

A Long-Term Survival Guide - How To Survive Inflation:

Survival-minded people generally have one or more disaster scenarios which they are interested in preparing to live through. These can include things like natural disasters, nuclear war, terrorism, and government oppression, as well as situations such as getting lost in the woods, being stranded in the desert or shipwrecked at sea, or being attacked by criminals. We tend to rate how important preparing for any one of these situations is, by how likely each is to happen, and how severe the consequences will be when they do occur. Note that none of these things is guaranteed to happen, though some of them are extremely likely to affect you, depending on where you live.

Don't laugh, but there is only one disaster which is guaranteed to happen, and that disaster is known as inflation. Now as you read this and think to yourself how silly this sounds, you should know that you have been carefully kept in the dark about simple economic principles, so that it would be easy to mislead you, and easy to rob you.



Inflation is the only one of these disasters guaranteed to happen again, so you should know what to do about it.

Inflation, despite what you have been taught by our government-controlled education system, is actually a deliberate policy which is specifically designed to rob you of the fruits of your labor. The wealth that you have created by working, which you should have been enjoying as the reward for your efforts, is being siphoned off in a very clever, very sneaky fashion, and is being transferred to people who didn't earn it: in short, you are being robbed.



Of all the ways that governments steal money, watering down the money's value is the most evil.

The best way to understand how inflation works is to play a game of monopoly with your friends. While you are playing, have the banker cheat, by giving one person an extra thousand dollars every round. The end result will be that the person who gets the extra money is able to buy anything they want, so the scam works very well for them.

Unfortunately, everybody who does not get the extra money finds that prices rise rapidly, as the one who was given the extra money can afford to pay high prices for the things they want, and can easily outbid anyone else.

In effect, the value of the money in the game is being watered down every time the banker gives out the extra cash. The guy who gets the extra cash is the only one who benefits from the process; everyone else in the game has effectively been robbed, and their standard of living drops lower and lower, until they are bankrupted.



Rioting, shortages, and bank runs are the inevitable consequences of the government watering down our currency.

This is exactly how inflation is used to rob you in the real world, on a very massive scale. Our government creates more paper money, and then hands the new money out to whoever they choose. Those who get this new money go out and spend it, putting it into circulation and watering down the value of everyone else's money.

You see the results all around you as prices rise, and your buying power and standard of living fall, but there is a delay between the cause and effect, and inflation also happens unevenly, causing some prices to rise more quickly than others.



Bulk grains are a must for your food storage, as they can be cooked, ground and baked, or sprouted.

Debasement of the buying power of our currency through a deliberate policy of inflation is both evil, and cowardly. The rising prices that result from inflation hurt poor people the most, including minorities, single mothers, widows, and orphans. In addition, inflation robs anyone who saves money, so it punishes people for being financially responsible.

Studies have shown that a mere 5% annual inflation rate destroys over 95% of the buying power of a person's life savings. In other words it only takes 5% inflation each year to steal everything you will ever be able to save in your whole lifetime. If this isn't evil, what is? Inflation is cowardly because it is a hidden tax, that most people never see or understand.

Governments used to have to actually print up more paper money and physically hand it out to cause inflation, but in this modern age they can now simply create more electronic dollar credits in bank accounts, and make more credit available to lenders, both of which have exactly the same inflationary effect as printing extra paper money.



A good supply of storage food is one of the best defenses against inflation.

The good news is that real wealth can't be watered down like paper money can. If you own real goods, such as storage food, tools, precious metals, a vehicle, a home on acreage, livestock, a garden or an orchard, and guns and ammo for home defense, these things will still be just as useful, and just as valuable, whether the inflation rate is 1 percent, or 1 million percent.

While inflation sounds like the most boring disaster ever, the end results of a deliberate policy of inflation can be quite dramatic, and very dangerous. These include riots and civil unrest, shortages and mass starvation, panicked people making runs on banks, government-imposed price controls, martial law, and even a complete economic collapse.



The best way to get eggs in an inflation disaster, will be to keep a flock of chickens at your retreat.

The purpose of this article is to make you aware of how you are being robbed by the inflation scam, point out how it can interfere with your survival plans, and show you what you can do to protect your wealth from being stolen. There are three main problems that inflation causes, and you need to know how to deal with each of them:

First is the loss of the buying power of your money, which will make it harder to make ends meet as time goes by, and will also make it that much harder for you to buy any “extra” things, like equipment and supplies for survival. Second are the riots, shortages, bank runs, and government crackdowns which happen when people start to panic. Third is the eventual currency collapse, which will make it impossible for people to buy goods and services at all. Let’s look at each of these:



A cabin in the mountains is my number one choice, when selecting a survival refuge.

Coping with the Loss of Buying Power: First, you should expect the government to lie to you about the problem, because that’s what they do. Remember that they are busy using inflation to rob you (and everyone else as well), so they are not about to tell you the truth. Historically, governments always try to disguise the true rate of inflation through a variety of techniques. These techniques can include the following: Outright lying about official statistics, such as the money supply, inflation, or reserves. Stopping the publication of money supply statistics, or inflation indices. Forced savings schemes (used to suck up excess money), which may be called pension funds, emergency funds, or war funds. Changing the Consumer Price Index, to remove items whose prices are rising the fastest. And imposing Wage and Price Controls. They also like to blame the problems they cause on scapegoats, and so they may accuse various groups of being the source of all these problems, and even encourage people to attack these scapegoats.



At some point the only way to obtain produce will be to grow it yourself.

Second, you have to think about the problem in the correct way, to help you respond correctly. So remember that real goods are not suddenly becoming more valuable; our paper money is just being made less valuable. The best way to cope with this problem would be to have a valuable job skill that let you demand regular pay raises (which would have to be higher than the rate of inflation), but most people will not be in such an ideal position. For most of us, we will have to settle for making adjustments to our behavior, as our standard of living is dragged down.

If you live in a large city, the most important change you can make will be to move to a small town, a good distance away from any large population centers. Large cities quickly become death traps in any long-term disaster, and inflation-caused problems will not go away; they will be with us for the rest of your life.



Germany was the first modern country to hyper-inflate their currency, but it won't be the last.

Every country on the planet uses paper money, and the governments all wind up using inflation to steal from their citizens, so every country has a history of inflation cycles, money devaluations, and currency collapses.

The good news is that smart citizens find ways to avoid being robbed as their governments water down their money, and so can you. The five basic techniques are: Buy things now, before prices rise again, Refuse to save paper money, Avoid debts with variable interest rates, Cope with civil unrest (get out of large cities), and Cope with the eventual currency collapse (make as much of your own stuff as possible). Let's take a quick look at each one of these.



Zimbabwe has already watered their paper money into worthlessness; are we next?

Buy Things Now: Once you know that prices will keep on rising, it makes sense to buy as much stuff as you can now, before it gets too expensive to afford. It would be ideal if you could buy and store a lifetime supply of everything you will ever need, but it can't be done for several reasons, such as the limited storage life of some items, the space required to store bulky items, and the risks of loss, theft, or items becoming obsolete. But don't let these problems stop you from buying items which do not have these problems. For ideas on what to own instead of paper dollars, see the section on equipment and supplies. For a simple explanation of economics, and an in-depth look at stockpiling real wealth, read the book *The Alpha Strategy*, by John Pugsley (available for free download, on the internet).

Refuse to Save Paper Money: Since paper money will be losing its value faster and faster, it makes no sense to try to save your wealth in the form of paper dollars. In previous inflation cycles in some countries, the currency has lost half its value every few days, or even every few hours. You need to trade in your paper money for those things which will hold their value, in other words real goods. Of course, the government will be urging everybody to hold onto dollars, and to buy things like government bonds, so that they can steal more money, but don't do it.



Eventually you may need a stack of these, just to buy a loaf of bread.

First, buy as much of the items in my equipment and supplies list as you can afford. When you have a good selection of all these items, I would suggest investing in some "junk" silver coins. These are pre 1965 dimes and quarters which are 90% silver, but have no collector value. You can buy them from most coin dealers. Some people buy gold coins, but I think they are too hard to make change for. Silver coins can be bought by the ounce, or in bowling-ball sized bags. Normally I only buy useful items, but this is a good way to store excess wealth.



Silver coins are a good precious metal for storing wealth, but gold coins are hard to make change for.

Avoid buying items with collector value, as you have to find a collector who will actually buy them from you, to recoup your investment. Avoid diamonds, because most of their value comes from artificial restrictions in the supply. Stick with items that you can use yourself, and things which are easy to hide and divide, like small silver coins. Don't make the same mistake as the Russian aristocracy, who found themselves trading their bulky family treasures to the peasants in return for bags of potatoes, usually at very good exchange rates for the peasants!

Avoid Debts with Variable Interest Rates: Interest rates always skyrocket during inflation cycles, as lenders try to make a profit when it is very risky to loan anybody money. If you have any variable-interest debts, the rising interest rates will probably wipe you out. Of course the government has lots of unfair tricks they can also pull, like indexing all debts to the (official) inflation rate, so it is always best to be completely debt-free if you can manage it.



There is no point to creating a survival refuge, if you don't have the tools to defend it.

Coping with Civil Unrest (By avoiding large cities): When people start to get angry and desperate over their financial problems, things will get very ugly in every major city. All cities rely on a constant influx of food and supplies from the outside, and there is only enough food in stores and warehouses to feed the population for a few days. Any disruption in the incoming food supplies will quickly turn any city into a deathtrap. Crowding millions of people together in a relatively small area is always a bad strategy.

Small towns and countrysides away from major population centers will have a much easier time of it, and they have easy access to farmland, water, wild game, and firewood, so either get out before the fun starts, or at least develop a decent bugout plan for when things start to get bad. Like the old joke says, "panic now and beat the rush".



Precious metals may work for barter, but only until you run out of coins.

Coping with the Currency Collapse (By Making Your Own Stuff): Eventually it will be impossible to buy anything, using paper dollars, as the value of the paper dollar will have reached zero. The government may try to issue a new currency (tired of the old greenbacks? – try our new blue-backs !!), but people may refuse to use them.

In this situation, you will have several options. You can try to barter for goods with other people, but they must have something you want, and must be willing to trade for it, and you must have something that they want, in exchange. You can try to buy goods from other people, or from the black markets which will spring up, using your gold or silver coins, but this will only work until you run out of coins. You can live off of any supplies you may have stored up, but they will eventually run out.



A mountain cabin is desirable, but the most important feature it can have is a reliable water supply.

The only realistic long-term solution will be to start producing your own food, and other consumer goods. You will find this to be much easier to do from an isolated retreat, than from anywhere else, as those people who are not able to produce wealth will be trying to steal it from those who can. Don't expect to be able to grow a garden, or harvest game from traps, in a city with millions of starving people trying to survive. Like it or not, the only realistic solution is to "hide out" in the country, where you can live until the population die-off has run its course.

Knowing this, it then becomes important to pick a location with the most survival advantages. The selection of a retreat area is partly logic, and partly personal preference. Desirable qualities of a refuge location include such things as plentiful water, abundant fish and game, a reliable source of firewood, available cover for concealment, and distance from such things as cities, prisons, and military bases.



Mountains are barriers that can protect you from the civil unrest that will result from runaway inflation.

To me, the only geography that fits all of my criteria is forested mountain terrain. Mountains are obstacles, and you want as many obstacles between your group and the collapse of civilization as possible. Mountain terrain is the only topography that lends itself well to realistic small-group defensive tactics. Mountain travel can be difficult at best, as mountain roads tend to be self-closing (without a lot of maintenance), and helping the process along is easy enough. I prefer the Pacific Northwest, but many other areas will work as well.



Once you have a survival refuge with a water supply, you can grow food and raise small livestock.



Planting fruit trees and nut trees are desirable ways to produce more food at your survival refuge.



MREs are expensive, and their shelf life depends entirely on what temperature they are stored at.



Storing MREs and other foods is still a good idea, as long as they are in a cool place, like a basement.

A supply of food and consumable supplies are important, to ease the transition to a life of fishing, trapping, gardening, and raising small livestock, and so is a good supply of garden seeds.



Your survival supplies should include garden seeds, like these heirloom vegetable assortments.

It is not enough to move to a secluded location with a pile of canned goods, and then hope that the crisis passes before your supplies run out. You must plan to start producing your own food and fuel, as well as defend what you have, and make as much of your own stuff as you can learn how to do.

There are a number of types of livestock that would be beneficial to have at a survival refuge. Chickens are my first choice, because of the meat and eggs. Chickens eat grains, but will also happily eat scraps. They can be placed in moveable pens, to eat grass and bugs from grasslands and pastures.



Every egg your chickens produce is one less for you to buy, or one more for you to barter with.

Rabbits are next. Like chickens, they take up very little room, can live on graze, reproduce quickly, and they produce meat and fur. Rabbit furs can be used to make an excellent blanket, requiring about 50 pelts, and the furs also make good improvised inner foot-covers, which we like to call “bunny socks”.



Raising rabbits is an easy way to provide meat for your group.

Next are miniature goats, which are half as big as normal goats. Mini-goats still produce meat, milk, cheese, and goat-skins, but they eat less than normal goats, and get into less trouble.



Miniature goats can keep you supplied with meat, milk, and goat cheese.

There are also miniature cows available, and these mini-cows have the same advantages as mini-goats; they eat less and require less pasture, and cause less problems than a herd of full-sized cattle. Nobody has ever been trampled by a stampeding herd of mini-cows, and they seldom break down fences and escape, unlike their larger cousins.



The mini-cow is a good choice for retreat livestock, as they are small enough to manage easily.

Another advantage is that when you butcher a large cow, you must deal with a lot of meat at once, but a side of mini-cow is much easier to process. There is an old saying “you can’t butcher half a beef”, but you can, if the cow is half the normal size.



Mini-cows are half as big as normal cows, but twice as tasty!



My favorite breed of mini-cow is the shaggy Scottish Highland.



Mini-pigs are another small breed of livestock to consider for your survival refuge.

You may already know that there are mini-pigs available as well, because the pot-belly pig has become popular as a pet, with some folks. There are other breeds of mini-pig that you can acquire, but they all produce pork, sausage, and bacon, while having similar advantages to other miniature livestock.

Defense Weapons: A supply of guns and ammo are absolutely vital, to protect your group, and your life-saving belongings. If you refuse to defend yourself, there is no point in creating a refuge to begin with. Here are some cheap but rugged and reliable rifles, that are adequate for defending your survival refuge:



The Mosin Nagant M91/30, a bolt-action 30 caliber rifle in 7.62 x 54R.



The Enfield Number 4, a bolt-action 30 caliber rifle in .303 British.



The Mauser, an 8mm bolt-action rifle that comes in dozens of slightly different variations.



The SKS, a 30 caliber semi-auto rifle in 7.62 x 39.



Handguns, riot shotguns, and a good supply of ammo increase your ability to defend your refuge.



The most common mistake made in survival planning, is failing to store enough ammo for each gun.

Finally, you need survival skills. Knowing the best ways to capture fish and game, purify water, build shelters, make basic camp equipment, and use defensive tactics, will make life bearable. This is the goal behind the long-term survival guide, to show you how to do these things, so copy it, while you still can.