM sent you.

Contact North American Savings Bank: 800-677-6262 [ask for Matt Allen, say you were sent by Jelani to be sure you will be taken care of]

We just learned that people are purchasing land through their IRAs. This is particularly significant because of another man I interviewed, name Reid L. Rosenthal. Reid is an accomplished author and his expertise is investing in land.

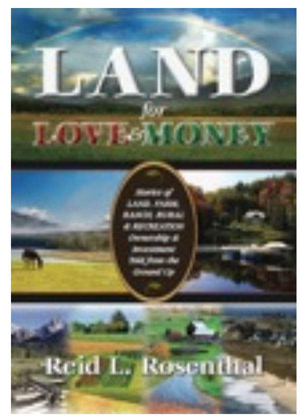
Security Source 3: Reid L. Rosenthal

Reid has land ownership, cattle raising, and American entrepreneurialism flowing through the branches of his family tree and into the veins of body.

Reid is well educated on the underlying problems as well as the intricacies of the American financial meltdown.

Reid is passionate about the financial meltdown because he is certain that to the extent that we Americans understand the macro economy, we Americans can change our personal economy. Reid also hosts a popular radio show on these issues, named 'On the Right Side'.

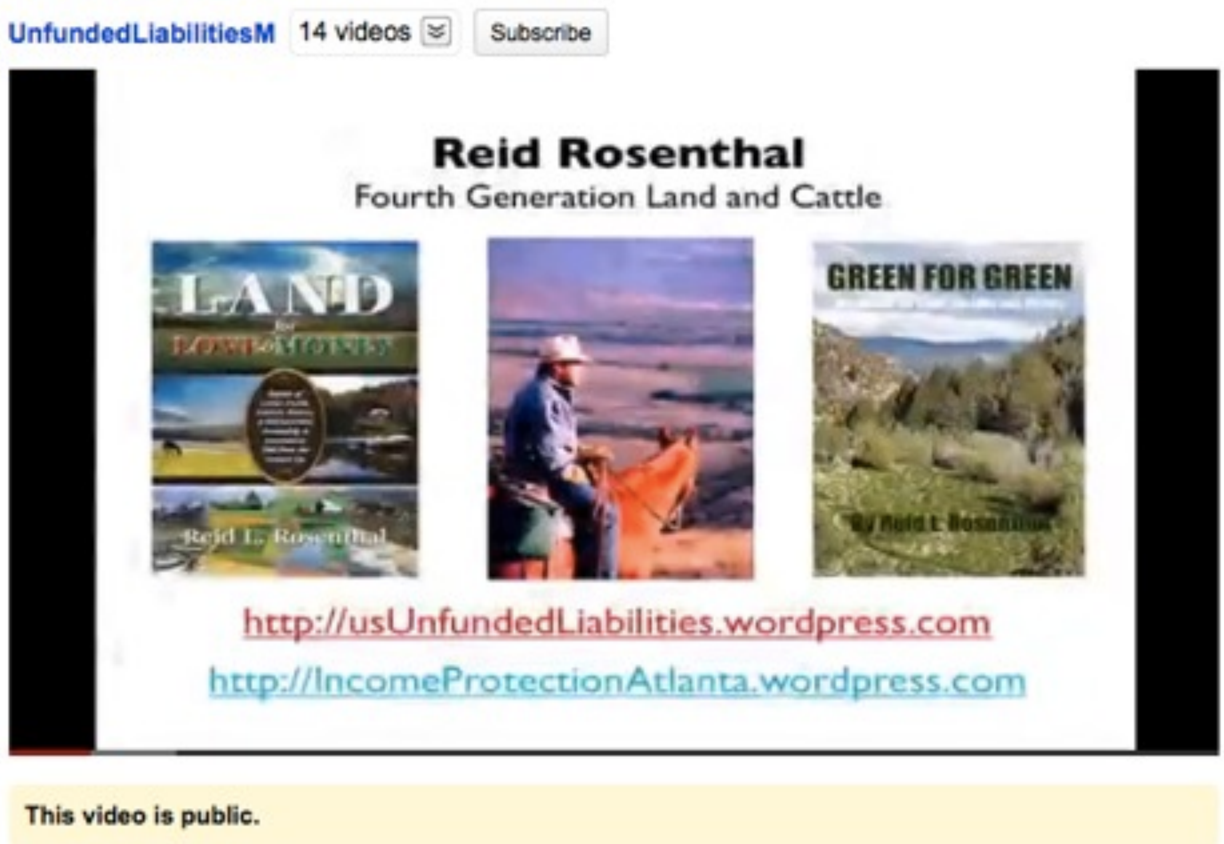
Reid's position is that you need to be investing in land - even if only a small section - for two reasons, for love and money.



Reid writes in his book *Land: For Love and Money* and accompanying workbook *Green for Green* that when there is financial instability the most profitable goods are tangible assets (and what is more tangible than the land itself?) and when there is personal insecurity the openness and beauty of land is the perfect cleanser of your spirit.

As with your silver, the more the dollar goes down, generally, the more your land goes up.

For more information on Reid Rosenthal and land investing, click here to listen to our interview between ULM and Reid L. Rosenthal.



Chapter Thirteen

My Financial Self-Sufficiency

A Solution: Taking Care of My Own Financial Success

Ever since I began learning about the financial meltdown, I wondered if a simple solution would be for each individual to develop more financial skills. I *say* 'simple', although this transition may not be easy. So far, it has not been easy for me. Yet it is certainly rewarding and certainly fun. To say the least, I would not have it any other way - at all. I love developing my financial skills.

I imagined, what if people suddenly started learning how to build wealth and manage their money with top notch ability. How long could the financial chaos last then?

This idea grew even stronger in me when I noticed the parallels between the financial problems of the government and the financial problems of the people.

They are a reflection!

No savings, no savings. Big debt, big debt. Living beyond means, living beyond means. Over consumption, over consumption. Reliance on other people's money, reliance on other people's money. Living on the edge, living on the edge. Little back up plan, little back up plan. No protection, no protection.

Curious to see if this was a solution popular amongst expert economists, I researched. To my delight, I found that this solution of personal financial success - is popular. Numerous experts have echoed this idea:

1. When I interviewed Reid L. Rosenthal, author of *Land: For Love and Money*, I asked him to what extent building personal power and my own financial skill would be a solution to the meltdown and he responding by saying this is "the key."

2. When I interviewed Jim Bacon, author of *Boomergeddon*, I asked him what his solutions are and for the next ten minutes he listed various solutions - all of which entailed simply taking care of your own life.

3. Peter Schiff, the popular economist we met earlier, President of Euro Pacific Capital, author of *How an Economy Grows and Why It Crashes* said in 2007 before the meat of this financial meltdown:

"I think [this recession in 2008] is going to be pretty bad...and I also think it's going to last, not just for quarters but for years.

You see, the basic problem with the US economy is we have too much consumption and borrowing and not enough production and savings...

Rather than the recession being resisted, it should really be embraced because the disease is all this debt-financed consumption. The cure is that we stop consuming and start saving and producing again...and sometimes the medicine tastes bad, but you know, you gotta swallow it."

4. Gerald Celente, an economist who has become popular because of his willingness to push the barriers and be controversial, and the founder of the Trends Research Institute says:

"America could go back to the greatness that it was if it goes back to quality.

If it goes back to Main Street. Not Wall Street...You know in *Trends Journal* we write about the '20 Percent Solution'. 20 percent of the people will buy quality...20 percent of the people won't eat corporate crap...20 percent of the people *think for themselves*.

We move that 20 percent in a focused direction - we'd get an America far greater than we could have ever imagined."

5. The team behind IOUSA - the documentary we learned about earlier - put together an event named 'IOUSA Live', where David Walker, Peter G. Peterson (former US Secretary of Commerce, former CEO of Bell & Howell, one of Forbes 400 Richest Americans - $2.8b in net worth), Warren Buffet (world's wealthiest in 2008), and two other savvy gentlemen gathered to address problems and solutions regarding the American financial chaos. All in front of a live audience.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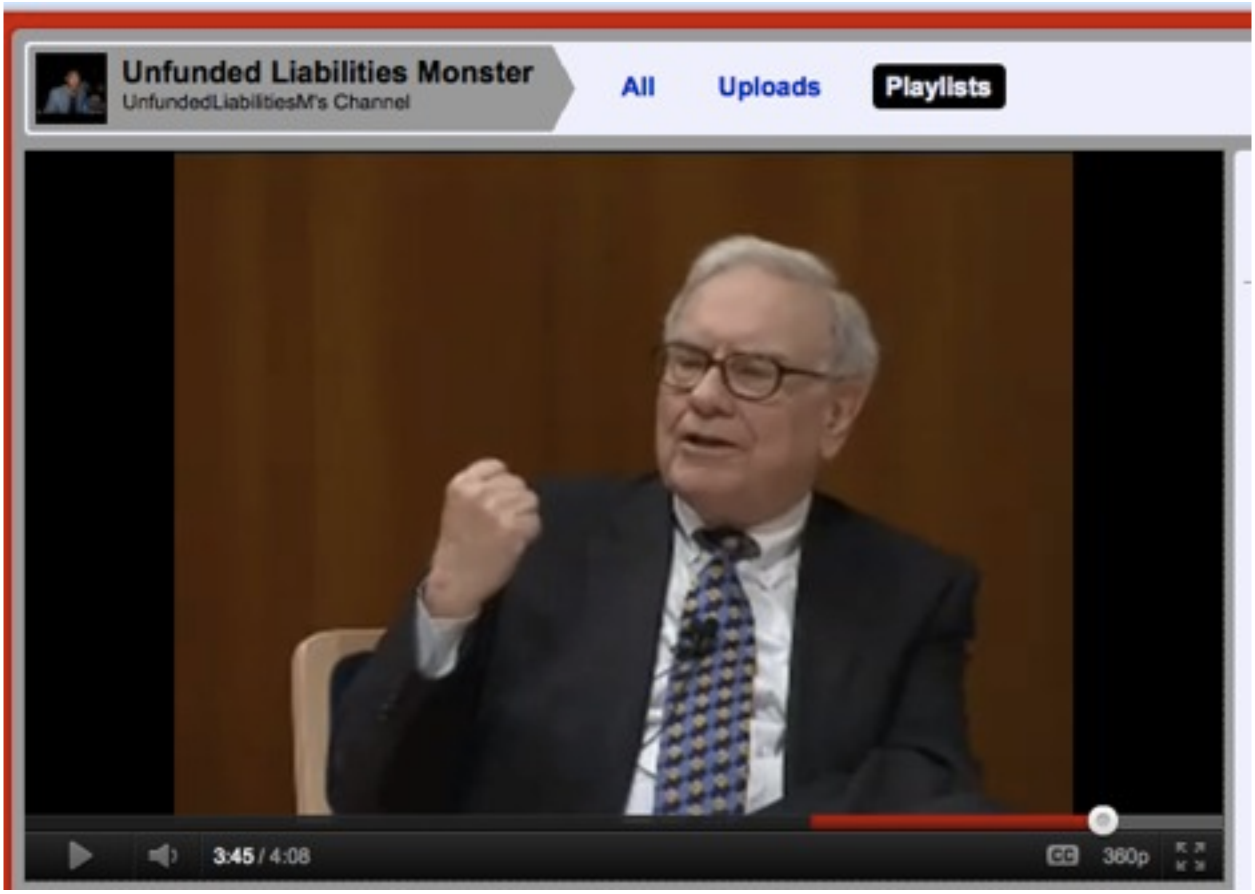

(This is an inspiring and insightful video. It is also short. Click here to watch this video on the Unfunded Liabilities Monster Youtube Channel)

During the event, the arbitrator in the red vest chooses letters sent in or people in the audience to submit questions to the panel and the panel then answers.

When the question sent in is, “Is there anything the average American on the street can do to change any of this?”, the interesting answers are as follows:

“[1] The average person in this country can really take care of his health or her health and the health of their family. That is the single most important thing that we can do.

[2] There’s another thing that you, we all have to do...we have to stop expecting the federal government to insure against basically anything bad that happens.

[3 - David Walker] Well first we have to recognize that *government* has no money. Government *taxes*, takes a haircut for administrative expenses, redistributes income, buys some things...but it *has - no - money*. We have the biggest taxation without representation going on now in the history of this country. We are spending more money than we make and we’re expecting our kids, our grandkids, and generations unborn to pay the bill...We have to reject the *b.s.* and the nothing-type of solutions...

[4 - Peter G. Peterson] The one most important thing that has to happen is the public has to get educated, our kids have to get educated, and then they have to get involved...And the second thing they have to do is start saving more...

[5 - Warren Buffet] *I would say that he most important thing - the most important asset that...you have or I have - is ourselves. Developing your own potential.* [You] are in a wonderful place (America) and [you are] lucky to be born here. And the important thing is that [you] develop your potential - whether it's communication skills, any kind of talent...I don't care if the currency is seashells or anything else, if [you're] the best in...any given profession or among the top ones, [you'll] do fine in this society. So, I would say, go to work on [yourself].

6. When I interviewed Matt Allen, author of *Leverage Your IRA*, he said, "I'm not planning on Social Security being there. I'm relying on my own due diligence."

It really does seem that one of the best all-around solutions would be for each of us as individuals to simply focus on improving our own financial positions. If the government is broken or the job market is broken, then perhaps this is the perfect time to go back to you roots as an entrepreneurial American.

Maybe if we individually take care of our money, the government will follow our good example. Besides, in an individualist society, the *people* lead and the government follows.

Part Five

Deja Vu, The Unfunded Liabilities Monster

Chapter Fourteen

The ULM

Unfunded Liabilities?

What you have learned in this report.

You have learned there is an Unfunded Liabilities Monster.

You have learned that the Unfunded Liabilities Monster consists mainly of Social Security, Medicare, and Medicaid.

You have learned that tens of millions of Americans are depending on these programs for financial support in the time they need it most - when they are most short of funds and when they are elderly.

You have learned that the government has been promising these tens of millions of Americans financial support, although the government simply does not have the money it is promising. The money these people are expecting is simply not planned to be there. The government is promising to pay over $110t as these people age over the coming years. You have learned the government has none of this money set aside.

You have learned that the Unfunded Liabilities Monster is a massive terror in a string of financial irresponsibility that the government has been weaving suicidally for decades. You have learned that the US government has nearly 1 dollar of debt for every 1 dollar of economic production. You have learned that the government has nearly 120 dollars of obligations and debt for every 1 dollar of revenue.

You have learned that we need to reform the system fundamentally.

You have learned we probably will not reform the system, perhaps at least not until we taste the pain of total financial meltdown.

You have learned our defense program, homeland security, public education, national parks, infrastructure, and NASA program could all be cut.

You have learned taxes could explode, the entitlement programs could be bankrupted, we could default on our debt, and we could have hyperinflation.

Individualism in the United States

What you have learned in this report.

You have learned that there are only two people in the world, with regards to political and economic philosophy - (1) collectivists and (2) individualists.

You have learned that collectivists value the group before the individual and see the government as the all powerful representation of the group.

You have learned that individualists value the individual before the group and see the government as the representation of the all-powerful individual.

You have learned the United States was founded on individualism and individualism is interwoven in America's ascent to global economic supremacy.

You have learned that the growth of government influence and the people's dependence on social insurance and social welfare mark a dangerous decline in individualism and the expansion of collectivism.

You have learned to what extent you are an individualist and therefore to what extent you are actually not contributing to the transformation of the once thriving and equal-opportunity America into the collectivist, big government, wealth-gap America.

You have learned that a simple solution to the negative financial effects of collectivism that we have been experiencing is to develop financial independence and become ever more a financial individualist.

Your Financial Response

What you have learned in this report.

You have learned that the incentives to develop your financial self-sufficiency are numerous and inspiring - your own financial power, your own financial choice, your own financial control, your own financial security, your own financial independence.

You have learned that depending on your entitlements - Social Security, Medicare, Medicaid - is not wise, simply because they are likely to either be insufficient or not even exist.

You have learned that financial individualism entails increased independence of financial support from the government or the company - anyone other than yourself.

You have learned that the skills of financial individualism dwell in the realms of business and investing.

You have learned that insurance is a vital investment and a top priority to live the financial life you desire, or at least a life of financial security.

You have learned you can insure yourself and protect you income quickly and easily by working with the company Jelani and his teammates combine to form - Income Protection Atlanta.

You have learned that when you get sick or hurt income protection insurance pays you money quickly and directly so you can still pay your bills while you are out of work.

You have learned the income protection from Jelani and his teammates can armor you against the Unfunded Liabilities Monster and bring you much needed peace of mind.

You have learned you can learn more about Jelani and his teammates' income protection services by going to http://IncomeProtectionAtlanta.wordpress.com and subscribing to our email list, because we can solve your income protection needs with great ease this way.

You have learned that ways to advance your income protection include using the three security sources - your silver, your IRA, your land.

You have learned that Savers are losers. *Silver* Savers are Winners.

You have learned that the key to solving this country's financial problems on the national level and the personal level is for each individual to develop their financial self sufficiency, protect their income personally, build their riches personally, and live the life of their choosing - because after all, we are a group composed of *individuals* and each individual's personal financial success is necessarily a part of the whole group's financial success.

You have learned that tens of millions of us are in the Dead Zone. Running out of time. Running out of money. Running out of the desire for freedom. Running into a tortuous 'life' enslaved to the chains of suicidal financial plans and the utter dependence on others that results.

You have learned that I came into this knowledge because of a spontaneous yet exquisitely timed spiritual awakening. I must say, to those who I have had to separate from - you are good and I still have love for you. My spirit simply cannot allow me to risk living the unfulfilled life. The spiritual freedom I crave requires my financial success. This is the situation. How can I realize the spiritual joy of mental freedom if my thoughts are eternally attached to my financial obligations? My mind would be locked into survival, my job, and the dreams that are beyond my reach. As I see it, I have two choices - (1) live the torture of unhappy, limited, and unfulfilled years or (2) buy time, buy freedom, and simply do what is necessary to buy the space needed to explore my purpose. It pains me to see you in a situation where you are likely to be working for the rest of your life. Until you die toiling, with nothing left - in your name or for your children. This is not necessary. Although change is. What pains me most is that I do not see the routine changing nor the desire upwelling - and this is telling me you are finding comfort in the Dead Zone. Are you sure you don't want to try something else?

You have learned that your time is running out and the side you are on when the debt clock ticks its last tock determines the pain or peace you and your family will be forced to consume for generations. Your children. Your children's children. Your legacy.

A legacy of pain, and shame?

Thank you for joining me on this journey. If you find fault with anything I have shared, I understand. *Believe me*, I don't agree today with everything I wrote yesterday. For every error, disagreement, revelation, or appeasement - thank you.

I would love for you to use and benefit from all of the stories and services I have recommended for you and are benefitting from right now myself. Although whatever services you choose to use and stories you choose to be guided by, I trust this information has been useful for you and may you live your definition of success.

So here is a handclasp over the miles and I am yours sincerely,

Jelani

Don't be shy, tell me what you think!

Email - incomepa@mail.com
LinkedIn - http://www.linkedin.com/pub/jelani-asar/2a/8a0/577
Red Beacon - http://redbeacon.com/s/jelani-asar
My City - http://www.mycity.com/memberProfile/73638/
Twitter - http://twitter.com/#!/incomepa
Better Networker - http://www.betternetworker.com/members/incomepa
Facebook - http://www.facebook.com/profile.php?id=100000094970591

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