Crisis Money Guide: The “Money” You Need to Have in Times of Crisis

We begin this special report with an excerpt from Bill Bonner’s Diary. In it, Bill perfectly and eloquently explains how the next crisis will unfold and why there’s a need for a Crisis Money Guide like this.

The NEXT Crisis

In the last crisis, every major bank and investment firm on Wall Street would have gone broke had the feds not intervened. Next time, it might not be so easy to save them.

The next crisis is likely to be across ALL asset classes. And with $57 trillion more in global debt than in 2007, it is likely to be much harder to stop.

Are you with us so far?
Because here is where it gets interesting…

In a gold-backed monetary system, prices fall. But the money is still there. Money becomes more valuable. It doesn’t disappear. It is more valuable because you can use it to buy more stuff.

Naturally, people hold on to it. Of course, the velocity of money – the frequency at which each unit of currency is used to buy something – falls. And this makes it appear that the supply of money is falling too.

But imagine what happens to credit money. The money doesn’t just stop circulating. It vanishes.

A bank that had an “asset” (in the form of a loan to a customer) of $100,000 in June might have zilch by July. A corporation that splurged on share buybacks one week could find those shares cut in half two weeks later. A person with a $100,000 stock market portfolio one day could find his portfolio has no value at all a few days later.

All of this is standard fare for a credit crisis. The new wrinkle – a devastating one – is that people now do what they always did, but they are forced to do it in a radically different way.

They stop spending. They hoard cash. But what cash do you hoard when most transactions are done on credit? Do you hoard a line of credit? Do you put your credit card in your vault?

No. People will hoard the kind of cash they understand… something they can put their hands on… something that is gaining value – rapidly. They’ll want dollar bills.

Also, following a well-known pattern, these paper dollars will quickly disappear. People drain cash machines. They drain credit facilities. They ask for “cash back” when they use their credit cards. They want real money – old-fashioned money that they can put in their pockets and their home safes…

Dollar Panic

Let us stop here and remind readers that we’re talking about a short time frame – days… maybe weeks… a couple of months at most. That’s all. It’s the period after the credit crisis has sucked the cash out of the system… and before the government’s inflation tsunami has hit.

As Ben Bernanke put it, “a determined central bank can always create positive consumer price inflation.” But it takes time!

And during that interval, panic will set in. A dollar panic – with people desperate to put their hands on dollars to pay for food… for fuel… and for everything else they need.

Credit might still be available. But it will be useless. No one will want it. ATMs and banks will run out of cash.
Credit facilities will be drained of real cash. Banks will put up signs. First: “Cash withdrawals limited to $500.” And then: “No cash withdrawals.”

You will have a credit card with a $10,000 line of credit. You have $5,000 in your debit account. But all financial institutions are staggering. And in the news, you will read that your bank has defaulted and been placed in receivership. What would you rather have? Your $10,000 line of credit or a stack of $50 bills?

You will go to buy gasoline. You will take out your credit card to pay.

“Cash only,” the sign will say. Because the machinery of the credit economy will be breaking down. The gas station... its suppliers... and its financiers do not want to get stuck with a “credit” from your bankrupt lender!

Whose lines of credit are still valuable? Whose bank is ready to fail? Who can pay his mortgage? Who will honor his credit card debt? In a crisis, those questions will be as common as “Who will win an Oscar?” is today.

But no one will know the answers. Quickly, they will stop guessing... and turn to cash.

Our advice: Keep some on hand. You may need it.

But what if you don’t have any physical cash on hand? What if the ATMs are shut down? What if your credit cards stop working? And what if you can’t even cash a check?

This nightmare scenario is not only possible... it’s happened many times before. Just look at the recent examples of Argentina and Greece, and you’ll see how easily cash can vanish.

When that happens, it’s crucial to know about cash alternatives.

Cash Alternatives: Gold Jewelry

With limited options, one early dollar substitute could turn out to be gold and silver in the form of jewelry or small-denomination gold coins. A good course of action here is to collect and assess any small gold chains and charms you already own. This is exactly what happened, for instance, in Argentina during that country’s most recent financial collapse.

Remember, a gold chain purchased at Walmart and labeled 18-karat gold will be just as valuable as the same chain bought at a fancy department store or jewelry shop. You just won’t have paid a stiff markup for workmanship that will be meaningless later. The gold weight matters most.

However, do not rush to buy gold jewelry at retail outlets. Even at discount chains, the markup on jewelry can be significant compared to straight gold in the form of coins.

For instance, a man’s necklace currently sold at Walmart for $397 weighs 4.28 grams. It’s 14-karat gold. That means it’s just a bit over half gold, or 2.5 grams’ worth. At current prices, a gram of gold is worth $38, so that $397 necklace has just $95 worth of gold inside it!

Another way of looking at it: Gold would have to quadruple in price to overcome the markup on that necklace. You start out in a deep hole. Better to buy used jewelry and know its true gold value first.

You might find better deals in pawnshops – if you know how to negotiate. Pawnbrokers deal in gold jewelry often, but they have much less up-front cost in acquiring the pieces they then attempt to sell. You are in a better position by far.

If you do buy jewelry, try to buy gold marked at least 18-karat by weight. That means the piece is 75% gold. If you have 24-karat pieces, those are 100% gold, not an alloy. Either form will work, but it’s important that they are marked clearly and that you know the exact weight of each piece of jewelry.

You can always check a small piece by turning it over and finding the karat-weight stamp, then weighing the item on a small pocket scale before buying.

Be forewarned, measures are tricky when it comes to gold. An electronic jeweler’s scale is a good investment. Jewelers use a measurement standard known as a troy ounce. A normal electronic scale is likely to read an ounce as a little more than 28.3 grams, while a Troy ounce is 31.1 grams.

You also might see gold measured in pennyweight (dwt) as a division of a troy ounce. There are 20 pennyweights in a troy ounce, while 1 pennyweight is 1.555 grams. Here’s a conversion table to help make things clear:

<table>
<thead>
<tr>
<th></th>
<th>U.S. ounce</th>
<th>Troy ounce</th>
<th>Pennyweight</th>
<th>Gram</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. ounce</td>
<td>1</td>
<td>1.097</td>
<td>0.055</td>
<td>0.0353</td>
</tr>
<tr>
<td>Troy ounce</td>
<td>0.911</td>
<td>1</td>
<td>0.05</td>
<td>0.0321</td>
</tr>
<tr>
<td>Pennyweight</td>
<td>18.229</td>
<td>20</td>
<td>1</td>
<td>0.643</td>
</tr>
<tr>
<td>Gram</td>
<td>28.350</td>
<td>31.103</td>
<td>1.555</td>
<td>1</td>
</tr>
</tbody>
</table>

Look for a small stamp on the back of your gold jewelry pieces. You might need a jeweler’s spyglass, or loupe, or a standard magnifying glass to see it. The karat weight will be expressed in decimals or as a number followed by the letter K.

Consider that 24-karat means 100% gold, and that all
lesser weights mean some part of the piece is non-gold metal meant to strengthen the item and make it durable. The calculation always adds up to 24 parts, while the designation only tells you what fraction is real gold.

If it’s 18-karat gold, then you might see this written as .750, meaning 75% gold. If you check your math, 18 is 75% of 24.

### Additional Resources for Understanding Gold Buying:

- **Kitco 24-Hour Spot Gold Price:**
- **Detailed Guide to Stamps and Inscriptions on Gold Jewelry:**
- **Scrap Gold Value Calculator:**
- **Jeweler’s Loupe Buying Guide:**

### How to Own Gold

If you plan to build up a supply of gold for barter, it’s very important to understand the process of gold buying well before you need to buy it. Gold coins, for instance, have a dealer markup just like jewelers, only much smaller. They have to make a living, after all.

You can negotiate discounts for larger purchases, but remember that a gold bar that weighs 400 troy ounces (27.5 pounds) will not be a help later unless you can somehow divide it. Your buyer might not want a hacked-off hunk of gold as much as a clearly valued gold coin he can resell easily.

Real, pure gold is 99.5% gold in its bullion form. There are a variety of ways to test the purity of gold, ranging from fast and easy to harder but more certain.

For instance, you can check a gold ring or necklace easily with a magnet. Gold is not magnetic. If the piece moves toward a magnet, then it might be just gold in color or lightly plated with gold.

Likewise, you can test gold by rubbing it on an unglazed ceramic plate, such as a terra cotta planter dish. Real gold will rub off on the ceramic, while base metals will leave a black mark. Note, however, that rubbing the piece will scratch it, and you still won’t know how much of the piece is gold (its karat weight), only that it contains some gold.

Another easy (damage-free) test is to weigh the gold. Real gold of 24-karat purity will be 19 grams to the milliliter of water displaced. To check this, use a beaker with precise milliliter marks. For instance, if you put the gold in the beaker and it displaces 5 milliliters of water while weighing 57 grams, then 57 divided by 5 is 19.

Now you know that the object you have is at least the same density as pure gold. It might still not be gold, but now you know for a fact that it is heavy enough to be the real thing. If you know the density is right, you can be completely assured by conducting a simple acid test. A drop of nitric acid on real gold will not react, while lesser metals will result in various chemical reactions.

If you see colors such as green (an indicator of base metal presence), gold (gold-plated brass), or a milky color (gold-plated silver), then it’s not pure gold.

### Additional Resources:

- **How to Test Gold Jewelry (video):**
  [https://www.youtube.com/watch?v=pzaKMePtwik](https://www.youtube.com/watch?v=pzaKMePtwik)
- **Buying Guide to Pocket Digital Scales:**
- **Gold Weight Conversion Calculator:**
- **Types of Gold Alloys and Colors:**
  [http://jewelry.about.com/cs/goldbuyingtips/a/gold_alloys.htm](http://jewelry.about.com/cs/goldbuyingtips/a/gold_alloys.htm)

### What if the Government Confiscates Gold?

Sounds crazy, but it’s part of our history. On January 30, 1934, Franklin D. Roosevelt signed The Gold Reserve Act, forcing U.S. citizens to relinquish their bullion to the government.

Coins were illegal, bullion bars forbidden. Rather than redeeming dollars for gold (the normal practice of the time), the banking system was turned inside out. Banks and citizens had to redeem their now-illegal gold for paper U.S. dollars. It could happen again, for any reason the government might choose, and at any time.

If that happens, you have to know how to assess,
accumulate, and spend alternative currencies, as we explain in the rest of this guide.

But first, let’s talk about what makes a good currency. Aristotle, the Greek philosopher, said the ideal form of money must contain four key attributes: durability, portability, divisibility, and intrinsic value. In his eyes, gold is the ideal form of money as it fits all four criteria.

• **Durability:** Aristotle was referring to money’s ability to endure time, specifically its resistance to corrosion or fading. Gold was, naturally, the best choice at the time—it still is. Some tribes used clay coins or shells as currency. But these became brittle and eroded over time, making them a bad store of wealth. Today, paper money is popular, but bills erode if not handled properly. In fact, the average U.S. bill spends only six years in circulation.

• **Portability:** A medium of exchange will not work if you can’t easily pass it to someone. Can you imagine trying to pay for a car with bushels of corn? You’d need about 3,000 bushels—or 210,000 pounds—of corn for a $15,000 car. Or you could pay with less than a pound of gold.

• **Divisibility:** For anything to function as a currency, it must be easily divisible. What if you had a 100-ounce bar of gold and wanted to buy that $15,000 car? You could cut off the proper amount, weigh it to verify, and the transaction would be complete. If that seems like too much work, you can buy coins with 1 ounce of gold in them for this transaction.

• **Intrinsic Value:** The ideal currency should have value in and of itself, or be hard to make. This makes precious metals good currencies. They have many industrial and decorative uses. Precious metals also have intrinsic value because you can’t make more of them—you have to mine them. Imagine what would happen to the value of gold if you could whip it up in your kitchen just as easily as baking a batch of cookies. This is where the U.S. dollar loses credibility as a currency. The dollar is backed by nothing other than the “full faith and credit of the U.S. government.” If that faith disappears, so does the value of the dollar.

**Gold Receipts:** An early progenitor of paper money was, in fact, a receipt for stored gold held by a depositor. In the 17th century, that was goldsmiths. (The modern equivalent is a mutual fund that issues shares based on stored gold.)

It’s possible that such a system might be revived, creating an alternative “paper” currency backed by actual gold held in safekeeping. If so, gold receipts could be exchanged for goods and services, providing a form of hard money that otherwise would not exist.

This is not to suggest that you should attempt to purchase mutual fund shares backed by gold. First of all, getting the actual paper certificates in the age of electronic storage will be impractical, and they could easily be faked. It will also be hard to estimate the real value of gold day-to-day if the economy collapses.

However, if enough people have large amounts of bullion that they cannot otherwise divide or trade, and they need some divisible medium of exchange for it, such a system might spring up locally (assuming clarity on the value of gold is available).

**U.S. Postage:** The scramble for paper of value might lead to dollar substitutes you might not expect. For instance, a “Forever” postage stamp has a quantifiable value today that is automatically and permanently adjusted for inflation, at least under current law.

At time of writing, the rate for a first-class letter today is 49 cents, so you can easily deduce that two stamps are worth about $1, four stamps are worth about $2, and so on. There is no reason to divide them, since they come in strips of 10, 20, and even rolls of 10,000 (currently worth $4,900).

You wouldn’t buy these to use them for postage. Rather, they are an assignment of value that is easy to agree on and protected from devaluation, in theory, forever.

Naturally, the U.S. Postal Service could ask Congress to cut off the supply of Forever stamps, or change the regulation, but, in an intermediate period of no-value money, it would be easy for stamp holders to use them as reliable local scrip. The government might let this happen in order to avoid a total social breakdown.

**Local Scrip:** Locally issued paper money is a time-honored form of “emergency” currency, designed to keep a small economy functional in tough times. During the 1991 recession, for instance, you could earn “Ithaca Hours” in Ithaca, New York, by performing labor or supplying a handmade good, say a knitted sweater.

Today, in Bavaria, Germany, residents use Chiemgauer notes, which they buy with euros but cannot spend outside the local towns. These notes lose value automatically if
not spent, thanks to a 2% monthly fee charged by local banks. This is done in order to discourage speculation and hoarding. That feature, known as "demurrage," shows up in local currency schemes on and off throughout history.

The idea of local currencies pops up around the world for different reasons – from ritzy artist colonies in the Berkshires to poor urban areas of London, such as Brixton – but they all have the same goal: to keep a small economy working completely outside the boundaries of a larger one. This trend dates back to the Great Depression, when gigantic barter systems were common and scrip was created in order to facilitate exchanges when there was no one-to-one match. For instance, a farmer with a basket of apples might need to have a tool sharpened, while the tool sharpener really needs a pound of bacon, not apples.

Much like paper currency, the locally sanctioned scrip preserves the value of the basket of apples by substituting for it in the short term. It really couldn’t earn interest or compound. It just smooths the way for more systematic bartering. Scrip bartering resurfaced in a big way in Argentina during the most recent economic collapse there, keeping the local economy afloat for millions of otherwise destitute Argentines.

**Barter Currency:** Bartering is difficult. Figuring out what you can do for your neighbor and what he can do for you is tough… and time-consuming. If your neighbor builds you a table, how many times would you have to mow his lawn for it to be a fair trade?

Or a more drastic example: Your family just ran out of food and you have no cash. But you have a gold watch on your wrist. The local food dealer senses desperation and asks for that watch in exchange for a week’s worth of sandwiches. Would you make this trade or let your kids go hungry? In normal times, that watch would be worth the equivalent of two years’ worth of food, but not now…

Barter currencies appeared centuries ago to help get around these dilemmas. A barter currency is essentially an IOU passed from person to person. These alternative currencies allow you to accept payment for your goods or services. Then, you can purchase what you need elsewhere.

The most popular barter currency today is the Greek TEM. The TEM started in 2010 in the city of Volvos in response to a looming currency shortage. Unemployment was over 20%. If the government cut spending, more jobs would be lost.

The only way some people could afford to buy anything was to barter their skills. So, TEM founders created this currency for local use.

To use TEM, an individual or business must go to a TEM official and sign up for "the network." Each person gets an account with an online login. Similar to an online bank account, users can see their balance and transfer TEM to others.

Electronic transfers aren’t the only way to exchange TEM. Individuals and merchants carry little slips of paper to record transactions. The buyer and seller just write down their information and the amount of the transaction. Later, someone enters the transaction into the network.

Eventually, all TEM transactions are recorded in an electronic ledger. This online database is part of the public record. While it might seem like an invasion of privacy, since everyone can view your TEM balance, it’s not. Your entire wealth is probably not publicized, as each person is limited to 1,200 TEM.

And there are benefits to having this information public – you can see if the people you are dealing with have enough TEM to pay you. This will help ensure you don’t get ripped off.

TEM founders made it easy for businesses to accept either euro or TEM – each TEM is worth one euro. If you order a coffee from the local café, you can pay €3, 3 TEM, or either euro or TEM – you can see if the people you are dealing with have enough TEM to pay you. This will help ensure you don’t get ripped off.

TEM founders made it easy for businesses to accept either euro or TEM – each TEM is worth one euro. If you order a coffee from the local café, you can pay €3, 3 TEM, or either euro or TEM – you can see if the people you are dealing with have enough TEM to pay you. This will help ensure you don’t get ripped off.

And there are benefits to having this information public – you can see if the people you are dealing with have enough TEM to pay you. This will help ensure you don’t get ripped off.

TEM founders made it easy for businesses to accept either euro or TEM – each TEM is worth one euro. If you order a coffee from the local café, you can pay €3, 3 TEM, or either euro or TEM – you can see if the people you are dealing with have enough TEM to pay you. This will help ensure you don’t get ripped off.

And there are benefits to having this information public – you can see if the people you are dealing with have enough TEM to pay you. This will help ensure you don’t get ripped off.

And there are benefits to having this information public – you can see if the people you are dealing with have enough TEM to pay you. This will help ensure you don’t get ripped off.

And there are benefits to having this information public – you can see if the people you are dealing with have enough TEM to pay you. This will help ensure you don’t get ripped off.
your food supply as needed.

Additional Resources:

Ammunition: If you don’t have black powder, bullet casings, tools, and know-how, you can bet you will be paying someone else for fresh ammo. This is not to suggest a total breakdown is likely. It’s possible, of course, but the bigger concern is being able to steadily hunt for protein from wild sources.

While hobbyists and arms enthusiasts will focus on the more exotic, highly powered firearms, the higher demand will be for common small-caliber bullets used in hunting, such as .308 Winchester round. This was exactly the caliber bullet that was in short supply for several years starting in 2008.

Part of the reason for the run on small-caliber bullets was the sudden surge in gun ownership that coincided with the 2008 stock market crash and the ensuing “Great Recession.” People were trying to prepare for disorder, and that meant an increase in demand for small firearms and, therefore, many more buyers of bullets. Nominally priced at 5 cents a round, the cost of .22-caliber bullets tripled, so thousands of gun owners turned to recycling shells and learning how to make their own ammo. If things go south again, expect the cost of bullets to zoom much higher, and, potentially, for bullets to become a form of currency.

Likewise, larger-caliber bullets for shooting bigger animals will also be in demand.

Additional Resources:
- How to Make Ammo (video): https://www.youtube.com/watch?v=cSy89BU1djU

Medical Supplies: A basic first aid kit is always useful, but stockpiling burn cream, bandages, splints, medical tape, and pain relievers such as ibuprofen and acetaminophen can put you in a good bartering position. Hospitals and medical centers might be only partially operational, and drugstores, if open, could be cleaned out.

If you can store medical supplies in bulk, consider buying some of the things that will run out quickly in an emergency, such as sterile gloves, wound dressing, antiseptic wipes, self-sticking bandages, and antibiotic creams.

Avoid drugs that have a relatively short shelf life or that need special cooled storage. Over-the-counter pain relievers, properly kept, will be in demand for years to come, as will basic stomach medications, antifungal ointments, insect repellents, and sunscreens.

Similarly, if you have access to quality prescription medications that you can stockpile, do so. Even if they expire, painkillers of a certain caliber will work better than over-the-counter meds and will therefore be in high demand.

Additional Resources:
- A Fireman’s Survival First Aid Kit Build: https://www.youtube.com/watch?v=pa6sVfed1A0
- Red Cross First Aid Kits: http://www.redcrossstore.org/category/id/2?scode=PSG00000E017

Cigarettes and Mini Booze Bottles: Anyone who has ever watched a prison-based TV show knows that cigarettes are the currency of choice for inmates worldwide. Since prisons forbade money, cigarettes became the cash equivalent.

Like the barter currency we just described, prisoners use cigarettes to buy and sell everything they need. In an America trying to function after cash disappears, cigarettes will be just as valuable a currency outside the high walls and barbed wire as they are inside.

While it might seem improbable to use cigarettes as a currency, they do fit three out of four of Aristotle's characteristics of a currency. Cigarettes are portable, easily divisible, and have intrinsic value.

However, they don’t maintain their value over time. You need to spend cigarettes quickly. It takes only a couple of weeks for a cigarette to go stale once the pack is open. Try hard not to open a pack if it’s not necessary. A sealed pack of cigarettes can last two to three months. You can stretch the shelf life out to a year if you keep the sealed pack of cigarettes in a freezer.

If you want an alternative that can hold value over a longer term, look for mini booze bottles, aka shooters.

Some liquor gets better as it ages, so shooters possess all four of Aristotle's qualities of a good currency.

We all know some liquor is better than others. Ensure you have the booze people actually want to drink. A shooter of Grey Goose vodka will be worth more than the generic stuff.
According to the social app BARTENDr, whiskey is the preferred liquor in 42 states. Jack Daniels and Fireball are the most popular brands.

So if you want an alternative currency with the highest value, stick to the standards... no peach schnapps.

**Additional Resources:**
- [How to Make Your Own Moonshine](http://www.instructables.com/id/How-to-make-moonshine/)

**Wood Fuel:** Gasoline is hard to keep, and the natural gas supply might be disrupted. Electricity could be spotty, too, and sooner than you think. A good long-term plan is to own remote land with trees on it. Hardwoods such as elm, hickory, oak, maple, and birch have the highest energy content in terms of BTUs. Soft woods such as cedar, spruce, fir, and pine are among the lowest, but they grow faster.

If you own a forest or a large stand of trees, it’s important to leave three or four mature trees standing per acre, along with a similar number of dead, fallen trees to encourage wildlife to nest and remain in the area. The ecosystem needs all of its members to allow new trees to grow and prosper, creating future forests to be cut and harvested for fuel. “Clear-cutting” a forest might bring a higher immediate return, but it will take a very long time for the forest to recover and regrow. It equates to killing the goose for its golden eggs.

It’s best to cut and split wood early in the season. Let it dry fully before burning. Wood must be split and dried over a full summer to be in the best shape for the following winter. The problem is that natural moisture in the wood makes it burn smoky and results in less-efficient heat and coals that do not last.

Longtime wood collectors not only split their wood early, they also store it in the open in cords between standing trees. A properly stacked cord will protect the bulk of the wood from the elements. Consider buying a manual log splitter, axes, and sharpening tools. Splitting the logs of others could also be a useful bartering tool.

**Additional Resource:**
- [Firewood Splitting Tutorial (video)](https://www.youtube.com/watch?v=tPDwqbVtqeY)

**Solar Power:** If you can build, or cheaply purchase, a small solar power station, having enough juice to recharge electronic devices could be a lifesaver. Something as simple as a solar-powered or hand-powered multiband emergency radio could matter a lot in certain situations. Indeed, running a small solar grid on your property could result in you becoming the sole supplier of power in your own neighborhood.

**Additional Resource:**
- [Portable Solar Power Kits for Home and Camping](http://www.powersurvival.com/)

**Barter Systems:** Although barter systems are often derided as impractical and inefficient, the world operated for centuries on a sophisticated system of bartering of labor, goods, and services. A rollicking “open outcry” market of barter as a medium of exchange has sprung up in the troubled economy of modern Greece, for instance.

Today, people in Greece simply meet in town squares and advertise their skills while asking directly for what they need. Home repairs in exchange for child care, for example. Some towns have begun to operate repositories of time earned, allowing Greeks to build up a form of rudimentary credit.

Performing a task or providing a simple good earns you hours redeemable against someone else’s skill or goods in the near future. It’s not money, but it gets the job done. Most importantly, it’s beyond government reach and tax-free.

Here are some skills that will be valuable and that you can barter for things you need:
- **Mechanic:** Repair skills will be among the most desirable talents to have in this crisis. If you are living on a tight budget, not many things will throw you off quicker than an unexpected car repair. Repairing your own car will save you hundreds of dollars, or let you barter your skills.

Learning the basics of mechanics can be time-consuming, but once you’ve learned the basics, you can repair most basic faults. Vehicles all need the same kind of maintenance: oil change, air filter replacement, refrigerant for the air conditioning, etc. Once you learn how to do these on one car, it’s pretty much the same on all cars.

**Additional Resources:**
• **Handyman:** If you are in an urban area where cars aren’t necessities, try learning some handyman skills. Knowing how to fix a leaky toilet, maintain a furnace, and repair a dishwasher motor are all valuable skills.

  Luckily, most of these are easy once you do them a couple of times. In fact, you could probably learn how a toilet works in less than five minutes and how to install a new toilet in another 10 minutes. The tricky part is actually doing it. But things get easier after a few tries.

  Right now, you can learn how to fix almost anything in your home online. It only takes time and patience. You can practice these new skills in your home as things break. If online videos aren’t for you, see if you can find a weekend apprenticeship with a local handyman.

**Additional Resources:**

- How to Fix Plumbing: [https://www.thisoldhouse.com/how-to/plumbing](https://www.thisoldhouse.com/how-to/plumbing)
- How to Repair HVAC: [https://www.thisoldhouse.com/how-to/hvac](https://www.thisoldhouse.com/how-to/hvac)
- How to Fix Electrical Systems: [https://www.thisoldhouse.com/how-to/electrical](https://www.thisoldhouse.com/how-to/electrical)

• **Animal Protein:** In an area where hunting is a normal activity, meat will be easier to come by, as long as bullets are not in short supply. In urban areas, however, a supply of protein will be harder to replace. If the power goes down, too, there will be no way to freeze meat, so it will be important to hunt efficiently and to learn how to cure meat with salt.

  For non-hunters, animal husbandry on a small scale will be a key skill. Many people are now learning how to raise chickens as a hobby. Keeping a dozen chickens for eggs, and the occasional hen for dinner, could easily become a recurring form of real, tradable income. During the Great Depression, in fact, fresh eggs were used as money in some places.

  If you have enough space, it can be worth considering raising rabbits and goats for their fur and meat. Pelts and skins have a long history of being forms of money in the American colonies (that’s the reason we call our dollars “bucks”).

  Larger-scale farming will be harder to manage without significantly more space and access to credit, so the default form of animal-keeping is likely to involve the kinds of animals that can be kept on an acre or less of space with minimal antibiotics, veterinary care, and feed costs.

**Additional Resources:**

- Raising Rabbits for Beginners: [http://cru.cahe.wsu.edu/CEPublications/eb0975/eb0975.pdf](http://cru.cahe.wsu.edu/CEPublications/eb0975/eb0975.pdf)

• **Butchering Skills:** One of the most distasteful aspects of our modern dietary system is the slaughterhouse. Once the economy no longer supports industrial-scale meatpacking, a very useful and appreciated skill will be the proper operation and management of an open-air abattoir.

  Farming families know all about killing poultry and hogs for food. It’s a specific skill set that could translate into a significant advantage in a barter economy with fewer choices of protein supply. It isn’t hard to find deer butchers in the countryside of America these days, thanks to the oversupply of deer and the growing interest in casual hunting. If you can find one, try to arrange a part-time job during hunting season in order to absorb know-how.

  It could turn out to be a tremendous boon to own the proper tools to butcher medium- to large-size hunting kills, and to provide successful hunters with consumable cuts of their own meats. Likewise, backyard rabbit and chicken operations are not likely to want to mix the peaceful aspects of throwing feed to a few hens with the ultimate truth of having to slaughter those same hens on the same property.

**Additional Resources:**

- Animal Slaughter Best Practices: [http://www.fao.org/docrep/003/x6552e/x6552e06.htm](http://www.fao.org/docrep/003/x6552e/x6552e06.htm)
- A Meat Cutter Shares His Secrets: [https://vimeo.com/22077752](https://vimeo.com/22077752)
**Water Filtration:** A dollar collapse is unlikely to create significant problems in urban sanitation. However, it takes only a few boil-water orders to disrupt an entire city. Access to safe water could be at a premium in some areas. Certainly, supplies of bottled water will run out quickly. A simple water filtration kit should be stored with medical supplies and rations.

Water from rivers and lakes is often infected with a form of micro-organism known as *Giardia lamblia*, which causes diarrhea and can lead to severe health problems. Filters can help, but boiling water is the best way to kill off waterborne organisms. It pays to understand how to build and operate a water distiller, which boils water but captures the airborne water droplets and collects them into a clean container for consumption.

Clean, drinkable water is something we tend to dismiss in the modern world, but in many countries where it is unavailable or insecure, it is literally priceless. Being able to turn questionable water into safe drinking water is a highly monetizable skill in a disrupted world.

**Additional Resources:**
- Emergency Water Purification, Step-by-Step: [http://biotech.law.lsu.edu/cphl/Practice/water.htm](http://biotech.law.lsu.edu/cphl/Practice/water.htm)

**Gardening:** Getting food will be the most important concern when cash and credit disappear. One way to ease this stress is to grow your own.

Most of us don’t have enough land to grow all our food, but we can definitely make a big dent in the grocery bill and maybe even have enough to barter with.

If space is limited, find the most efficient foods to grow. People call this “intensive gardening.” The typical gardener grows only one crop a year, but you can grow more. Plants have different sowing patterns and harvest times. If you plan things properly, you can get three different crops in the same space – one each in spring, summer, and fall.

Some plants like asparagus, lettuce, and broccoli prefer cool temperatures and short days. These are perfect for the spring. Other plants like okra, squash, and tomatoes need long, hot days. Plant these in the summer. In the fall, winter squash and kale do really well. In fact, kale tastes better if it frosts briefly.

Different climates require different plants and techniques. You can learn what vegetables to grow and when by visiting [www.ufseeds.com/Vegetable-Planting-Schedules.html](http://www.ufseeds.com/Vegetable-Planting-Schedules.html).


**Additional Resources:**
- Family Makes $100,000 Growing Crops on 1.5 Acres: [http://www.motherearthnews.com/organic-gardening/market-gardening-zm0z15djzkin.aspx](http://www.motherearthnews.com/organic-gardening/market-gardening-zm0z15djzkin.aspx)
- Homegrown Spices: Americans are fond of cooking with a variety of herbs and spices, many of which are grown and harvested in poor countries, dried, and packed into tiny glass bottles before being shipped overseas at great expense.

In that strange system, you have an echo of a form of money that pre-dated our modern economy and paper money – the spice trade. It was, after all, what drove Columbus to search for India by going west, leading to the discovery of America. In the chaos of an economic collapse, there is likely to be little interest in cooking or spices, but it might turn out to be worthwhile to cultivate a knowledge of basic cooking spice plants and their growing seasons on land you own.

Oregano, for instance, is remarkably easy to grow and can survive a hard winter. Rosemary bushes grow almost nonstop. Rosemary is a very good spice for meats. Thyme is a basic spice for sauces and stews. Parsley and cilantro will grow almost anywhere and can be dried. Tarragon can be preserved in vinegar, and sage dries very well bundled. Finally, many herbs can be dried and used as teas.
Keeping a supply of seeds on hand will be a help, too. You can buy pre-sealed packs of vegetable garden seeds that can last in storage for decades and still be ready to plant. Or you can buy smaller packets of seeds that have a shorter shelf life but are easily divisible – these can be exchanged for other goods.

**Additional Resources:**

- **Grow and Dry Herbs for Tea:** [http://gnowfglins.com/2015/04/14/how-to-grow-your-own-herbs-for-tea-even-in-a-small-space/](http://gnowfglins.com/2015/04/14/how-to-grow-your-own-herbs-for-tea-even-in-a-small-space/)
- **Canning Supplies:** Canned goods could easily become a quantified medium of exchange if you store the finished goods properly and keep a supply of clear jars and materials, or retrieve your jars once the food is consumed.

  One way to ensure you get jars back is by incentivizing their return with credit on future canned goods, similar to the way some states collect soda bottles by allowing a few cents credit for returning them to a store.

  **Additional Resources:**

  - **Food Canning Basics Explained:** [http://nchfp.uga.edu/how/general.html](http://nchfp.uga.edu/how/general.html)
  - **Canning Supplies and Tools:** [http://www.amazon.com/Canning-Kitchen-Dining/h?ie=UTF8&amp;node=1265175011](http://www.amazon.com/Canning-Kitchen-Dining/h?ie=UTF8&amp;node=1265175011)

**Sewing:** Being able to mend, alter, or make clothes will be a very useful – and profitable – skill.

Often, the first thing to go on a coat is the zipper. Even if the rest of the coat is fine, it’s worthless in the cold if you can’t zip it up. Being able to fix that zipper saves you from having to buy a new coat. Once you get good at it, most zipper repairs can be done in under 15 minutes.

Other mending fixes are quick and easy, too. You can sew buttons, hem pants, fix rips, and patch holes.

In addition, making clothing can be fairly easy. The first link below has a guide to making a sorbetto top, using just two pieces of fabric – it only takes a few minutes to sew together. A sorbetto top is basically a fashionable tank top for women. You can buy the fabric for about $1. These shirts start at $7 in stores like Target and Walmart.


**Additional Resources:**