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**Bye Bye Big Brother**

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# Bye Bye Big Brother

By 'Grandpa' and Others

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ONCE AGAIN THE PUBLISHER AND EDITORS STRESS "never break the law" intentionally or unintentionally.

## Volume One

**GET YOUR MONEY OUT OF YOUR COUNTRY -  
BEFORE YOUR COUNTRY GETS YOUR MONEY  
OUT OF YOU!**



# Contents

## Chapter 1

A DEDICATION.....	1
TO INVISIBLE INVESTORS EVERYWHERE.....	1
THE PURPOSE OF THIS BOOK.....	2
HOW DID IT ALL START? .....	2
THE DIFFERENCE BETWEEN MODERN PTs AND THEIR PREDECESSORS .....	3
LIVING AS AN INTERNATIONAL MAN.....	3
ESCAPING VIOLENCE, CRIME AND THE THREAT OF TERRORISM.....	5
ACHIEVING YOUR PERSONAL GOALS .....	5
RECOMMENDATIONS OF THE FIRST PT BOOK .....	5
CHARITABLE WORK .....	6
ABOUT THE WRITERS .....	6

## Chapter 2

PT-WHAT'S IT ALL ABOUT? .....	7
-------------------------------	---

PT stands for many things - Perpetual Traveler or Permanent Tourist, for instance. However, a PT need not travel all of the time - nor indeed, any of the time. A PT merely arranges his or her paperwork in such a way that all governments consider him a tourist - a person who is just Passing Through. Discover how and why PT's operate legally; by circumventing the rules designed to ensnare ordinary mortals. Learn how you can break free, avoid most taxes legally and experience unlimited personal freedom.

WHAT DOES 'PT' STAND FOR? .....	7
THE THREAT CALLED GOVERNMENT. ....	7
PTs OPERATE LEGALLY, BUT OUTSIDE THE USUAL RULES .....	8
AVOID TAXES LEGALLY.....	9
HOW TO BREAK FREE.....	9
THE AMERICAN EXCEPTION.....	9
UNLIMITED POSSIBILITIES.....	10
WHY MANY PEOPLE LEFT IRELAND.....	10
WELCOME TO FREEDOM!.....	11
PTs AND POLITICS .....	12
THE PT LIFESTYLE.....	13
WHAT IF EVERYONE BECAME A PT?.....	13
HOW TO BEGIN YOUR PT QUEST.....	14
CAN YOU AFFORD TO BECOME A PT?.....	14

## Chapter 3

HOW JASON BRADY BECAME A PT.....	17
----------------------------------	----

The true story of a typical American businessman who was not prepared thoroughly - how he lost his assets, but discovered PT just in time to save himself from being framed and jailed.

MAURICE HIRES JASON AS HIS BROKER.....	17
JASON GOES TO THE LAND OF THE RISING SUN.....	18
A NICE SURPRISE.....	18
HIS WORLD COMES TUMBLING DOWN.....	20
THE TRIAL.....	22
DENISE AND THE SECRET MEETING WITH HER DADDY.....	23
AN ASIDE FROM GRANDPA: HOW DOES BAIL WORK?.....	24
A PLEA BARGAIN IS OFFERED.....	24
THE VERDICT ON JASON.....	25
WHAT HAPPENED AFTER THE GUILTY VERDICT?.....	26
JASON'S SECRET BEACH HOUSE IN THE CAYMANS.....	27
A TIME FOR REFLECTION.....	29
JASON'S THOUGHTS.....	30
LIFE IN THE RAT'S NEST.....	33
THE POPLAR CASE.....	35
POPLAR'S PLEA BARGAIN.....	39
JASON GETS OUT.....	40
GRAMPS'FINAL COMMENT.....	40

<b>Chapter 4</b>	
<b>CAN YOU BREAK FREE AND BECOME AN INTERNATIONAL PT?.....</b>	<b>41</b>

How our hero and PT author turned his financially disastrous divorce into six decades of the good life and a second fortune; How you can do the same. This chapter explores the problems facing you and shows you all the steps you can take to achieve financial independence and find freedom in an unfree world. Learn the secrets of visualization and quick implementation of your fantasies and dreams. How to do your thing (whatever it is), legally, How to make more money, have more interesting friends, enjoy abundant, great sex and have a stress-free, healthier life.

DON'T LOOK BACK-JUST GO! .....	41
FEWPEOPLE HAVE PTS TO EMULATE AS ROLE MODELS.....	41
HOW GRANDPA BECAME A PT.....	41
CLEARING \$ 1000 A WEEK, I WAS ORDERED TO PAY ALIMONY AND CHILD	
SUPPORT OF \$3000 A WEEK.....	42
ENTER MY GOLDEN GURU.....	43
COULD YOU ESCAPE THIS SAME WAY?.....	44
SEX AND THE PT.....	44
YOU CAN BREAK OUT!.....	44
PTS ALWAYS OBEY THE LOCAL LAWS (AT LEAST THEY TRY!).....	45
VISUALIZE AND IMPLEMENT .....	46

<b>Chapter 5</b>	
<b>YOUR SIX FLAGS UNFURLED .....</b>	<b>47</b>

How to become a true PT, an international man, a sovereign individual: Compartmentalize your interests using several countries. Modern communication technologies can make you a one-man multi-national. How anyone can acquire a second passport and a new nationality for free. Why USA citizens (unlike anyone else in the world), absolutely must have at least one other nationality.

CITIZENSHIP .....	47
RESIDENCE HAVENS (DOMICILES).....	47
PLAYGROUNDS .....	48
BUSINESS BASES .....	48
ASSET HAVENS .....	48
ELECTRONIC HAVEN IN CYBERSPACE.....	49

## **Chapter 6**

### **HOISTING YOUR SIX FLAGS TO THEIR ULTIMATE LEVELS..... 51**

Learn the importance of developing a 'good citizen' profile on all government databases, so that Big Brother will never pursue, interview nor persecute you. How the rules of the game keep changing. 12 Things you must do to interact quickly, favorably and profitably with bureaucrats. Why you don't have to be rich to be a PT (and why you will become rich after you are a PT).

THE RULES OF THE GAME KEEP CHANGING.....	52
OBJECTIVE#: PROTECTING YOUR ASS AND ASSETS .....	52
IS IT GOING TO HAPPEN?.....	53
MOST PTs ARE PRIOR TAXPAYERS .....	53
THE USAPASSPORT IS THE MOST EXPENSIVE IN THE WORLD .....	53
THE SECRET LOOPHOLE TO A TAX FREE USA PASSPORT.....	54
USA RESIDENCE FOR TAX PURPOSES.....	54
HOW ILLEGAL IMMIGRANTS LIVE UNTRACKED IN THE USA.....	54
THE DREADED 'MIGRA'.....	55
INTERACTION WITH BUREAUCRATS IN YOUR PLAYGROUND .....	56
YOU DON'T HAVE TO BE SUPER RICH.....	57

## **Chapter 7**

### **THE PT CREDO..... 59**

PT is elegant, simple, and requires no accountants, lawyers, offshore corporations, nor other complex or costly arrangements. Discover why PT is first and foremost a way of thinking - not a fixed set of rules.

## **Chapter 8**

### **'FREE' INVESTMENT ADVICE WILL COST YOU A LOT!..... 61**

In this short chapter we explore why most 'investment advisors,' stock brokers, newsletter writers, insurance agents and even private bankers will disregard your best interests and put you into deals that pay off for them (not you).

NO SUCH THING AS A FREE LUNCH .....	61
SUCCESSFUL INVESTING FOR LAZY PEOPLE .....	62
WHAT IF THE WHOLE MARKET GOES SOUR?.....	62
THE TRUTH ABOUT HEDGE FUNDS-ACCORDING TO OUR OWN RESEARCH .....	62

<b>Chapter 9</b>	
<b>GOVERNMENTS AS SERVICE PROVIDERS .....</b>	<b>65</b>

Government bureaucrats can be your protector and civil servant. Instead, for most people they are more often an obstacle. The PT's relationship (or lack of interaction), with any government official is a matter of choice. Multi-national corporations have always seen governments as service providers in competition with each other. Today, PTs can do the same.

TODAY, PTs SEE GOVERNMENTS AS SERVICE PROVIDERS .....	65
THE PT'S RELATIONSHIP WITH GOVERNMENT IS A MATTER OF CHOICE .....	66

<b>Chapter 10</b>	
<b>PT: PLAINTIFF? TERRIBLE! DEFENDANT? EVEN WORSE! .....</b>	<b>67</b>

If you are ever involved in a civil or criminal trial, the outcome often has very little to do with truth, justice or common sense. Even if you win, the costs and aggravation make you the loser in the end. Learn how to protect your assets against greedy contingency fee lawyers and governments with unlimited funds and much deeper pockets than you have.

INDIGENT PLAINTIFFS HAVE NOTHING TO LOSE.....	67
WHEN YOU THINK YOU HAVE A GOOD CASE .....	67
A FAMOUS CARTOON: "THE LAWSUIT" .....	68
EVEN IF YOU WIN, THE COSTS AND AGGRAVATION MAKE YOU A LOSER .....	68
THE ONLY TIME THAT POVERTY IS AN AD VANTAGE.....	68
JUDGEMENT PROOFING. ....	68
CRIMINAL DEFENDANTS .....	69
A SOMALI-SWEDISH HAWALA.....	69
AN UNEXPECTED, UNRELATED EVENT ON THE OTHER SIDE OF THE EARTH CAN DESTROY YOUR LIFE! .....	70
FINAL LESSON OF THE STORY?.....	70

<b>Chapter 11</b>	
<b>THE FUGITIVE DOBERMAN .....</b>	<b>71</b>

The true story of how an innocent man tried to help a neighbor and her dog. In return, he found himself accused of dealing drugs and had his assets seized by the government.

THINGS ALWAYS WORK OUT .....	76
THE LAW OF UNEXPECTED CONSEQUENCES. ....	78
DAMAGE CONTROL .....	80

<b>Chapter 12</b>	
<b>FREEDOM: ARE WE LESS FREE, OR FREER THAN EVER? .....</b>	<b>85</b>

The mass media would have us believe we are freer today than ever. Learn right here why it isn't true. Freedom for some has been 'stolen' probably *at your expense*.

ARE BLACK LESBIANS FREER TODAY?.....	85
IMPORTANT FREEDOMS WE HAVE LOST.....	86
THE FREEDOM TO DEFEND OURSELVES-GONE .....	88
THE FEW WAYS IN WHICH WE ARE MORE FREE.....	88
FREEDOM IN WARTIME .....	90
NATTERING NABOBS OF NEGATIVISM .....	90
INTOLERANCE .....	91
PTS ARE POSITIVE THINKERS!.....	91

## Chapter 13

PATRIOT ACT ERODES FREEDOM EVEN FURTHER.....	93
--	----

Back to the future with George Orwell's *1984*. In this chapter we look at the global consequences of the USA PATRIOT Act. The US government can now legally kidnap, abduct, jail, torture and kill anyone, anywhere in the world - all legally and all in secret.

AMERICA'S'SECRET WAR ON LIBERTY': THE MILESTONES .....	94
IS IT TIME TO ESCAPE?.....	95
THE BEST TIME FOR FREEDOM.....	96
ESCAPE FROM AMERICA?.....	97
BETRAYAL BY THE AMERICANS.....	97
PATRIOT ACT SEQUELS -COMING SOON .....	97

## Chapter 14

GOVERNMENT ACTIONS ARE FAR MORE DAMAGING THAN TERRORISTS.....	99
--	----

Journalists bemoan 'collateral damage' in war zones. The real collateral damage has been the loss of freedom at home.

THE REAL 'COLLATERAL DAMAGE' IS LOSS OF FREEDOM AT HOME .....	99
THE DOMESTIC FRONT .....	100

## Chapter 15

CASE STUDY: HOW THREE FRIENDS BECAME PTs.....	103
---	-----

Meet three real-life PT's and study their individual cases. Here we cover the advantages and the disadvantages of these diverse lifestyles.

ALBERT THE ART DEALER .....	103
BARRY: THE VITAMIN MAN IN AMSTERDAM .....	105
WALTER THE TRADER .....	106

## Chapter 16

DON'T BE A REFORMER OR A (DEAD) HERO .....	109
--	-----

Why won't most people ever be PT's? Because the average person is directed by others. They are too lazy (or dumb), to think for themselves.

## Chapter 17

### 1984 REVISITED: HOW GOVERNMENT MANIPULATES THE

MASSSES.....	111
--------------	-----

Mr. & Mrs. Joe Average believe what the mass media tells them. They mistakenly believe that their radio and TV is not government controlled. But the reality is that the people are told mainly what Big Brother wants them to hear. Here in this chapter we identify independent sources of information for a balanced world view, early warnings and the best advice.

NEWSPEAKAND DOUBLETHINK IN AMERIKA.....	111
---	-----

FIGHT TERRORISM-GROW YOUR OWN POT?.....	112
---	-----

## Chapter 18

### THE UNINTENDED CONSEQUENCES OF WELL

INTENTIONED LAWS.....	115
-----------------------	-----

See why virtually all laws desired by socialist types so that Big Brother can 'protect' people often have the opposite effect. In this chapter you find out how to cope with a government that 'protects you to death.'

UNINTENDED CONSEQUENCES OF LAW TO PROTECT TENANTS .....	116
---	-----

MINIMUM WAGES AND GUARANTEED LIFETIME EMPLOYMENT.....	116
---	-----

SEAT BELTS!.....	117
------------------	-----

HOW THE SEAT BELT LAW WORKS .....	117
-----------------------------------	-----

THE ULTIMATE SOLUTION TO UNINTENDED CONSEQUENCES .....	119
--	-----

## Chapter 19

HOW MUCH MONEY DO YOU NEED TO PT? .....	121
---	-----

*Here comes the good news; the best news!* PT is a way of life, a philosophy. You don't need to spend ANY money to become a PT. *You don't even need any assets* to be a PT. But sure, like anything in life, it's easier to make the transition from ordinary mortal to full scale PT if you are either self-supporting (with a portable trade), or have enough money to live on from investments - without working.

THE TECH BOOM AND BUST .....	121
------------------------------	-----

GETTING BACK TO WORK .....	122
----------------------------	-----

YOUNG PENNILESS BACKPACKERS .....	122
-----------------------------------	-----

CAREFREE TRAVELLERS.....	123
--------------------------	-----

LIVING OFF LITTLE DEALS.....	123
------------------------------	-----

## Chapter 20

HOW MANY PTs ARE THERE IN THE WORLD?.....	125
---	-----

Learn why PT is *the best non-governmental disorganization in the world*. 'Nobody knows how many PTs there are. We are an amorphous group with no leaders.

SOME ARE PTs, BUT DON'T KNOW IT .....	125
---------------------------------------	-----

## Chapter 21

### THE PT PHILOSOPHY VERSUS THE OTHERS ..... 127

How PT differs from Marxism, Libertarianism and other political theories. It is a pragmatic formula for maximizing individual happiness and well being. What other people say, do or think about you is not your concern as a PT. In this chapter we also examine 'new country' and other pie-in-the-sky schemes.

NO SEX, NO WARS.....	127
THE MISTAKE OF MARXISM.....	127
PTs ARE LIVE COWARDS, NOT DEAD HEROES.....	128
POLITICALLY ACTIVE PTs.....	128
NEW COUNTRIES.....	129

## Chapter 22

### PART-TIME TEE-PEE OR PERMANENT TREEHOUSE? ..... 131

Does a PT have to travel all or much of the time? In a word, 'No.' Here we cover how to deal with situations (like kids in school), where frequent physical relocation is not viable. Perhaps age or family commitments means you want to stay in one or maybe two places. You can! PT is about freedom of choice.

IF JET-SET TURNS INTO JET-LAG.....	131
DIFFERENT STROKES FOR DIFFERENT FOLKS.....	132
TAX HAVENS FOR THE WELL-TO-DO.....	133
THE THIRD WORLD.....	133
LIVING OUT OF A SUITCASE CAN BE FUN-OR HELL.....	133
PETER THE PT CONSULTANT: LIVES OUT OF A SUITCASE BUT STILL HAS A HOME.....	134
ANOTHER WAY PTS CAN PUT DOWN ROOTS.....	135
CROSS CONTINENT COMMUTING AND CROSS BORDER WORKERS.....	137
THE DISTRIBUTED PT COMMUNITY.....	137

## Chapter 23

### PAPER PT-AN IMPORTANT CONCEPT. .... 139

*Paper PT* is the newest wrinkle: A blueprint for gaining the PT advantage with absolutely no need to move away from your old stamping grounds. If you choose to become a Paper PT. your own government will categorize you as a visiting tourist -just passing through. You slip through the cracks, saying "Bye Bye Big Brother."

WHAT IS A PAPER PT?..... ; .....	139
ENTER ALPHONSE VAN KATTLE.....	140
NEGATIVE ASPECTS OF PAPER PT.....	140
THE PT MINDSET: "YOU DON'T KNOW UNTIL YOU GO".....	141
PAPER PT-ING IN A THIRD COUNTRY.....	142

## Chapter 24

### EMOTIONAL ATTACHMENTS TO YOUR POSSESSIONS MAY

#### CONFLICT WITH BEING A PERFECT PT..... 147

Wealth from a PT perspective: Why non-portable material possessions and your attitude (loving things too much) must change. Many people slaughtered in invasions, genocide, revolutions stayed and died because they couldn't leave their furniture or crockery.

#### WHY SHOULD YOU BE RICH? ..... 147

#### THE TOOLS OF YOUR TRADE.....148

## Chapter 25

### ESSENTIAL PT READING: TWO NOVELS..... 149

An introduction to the theories of Ayn Rand. She wrote *The Fountainhead* and *Atlas Shrugged*. Every PT should read and understand these novels. We also discuss a worthy sequel to Rand's novels — new for 2004.

#### ATLAS SHRUGGED ..... 149

#### A SIMILAR NOVEL FOR THE MODERN ERA ..... 151

## Chapter 26

### ALL WE LIKE SHEEP HAVE GONE ASTRAY ..... 153

Big Brother isn't a shepherd who'll protect you and lead you into green pastures. Act like a sheep, and you will be sheared and then processed into ground meat! Will you be one of the sheep - or will you be a Pioneer Traveler, protecting your ass and your assets with informed preparation?

#### LIFE ACCORDING TO THE PT THEORY. .... 153

#### NO MORE WARS FOR US ..... 154

#### BACK TO THE REAL WORLD OF TOD AY..... 154

#### PTs SHARE THE IDEALS OF THE LIBERTARIAN POLITICAL PARTIES ..... 155

#### AVOIDING THE SHEEP MENTALITY. .... 156

#### BECOMING APT IS NOT A STATIC THING..... 157

#### A WARM WELCOME TO THE WORLD OF PT..... 158

#### WORK WITH GRANDPA AND THE GLOBAL LIBERTY TEAM ..... 158



## Chapter 1

# A DEDICATION

A funny thing happened while we were going to press with this dedication.

We had a short list of a half dozen or so great men - philosopher-founders of the PT movement. We intended to name and profile these gentlemen for their great courage and achievements in the realm of ideas. They were the ones who inspired the PT concept and gave us the 'six flags' in various books and articles.

We wrote a loving dedication. Then, as a courtesy, we asked them if it was alright to give them a well deserved mention by name and a public pat on the back. We sent out a proposed dedication with a short bio of each.

Guess what?

They all said, in effect:

- 1) *"We don 't need this kiss of death "*
- 2) *"Do you think we want Big Brother to put us at the top of his target list? "*
- 3) *"No publicity please!"*

Of course, once we thought about it, this reaction was the obvious response. We should have expected nothing less. If you are going to be a PT or write about it, the first idea to remember is that PT is a Privacy Thing. *No 'real' names, no street addresses!* Don't ever let them know where you live, work or sleep. And so the original idea of our dedication (naming specific people) went to the cutting room floor.

Thus our new dedication is:

## TO INVISIBLE INVESTORS EVERYWHERE

*A good idea whose time has come, which will have far-reaching consequences in the real world.*

The PT philosophy and way of life has spread through the world like fast growing airborne seeds. No one can say how many PTs there are today. Five or ten million? More? Who knows? PTs are an amorphous group with *no common characteristics* aside from 'attitude.' Thus, no one can find or count them. The Great Inspirational Founding Fathers of the group are invisible and anonymous - judiciously blending in.

PT was thought up as an antidote to intrusive government. The PT concept predates the internet. But today there are about 25,000 PT related entries and web-sites on the Net. The old original PT book made it on to many lists. It was named by one list-maker as one of the '25 Greatest Inspirational Books of All Time.'

Hundreds of firms (almost all on anonymous websites) currently sell PT related goods and services.

It was the original PT book (by another group of authors) that inspired this work. Call this a sequel or an update. In any case it is sorely needed.

It has been three decades since the first P.T. book was written. The original *PT* now out of print, was an underground best seller. First Edition signed and numbered copies of the old PT Book are today selling to collectors at much more than their issue price of \$ 100. Check with Amazon.com if you don't believe it.

Maybe this book will someday sell for more than the issue price. In inflation adjusted money, it is priced at about the same as the original PT book.

## THE PURPOSE OF THIS BOOK

Then, as now, the PT Philosophy and Practice is *a way to assert your freedom* - to escape from the growing repression and intrusiveness of Big Governments everywhere. Like the corporations who have learned to internationalize and diversify, this book shows productive people how to get out from under the thumb of Big Brother. An alternate title could have been: *How To Remake Yourself Into A One Man Multi-National*. That was what the original PT book was all about.

In thirty years, many things have changed. It is time for a new book updating and tweaking older PT techniques. The 'Five Flag' philosophy (covered in the early chapters) is still a good basic guide. Marvelous new opportunities have opened up 'made for PTs' as the result of the Internet. With this book, the authors add a sixth flag (Cyberspace!) to the old five PT flags.

## HOW DID IT ALL START?

Before 1860, there were very few people who (as individuals) travelled constantly. Working or investing abroad while travelling was just not a possibility. World travelers in the old days were called *explorers* or *adventurers*. They were rare birds.

Marco Polo was one of the most famous of these. Up until 1860, few people would or could travel as a way of life - unless it was in connection with government business (ambassadors, military and such). There were merchant mariners or merchants moving trade goods overland from one place to another.

Then, with railroads, better roads, hotel chains and less xenophobic governments, world-wide mobility became possible for individuals of means. From 1860 to 1910, the *Belle Epoch* was the time of the Grand Tour. Wealthy people could go around the world in as little as 80 days - or a few years if they chose to do so. And many did.

In those days no passports were needed to enter or leave countries. There were no income taxes. There was no Big Brother to escape from!

Starting in the nineteenth century, some wealthy people were able to maintain fine second homes abroad. In the 1950s, the 'Jet Set' travelled between fashionable watering places like Acapulco, St. Moritz, Paris, Biarritz, and Marienbad. They congregated seasonally in various fashionable parts of the world. Travel fun for these people often included taking the cure at a health farm, skiing, flirting,

hunting, gambling, yachting, golf and tennis. In amongst our six flags, we have the category 'Playgrounds.' This identifies places to go and things to do -just for fun. But having fun is just one facet of PT life.

## THE DIFFERENCE BETWEEN MODERN PTs AND THEIR PREDECESSORS

About fifty years ago, the first PT articles started appearing as feature stories in magazines and newsletters. The main difference between today's PTs and their predecessors? Early PTs either invested internationally or produced products and services for an international market, largely while outside of their home countries. PTs discovered and moved to off-the-beaten-track locations.

One of the first PTs supported himself in the 1950's by selling a (mail order) paperback book called *The Lazy Man's Guide to Riches*. Another wrote and self-published *Bargain Paradieses Of The World; How To Live Like A King On Under \$50 A Month*. Of course that was many years ago when a bottle of Coca Cola cost only a USA nickel (five cents).

A more refined PT philosophy was the concept of writers who came out with titles like *The International Man*, *The Sovereign Individual* and *PT*.

This last book, published in England by the late lamented Scope International Ltd, was described as a *coherent plan for a happy, prosperous international lifestyle*. It first identified the 'five flags' that are flown by most PTs today.

PTs thrived by *Finding Freedom in an Unfree World*. This was another influential PT oriented book. PTs often join online groups, write and consult to show wannabee PTs how to do it - by internationalizing. But there is so much more to it than that. In *Bye Bye Big Brother* we look at the PT impact on personal relationships, the best places to live, how to invest and bank abroad with safety and high profits, how and why to acquire new citizenships, and how and when to use tax havens as legal residences. PT morality is set forth, along with much more survive and prosper information. It is possible to make serious money in a totally alien environment.

The bottom line is that *Bye Bye Big Brother* will give you (in the doing!) a sense of security and self-confidence that most people never attain.

## LIVING AS AN INTERNATIONAL MAN

Many people believe that they will be attacked by bandits or laid low by mysterious oriental viruses if they leave their precious (some even go so far as to call it 'sacred') home country.

The truth is this: Go abroad. Rent an apartment in one of our recommended PT hangouts (or any major European city) for 6 months. Something wonderful will happen. You will gain new confidence and self esteem. You'll discover a whole new world! More economic opportunities and more interesting companions will come your way than you would ever find at home.

As Ernest Hemingway said (to paraphrase):

[www.byebyebigbrother.com](http://www.byebyebigbrother.com)

*On every corner and at every cafe table in Paris, there were extraordinary people living wonderful lives and telling me fantastic stories. It was truly a moveable feast.*

You'll find that there are many Portable Trades you can take up anywhere in the world. One of these portable jobs is writing. Hemingway wrote his best-selling novels at sidewalk cafes in Cuba, Spain, France and Italy. You can do that - or with a lot less talent, create a highly profitable 'e-zine.'

What's that? An online newsletter of topical interest. Do you like doing research on wine, beer or baby carriages? People have made small fortunes simply by writing a weekly article (for online distribution) on these and myriads of other mundane topics. Once you have around 20,000 readers, you have a valuable subscriber base of customers for related goods and services. When you tire of working or writing newsletters or websites that you started from scratch, they can be sold for very serious money.

We have a chapter on Portable Trades that is chock full of ideas on what you can do abroad without any licenses, permits or college degrees. Fixing up houses for re-sale is another of the infinite list of ideas you can try. What do you like? Any product or service is PT do-able.

Trading *things* on E-Bay for a living is just one possibility. One could buy and sell pet birds, pet food or currency. Or put on seminars or rock concerts. To repeat: any product or service could be your niche. The import and export of DVDs, software, collector stamps or gold coins are all possibilities. *More money by far is made on deals than by working at any job for someone else!*

PTs avoid a dull, dead-end life as a wage-slave. They replace it with an exciting, prosperous international lifestyle. PTs earn more money where incomes are high, and spend it in cheaper places where everything costs a fraction of prices 'back home.' Taxes are often nil.

And we have not even mentioned the obvious fact that many pleasing young marriage partners or companions can be found more easily in the third world.

A basic PT tool is figuring out how your skills or talent can be adapted to fill local needs. 'Find (or create) a need and fill it!' That is the PT moneymaking rule.

Just because you were born somewhere doesn't make it the best place on earth. Most people are so provincial that they think their home town is the centre of the universe! Excessive familiarity with surroundings kills your spirit and breeds laziness of mind. Worst of all, you can't realize your own potential.

If you remain among school friends and family they continue to treat you as they did when you were a child. They remind you of your obligations, limitations and 'proper place.' They discourage you from taking any risks and mold your life into conventional, parochial, predictable patterns. The only thing you will experience as a stay-at-home is growing older as your friends grow older and die off. PTs can feel sorry for the 95 per cent of the world's population who never know anything but the immediate vicinity of their birthplace.

PTs are not under anyone's thumb. The excitement of discovering new places on your own, and trying out many interesting business ventures - always making a good living by buying and selling things (or trading investments or services) - will keep you young, alert and intellectually vigorous!

## ESCAPING VIOLENCE, CRIME AND THE THREAT OF TERRORISM

What about violence, crime and now the threat of terrorism? Terrorism, to be realistic, will probably affect less than one in 100 million people. With those odds, there is nothing to worry about. If you are still worried, move to a neutral country like Canada, Thailand, Switzerland or New Zealand.

In most places legal and government violence is a greater threat. Americans, particularly after World War II were (and still are) suing each other as a way of life. Lawyers have proliferated. In the USA they now outnumber garbage collectors. Victory in courts doesn't go to the morally or legally right person. One of the big lessons any PT learns is that when you go as a plaintiff (or are dragged in as a defendant, criminal or otherwise) *even if you win*, considering the time, aggravation and the money you must spend on defense lawyers - you *always* lose.

New legal theories, particularly in the English speaking world, disburse the life savings of productive people. Courts and juries give away the money of anyone with *deep pockets*. Who gains? Only lawyers and unproductive claimants who initiate a fog of litigation - like bug spray - to see what they can knock down.

The legal system in many places has unquestionably tilted against anyone who had the skill or luck to be financially independent. But PTs learn how to find those places where the legal system *protects* rather than threatens them.

In the old days before 1960 the USA did not attempt to regulate nor tax its citizens who lived abroad - period! Most countries are still that way. If you physically leave any other country, they can't and won't try to tax you anymore. But these days it is no longer so easy, clear and simple. You may need a lawyer or at least a good guide-book (hint, hint, read *Bye Bye Big Brother*) to do it legally.

## ACHIEVING YOUR PERSONAL GOALS

What are your goals? To be your own boss? That is a good goal. Abroad, you will be more stimulated, safer, and more anonymous. As a Perpetual Tourist you don't worry about relatives or old friends coming to you for handouts. There are no neighbors nor other people suing you, nor sticking their noses into your business. PTs have a 'floating' home. Not a boat, but rather a state of mind that allows us to be modern-day nomads... to lift anchor if the harbour becomes too rough or the local weather is no longer suitable for *clear sailing*.

As a PT you are under no one's thumb. Only you are in charge!

## RECOMMENDATIONS OF THE FIRST PT BOOK

Moving assets abroad was a revolutionary and 'unpatriotic' idea at the time. We suppose it still is. But those who did it and those who also moved themselves abroad are invariably glad they did it! Anyone who acquired a new citizenship (legally, of course) clearly has more life-options.

Today, thirty years later, it is slightly harder to expatriate and get a new, neutral national identity... but it is still very much possible. You can do it!

Can you undo such a move? Sure! Becoming a PT is not in any way irreversible. It is just like getting a Ph. D. You can always go back to what you were before, but it is unlikely you'd want to return to a less intelligent, less interesting and less enjoyable existence.

## CHARITABLE WORK

If helping others is your thing, you can do it better as a PT. Simply put: in the first world a charitable foundation is highly regulated. Abroad, it is not. You can effectively deploy your assets to any business venture or good cause you choose.

As a PT, you would probably be able to keep all your earnings, capital, capital gains, interest and dividends - tax-free. The reason for this is that the laws of many countries do not tax capital gains, investment income from abroad, nor even income from professional services. But tax strategizing is just a small portion of the PT life. In any event, the more of your earnings you keep, the more will be available for projects to save the world or to do whatever it is you want to do.

You'll soon discover many useful tips on making money while you are moving about, Parked Temporarily as a PT. You will find out all about the most enjoyable places to live. Identify the best places to make money. Looking for PT ideas on educating your kids? Anyone who wants to be a PT can live a great, exciting PT life. It's all here in these volumes.

## ABOUT THE WRITERS

This book has been written by a team of knowledgeable PTs. You will encounter their often divergent views in the following pages. If you have any comments, contributions, critiques - or anything at all to add - please e-mail or write to the publisher at [members@glpub.bz](mailto:members@glpub.bz)

Also, why not contribute an article to our website? If your contribution to the web site is used the next edition of *Bye Bye Big Brother*, you can have your PT pen name mentioned (or your real name if desired), plus at least one cool gift in appreciation.

Along with updates there will be membership in the special Global Liberty Publishing website forum for registered book buyers only. With the ownership of this very special book, you can trade information within an exclusive club of like minded PT individualists. In fact, you can become one of our writers yourself. We welcome your participation.

*"We are what we do; especially what we do to change who we are. "*  
*Old Brazilian Proverb*

Signed: Grandpa Ipanema Beach, Rio de Janeiro,  
Brazil - May 2005

## Chapter 2

# PT - WHAT'S IT ALL ABOUT?

Do you want to escape the control over your life and property now held by modern Big Brother governments? The PT concept could have been called "Individual Sovereignty" because PTs look after themselves. We do not want or need authorities to dominate every aspect of our existence from cradle to grave.

The PT concept is one way to break free. It is a coherent philosophy, a plan for a stress free, healthy, prosperous life - not limited by government interference, the threat of nuclear war, terrorism, the reality of food and water contamination, litigation, domestic conflicts, taxation, persecution or harassment.

Whether your problem is an unacceptable child custody decree or an unwarranted accusation by some Gestapo style government agency, PT offers escape. It is a way out of any negative situation created and imposed upon you by any government. Many individuals choose to vent their frustrations with acts of violence. The PT merely *avoids conflict* by refusing to play where the rules are unfair to him. We move our ass and our assets out of the forum.

## WHAT DOES 'PT' STAND FOR?

PT stands for many things - Perpetual Traveler or Permanent Tourist, for instance. However, a PT need not travel all of the time - nor any of the time for that matter. A PT merely arranges his or her paperwork in such a way that all governments consider him a tourist, a person who is just *Passing Through*. In the eyes of government officials, the PT is merely on a temporary sojourn or vacation.

The advantage is that by being seen as a person who is only *Parked Temporarily*, the PT is not subjected to taxes, military service, lawsuits or persecution for partaking in innocent, but forbidden pleasures. Unlike most citizens or subjects, the PT will not be persecuted for his beliefs or lack of them.

PT is a concept, a way of life, a way of perceiving the universe and your place in it. One can be a full time dedicated PT or a part time PT. PT is elegant, simple and requires neither accountants, attorneys, offshore corporations nor other complex arrangements. It's the *Perfect Thing*.

## THE THREAT CALLED GOVERNMENT

Governments, under the guise of protecting us, have intruded into every area of life, taking the largest part of our earnings in taxes and then rewarding us with little aside from restrictions and harassment.

*All governments these days have virtually eliminated individual privacy.* They continue to increase limitations on freedom of choice in many areas of human activity. Each country has its own unique restrictions. Most Western democracies are growing increasingly fond of keeping their citizenry on very short leashes, if not completely shackled. The constitutions of most nations give lip service to

the absolute freedom to travel, but in practice every government severely limits travel with passport, visa and other requirements.

A few passports, such as the USA's, even bar their holders from visiting certain nations. By imposing entry restrictions on foreigners, most nations invite tit for tat measures. Personal finances, currency controls, domestic situations and job requirements make the freedom to go anywhere at any time just a dream for most people.

## PTs OPERATE LEGALLY, BUT *OUTSIDE* THE USUAL RULES

The properly equipped PT operates outside the usual rules, gaining perfect mobility and a full slate of human rights. PT is the logical and natural path to freedom from proletarian dictators, ambitious politicians, emperors, occupying armies, ruling classes and the tyranny of the majority. Indeed, we seek freedom from the arbitrary whims of sometimes deranged politicians and the destructive powers of rampant bureaucracy. This is the essence of PT.

*PTs, People of Talent, can, at a few strokes of the pen, be truly free of Big Brother.* Oppressors and exploiters in the modern world exercise control with paperwork and computers. One of your first and prime objectives is to get your (real) name off of all computer lists, customer lists and official registers of any kind. This is easy to accomplish. PTs first drop off voter lists, then vanish from the roster of property owners or taxpayers. Your present government will no longer be interested in you if they think you have left the jurisdiction and have ceased to be a citizen or subject.

It is the goal of the PT to achieve invisibility by taking one or more new nationalities and acquiring an offshore address. For some citizens, like Germans or Swedes, it is necessary to first acquire a legal residence elsewhere. For others, Americans for instance, just notifying the home country that you are no longer living within their jurisdiction is enough.

PT freedom extends much further than monetary concerns. Neither the PT nor his family need be inconvenienced by the government instigated wars or military service that they would rather avoid. The flexibility and mobility inherent in being a PT means that one will never be an unwilling draftee, victim, jailbird, concentration camp inmate, casualty, refugee or displaced person. PTs choose their own fights and surroundings. They are not swept along in torrents of hysteria caused by forces beyond their control.

Rest assured that by making PT your secondary religion, you will be able to remain comfortably beyond the reach of Big Brother's ever extending grasp. It is impossible for any government to attack or wipe out PTs. Why? Because we are an *amorphous group without consistent behavior patterns*.

From the point of view of any government official, we appear to be the most desirable kind of tourist, respectful of local laws and authority, low profile and prosperous. PTs cannot be identified, classified or isolated from the general run of tourists. Thus, unlike some publicity seeking individualists or tax rebels, the PT courts no danger and invites no confrontations.



## AVOID TAXES LEGALLY

A Canadian investor with a large income from stocks and bonds would normally be obligated to sacrifice almost half of his earnings to the Canadian government. He could choose to reduce his tax burden in the most common, but ill advised way - the fiddle. He would then become a criminal - at least in Canada. Many countries have only civil penalties for tax violations, but Canada, the UK and the United States have made tax evasion into a criminal offence, resulting in what are, in effect, debtors' prisons for those who for any reason don't pay what the government says is their fair share of taxes. It would be far more sensible for this Canadian investor to break free, leave Canada along with his assets, and become a PT. *Similar possibilities exist for all citizens of all Big Brother governments.*

## HOW TO BREAK FREE

By merely moving themselves and their assets abroad (possibly by establishing a legally recognized residence and domicile in a tax haven), most investors are able to legally avoid handing over half their income to the bureaucrats. As a PT, he would then also be free to live abroad or roam the world as desired, provided he did not remain anywhere outside of his *new tax haven home* long enough (or in such a visible way) as to be considered resident for tax purposes. Thus, the PT avoids all income taxes without resorting to fraud.

Fraud is not necessary. A theoretically perfect PT need never file tax returns, government required disclosure forms nor any other paperwork.

## THE AMERICAN EXCEPTION

The major exception to this scenario is for USA passport holders. Americans, to become PTs, have to divest themselves of what is commonly known as 'the most expensive passport in the world.'

*Bye Bye Big Brother* will discuss the particular problems faced by Americans in greater detail elsewhere. But as a general rule, Americans who earn (as a couple) over \$ 160,000 a year - or any 'unearned income' from dividends or interest - are taxed by the USA at the same rates whether they reside within or outside of the USA. It is not illegal to acquire a second passport or to give up USA citizenship. But it's a complicated issue. How to handle it depends on individual needs.

If you don't enjoy forcible extractions from your bank account or restrictions on your basic human rights, then you can easily leave your home country. Move and either register in a tax haven - or declare yourself to be a legal resident of anywhere you please. ***If you don't like paying taxes, they can legally be avoided.*** *There is no government that has the legal right or the practical ability to tax a PT who neither lives within its borders permanently - nor has any assets there.*

The PT is free to enrich the world with his talent, skills, invention, industry or artistry. He can enjoy 100 per cent of the fruits of his work or enterprise. Unlimited, untaxed wealth and the power to dispose of it as you please is one of the major benefits of becoming a PT. PTs can produce good things, they can be paid in full without withholdings or deductions, and then spend their earnings on what gives them pleasure.

## UNLIMITED POSSIBILITIES

As PTs, only restrictions imposed by ourselves can keep us from experiencing the wonders of the world. The PT can and will drive, fly or sail across international frontiers when and where he wants, alone or with anyone he chooses. PTs move freely without exit permits or visas. As PTs, we should be mentally, financially and physically prepared to leave anywhere we happen to be and go to the other end of the earth at the first whiff of danger - or just in search of greener pastures. The PT is able to move fast and decisively; to disappear and resurface anywhere, anytime.

As PTs we can read what we want to read, eat what we want to eat, see what we wish to see, imbibe or ingest as desired and invest anywhere in anything. We are completely free from restrictions placed upon us by governments. We can buy or sell what we please. We can associate with, employ or live with people whom we find agreeable and pleasing.

If we want to change friends, employment or climate for any reason, we can do so almost instantly without the need to get any sort of permission from the state. Until you become a PT, the range of opportunities denied to you is inconceivable. We don't miss things we are unaware of.

*Bye Bye Big Brother* will raise your consciousness as to the nature of freedom. It is one way to rid yourself of limitations. This includes mental baggage as well as the restrictions imposed by Big Brother.

Upon becoming a PT, your author discovered that he could drive at top speed on a public highway without ever getting a ticket. The secret was merely using the German autobahns where there are no speed limits. Fast motoring may not be your cup of tea, but the point is *whatever your particular pleasure or peculiarity may be, there are always going to be several places in the world where it is legal and available*. In Germany, the land of BMW and Porsche, the vast majority of the locals feel that it is their inalienable human right to zip along as fast as their cars can go. A PT need never be tempted to break any laws. If he feels like doing something illegal, like smoking a joint or playing a hand of high stakes poker in a town where gambling is not permitted, he simply goes away and does it where it's legal. A PT seeks out places where he can do as he pleases, legally and openly.

## WHY MANY PEOPLE LEFT IRELAND

Many unhappy men and women from Ireland were forced to become PTs because divorce is very difficult there. The thought of being forced to stay married to a much disliked spouse was enough to send them far across the seas.

The Irish government still considers many types of physical contact between two consenting adults to be a crime. This 'forbidden activity' list includes adultery (even if one party was deserted by his or her spouse thirty years ago), fornication (sex before marriage) abortion (even if the result of a rape) and even oral sex between married couples. All of these activities are punishable by jail terms in Ireland.

Many other Christian and Muslim countries, controlled by God fearing fundamentalist moralities, have similar restrictions on human behaviour. PTs believe these things should be a private matter. Ireland is a great place with a great passport - but for a libertarian in marital, sexual and reproductive matters, Ireland is still in the Middle Ages.

## WELCOME TO FREEDOM!

With PT, gone are all the fears of fines, censure or jail for victimless crimes. Gone is the fear of eating certain natural vitamins, turtle soup, roast pork or drinking wine. These are illegal activities in almost half the world. Gone also is the fear of violating such laws as prohibition against peeing in a 'restricted' toilet reserved for members of a certain race or category. Goodbye to all such laws.

Goodbye also to all censorship and managed news. Goodbye to government forms in quintuplet. Our personal finances, the medical treatment we need, our personal domestic life and relationships are strictly our private affair, not objects to be manipulated by government against our personal interests.

As PTs we can study any philosophy, raise and educate our children in our beliefs and opinions without contradiction from our government controlled school curriculum. We can pass on our knowledge and point of view according to our inner lights. We need not follow the dictates of an obtuse school commissar who bans our favourite books and forbids mention of those truths we find most self evident.

-• As PTs, we finally become able to invent, improvise, abandon, reject or follow any religion, personal morality or way of life we choose. We can shop, have a drink or eat when we want, not just when the local laws allow restaurants and stores to be open. For those with unconventional thoughts, habits or beliefs, PT is an answer. Life can be lived spontaneously, freely, without state imposed restrictions. Becoming a PT means never again having to ask permission or submit to any higher authority. Life is free of permits, licenses, exit permits, visas, currency restrictions, taxes, record keeping, bureaucrats, social workers, litigation, filing and reports.

*PTs need not put up with rules, regulations or laws they find personally offensive, inconvenient or immoral.* Thus if it suits him or her, without any government or church dispensation, the PT may have as many spouse equivalents as can be managed. The range of possibilities for greater freedom is expanded to whatever can be conceived. A PT may be celibate and need not own a car or acquire any other status symbol - unless they are desired.

On the other hand, the PT can live happily in a highly controlled society (like Monaco or Singapore) if he so chooses. Perhaps for some reason this sort of community gives him a sense of security or even superiority. *PT is all about options.* The more options you have, the more free you are. A PT can live under whichever system suits him best.

This freedom, however, does not mean that a PT should be or can be irresponsible by causing problems, injury or pain to others. The message of PT is not to encourage greed, lust, irresponsibility, immorality or any of the other seven deadly sins.

On the contrary! To avoid government's heavy hand is to avoid violating local laws and morality. We must go physically to those places where doing what we want to do is accepted as ordinary behaviour. No point in spending time where our lifestyle, appearance or conduct will cause moral offence or get us into difficulties with local authorities. Thus, a PT who likes to drive fast can push his Ferrari along at 175 mph on the German autobahn where it is legal. But when in California, the PT will gladly poke along at the legal limit.

The PT concept involves discovering those places where your particular pleasures are legal and accepted. Fortunately, there are few possibilities in human behavior, no matter how bizarre, that are not considered 'normal' somewhere on planet Earth!

You need not worry any longer about what the neighbours might think. Why? Because you can move to where your neighbours will think you are just terrific, or better yet, where they ignore you. You need not worry if your local laws or politics seem to be irrational. Is the mainstream morality incompatible with your own needs? Do you dislike litigious lawyers? Nosy social workers? Alimony prone ex wives? Misconceived programs for the 'good of society?' Why put up with them?

As PTs we vote with our feet, but the trip doesn't have to be irrevocable or permanent. A PT can leave until things get better, then return. A PT gains the world, while giving up nothing except, of course, his rut, his treadmill.

## PTs AND POLITICS

PT is merely an arbitrary set of initials we have chosen to identify a certain lifestyle, belief system or whatever you choose to call it. There are no dues to pay, no membership cards and, until recently, there were no meetings or conventions.

However, quite a few PTs exist already, perhaps a million, perhaps ten million. No **one will ever know how many PTs there are, because we are all invisible**. Many PT's have not heard the initials PT, nor would they use them to describe their lifestyle. Many will never read this report. They are nonetheless PTs, though they have stumbled into this path of enlightenment and freedom on their own.

In terms of politics, the PT may be a supporter of any party or political philosophy. Most likely he is not a registered voter anywhere. He certainly never marches in demonstrations. He probably believes in free trade and minimum government. Fascists, democrats, socialists and communists all end up producing centralized bureaucracies with severe restrictions on personal liberty. Most PTs tend to be individualists of libertarian stripe - interested in maximizing their own personal freedom. PTs seek the full and free enjoyment of life without robbing, defrauding, exploiting, controlling or leaning on anyone else.

A PT may be religious, but unlike most governments which sponsor official religions, he will (hopefully) not force his views or personal morality down anyone else's throat. A PT may, and certainly should, be moral according to his own lights. But he need not retire at night with gnawing fears that someone somewhere might be enjoying life more than he is.

PT is all about opening up options, avoiding coercion. It is not about cowardice. If you want to fight for some cause, preferably freedom, you can certainly do so - but as a willing volunteer, not a draftee to be sacrificed as cannon fodder.

The legendary Harry Schultz, an originator of the PT concept, became the honorary commander of an anti-Russian Communist Afghan rebel military unit in 1987 at great personal risk to himself. This was long before the Afghan Freedom Fighters were a popular or winning cause. "Some things we must do, because they are right," said Harry at the time. But considering what happened when the anti-Russian forces won power and became the Taliban, Harry has since decided that any

involvement with guns or bombs is never a good option for a PT. "Personal survival and prosperity is the only rational mode for a PT."

Cutting loose from a strait jacket, and escaping from a life of parochial limitations, has to be a good thing for the individual. It will not harm society at large to have a few more rugged individualists and original thinkers doing their own thing.

Not everyone can seek or handle such complete freedom. *PT is for an elite minority*. A PT needs inner direction and the ability to operate within reasonable, self imposed limits.

By exercising reasonable judgment, PTs unlock the best kept secret of the modern Big Brother era. PT or Individual Sovereignty is a path, for all people who know and understand its concepts, to be truly free from bureaucratic shackles. There is no need to become a hermit or a recluse. You don't need to abandon civilization to eliminate its negative aspects.

## THE PT LIFESTYLE

A PT can be any age, gender, race, size, shape or religion. PTs may be married, attached or single, with family or without. The PT will not work at a conventional job but can and will make infinitely more money than those who do.

As already mentioned, without any income taxes or other government deductions, we keep 100 per cent of what we earn from providing others with valuable things. As a result, the PT standard of living and quality of life is stress free. A PT will be more healthy, materially richer and should always have the best quality of life obtainable on earth.

The PT philosophy releases creative souls from the many burdens of coping with Big Brother. Hopefully, once governments realize that they cannot afford to lose their best and most productive citizens, they will become more responsive to the needs of their people. The only historical precedent for individuals going off on their own, due to dissatisfaction with government, was in Central America. The ancient Mayans of the artisan and productive classes, apparently without any leadership or destination, simply said "No to high taxes; no more sacrifices of our prettiest young virgins."

As individuals, having better uses for their money and their virgins, they just drifted off into the jungle. A ruling aristocracy was then left without a population to pay its bills. The Mayan Empire disintegrated. Cities with eight lane boulevards, palaces and impressive monuments were abandoned. It happened within a few years.

## WHAT IF EVERYONE BECAME A PT?

The reality is that not enough people will become PTs for it to make any noticeable difference. Paris, Rome, London and New York, with populations in the millions, will not become ghost towns. Mass migrations have been going on for thousands of years.

One of the big realizations for PTs is that as foreigners, we are simply treated better. We usually have an enhanced legal status outside our native land. If everyone with a taste for travel, an

independent income or a portable job became a PT, there would probably be nothing more than temporary international exchanges of talented and productive individuals.

The best talent, the most productive people are always drawn to places offering peace, prosperity and a suitable climate for creativity. Major cities, economic opportunities and good weather will continue to attract many non conformists and individualists. Becoming a PT expands the mind and increases the list of possible destinations. *Virtually anywhere in the world can be a good destination for a PT as long as it is NOT at the place you are starting out from.*

## HOW TO BEGIN YOUR PT QUEST

An immediate full scale PT lifestyle is appropriate usually for those who have developed either a sufficient asset base or a portable source of income. However, there are many exceptions to this. Virtually any individual can become a PT with a few months preparation. Reading this book is the perfect way to start making your own preparations.

By adopting the unconventional (but consistent and logical) set of ideas put forth here, you can gain power and freedom. The enviable status of PT is available to all, but few individuals will snatch this prize. Why? Belief systems foisted upon us tend to ensure that unnecessary taxes, an aggressive military establishment, intolerance of minorities and redistribution of wealth by government (i.e., theft) will be among the many popular injustices perpetuated by most governments. Who among us has not, at one time, accepted these falsehoods?

Big Brother governments will always find a new bogey-man to justify greater control of the populace and higher taxes. Productive and creative people are needlessly forced to give away the major part of their earnings each year. What happens to this money? It is poured down the toilet, spent on huge bureaucracies that only seem to succeed in creating more of the problems they are supposed to be solving. *Big Government is the problem, not the solution.*

Fortunately, Big Brother need not intrude on the PT's world. What is the PT's world? It is an individual person, a sovereign individual - supreme, unfettered, making his own decisions, leaning on no one and allowing no one to lean upon him.

If you travel to exotic locations, it is customary first to visit your doctor for the necessary vaccinations. How many people similarly look for an inoculation pill to avoid being harassed, robbed and possibly incarcerated at the hands of Big Brother? It was not natural disasters, nor was it disease that has been the cause of most premature death and suffering in the last 8,000 years of recorded history. It is Government! Is there any magic dust or silver bullet that can eliminate all government interference from our lives? PT life does not eliminate every vestige of Big Brother control, but it does free the individual PT from the most onerous parts of it.

## CAN YOU AFFORD TO BECOME A PT?

PT can show you a new way to experience the world. The Germans have a word for it: *Weltanschauung*. Even if you don't immediately understand what this word means (roughly, 'world-view'), you will change your *Weltanschauung* as you make the transition to the PT lifestyle.

For starters, as taxes are eliminated, the income of most PTs is immediately doubled. Most frustrations of life with Big Brother are instantly eliminated. The more logical question is, "Can you afford not to become a PT?"

Throughout *Bye Bye Big Brother*, you will discover more about the theory and practice behind PT. We will expand your ideas and horizons, make you see the world in a totally new light. We will equip you with all the contacts and information you need to make logical and successful decisions on your journey into a new life.

This is a hands on guide. After covering the theory, we will give you plenty of practical advice and information. You won't find much of it elsewhere. Much of the book is written in parable style to help you grasp the ideas while you are being amused. Let's start with a story...

BBBB - How to Get Your Money Out of Your Country, Before Your Country Gets Your Money Out of You



## Chapter 3

# HOW JASON BRADY BECAME A PT

*"If you want a picture of the future, imagine a boot stamping on a human face -forever. "*  
*George Orwell, '1984'*

The following is a true story. Names have been changed to protect the identities of those involved.

Jason, before he was a PT, was not Prepared Thoroughly for events that overwhelmed him. While reading this tale, ask yourself: "Could anything like this happen in my life?"

Dateline: South of Miami, Florida: (A Few Years Ago) Jason Brady, then age 42, was a successful real estate broker.

Once upon a time, Jason was working on the biggest deal of his life. He was promised (in writing) a fifty thousand dollar commission if he could get Midori-Konetsu, a Japanese corporation, to sell their abandoned Miami, Florida, showroom building to a certain real estate agent whom we'll call 'Maurice Mallis.' Maurice is a real-life character, but of course all names in this story have been fictionalized.

Maurice puts investment packages or partnerships together and sells these as syndication deals to investor groups. His clients are medical doctors and dentists. Maurice is what's called the 'general partner' which means he manages any property he buys for the investors. He keeps for himself an initial finder's fee plus around 10% of all the rents collected as his management fee. Eventually, upon sale, Maurice takes another 20% of all profits. If there's a loss, he gets nothing more. Either way, profit or not, Maurice doesn't lose.

Investors are usually happy with Maurice's deals because they average a 10% cash return on cash invested, and their income is partially tax sheltered by depreciation. Maurice is called a "syndicator."

## MAURICE HIRES JASON AS HIS BROKER

"Any Midori deal that you negotiate has to be at a good price," said Maurice. "I have an auto dealer who will rent the space from me. But my prospective tenant doesn't have the upfront cash to buy out Midori."

Maurice explains to Jason, "I can get the money from my regulars - a bunch of local Florida dentists. The deal will be structured as a partnership for medical professionals."

"Jason, with the price you give me, it has to show a positive cash flow. That is, the investors have to make about 8% a year on whatever money we pay Midori for the title to the building. In a few years, when we sell, we should also aim for a nice capital gain on selling the property. I'll also let you broker the resale."

Maurice stood to make \$350,000 on the deal if Jason could get Midori to sign on the dotted line.

We don't have to understand the details... Just remember this: Jason as a broker had to negotiate a deal for Maurice, the buyer. The seller was a big corporation in Japan that didn't give two hoots about its Miami property. Midori Corp was content to let it sit vacant. But to Maurice and Jason, making a deal was their bread and butter. If Jason was successful in getting Midori to sell, he'd get \$50,000 cash. If he failed, he'd get nothing.

## JASON GOES TO THE LAND OF THE RISING SUN

Jason travelled to Japan, where he hired Yoshiko, a cute little Japanese translator. Together, they visited the Japanese big shot at Midori Corporation who could make or break the deal. Jason speculated (spent) about \$20,000 of his own money on expenses. Good Luck! Jason got his signatures and was very happy when three months later the deal went through. Maurice's investor group bought the property.

Just after the closing, Jason went to see Maurice Mallis in his NYC office. He was hoping to get his promised \$50,000 commission, without any arguments or delays.

Like any real estate broker in his position, Jason was worried that Maurice would invent some excuses to perform a last minute *commission-dectomy* on him. Like an appendectomy, a *commission-dectomy* is where something of yours is cut off. Every broker on every deal is always worried. When pay day finally comes, all too often a reason is concocted to reduce, delay or eliminate the commission. Then, for the broker, he either walks away empty handed, or hires a lawyer to begin years of costly litigation.

If the broker wins a lawsuit, by the time his lawyers are paid, and lost time is calculated, he comes out with little or less than nothing. So pay day is always a stressful time.

## A NICE SURPRISE

Jason was then, pleasantly surprised when Maurice the Syndicator already had on his otherwise empty desk, a check made out to Jason for a cool fifty-six thousand bucks. This check was handed over with a smile.

"This is to cover your commission and your first class fare to Tokyo."

"Just one thing, Jason," said Maurice as Jason fondled the check.

"Uh Oh", thought Jason, "He's gonna tell me the check isn't any good."

The syndicator went on, with a smile. "Instead of calling this a commission, you'll note that the check stub calls this fifty-three grand 'reimbursement for time and expenses on the Midori Konetsu deal.' Is that OK with you?"

Jason responded, "Sure why not? On your own books you can call it whatever you want. Call it a donation to the J. Edgar Hoover Transvestite Club. I'll take it with any stub you write as long as the check is good."

Maurice Mallis went on to explain, "Our tax lawyer has said that if we call the fifty G's a 'broker's commission' on our books, we have to capitalize it as part of the purchase price of the building. If we do that, we must spread the tax deduction over the 50 year remaining economic life of the building. But if we call it 'expense,'

we can charge off the whole fifty G's in the first year. That gives us an extra twenty five grand net after taxes to play with. So... is that okay with you?"

Jason knew that from his point of view, no matter how Mallis characterized his commission, he would have to pay an income tax of about 50% on the \$50,000 after deducting his own documented travel expenses. That meant a \$20,000 income tax for him. "Fine, taxes are just a cost of doing business," Jason thought to himself.

It didn't matter in the least to Jason what the syndicator did on his books. In fact, Jason immediately understood that he had no voice or control over how the syndicator accounted for the commission or "expense" - nor on how he described it on the check stub. How Mallis characterized the fifty six thousand on his books was strictly between him, his accountants and the Tax Collector. To Jason the commission was ordinary income. He would, and eventually did, pay the highest rate of personal income tax on it.

"A commission is a commission and this dough is also going to be the down payment on my new house. Please God; let the check be a good one that doesn't bounce," Jason thought.

"Yep, said Jason", putting the check in his wallet. No matter what you call it, Maurice, it is ordinary taxable income to me."

They shook hands, and greatly relieved, Jason departed with a smile on his face and \$50,000 in his pocket. Jason took the check, flew back from New York City, to his home in Florida. He deposited the check in SunTrust, his hometown bank. Two weeks later, Jason heaved a great sigh of relief when Gloria, the brown eyed, black haired Cuban-American banker at SunTrust Bank in Miami told him: "You can relax Jason, the \$50,000 check has cleared."

All went very well during the next three years. Jason bought his family an expensive waterfront home. He settled in with his wife, Denise, and their three wonderful kids. He had properly declared the Mallis commission as income on his tax returns. Jason paid his taxes and, with that chapter closed, went on with new deals.

Jason, as a successful Miami broker, lived the good life. Denise, his pretty wife was a big spender. But what the heck! He liked her to look good, drive a big BMW, and be happy. They were members of the Country Club. They took three week vacations on the Island of Mustique or Grand Cayman. Good private schools for the kids. Next toy? Maybe his own private airplane.

The anxieties of the deal with Maurice were a distant memory. There were new problems to cope with, new opportunities to pursue. Jason was building three luxury homes on "spec" or speculation. He was trading in stocks and still brokering the occasional real estate deal.

One day he read in the papers that his old associate, Maurice the Syndicator, was in trouble, maybe facing jail time. Maurice was being investigated for something to do with political donations. At that point, Jason never dreamed that he could be the one to go to prison only because Maurice the Syndicator had problems. But that's exactly what would happen.

Good old Maurice, according to the Florida Sun-Times, was going to be prosecuted for making political donations in an illegal way - giving cash to friends who, in turn, donated it to Republican political candidates for federal political offices - like Congress. The reason for these donations was that the syndicator wanted certain tax benefits for his type of business to be preserved. That is material for another story. What is important here is that Maurice's prosecutor said it was abundantly clear that Maurice had intended to disguise the source of his political donations. Making donations in that way was the federal crime of money laundering. The syndicator could be convicted and sent away for five years.

But Maurice was lucky. Well sort of. He hired a well connected defence lawyer who made a deal with the Federal prosecutor. The deal? If Maurice Mallis would identify, testify against and help convict several of his former clients and business associates of tax evasion, Maurice would get a free "get out of jail" pass for himself.

And so it came to pass that Mallis the Syndicator became a snitch, a rat. He named a dozen 'big fish' whom he accused of conspiracy to evade taxes or other tax frauds. At the bottom of the list he offered to the Feds, in exchange for his own freedom, was Jason, a medium sized fish. The list contained denunciations and the 'evidence' that Mallis would testify to in criminal court.

## HIS WORLD COMES TUMBLING DOWN

Jason Brady was arrested on an early Friday afternoon. A crowd of neighbors gathered, as the local TV station had been invited to film the arrest. He was photographed in metal cuffs and chains in front of his home. Jason was told he would be brought before a Federal judge the following Monday. The neighbours gathered round the paddy wagon for the show as TV cameras rolled. He saw the evening news from his cell in the county jail where he was held on remand (pending arraignment before a magistrate).

Jason's heart missed a beat when one of his neighbors volunteered for the Evening News, "I always thought that Jason was a crook."

"Nice neighbour" thought Jason.

After a weekend in jail, the Judge heard the charges and accepted Jason's 'innocent' plea. Late Monday afternoon, after a weekend in jail sharing quarters with puking drunks and perverts, Jason was released on his own recognizance. This was in effect, an IOU agreeing to put up his home as collateral in the next 24 hours.

(Grandpa's note: Spending the weekend in jail is a usual scenario for white-collar criminals. The arresting authorities in the USA are required to give the prisoner a 'prompt hearing.' As Judges and most lawyers don't work weekends, a pre-weekend arrest arranges things so that they can let their victim suffer as much indignity as they can arrange, for as long as possible.)

To avoid going back into the cement cage with smelly puke on the floor and degenerates as his roommates, Jason quickly arranged for a title company to prepare papers signing over his multimillion dollar sea front home to the 'Clerk of the Court.' This deposit, made on his lawyer's advice, avoided the payment of a large sum to a bail bondsman. The house secured his later appearance. Thus, for a few months, maybe even a year, Jason was free to find a criminal defence lawyer and be out of jail on bail. He didn't have to put up any cash bail.

Jason, upon a careful reading of the papers he had been given at the arraignment, saw he was accused of 95 counts of mail fraud, wire fraud, tax fraud, conspiracy and interstate transportation of fraudulently obtained Federal bank checks. The indictment went on and on and on. Jason thought it was a bad dream. He knew he had done nothing wrong. As he studied the indictment, it all boiled down to the fact that the government was claiming Jason had taken a fifty thousand dollar commission check after "*conspiring with the syndicator (Maurice) for Maurice to get a bigger tax deduction than he was entitled to.*"

Jason remembered the discussion about the check stub. But how could what Maury Mallis had written on a check stub ever be interpreted as a Jason's crime, he wondered. There was nothing Jason could have done about how Mallis treated his commission on Mallis' own books.

Yet in the indictment, every letter, fax, e-mail or phone conversation that he had with Mallis in the course of negotiating the Midori deal was one of the 35 separate offenses. There wasn't a single word in all this correspondence about tax avoidance or tax evasion, nor taxes of any sort. Nothing he thought abnormal appeared in any one of those documents. Yet each count according to the indictment, was a separate criminal offence that called for a felony jail term. In total, Jason was facing maybe 70 years in jail. Not only that, the government was claiming \$3,000,000 in fraud penalties. The \$3 million figure seemed to have been invented out of thin air to deprive him of everything he had worked for - with an extra million thrown in for good measure! Jason's net worth was about \$2 million. This whole bag of worms was incomprehensible to Jason.

"I always paid my taxes and bent over backwards to do it right and avoid any problems with the dreaded IRS," he said to his pretty wife.

(Grandpa's Note: Let us ask: *Who was the victim of these crimes? No one!* The 35 'crimes' were all victimless. They were also crimeless! In plain English, no rational person could believe that Jason had done anything wrong.

For example, one of the alleged 'crimes' was a fax saying, "From Jason to Maury (the syndicator), I'll see you for lunch at noon!" The government characterized this fax as an interstate communication - in furtherance of tax fraud and conspiracy - an essential element in the conspiracy to defraud the government. A specific crime, in and of itself!)

Did Jason owe the government any taxes? No! The government conceded that Jason's behavior with regard to his own taxes had been impeccable. In fact, in addition to his taxes on the commission having been paid in full, the IRS confirmed that he had paid over two million dollars in taxes over the preceding twenty-odd years.

When Jason finally hired 'Cowboy Jack Kravitz' as his criminal defense lawyer, the lawyer explained, "Jason, you may think you have been a good boy scout for all your life, but past behaviour is totally immaterial to the crimes for which you've been indicted! We have got an uphill road here, buddy."

Jason said he always paid more in taxes than he had to. He knew that by using tax shelter investments and cutting a corner here and there, he could have saved over two-thirds of what he paid - all legally. But all his care and diligence for twenty years didn't stop the government from criminally indicting him. And he might well 'do time' on the word of a person like Mallis who was giving him up only to save his own dastardly hide.

Jason Brady had once made a speech on the 4<sup>th</sup> of July picnic of his real estate firm. He ended his speech with: "Hey, I am very happy to pay the government more than their fair share in taxes. Why? Because this is a free country, a great country. I earn more than I deserve. We, all of us here, live better here in America and we are freer than we could be anywhere else on this Earth."

Later, in jail, Jason would hear of the PT Philosophy and change his belief system.

Jason expected that his bending over backwards to be honest about taxes would always stand him in good stead. He never expected to be a criminal defendant facing 35 years incarcerated, and the immediate loss of all his assets - over nothing. What happened next?

## THE TRIAL

It turned out at his trial, that good old Maurice Mallis testified, "the idea of calling the commission 'expenses' was Jason's, not mine.". The judge apparently believed this story. He found Jason guilty as charged. It didn't matter that Maurice was the only one to benefit from this. "After all," the prosecutor claimed, "the *only* reason Jason got the 50K. commission was to give Maurice a tax benefit."

The prosecutor conveniently forgot about all of Jason's risk, his twenty grand of expenses laid out, the trip to Japan. The prosecutor and the judge ignored the risk, all the negotiations, and the work and travel expense it took to get the Japanese guys at Midori to sign the contract. According to the prosecutor, "The \$56,000 was not a commission, it was just a way for Mallis to generate a false expense, and we can all strongly suspect that there was some sort of kickback involved."

As far as Jason was concerned, the deal and his commission had nothing to do with Maurice's taxes. Jason had earned it fair and square. Kickback? There was not a shred of evidence or testimony about kickbacks. But the word itself conveyed that there was something very dirty and illegal about the deal.

The prosecutor painted a negative, convincing picture which was quite different from reality. The State argued that Jason was the "prime mover" in a conspiracy to defraud the government of substantial taxes. If the judge didn't want to give him the full 35 years, the prosecutors suggested Jason should get at least 20 years in jail, "as an example to all these tax cheats, thieves and dope dealers who live in waterfront homes in Miami."

Dope dealer? The prosecutor was using a lot of throwaway language that served to stain Jason as everything but a child molester.

What about jail time for Maurice, the Syndicator? The prosecutor made him an un-indicted co-conspirator for his help to the government in bringing charges against Jason and a dozen other bewildered 'tax cheats.'

Maurice Mallis, the bad guy (who always fudged on tax deductions and who made illegal political donations), was going to get off scot free. "It isn't fair," said Jason at his sentencing. The judge said, "Many things in life aren't fair." The prosecutor offered his two cents: "If you can't do the time, don't do the crime!" The prosecutor explained to the judge that Maurice's freedom was a small price for the state to pay in return for nailing a dozen other criminals who would have otherwise

never been caught. Besides, Maurice in tears was *full of remorse* for his crimes. "I would never do anything evil again," Maurice promised the judge with runny nose and *ever-so-sincere sobs*.

Jason's lawyer advised him to accept the prosecutor's offer to recess the trial before the case was finished. In the judge's chambers the prosecutor offered a deal: Jason would plead guilty to one count. The 34 other counts would be dropped. Cowboy Jack beamed. "I am real proud to get you as good a deal as this Jason!"

The Judge said, "Boys, I strongly recommend you settle this case on that basis, NOW!"

The offer stood as follows: If Jason would plead guilty to tax fraud, accept a two year jail sentence, and agree to pay a fine of two million dollars, that would be the end of it.

For Jason Brady, giving up almost all of his money, and going to jail for nothing, zero, zilch, was not a consummation that Jason desired. He would be labeled a 'felon,' would lose his home, would do at least a year in jail before he was paroled, and when he got out, he wouldn't have any money or be able to have his real estate broker's license back. Also, he wouldn't have a family any more either.

(Grandpa's Note: What's the Difference Between a Felony and a Misdemeanor? Felonies are serious crimes like murder, rape and yes, tax fraud. Misdemeanors include petty theft and jaywalking. Both can be punishable by imprisonment (and/or a fine). If the law provides for more than one year in prison, the crime is considered a felony; if less than one year, it's a misdemeanor. The most important difference is that a felony conviction has a very serious impact on a person's future. Most potential employers will require you to disclose whether you have been ever convicted of a felony - and if you admit it, you'll be last choice on any job-candidate list.

You also lose many civil rights including the right to vote, run for public office, own a firearm or hold any license or professional certification. Thus a convicted felon in most countries can't effectively hold about 95% of all the jobs in the marketplace. He can't be company director, a lawyer, doctor, insurance broker, estate agent or even a barber! Visa applications are routinely denied to persons convicted of a felony. When arriving in a foreign country, landing (disembarkation) cards ask if you were ever convicted of a felony. Answer 'yes,' and you may not be permitted to enter any other country, even as a tourist. It's no fun being an ex-con and convicted felon. The stigma is with you all your life.)

## DENISE AND THE SECRET MEETING WITH HER DADDY

When he was first arrested, his wife Denise went to her own father, a retired tax lawyer in Coco Beach, for advice. He told Denise to file for divorce at once. That way, the family home, her joint accounts and her personal assets would not be seized to pay her husband's fine. The father assured Denise that in the unlikely event Jason beat the rap, she could always reconcile with him and possibly remarry. Of course the father suggested that few girls of her social position would consider marrying an accused but acquitted felon. Denise was the first one in the family to learn (from her father) that the government wins 98% of all tax fraud cases. Not very good odds!

Denise's father told her that she needed his help to prepare a divorce complaint and she should have it ready to file early on Monday morning.

When Monday night came and Jason was back, from his weekend of jail time 'fun,' Denise handed Jason a prepared deed to the family home. She told him he'd better sign the house over to her at once. A process server was waiting in the living room. She handed Jason the divorce papers together with a court order to pack his personal belongings and to leave the house at once.

"Nothing like having a loyal wife who sticks by you when there is trouble," said Jason, sarcastically.

"I still love you Jason and I *will* stick by you!" She assured him. "But for strictly business reasons I've taken Daddy's advice: I've filed for a divorce today. He's prepared a property separation agreement right here for you to sign, after you sign the deed. With our property separated, there is more chance of my preserving at least some of the family assets, like our house.

Jason understood the necessity for this. But Jason he didn't expect to have a heavy porcelain bowl thrown at him when he said he'd already signed the family home over to the government instead of making a 10% cash deposit in order to have a bail bondsman sign on for his bail.

## AN ASIDE FROM GRANDPA: HOW DOES BAIL WORK?

Once a person has been arraigned for a crime, the judge will usually set an amount of money that the defendant must put up as bail to ensure that he will appear in court later for his trial. If the offence is so serious that the defendant is likely to try and escape, the judge will say "no bail" and order that person into jail 'on remand.' A prisoner on remand isn't forced to work and usually has the right to more visitation than a convicted individual because technically, he is 'innocent until proven guilty.'

If the offence is very light or the judge considers the defendant to be exceptionally responsible, bail may be set "on his own recognizance." That means the defendant may sign a note or IOU to the Court. The money becomes due only if he fails to show up. Normally, the judge in a felony case will set bail fairly high but will give the defendant the option of putting up 10% of that amount [which the bail bondsman keeps]. He signs a contract with a bail bondsman who is responsible for paying the court clerk 90% balance of the bail-bond if the defendant skips town.

Bail bondsmen who have been stiffed by a disappearing defendant have a reputation for being better at bringing back fugitives than any law enforcement agency.

It is also not uncommon for a judge to allow a defendant or a relative to put up property as security for his later appearance. This is what Jason did - because it seemed like the cheapest option.

## A PLEA BARGAIN IS OFFERED

And that takes us back to the Judge's chambers a year later: Jason's lawyer said, "Take the deal and you'll be out of jail in no time! You'll still have some of your money left - the assets that Denise was able to salvage with her quick thinking!"

Jason, who never swore, exclaimed "F—k that! Denise won't ever be there for me. I am *not* guilty of anything and *no* fair-minded judge could send me to jail!" Let's get on with the trial!



Jason waived his right to jury trial. That meant the judge would decide the law and the facts. His lawyer was known for jury-pleasing theatrics. With a jury, his client had a small chance. Without a jury, Cowboy Jack knew that his client would be convicted. He even told Jason that even with a jury the government wins 98% of the time in this sort of case.

Unfortunately, with this particular judge, his odds of acquittal were nil. Jason refused to believe it. "At the end of the day, I still believe in American justice," said Jason, piously. For the lawyer, looking forward to another month of trial at \$800 per hour it would be a well paid folly for him. If Jason would foolishly insist upon a trial, he'd get it. Cowboy Jack Kravitz could have gotten him off on a plea bargain with a year of real time. Now his client would have wrinkles and grey hair before he got out *in a decade!*

Judges tend to give longer sentences to anyone who claims to be innocent, even if they are! Reason? They have wasted the court's time!

Jason said to everyone in the Judge's chambers, "I will tell the truth your honor, and I expect justice to be done. I have done nothing to be ashamed of." Jason knew then in his heart he would be acquitted. He believed in happy and just endings. He had seen movies like *The Twelve Angry Men*. There, an innocent boy went free after Henry Fonda, a conscientious juror, swayed the others to free the defendant. The jurors were at first anxious to convict and get back to their TV sets and beer. But Henry Fonda convinced them to look closely at the evidence. Too bad that in real life criminal trials of the innocent seldom have happy Hollywood endings.

The cards were stacked against him. Jason still didn't get it.. .yet!

Jason's \$800 an hour criminal defence lawyer told him before the trial resumed that Jason's "I am innocent" stance was not a good idea. Why? Cowboy Jack went on, "Because judges tended to convict and throw the book at defendants who "waste the court's time" when they should have copped a plea, made a deal, and avoided a trial. This judge will go particularly hard on you, Jason, because you were offered practically a pass, and you blew it. Copping a plea, crying and showing a lot of remorse is your best bet!"

"But I am innocent!"

What happened then? How many guesses do you need? The trial took three weeks and cost Jason \$300,000, not including another \$50,000 deposited in advance for an appeal.

## THE VERDICT ON JASON

Jason was convicted and sentenced by the judge to 40 years, with 30 years graciously suspended. The IRS, out of thin air, claimed a total \$6 million in back taxes, penalties and fines. The IRS claimed the guilty verdict sustained their \$6 million claim. And the judge agreed. Six million was the final judgment against Jason. Their claim was proven the by guilty verdict. Down came the hammer.

"Guilty!"

Jason got up and protested: "Your honor...."

His honor said graciously, "We will hear the defendant."

"The basis of these tax calculations is that every deal in which I was ever involved was a tax fraud.

Jason went on, "Your honor, if I get out after ten years, then will I still owe the government \$6 Million?"

The prosecutor interjected, "Yes...! Plus interest and penalties!"

The judge saw the illogic of saddling an ex-con with such a ridiculous debt, and in an unusual move, banged his gavel again and said to Jason,

"I'll give you a break Mr. Brady. Let's round it off to \$5 million." The judge chuckled.

Bang went the gavel. "Guilty as charged. 40 years. 30 suspended. Five million fine. Let the Clerk enter judgment. That is the judgment of this Court!"

Bang, went the gavel for the third time.

The moment the trial ended, the tax collectors had already placed red and white tape and 'CONFISCATED' notices on the front and back doors of all Jason's property. They took Jason's home and filed tax liens against all his other real estate. The mortgage holders then foreclosed. Jason lost all his properties including the three new waterfront homes he had under construction. His equity was wiped out in foreclosure and *he didn't 't even get a penny of credit towards the \$5 million debt*. Had he been allowed to finish and sell the houses at fair market value there would have been \$250,000 to apply to his tax debt there. The IRS seized all domestic brokerage and bank accounts. His wife was granted her divorce and was awarded \$5,000 per month from him for each of his three kids...

With all his assets seized, there was of course, no money for alimony or child support. Later his kids would be turned against their daddy "who abandoned them without a penny." It was all gone! His life, his wife, his kids, his money. Cowboy Jack told him, "Jason you will still have some time "outside" while the appeal is pending". How long?

"A year, maybe two."

## WHAT HAPPENED AFTER THE GUILTY VERDICT?

Well, as to the money, it was *almost* all gone!

Jason's USA credit cards were tapped out and there were no assets left in the USA for him to even rent a hotel room! There was no point in trying to do any business. Why? The IRS would seize any assets or profits until they had their five million bucks, plus interest and penalties at 130% per year. This by the way was growing at the legal IRS interest rate (on fines and penalties) of 10% per month. The Mafia may have loan sharks, but they are small potatoes compared to the IRS.

Jason's wife Denise, now divorced, turned over half of everything that she had owned together with Jason to the IRS to get a fast release and settlement. Needless to say, their marital relationship had

deteriorated. Even before the trial started, they were no longer on speaking terms. Denise got a court order that Jason, now a "convicted felon," could not, as a practical matter, see his kids, except in the presence of and under the supervision of her mother (his mother in law), whether he paid child support or not. He was also barred from trying to 'harass, contact or visit Denise.'

The mother in law's presence and control over the kids was such a nauseating prospect that he didn't want to attempt a second visit. Then, after Denise moved from Florida up to New York City, it was beyond his financial means to travel there for his once a week allowed visit.

## JASON'S SECRET BEACH HOUSE IN THE CAYMANS

Jason's prison sentence, if approved on appeal, would translate into around seven actual years in jail. The only thing Jason had left to his name was a brand new \$200,000 Cayman Islands beach house. It had been kept secret from Denise because he wanted to surprise her with it on their next Christmas vacation trip. Unfortunately, there was a big mortgage on it. Some contractors still needed to be paid.

There was also an old car down there and a Barclays Bank account of around \$100,000 in the Caymans Georgetown branch. The money was to have been used to finish off and furnish the new house. These assets, relative to his previous wealth were only pin money. Maybe, if he went down there and could sell everything, he could raise \$25,000 more by selling the house. Or he could live in the house and figure out a way to make a living down there.

Ahhh, there was one other thing he hadn't thought about in years. At the height of the gold boom, he fell for all the gold-bug hype, and bought \$100,000 worth of Kruggerand gold coins at \$800 an ounce. They were kept in a safe at his mother's house in Florida and were currently only worth around \$20,000 — but the enemy didn't know about them.. and they were liquid. With everything else gone, maybe he could use that \$100,000 of offshore money and the gold coins to get away. Somehow, some way, with \$120,000 cash and a mortgaged house, maybe he could start a new life and forget this bad dream.

Jason was told by his lawyer that he could remain free but restricted in his movements for about two years while his appeal was pending. That meant he couldn't go to the Caymans without getting the judge's permission in advance. At this point, Jason was going through a process of radicalization. He had been a good, law abiding boy scout all his life, but what good had that done him?

Facing nearly ten years in the slammer, he was seriously thinking of slipping away quietly to the Caymans - forget the Judge's permission. But Jason at that point didn't know the consequences of becoming a fugitive. Would he be extradited? How long he could stay there legally? Was his passport going to be seized in the Caymans? He knew it was a British Colony. Maybe with a house there, he qualified for residency and a passport.

Jason needed "crisis counseling" and he had to be very careful whom to turn to for advice. When he raised the topic with Cowboy Jack, the lawyer said, "I don't want to hear that kind of talk. You don't want to be a fugitive. Anyway, I can't advise you on that topic. I am an officer of the Court."

The lawyer stated, "Hang in there Jason. We will appeal. Sure, you know, the odds of a reversal are lousy. But you could still get lucky. Only about 1 % of tax fraud cases ever get reversed. And reversals have nothing to do with guilt or innocence. The grounds for reversal are technical errors like the

judge having been bribed or proof of false testimony". Nonetheless, I still have a few cards up my sleeve. Don't give up hope. Not yet.

In Jason's case, even though the testimony of Mallis was perjury, the judge believed Maurice Mallis's story, not Jason's. Thus, the facts as decided by the judge *were now res judicata*, or legally settled. Unless Maurice himself recanted, Jason finally realized he was destined to spend the next seven years in jail, unless he did something about it. And he would do something! Only question was what could he do?

Although his appeal was pending, Jason now understood that the pending appeal was just a formality. It gave him little time to consider and make his next move.

The choices seemed pretty bleak. Suicide was one option.

Deprived of the moral support and companionship of his wife and kids, having lost virtually all of his money and even his ability to borrow to start all over in seven years, Jason was now deserted and abandoned by most of his friends. Utterly crushed and despondent, Jason went to live with his mother.

She was no joyful bluebird. Instead of giving him the sympathy the innocent man desired, she told him, "I would rather you were dead than having disgraced me. I can't go out and show my face in front of my neighbors!" But at least she took him in and gave him his gold coins back.

What were his other options? He could flee the country and become a fugitive. Because he wasn't considered a flight risk, his passport had not been revoked ..yet. But what were his odds of staying free? Just getting on a flight to the Caymans seemed too simple. Jason decided to contact the only 'underworld' character he knew for advice his lawyer couldn't give him. He went to see Himalayan John, sometime drug dealer...

Himalayan John was a tweedy, thirty-five year old Princeton graduate from a very wealthy Cuban family. They settled in Miami after Castro came to power. John, after getting a master's in philosophy at Princeton, became a maharishi mediator, then a Buddhist monk, spending several years with spiritual gurus in Thailand, India, Nepal, and Afghanistan.

John was a cool, handsome guy, who had often hinted to Jason that he was 'well insulated.' In other words, although he was into illegal activities, he was protected and immune from arrest for reasons he kept to himself. Somehow, though, Himalayan John had a fairly high profile. He was a recreational or 'party' drug supplier to the upper crust of Miami. Everybody knew all about him dealing, including, presumably, the cops. Himalayan John never seemed to get arrested. Or, if he did, he was back on the street within a few hours. Jason asked him for advice, laying out what he thought were his options:

"I could go to jail, and in seven years get out with three years more on parole."; or

"I could disappear, maybe skip the country, and be a fugitive for the rest of my life."

Jason continued, "Neither of those options is very appealing. You seem to have combined high profile illegal activities with a high degree of success and comfort. *What's your secret John?* "

John answered cryptically, "Jason, before all this happened, you should have had your PT flags. Then at the first whiff of trouble, you could have moved your ass and your assets like Bambi. Hey man, you could have just waited out the heat on a beach in Ipanema or Majorca - waited until the

coast was clear. But what you should have done isn't possible now - after a conviction. So let's cut to the chase and talk about what *is* possible."

John went on, "You could do one or two years in a *Club Fed* Country Club jail standing on your head. You'd make a lot of interesting contacts, learn a thing or two. You'll lose weight and do body building.

"If you had only two years to do, I'd say go ahead and do it. But seven years! That is real hard time. The world will change so much by the time you get out, that you won't know it any more. Everybody will forget about you. When you get out, you'll be broke, unemployable and you're a fifty five year old nobody.

"Looking at seven years, I'd say your only choice is to make a deal to get that sentence reduced or eliminated. Or else you've gotta run away fast and not look back.

"The good news is that *most countries won't extradite people whose only crime was a tax related offence*. But," Himalyan John continued, "it's better not to burn your bridges. You may want to come back some day. It is infinitely better to make a deal if you possibly can."

Jason interrupted, "What do you mean, make a deal? They once offered me two years if I pleaded guilty, but I didn't. Now they're not interested; they don't need to make any deal now." Himalayan John replied, "Jason, you don't get it, do you? The guy who had you thrown in the can made a deal and you can still make the same kind of deal."

Jason was interested, but he still didn't understand: "Yeah I know: Maurice Mallis turned me in to extricate himself from criminal charges."

That's right," said John. "His lawyer knew how to play the system. Maurice gave the Feds some big fish to fry. So, in return Maurice got a sweet deal."

"So how does that apply to me?" Jason wondered.

"Simple, you offer your services as an informant to our wonderful Gestapo and then, instead of jail, maybe you'll get a medal, a commendation and a new identity with the witness protection program."

"So you're telling me to snitch on some innocent guys?" Jason asked. "I wouldn't even know what to say, or where to start. Or who to make a deal with. And besides, it's not my nature to inform on people and get them in trouble. Besides, the only criminal I know is you!"

John laughed and said, "Hey man, you came to me for advice, and we are now talking about you rotting for seven years in a high security prison. If you come out at all. Maybe in those seven years you've been gang-raped a few times; maybe you've been knifed by inmates. You'll be injured, in bad health. At best, you're an unemployable jailbird! Or you can play ball with the Feds *like I do* and maybe you'll get a break."

## A TIME FOR REFLECTION

Jason went home and thought for a day about what John had said. He read all the PT literature John gave him. After only a day of reading, Jason decided that maybe being a fugitive on a beach in Brazil wouldn't be so bad. He could easily live on his \$120,000 for six years, maybe more. He

could sell the beach house in Cayman and after paying off the loan, get still more from that. Jason's options were expanding rapidly. Himalayan John had said "Don't even think about becoming a fugitive without at least \$100,000. With that, you can live three to five years in the third world. You can buy yourself a good passport in a new name. Once you are abroad, you're a smart guy - you will get some business going to support yourself."

## JASON'S THOUGHTS

Jason hadn't told Himalayan John or anyone about his offshore assets, but he thought to himself, "If John says I could live decently on ten grand a year, then the interest alone on my money would keep me going forever.

"There's nothing left for me in the states. If when I get out of jail I'd still have a multimillion dollar debt to the IRS. How could I ever hope to pay them off? There's no point in sticking around."

Jason calculated that the five million debt with ten percent a month interest for seven years would come to around \$45 million in seven years. After his release from prison, the debt would still keep growing at the rate of five million a month. And bankruptcy couldn't clear an IRS debt. Where's the light at the end of the tunnel? There was no end anywhere in sight.

"If I just do my time, they won't ever let me have a normal life and family. Never! My status as an ex-con would close most doors of opportunity in the above ground, legal world. That would leave dope dealing, espionage or some kind of underworld activity as my only way to survive."

In a sudden revelation, it became clear to Jason why so many ex-cons don't go straight after they are released. The system doesn't let them!

"It took me too long to realize that there's not going to be any justice for me. Even going through the trial was a big mistake. I could have left right away and could have taken the family with me."

But cudda-shudda-wudda... that's all over!

"Still, I won't let them put me into a permanent purgatory either." Jason thought to himself. *I will find a way out.*

"If I go to Brazil, the Caymans or someplace, long before I run out of dough, maybe I can get into real estate again, learn the local lingo, and maybe have a kid in Brazil. Then I'd never have to worry about being extradited."

Brazil, as Jason learned from the old original PT Book and the Passport Report, doesn't extradite daddies with a Brazilian born child - especially if they are supporting their kid. Even today, Brazil is a great hideout for fugitives if they can once obtain their permanent residency certificate. There were other similar countries, too... many ways to start fresh and get a new identity. *"Maybe my situation isn't hopeless."* It would help if I had more money but, what the heck, I probably have more than enough dough to get away and start a new life.

Jason made the decision. "Bye Bye Big Brother." *He would run for it.*

Being a fugitive, probably in Brazil, there was a future. Staying in the States as an ex-con with an unmanageable debt would be a life as bad as death.

The decision made, Jason felt exhilarated and free. He had his life back. Destiny was in his own hands again. He smiled for the first time in two years.

Jason went to a public telephone. "Himalayan Jay? This is Raggedly Andrew - can I take you to lunch at Foxy's"?

"When?" Asked John

"Now!"

A few minutes later, Jason was at the restaurant, thanking John for his help and wondering aloud, if he should be on the next flight to Brazil. "Is there anything else I should think about?"

What John said came as a big surprise:

"No Jason, it's much better if you can leave here clean, without that monkey on your back. I have a contact, Mr.P, at the Federal Building. I talked to him. Now listen! I have a plan for you."

John's idea was to schedule a private talk with Mr.P, a government guy who works with snitches, and for Jason to feel the Feds out by offering his (Jason's) services as an undercover government agent.

John didn't say so directly, but it seemed clear that John had a similar deal with the government. That arrangement may have allowed him to be a drug dealer openly, to own property and to not even pay parking tickets.

Jason asked John to explain the "Six Flag Theory." Is that what keeps you out of jail?

"No," said John. "PT is sort of a religion, well to be exact, it's more *of a philosophy of life that says you shouldn't 't trust government to look after you or even be fair with you.* You should have a passport from at least one foreign country besides the place where you were born. You should have enough assets abroad in another 'banking secrecy country' to support yourself for a few years. You also need a place to go and enjoy yourself. That is your 'playground.' With a legal resident's visa and maybe an apartment or house at the playground, you have a place to live openly and enjoy your money.

"Finally you should have an 'offshore' business or some way to make money abroad so that if you run into trouble, you can always support yourself. That should be in still another country. To do it right, you should, ideally, set up your six flags before you leave home permanently.

Jason asked, "Do you have all this stuff- these six flags?"

"Of course I do! I am a PT."

"But excuse me for saying it, but you are a professional criminal of sorts, and isn't this six flag stuff just for crooks?"

"First, Jason, let me correct you. There is more to me than meets the eye. I am not going to tell you all my secrets, or any of them, for that matter. While you know me as a party animal who can supply

you with first class weed [meaning marijuana] and party toot [cocaine]... I also have many business and other interests. While I may be a smuggler, I deal in products a lot less unhealthy than cigarettes and whiskey. Whatever smuggling I do, may just be a cover for very important activities involving..." whispered John, with a strange emphasis, "*national security*."

Jason interrupted, "Okay, okay, I have heard the rumor that you are into drugs on behalf of the CIA. I suppose, I guess, they are protecting you. And if they are, I wonder why you need this PT, Six Flags stuff?"

Himalayan John: "I'm not admitting or denying anything, but just suppose I am what the *company* calls a 'Strategic Asset'. Let's say I could provide intelligence and local contacts in Cali, Colombia, or Nuevo Vedado, Cuba... maybe even Afghanistan, Burma and such. Let's say that the 'businessmen' I know can get things done effectively in those areas. Like moving money, material and manpower where it is needed. Getting airports we can use. Do you get it yet? I am not a two bit dope dealer. I'm an important guy who can speak seven languages and make contacts and deals our people need.

"Assume I'm like agent 007, James Bond. But unlike Bond in the 007 movies, you can also be sure that the government I choose to work for would burn me or disown me without any hesitation. So it is up to me, it is up to all of us, to have a few back doors and a few options for our personal security. I need them much more than you do. And now I am willing to help you."

"So why are you bothering with me, John? Is there something in it for you?"

"Jason, my stock in trade is contacts - people who owe me favours. I deal in very valuable information and products with high mark-ups. If I turn you into a PT and open the doors to a better life than you had before, you are going to be a big man.

Then you will owe me one. Right?"

"Yes John. Yes, I will owe you big time. Are you going to ask me to kill someone?"

"Probably not, but if I save your ass, you have to be ready to return the favour - if and when I ask," said John.

"OK" said Jason, I'll do what you want as long as it isn't violent or too illegal!"

John said "Tsk Tsk, 'Too illegal' hah! you are still talking like a Boy Scout. The Taw' ensnares rodents and small insects. When you are a PT you'll soar like an Eagle. *Nothing* will be illegal or immoral for you anymore!"

Jason thought that Himalayan John and his kind of talk was proof of delusions of grandeur or of a Walter Mitty character. Was John smoking or sniffing too much of his own products? Still, John was *rich and free* and Jason figured that maybe, just maybe, John knew what he was talking about. He listened skeptically, but carefully.

"Jason, I am going to give you the full education and tell you all about the PT secret, Private Things. I will show you how to make more money than you ever dreamed of. If you're interested, I will show you how to have the sex life of an Oriental Potentate. I will show you how to be an International Man. I will help you get your own five or six flags, starting with a passport and new identity. But you will not use these things until you leave this country as a free man.



"I want you to plan your future carefully with me, to be patient and not leave the United States as a fugitive. That wouldn't be good for me or for you. I will use my personal contacts to get you a deal. Some day, when you are living the good life, I will come round for a personal favour. And you will be bound to honor me."

Jason replied, "Sounds like the obligation I'll be under to you is like something from the script of *The Godfather*, but John... whatever you want, I promise, you get me out of this downward spiral and whatever you may ask for, I'll deliver - if I can."

What happened next is a long story. We will tell it in other ways and words elsewhere in this book - but to cut to the chase, in the short term, our hero Jason, regrettably but as expected, lost his appeal.

But the day before the decision came down, a high-level agent from the government's Department of Justice made him this offer: If Jason would help the Feds as directed, Jason would be sent to a comfortable military base instead of a prison. It would be a prison, of sorts, but with no walls. He would have a motel-type private room and bath and could choose an easy clerical type job. Depending upon his usefulness, he would get weekends off and a drastically reduced sentence. "You won't have to rat on any of your close friends," they promised. "But your ass belongs to us for two years, maybe less. After that, you can forget about the five million bucks in IRS debts—if you are a good boy and deliver what we want."

Jason, having grown up as a person of high moral character, had mixed feelings about this pact with the devil. He promised himself he would never get any of his former personal friends into any trouble - even though they had treated him like dirt since his conviction.

But if the feds needed help putting away some strangers, who were possibly real crooks, or bad apples, why not?

It doesn't take much to morally justify to oneself co-operation with the enemy when you're getting an extra half dozen years of freedom and a pass on the 45 million bucks Jason figured he would owe the Feds in seven years.

And so it came to pass that as Jason's last appeal was exhausted. Instead of being chained up again and hauled from his mother's home into a forbidding prison surrounded by barbed wire, Jason was told to report using his own chosen means of transportation to the nearby Eglin Air Force Base. There he was assigned a nice room, in what had been formerly unmarried air force officers' quarters. It was a relatively small building with about 60 other inmates who at first kept to themselves.

## LIFE IN THE RAT'S NEST

During his first lunch at the army style 'mess hall,' Jason learned that the building where he was staying was known as "Rat's Nest." Reason? Everyone in it was thought to be a government informer, a snitch or a "rat." Needless to say, the people in Rat's Nest were despised by the other inmates at "Camp Eggy." Camp Eggy was also known as "Club Fed" because it was the country club of the Federal Prison System. There was a golf driving range, running track, tennis courts, a swimming pool, basketball courts and a well equipped exercise and weight lifting facility. Each inmate was assigned a job lasting about eight hours a day but, after working hours, they could use the facilities. These included computer rooms (but no internet connections) and pay telephones.

Eggy was not a purpose built prison, but rather it was still a military base. Part was set aside for short term prisoners, non-violent minor offenders and government informants. Highly valued government informants were confined with their families in a more protected, secure facility. There they were eventually given new identities, placed in the witness protection program and helped to find new work. These people were segregated from the inmates in the Rat's Nest while the Rat's Nest guys were, in turn, segregated from the general prison camp population. Everyone was assigned a make-work job, usually having to do with the maintenance of the military base or the prison.

This chapter is not the place for Jason's prison camp experiences. But we will tell you how Jason got out in less than one year instead of seven.

From his first day at Camp Eggy, Jason sort of liked it there. Compared to the stressful period of his trial and divorce, it was a peaceful haven where all he had to do was mow the lawn, keep the decorative rocks painted white, rake leaves and 'police' [keep clean] the entry area to Camp Eglin. It was about an hour a day of real work. The rest of the time he just had to look busy. The food was varied and good, including a large self-service salad buffet with every meal. There was a free double feature video movie shown in the gym every night. For medical or dental needs he was sent to a veteran's hospital on the military base.

Jason could receive all the visitors who cared to come by at a comfortable picnic ground. Visitors would bring his favourite treats or even an elaborate meal, if they could be persuaded to do so.

After three weeks, although it was technically forbidden to leave the camp grounds, Jason, like most of the "rats," found a way to disappear a couple of times a week for short interludes off base. To get to his pre-arranged rendezvous, Jason hiked over a wooded hill to a nearby motel where Gloria - his friend from the bank - came by regularly to offer him a much appreciated bit of companionship. She was one of his few friends who remained loyal. Surprisingly, she said there was something exciting and dangerous in these clandestine meetings with a convict who was escaping from prison - albeit temporarily - just to be with her.

The guards, or "hacks," at Camp Eggy were unarmed and they wore blue jackets. The inmates could wear anything they wanted except blue. Jason knew they were turning a blind eye to the many infractions of the rats —including his weekly forays to the Motel.

His new fellow inmate and friend, Moe, was an older Italian-American guy who always seemed to have a pocket full of fifty dollar apiece Cuban cigars and a bottle of Grappa. Even for a regular citizen on the outside, Cuban cigars were contraband, like marijuana. But Moe offered these expensive cigars to the hacks - and they took them, never asking how they happened to be smuggled into Rat's Nest.

When Jason asked how he got away with it, Moe volunteered cryptically, "The hacks gotta keep the rats happy!" It appeared that if a rat complained about his treatment at the Rats Nest, some very high guys in the Prison Bureaucracy delivered a stern lecture to the guards. There was an invisible line. Moe told Jason he'd eventually learn what that line was. It was apparent that most things were going to be pretty loose - almost like freedom.

One time, an inmate had an altercation with a guard and slugged the hack. That was clearly crossing the line. That particular rat went "to the hole," or solitary confinement, never returning to the relative comfort of the Rat's Nest. Moe said: "Your ass belongs to the government here. You gotta play their game."

For those who were so inclined, drugs and liquor was easily available at the Camp. After six months of good behavior, everyone at Camp Eggie could get a three-day weekend pass once a month. There was no one demanding rent, taxes or alimony. It was a passive, undemanding existence.

Thus, it turned out that prison life was infinitely better than he had expected it to be. Jason realized his 'soft time' was due to John's assistance and there was going to be a price to pay. But as Scarlet O'Hara had said in *Gone With The Wind*, "Tomorrow is another day!"

The here and now was more like being at a scout camp. Once settled into a routine, time passed quickly. Jason was allowed to make collect calls to the outside and to write mail and receive unlimited letters. He received *Forbes*, *Fortune*, *The Wall Street Journal* and *Playboy* - all his favorites. He wrote to Yoshiko, the girl who had helped him close the real estate deal in Tokyo and said he would see her again soon. She sent him a pin-up picture he stuck on his army issue locker.

Yet life at Club Fed was not exactly freedom. There were roll calls, room inspections and piss tests for drugs. But it sure wasn't like prison in the movies. Compared to basic training in the Army, being at Camp Eglin was a piece of cake.

Eventually, Jason was visited at Eglin by Mr. X, his government handler. They discussed various assignments. Most of them were simple requests for information about how drug money laundering and was customarily done in the Florida real estate business. Jason was trundled to various court hearings to testify that certain suspected drug dealers had bought real estate from him and had paid cash, under the table. The drug dealers had to then justify their sources of cash income, or worry about serious income tax problems. The Feds usually wanted Jason to tell the truth, but more and more, as time passed, he was coached to "remember things" he really couldn't recall. But these were small lies, not enough for his government handlers to get him his 'Get out of Jail' card.

## THE POPLAR CASE

Finally, the day Jason was both hoping for and dreading arrived. A major performance was needed in Federal Court. The government was zeroing in on a very rich real estate developer and Miami hotelier named Victor Poplar. They wanted to convict him of tax fraud.

The facts were simple. Poplar had purchased a 300 acre farm near Boca Raton, Florida, USA, many years earlier for \$50,000. The land was swampy and so it wasn't worth much as a farm. But it might have been drained and made into a subdivision, or a Disneyland for that matter. As farm land it might have been worth \$150,000, but in its highest and best use, who knows? Maybe millions! In the real estate appraisal business, an appraiser or valuer always reports on three factors:

- 1) Cost
- 2) Replacement Value; and
- 3) Highest and best use after development.

So what did this have to do with Jason? A few years earlier, before Jason's troubles, Victor Poplar had hired several appraisers, including Jason, to evaluate his Florida farm. He asked Jason for an "MAI" appraisal.

These letters really stands for "Member Appraisers Institute," but when a client asks for an "MAI" it means in the trade "Made As Instructed." So the savvy client always asks for an "MAI Low", an "MAI Fair" or an "MAI High" - depending upon if he is buying, dissolving a partnership or selling.

Poplar had asked Jason and the others for an MAI "Extra High." There was nothing particularly unusual in this request. Before a big deal was negotiated, every party to the deal came in with their own crazy appraisal figures. Eventually there was a compromise.

Poplar had decided to donate this farmland plus some money for buildings to the University of Florida. There was going to be a new campus to be named after him. Under the tax rules of the day, he could deduct from his income the fair current value of the property donated. The value was treated for tax purposes almost as if it was a business expense. If the farm was valued at \$5 million, that deduction would eliminate his income tax for the past several years (as a carry back) and the next few years (as a carry forward). There were many technical rules, but this was the general idea.

But there were two big "ifs" for Poplar to get his big charity deduction -

- 1) if the appraisals were very high; and
- 2) if the IRS appraisers accepted his figures.

Now Poplar knew, Jason knew and everybody in the real estate business knew that *the IRS never accepted any appraisals*, high or low. They always challenged. Cut it by two thirds. Then if the donor didn't accept the lower value, the IRS got their own appraisals locally. Sometimes, if the figures were too far apart, the fair value had to be decided by a judge in court. But everybody, even the judges always compromised on a middle figure. Appraising is *not an exact science*; it is only a guess, an opinion.

Never in the history of the USA up until the Poplar case, had anyone ever been criminally prosecuted for submitting appraisals that were "too high."

As the government always cut appraisals way down, it was the general rule of thumb among appraisers that every IRS appraisal of property to be donated had to be double or triple the market value to come out with a fair compromise. Any private appraisal made (M.A.I.) for the IRS had to be as low as possible. It was a game they all played.

And that's exactly what Poplar did. Hoping the land would be worth at least \$6 million if his campus was constructed, he mentioned this fact to Jason and suggested that the MAI appraisals be extra high and "appropriate." And so everybody, including Jason, played the game as it was always played. The three appraisals asked for by Poplar came in at 10, 12 and 14 Million Dollars. Jason's valuation figure was at 12 million.

While Jason was in prison, Victor Poplar was indicted for tax fraud. Then Mr.P, the government handler, came to Jason and said, "Jason, me boy, it's your lucky day. I have your ticket outta here!" Mr.P explained that all Jason had to do was say in his own words, at trial, that "Victor Poplar told me I am going to defraud the IRS by getting a grossly inflated, fraudulent appraisal from you."

The position of the prosecution would be that Jason agreed to be part of the conspiracy to defraud the government by doing an appraisal that was much too high. Of course, Mr.P explained, that while the other appraisers might be criminally indicted, Jason would not only get a pass on his part in the "crime," but Jason's prosecutor would ask Jason's judge to release him for time served - *after*

*Poplar's conviction.* Mr.P said that the prosecutor who would be handling the case against Poplar would be over in person to go over his testimony and to make the final deal with Jason.

Jason now understood the system. The prosecutors, climbing their own bureaucratic-career ladders, or for whatever their reasons, needed relatively innocent people to try for crimes. Maybe they wanted publicity so they could more easily attain votes and public office. Maybe they just needed to keep the courts occupied and the prisons full.

But the system was a game for the prosecutors. They loved to win cases against wealthy and successful people. Putting away a ghetto drug dealer for twenty years gave them no glory. But putting away a really big fish like Victor Poplar - who'd have a hotshot big-name lawyer defending him - that was a headline grabber. They even had a saying among themselves: *"Convicting the guilty is easy, but convicting the innocent, there's the challenge."*

Manufacturing evidence to convict the innocent involved co-opting people like Jason himself. Getting people already in jail, or facing long terms, to lie and thereby feed more victims into the maws of 'Justice' was Mr.P's job. That is still the main job of X and many of the handlers like him.

Jurors who hear the coached testimony of jail birds and protected witnesses usually buy the government witness' story. Their reasoning is not exactly clear, but it probably has to do with a well rehearsed lie being more convincing than the truth. Most jurors also believe that a defendant would never be in the dock unless he was guilty. PTs know better, but the great unwashed in the jury pool believe that the government, in all its majesty, can do no wrong.

Judges? That's another story. Judges and prosecutors work for the same employer; they share neighboring offices in the same building. They eat together in the same tax-subsidized cafeteria. They attend the same seminars. They know each other socially on a first name basis and go to the same picnics and social outings.

As a result, judges are more inclined to favour their prosecutor colleagues. Judges know the score, but passing out harsh sentences to all defendants is more politically correct and far more popular than trying to sort out and free the innocent. Both the prosecutors and the judges subscribe to the reasoning that even if the defendant isn't guilty of the offence charged, he isn't a choir boy, and he is guilty of 'something.'

Jason Brady didn't like what he was being asked to do one bit. But as we said, justifying immoral behaviour to yourself becomes easier when you are faced with spending the most productive years of your life in jail. Jason figured if he could get out of jail, "Why not?" If he could tell only the truth, maybe, he would try to do that. Unfortunately for Jason, he had already sold his soul. There was no choice but to co-operate. He would have to perform any script that Mr.P gave him - or else!

The prosecutor, Joe Westwood, had Jason called to the Camp Eglin official phone and said, "I don't have the time to come out to Eglin, but would you be interested in a three day pass to come into Miami next Monday? We have a good budget on the Poplar case and can put you up at the Coco Beach Hotel."

Every prisoner dreams of a three day pass or any pass to get back into the real world.

"Unescorted?" asked Jason. "Sure," answered the prosecutor. "If you wanted to escape you'd have disappeared long before this."

A week later, the prosecutor, in his Federal Building cubicle, explained to Jason that he would soon be called as a witness against Poplar. Poplar claimed in his defense deposition that he had asked Jason for a routine appraisal. Period. "There was nothing said about making it 'MAI' or 'extra high.'"

Jason was told to say that "Poplar specifically asked for an appraisal of \$12 million." Jason was also told to say, "Poplar winked at me and was gesturing that I should value the farm very, very high though we both knew it was worth \$6 million, tops."

"Then," the prosecutor said, "I'll ask you, 'What did all the winking and gesturing mean to you? And you will answer something like, 'It meant that he wanted me to give a crazy high value so he could get the biggest tax deduction.'"

"There will be an immediate objection by the defendant's lawyer because your opinion is not admissible as evidence, but the jury will have heard it, and your opinion will stay with them," the prosecutor explained. "We won't have any trouble convicting that bastard. Our welfare mother black mummies love to stick a two by four up the behind of a smart ass rich kike like Poplar. We'll put him away for twenty years."

At that, Jason winced at the racial slurs. He would have liked to walk out on the prosecutor and give him the finger, but he knew that showing contempt for the official rep of the "justice" system would give him a one way ticket to seven years at Dismal Dungeon Penitentiary in Marion, Illinois. So seeing no choice, Jason agreed to another "Made As Instructed" performance at the Poplar trial.

"OK Mr. Westwood, I will claim he winked and gestured like this and I hope you'll get your conviction. But one thing: If your people screw up on the prosecution, and I do my part, I still want my "Get Out of Jail Card" and I also want a new identity from Witness Protection.

Westwood looked incredulous.

"What the hell? Victor Poplar is no Mafia guy, he won't have you killed. Forget it! Witness protection! Jesus! Come on that's when you testify against big time murderers. Poplar is just a little pansy Jew Boy who got too rich and too successful. No way! But as to the other part, your 'Get Out of Jail Card,' why not? You give a good performance and we go to your judge and recommend clemency. *Conviction or no conviction!* You have a deal." They shook hands on the conspiracy together.

Jason's acquaintances at Rat's Nest had warned him to never accept the word or handshake of a Federal Prosecutor. "They are so crooked they make everyone in jail look straight by comparison.

Don't believe anything they say. Get any deal in writing."  
So Jason asked Westwood, "Can I have I need that in writing?"

Westwood said, "Kid, if I put our deal in writing that would be a crime called "suborning perjury." You are coming in to testify as to the truth, the whole truth, and nothing but the truth. I never suggested any testimony to you, got it? If you say anything else on the stand, under cross examination, your ass is grass."

The prosecutor smiled, "Now get the f—k out of here and enjoy the rest of your three day pass. You just put the part about the winks and gestures in your own words, and you tell the truth. What did I just tell you? Repeat!"

Jason repeated dutifully "I should tell the truth, and I should say under cross examination that you told me only to tell the truth."

"Right! Now go back to the rat's nest with all the other snitches, and stay there till we call you!" Westwood showing obvious contempt for his performing rodent waved him to the door.

Jason walked a few blocks, made a note of the number of a public phone on the way, and then called Victor Poplar from another public phone. He spoke in a gravelly voice, imitating Louis Armstrong.

"Vee-Pee, this is 'deep throat' calling about your pending trial. Got some important information for you. Call me from a public phone at this local number 212-5555 in five minutes. Don't talk, just grunt, and I'll give you some valuable info."

Victor grunted and hung up.

Jason walked quickly back to another public phone on the next block. The phone rang and there was another grunt.

"Hi Vee-Pee, this is the guy who did the appraisal on Greenbriar Farm. Remember me?" Grunt.

"OK, Vic, the Feds want me to testify that you gestured, like bigger, higher, and also winked at me when you asked for the appraisal. I am supposed to say that this meant you wanted a phony, extra high appraisal. They are looking to put you away for 20 years. Now here's my idea: Develop a facial tic and wink like Humphrey Bogart. Do a lot of gesturing and winking in court before I come on to do my act. I dunno why I am doing you this favour, but I don't want you to get the same shaft they gave to me. I won't call again unless I have something valuable for you. Bye." Grunt.

The day of the trial came. Victor did a great deal of 'spontaneous' winking and gesturing. So much so, that the prosecutor never asked Jason if Poplar had winked and gestured to get a higher appraisal.

As a result, Jason's testimony wasn't terribly damaging to Victor Poplar. In the middle of the trial, the prosecutor, sensing he had a weak case, asked for a recess. Jason later learned that Westwood had offered Poplar a deal. Immunity from all prosecution for past crimes, a small fine, two year suspended sentence, no jail and 250 hours of community service. Poplar had to cop a guilty plea to a felony.

## POPLAR'S PLEA BARGAIN

Poplar went for the plea bargain and then gave evidence of tax evasion or other "crimes" in later trials of his former business associates. And they, in exchange for reduced sentences, continued the daisy chain by implicating still others in "victimless crimes." In spite of his testimony, soon after his eightieth birthday, Victor Poplar died in jail of natural causes.

*Grandpa's Note:* For better or worse, the same techniques are still being used today to bring charges against anyone who is "lucky" enough to be selected for prosecution. Far too many people are convicted on the questionable, coerced testimony of an earlier victim. It has also been revealed in books and testimony by former employees, that the vaunted Federal (FBI) Crime Labs frequently manufacture fictional evidence to convict suspects.

Their expert witnesses are expected to tailor their testimony and report to meet the needs of Federal Prosecutors. There are, today, hundreds of thousands of people wrongly convicted on false testimony or evidence of people like this who don't deserve to be in prison. A similar culture of corruption and prosecutorial fraud in white collar cases exists within the UK's Crown Prosecution Service - and the rest of the world is not too far behind.

Each prison inmate is costing the government *more than* the \$60,000 per year it takes to give a kid a Harvard University education. Inmates in prison who know the score will tell you that around two-thirds of all American convicts were framed! The governor of Illinois in 1999 stopped all executions when lawyers for six out of ten inmates on death row brought in DNA evidence from semen and blood. That evidence, though not admissible in appeals court, conclusively proved the prisoners to be killed for the crimes could not possibly have been guilty. How can anyone have confidence in the "justice" system?

## JASON GETS OUT

Six months later, having served slightly under a year, Jason was released. A year later, he was off parole. His debt was written off by the IRS. Two years and seven days after his conviction, he left the United States and never looked back. Jason became a citizen of another country. He had the six flags of a PT. Himalayan John, true to his word, had obtained for him a new passport, driver's license and credit cards. He showed Jason how to jettison his old life. Jason was to be reborn with a new, clean identity. The Boy Scout was gone. Jason was now a PT, but his adventure was just beginning ... he still had much to learn.

Of course Jason was not the real name of the guy in our story. But the people were real. All names and places in this story have been changed. But the events (and a lot more we will tell you about later) really happened.

## GRAMPS' FINAL COMMENT

Like cancer, we like to believe that divorces, lawsuits, criminal accusations and so on, will always strike the next guy. Fact is, odds are that these disasters will happen to you, not once, but several times. If you have some assets abroad and the proper paperwork for your ass and, during your life, your assets to reach safe haven... then you are better able to defend yourself. Lay low till the heat is off! How should you get ready today for the day when you may need to be Prepared Thoroughly? Read on. In the next chapter, we present to you the basic PT philosophy or belief system. Later, there will be more personal experiences from other similar people to prime you: Prudent Today, Protected Tomorrow.



## Chapter 4

# CAN YOU BREAK FREE AND BECOME AN INTERNATIONAL PT?

*"It is hard to fight an enemy who has outposts in your head. "*

*Sally Kempton*

We are brainwashed to think we can't break free. But becoming a PT is quite easy. Only mental baggage is holding you back. After you have made the intellectual and physical preparations described in this book, you simply grab your already packed bag. If PT is indeed your cup of tea, then...

## DON'T LOOK BACK - JUST GO!

What is drummed into us all our lives are messages of limitation. Most newcomers to the PT philosophy will have thought about changing jobs, spouses or even countries. But most people fear the unknown and are held back by misperceptions like "If I can't make it in my home town, I can't make it anywhere." Everyone, including this author, has conflicts with real or imagined obligations.

## FEW PEOPLE HAVE PTS TO EMULATE AS ROLE MODELS

Your parents, religious leaders, teachers, your childhood role models and religious leaders tend to think parochially. They are usually narrowly restricted in their view of the world and their place in it.

In the old days, dragons and monsters were drawn on ancient maps where *terra incognita* or uncharted territory began. But intrepid explorers ignored the fears of stay-at-home cartographers and correctly assumed that foreign fish, fowl and people would be similar to what they knew. They went on to discover new worlds - beautiful worlds of opportunity and happiness, just like the new life waiting for YOU.

## HOW GRANDPA BECAME A PT

I (your writer, Grandpa) didn't start out with any ambitions to become a PT. The concept didn't even exist when I was a youth.

Like many PTs, I got into 'the PT thing' because of an unfortunate situation involving a legal dispute. In my case, I was puttering along at the age of 30, paying two women relatively reasonable alimony and child support. Then came my third 'divorce,' and with it, an unexpectedly big court award to the third wife (funny thing really, she wasn't even a wife!) and a huge cash obligation to support our kid.

It was quite unreasonable and more than I could pay. When I blurted out my protest in court, the unsympathetic judge told me I'd just have to ... "earn more money or go to jail."

"You got yourself into this situation. Your ex-mistress and your kid have the right to live as well now - on their own - as they did when they lived with you."

## CLEARING \$1000 A WEEK, I WAS ORDERED TO PAY ALIMONY AND CHILD SUPPORT OF \$3000 A WEEK.

It looked like I would be going to jail. But then, just to make matters worse, the other two ex-wives also went to court (out of jealousy perhaps) to demand and receive 'equal treatment.' They both asked for and received an upward revision. The court 'awarded' them more of my money than I was earning after taxes: \$1,000 a week - each!

Here are the round numbers, so you can understand my situation. I was clearing about \$1000 a week, net after taxes. I was previously paying \$200 each to wife #1 and #2. Total \$400. Then wife #3 got an award of \$ 1000 a week. Wife #1 and Wife #2 demanded equal treatment and so the court awarded them \$1,000 a week - each. So now I had court orders to pay out \$3,000 a week, which was \$2,000 more than I made.

I said I was clearing about \$ 1000 a week, but now obligated to pay out alimony and child support of \$3000 a week. My living expenses were \$600 a week, so the deficit was \$2600. Where was this money and my own living expenses supposed to come from?

My financial statements were ignored by the court, no doubt because my three wives all claimed I had secret *black and untaxed* income and could easily afford to pay them \$1000 each. To be quite truthful, I did have a little untaxed income here and there, but it was not dependable and it certainly would not cover the \$3000 the judge ordered me to pay my ex-wives. Not by a long shot.

At best my total legit plus 'black' weekly disposable income averaged \$ 1,300. With my own living expenses of \$600 where was I going to get \$3000 to pay out? I was going to be \$2,600 in the hole every week.

To put a final cap on the whole mess, the tax authorities were handed the wives' accusations about my grossly exaggerated black income. It all happened pretty fast. The next thing I knew was that all my bank accounts, homes and assets had been padlocked or frozen by ex-wives' lawyers and the tax collectors.

They were fighting over my assets like a pack of dogs over an old bone.

Outside of some very small assets on deposit abroad, I was flat broke. My small business collapsed immediately once my bank accounts were frozen. For more fun at my expense, one of the judges decided to give me a taste of the lash: I was dumped into a county jail cell for three days. The Judge said, "If you don't start paying the \$3,000 per week, you'll be facing indeterminate jail sentences for "contempt of court." My freedom was now at the discretion of three different judges - all of whom seemed to hate me. I was evicted from my apartment. My car was seized.

I considered bankruptcy but my lawyer said "Sorry, bankruptcy doesn't get you off the hook in domestic relations cases—nor in tax cases either."

There was no way out. Or was there?

## ENTER MY GOLDEN GURU

I received in the mail a pitch to buy a certain International Newsletter. Part of the advertising promised (with a subscription) a free booklet called *'The Three Flags'* on how to escape legally from taxes and lawsuits. Normally it would have gone into the trash. Previous to the crisis, I was too busy running my small business to think about PT stuff, or "three flags".

To me those advertised booklets like *Retire Young on the French Riviera* were promising 'Pie in the Sky.' How could I think about going anywhere to retire with all those wives to support? I couldn't support anybody, not even myself! Still, for me it was indeed time to do something drastic - or at least to buy time to plan a strategic withdrawal.

This junk mail came at a time when I needed some new, 'out of the box' ideas. I popped for the rather expensive newsletter. As my bonus I received a simple brochure called something like: *"How to Protect Your Ass and Your Assets: The Three Flag Theory."*

The ideas were a primitive form of the PT ideas in this book. In a nutshell, it said: If you have legal or tax problems that will take too many years of your life to resolve:

- 1) Simply disappear - move out of your present jurisdiction - and kiss your troubles goodbye.
- 2) Consider residing in a tax haven where there are no taxes. Choose a place where unreasonable court judgments of other nations are ignored or never enforced.
- 3) Choose from a huge list of ways to make money abroad to support yourself.
- 4) Become international in outlook and be ready to move yourself and your assets to countries where bank secrecy, the weather, business opportunities, sexual morality and the legal system suit you better than your present environment.

This was all over sixty years ago! I read the 'Three Flags' brochure, took the advice, and made the move. I went to a paid conference with my guru in Europe. And soon I was up and running with a legally obtained new passport and a new Portable Trade. I lived in dozens of countries after that, and was very glad I made the move.

Misfortune had turned into good fortune. My troubles had lead me into a new and much more pleasant life. I was a PT.

My kids grew up as all kids do. While they were in school, and still living with mama, I sent from abroad the contributions I could afford for their support. Over the years, eventually all of them visited me in Asia, Africa and Europe. They all stayed with me from time to time until they got married and or had their own kids. Some of my kids, grandchildren and stepchildren I'm proud of. We have great relationships.

Like so many kids in divorces, a couple of my kids sided with their mamas who badmouthed me endlessly. They hated me, not entirely irrationally. Even after all these years half my kids still don't care much for me. But I offered friendship, guidance and I did what I could for them when they

were growing up. Plus, I made my peace with their mothers or at least tried to. I contributed at my level of affordability to those kids' support and schooling. In one case the hostility was such that Mum refused to accept anything or to let me communicate with our child. I later learned this form of punishment and exclusion of an errant father was a relatively common occurrence.

Before I left my home country, under the original court orders, my hands and my assets were all tied up. I could do no good for anyone. It was a stalemate.

Once I left the country, I made a new start. Without a pack of shyster lawyers and tax collectors hounding me and taking up all my time, I could be productive again. Soon my kids once again had something to live on. It wasn't as much as Mama thought she deserved. But it was better than the nothing they would have had from me under the legal system.

A side benefit was that the ex-wives all had to get off their fat bottoms and get a life. Without me to harass, they all got jobs - or new suckers to support them.

## COULD YOU ESCAPE THIS SAME WAY?

Why not? I wouldn't allow myself to be abused and pushed around by bureaucrats and judges. I couldn't be bothered being a full-time professional defendant, using all my earnings to support a small army of hungry contingent fee lawyers. I didn't want to spend months [maybe years] in and out of disgusting county jails for non-payment of alimony and child support - contempt of court.

Anyone can follow the PT ideology and lifestyle. Why allow yourself to be destroyed? More than that, the PT life will almost invariably be full of interesting adventures, travel, a great income, fewer taxes, and interesting new people!

## SEX AND THE PT

For me, when I was younger, my exodus led me into an absolutely fabulous love life with sweet young beautiful women of the third world. These nubile maidens I met along the way were of a far superior quality to any girls I could have attracted back home. More to be said about the sexual advantages of being a PT in other chapters!

## YOU CAN BREAK OUT!

Some ideas that we have grown up with are simply wrong:

You *can* choose your own destiny and break out of a drab existence in a dull place.

You *can* get out of any unhappy relationship.

There is no reason you can't *move away physically* from where you are, to a place that offers what you want.

Your paradise *does* exist out there somewhere. Finding it can give you a lifetime of good times. There are perfect waves for surfing, perfect powder for skiing, even perfectly legal Marijuana 'coffee' shops (try the Netherlands or Katmandu) where you can stay stoned—if that is your thing.

With effort and knowledge of your options you can normally find lucrative work that matches your interest or favorite hobbies.

## PTS ALWAYS OBEY THE LOCAL LAWS (AT LEAST THEY TRY! )

When it comes to *obeying the law* it must be remembered that law is man made. In different places, laws are radically different. There is always somewhere where you can do legally, things forbidden in your home town.

If the place where you are has laws you don't like or if your home town makes claims upon you that you can't meet... If whatever bothers you is important enough... you can easily *pack a suitcase and move!*

One important PT principle is that *your money is yours*. Many countries have the idea that the main purpose of government is to redistribute the wealth of productive people to bureaucrats, politicians and the 'less fortunate.'

There is nothing wrong with living in a socialist society if that is what you believe in and you are happy there. But most successful business owners from socialist Norway, Sweden, Denmark and Finland - when the tax and regulatory burdens got too heavy - simply moved to other countries. That is what is happening in Germany, Great Britain and the USA in the early 21<sup>st</sup> century. The rich and productive are drifting away from high tax countries, taking their talents and assets with them. Those left behind are the lazy, unproductive dregs of society who are accustomed to living off the backs and hard work of others.

Places like Central and South America, England, Italy and Ireland, etc. can be tax havens for overburdened people who were not born there. Why? Because the most of these countries don't tax the worldwide income of *foreign* residents. Then too, there are the pure tax havens [Bermuda, Monaco, Sark, Andorra, etc.] Pure tax havens simply have no income taxes at all.

Other chapters in this book explore the fun offshore world of tax havens. But keep in mind that every country on earth could become a tax haven for a PT! It all depends on your personal circumstances. Australia and New Zealand for instance, do not tax winnings resulting from legal gambling. Thus, for a professional gambler these countries can be an obvious choice of residence. Ireland does not tax income resulting from creative work like writing, painting or composing. We offer much information in the coming chapters and charts on this subject.

## VISUALIZE AND IMPLEMENT

Is there *anything in the world* you would like to do or see? Make a wish list now. What would you like to do if you didn't have your present problems? If you think about it and make a "PT style" plan, you can realize your new PT goals in a relatively short time.

But if you are just drifting, not sure what you want, hoping that one day the right opportunity will come your way - then you are making life hard for yourself. All successful people have clear, specific goals and *they plan where they are going*. Only by knowing what you want can you get it. So start right now - write down your clear, honest wish list. Make a plan! Assume that there is some country that gives you the freedoms you want and need. Find out about options that may apply to you here in this book.

Then go ahead and do it. Move on! There is nothing to stop you but your inertia!

If you want somebody to hold your hand in the process Gramps can help you via e-mail (for a fee) or recommend someone else who can help. Contact me via the publisher's office: [members@glpub.bz](mailto:members@glpub.bz)

## Chapter 5

# YOUR SIX FLAGS UNFURLED

*"Where liberty is, there is my country. "*

*Benjamin Franklin*

The originator of the PT concept does not even wish to be identified. But he is still going strong today, publishing an excellent investment newsletter. In a classic 1950s pamphlet, he explained how this ideal can easily be achieved by spreading your interests out over various unrelated countries. It's not expensive (indeed it's probably cheaper than any alternative).

The original theory was based on 'three flags.' During the eighties and early nineties, this grew to five flags. With the advent of the internet and cyberspace, in 2005 we have added a sixth flag.

Until you get there, keep working at it. One flag is better than none. Two or three flags are better than one! These flags and related concepts are explained and expanded upon in later chapters.

### First Flag

## CITIZENSHIP

In addition to the passport of your native country, you should hold one or more passports from small, neutral and respectable nations. They do not try to tax their citizens living outside their territory, nor to draft them into military service. These passports should ideally allow visa-free access to as many nations as possible. For ease of travel, we recommend European Union followed by Latin American passports.

### Second Flag

## RESIDENCE HAVENS (DOMICILES)

This is your official residence. A country which regards you as a bona-fide resident, although you might not actually spend too much (or any) time there. It should be a country which does not tax income earned abroad, the effect being that you don't have to file any personal tax returns anywhere. Tax havens like Turks and Caicos, Panama and Andorra are good low-budget candidates. Bermuda, Liechtenstein, Switzerland and Monaco are more up market - if you can afford them. In the first world, the UK, Italy and Ireland are also worth considering because of their no-tax treatment of foreigners. Most Asian, Central and South American countries, do not tax offshore incomes, and many of these countries, like Paraguay (and believe it or not, North Korea!) have no income taxes at all. They are de-facto tax havens. The whole world is a fiscal paradise for PTs who arrange their paperwork properly.

#### Third Flag

### PLAYGROUNDS

These are places where you physically choose to spend most of your time. They depend on your personal taste. Quality of life is top priority. Because of legal restrictions on how long one may stay without being considered resident for tax purposes, it may be necessary to have from two to four playgrounds. But the fact is, you can easily make arrangements to spend all of your time as a PT in one playground if desired. It's just a question of getting the paperwork right. More on this later.

My personal recommendations. For no nukes nor pollution and good fishing: New Zealand. For the most interesting sex life imaginable: Thailand. Other sex-havens include Cuba, Paraguay and The Philippines. For a superb year round climate: California, USA or Queensland, Australia. For the gourmet, we give top honors to the French Riviera and Hong Kong. Italy gets third place for excellent food. For stimulating parties and an active social life: Paris, London, Rio de Janeiro or San Francisco. For the best things at the cheapest prices: Singapore, Taiwan and Hong Kong (for consumer goods). Fishing in Europe? Ireland (summers only unless you love cold, damp weather). Uruguay? Punta Del Este is near Buenos Aires (great for a winter home and splendid investment opportunities across the border in Argentina).

#### Fourth Flag

### BUSINESS BASES

These are places where you actually earn your money. If you own an existing business that can't be moved, you may not have much choice in the matter: you may have to bite the bullet and pay some taxes. Almost all businesses can be gradually shifted abroad by outsourcing and exporting more. If you earn money with your skills, you can probably re-domicile and operate in cyberspace (on the internet). Or choose an offshore tax haven as your physical business base. Then you are tax free. Either way, your business will probably be incorporated, to insulate against personal liability. Ideally, you will set up the paperwork properly and you will never have to file personal tax returns, nor need any permits, licenses or special dispensations.

Good access to contacts, labor markets or materials is also important. London, Tokyo and New York are the big centers for finance and insurance. Zurich, Milan, Singapore and Frankfurt are among the second-ranked contenders. But in today's global economy, you could frankly base your business anywhere. Wild-card contenders such as Estonia, Malaysia or Panama are out there competing to offer you a business haven. They all deserve a serious look.

#### Fifth Flag

### ASSET HAVENS

These countries are where you keep your savings and investments, safely salted away from where your money is actually earned or spent. They should score highly on respect for privacy, communications, professionalism and stability. Your assets, kept in secret numbered accounts, will be controlled with hacker-proof encrypted electronic messages or personal visits only. Naturally, you don't live, play or do much business in the place where your assets are discreetly planted. And it is important to have a banking passport from a country that does not (by treaty or otherwise) insist your banking haven give them a full dossier on your activities. This is another reason to jettison American citizenship ASAP.



You can have several asset havens. Top-ranked candidates include Liechtenstein, Switzerland, or Austria for non-EU citizens. Bankers in Latvia, the former Yugoslavia and various Caribbean Islands are also well worth considering - while their services may not yet be up to the Swiss standards, they are more accessible to people with moderate wealth.

#### Sixth Flag

### ELECTRONIC HAVEN IN CYBERSPACE

This is your Internet Business, Communications and Cash Transmittal System. It's so cheap to rent server space that it doesn't matter much where your servers and websites are located. You can be physically anywhere, but invisible to all. Have a few servers, and offshore sites. Best for them to be in places like Taiwan, Costa Rica or Panama - or on far off islands, like Tuvalu or Niue.

Better still, why not just totally distributed so you can change jurisdiction automatically every two minutes - technology makes it possible and it is becoming easier by the day. *Your internet presence should emanate from any place where the net is unregulated and untaxed.* Your electronic base should be anywhere - where you are not. With no physical presence, you can't be served with process or sued. Your encrypted communications, files and data banks will be safe from private or government snoopers. If 'authorities' in your server's host country bother you - or if an ISP gives you grief, you just press 'delete.' With your sixth flag you can take advantage of many new opportunities in the 21<sup>st</sup> Century Information Age.

Virtually all the following chapters in this book deal directly or obliquely with selecting and setting up your six flags. Understanding this chapter is vital. We strongly recommend you re-read it a few times so you can think more about it. How does it apply to you?

We suggest you take a blank sheet of paper and write out the basic titles of the 6 flags. As you read through the book, ideas will pop into your mind about what countries could serve best as *your personal flags*.

Write them all down - you can narrow down the list later. If a country appears to be suitable for more than one flag, don't worry. That happens often. List it anyway.



## Chapter 6

# HOISTING YOUR SIX FLAGS TO THEIR ULTIMATE LEVELS

*"We are not criminals. But today, good honest people are treated like criminals, while the elite professional criminals go free. We may therefore have to study and adopt some of the methods that intelligent criminals use to remain below the radar. "*

*Dr Peter Schmidt, German PT philosopher*

In today's world, if we are to succeed in protecting our asses and our assets, we must be constantly updated on Big Brother government's latest tactics. There is no room for complacency!

Flexibility and quick thinking are essential. Remember that *PT is a way of life, not a fixed set of rules*. The only rules PTs follow are ones they choose for themselves!

It has been nearly five decades since that certain party penned the original PT concept, and much has changed since then. Now that the legendary old guru has retired to an honored niche in history, it's time to do a major re-write.

It has become more difficult, in some ways, to be a PT. But new pathways have also opened. Under the USA-led 'war on terrorism,' people who only desire privacy may fall into the prohibitions on easy travel and financial privacy supposedly set in place to catch murderous terrorists.

For example, government computers are right now trawling through data such as credit and bank files, passport and immigration records, travel reservations and tax declarations, looking for people who don't appear totally normal. These are the dreaded 'suspicious characters.' The usual suspects you *don't* want to join!

There are new rules to hinder some activities that were specifically recommended in earlier PT books - like changing citizenship to avoid taxes. Today, if you are not careful about using accounts abroad and how you get your banking passports, you may find yourself in the dock for such new victimless crimes as passport fraud, money laundering or 'non-reporting'.

Must we be a target? No! Not if we master a few new techniques explained right here and also in the following volumes of *Bye Bye Big Brother*.

Needless to say, I would venture that not a single terrorist read the original PT books nor ever heard of the PT concept. And all this anti-terrorist stuff will inconvenience millions of people, but probably won't catch a single terrorist. All the 9-11 guys were holders of regularly issued passports and USA visas, without any past criminal records. They got in to the USA then, and the same types of persons would get in to do their thing again today.

The new antiterrorist stuff" seems to be really aimed at expanding Big Brother's powers and collecting more taxes. Everybody knows it. Nobody in government admits it. But then that's how you would expect that, wouldn't you?

## THE RULES OF THE GAME KEEP CHANGING

In this book we do a lot of tweaking. But above all, remember you must always stay informed. The game keeps changing. That's why we have set up an exclusive, password-protected and encrypted website just for readers of this book to stay in touch. Contact the publisher quoting the registration number of this book if you don't have access.

We repeat again. *This is not a guidebook for criminals.* We strongly urge our readers to know their local laws, and to observe them faithfully. The PT way is basically to leave the country of your birth and to be a 'just passing through' *tourist* or alternatively a legal resident of a tax haven. From our point of view, that is the best way to avoid losing your freedom and your assets. You are not breaking any laws by doing this.

PTs will always find legal ways around the system. The traditional PT concept was "give them the papers they want, and they will give you the papers you want". This could be reinterpreted today as "give government computers the data they want, and they will spit you out."

In spite of all the historic changes that have taken place since the original 'three flags' concept, the PT theory still works very well. Living the PT life can help you avoid being crushed under the heel of Big Brother, just as it did decades ago.

In fact, the internet alone has opened up a massive new world of opportunities. Our new *Sixth Flag* has made it easier to be a PT than ever before.

In this chapter and throughout the book, we cover some additional specific issues raised by governments' *reverse engineering* of the original PT ideas. We will take the game to its next level. We have looked at what Big Brother is doing. We will also try to anticipate (and counter) what he may do in the future to make life harder for PTs.

In this book we will give you a multitude of practical ideas for developing your own 'good citizen' profile. This will make Big Brother leave you alone in favour of more juicy targets.

But for now, it is important to understand Big Brother's reasoning.

## OBJECTIVE #1: PROTECTING YOUR ASS AND ASSETS

Let's not lose sight of this: *The main objective of most PTs is not only personal privacy and freedom, it is also wealth preservation.* We are not terrorists or con men. PTs are in fact mostly libertarians in outlook and philosophy. Libertarians believe in minimum government and minimum taxes. The only purpose of government, for them and for us, should be to prevent abuse by fraud or force (ie: physical violence).

Aside from that, we believe that perhaps governments can set and enforce international standards like weights and measurements - preferably only if private groups can't agree upon them. When things *cannot* be done by non governmental organizations, then maybe rules for such things as exploitation of the sea, allocations of wave-bands and enforcement of judicial or arbitration decisions can be imposed on us by the "elected representatives of democratic governments" and international bodies.

Under Libertarian (and overlapping PT) views of the world, *most laws could be set aside*. Historic common laws forbidding theft, rape and murder, i.e. 'no force no fraud' laws are OK. *Most civil servants could be fired. Most politicians and elected officials would no longer be required*. Pursuant to one view of the world, most taxes are theft, thus nearly all taxes should be eliminated. Most 'public services' could be eliminated and replaced by more efficient privatized equivalents.

## IS IT GOING TO HAPPEN?

Here's where PT and libertarianism head in separate directions!

PTs believe that a happy Utopia is unlikely to materialize! PTs will cope with the real world and simply drop out of systems they don't like. It's no use (say PTs), trying to fight city hall and change the existing systems.

*PT's don't ask for government protection or support in any way. Neither will we contribute to superfluous socialist welfare states.*

## MOST PTs ARE PRIOR TAXPAYERS

If you have wealth or a large income and you are legally resident and domiciled in a high tax country, it is very difficult, but not always impossible, to reduce your income tax to an acceptable, non confiscatory level.

The problem is that to do it Big Brother's way, you must deal with government, Big Brother-licensed lawyers and accountants. Their officially sanctioned tax 'mitigation' schemes, just get too complicated and expensive. Also, Big Brother has been changing the rules as they go, making what was legal tax avoidance into tax evasion. You can spend so much time and money juggling the balls of legal tax avoidance. Depending upon your line of work - lawyers and accountants being the exceptions - it is probably much easier to end the anguish by voting with your feet.

Thus expatriation and renunciation of citizenship (eventually for most high income Americans) is the usual answer. Everyone else in the world can just move and keep their old passports.

## THE USA PASSPORT IS THE MOST EXPENSIVE IN THE WORLD

A physical move to another country - not the one you were born in - will solve the taxation problem for most people. In the case of Americans (only), a new passport is also needed. Reason? The US passport is by far the most expensive in the world. The USA is the only country in the world who says you will always pay income tax just because you are a citizen - whether or not you ever again set foot on USA soil after you leave. This problem is strictly for Americans.

## THE SECRET LOOPHOLE TO A TAX FREE USA PASSPORT

Note from Grandpa: if you are a not native born American, there is one little legal loophole which allows you to acquire a US passport without the tax liability. It's too sensitive to publish in any book, because then it would most likely be closed immediately. If you are interested in this, and can already qualify for a regular US green card and legal residence, you should talk to the Global Liberty Publishing office about arranging a consultation on the matter.

The other well known loophole for Americans is that once an American couple leaves, and the total earned income is under \$ 160,000 per year, that is exempt from USA taxes. Unfortunately, you still have to waste your time filing a detailed, privacy - invading tax return form to get the exemption.

*As a PT, with a bit of careful planning you are no longer subject to any record keeping or income taxes!* The USA has, in recent years, tried to make tax avoidance by expatriation and getting a new citizenship more difficult. It has also tried to make tax avoidance more difficult for foreigners by redefining 'residence for tax purposes.' From what we have observed, this has only accelerated the outflow of wealthy American tax exiles to better climates. And it has made foreigners more careful with their US investments.

## USA RESIDENCE FOR TAX PURPOSES

In the good old days (before 2000), like almost all other countries in the world, a person who spent one day under six months per year in the USA was *not a resident for tax purposes*.

Today the formula is more complex. In simple terms it goes something like this: A foreigner is defined as a non USA citizen or immigrant. He or she gets to spend 6 months in the USA without any tax liabilities - the first year. Thereafter, one stays a PT only by being physically in the USA less than 3 months a year (on average). The techniques in the original PT book still work fine, with a little tweaking to comply with the new more complex rules.

*The rule of thumb is that, if you wish to visit the USA, you should stay 'officially' under three months a year. Then you will always be a tax-free tourist.* In reality, given the unfriendly face which the US immigration authorities are presenting to tourists these days, many PTs and hundreds of thousands of ordinary tourists as well have decided not to visit the USA at all. The co-authors of this book are amongst the 'stay awayers.'

## HOW ILLEGAL IMMIGRANTS LIVE UNTRACKED IN THE USA

Our readers would never think of doing this fraudulent thing, but it is interesting to see how illegal immigrants cope. To show 'on paper' less than three months a year of physical residence, one might exit by road to Canada or Mexico for a day or two, specifically not asking for an exit stamp *on the way out*. Normally passports are not stamped at all when exiting the USA on land borders along with the thousands of daily commuters.

Then one returns and gets an entry stamp on the way in. This stamp starts the three month period running again. With two passports there are many possible variations.

Another possibility is merely entering the USA the first time with an American driving license and local birth certificate. This is not recommended because it is illegal! But for the many aliens who do it this way, there is no record of them being in the country at all. Then too, there are new forms of identification issued by foreign consulates (Mexican for instance) to 'undocumented aliens' in the USA. Tax authorities in any country can't bother low profile illegal aliens much. They don't exist on paper and will drop off the radar too easily if presented with a tax bill. One estimate puts these undocumented aliens in the USA at about 10% of the total population. Are they PTs?

We do not wish to give bad advice or suggestions to do anything illegal. But we can point out that there are millions of individuals who spend more than six months per year in the USA (and many other countries) without being on any official government computers. They are self-employed, work 'black,' or live by making deals. They are not even in the country at all, insofar as government statistics are concerned. If for any reason they come to the attention of authorities, they show whatever ID they have and say they are tourists, Passing Through.

They came in over the land border 'last week' and were simply never stamped in or otherwise recorded. If one also says you are on the way out in another week or two the odds are very slim that there will be any official action taken against you. We know PTs in Europe who have been living there openly for decades. Nobody seems to care. If you are white (or even non-white and well dressed) in Europe, nobody ever asks for "your papers." Borders in continental Europe are open and unattended.

## THE DREADED 'MIGRA'

In the USA, the dreaded 'Migra' is always raiding factories, churches, social events and places where they can round up the presumed illegal's. The twenty-five million (or so) honest hard working people are trying to earn an honest living in the USA. They are doing the dirtiest low wage jobs.

For them, 'Migra', the United States Citizenship and Immigration Service (formerly known as the INS) is the terrorist organization which will tear them away from their homes and long established families. It is not unknown for them to deport (without any hearing) US born citizens of Latino appearance into god-forsaken parts of Mexico or Central America without notifying next of kin and without a penny in their pockets. A recent film depicted the story of a young mother who spent many years alone after an illegal deportation - finally to return home to her family in California.

Poor Latin Americans who attempt to work in the USA and are caught working at their jobs may be incarcerated for a few months before being deported. Even an individual or family who appears prosperous and has a good cover story could be deported without any hearing. But the USA even as of today has very porous borders and the government has no records on around 25 million undocumented 'aliens'. The odds of remaining undetected in any country are pretty good.

Fortunately, Caucasian appearing and sounding people are generally left alone by the Migra. But they may have to deal with the IRS (tax collectors), particularly if they overstay and attempt to leave the country other than clandestinely.

The bottom line of all this? If one knows the ropes, it is easy to be a PT in the USA. And the USA can still be an excellent place for a PT to make money in the internet underground economy. Certainly, Florida, New York and California can serve as a first class, first world playground.

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## INTERACTION WITH BUREAUCRATS IN YOUR PLAYGROUND

If you are happy to live permanently in a tax-haven like Monaco, Bermuda, Paraguay or Great Britain (for non-British people) *you can do whatever you want openly*. You don't have to be ever vigilant and Perpetually Paranoid.

But if you prefer a high tax country like Germany or the USA as your playground, more care is needed. If you have an expensive property or car in your own name you will eventually come to the attention of Big Brother. Normally this won't happen for (rule of thumb) around five years. Even then, whether you will be investigated for tax purposes depends upon the values involved. A heavily mortgaged small apartment or house in an average neighbourhood won't usually attract any negative attention. 'You can't squeeze blood out of a stone' is the old adage. Certainly an ordinary car a few years old is low profile. It won't attract the taxman.

Want to move up a few pegs? As a general rule, it is better to keep the title to anything valuable in the name of a buffer. This might be (depending on the local rules) a partnership, foundation, trust or incorporated company. Better yet, why not keep title to your apartment, car and local bank account in the name of a real person who seldom if ever is in the country.

For example, you wish to spend all or most of your time in beautiful Marbella, Spain. You would like to own a car and own your own beachfront home. But Spain's infamous *Hacienda* or tax police are as bad as their counterparts in Germany, Sweden and the USA. They require everyone who doesn't stay in hotels and use rented cars to have a local 'social security number' or its equivalent. They also put a hefty income tax on the world wide income of anyone who stays in Spain physically over six months a year.

Under such circumstances, what might be a good way to obtain the necessary tax ID number? You need such a number to get electricity, water, garbage collection, a bank account, auto license plates, etc. in Spain, France, the USA or even Thailand.

If you use your head, you will look at your contacts and resources. It might be convenient to make a trusted friend, cousin or brother-in-law (who seldom visits the country) the nominal owner of 'your' things. You could operate under a power of attorney. If the question ever comes up locally, you are merely the guardian of this property. Or you are a penniless relative who is allowed to use it. A girlfriend who 'owns' things in her name might serve the same purpose.

The general idea of avoiding lawsuits and taxes is always well served by having *nothing in your own name*. In this way, you have no property or associated assets to attach, sequester, freeze or otherwise.

The nominal owner or 'straw man' will never get any trouble in Spain (or wherever) because he really is a non-resident who spends little or no physical time in the country. Remember, if somebody owns a 'secondary residence' in a foreign country and seldom uses it, he is tax free. He won't likely be sued. Why? Because it is hard to get into trouble for anything (or to get sued by a local) if you live a few thousand miles away. Nobody pays much attention to (you as) a caretaker who looks after things and drives the boss's car in his absence.

For a local bank account to pay bills, you could have the absentee owner sign a hundred blank checks. Then again, there is nothing wrong with being a signer on the boss's household account to pay running expenses.

The local bank account is funded by occasional transfers in from an account in another country. Mortgage payments, utility bills and property tax rates could be automatically deducted from this account.

Use your head to think up your own variations. You will come up with many possibilities for staying low profile. Anyway there's a lot more on this subject in later chapters. We shall get into the practical aspects of living the PT life. If you have a question, this is the book that comes alive and talks to you!

For the hefty price, it should not only talk, it should sing and dance. Just e-mail the publisher with your specific question. We won't give you a song and dance! But we strongly recommend you first read the chapters in Volume II on email encryption and computer security, so you can be sure Big Brother does not snoop on your consultation!

One key to success as a PT is of course never to brag about how rich you are and what you own. *Keep your mouth shut* about the fact that you are the true owner and that you are a PT. Once you blab this information to a neighbour or the caretaker/concierge of the building, it is only a matter of time before your cover is blown.

If you are thought of as "just a caretaker" or poor relative of a wealthy absentee landlord you are in a good position to live the PT life. If you have an active business, as long as it is invisible - think internet - no one need ever be the wiser.

We have a friend (Lord X) who is a high powered lawyer and business consultant in (censored). Lord X has thousands of acres of inherited farm property in the UK. He also has a multimillion Euro annual income. For years he lived in a grand house in France with servants. But there he played the role of a major domo (head servant) for an absentee owner who never came to visit. He loved the romance of this minor deception. As he was the one who hired and fired staff, they waited on him as if he were the missing Sultan's Viceroy...

Eventually, Lord X sold his French Chateau and bought a similar palace in the green and hilly Piedmonte province of Italy. Because the Italians don't tax foreigners who live in Italy on money earned abroad, he was tax free in Italy. Now Lord X has given up the charade he enjoyed for twenty years in France. He commutes to his office in (A Well Known Tax Haven) via a short helicopter jaunt. *Lord X is legally tax-free!*

## YOU DON'T HAVE TO BE SUPER RICH

People with a normal middle class income often pay a third to half of it in income taxes. They don't have to pay any taxes and they need not move to a tax haven to obtain tax free status. There is a long list of countries which do not tax world wide income at all: they tax only locally earned income. Note carefully the distinction. In these countries, as long as one does not have a local office or locally visible business interests, all remittances or money sent into the country is tax free. Great Britain is like this. As a result, thousands of super rich Greek ship owners, oil-rich Arabs and the

entire super rich population of the Nordic countries are living in London suburbs. Dubai is another of the latest tax havens to welcome high net worth expats.

In some countries there are fancy little distinctions like whether the money you live on is 'capital' or 'newly earned income,' or if it comes from 'royalties.' In Ireland, for example, a foreign artist, writer, composer or creative person can enjoy income from all of those sources and live tax free. But *rents* coming from Irish or non-Irish *properties* and remitted into Ireland would be taxable income. Several artists and authors I know, who went to Ireland for tax reasons, have found the system too complicated and the weather too cold and damp. They moved on.

Thus, if someone wants to live somewhere like Ireland and still be tax free, it is necessary to get a lawyer or tax accountants to handle things. In such countries the rules are complex. For those of us who are not in the multimillion dollar/pound/Euro class, it is easier just to be low profile and stay off the radar. If we are wealthy enough, then renting or buying in a tax haven may be a good idea. Andorra is known as the tax haven for the middle class (retired academics and such who like skiing - and drinking, but who are too poor for Monaco.)

Yet there is a long list of nice places where a foreigner can live high and even flaunt an income from abroad while remaining tax free. Such countries fall into two classes:

**NO TAX:** most of Latin America (for example Costa Rica or Paraguay), Great Britain and Ireland (if you are not British nor Irish), virtually all small Island Nations. These islands include Bermuda, Cayman, Turks, Bahamas etc.

**NO TAX ENFORCEMENT (AGAINST "LONG STAY" FOREIGNERS):** Italy for non-Italians, virtually all of Asia, Africa, and Latin America, New Zealand, Southeast Asia, Philippines, Thailand. The Third World generally is tax free for the upper classes. Needless to say, this writer thinks that flaunting wealth where you live is always a big mistake. If one must flaunt, it is best to do it in resort-type places where you won't be around for too long. Or in tax havens where there are no taxes. We discuss these places in greater depth in our country sections. Further, we plan to do very extensive country reports with a PT angle. These reports will be written by or in conjunction with PTs who actually live in those places. Contact the publisher if you want to write, sponsor or commission such a report.

**SPECIAL DEALS:** In Switzerland or Liechtenstein, one can negotiate a tax deal before immigrating. In the USA, Canada and most other high tax countries, a potential immigrant can legally (before moving) put assets in a trust and arrange for wealth to accumulate tax free abroad. To get pocket money, it may be possible for the trust to lend you money or pay certain expenses. There are many legal ways to do things, but these considerations are mainly for our readers with a net worth upwards of a few million dollars or Euros.

For us poor folks with a mere million or ten, the simpler solutions work better and are more cost effective. Remember, all registered readers of *Bye Bye Big Brother* do get one free e-mail consultation where their hypothetical situation can be reviewed and recommendations made. Obviously, e-mail questions should be kept short. We do not even want to know your real name - just the name or number used on the registered copy of *BBBB*.

This service is limited by time available. Major personal guidance sessions requiring huge amounts of research, time and hand holding can't be offered for free, obviously. But we also refer people to online groups of PTs who may be of help to novices.

## Chapter 7

# THE PT CREDO

Becoming a PT is not a static thing that you can do once - and then, like obtaining a diploma, just hang it on the wall! Neither is it a set of instructions you can blindly follow. PT is first and foremost *a way of thinking*, something more than a mere occupation or even a lifestyle. It is a state of being.

The variations and possibilities are infinite. PTs have real freedom in an unfree world.

PT is elegant, simple, and requires no accountants, lawyers, offshore corporations, nor other complex arrangements. Since the income of most new PTs is immediately doubled, and most frustrations of life with Big Brother are instantly eliminated, the logical question is only: "*Can you afford not to become a PT?*"

Unlimited, untaxed wealth and the power to dispose of it as you please is one of the major benefits of becoming a PT. We can work and be paid in full (without withholding tax or deductions) - and then spend our earnings on what gives us pleasure.

Until you become a PT the range of opportunities denied to you is inconceivable. We don't miss things we are unaware of. This book will raise your consciousness as to the nature of freedom and ways to rid yourself of limitations.

Most governments pay lip-service to the absolute freedom to travel. But in practice, every government severely *limits* travel with passports, visas and other requirements.

The PT, once properly equipped, operates *outside of the usual rules*, gaining mobility and a full slate of human rights. The value of these rights cannot even be perceived by people who have never experienced them.

Tax havens become an important tool of the PT with an active business. Tax favored corporations and trusts provide an interface to the more permanently settled world -just as a flag of convenience does for a ship.

The message of PT is not, however, to encourage greed, lust, irresponsibility, immorality or any of the other seven deadly sins. The effect of PT being popularized will be *to release creative souls from the intolerable burdens of coping with Big Brother*.

You don't need to found a new country or displace someone else to make yourself a sovereign individual. The PT need not and does not want to dominate other people. He or she must only be willing to break out of a parochial way of thinking: the PT must be superior only in that small area located between the ears. We speak of the potential PT now in terms of wealth, talent, intelligence and creativity. Who is this PT in the upper minuscule 1% of the population? It might well be you!

*From PT, 1995, reprinted with permission*

BBBB - How to Get Your Money Out of Your Country, Before Your Country Gets Your Money Out of You

## Chapter 8

# 'FREE' INVESTMENT ADVICE WILL COST YOU A LOT!

In this short chapter we explore why most so-called 'investment advisors,' stock brokers, insurance agents and even private bankers will disregard your best interests and put you into deals that pay off for them - not you!

In most cases, your interests are a distant second to selling the high-mark-up products they are pushing. For anyone who wants to preserve their capital or try to make money investing, this short chapter may be the most important in the book!

## NO SUCH THING AS A FREE LUNCH

Rule number one: *Passive investments are not nearly as good as your own business deals.* The best way to deploy your capital is where you produce a product or service, or add value. Perhaps you have some expertise in marketing or trading, and can buy cheap and sell dear.

Having said that, you will probably want or need some passive investments. What is a passive investment? It is where you simply hand over your money and then have no further active role to play. After retirement or for parking your excess cash (of which we hope you will have a lot), passive investments are the 'no-brainer' deals that you use to preserve and store your assets.

Here's the *warning!* When you choose to invest in a field where you have no expertise, BEWARE OF INVESTMENT ADVISORS!

Typical 'investment advisers' are only interested in selling financial products on which they receive a percentage of your investment. This is called a commission or 'up front load.' How do you think investment advisors usually earn their daily bread?

It behoves you to inquire in writing exactly how your 'investment advisor' is compensated. Do not to invest until you are satisfied with the answer! If he is paid a commission or percentage depending on the deal he chooses for you, *run*. Do not walk, but *run* away as fast as possible.

The only thing worse than an investment advisor who takes a slice of your cake off the top before your money goes to work for you, is an inventor or a friend (particularly a lover of the opposite sex) who wants you to invest in their 'sure fire' new business venture. But back to investment advisors:

*Most investment advisors are anything but objective.* They push *only* the deals where they get the highest commissions. Maybe they work with a bank, insurance or annuity plan, or an investment trust or fund. Imagine they have a deal with one of these outfits paying a 5% commission on all funds raised. Why would any investment advisor recommend any other deal where you stand to make out *like a bandit* and they get *nothing*?

Even most stock brokers and bankers are more than likely to sell you their own more profitable (for them) 'in house packages,' rather than provide objective guidance.

Once, at the time of the Chrysler-Daimler-Mercedes merger, we decided that the secondary new issue stock was going to be a dog. My stock-broker (who had discretionary investing authority) agreed. Then a month later, in spite of our conversation, I found he had purchased a substantial amount of this dog stock. It had already dropped in value from the issue price. "Why?" I asked. The answer: "Our firm is a lead underwriter. The word went out from the boss that all of us brokers - if we wanted to keep our jobs - had to place an allocation of stock with our high-net-worth clients." Here, as usual, the client's interests were not even considered!

With new information resources on the net and such tools as insider trading data, you *can* make intelligent decisions on individual stocks. There is no good reason to allow others to have discretion over your investments. This is particularly true if they are compensated by front end load commissions - payable whether you win or lose.

## SUCCESSFUL INVESTING FOR LAZY PEOPLE

We personally have always preferred contingent fees, where the advisor makes money only as a percentage of our *profits* not on the mere fact that we are investing. But these contingent fee deals are usually only found in Hedge Funds. So let's assume you are lazy, have other interests, or just don't want to be bothered with research or making any decisions. Suppose you simply want to select a good investment portfolio once, and then forget about it?

Our advice is first, to *diversify*. How much diversity depends on how much money you have to start with. A multi-millionaire might have forty or more unrelated investments. But with only 100,000 dollars or euros, probably five positions would be about all that makes sense.

One reason for diversity is to protect yourself against unexpected adversity, mismanagement or crooks. The passive investment alternatives we like best are no-load funds (no up front commissions and low administration charges) with good long term records. Value Line <sup>TM</sup> funds can be OK. A diversified group of these, investing in various currencies, geographic areas and in various industries should do a lot better than allowing a commission-earning investment advisor to run your portfolio.

## WHAT IF THE WHOLE MARKET GOES SOUR?

What if the whole market goes into depression, as it did in 1987 and 2001? If you want some protection against a general decline in the market, you can and should invest in a 'bear fund' or a 'hedge fund' that takes short positions. Hedge funds also make deals outside of the stock market. In pork bellies or cocoa futures for instance.

## THE TRUTH ABOUT HEDGE FUNDS - ACCORDING TO OUR OWN RESEARCH

Hedge Funds are the new 'flavour of the month.' They often have huge administrative charges plus a contingent fee of up to a third of any profits you make. Sometimes they have minimum investments

of a million or more. There may be exit charges plus annual service charges of up to 5% a year, whether you win or lose. Guess what? *Funds with high charges do not do any better than funds with low charges.*

In fact, the contrary is true. Much research shows that investment performance over the long term is more a factor of the loads and charges than anything else.

In the Hedge Fund market:

80% are mediocre to incompetent. Some are un-audited, unregistered Ponzi Schemes. A Ponzi scheme is just a swindle where the books are cooked, and new client's money funds the extravagant lifestyles of the guys who siphon off the investors money, and pay off old investors. A hedge fund with a first class auditor (one of the Big Four accounting firms) will seldom be a Ponzi Scheme. 15% are average to good ... 5% are excellent.

The best ones are either closed to new investors or soon will be. Finding the good ones takes effort. Sources of good information that we have found include the Wall Street Journal and Forbes Magazine. Where can you get above average absolute returns or super-low volatility in a hedge fund? We know of several. None of them pay us a commission. And if they did, we wouldn't accept it. For our book buyers we can sometimes assist in referrals to intelligent investment advisors, conservative investment trusts or reliable bankers that we know personally. No guarantees of future performance can be made of course.

Picking good managers at random will give you the same result as picking stocks by throwing darts. Your return over time will revert to the average - how soon depends only on how many managers you pick. Getting fly-by-night investment outfits can result in speedy destruction of your capital.

A hedge fund can have any strategy, but a common one is to pick the strongest and the weakest stocks in a given market. Then the hedge fund manager 'buys strong long' and 'sells weak short.' A buy long equity strategy by itself can only make money if the market goes up. Who can say with certainty what the market will do in the future? In the hedge fund business, they say that sticking with long equity only is like swimming with one arm tied behind your back. Thus, a balanced portfolio should have some hedge fund exposure, in our opinion. But where can an outsider go to find the 5% of well managed hedge funds?

The burden is on you to do your homework ('due diligence' on managers). If you don't have the time and inclination to do this, then you must find a person who knows what he is doing, and also has a track record of successful investing over a long period. One other caveat: Only you should have the signing power to withdraw funds from your account. Never give this power to your lawyers, accountants or investment advisors. In our opinion it provides too much temptation. Your representative may be given discretionary power to buy and sell stocks and bonds - but never allowed to take out your cash.

Our favourite investment guru once said that he will make his own investment decisions or seek out for help somebody who is over a hundred years old and has been through all kinds of markets. That is where our contributing editor, Grandpa, comes in. (Editor's Note: Gramps is old, though not quite 100 yet!). We also have several other competent investors we can refer you to.

Yes, of course there would be a fee for putting together a list of 'buy and forget' investments and hedge funds suitable for your particular situation. The person who does it would have to consider (among many other things) your age. Then there would be an assessment of your appetite for risk,



and anticipated cash needs for living. All considerations would be in light of your total net worth and your other income. You won't have to give your consultant or Grandpa your real name and address. But if you want good advice, it would cost you about €2,000 for a short but effective consultation by e-mail. More for ongoing supervision, or to set up a diversified portfolio of over 500,000 dollars or euros.

*This could be a good deal cheaper than 'free' advice, which is worth exactly what you pay for it. An independent opinion may not be 'free' but in the long run it should result in a far better return to you than simply going with a 'free investment advisor' who gets paid for selling you possibly unsuitable high commission products.*

## Chapter 9

# GOVERNMENTS AS SERVICE PROVIDERS

*"There is no art which government sooner learns ... than that of draining money from the pockets of the people. " Adam Smith, Wealth of Nations*

Do you remember when government bureaucrats were known as 'civil servants'? Governments today pay lip service to the idea of being at the service of the people. But in reality, most bureaucrats seek to control us instead.

It's not that way for multi-national corporations. They contribute wealth to national economies. For that they are generally welcomed. Governments know that if the welcoming climate changes, they can pack up and leave. Multi-national corporations have always 'cherry picked' countries to take the best that each country can offer.

One country might be a good manufacturing base because of flexible, intelligent or low cost labor. Think India ! Another, perhaps Holland, Panama or Luxembourg, might be a good place to register a holding company because of favorable tax laws. Research and development is better done in places like Switzerland with a highly educated population and great infrastructure. Every corporation wants to sell in the rich consumer market of the USA and Europe. You get the point. Multi-national corporations have always followed the PT Six (or more) Flag Theory.

## TODAY, PTs SEE GOVERNMENTS AS SERVICE PROVIDERS

Today, millions of the wealthiest and most productive individuals on the planet take advantage of the best that each country has to offer. Governments are viewed as providers of facilities and services, like hotel keepers. If they offer good accommodation and make you feel comfortable and prosperous, you stay.

But if any government becomes too demanding or too nosy, or if a competitor offers a better deal, you move on. Economic opportunities, financial privacy, taxes, extradition treaties, social values, military obligations, quality of passport and visa-free travel, stability of government, medical standards, respect for property rights, personal safety and freedom of travel, thought and action are all taken into consideration when choosing countries.

These people are the PTs. We are multinational, sovereign individuals.

People of intelligence and wealth owe it to themselves and their descendants to have more than one national **flag**. No one with common sense should give all their assets or allegiance to just one country. Why? No country or government has ever survived more than a few generations without totally annihilating itself, or its own middle and upper classes.

Even in that last bastion of capitalism, the USA, people of property have been thrice pushed out of the country. In 1780, the entire middle and ruling class was forced to move to Canada. These were the Tories who supported England in the American Revolution or War of Independence. In 1865, it happened again. All large land owners who supported the Confederacy in the Civil War migrated to

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Mexico, Europe or South America. In the post 1917 period, prohibition, compulsory military service, confiscator income taxes and suffocating government regulations once again caused many independent-minded Americans and their European counterparts to seek new flags. They made the amazing discovery that as expatriates or tax-exiles abroad, they need not belong to any particular country nor participate in its senseless policies.

In the 21st Century, increasing numbers of high earners and high net worth individuals from America and elsewhere are expatriating themselves and changing flags.

## THE PT'S RELATIONSHIP WITH GOVERNMENT IS A MATTER OF CHOICE

The passport you hold and the country where you live should not be a burden that you were born to and will be saddled with forever. No government can be trusted to control your freedom and your money. They will not take your best interests to heart.

Politicians are too interested in redistributing wealth. In the end, they will only succeed in redistributing taxpayers. The major portion of all liquid private wealth, the smart money, has already been quietly and anonymously registered offshore. It has been *re-flagged*.

Individuals can remove themselves from the control and jurisdiction of any government by acquiring dual citizenship, investing internationally and becoming human multinationals.

Departing physically and permanently is not required. A PT can live where he wants, when he wants. The secret is to effect a change of legal status - in other words, PTs arrange their paperwork properly. Many wondrous benefits can be achieved by merely wrapping yourself and your assets in a new flag!

## Chapter 10

# PT: PLAINTIFF? TERRIBLE! DEFENDANT? EVEN WORSE!

*"American businessmen, as a class, have demonstrated the greatest productive genius and the most spectacular achievements ever recorded in the economic history of mankind. What reward did they receive from our culture and its intellectuals? The position of a hated, persecuted minority. The position of a scapegoat for the evils of the bureaucrats. "*  
Ayn Rand

If you ever go to trial as a plaintiff or defendant, the outcome often has very little to do with truth, justice or common sense. What happens to you depends on how lucky you happen to be in terms of lawyers, judge, jury selection. It's like rolling dice.

## INDIGENT PLAINTIFFS HAVE NOTHING TO LOSE

The only person for whom suing someone else is a good move is a jailed or unemployed person with plenty of time, no assets, and a contingent fee lawyer. The American legal system is perfect for those with nothing to lose. The British and Australian systems are close behind. But there at least the loser must pay some court costs. And even in the rest of the world where litigation has not traditionally been part of the culture, globalization is bringing American style litigation to all people who want something for nothing.

## WHEN YOU THINK YOU HAVE A GOOD CASE

From a reader: "I have found whenever I was a plaintiff with a good claim, any defendant with a clever lawyer would make counterclaims that defied common sense. Then because I had the deepest pockets, I USUALLY WON! Example: Once I lent some serious money to a (soon to become) former friend. All the paperwork was correctly drawn up. When I sued to get it back, this scumbag's counterclaim was for treble damages! His claim was based on the 'usurious' interest rate that he himself had suggested.

"What was that interest rate? Our contract said, "The interest rate shall be the same as the prime mortgage loan rate posted by the (named) leading bank of the community." Problem was that while banks (due to good lobbyists) are legally authorized to charge market rates as interest, private persons for all practical purposes are *not* permitted to compete - or to lend at all. So my interest rate of 9% translated into a treble damage recovery claim for the defendant of 27% per year.

"Despite my many requests and five years of pleading with my friend to just pay back principal and forget the interest, the defendant had not made a single payment on the \$100,000 I lent him. In the fifth year, after my lawsuit, when the smoke cleared, the judge said / *owed him* \$135,000 plus all the costs of the lawsuit! Justice? Yes, this is what passed for justice in the USA!"

## A FAMOUS CARTOON: "THE LAWSUIT"

Once in the British Museum's collection of lithographs, I saw a cartoon dating from around 1750: Two farmers were fighting over a young bull. Each was pulling on the head and tail, respectively, of a fat bull calf. In the next frame of the cartoon, they both consult lawyers. Next frame: The farmers are still pulling opposite ends of the bull, while the two lawyers, wielding butcher knives, are cutting away all the meat of the animal.

In the final two frames, the lawyers are sitting down to an elaborate meal of roast veal. Meanwhile, the two farmers are still tugging away at opposite ends of what's left of the bull - nothing but a skeleton picked clean by the lawyers! The title of the cartoon is, you guessed it, 'The Lawsuit.'

## EVEN IF YOU WIN, THE COSTS AND AGGRAVATION MAKE YOU A LOSER

If you have a business or personal assets, you just can't afford to get into a civil suit. The worst settlement you can make is usually better than the costs and aggravation you will suffer in almost any lawsuit - even if you win.

## THE ONLY TIME THAT POVERTY IS AN ADVANTAGE

If you have nothing, not even a good claim, and if you can get a hungry contingent fee lawyer on your side, it is a great idea to sue everybody that has proverbial deep pockets. When you have nothing to lose and a wealthy (or well insured) defendant on the other side, you have no downside risk, and everything to gain. Many judges try to be Robin Hood, redistributing wealth from the rich to the poor.

## JUDGEMENT PROOFING

Obviously, if you do have any substantial assets, long before you are a defendant in a lawsuit or have any government troubles, put your assets (and yourself) beyond the reach of the contingent fee shysters. How? By using the PT techniques explained here plus any other stratagems you can think of.

Avoid becoming a target of lawsuits by simply appearing to be much poorer than you are. If you are totally invisible, it might be even still better. A person with no apparent or visible assets is virtually judgment proof. Lawyers don't go after defendants who can't be served with process or appear to be unable to pay anything if they lose a case.

## CRIMINAL DEFENDANTS

*Should you ever become a criminal defendant, win or lose, the defence fees and costs of trial will probably bankrupt you.* The stress will be like nothing you have ever suffered. How to avoid being a criminal defendant? In the past, the obvious answer was "If you can't do the time, don't commit the crime!" In other words, don't be a criminal. Unfortunately in today's world, there are certainly many, perhaps the majority of inmates in jails for victimless crimes - there are more of these innocent people in jails than real criminals!

Thus, trying your best to 'be good,' won't necessarily keep you out of prison. The *Wall Street Journal*, to its immense credit, runs a story almost every month about some businessman who has been unjustly imprisoned. These stories are not only about Americans. In the years after the 9/11 terrorist attack, the USA government put pressure on countries all over the world to shut down and arrest operators of 'Hawala' systems as suspected money-launderers for terrorists. What's a Hawala?

## A SOMALI-SWEDISH HAWALA

Sounds like something to eat, doesn't it? But a Hawala is a type of international money transfer service run by and for immigrants, who don't usually qualify to have bank accounts.

One Somali man ran a small Hawala shop in Stockholm, Sweden serving very poor Africans who were employed in Sweden and wanted to send money home to their families. His 100% legal shop was a nickel and dime operation. It provided discount phone calls, African cosmetics and native food treats. Plus mail sending and receiving services. Also (for a small percentage fee) he transmitted part of the pitiful salaries earned by local Somalis to desperately needy, starving relatives back in Africa.

Can you guess what happened next? After the World Trade Center came tumbling down, this man's shop was shut down as part of a worldwide retaliation enforced upon the rest of the world.

Don't get us wrong, there is nothing wrong with retaliating against malefactors - but this Hawala guy was just an innocent caught in the cross fire. His meager assets were confiscated along with all client funds in transit. The storekeeper was arrested. He needed to hire a lawyer just to get him out of jail - but with all his assets seized, he couldn't afford one.

For over a year, while he was in jail, his cause was discussed in sympathetic Swedish newspapers. There was not a shred of evidence that he was anything other than a very small businessman providing valuable, entirely legal services to his countrymen. But pressure from the USA via a United Nations Blacklist kept him (and others like him) in jail indefinitely.

The same pressures have been used to seize or freeze thousands of bank accounts all over the world in the name of the 'war on terrorism.' We call it 'government theft.'

So what does this poor Somali in Sweden have to do with you and the PT ideas we present here? Simple - **HE WASN'T PREPARED FOR THE UNEXPECTED. YOU SHOULD BE** The moral of the story is that...

## AN UNEXPECTED, UNRELATED EVENT ON THE OTHER SIDE OF THE EARTH CAN DESTROY YOUR LIFE!

It was a completely unexpected, unrelated event, namely the terrorist attack in New York City. This disaster caused the entire life of an honest man to go topsy-turvy. Until the *Wall Street Journal* took up his case, no American, UN nor Swedish bureaucrat/politician cared about him. Under the bright light of world media sympathy, many of the above 'public servants' suddenly became eager to take his side and be seen as fighters against injustice. Ultimately, he was released. No compensation nor return of his business though! This same story of arrests and government confiscation - for the wrong reasons - with thousands of variations is repeated every day. It happens in most countries of the world. Is your ass in danger? Are your assets vulnerable?

## FINAL LESSON OF THE STORY?

Perhaps you should consider being in a PT type of business. Choose some occupation where your assets, the service you provide and your transactions are invisible. Being 'on the net' getting your customers on a website and selling something like downloadable software or file storage services is preferable for the PT to producing a tangible product; having property or inventory.

A manufacturer of bricks was successfully sued by a person who was hit on the head with a brick by a thief. The grounds for the lawsuit was (get this!) "there was no warning label on the brick." My thought is that even with a warning label, the thief would have still used the brick as a convenient weapon. An honest provider of almost *anything*, in a traditional 'brick' and mortar location, can and probably will become another victim of thieves, lawyers, government agencies or all three! You can't insure against those eventualities very well. Even if you are insured, the odds are that the insurer will wiggle out of paying the claim against you.

If you want to Protect your Treasure, you can do it better by being a PT! This leads us into the tale of another innocent: Scarlett the Doberman.

## Chapter 11

# THE FUGITIVE DOBERMAN

A 'Tail' by Paul Tauros, PT.

*"Government is not reason, it is not eloquence — it is force. Like fire  
it is a dangerous servant and a fearful master..."*  
George Washington

Many long years ago, in my pre-PT days, I lived in Reno, Nevada. I was still a bachelor, enjoying more than my fair share of the local cocktail waitresses.

My next-door neighbour in the gated suburban community of Virginia Lake was a woman named Alma. She was a fifty-year-old widow or divorcee and recently retired dog breeder. Obviously of mixed ancestry, Alma was my favourite mix: Eurasian. She was part Gringo and part Japanese. She still had a good figure - and she must have been something very special when she was younger.

I was never interested in having a romantic relationship with Alma because at fifty, she was old enough to have been my mother. Nevertheless, I did like her dog! Alma owned a beautiful purebred Doberman, Scarlett by name. Seeing this dog got me into my first conversation with Alma.

I was returning home on my bike from a gambol at Harold's Club one warm summer day. Alma was walking Scarlett outside the gate to our golf course subdivision. Though I am no lover of animals and never wanted a pet, Scarlett caught my eye. She was one of those perfectly formed animals you rarely see in nature.

Like a curvy, perfectly groomed racehorse or a beautiful young movie star, Scarlett was something special: Intelligence, discipline, a red-brown sheen, muscular curves, graceful gait and the haughty mien of a top flamenco dancer from Andalucia. On a scale of 1 to 10, Scarlett was an easy 10. Therefore, I complimented her mistress on the exceptionally fine appearance of the animal. And that is how I met Alma and her dog Scarlett.

I learned from Alma that her Scarlett was a champion. "Best of Breed" and "Best of Annual International Dog Show". The American Kennel Club had, like me, had given her the top score. Alma confided that when she retired from breeding a year earlier, "I retired as a winner. I made it to the top. Creating and training Scarlett to become a world champion was my most precious lifetime achievement." She told me that Scarlett was more important to her than any child could be.

Besides being photogenic and a feast for the eyes, Scarlett had the personality of a top photographic model. She looked incredibly intelligent, but unlike a model, never said anything stupid to dispel the impression. Did Scarlett really know a lot more than I did? Of course, Scarlett was only a dog, and no matter how intelligent a dog is, we know that at best, she could attain at maximum, the smarts level of a five-year-old human.

Still, after I was friends with Alma, and regularly had coffee and cake with her at her house, I had a great many intimate conversations with Scarlett. This charming dog listened to my problems, looked at me with great interest - showing empathy. As she got to know me better, she would follow me around. Scarlett gave me the impression that she liked me a lot, understood me more



than any human could, and wanted to be my best friend. So, although I didn't like dogs in general, I loved Scarlett's company.

I had many other things to do in those days, but every few days, I'd drop in on Alma and ask her if she'd mind if I took Scarlett out for a little run. Sometimes she followed at a trot as I rode my bike around the lake. Alternatively, we'd have a brisk walk around the golf course. Alma let me hang out with her dog anytime I wanted to. That turned out to be at least a couple times a week. I enjoyed the Doberman's company a lot more than I enjoyed the company of many humans I knew in those days.

As a kid, I had heard more than once that Dobermans were a treacherous breed - perhaps one of the few dogs who would sometimes attack their own masters. However, Scarlett was not at all like that. She was gentle and friendly. She had been trained to "heel," which is to follow very closely, and when her master or mistress stopped, to automatically "sit" and wait for the next command.

Scarlett was so well trained that she never needed a leash. She would come immediately when called, sit and stay, or lie down and roll over, as commanded. She would roll over on her back, paw the air with all four legs in a playful manner - inviting me to scratch her tummy. When she was sitting, if I extended a hand towards her, I always got a warm paw. She was soooo good at listening. And she was very obedient. When you put out a doggie dish of food she would sit perfectly still until you said, "Enjoy, Scarlett!" Then she would go to town and have her dinner wagging her tail in gratitude and thanks.

If there ever was a perfect dog, Scarlett was it. I remember thinking to myself "...If I could only find a woman as affectionate and obedient (and non-talkative) as Scarlett, I'd marry her in a moment." But I never did. (Of my five wives, none of them was half as sweet as Scarlett. But that's another story - probably for another book.)

Scarlett did not care for kids much, but she never barked or growled. She just ignored them haughtily.

Once I arrived at the local supermarket and who was waiting outside? Sitting erect at the entrance like an inscrutable Chinese statue was . . . my canine friend, Scarlett. She didn't need tying up because she was so well mannered that she would sit and wait patiently for Alma to emerge from the store. Alma would then reward Scarlett with a doggie treat. After that ritual, they would go home in Alma's Jeep.

I said "hello" to Scarlett who gave me her paw and wagged her tail in recognition. Then I did my own shopping. When I came out, I noticed Scarlett was gone. In those days, there was absolutely no theft in Reno and even though Scarlett was a valuable dog, there was no perceived danger in leaving her unattended. Obviously, Alma had finished and they had gone home. What a great dog!

Some months after our meeting, Alma sold her house and moved to a smaller place a few kilometers away. Before she left, Alma said that her life was coming apart. Her ex-husband stopped paying alimony. With no other source of income, things were not going right for her any more. I offered my sympathy, but sensing that Alma could be a clinging vine and that she could be a difficult person to deal with, I did not want to give her a job in my business, let her do my housekeeping or anything to create a dependant I might not be able to get rid of.

[Special Advice Note: When you make a new acquaintance, let them talk about their prior relationships and particularly how they handled disputes in the past. There are many people who hold grudges forever and are always doing things to "get revenge." Others are dishonest, violent, or irrationally jealous of others. Why jealous? Maybe a neighbour like you or workmate is perceived

to have more money, a sexier spouse or "something" they are jealous of. People with this mentality (and there are many of them) are troublemakers who want to hurt you. They are just waiting for an opportunity. While they may act like your best friend they are busy hating you and plotting revenge for imaginary grievances.

John Paul Sartre said "Hell is other people." I have found that to be true.

Some think because you are or were friends, you "owe" them something. It could be a loan, or a free place to stay indefinitely. All these types can be annoying at best or very dangerous at worst. You can get all the warnings you need usually by letting them talk about people they "got even with" in the past. Then you will know what's in store for you. These losers think they are normal. It's other people always doing them wrong. My advice is to steer clear of such negative people. Have NO social, business, or any dealings with them whatsoever!]

This brings us back to Alma! When she spoke of her ex-husband, I actually saw signs of a problem personality with Alma, but as I never intended to get physically involved with her, I didn't think about it much. As you will see from what happened next, I should have followed my original instincts and never even been neighbourly.

Once she moved, I didn't see Alma or Scarlett any more until one day, out of the blue, Alma called me crying and in hysterics.

"They are going to kill Scarlett!"

"Who? Why?" I asked.

Alma repeated it again "Scarlett's got the death sentence!" I could not really understand what she was talking about, so I took down Alma's new address and quickly drove over there.

Scarlett was with Alma her owner, and the loveable mutt seemed glad to see me, licking my hands.

"Tell me calmly what has happened," I asked.

Alma looked terrible and had obviously been crying for hours. Still sobbing, she managed to give me the story. A lady friend who had witnessed the whole thing had just called Alma at home with the gory details.

On the day I last saw Scarlett, Alma was shopping at the local supermarket, with Scarlett sitting and waiting outside as usual. A young show off kid - a local troublemaker - started to tease the dog. This teen-ager "Bobby" got down on all fours. He put his head right in front of Scarlett, growled and barked like a dog. Scarlett did not know what to make of this behavior, but as all dogs are territorial, and Scarlett had been trained to "sit and stay," Scarlett didn't move away from this vicious and stupid kid.

Next thing that happened was while barking and growling, the kid grabbed Scarlett's head roughly and made a hostile move, opening his mouth with a snarl, as if to bite her nose. Scarlett instinctively bit Bobby on the face, her sharp teeth tearing a hole in his cheek and taking off part of his nose.

He was yelling for help, screaming in great pain and bleeding profusely. A crowd formed. Ambulance and police were called. During the commotion Scarlett backed off and remained in her "sit and

stay" position. Nobody wanted to go near to the dog. Then Alma came out of the market, and saw the crowd. Sensing what had happened; she packed Scarlett in her Jeep and took off.

Bobby departed on a gurney; in an ambulance. The cops were questioning witnesses for clues to find the 'mad dog' and its owner. Alma's friend said that the police had the license number of the 'get away car,' - namely Alma's Jeep - from several of the witnesses. The police might come to her house any time to shoot poor Scarlett.

Alma knew the rules of the Reno Police Department. If "dog bites kid," police immediately destroy dog. An offending dog is shot on sight. The carcass, once tested for rabies, is cremated. The kid gets painful anti-rabies shots in the stomach if the dog can't be found. For the dog, there is no trial, no appeal, no self-defence, and no insanity plea. The dog must be killed. Always! Because she knew the rules, Alma had put Scarlett into her station wagon, and had taken her home. Then she immediately called me.

I was with Alma and Scarlett within an hour of the incident.

"What shall I do? What shall I do?" pleaded Alma, tearfully. "Will you take Scarlett and hide her? Just a little while until I can figure out what to do next? "

As mentioned, I was happy to have Scarlett as an occasional companion when she was my neighbor, but I never wanted to own any dog or other animal. They are like a yacht. A lot of responsibility. Sure, it is nice to spend time with someone else's yacht, racehorse, or pet - if you like that sort of thing. But I didn't want to *own* any of the above. Yet this was an emergency. It seemed so unfair that a beautiful and gentle animal would be put down. Scarlett would have never bitten anyone unless provoked. And yes, even a gentle Doberman was still a Doberman. She wouldn't allow herself to be abused. Now she was going to be a dead dog - unless I helped.

I wondered to myself if the laws against "harbouring a fugitive" would apply to fugitive dogs. Nah! Couldn't be. Without too much thought I agreed to keep Scarlett safe at my place for a little while. Alma said she would move to another community - or make some arrangements to create a new home for herself and the dog.

For the first few weeks, Scarlett and I got along just fine. I enjoyed her company. It was the first time I ever had to think about alternate identities - for a fugitive dog! Just to be on the safe side, I had a new nametag made for Scarlett's collar, calling her "Fifi." I called Alma the next day. "Is it OK with you if I get the tattoo on her ear altered so it appears to be a different number - not linked to you or Scarlett?"

"Sure," said Alma, "You are a terrific friend. Do what needs to be done to protect her."

"Some community spirited citizen gave them my car license number" Alma went on. "The cops were over here asking for Scarlett," Alma told me. "Thank you so much for saving her life!"

"What did you tell the police?" I wondered aloud.

"I haven't figured out what to do yet, but I told the cops I had Scarlett put to sleep by a vet... They asked me who, what when where and how and of course I fell apart. So the cops, they know I am hiding Scarlett somewhere. Of course, I did not say anything about you. The cop said I'm sorry, but that the dog had to be found and tested. This would save the kid from painful anti-rabies shots administered with a long needle into the stomach. They pressured and threatened me to tell me

where Scarlett was. But I didn't say anything. Ha! As if I didn't know they were going to kill my precious Scarlett."

"Take it easy Alma," I assured her calmly "Scarlett is safe here with me."

"I will bring her pedigree papers, food and toys over there tomorrow. The parents of the kid will probably sue me for humongous damages. The law that says all dogs within the Reno City Limits must be muzzled and leashed in public. I will be stuck for serious damages - regardless. The little bum provoked it. You know how good and gentle Scarlett was."

Alma paused... "As I am already broke and have no insurance, I will just clear out of town and disappear for a while. I will move over the Nevada state border to Truckee or Tahoe City, California. The Reno cops won't cross a state border to look for a fugitive dog. They can't do that and won't even look for criminals with two legs..."

I told her: "Whatever you do Alma, keep in touch with me so I always know where you are and can give you your dog back - once you get settled."

Two months passed. There were a few announcements on TV with pictures of Scarlett at first, but then the incident was forgotten. The heat seemed to be off. Still, I did not hear from Alma. Scarlett was a very good dog. But I didn't want or need any dog in my life. Therefore, I drove with Scarlett over the snow covered Donner Pass to Truckee—hoping to find Alma and return the hound to her owner. No luck in Truckee.

Next I continued on over to Squaw Valley and Tahoe City. This was a bigger ski resort town. There we played detective again. I asked around and showed a dozen merchants and post office people a photo I had of me, Alma and Scarlett together in Reno. However, I found no leads. Nobody had seen Alma.

In my personal life and for my business, in those days, I often travelled for a week to ten days at a time.

For my next scheduled trip, I didn't want to spend the money to put her in doggie care. Even if I did, the local Reno kennel owners probably knew of Scarlett's past and would turn her in as the fugitive Doberman. So I could not risk it. I did not even take her out of the house for a walk until after dark.

With no one to look after Scarlett, my choices were to (1-) leave her in an expensive dog motel which, as I said, I couldn't do for her safety or (2-) cancel all my travel plans.

That left only Number Two. So for the next month, I just didn't travel any more. This was costing me serious loss of income in my business - not to mention my love life.

Scarlett, my live-in companion was definitely cramping my style.

Then into my life came LaVerne, a sweet neighbour girl. At first, she seemed to be a homebody-type. I said homebody, not homely. When she wasn't working, she said she just liked to stick around her house and garden. I met my new girlfriend at the communal swimming pool of our Virginia Lake Club. It was not exactly love at first sight, but we became a twosome. It was comfortable. She spent time at my place and I took my meals at her house. The relationship was very convenient because she lived so near - in the same subdivision.

Best of all, for the first few weeks, La Verne generously offered to take care of Scarlett when I went on trips. Hallelujah. I thought the dog problem was solved. Then I told LaVerne I had to go for around ten days to Paris, France. Boom! What a big argument ensued.

LaVerne said, "I hoped to be more than just your cook, lover and dog sitter!" La Verne's ultimatum was that I meet up with her in Paris on this upcoming planned trip, or else we were finished.

Now, I was between the proverbial rock and hard place. LaVerne was good company, a sweet, affectionate girl. Best of all, she worked for an airline. This meant she could fly free, and meet me in exotic locations. Upon arrival, she could get us a 75% discount on hotel rooms. As her live in lover, with common law marriage being recognized in Nevada, I might even be able to wangle an airline pass for myself... eventually.

The problem now was the dog. With the dog, unless LaVerne watched her, I couldn't go anywhere. It didn't matter much to me whether I met up with LaVerne in Paris or not. I already had a different honey in France I could stay with there. I'd rather LaVerne took care of the damned dog so I could go alone. But LaVerne was saying very clearly, "I won't be your dog-sitter anymore." Who could blame her? She was doing the work but getting few perks. On her low pay she could travel free, but once she arrived at a nice resort or metropolis like Paris, she couldn't really afford live it up. Now, in me she had the ideal boyfriend who travelled to exotic places, and had a fat wallet. LaVerne said she wanted to travel more and meet me in exotic places for fun and treats. The dog stood in the way of LaVerne's ambitious plans to hang out with me in the world's pleasure spots...

Sure, I still liked Scarlett, but in those days, I did not want to be lumbered with a wife or kids - and certainly not bound to a dog that needed care and feeding a couple times a day. She had to be walked, combed, bathed and cared for. I wanted Alma to take back her dog, but at that point Alma had vanished for three months.

I figured I'd never see Alma again.

## THINGS ALWAYS WORK OUT

Just before the Paris trip, with nothing yet resolved, I was at the supermarket to pick up a few groceries for me and dog chow for the pooch. In the parking lot I spied a big Mercedes wagon with California plates. There was a good-looking Doberman in the back. This one was jet-black, and a male. He was no ordinary mutt. Like Scarlett, he had aristocratic looks and a certain bearing that lifted him out of the ordinary.

My first thought was that this champ should meet Scarlett. They should run off together to live happily ever after. However, of course that could only happen in a Walt Disney animated dog movie. No, this love affair would need some human arranging. I waited at the Mercedes for a few minutes, and eventually a man around my age, with a pretty wife and small boy about four in tow, emerged with a heavily laden shopping cart.

I noticed that the cart was filled with several dozen liquor miniatures of the sort you find today in hotel room mini-bars. Also they were loaded up on liquor filled candies. As these items were not sold, and were technically illegal in California (but OK in Nevada), I quickly figured out that these folks were like hundreds of others like them - probably from Sacramento or San Francisco out for

a weekend of sin. Gambling, and shopping for forbidden pleasures. I introduced myself by name and blurted out,

"Hi, I noticed your gorgeous Doberman. I have a real champion, female about the same age. I wonder if you'd be interested in acquiring -for free!—a nice wife and companion for your dog." The guy's little kid was very enthusiastic: "Oh yes Daddy, Roderick needs a wife!"

"You don't need to make any decision now, just come on over to my place and have a look at my dog Fifi. I am going to Europe soon and I want to find her a good home before I go."

They followed me by car, to my place, where Scarlett, whom I introduced as Fifi, greeted me warmly. Then to my great surprise, the guy says, "I know your dog. Her name is not Fifi. It is Scarlett."

I had a twinge. Oh Oh! Was this guy a cop or something?

What he said next came as a relief.

He explained how he knew Scarlett. "When Scarlett won best of breed two years ago in New York at the International, our dog, Roderick, was the runner up. So I know Scarlett very well. We wanted to buy her then. Wonderful dog, Scarlett is. I think she even took best in show.

You are not the owner though; the owner is an Asiatic looking woman. Mrs Alma Tarnover. What's the real story?"

I explained that the owner had some local financial problems and lawsuits, and that Alma Tarnover had left Scarlett with me several months earlier, but had then disappeared.

I fibbed a little and didn't mention the biting incident. I also said that Alma's last words were that she wanted me to find a good home for Scarlett. I said I had renamed her 'Fifi' after my own former and dear departed dog.

The person from California asked for my bill of sale. When I did not have one, he became skeptical and said, "Well you could have stolen this dog. She is worth a few thousand dollars."

"Look, if I was a dog thief, would I bring you to my home? Would I offer to give you the dog free? No," I explained, "I have told you the story. Now if you want to take her back to California with you, you can. I have all her pedigree papers. I will gladly turn them over to you. Then Scarlett and Roderick can play house and turn out some registered Champion puppies."

The prospective new owner said, "if I take Scarlett, it would be 'for keeps.' I don't want your friend the ex-owner turning up at my door to reclaim her."

"OK" I said, "I don't even have to know your name or address. I know you will give her a good home. Take her, she is yours."

And so it happened that Scarlett was packed off for good in a fine Mercedes Wagon with a new boyfriend, Roderick. They would hopefully live happily ever after. As for me, after being tied down I was free again. I definitely lived more happily during the next few months. I had some great times with La Verne in Paris. We also met up in Hong Kong and Cape Town. LaVerne had given me her ultimatum, and now it was my turn. I told her this was the deal. I would meet her on some of my

trips - but not all of them. I was a bachelor and wanted to stay that way. I was going to have other dates, and some trips without her. "Don't even think about engagement rings or a wedding," I said. If she didn't like the deal or wanted to throw jealousy tantrums, it was bye-bye. LaVerne said "That's fine by me." I've been married before and I like my freedom too.

"Good then, we understand each other." What a relief. No dog. No new wife-candidate to strangle me like an ivy vines on a redwood pine. I had my life back.

It is always a relief to get rid of your first yacht and your first wife. Add to that an unwanted animal. Did I mention I was still going through a contested divorce? That was the main reason I ended up in Nevada. There the man got a fairer shake. Soon my divorce papers would come through. I didn't want another wife. It was also a big load being dumped off my shoulders when I waved bye bye to Scarlett, my first dog. I never saw Scarlett again.

## THE LAW OF UNEXPECTED CONSEQUENCES

Five months had passed since Scarlett was left with me. Then, Bingo! Alma comes by my house as if she had been gone overnight and asked for her dog back. I explained that I expected to care for her dog only for a week or two, but I had been forced to take care of Scarlett for nearly five months. I fibbed about my true reasons a little for getting rid of Scarlett and told Alma that I was worried the police would find her. That was why I had arranged for her to go to a good home - out of state.

Alma was very upset. "You don't know the troubles I have had. No money, no job, no home. It took me this long just to get a place where I could bring my baby home. Now you tell me you have just given her away. I thought you loved Scarlett as I did. I was depending on you. Who did you give her to?"

At first I did not want to give her any clues because I had promised Scarlett's new owner, that Alma wouldn't bother him. However, Alma had a wild, threatening look in her eyes - like she might do me some serious physical damage unless I co-operated. So, I told her honestly I didn't know the name of the new owner. I did know that Scarlett was probably a very happy hound-dog now, paired off with another champion named "Roderick." All I knew was that they were from California, somewhere.

"No! No! No! Of all the people in the world! You have given my Scarlett to Kazlo Rivenski?"

"Kazlo Rivenski? Who is that?" I asked.

"Kazlo is a scumbag. A couple of years ago he offered me ten thousand dollars for Scarlett. That crumb would have done anything to get Scarlett. Now you have given him my baby. You get her back, or else!"

Huh? What was all that about? It was irrational - "Baby?" This was not a conversation about dogs.

"Alma," I said, "I am sorry, but if you want to try to get Scarlett back, you will have to try to find her yourself. You should not be mad at me. Remember, Scarlett was facing a firing squad and I saved her life. You should have stayed in touch with me. I even went looking for you in Truckee and Tahoe

City where you said you were going. Don't be mad at me Alma. I am just not a dog-owner kind of guy."

"Besides, Scarlett is happy," I explained. "She has a great doggie boyfriend, and a good life with Roderick." I told Alma "The two dogs were hitting it off just fine in the back of the Mercedes when they left Reno."

I wanted to get her thoughts away from Kazlo whom she obviously detested for reasons I never knew.

"Just let go!"

"No," said Alma, "It isn't that easy."

"Come on Alma, Scarlett seemed to like Roderick," I protested. "And the owner, whom you say is Kazlo Rivenski; he seemed like a nice enough person, with a wife and kid who also liked Scarlett. They all liked Scarlett. I just couldn't keep her any longer."

"You got to get me my dog back. If you don't get Scarlett back in 3 days, there will be hell to pay! I will mess you up good - if it's the last thing I ever do."

Now Alma was crying, "I had to go down to Vegas and work four months as a prostitute to get enough money together to rent a place at Tahoe. And you have given away my baby...Besides; Kazlo would have paid me \$10,000. You got that money." She was hyperventilating.

"Now I have nothing! I will get you! I will take my revenge."

Oh Oh, I didn't need that.

"OK Alma, do what you have to do, but remember, if Scarlett is caught with you in Reno, she is one dead hound-dog. It is better you leave her with Kazlo. Maybe if he won't give Scarlett back, you can make a deal to get one of the pups for yourself. Believe me Alma, I didn't get any money. Really I didn't."

"Fuck you!" and with that, Alma stalked out into the Reno night.

I never heard from her again—except for one phone call.

With a little time for reflection, I wondered if I should try to contact this Kazlo. No, it was not my job to get into a fight with him. If Alma wanted to track him down, and make demands, that was her business, but I wanted to be out of the loop. Still, there were Alma's threats. What could Alma do to hurt me? In those days, I had a small business, paid taxes. The most illegal thing I had ever done was to take care of her fugitive Doberman for a few months. I supposed Alma could throw stones through my windows or send me a few unwanted pizzas. But I didn't figure she'd shoot at me or do any real damage.

After pondering what damage she might inflict, and having very little sleep that night, I decided the best thing I could do was absolutely nothing. However, to have a cover story in case Alma got back to me I called telephone information in Sacramento, San Francisco and Los Angeles asking for any listings for Kazlo Rivenski. To my great relief, there were no listings. Now I could say I tried to find Kazlo and Scarlett.



The next day Alma called me and asked when she could pick up Scarlett. I replied that I had done my best to try to locate Kazlo, but that I had been unable to come up with any leads from telephone listings and if she had other suggestions, I'd try to follow up. I wanted to get her un-mad at me. But it didn't work.

I wondered what to expect from Alma.

## DAMAGE CONTROL

The law of unexpected consequences took over. A few weeks later, a strike force of FBI agents, Treasury DEA people, IRS agents, and local cops broke down my door at five in the morning, cuffed me, and searched every cubic millimeter of my rented home. They would not tell me why, but later, at the Federal Building, they said a *reliable source* had reported that I was a major narcotics dealer. Supposedly I had hard drugs, cash, firearms, and my profits were in illegal gold coins stored at my home.

"Reliable?" I said, "Come on, the only person who could have sicked you on to me would be my ex-neighbour, Alma Tarnover, and if you let me, I'll tell you why."

They gave me the third degree. Naturally, I told them the story of Alma and the fugitive Doberman, explaining that I am sure the false tip they had was from Alma. Getting me raided was just her way of getting revenge for her grievances. Alma knew I had some gold coins because I told her that I thought the price of gold, set at \$30 per ounce was way too low. I was speculating on the USA (already off the gold standard) would no longer set the price at \$30 an ounce. I showed her my gold coins, and suggested she should buy some too for an almost sure profit.

The Feds at first seemed to buy my story since they found nothing unusual or incriminating in my house - except for my private stash of about two hundred Austro-Hungarian Empire, Double Headed Eagle Gold, 100 Corona coins. This they said was an illegal gold holding, and probably also represented untaxed income. *So whether I was a drug dealer or not, they were confiscating my gold and would further investigate me for income tax violations.*

I was sent home, on my own recognizance (no cash bail) after a night in the Pokey. Once home, I had to spend hundreds of dollars to repair the damage to my home. This included broken doors and several jimmied locks. In addition, I was not overjoyed over the story in the local rag. The headline was "DRUG DEALER RAIDED, GOLD STASH SEIZED."

It had my photo, address and the news that my "illegal gold coins" had been seized. Nice of them to tell potential burglars what I had and where I kept it.

In those days, it was legal to own old gold coins or so called panned placer gold from the local rivers - but it was illegal for any private citizen to own "bullion." Bullion was defined as "gold in ingot or bar form." There was an exception for fabricators of jewelry and dentists who used gold in their work.

As I was a private citizen without any license to deal in gold, I could not own bullion. However, I didn't own bullion, I owned *coins*! And they were all in mint condition and dated MDCCCCXV or "1915" for those who don't read Latin. A beautiful Austro-Hungarian Empire double headed eagle was on one side, and on the other, a profile of Emperor Franz Joseph von Hapsburg.

The government boys 'arrested' my coins and filed a lawsuit called: ***United States Vs. Two-Hundred Gold Bullion Coins***. In this lawsuit they claimed my coin collection was not collector coins, but bullion.

I will admit to you today that I bought those coins because I expected private ownership of gold in any form to be legalized. After that, the price of gold would, I felt, skyrocket. Eventually, it did exactly that. I was not particularly interested in my gold as collector coins, but only for their gold content. Still, they were legal pre-World War One coins. My vendor, a coin shop in Reno assured me that my coins were 100% legal to own in the USA. They were old, pre - 1933, and classified as collector coins. One's secret motivations for buying gold coins were not a factor to be used in the classification of coins as bullion.

Generally, only new, mass produced coins or bars were considered bullion. I had a receipt for around \$7,600 for those coins. Nearly eight grand was serious money back then. In those days, you could get the best, brand new Cadillac or Lincoln on the market for seven grand.

To make a long story short, I spent around \$3000 in lawyer's fees, but I lost the case and all subsequent appeals. The government confiscated my coins and the courts ruled that my coins were 'bullion.' The court decision turned on the fact that all my coins were all 'counterfeits' of recent vintage, not 'safe' pre-1933 collector coins, but rather Austrian recently minted real gold copies which the government considered to be 'bullion.'

According to the expert witness from the FBI Crime Lab, my particular coins were not old coins or rare dated. They were illegal bullion gold.

Huh? This was news to me.

Even though they were pure gold, were made by a government mint, and were not counterfeits in the usual sense, the judge said my coins were "pretending to be something that they weren't." In the government lawsuit, the coins were given a personality and practically described as 'criminals.'

The expert witness testified that shortly after World War Two, the government of the Republic of Austria minted these old Empire coins using the original dies and facilities of the old Austro-Hungarian Imperial mint. The coins were then marketed to people who wanted to keep their wealth in gold. That was OK in Europe. But these coins were illegal in America.

The court ruled that they had little if any numismatic value, and were therefore, in the USA at least, illegal bullion coins. No matter that they were legal if stored in Canada. No matter that these same coins were 1 legal all over the world. Maybe, the judge allowed, if I had a few of these coins as part of a serious collection, they would have been legal coins as part of a bona-fide collection. But since my coins were all the same common date, and were worth about the same as non-collector coins or bars, they were illegally held bullion.

Ruling: The coins I had purchased in good faith, and which were defined as collector coins by the government, and by my dealer were no longer mine. They were dated prior to 1933 when the USA went off the gold standard, and according to all coin books, they were legal for Americans to own. But not for me. My coins were now the property of the folks at Fort Knox. That was the bad news.

The good news was that my IRS audit came up negative. I had reported sufficient earnings over the years to justify more savings than I actually had. Nonetheless, the IRS kept me on their list as a

suspected drug dealer for many years. This meant annual audits. They made my life miserable and expensive - without any justification.

The worst thing about the whole case was that some time before the final court decision, *gold ownership in any form was legalized* in America.

I was very happy to read this in the papers and felt sure I'd get my coins back. Better yet, with gold legalized and decontrolled in price, my old coins, now unquestionably legal became worth \$60,000 plus! A few years later, at their all time high, they could have been sold for about \$175,000! But on appeal, the court still decided against me. They took "judicial notice" of the legalization. "However, just as the bootlegger who broke the prohibition law (Volstead Act) and was properly convicted, he wouldn't get his liquor back after the repeal of prohibition. He also must serve out his sentence."

My gold broke the existing law when it was 'arrested,' by merely being in private hands. The arrested gold must still take the punishment. In my case, the defendant was the gold - not me.

The court said that they could not change the 'finding of facts.' My coins were illegal privately owned bullion, properly confiscated by Federal authorities. Now that my gold was legal, the Supreme Court still said, "We see no reason to reverse the decision of the lower court. Affirmed."

A major chunk of my net worth was gone. The best ever investment of my life was taken from me. Was it unfair?

There was no point in blaming anyone, or grieving over what I should have done or what I could have done. Life can be unfair. Now it was water under the bridge. The point in life is to move on. Move on I did. I became a PT and went abroad, permanently. Thereafter I kept my valuables in a foreign safe deposit box in a place where I did not live or do business; where neither government agents nor creditors could find it. I opened my foreign bank accounts in the name of a Liechtenstein Foundation (officially called an *Anstalt*). No one would ever find that out either!

Never again would I reveal anything about my personal finances or assets to anyone - much less a casual neighbour like Alma. I made sure that my new offshore corporation would generate foreign source income deposited outside of the country where I lived. Legally such income was untaxed in the USA in those days. The offshore income of resident foreigners is still untaxed in many pleasant countries including, to name a few, England, Costa Rica, Croatia and Italy.

I was determined that neither the USA government nor anyone else was ever again going to seize a major portion of my assets, or ever throw my ass in jail. Never again? I guess you can never say never.

Of course things didn't work out exactly as I planned - they never do. But at least my life became more interesting and more international. And like Scarlett O'Hara in *Gone With The Wind*, I was determined. I will never get screwed by any government again.'

Deciding on something and having a plan is better than flailing around in ignorance. I was on my way to becoming a PT. This all happened many years ago - long before anyone had coined the term.

Government seizures and invasion of privacy were not nearly as bad as they are today in the 21<sup>st</sup> Century. But back then, I thought I was Prepared Thoroughly. What happened next is told later on in this book. But first:

The moral of this story? You never know what can trigger a government investigation or a lawsuit. You may think you are a Boy Scout. You think you are doing everything by the book. Nevertheless, if a blackmailer, plaintiff lawyer or a government investigator gets their hooks into you, you may well lose your ass and your assets. It doesn't matter that like me, you thought you were a good guy. Maybe you will spend some time in jail. Thus, before you are trapped, it is always better to stash your cash and portable assets abroad. Then prepare a secret, emergency plan and the paperwork to get your ass out of the jurisdiction if and when the time comes.

Of course, you shouldn't make enemies. But to this day, I am not sure that anyone could have foreseen how my good deed in hiding a fugitive Doberman could have caused me so much grief and financial loss.

PT is simply being Prepared Thoroughly. Part of your preparation must be having a place to go *offshore*, the means to get there, and assets at the other end.

With Preparation for Tomorrow, you'll have Paradise Today.



## Chapter 12

# FREEDOM: ARE WE LESS FREE, OR FREER THAN EVER?

*"Freedom is essentially a condition of inequality, not equality. It recognizes as a fact of nature the structural differences inherent in man - in temperament, character, and capacity - and it respects those differences. We are not alike and no law can make us so. "*

*Frank Chodorov*

Washington Post journalist Jonah Goldberg recently wrote: "Today, we worry desperately about our personal and political freedom even though we are more free today than at any time in our history."

Of course, most PTs would disagree.

Attempts to measure freedom are difficult. How can we weigh 'freedom' to come up with an overall measure?

How important is it, for example, that we have lost our freedom to drive a car unencumbered by a seat belt? If I would normally use a seat belt for safety anyway, have I lost much freedom? Probably not.

One man's freedom may be at the cost of someone else's. You and your partners bought a private beach and for the last forty years made a living renting beach chairs and umbrellas. The government says "all beaches are free." This takes away property from you and gives it to others.

The leftist journalists don't get into weighing freedoms. Instead, they look at certain groups of people and consider only whether *they* are freer.

They ignore the obvious but important truth: that prosperous, productive people are less free today than we were in times past.

Then, they confuse freedom with wealth.

Sure, there were dark periods in history - as during feudal times - when most people *were* certainly less free than they are today. But at no time in recent history have the rulers had such effective and total control over the populace.

## ARE BLACK LESBIANS FREER TODAY?

Three groups recently carving out special new consideration for themselves are women homosexuals and black people. In the USA and most of Europe they 'are no longer the subject of legal discrimination.' This is a good thing. Everyone should be equal before the law and free from discrimination. But even here the leftist journalists get it wrong. At best, when government gives new rights to certain groups, it takes away rights and freedoms from others. Can you withdraw your kid from a gay lead Boy Scout Troup without risking a lawsuit? Can you be gender and colour blind

when handing out pay raises or promotions in your business? Blacks and women (and don't forget gays) are now the subject of 'positive' legal discrimination. 'Affirmative action' gives legal privileges to women, gays and blacks, in college admissions, sports (women) and in hiring and promotion (women, gays and blacks). These legal privileges can often diminish the freedom of those who are obliged by law to serve, hire or otherwise cope with them.

Who can deny the diminished freedom of those who now face heavy fines and even jail sentences for *allegedly* not renting apartments to or serving them politely enough in private businesses? New rights given to women, gays, blacks and others give them the power to claim discrimination—even if it isn't true. This reduces the freedom of those who have worked hard to accumulate assets or own a business.

Then there is divorce. Men (except in Muslim countries where it is the opposite) always get a nasty surprise in divorce court. Try having a father win custody of his children from an unfaithful wife. In the USA or Canada, the mother must be proven clinically insane/incompetent before the father will be considered for custody. Child and spousal support payments are so crippling that many men simply disappear or drop out of the job market to escape them.

Reportedly over half of all spousal support payment orders are in default within two years. A hundred years ago, the husband kept house and the children. The irresponsible, adulterous wife was on the street, disgraced and without a penny. Now she gets the house, the kids, and half the husband's income. Which was better? It depends on whether you are the man or the woman. But many men now become PTs and move abroad to escape from ex-wives.

Accordingly, as PTs we are interested in *our freedom*. We want to control our own personal life and our property - that is our bodies and our assets. We still must consider moving to those places 'most free' - or in other words, to countries most hospitable to our personal needs and desires. Another possibility is changing our paperwork, disappearing and yet staying near where we are.

In many other ways we, all of us in the west (especially the USA, UK and Western Europe), are less free than we were 35 years ago. Let me count some of the ways...

## IMPORTANT FREEDOMS WE HAVE LOST

Since the deliberately misnamed Bank Secrecy Act of 1970, Americans have not been able to carry out any banking or credit transactions free from government snoops. We all need to be identified with a social security or 'socialist insecurity' number for almost everything we do involving money. Other countries are even worse. In Sweden, if you know somebody's personal government I.D. number you can call up instantly online details of their entire life from schools and taxes to bank accounts and auto registrations. Confidentiality in financial affairs is definitely a thing of the past.

Of the more important freedoms we have lost recently, I would include *banking privacy* as my Number One.

Another very important freedom is the right to transfer assets abroad without being 'reported' for it, or to carry any amount of money, in or out of your country without any reports or explanations. Or to put it more simply: *the right to do what you like with your own, honestly-earned money*.

Moving your assets around in private is still possible in some nations - but the list is shrinking fast. As of March 2005, for example, the US Embassy in Latvia has announced a generous plan to help the Latvians introduce reporting requirements for cash being carried across its borders. In Europe: Switzerland, Austria, Luxembourg and Andorra, however, remain free of such restrictions - for the moment.

Thanks to Uncle Sam's pressure, we have lost the freedom to open a bank account abroad or anywhere we please without getting the third degree and providing passports, utility bills, taxpayer identification numbers and so on. We have also lost the freedom to carry decent sums of cash on our persons or to pay large bills with cash without it being reportable and automatically suspect.

The government in the UK has also just (as we write) introduced fearsome new laws - following in US footsteps - requiring car salesmen, art dealers, stock brokers and just about everyone to file a Nazi-style denunciation ('suspicious transaction report') on anyone who pays cash for any major item. If they forget to file a report, or if they notify the 'suspect' that they are filing one, they get a 'go to jail' card.

*THOUSANDS OF WHAT USED TO BE ORDINARY EVERYDAY ACTIVITIES HAVE BEEN CRIMINALIZED.*

*That is the ultimate in loss of freedom. When we are all criminals, prosecutors can arbitrarily put anyone away or seize anyone's property. It is happening now in the USA, the UK and - due to US pressures - in most of the rest of the world.*

The USA government seems determined to stamp out the use of anonymous cash that leaves no paper trail. Airlines in the USA won't accept a hundred dollar bill to pay for a ticket any more. Strange when you consider that in Al Capone's era (1925), thousand dollar bills were in common circulation. In terms of today's value you need to add zero or two! So a "Grand" or \$ 1,000 in 1925 is like \$10,000 now. But \$100US is the largest note around.

In Singapore, you can use \$10,000 bills or 1000 CHF banknotes in Switzerland. Even in Euros you can have all you want of €500 notes.

With a lot less Big Brother stuff, the 'Untouchables,' (cops of the depression era) still caught Al Capone and other crooks! Now there are no thousand dollar bills in circulation, and even \$100 notes may be treated with suspicion. Not everyone wants to use credit cards and have every transaction open to later scrutiny.

*Hundreds of millions of people have lost important freedoms so that the government can maybe bag one extra bad guy. Maybe if more intelligence was used to select and train good cops, billions could be saved. The price of all the freedoms lost to Big Brother - in terms of administrative costs (not to mention inconvenience, false accusations, staffing) is not cost effective. The American 'no fly list' and tough visa policies have delayed or grounded tens of thousands, but not one terrorist has been apprehended. A hundred thousand or more foreign students and scientists employed in the USA have had return visas denied when they went to a funeral or similar event in their home country. Harvard University complained it lost many of its students and best professors - foreign nationals of international reputation who though obviously not terrorists were denied re-entry. Even Senator Edward Kennedy of Boston was denied passage on a flight to Washington DC because his name found its way on a list of "anti-war activist suspects!"*



But, of course, that doesn't matter one bit. Big Brother accumulates more power and the 'authorities,' acting like Gestapo, can do what they like.

Can all these increased restrictions and formidable controls of the last twenty years be justified? Only if you think an all seeing, all knowing Big Brother government is a fine idea. As things are, the government already has enough data to convict everyone of some obscure, victimless crime.

The PT solution? Stay under the radar. Learn how to do it in this book.

## THE FREEDOM TO DEFEND OURSELVES – GONE

We cannot get on an airplane without a government-mandated search of our bodies and our possessions. New X-ray machines deployed at airports give the oogling guard viewers a clear view of our sexual organs and inside all bodily orifices.

A little over a hundred years ago, if we believe the cowboy movies, Wells Fargo always had a tough guy 'riding shotgun' on the stagecoaches. The passengers were usually armed too. With gun controls, and crazy court decisions, we have lost our personal privacy and dignity and also the right to protect ourselves.

A burglar who was shot and injured by a fanner in England recently recovered a huge sum in damages against the farmer for injuries sustained during the robbery. In the USA it's even worse. Burglars who trip on kid's toys while stealing can sue the burgled property owner and recover damages for their victim's negligence.

Most employees are forced to pay large parts of their incomes into badly administered, often almost bankrupt, state medical or social insurance (retirement) systems.

Doctors and their patients are not free to decide upon their treatments. In some countries a patient can't decide for himself the medications he needs or doesn't need. Or if he can get off life support. The state decides. In most countries, a doctor and patient can no longer negotiate fees. They are set by the state.

The question is not whether this is a good thing or not. Even the leftists must agree that all such restrictions and all 'price controls' involve a loss of freedom.

For virtually every 'recreational drug-use crime,' one can go to prison for a much longer term today than was true 35 years ago. Yet 75 years ago, all of today's illegal drugs (marijuana, etc.) were entirely legal. Even Coca Cola owed its popularity to being heavily laced with Cocaine. If one enjoys recreational drugs, the freedom to enjoy them has surely been taken away. Smokers can't even smoke on all-smoker chartered airplanes.

## THE FEW WAYS IN WHICH WE ARE MORE FREE

Of course, there are some ways in which we are more free. It depends who you are, where you live and what you want to do. The freedom to travel and immigrate is perhaps the greatest freedom that a PT will discover. Generally, every PT can find a country or place where he can indulge in any

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otherwise forbidden activity he wants. There are even many countries where there are absolutely no income taxes. Nude beaches? Drive a tank or military jet? Several wives at one time? We have been there, done that and in this book will tell all. If you have some particular need or desire, remember, with the purchase of this book you get one free e-mail consultation. So make it a good question

Since 1974, Americans have been free to own gold. For several decades private ownership of gold bullion was illegal. The same applies to Western Europeans and many other nationalities. However in many countries purchase of gold is subject to reporting requirements. Thus, gold ownership in many jurisdictions is closely monitored. But in many countries gold ownership is unreported, untaxed and unrestricted.

Military drafts have been abolished in most countries. Since the 1960s in Britain, 1973 in the USA, and since the 1990s in France and Mexico. Thus young males are no longer required to give up part of their lives for two years of training to 'fight for their homeland.'

In the USA, liquor sales in some states are more liberally allowed than they were 30 years ago. However, you still need to show ID to buy liquor or enter a nightclub in the USA and Canada. Americans still don't have the freedom to get drunk in public, a right that most Europeans and Australians take for granted.

Here are a few more items which supposedly made us freer in the twentieth century:

birth control pills  
the Internet cell  
phones laptops cars.

It's true that we have more of all these things than we had, say, 50 years ago. Then, the Internet, cell phones, birth control pills and laptops didn't even exist. It's also true that all these things have made our lives easier in innumerable ways. Finally, it's true that wide usage of these inventions resulted from a relatively free economy.

You can even make the case, as famous economist David Friedman does, that the Internet will make it harder for government to regulate us and will create more freedom.

One argument is that these innovations give us more opportunities. This is absolutely correct - but it is irrelevant on the issue of freedom.

In many ways, these innovations take away freedom. Cell phones, for example, create a permanent record of where we were and at what time. This record of our movements is accessible to almost anyone who might seek to do us harm. Privacy, one of the most important freedoms, can be effectively negated by cell-phones.

Many of us become nervous when we see ancient legal safeguards being bypassed by government. Under the USA PATRIOT Act, American citizens are being thrown into prison indefinitely by their own government without being charged with a crime. Britain has substantially curtailed the thousand-year-old British right of trial by jury.

Many of us become even more nervous when we learn that our government now has the power to compel Internet service providers to disclose records of our internet activity. Lawyers, accountants

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and bankers are all essentially government informants who must tattle-tale and file secret reports with the appropriate 'authorities' if they suspect any 'unusual activities.'

## FREEDOM IN WARTIME

How do establishment journalists handle this concern? They change the subject. For example, they point out, quite correctly, that the situation is not nearly so bad as that in World War II. Then over 100,000 completely innocent Japanese-Americans (mostly USA Citizens!) were placed in American concentration camps.

Sure. In war-time, individual freedom always takes a back seat. Winning the war is the priority. If innocents are sacrificed for the national good, so be it. Problem is that the USA has created endless phoney 'wars' on poverty, on drugs, on communists in our midst, etc. These phoney wars have been used to justify the persecution of many harmless individuals and groups.

It would not take much for the war on terror (or whatever the next war will be) for things to get as bad as they were in World War Two (when the innocent Japanese-Americans were sent to concentration camps). In World War One German-Americans were persecuted. In the American Civil War investors and property owners in the South were ruined, along with thousands of anti-war Northerners. They were jailed and their assets confiscated by the Union government.)

Any thoughtful observer can see the West is headed in the direction of increasing control, Big Brother style - but the population in general does not seem to care. So what if minority groups (like today's Arab - Americans) are jailed or if rich people like Martha Stewart lost their assets and their freedom over nothing? Convictions for victimless crimes that didn't even exist a few years earlier grow as the prosecutors 'expand the envelope.'

Given governments' willingness to suspend habeas corpus and their new powers to intrude in our private lives, we are far less free today than we were just *two* years ago.

## NATTERING NABOBS OF NEGATIVISM

Is the world coming to an end? Depends on how you look at it.

Negativism about the future is something that most kids are picking up even in grammar school. Back in the fifties, there was a general belief that technology, and science in particular, would destroy civilization in our lifetime. The main fear was the A-Bomb and Nuclear Winter.

By the sixties these fears had morphed into 'ecology,' a concern that technology would destroy nature.

A general negative outlook has been inculcated into those who came of age after the cold war ended. You find most grade school kids are now taught to worry about rainforest depletion and global warming.

Kids are taught to think seriously about problems like that before they can understand the science and see the complexities of these issues. They can't intelligently debate but will simply parrot what

they have been told. Being taught at such a young age that the world is coming to an end, on the basis of questionable scientific theories, engenders a frightening pessimism that carries over into other areas.

A lot of PTs, or others who are drawn to this book, are absolutely certain that their freedoms as human beings are being ended by science - in the form of foolproof identity documents, computer records of their whereabouts, finances, beliefs and activities.

## INTOLERANCE

There have always been many conflicting ideologies floating around. It's fine to have a political philosophy or a religion. Sometimes those in power, or a majority (even in a democracy) holds to ideas with absolute certainty. The 'authorities' impose their rules on everyone else. That is when important freedoms (and lives) are lost. It is difficult to deal with a majority who feel they have a mission from God (or history) to perform. If you are in the way you may want to think about laying low if you can, or leaving for a place where the majority thinks as you do.

## PTS ARE POSITIVE THINKERS!

I hope this book will open minds rather than close them. Getting rid of the certainty that we have all the right answers is the first step to seeing the world as it is!

The PT philosophy is one answer for intelligent individuals. It will not solve any of the problems of the world. There will always be problems. But it will give you more control over your own destiny. PT leads you to better places to be and more options to cope with your own problems. We say, "Be prepared to get yourself and your assets out of your country before your country gets them out of you. Before your assets and your freedom are taken away by Big Brother, take appropriate evasive action! Get a second passport if necessary and work on your own six flags."

Living as a Passing Tourist even in a relatively unfree country *can and will* make you relatively free - at least in those areas of importance to you!



## Chapter 13

# PATRIOT ACT ERODES FREEDOM EVEN FURTHER

*"The more corrupt the state, the more it legislates. "*  
*Tacitus*

Welcome to George Orwell's 1984 - although it happened a few decades later than he predicted.

Americans' property rights were taken away in the war against organized crime. Privacy rights were taken away in the drug war.

Then came the ridiculously-named 'Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act' (more commonly known as the Patriot Act). Under expanded anti-terrorist laws, the right to personal freedom and even life itself has been appropriated by Big Brother! Yes, now they can now legally abduct and kill you in secret. You may disappear, and it will be illegal to discuss, protest or even remember you!

Even the Patriot Act's 'mission statement' is ominous: "To deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes."

*Other purposes?* What other purposes? How about 'Subtitle B - Bank Secrecy Act Amendments and Related *Improvements*'? Or Sec. 371 which covers 'Bulk cash smuggling into or out of the United States.'

The list goes on. Sec. 377. Extraterritorial jurisdiction. Sec. 506. Extension of Secret Service jurisdiction. Sec. 906. Foreign terrorist asset tracking center. Sec. 1007. Authorization of funds for police training in south and central Asia. Do you get the drift?

Are you one of our non-American readers? This information applies equally to you. For better or worse, the USA takes the lead. What it foists upon Americans has a ripple effect on the rest of the world. Don't think it won't happen in your country. It is happening.

All vestiges of personal privacy are eliminated. Goodbye to the right to communicate confidentially with others, to think freely, to exist. We repeat: *Your right to life has been appropriated by Big Brother.*

**'Liquidation' of individuals without an open trial and without constitutionally guaranteed due process has finally been authorized under American law, just as Orwell predicted in his prophetic novel 1984.**

## AMERICA'S 'SECRET WAR ON LIBERTY': THE MILESTONES

### 1970's War on Organized Crime (RICO Act)

Stated aim: to catch Mafia types. Gives Big Brother power to jail people and confiscate property for mere associations (conspiracy) or for doing something deemed illegal more than once. The law was seldom if ever used against organized crime, but did and does result in long jail terms for stockbrokers who parked stock (a new crime), religious cult leaders (who lived on donations), and ordinary as dirt business people involved in victimless 'crimes', drugs or Big Brother's entrapment schemes.

Examples:

Prostitute (actually a policewoman in sexy dress) stands in middle of road blocking traffic. Driver gets out of car to tell her to move. Car confiscated for 'consorting with a prostitute.' Reasoning? Prostitution is part of organized crime. Never mind that it was actually a policewoman obstructing traffic. Judicial processes re property in such cases suspended. Court orders no longer needed to seize assets.

Looney Religious group the 'Branch Davidians' is surrounded and attacked with flame throwers, tanks, helicopters and heavy artillery. Large group of women and children burned to a crisp in Waco Texas. FBI operatives who carried out the job are promoted. Other examples would fill several volumes. These are *real cases, not fiction*.

### 1980's and 1990's "War on Drugs"

New laws allow confiscation of property and cash for the vaguest relationship to drugs. Teenager smokes marijuana secretly in Grandma's house. House is confiscated. Money laundering laws permit search and confiscation of all cash found on travellers using interstate highways. Reasoning? Maybe this cash could be used for drug purchases. Sure!

In several cases, the cash was legal in every way: tax-paid and fully accounted for. No drugs involved, no crime ever alleged. Money gone, confiscated by highway cops, never returned. Goes into cops' recreational fund and spent on pornographic DVDs. No judicial review.

Next case please: Owner of large California ranch, Donald Scott, has one pot of marijuana planted on his property by a paid police informer. His home is raided and he is shot to death. Police lose even the planted potted pot evidence - probably somebody smoked it in the police station. Ranch confiscated.

This kind of seizure has become the largest source of income for Law enforcement' authorities. Other drug war examples would fill several dozen volumes. There are almost two million persons in jail in the USA for recreational drug use, possession or dealing small quantities.

### 2001 onwards "War on Terrorism"

The dreaded USA PATRIOT Act: Arrests without warrants or right to an attorney are authorized. No need to tell the accused why he was arrested. No need to let him confront accusers or refute accusations. Secret imprisonment or kidnapping citizens abroad or in the USA, authorized. Huge rewards for informants or bounty hunters authorized. Mere speaking about terrorism in public, giving tip-offs to suspects in danger of summary execution by secret police, discussing related

matters or identifying missing people - now become crimes. Secret trials by military officers authorized. Results can be secret executions, torture or both.

How long will it take until the list of innocent victims fills a hundred volumes? We will never know because all details are going to be classified and confidential. Welcome to the 'Land of the Free.' Radically expanded law enforcement and intelligence gathering authority, reduces or eliminates judicial oversight over surveillance, authorizes secret arrests, creates a DNA database based on unchecked 'suspicion' or simply the fact of being born (putting DNA of new-born babies into databases). Creates many new death penalties, and even takes American citizenship away from persons accused of belonging to or supporting officially disfavored political or religious groups.

Drastic Patriot Act stuff might even (arguably?) be acceptable as a very *temporary measure* to protect the populace. This was indeed supposedly the original intention (so-called 'sunset clause') But it's now clear (and no big surprise) that the bureaucrats won't give up their new powers.

The masses are going to go along with it, oblivious to the fact that one day they will be the victims. But temporary it's not and there is no oversight. No ombudsman. No lawyers to defend the accused. Lawyers have been drafted as snitches in the 'war on - fill in the blank -. Anyone denounced by a neighbour or friend can be tortured and killed. *No safeguards on secret police activities.*

The rules for cops in the United States are now in the process of becoming almost exactly the same as they were for the good ole' Nazi Gestapo and the NKVD of the Soviet Union. In other words, police are a law unto themselves.

Police of course, love having unlimited powers to accuse, arrest, brutalize, jail, torture and even kill in secret. They always think they are defending freedom. They think they are infallible, of course. But in reality, very few people with honour go into what used to be termed 'justice' but is now termed 'law enforcement.' Everyone today recognizes that 'justice' is a misnomer. And those few moral people in law enforcement are corrupted and polluted by the atmosphere around them.

*That is why America, once the beacon of freedom in the world, always has had elected judges, mandatory juries, and trials open to the public and the press. Dictatorships are characterised by laws like the Patriot Acts. Big Brother has given unprecedented, unchecked powers to unelected agents of the regime in power.*

Anyone who has ever had any experience with police in almost any country knows that (especially when under pressure to show results) they often get the wrong defendants. This happens - maybe more than half the time - even *with* transparency. If the anti-terrorist police they can now operate in secrecy, 1984 is here! Reflect on that!

## IS IT TIME TO ESCAPE?

Will letters to the editor or to the Human Rights people at the United Nations make a difference? We think you know the answer.

The present situation in America reminds us of what a famous writer said about the progression of anti-Semitism.

Forgive me if I don't get it exactly right:

[www.byebyebigbrother.com](http://www.byebyebigbrother.com)

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"First they said you can still live with us, but **we don't want to see you.**" Early restrictions put the Jews in ghettos, limited their legal and property rights, and forbade any public religious observance or 'meddling' in politics.

"Then they said **you can't work with us**". Jews could not employ non-Jews, nor produce anything, nor work at any occupation available to non-Jews. In Poland, Russia and Germany, this limited Jews to money lending and repairing used items. These restrictions led the populace to believe that Jews were parasites whose only purpose was to gain wealth through usury which was anti-Christian and sinful.

"Then they said **you can't live in our country.**" It came to pass that in the Nazi era, Jews were segregated physically, deprived of their livelihood, their citizenship and finally deported to concentration camps without trials - even though they were citizens of Germany. Some had earned medals and high civic distinctions. A small number escaped using PT techniques to places like Switzerland or the Dominican Republic. America refused to accept them unless they were 'sponsored.'

"Then they said, **you can't live.**" Yes. We all know about the gas chambers.

Of course the Jews, though there were about six million of them murdered, were only a sixth of the Nazi victims. Twenty million more non-Jewish innocent people were killed in Eastern Europe. And another ten million were killed by Nazis in the rest of the world. And the Nazis didn't even have any "weapons of mass destruction."

## THE BEST TIME FOR FREEDOM

The best time for freedom was probably 1870 to 1910. No one was building up an army except till about 1905 when Kaiser Wilhelm's Germany began to seriously re-arm and prepare for war. The main reason for World War One seems to have been the Kaiser, embarrassed by his withered arm (from Polio), who wanted to show his imperial relatives in England and Russia that he was no weakling and could be another Napoleon. He apparently forgot that Napoleon ultimately went down to defeat and exile -just as Wilhelm himself did a few years later.

Europe, and indeed most of the world from 1870-1910, was without war - for forty years. The Spanish-American war of 1907 was more of a surrender of colonies in Cuba, Puerto Rico and the Philippines than a war. Anyone could go around the world without any passport. If you emigrated to South America, you didn't need any passport to go there - they just changed your name to something Spanish when you landed, and issued you papers on the spot.

**There was no "drug problem"** because drugs were legal. There were gangs but there was no organized crime because everything except traditional common law crimes (murder, rape, theft) was legal. Not even prescriptions were needed in those days. Everyone could buy cocaine which was the essential ingredient of Coca Cola.

**There were no income taxes.** Less than 1 % of the captives now in American prisons were incarcerated then. Less than 1% of the government civil servants (who were still civil in those days) employed now were employed then.

**The economy was Laissez-Faire.** International despotism was at an all time low. Economies and international commerce were expanding at double digit rates. Art, literature, music and architecture flowered in new forms. Most European cities were re-designed and rebuilt.

**Transportation was revolutionized** by the express train (the Pullman trains in the USA, and romantic trains like the Blue Train and the Orient Express in Europe) and luxurious ocean liners. Immigration was wide open to the New World, Australia and the Imperial Colonies. Those were the golden years. For Europeans and English-speakers, anyway.

We surely won't see that degree of freedom and universal prosperity again in our lifetimes.

## ESCAPE FROM AMERICA?

Today, the PT life offers an escape from the worst excesses of Big Brother- but only if one is very careful and knows how to stay out of the net. You don't have to have the slightest connection with terrorism to get caught in the net. Losing your ass and your assets has never been easier if you are not a PT.

Japanese-American citizens lost all their property and were sent to American concentration camps in World War Two. Their only crime was being of Japanese ancestry: the wrong race at the wrong time. There are too many parallels with what is happening today.

## BETRAYAL BY THE AMERICANS

At the end of World War Two, thousands of anti-Communists from the Ukraine and Russia found themselves in Anglo-American occupied zones as refugees. Stalin called them traitors. He said they should be returned to his jurisdiction where they would be tortured and killed. The USA and Great Britain packed them on trains and sent them to their deaths. Once there is a war going on, truth, toleration, humanity and justice are the first casualties.

There is little anyone can do about government power aside from escaping. That's the PT *modus operandi*: *Get out of the line of fire. Stay far away from the danger zones. The USA, the UK and many other countries are now clearly danger zones* - especially for anyone who thinks independently.

## PATRIOT ACT SEQUELS - COMING SOON

The Justice Department has already drafted a sweeping expansion of the Anti-Terrorism Act. The dreaded USA PATRIOT Act was not enough to satisfy their power cravings. The proposed Patriot Act follow up laws further erode the freedoms taken for granted and previously enjoyed by Americans.

The USA Administration was as of this writing preparing a "bold, comprehensive sequel" to the Patriot Act. This language only reinforces how they regard running the world's only super-power as similar to releasing a new Hollywood blockbuster. It would give the government broad, sweeping new powers to increase *domestic* intelligence-gathering, surveillance and law enforcement

prerogatives. That means more spying on American citizens. It simultaneously decreases judicial review and public access to information.

Big Brother is just waiting for a propitious time, such as another terrorist attack or new war, to introduce Patriot 2-3-4, etc. At that time there would be less opportunity for rational discussion and the government will have a much stronger hand in saying that they need this legislation right away to keep order. As we go to press, the first sequel this act has thankfully been shelved. For the moment Patriot 2 has been consigned to a filing cabinet.

What we know from experience, though, is that Big Brother never gives up. Patriot Sequels will be back soon, maybe with a new name and a few changes. The US government is just waiting for the some justification to put this law into effect as 'emergency legislation.'

The famous USA Bill of Rights? It's already nothing more than A SCRAP OF PAPER.  
*Shouldn't you have an escape plan to protect yourself and your assets ?*

## Chapter 14

# GOVERNMENT ACTIONS ARE FAR MORE DAMAGING THAN TERRORISTS

*"Human beings will generally exercise power when they can get it; and they will exercise it most undoubtedly, in popular governments, under pretense of public safety. "*  
*Daniel Webster*

It is unquestionably any government's job to protect its citizens. Any nation attacked by hostile forces must aggressively defend itself. If this means waging war against terrorists and their nation-state protectors, so be it.

In response to Libya's aggressive acts, President Ronald Reagan bombed the personal residence of Ghadaffi, killing his infant step-daughter. The belligerence from that state subsided. Ghadaffi eventually saw the light. Recently all Ghadaffi's past terrorist acts have been forgiven and Libyan forces will now be trained by the British army. But that's just how international politics goes: Yesterday's enemy is tomorrow's "partner in peace ..."

The invasion and occupation of the failed state of Afghanistan had a calming effect on Al-Qaeda.

In Iraq, however, it appears that the Anglo-American attack on that country had absolutely no relationship to the 9/11 terrorist attacks. The mood of the American population and faulty intelligence simply supported the personal wishes of the President to get rid of Saddam. Saddam was an unsavory hostile dictator and the world is unquestionably better rid of him. But, as it turned out, without any 'weapons of mass destruction' apparently he posed no threat to lives or property in the western world.

## THE REAL 'COLLATERAL DAMAGE' IS LOSS OF FREEDOM AT HOME

In retaliation for the 9-11 attacks, the USA has killed many innocent civilians in Afghanistan and Iraq. But, we are constantly reminded, not nearly so much 'collateral damage' was done as in past wars. ***The collateral damage Americans and Brits should worry about is happening at home!***

How about the rest of the world? Unfortunately, what America does to its own citizens, America wants other governments to do to their citizens too.

Some politicians, as in the former communist countries of Central and Eastern Europe, fall in line willingly. Others, like the leaders of France and Germany, are more prepared to stand up to the US in public if it can get them re-elected at home - but quietly they will all still use the threat of terrorism (or something else) as an excuse to clamp down on individual liberty. That is just the nature of politicians and bureaucrats.

## THE DOMESTIC FRONT

Americans and Brits especially, closely followed by citizens of all other countries, are losing valuable freedoms at home.

Thanks to the war on terrorism, the government now has taken unto itself even more power to *search, arrest and seize* than it had before. That means many innocent people are being caught in the wide net... they have become sitting ducks when Big Brother decides he or she wants to violate their privacy rights. Or simply to confiscate their assets. Judicial review and independent oversight over domestic military and police action is eroded - to the point where Americans may have already created an internal Gestapo.

Think for a moment about what has been done in Washington recently... Think about what Congress has done in the name of protecting 'freedom':

- The USA PATRIOT Act allows for the arbitrary seizure of bank accounts, homes and other assets - *without bringing any kind of charges against suspects*. Soon after the 9-11 attacks, journalist Paul Craig Roberts warned that confiscation of assets would be so widespread that "soon everyone will know someone who has been a victim of confiscation." And on July 19, 2002, he stated, simply, ***"The war against terrorism has just begun: already it has turned into a war against the American people."***
- The same intrusive law, well meaning as it may be, makes it possible for men and women to be locked up without any recourse. Investigative journalists reported that a year after **9-11**, over 100 people suspected of being terrorists are being 'secretly' detained. Big Brother no longer has to establish probable cause. Communications with attorneys, if allowed at all, are monitored without notification.
- What's more chilling is that the FBI has actually admitted that detainees were sometimes shipped abroad and tortured to extract information.
- By removing protections put in place to avoid civil rights abuses in the 1970s, the FBI has been granted sweeping new rights to monitor the activities of churches, political groups, and anybody the agency deems 'suspicious.' Agents no longer need search warrants or probable cause...just suspicions.
- In one recent case, the house of a high-school English teacher in Virginia was ransacked simply because she is of Arab-American descent. "No one ever had to give us any explanation of why we were chosen for a search or what they were looking for," said teacher Laura Jaghliit. Though no charges were ever filed, agents took and never returned financial records, computer records and other personal papers.
- When 'income tax evasion' was made a crime in the 1920s, the main justification given was to put mobsters like Al Capone in jail. However over the years, the number of mobsters prosecuted for this crime has dwindled to single digit figures. Ordinary small business people involved in what should be a strictly civil dispute are now jailed by the thousands. It doesn't take much imagination to see that anyone suspected of anything, even a thought crime (i.e. thinking the wrong thoughts) can now be dealt with just as the Big Brother bureaucracy dealt with people in the novel, *1984*: Jail, torture, 're-education' or death.

- A new cabinet level office - The Office of Homeland Security - was established to operate without any oversight unless it's called for by a two-thirds vote of Congress. But what's really scary is that all laws prohibiting data sharing between the IRS, the FBI, the CIA, the National Security Agency, and all other Big Brother agencies are waived. That means once your name is in the system, your every movement and your private business becomes government business!
- Under new rules put in place after the September 11th attacks, the FBI can now listen in on the conversations of lawyers with clients in federal custody, including people who are not charged with any crime. Attorney-client confidentiality has been effectively abolished.
- How about government-sponsored vigilantes? One anti-terrorism plan created by the USA administration actually promotes the idea that cable installers, phone company workers, transport workers and others should do double duty as government 'spies' - reporting any suspicious behaviour they see to a toll-free telephone hotline. This plan bears striking similarities to the one operated for nearly forty years by Stalin's NKVD, Hitler's Gestapo or the Stasi, communist East Germany's infamous secret police.

If anyone thinks the police or others given such powers will not abuse and victimize the citizenry with them, they do not know how Big Brother works.

Thus, it is our conclusion: *The collateral damage to the rights and freedoms of ordinary citizens, has already far exceeded any damage that terrorists could do.*

The clear message is that any thinking person must prepare today for the possibility that tomorrow he may be a government victim. You are statistically far more likely to become a victim of government than a victim of terrorism.

BBBB - How to Get Your Money Out of Your Country, Before Your Country Gets Your Money Out of You

## Chapter 15

# CASE STUDY: HOW THREE FRIENDS BECAME PTs.

Everybody has their own story of how they evolved into PTs. There are many PT ways of thinking. No particular path is 'correct' or 'best' Before we get into the technicalities, let's look at some real-life examples.

The following true story appeared previously in the newsletter *Expat World*. Grandpa candidly admits he was in this group!

Once upon a time, a group of four old friends, who now base themselves respectively in Paraguay, Amsterdam, Monte Carlo and Thailand, got together to enjoy each others' company over a few beers. They met in a bar in the Thai coastal resort of Pattaya. All had become virtual PTs before they had even heard of the concept.

## ALBERT THE ART DEALER

Albert, a fifty-year-old Dealer in Arts, Antiquities and "anything else I can make a buck on."

*Q: How did you happen to become a PT?*

**Albert:** I was a real estate developer. I made plenty of money in the USA, but from around 1980 found it harder and harder to do business, make any profits and still comply with a steadily increasing number of silly or crazy new environmental laws. One empty city lot where I was building a house (with all the necessary permits having been granted) was soggy, boggy and low. Nothing lived there aside from *Culiseta Annulata* (common mosquitoes and their larvae).

To get rid of this little bog and its many bugs, I filled it in with a few truckloads of earth, and excavated for the foundation. I had done the same thing on dozens of prior building lot preparations. This soon turned me into something worse than an axe murderer. To make a long story short, I was criminally indicted for violation of the 'Wetlands Protection Act.' This bit of nonsense makes it a federal crime in the USA to drain swamps or to make any wasteland productive.

After much hassle, I emerged from the experience with a felony conviction and a community service sentence in lieu of jail. Half of my net worth had gone for attorney's fees (which by the way were *not* tax deductible as a business expense). I felt screwed by the system and unwilling to be a part of it any longer. Also, I couldn't stomach working on community service projects to rescue endangered mosquitoes and gnats.

*Q: What then?*

Albert: I decided to move to Mexico. I entered Mexico on a tourist card (a sort of visa) which was good for six months and indefinitely renewable by crossing out and back-in again on any border of Mexico. After six months I didn't care much for Mexico so I kept moving slowly down south. I stayed for periods in Belize, Guatemala, Costa Rica, Panama, Peru, Argentina, Brazil and Paraguay.



I ended up and am now based in Paraguay. It is an easy place to make money and stay out of trouble. There is no income tax. I am happy to live a life where I don't have to waste time keeping records or worry about audits. It was easy to get a Paraguayan passport via a local lawyer.

My total cost to become a citizen was under \$1,000. It took me about a year. Everything was done "legally."

I have renounced USA citizenship only because if I didn't, I would be committing another felony every year by not filing any USA income tax forms. Besides, I still have my five years of community service in lieu of doing time at Club Fed. Thus, I figure I won't ever go back.

*Q: What are the advantages and disadvantages of being a PT?*

Albert: Most importantly, I live a stress-free life! Like most older male foreigners here, I love my (much younger) Paraguayan live-in girlfriend. I take vacations for four months every year to try out a couple of the dozens of fun spots in the world. I can go most places "visa free" with my new passport.

I've had no trouble making money even though I left the USA with not quite enough capital to make it strictly on investment income alone.

The disadvantages? You leave behind old friends and contacts and you lose the 'social standing' you built up back home. But in my case, back stateside, being a convicted criminal my social status was nil anyway. It was no great loss to leave my parasite wife and a few remaining friends.

My grown kids love to visit me in exotic places like the Chaco or Phuket as long as I pay for their trips. Without Big Brother requiring me to fill out forms, it's a new world. I love the freedom and new experiences I have every day. Also, I live far better now than I could ever have done in the States. I now have several maids, a driver and a gardener. Bodies are cheap in the third world. A hundred bucks a month gets you first class help.

*Q: Any Helpful Hints for New PTs?*

Albert: Don't constantly compare things with the way they were "back home." You will annoy the people in your new country and frustrate yourself. Some things in Paraguay are forty years behind the times.

So what if they don't have Sarah Lee Cheesecake? They have other things. You don't get free Paraguayan harp concerts at lunch in London's Savoy Grill but you do here. There is live harp music every day at almost any decent restaurant. Any electronic gadget or toy you can find in Asuncion or order on the internet. At the Igazu Falls Free Zone you can get virtually anything for less money than anywhere else in the world. This includes cars, appliances, PCs - even software in every language and DVDs. The price? A dollar or two for any CD-ROM or DVD.

You might even make some money by importing (for the local expat market) some of the things you miss. Don't complain. Accept and learn new customs. Eat local foods. The steaks and beef here are better than at Chicago's Stock Yards Inn.

Above all, learn the local language. Read the local newspapers. You can and should mingle with local high society. Become a minor patron of the arts or otherwise be a good citizen and part of the new scene. Join clubs like Rotary or Lions.

You can and will make new friends! As an "exotic" guy of independent means, in the third world you will probably be accepted at the highest levels of society. You can be higher profile here because there simply are no taxes. Foreigners can, if they wish, hire a dollar an hour security guy to ride shotgun. Fit in as well as you can. Be flexible. Don't always hang out with expats or other PTs. Actually it seems to me that Paraguay is safer than the French Riviera, where I also lived.

Don't flaunt your wealth with any status symbols - Rolls or Lamborghini cars, clothes, diamond studded watches, etc. It can only bring trouble. Being well off enough to hire a few servants at \$50 per month is one thing, but appearing to be seriously wealthy will only attract burglars and kidnappers here or anywhere in South America.

## BARRY: THE VITAMIN MAN IN AMSTERDAM

Barry, age 62, despite his modest appearance and comments, was (and may still be) the major stockholder of a New York Stock Exchange Listed Company he founded to sell organic food products.

*Q: Same Question: How did you become a PT?*

Barry: I consider myself something of an old hippie. I made quite a bit of money in mail order, most recently in vitamins and other honest organic products. At the risk of identifying myself, I am considered the 'father' of the organic food industry. My company was the first in the business to go public. After that I started another non-competing business.

On one mail shot a few years back, I offered a bonus jar of vitamins for the first fifty people to respond to my offer for another product. I got a few thousand responses as expected. To keep them all happy, we sent them all the "free" vitamins. Would you believe this turned out to be a crime, according to the Federal Trade Commission. They also had plenty of other bogus complaints about my business such as the fact that 'vitamin' isn't a politically correct word now. It is illegal to use the word 'vitamin' in ads. (You have to say 'food supplement'.)

The Feds opened my mail and raided my office and apartment for records. Then they wanted me to plead guilty to a dozen felony counts and do five years of easy time in a country club jail. Unlike our friend Albert, I decided not to fight, but rather to take a powder. What then? I moved my ass and my assets and established a new business in Amsterdam. Among other advantages, I can legally smoke grass from all over the world at comfortable, 100% legal coffee shops.

I continued with my internet mail order business into the States. I sell my products all over the world now. I don't have to worry that I am going to be sent to prison just because I give out free bonus jars of vitamins or because I call my vitamins what they have always been called: VITAMINS!

*Q: And the PT advantages and disadvantages?*

Barry: I didn't pay taxes or file any papers before and I don't know. I am and always will be underground. No licenses. No paperwork. My main hangout is Amsterdam, but I like to get away from Europe for the winters. Usually I go to Bali, but I get stopovers in Thailand and Singapore included with my cattle-class round-trip ticket for around \$900.

Sometimes I stay in Goa or Sikkim. I certainly don't pay any taxes anywhere, nor have I become a legal resident. I haven't renounced my USA citizenship, but if they won't renew when I claim

poverty, I have picked up at least one other 'Paper Trip' passport on my travels. The *Eden Press* Books out of California have been very useful.

(Editor's note: Eden Press is a long-established publisher of underground books - see resource list. *The Paper Trip* is a series of three books, recommending a way of obtaining a new identity based on that of somebody who was born around the same time as you and died in childhood. This is illegal and *we most emphatically do not recommend it*. It worked some years ago but the books are old and the procedures have been tightened up a great deal since. Still, they are fascinating reading for anyone interested in the roots of today's identity theft problem.)

I don't go along with everything said in any of the PT or new-identity type books, but they certainly have been a major inspiration for me.

*Q: Any More Helpful Hints?*

Barry: Keep on truckin! For those not familiar with cartoons of the Great Crumb, this means just go on one day at a time. Be ready to move like Bambi when Big Brother comes a-gunning. I never learned Dutch because they all speak English in Amsterdam. But if I stay there, I will enroll in a language class. It will make me blend in better.

Ageing hippies like me have no trouble getting girls there. We are what girls like: 'nurturing and exquisitely sensitive.' Many of my attractive hippie casual workers are sexually accommodating. All the people I smoke with are lovers. My whole life is love. I don't have any servants and don't want any. Cars are polluting and I wouldn't drive one. I get around on a bike.

When the *Wall Street Journal* reporters came round to do a story on me a couple of years back, I just said: "You must have the wrong guy, I don't have three euros jingling in my jeans." I don't need the kiss of death that a profile in their rag would bring me. I'm only going along with this interview now because I like the concept of sharing and helping new PTs.

Reporting and my talking might be a help to other like-minded souls. Besides, I know that the identifying "facts" about me will be changed enough to make me unrecognizable even to my own mother!

## WALTER THE TRADER

Walter: 57 years old, Trader, Tycoon and Investor

*Q: How did you become a PT?*

Before I moved abroad to become a PT, I was an entrepreneur with a dozen different businesses. I loved the stress and spent a hundred grand a year on Chartered Accountants just to keep my books. They made sure I didn't have to pay any taxes. We did this with offshore trusts mostly. I didn't feel unfree, because we regarded every single new tax or regulating law, no matter how stupid, as an opportunity to make another million. All I had to do was figure a way to get around it, one way or another. That's what I had lawyers for.

Marc Rich and I had a lot in common through he had a higher profile. For instance, the US government, during the Nixon era, set two prices on oil. One was very low - let's say \$30 on

domestically produced oil used domestically. Then there was another price, let's say \$50 on imported oil. Naturally, I just bought USA oil for 'domestic use.' Then I exported the 'domestic oil' to where the free market said it was needed. I sold at full world price or I traded for imported oil to be delivered stateside.

This arbitrage had to be done before everyone else figured out how to do the same thing. When that happened in a few months, the dual-price law was repealed as illogical and unworkable. So during a short while, I made \$20 each on ten million barrels. There were similar deals every year of my career. Usually I made out like a bandit. Whenever there was a major devaluation of any currency, I bought local commodities at the old prices and sold them at world prices.

*Q: Why doesn't everyone do that? Did Something Go Wrong?*

Walter: Not at all. Even though it was all legal, various governments were always on my case for 'evading the spirit of the law,' or one thing or another. If you are in any business, you have to expect problems with the regulators and tax collectors. The trick is to quit while you are ahead.

Eventually, I decided to pick up my chips, move to a tax haven, retire and play for smaller stakes. I chose to rent a waterfront apartment in Monte Carlo. Although I didn't ever become an official resident, my office is in the spare bedroom. I was and still am quite happy there, living on my investment income. Because I had wangled an EU passport, I am able to come and go as I please in Europe. Everyone else thinks I am resident in Monaco, a no tax country, so I no longer have to worry about an accountant.

*Q: So how Does a PT Make Money?*

Walter: I still buy and sell things like rare stamps, coins, paintings and such, but always privately - never through dealers who would add a big mark up. If I can't buy something for half of what I know I can sell it for immediately, I don't buy.

How can you do this? The answer is expertise and keeping your eyes and ears open. Don't be taken in and buy an Elvis guitar or an A. Lincoln autograph from some huckster at a seminar. Know values and pick up such things at auctions and estate sales. Classified ads are also good. Making money by buying and selling things is easy, if you put your mind to it. These days ebay and the internet offer many buy-sell opportunities.

*Q: Any PT Hints?*

Walter: Stay invisible! Don't get on any computer database, at least not in your real name nor at your real address. These days it is useful to be on some databases, but you don't have to tell them the truth. Nobody except your one night stands should know where you sleep. And maybe it's even best to keep a separate studio just for that - governments have been known to send in hookers to steal or copy businessmen's files. Also strangers in your house, if you keep business records there, can cause all sorts of potential problems.

Have at least one alternate identity. Use cash, not credit cards. Don't ever get any financial statements mailed. If your bank or broker won't hold your statements, change banks. Don't tell anyone any information that could be used against you. Stay clean. No traffic tickets. Don't associate with people likely to get themselves into trouble. This includes, nuts, kinks, Nutsy Party Members, dope users like Barry, drunks or smugglers.

*Q: PT Advantages and Disadvantages?*

Walter: At certain times in your life, maybe you want to be a major player. Then you have to be visible. Publicity and a high profile may help your career. But it always invites trouble, in the form of lawyers, con men, tax collectors, accountants and insurance salesmen. You sue and get sued. But that goes with the territory.

When you decide to quit, becoming a PT is a little like building a wall around yourself to protect your privacy, your ass and your assets!

*Q: Final Thoughts?*

Walter: The PT lifestyle is not for insecure people who can only thrive in a staid and familiar environment. It's for entrepreneurial types who love adventure, challenges and change. It's the most freedom you can get in an unfree world!

## Chapter 16

# DON'T BE A REFORMER OR A (DEAD) HERO

*"The road to hell is paved with good intentions."*

*Proverb.*

Some people see injustice all around. They want to *do something* about it. "Let's start a campaign, demonstrate, or join a pressure group," they say. Next thing you know, Big Brother has them on a watch list. In other words, good intentions and latching on to a 'good cause' usually gets in the way of good sense. Survival is the ultimate good cause!

Such public protest actions are noble, but dangerous. Sure, we need these people. The thing is, going head on against powerful government forces (fighting city hall) is not something for PTs to do. We stay low-profile to survive.

If you are one of those whose conscience makes you jump forward to stick up for the rights of the downtrodden, consider this story.

Once upon a time there was a Hungarian Jewish family living in Budapest, Hungary. Our tale takes place just as the Nazi occupation started. There was still a window of opportunity. The husband wanted to sell the family assets and convert them to more easily transportable wealth like coins, stamps and precious stones.

These, he said, would be sewn into clothes or hidden in shoes. Then they would escape the country and find their way to Israel (then British Palestine) at the earliest safe opportunity.

Of course, this escape plan involved illegal travel and false passports. The wife could not accept 'running away.' The rabbi told her to have faith. Everything was going to turn out fine. She could not abandon her long-established family home, friends, relatives and her place of birth.

***As a result of staying put, the entire family perished.***

Based on 'common sense,' the family could and should have escaped and stayed alive, building a new future for themselves in a new land.

The same applies to independent-minded Americans thinking of leaving the US today. Many Americans fear and/or despise the direction in which American society is heading.

A few families used common sense and escaped from Hungary after the German occupation began. Meanwhile, others actively supported the pro-Nazi puppet government in Hungary. Those of military age were drafted and served the Nazis as cannon fodder on the Russian front. Very few 'heroes' actively resisted. Consider Count Paul Teleki, the former prime minister who was forced by the Nazis to commit suicide.

*Virtually all of those who stood up for freedom and tolerance are now dead.* Those who acted 'selfishly' and left, lived to see and participate in the freedom of future generations.

Putting yourself in physical or financial danger is definitely *not* the PT way of doing things. But that's not to say you can't do good. PTs can be of any political persuasion. They can quietly support

the cause of their choice. They can join a controversial group anonymously. If they want to help, PTs can contribute anonymously to good causes. They can be, and surely are, of great help to their chosen causes. PTs can also write books and articles anonymously. There is so much we can do to help make the world a better place!

Proverb: "The road to hell is paved with good intentions." Every despot who ever lived: Napoleon, Hitler, Lenin, and Pol Pot caused widespread death and suffering. They always claimed to be '*doing the right thing*' for 'their' people. The problem is that virtually all the wars, conflicts and sufferings have been caused mainly by differing points of view.

Every PT should also be tolerant of everybody else's viewpoint. He should never kill or use force against those who do not use force or violence against him.

*Here's an example: Capital Punishment.* We don't think the lady who got all the publicity in Nigeria, who had an illegitimate child as a result of being raped, should be stoned to death. I would be willing quietly to contribute \$1000 or maybe more to a team that was going in to rescue her and bring her to safety in London.

On the other hand, if there is somebody - for instance a mass murderer on death row in the USA - who has tortured, robbed, raped and killed several people (and assuming there is absolutely no doubt he did it), I don't see why he should be supported in jail at taxpayer expense till he gets out on parole and does it again. Why not give him a lethal injection?

Any team to rescue and resettle a Hannibal the Cannibal serial killer type in my town wouldn't get my money. But that's my view. Others, maybe the majority in the world, think it's wrong to execute any criminal, no matter how bad/incurable he is. In any event, PTs would not go personally into a dangerous place with guns and explosives, nor order anyone else to "kill and liberate."

I once asked a famous PT guru if he would personally pick up a gun and shoot people under any circumstances. He replied that as a young man, he was drafted into World War Two. Though not a volunteer, he did his job willingly. "Fortunately, as a clerk-typist, I never saw any combat."

As he grew older and wiser, this guru became a PT and decided that wars don't usually settle much. He personally went into 'survival mode.' He cited another old Chinese proverb: "Wars don't determine who is right - they determine who is left."

What other people do is their business. This writer, for example, prefers to champion causes he believes in through his journalism. He lives in the safest and most comfortable environment he can find.

Let's get back to the original question - could it be immoral not to stay and fight for what's right? Sure, if everyone in the world had been a PT since the start of history, the world would be a different place - probably a much better one! But PT is a belief system that will work for maybe one-tenth of 1% of the population.

If everyone was a PT in Palestine or Israel, there would be nobody left to be in any army. Nobody would play at being a suicide bomber. Remember the old sixties hippy t-shirt? "What if they gave a war and nobody came?"

Why most people can't be PTs is that most people crave and will follow a strong leader - religious or military. PTs on the other hand want to be autonomous. They *neither follow nor lead!*

Do you have the inner direction it takes to be a PT ?

## Chapter 17

# 1984 REVISITED: HOW GOVERNMENT MANIPULATES THE MASSES

*"None are more hopelessly enslaved than those who falsely believe they are free."*  
Goethe

We live in a world of lies and deception. In nearly every country around the world, the mass media is heavily controlled and forced to report the official line of Big Brother.

In Russia, the government simply closes down TV stations opposed to the current political leadership. In Italy, virtually all TV channels at the time of writing are owned personally by the Prime Minister himself. People in these countries *know* that the government controls the media so they listen to news reports with skepticism.

The major English-speaking countries, however, have taken media control to new levels. *The population believes that the media is free and therefore trusts its reports. But, in fact, it is just as controlled as anywhere else.*

In the USA, we see less and less competition. Fox News, CNN, AOL, Time Life and Warner Bros all reflect either the Democrat Party's or Republican Party's mainstream positions. If the American public want to hear independent news, they must turn to the maverick internet sites like the Drudge Report. (Editor's Note: Our resource list refers you to other alternative sources of reliable information.)

*The ability to see through Big Brother's deceptions is a major difference that separates PTs from the masses.* Mark Twain observed that most of human grief, sorrow and man-made calamities came not from sheer ignorance, but were the consequences of untrue beliefs. "It's not from things we don't know," he said, "but things we know that aren't so."

Even church services are controlled by the government in the USA! Guidelines as to what can and cannot be said from the pulpit are found in the IRS qualifications [501 (c) 3] for tax exempt status. Clergy who follow these rules are recognized as legitimate religious organizations and given tax exemption. Those who don't are declared political propaganda organizations or 'cults' and denied the exemption. In the case of some such groups, like the Branch Davidians for instance, they are burned alive with their wives and children.

## NEWSPEAK AND DOUBLETHINK IN AMERIKA

George Orwell, in his novel *1984*, calls Big Brother's technique of changing the meaning of words 'newspeak.' Newspeak not only changed the meaning of words, but the grammatical structure as well. Information in *1984* was given in sound bites, acronyms and hyphenated absurdities. This leads the populace into a condition called 'doublethink.'

Doublethink allows a person to hold two contradictory thoughts at one time and hold both to be true. Absurd you say? Consider this. Americans are told continuously that believers in conspiracy



theories are lunatics. At the same time they are told to believe in all kinds of Arab terrorist conspiracies. Is this doublethink? How often does some news commentator's comment cause you to think, "that just can't be true" ?

PTs learn to recognize propaganda! They listen carefully to the 'news.' They always ask *who benefits from the story that is being told*. Identify the liars, consider the sources, and carefully evaluate what they say.

## FIGHT TERRORISM - GROW YOUR OWN POT?

A television ad campaign that was run in the USA during the Iraqi war suggested that if you drove a sport-utility vehicle, you were helping to fund terrorism! How? By putting money in the pockets of oil-producing, terrorism-sponsoring countries like Saudi Arabia and Iran.

One of the commercials cuts from a man at a gas station to a map of the Middle East to video footage of a terrorist training camp, while a little girl's voice says, "These are the terrorists who get money from those countries every time George fills up his S.U.V."

While we don't personally drive SUVs, we have little sympathy for such anti-SUV rhetoric! It often replaces facts and reasoned analysis with a quasi-religious zeal to denounce America's sins of excessive consumption.

Drivers of small cars fill up at the same gas pumps the same as SUV owners; it's not just what you drive, it's how much you drive. (A friend of mine sarcastically suggested: "If you drive your offspring to any superfluous activity besides school, you're supporting terrorism," ) Critics point out that some of the CEO sponsors of these commercials live in vast, oil-heated homes, have fleets of cars and fly in private jets.

In one sense, however, the ads are most welcome - as a parody of the even more ludicrous commercials from the Office of National Drug Control Policy, which assert that anyone who uses drugs is helping support terrorism!

A 'drug money funds terrorism' ad campaign was launched by the US government in 2002. First, there were the ads in which clean-cut teenagers and young adults stared into the camera saying incredible things like "I helped blow up a building."

A later spot shows two men in suits discussing the connection between drugs and terrorism. The younger man, who looks rather clueless, tries to argue that it's a complicated issue; his older, wiser looking companion quickly sets him straight. The young man concludes, "Not that complicated."

It's hard to think of a more blatant insult to the intelligence of the American public than this crass attempt to exploit the tragedy of September 11" for the anti-drug agenda.

Do terrorists sometimes benefit from drug profits? Sure! The heroin and opium trade of Central Asia has been identified, in particular, as a source of funding for terrorist sponsors including the Taliban and Al Qaeda.

But there really is more than one side of the coin. The Taliban also profited from the 'war on drugs,' receiving \$43 million from the US government in 2001 for the purpose of eradicating Afghanistan's heroin-producing poppy fields.

And whatever one thinks of the various pros and cons of drug legalization, it's hard to deny that prohibition (making recreational drugs illegal) is precisely what allows criminal groups, including terrorists, to profit from the illegal drug trade.

As a further example, according to US government sources, the organized crime groups allegedly involved in Ecstasy trafficking, are almost all Israelis from the former Soviet Union. They may not be nice guys, of course, but they can hardly be suspected of funneling money to Al-Qaeda.

And surely, Americans who get locked up for growing marijuana plants in their basements have not given any of their profits to international terrorists. Yet somehow, I doubt that we'll see an ad campaign with the slogan: "Fight terrorism - grow your own pot!"

In the past two decades, the US government has expended billions of dollars and untold human effort on the War on Drugs. Just when the terrorist threat might have made us question the wisdom of the war on drugs, the anti-drug constituency quickly piggybacked onto the War against Terrorism. It's not that complicated.

*The above is a paraphrase of an article by Cathy Young which originally appeared in the Boston Globe on January 6, 2003 and was later republished at [reason.com](http://reason.com), one of our favourite libertarian-oriented, common sense websites. It has been used with credit and thanks to the author under our right of "fair comment on public issues."*



## Chapter 18

# THE UNINTENDED CONSEQUENCES OF WELL INTENTIONED LAWS

*"The welfare state is the oldest con game in the world. First you take people's money away quietly, and then you give some of it back to them flamboyantly. "*

*Thomas Sowell*

On a brief stopover in Monte Carlo during the preparation of this book, we saw a desperate 'letter to the editor' in the local English language newspaper from a retired British couple. They had applied to rent many different unfurnished apartments or houses on the French Riviera. They couldn't understand why, given their excellent references, they were given the bum's rush - as soon they gave their ages (over 70). They were always refused and shown to the door as if they had some contagious disease.

The newspaper editor explained that there was a 1989 law in France, to 'protect' tenants in general - and older people especially. In a nutshell this law says, "if a landlord wants to terminate a tenancy of a person over 70 (apparently even for non-payment of rent), the landlord must move them into a similar apartment in the same area at a similar rent."

Finding another landlord who will take on a deadbeat protected tenant of advanced age is of course an impossible task. The law means that the property owner must subsidize his tenants so long as they shall live.

This 'well intentioned' law has had the effect of making it absolutely impossible for anyone over 70 not already in possession of an apartment in France to rent one. They can still theoretically buy or rent an often unaffordable furnished apartment or hotel room. What can they do?

- 1 Move in with anyone who will accept them.
- 2 Engage in a fraud by having a younger friend or relative rent in his name.
- 3 Move to another country
- 4 Try public housing or buying an apartment - maybe with a government subsidized loan!  
*Editors Note: Ironically, the unavailability of rental units (caused by government) spawns new government programs and thousands of (guess what?) new bureaucrats to run them.*
- 5 Die.

Another such law in France prevents any evictions from unfurnished apartments for any reason from November to April. Obviously, the legislators felt that no one should be put out and made homeless on the street during the winter. But they were too stupid to see what the practical effect would be:

The natural result is that all landlords in France now require prospective tenants (of long lease apartments or homes) to have a three year rolling financial guarantee from their employers, or a bank as surety on their lease contract.

Of course, if you want such a bank guarantee, all the French banks will demand a deposit equivalent to their maximum liability - that is, three years' rent to be left at their institution, bearing no interest,

plus an additional hefty fee for the paperwork. Employers are also understandably reluctant to put up long term rental guarantees, given that the employee could just hand in notice to quit at any time; leaving the ex-employer liable for rent.

As a matter of fact and practice, employees with steady jobs are the only people who can rent decent long-term apartments (outside of public housing) in France today.

## UNINTENDED CONSEQUENCES OF LAW TO PROTECT TENANTS

The way around the law for French landlords is to provide a higher cost 'furnished vacation apartment' on a short term lets. These are subject to different laws providing for easy evictions or lockouts.

The requirement to come up with three years rent in advance raises the cost of an unfurnished apartment or house in France far beyond the capabilities of most tenants. Like rent controls, such 'protection' simply makes the product unavailable on the free market. It leads to corruption (called "Key money") and black markets. In the case of rental units that would have been available, it takes most unfurnished rental properties off the market.

## MINIMUM WAGES AND GUARANTEED LIFETIME EMPLOYMENT

Setting minimum wages above market rates always causes many, if not most, jobs at the starting level to dry up. Setting minimum wages at or below market rates is pointless because that would not have any effect.

Sometimes, if the law allows, private independent contractors can get low paid jobs done with unprotected 'foreign guest workers'. It's more OK with governments to 'exploit' foreigners than locals in some countries - Germany and Switzerland, for instance. So much for 'non-discrimination.'

In socialist Europe, high fringe benefits and the near impossibility of discharging an unsatisfactory employee for anything less than provable theft has made new hires an undesirable thing for employers. The result has kept unemployment at stubbornly high rates - double what they are in less regulated UK and USA.

In the Philippines such minimum wage and job security laws can be avoided, because for a six month trial period there is no minimum wage requirement. There is no difficulty in discharging 'temporary trainees.' Result? Millions of Filipinos (the majority of the labor force) will have a 'trainee' job only for six months. For the rest of their lives, most workers will play musical chairs exchanging jobs with other 'trainees' every six months.

We could write a hundred volumes about all those well intentioned laws or regulations 'to protect people' that actually end up hurting them.

The bottom line for a PT is to simply skirt or circumvent such laws (legally, if possible). Can't rent? Try public housing or buying an apartment - maybe with a government subsidized loan! Can't get

a job? Start your own, unregulated business. Or maybe become a property caretaker or house-sitter. Think outside the box!

If you can't circumvent a local law that prevents you from earning a living or finding shelter, a PT will just look for another jurisdiction (or country) that doesn't have or enforce such laws. Such places always exist. What is important to you may be quite unimportant to the next person.

Obviously, since most people will cope without being 'full scale' international, 6 Flag PTs, bits and pieces of our particular philosophy can and will be used by everyone.

This brings us to seat belts!

## SEAT BELTS!

In a recent internet chat-room session with other PTs, there was a long discussion about seat belts. This writer was quite surprised that so many PTs were so strong in their feelings... Many said they were anxious to move to countries without seat belt laws.

That seemed a bit excessive to me. I might consider moving abroad to avoid an income tax that took half my earnings. But would I move just because I didn't like seat belts?

As PT people, even if we don't care about the probable safety benefits, most of us will wear seatbelts to blend in and not get ourselves noticed by the police. There is more profit for a PT in staying out of trouble by learning to drive better - or learning to do without cars - than yacking and worrying about whether seatbelt laws are a good or bad thing.

As PTs, we already know and understand that most places have some customs, laws or rules we don't always agree with. So a PT will play the game of doing as he pleases in such a way that it won't get him into trouble. And if doing something (like using recreational drugs or not wearing seat belts) is illegal where you are and also of great importance to you, the sensible option is to move to where it is legal.

Sometimes, I've observed that quite a few of the people who want to identify themselves as PTs have a death wish. They seem to want to shoot off their mouths, be noticed and get in as many legal problems as they possibly can. This is not PT behaviour. PT Rule #1: "When in Rome, do as the Romans do." In other words, do what you need to do to stay low profile and out of trouble. Avoid confrontations! Don't fight City Hall!

## HOW THE SEAT BELT LAW WORKS

In the early 1970s, governments around the world for the first time began demanding that auto manufacturers equip new cars with seat belts. At that time the only legal requirement was for two 'lap' seat belts in the front seat. Consumers could not have cared less if a car had seat belts or not. Before they became mandatory, only a few new car buyers would pay extra for them as an option.

In the late 1970's the US federal government, as a highway funding thing, started demanding that states pass seat belt laws. As usual, the feds provided a 'model law.' This model law took note of

the fact that only two seat belts were in newer cars, and that many cars on the road did not have any seat belts at all. Thus the new law required that a seat belt be used at any seat where a seat belt was already mounted. That model law was passed exactly as written in a big chunk of the states, and remains unchanged today. Of course, all new cars are required to have seat belts for all passengers. In many of the American states, such as Arkansas and Florida, there is no safety check on autos. In other states, for example Texas, your car is inspected one day of the year and must have seat belts only on that date. It is not illegal to remove seat belts under federal law (although it is illegal to remove the seat belt warning light) and *removing the belt is not illegal* under most state laws.

This leaves a situation where in most states of the USA it is illegal to fail to use the belts that are in the car, but perfectly legal to remove the belts from the car and then operate the car without belts.

But don't try it. These days, police in the USA will give tickets to anyone not wearing a seat belt. The time and money you will spend disputing this in court (and maybe in jail) is simply not worth it.

The rule in the EU is apparently that seat belts must be used at all times. But the enforcement is lax in many places (like France) and strict in others. In Spain, the police will collect an on the spot €100 fine from any offender—foreign or domestic.

In Texas, your safety sticker must be mounted on your windshield, but there is no requirement that a windshield be in your car. Once again, a fool might want to remove his windshield to make a point, but PTs will simply get the safety sticker.

There are lots of quirks in the laws, especially in the USA and Great Britain. Why? Because of the way common law (judge made case law) has accumulated. Also, statutes are passed and seldom repealed, so a good lawyer can always find a law to prohibit one from doing something or another law still in effect to authorize the same act. But lawyers cost money - and we feel it is better to blend in rather than become known as a bigmouth protester.

This writer's personal feeling is that I don't want any laws (seat belt or otherwise) telling me what I have to do in my personal life. Still, I know personally several people who were either saved by seat belts, or injured and killed without them. What I've read supports my personal anecdotal evidence. So, I concluded a long time ago that I'd buckle up, laws or no laws. I insist that my kids and family also put on their belts.

We all know that the beautiful Princess Diana and her boyfriend Dodi Al Fayed were killed needlessly in a car crash in Paris. Other passengers in the same car who *were* wearing seat belts quickly recovered from their injuries. Similar reasoning goes for helmets, now required of motor-scooter or motor cycle riders.

One PT wrote: "Like most traffic laws, seatbelt laws are piddling little pieces of crap designed to raise revenue for the state in a manner which the mommies will get behind - because mommies vote." But this does not automatically render the seatbelt an invalid development in the history of the automobile. On a scale with the internal combustion engine on one end and fuzzy pink dice on the other, I'd score it at about 65% towards the useful end.

## THE ULTIMATE SOLUTION TO UNINTENDED CONSEQUENCES

The problem is that too many of Big Brother's schemes to protect us are not well thought out and, as a result, have, *unintended consequences*. We can live with most sensible restrictions on freedom like car safety tests, driving licenses and seat belt laws.

But there is *always* a way out for PTs: If local rules or laws become too much to bear - consider escaping to another more agreeable community or country.

*NB: in our PT lifestyle section, later in this book, those interested in the subject will find practical advice on where one can speed, or drive legally without seatbelts.*



BBBB - How to Get Your Money Out of Your Country, Before Your Country Gets Your Money Out of You

## Chapter 19

# HOW MUCH MONEY DO YOU NEED TO PT?

Quick answer: PT is a way of life, a philosophy. You don't need any assets to be a PT. But as a goal, \$1 million is just fine.

Some people find fault with the setting of \$ 1 million as some kind of goal or standard of wealth. We would agree "a million" is arbitrary, but for the time being USD \$1 million in net worth is around the minimum that is needed for most rational people to feel secure and live *decently without working* for say a family of four. A million dollars, properly invested, will keep you going for life.

Any millionaire who has made his own money will certainly earn more than the 3% yield on bonds. (Which, after taxes, would be peanuts yielding \$15,000 per year net.) That would be poverty level for a family of four. But one can earn much more, and safely.

How many Japanese Millionaires would accept the 0.4% on yen bonds currently offered? None! Grandpa would say that the average return on a savvy guy's passive investments like real estate rentals, small deals, loans, buying and selling artworks and such things should average between 7-12% annually after tax. Of course PTs don't pay taxes.

What if someone wants a Hollywood movie 'Millionaire Lifestyle'? It would probably take well over \$50 million in a place like New York City to support a four bedroom 200 square meter apartment with a Central Park View, a Yacht, two servants full time, a couple of prestige cars, two kids in private schools, and a summer house in Long Island and a winter house in Mustique.

The point is that most millionaires, at least the ones I know, live pretty simple lives. Their modest consumer needs can be supported by a small fraction of their active earnings, while their capital and gains are re-invested and never touched.

## THE TECH BOOM AND BUST

Many investors who were lucky to have a \$ 1 million net worth in hot stocks saw their net worth drop on paper to \$500,000 or even less. But just like the tragedy of the 1987 crash appears as a very small blip now, in ten years, the crash of 2000-2003 will also be a distant memory -just another blip on the charts.

An investment in any of the market averages will double within five years from the bottoms of any serious slumps. That's this writer's opinion, anyway.

Anybody wanna bet on that? Not that I am saying that dollar averaging and buying good growth stocks at low p/e ratios are the only way to go - but they are one of the only 100% liquid, relatively safe ways to invest for a compounded return. The overall stock market return, in my opinion, will be closer to 10% compounded annually, but no one can predict the market exactly. Those who have done so in the past have just been lucky.

On the other hand, many individuals have picked investments that outperform the general market. If you want to hitch your star to one of them, buy a few shares of Berkshire Hathaway (run by the legendary Warren Buffet).

If you want to live off of relatively passive investments within the first world; a \$1 million net worth is realistic. You won't be amongst the super rich, but you will have perhaps the most important thing in life: peace of mind. If you have more than a million, so much the better.

You can live a pleasant (although not extravagant) lifestyle in most places in the world on that money. You can afford to keep one or two good advisors on retainer. Perhaps a good Liechtenstein banker will be taking care of your 'mother lode'. A discreet PT consultant will take care of paperwork and deal with the bureaucracy as needed. That way, you can live in total harmony with no problems and nothing to worry about - you can go out for dinner anywhere you want and not worry about the prices.

## GETTING BACK TO WORK

Suppose you don't have a million bucks or Euros? You don't need that much.

PTs are usually Productive Thinkers. Go! Travel! Clear your mind of any past problems. Spend six months enjoying your favourite pastimes and engaging in pure relaxation of mind and body (in the company of highly desirable members of the opposite sex?)

After a while, you will likely find yourself brimming with new business ideas. With your prior business or professional experience, you will notice opportunities in the countries you visit - ways to make local business practices more efficient, beautiful beachfront property ripe for building a few luxury houses on speculation, or unusual products and services you can sell anonymously over the internet using an offshore company.

In our experience, most PTs soon become involved in 'projects' or businesses. Ideally these don't require full time attention or supervision. They will allow you plenty of time just to enjoy life. But, freed from the shackles of rules, restrictions, taxes and lawsuits, your creative juices can flow freely. You may well find yourself getting rich beyond your wildest dreams!

The most important thing, and we cannot stress it enough, is not to get shackled (again!) by your new business. Think of it as a hobby, and make sure any financial interest (i.e. hard cash investment) you have in it is minimal. You should be able to pack your suitcase tomorrow and either take your business with you (in a laptop) or happily leave it behind.

## YOUNG, PENNILESS BACKPACKERS

Many young students travel around the world as 'backpackers,' living cheaply and working when they need to. Although they don't know it, many of them use PT techniques.

Backpackers quickly learn that they should travel as tourists to avoid the bureaucracy involved in getting work permits for different countries. They learn that it may be difficult to register a car

because they have no residence permit, so they buy a cheap old vehicle, and find a local nominee in whose name they register it. They drive it to the next destination and sell it there for cash.

They learn that when renting a pad, it's easiest just to find a landlord willing to accept cash, to keep the utilities in his own name, and dispense with all unnecessary paperwork.

They quickly pick up on the ways to give any necessary small bribes discreetly when crossing third world borders. They receive their e-mail and digital photos at cyber cafes. Hard copy mail comes c/o General Delivery or at a local American Express office when they are Passing Through. No authorities ever have any record of where they are.

## CAREFREE TRAVELLERS

Then are those PTs who have discovered the joys of travel, perhaps after a divorce. They finally find all the good sex they have been missing out on for years. Great sex and the illusion of love *is* for sale cheap in many third world countries. And the sellers are not prostitutes. They are just women who want love from someone a little better off than the deadbeats available locally.

An Italian friend of ours, for example, we will call 'Dude'. He's a modest guy of modest means, but he knows how to make good pizzas. He enjoys travel and the company of pretty girls. So he just travels as the mood takes him. When he runs short of funds, wherever he finds himself in the world, there will usually be an Italian restaurant ready to employ him casually - without any working papers.

At other times he serves as a 'straw man,' fronting legitimate deals for wealthier PTs who have good reasons to remain anonymous. His clients are more than happy to hand over five or ten thousand euros, plus travel expenses, to have 'Dude' dress up in a suit, visit a notary or a bank, flash his passport, and sign a few papers. Dude gets a kick out of feeling like a VIP tycoon for the day, because of course the other party in the deal thinks the big boss is sitting across the table from him. Every PT consultant has a few reliable guys like 'Dude' on call.

Of course, Dude is not getting any younger. Although he has no family to support, he also has no financial safety net. When he needs money, he works. When he has money, he spends it. One day (although we hope not) he may get sick or simply too old to work. Then who knows what will happen to him. For the moment he's happy and carefree. And that is how he wants it.

There are thousands of chaps like Dude around the world, working casually as and when they feel like it. They are entertainers, English teachers, hotel and restaurant staff, dive instructors, cruise ship or yacht crew, and in thousands of other portable trades and occupations.

## LIVING OFF LITTLE DEALS

Other guys simply put little deals together to survive. Like another guy we ran into in a bar in Boca Chica, Dominican Republic once. He was handing out discreet little business cards to the predominantly male tourists there reading: "Your Man in Havana - [www.cuban-cigar-man.com](http://www.cuban-cigar-man.com)"

He told us he loves Cuba. Life there is cheap if you learn to live like the locals. Every so often he or one of his friends flies out with a few boxes of black market Cuban cigars, the type that cost a fortune - especially in the US where they are contraband. But he never carries them into the US - he just ships them into the States from somewhere neutral, perhaps Mexico or Spain, where he is not breaking any laws. He knows how to repackage them as Dominican cigars and send them through right under the noses of US customs and their sniffer dogs.

He finds his clients through the web, and indeed you can visit his site yourself if you are a cigar aficionado. We would hazard a guess that although this entrepreneur will never get really rich on what he is doing, he could easily have four or five figures stashed away for the rainy season in a bank - probably on one of the other palm-fringed islands he frequents. Not a bad life.

Other people arbitrage vitamin pills that sell cheaper in one place than in another.

A similar chap we met in a bar in Manila mails pirate CDs around the world. Clients on the internet pay him around 20% of retail for the latest software and new DVD movie releases. He, too, makes a very good living. These guys may be "smugglers" and we cannot advocate breaking the law - even if there is no chance you would ever get caught. We do however have a duty to report to our readers what is really happening in the wide wide world.

*Bottom line? Even the penniless can be PTs both in mind and practice. It depends on the level of security you need and are accustomed to.*

For us, a million in the bank and being sure we can maintain our lifestyle without working is a nice security level. It gives us peace of mind. That way, you never have to worry about healthcare or old age. If you want to hop on a plane for the weekend or go to eat in a gourmet restaurant, you don't have to think about what it costs. You just charge it on the offshore plastic, safe in the knowledge that your passive earnings cover all reasonable expenses.

Only if you don't want to work at all is a million necessary. Younger people especially have a much higher tolerance of insecurity. Those people are often natural PTs. We can learn a lot from them. If you are one of them - good luck! Later in this book you will find a section on Portable Trades. These are ways to earn money without having any permits, licenses or diplomas.

## Chapter 20

# HOW MANY PTs ARE THERE IN THE WORLD?

When they first hear about the concept, many people ask us how many PTs there are roaming the globe.

PTs are an *amorphous group with no leaders and no statistics about them*. In fact, many people are PTs without even knowing it. We would be willing to bet that if you asked ten PTs to define the concept, you would easily come up with ten different answers!

PT has always been a mindset. It doesn't really matter if you are a wannabee PT, a paper PT, or a retired PT. It's the mindset, not any exact accumulation of facts, that defines you.

Possibly, you could get some idea of how many PTs there are by finding out how many copies of early PT books like Harry Browne's *How I Found Freedom in an Unfree World* were sold. I suppose the publishers could tell you.

But on the other hand, that would be something like counting how many bibles were sold in order to determine the number of Christians. You would get a rough idea of whether there was a huge following in the millions or an itty-bitsy group in the hundreds.

Gramps once said: "All 60 million Italians are PTs. We must admire them as the nationality with the greatest facility on earth for overcoming bureaucratic obstacles with creative solutions." Is PT something genetic?

## SOME ARE PTs, BUT DON'T KNOW IT

Should you count as PTs many who never read a PT book nor heard of the title, PT? For example, a diving instructor who travels from one place to the other, makes money here and there and never pays tax. He is a PT to us, even though he has probably never heard of the concept. We have met many people like this, including professionals such as international lawyers, accountants, consultants and doctors who command very high fees in foreign countries, but are invisible to governments and bureaucracies.

Due to its nature, it's not a group or movement. There is no hierarchy or membership cards. *PTs are first and foremost individuals*. Being a PT has a lot to do with personality - probably more to do with personality than with taxes, second passports or other practical issues.

Some people hear about PT and immediately find themselves on the same wavelength. Others can have it explained to them in detail but they still don't really get it. One otherwise intelligent fellow who read the PT book said: "Paranoid Together is the best definition of you chaps!" PT is not for everybody.

One of our best friends in Amsterdam is a TV producer. She hates being in one place too long. Just last week, we received an email from her complaining that she had been in Holland for more than six months. "I have rock fever and have to move on," she complained. She refuses to let anybody run her life.

Some years ago when she did a documentary on skiing in Austria she had the idea of opening an anonymous Sparbuch account ("Gramps, you'll never guess what I found in Innsbruck") in which to deposit her savings. Another time, she managed to sneak a undocumented friend into the UK without any passport.

But until we met, she had never heard about something called 'PT' When we explained it to her, she understood immediately. She was just one of the many PTs who don't know what they are!

We would say half the Kiwis or Aussies travelling the globe would qualify. Many of them just sort of 'go roaming' without any definite plan or return date.

Having spent lots of time in Texas in our younger days, we can also assure you that well over half of what is affectionately termed 'Oil Field Trash' are PTs. By working for cash at odd jobs in the petroleum drilling industry, they live the PT life but do not put a PT label on it. They call themselves "floaters."

One of my former wives has a running buddy who married *offshore* 'Oil Field Trash.' He has a home in the southern USA, yet works on a Rig offshore from Qatar. Hell of a commute, but he does it every 6 weeks. His retirement fund is stashed on a South Pacific Island that is full of topless, honey-colored beauties and Brass Plate Banks. At the end of each six week cycle, they pay him in US hundred dollar bills. "Duhhh! What's a Social Security Card?"

We could go on, but this redneck was shocked to find that PT exists as a concept. He is suspicious. "Muss be one o' dem government sting operations," he says. "I ain't never paid no taxes, I don't haveta, and I ain't never gonna!"

So who is keeping score on who is a real PT? It's not a fraternal order, a political party or a private club. Anyone can pick out what they want from the "Six Flag Theory" or whatever and ignore the rest.

*Attitude makes a PT. What's a PT. ?*

*You Walk the walk, talk the talk! And Pee the Tea.*

[Ignore that bad joke please - we just got carried away!]

Stay low profile. Keep out of trouble with the law. Avoid confrontations with anyone. Don't trust anyone in "authority." That means you should not uncritically accept all the stuff in this book as gospel truth either! View 'experts' with suspicion. Be tolerant of others. Use common sense. Above all, never let yourself be irrevocably tied to any one country, government or belief system.

Go for at least two of the six PT flags. Then, in our estimation, you will be an unofficial member of *the best disorganization in the world.*

There are a lot of us out there, but nobody is counting!

## Chapter 21

# THE PT PHILOSOPHY VERSUS THE OTHERS

*What if they gave a war and nobody came? - hippy T shirt logo of the 1960 's. Cramps says: "A PT doesn 't care what 'everybody' does, he avoids danger and pain. Period. "*

The PT idea is *not* to try and change the course of history with Utopian schemes, violence, or even passive resistance. Compare the PT pragmatic approach to life with these:

## NO SEX, NO WARS

Giving mothers of army age boys the chance to veto every proposed war is a grand idea. If both sides did this, it might end most wars before they start. But how likely is this in the real world?

If you want to read/write a book or play about female anti-war tactics, look at *Lysistrata*. That's an ancient and still famous Greek play where all the wives in the world decide to withhold sex from any 'warrior' until all the men renounce war.

That may be good theatre and a fine theoretical plan to end all wars. Yet 2,500 years later it has not happened. Why? Maybe because there is no unanimity amongst all women or even all mothers, on anything. German mothers during the Nazi era were apparently convinced that it was their sons' Arian destiny to conquer and rule the world. Something similar was true of British mothers in the Imperialist era.

In contrast, a PT doesn't try to convince others, he simply moves himself out of harm's way. Often this is by physically escaping or moving to a more peaceful country. A socialist in England once coined the phrase, "Better Red than Dead." A PT would say, "Better to have fled than to be Red or Dead."

## THE MISTAKE OF MARXISM

The main mistake of Marxism was to believe that eventually everybody would think alike. The 'New Socialist Man' was going to be interested only in group progress - and thus willing to submerge his own individuality. It almost happened - but in the long run, individuality could not be suppressed. Communism was not sustainable.

The PT idea is to look practically at the real world for opportunities. How can one circumvent bureaucratic barriers? What's really possible? PTs, always as individuals, never as groups, choose the paths most suitable for our way of life. As an intellectual framework, we can use the six flags. We can be PTs without anyone ever knowing what we believe in, and without putting our heads on the chopping block.



## PTs ARE LIVE COWARDS, NOT DEAD HEROES

Super patriots, nationalists, and ultra-religious types who would gladly fight and die for their particular cause, would call PTs cowards. Active pacifists - the type who are willing to go to jail or do a suicide bombing run to further their beliefs - are not PTs. They think we lack moral fiber.

If putting *survival* and prosperity of yourself and your family before anything else is cowardice, then PTs are cowards. So what?

This writer would prefer to call us 'survivors.'. We go along with what General Patton said in World War Two. *"Don 't be a fool and die for your country. Let the other sonofabitch die for his country."*

When I was drafted to fight in that World War Two, I proposed a deal to my commanding officers. Why not set a quota? If I could personally arrange to somehow kill or capture 25 (or whatever we agreed upon) of the enemy, I would get a medal and an immediate discharge.

Then I would be free to go about my own business. He thought I was crazy, of course. No deal! So, without any incentive, I figured it was just best to concentrate on my personal survival. I finagled my way behind a desk, and have successfully avoided danger and violence ever since.

Let's suppose, because of where you live, your kid will have to go into the military or be subject to violence (think Colombia, Chechnya, Israel or Palestine). In my opinion, if you are unlucky enough to be in such a dangerous place you should immediately pack your bags and one way or another move yourself and your family to a happy, neutral, safe, crime free, draft free country. There are plenty of them. Think Paraguay, New Zealand, Australia, Sweden, Denmark and Switzerland...

Serving a Police State, or working with any military organization, is about as far from being a PT as one can get. Likewise, becoming a member of a religious group with a lot of restrictions is also not the PT way. PTs are 'inner directed' not 'other directed.'

Personal safety and survival is the most important PT motivation. Prosperity is a distant second. Saving your ass always has to be higher priority than protecting your assets. Both considerations should be kept in mind at all times.

## POLITICALLY ACTIVE PTs

If an individual PT wants to be politically active - and thus controversial and high profile - that is his right. PT is a way of thinking, not a set of rules you have to follow. But to expose yourself to danger publicly in any area where there are powerful forces in opposition (who might take a shot at you or throw you in the slammer), this is *not* the PT way.

In most western countries today, political activity is dangerous. Making donations, or influencing politicians from a safe distance - preferably anonymously - that is activism PT style.

## NEW COUNTRIES

In his pre-PT days, this writer was an active Libertarian - an idealist. We were also enthusiastic about Minerva and similar new country schemes. Later we concluded that we could make the best use of life and assets by focusing on what can be done rather than changing the world, starting new Utopias or joining 'movements'.

It is incorrect to believe that there are a lot of like-minded people who will go along with you in a perfect new state. The history books are full of failed Utopias, large and small.

Should you start or join a new country project? We say "Nope!" For PTs it's more practical and sensible to go to a place that is already pretty much as you would like it to be. Out of all the countries on the planet, there must be one or two where you could prosper and fit in reasonably well! There is no need to re-invent the wheel.

Even if a new country/new state did get off the ground, it would be like a breakaway religious group - with all the rebel types under one roof. The next thing you know, it's like living in a condo where every neighbour has his own divergent ideas. The thing quickly breaks up into special interest groups or factions. Like the hundreds of sects of the Christian Protestant Church - for just one example. Do whatever you are going to do alone. Don't count on others to follow you. Don't seek a Fihrer or Guru. Be a rugged individualist!

The Libertarian Party in every country is quite factitious now. PTs are basically Libertarians in philosophy. They say, if you scratch a Libertarian, you get an anarchist. Not a bomb throwing anarchist who wants to destroy, but a quiet anarchist who just wants to be left alone, and not subject to any authority. That's also a PT.

The Libertarian philosophy of minimum government is magnificent. Unfortunately the political wing has been hijacked by special interest groups: gays, lesbians, ecologists, vegetarians and the like.

PT in my opinion is a very good unifying philosophy. Why? Because, *unlike most "isms" and religions, there's plenty of room for individuality*. A PT is above all an individualist - who neither wants to kowtow to any authority, nor to exercise authority over anyone else. That's the wonderful difference!



## Chapter 22

# PART-TIME TEE-PEE OR PERMANENT TREEHOUSE?

Does a PT need roots and a sense of community? Here are two opposing views to consider. Both are anonymous PTs, chatting on an internet PT web site.

*The traveler: "Living a prosperous, jet set life with the whole world as your oyster is FABULOUS" The stay at home: "I never met a happy, rich person: I like it fine where I am. "*

Then let's consider this opinion, from a reviewer who was familiar with the old PT books:

*"Most of us need to have a sense of belonging ... How many of us could live life out of a suitcase, going from one country to the next, often staying in hotels - and always looking over our shoulder for fear of the long arm of the law grabbing us by the collar?... I think it's not as glamorous as they would have us believe. The PT theory is fascinating and often brilliant, but in practice ... difficult to sustain. Why? **Because most of us actually need to put roots down somewhere** "*

Most people are unwilling (or perhaps afraid) to leave their habitual environment. They *say* they are happy where they are. Or even if unhappy, they prefer familiar tribulations to the unknown risks of *terra incognita*.

Some people could sell their homes in New York or London and have enough cash to live forever like a Sultan at Borocay Beach in the Philippines. Not only would their standard of living be infinitely higher, but the climate would be a lot better too. Yet the vast majority are simply too afraid to move to an unfamiliar country. Most people don't go anywhere their own language is not spoken - unless it is a cocooned voyage within the bosom of a cruise ship or a package tour.

The PT life is obviously not an option for anyone ecstatically happy with where or how they are now - nor for those afraid to make a move. When PT was first thought up, no one was trying to start a mass movement. The PT idea was to open the eyes of a tiny percentage of the population to another way of **life**.

**PT** gives open minded, productive people another option. It shows how to become, at a stroke, more free, more prosperous and truly international. A PT who is stuck anywhere in the world can (with some planning and effort!) break free from oppressive realities to a new and brighter future. Yet most people will never leave their old neighborhoods and familiar friends until and unless they are hit with a major crisis and forced to move.

## IF JET-SET TURNS INTO JET-LAG

But there is another question. Eventually, with age, even the most enthusiastic PT sometimes admits to craving less adventure. He may want to stay in one place, with more stability.

Travel itself is really not so comfortable or glamorous. Perhaps this is best symbolized by the retirement in 2003 of the last Concorde. For twenty-five years Concorde was the ultimate in jet-set travel. It was a premium priced service that allowed wealthy travelers to traverse the globe enjoying the ultimate champagne service. It was something we could all aspire to, even if we could not afford the ticket.

Cruise ships however have become ever more luxurious and pleasant. More than half the fun is getting there, when you take a cruise.

If you simply want to get from place to place, aside from the security concerns, world travel is always getting easier and cheaper. Low cost, no frill airlines have proliferated. But in a way, a discussion of the **means of travel** has little to do with the PT concept. The purpose of being a PT is not to spend more time crushed like a sardine in a discounted airline seat - nor is it the desire to travel on cruise ships. It is more about leaving unpleasantness behind and finding a happier new life somewhere other than the place you started out from. Whether you stay or keep moving depends only on what you find when you get somewhere!

## DIFFERENT STROKES FOR DIFFERENT FOLKS

At the risk of repeating ourselves, we want readers to understand that PT is *not* a hard and fast set of rules. It is a way of thinking. The 'six flags' is just a framework on which you hang your own ideas. The PT Theory must always be adapted to your particular needs and circumstances. You may crave new scenery and ever changing companions - or you may want to put down roots and be monogamous. Both options are yours as a PT. With modern communications, you can keep in touch with old contacts and relatives yet live physically in a more satisfying jurisdiction.

Perhaps the most important factor in living a happy and successful life is to *know yourself*. Write down your goals. Clarify what is important to you. What truly makes you happy? What people or problems would you like to escape? Then go out and grab it! Sure it will probably take some planning, but it will be a fun trip. And if after a grand adventure, like in the Wizard of Oz, you want to go back to 'home sweet home,' no one says you can't.

Every PT that we have ever met (even those who did not know that they are PTs) took some ideas from the PT literature and other ideas about what their future life should be from alternate sources. They then combined them with original ideas to take a unique path.

Each of us will find what works for us. Your way of making a living, or your sexual preferences, will not work for everyone. We do not share the same talents, the same philosophy of life, or the same needs. You can be a frequent traveler PT a stay-at-home PT; Or you can alternate.

What we do for you is to help you explore what could be some new options. It is up to you to use them (if you wish) to find your own personal version of happiness, financial independence and freedom from Big Brother.

## TAX HAVENS FOR THE WELL-TO-DO

Some PTs will prefer living or being based in a tax haven like Monaco, where police monitor a thousand cameras. There are cameras on every street corner, in every lift. The cops (1 for every 20 residents) watch and record your every move. This drastically lowers your risk of assault or burglary. So it's a bad place for thieves, but a pretty good place for a person with lots of assets.

There are parties, charity balls, cultural events galore. The per capita income in tax havens like Monaco, Bermuda, Liechtenstein, Luxembourg, etc. is just about the highest in the world. So real estate and dining out can be expensive. The single women one meets in Monaco tend to be hard-bodied, slender, high maintenance divorcees or widows. Monaco is the land of the Benevolent Big Brother. The government takes almost nothing in the way of taxes, and asks only that you leave other people alone and stay out of local politics.

## THE THIRD WORLD

Alphonse von Kattle, author of *Paper PT*, (more details in the next chapter) prefers the Philippines. In the third world there is more anarchy. Forget about being bothered by bureaucrats or honest cops. A well placed bribe quickly gets anyone anything. There are few rules. But you can find culture, classical music, fine dining and glamorous wealthy people there too. Public services? Good infrastructure? They are less efficient to non-existent. If you want police protection, you can hire a local cop or army officer to ride shotgun for you. Cheap! Or you can stay low profile and stay out of trouble that way. You can have ten servants a driver and a gorgeous mistress for the price of one part time maid in Monaco.

Which place is best for you? You don't know until you go. *You* try out the destinations we describe. Then move on - unless you fall in love with a place.

## LIVING OUT OF A SUITCASE CAN BE FUN - OR HELL

If you like the idea of going on the road, exploring the world and living out of a suitcase, start packing and go! We tried the nomad life for a year or two and had a lot of fun. You'll have so many interesting, life-enriching experiences by just looking around for opportunities that we highly recommend this lifestyle to anyone who wants to escape the 9 to 5 rat race..

Eventually, we slow down as we grow older. This writer needed to cut down on travel, for reasons of decreased physical mobility. Also when you hit 65 or so, proximity to familiar medical facilities becomes more important. Slowing down is fully compatible with the PT theory. Not only that, it's life!

At the end of the day, PT is about freedom. If you live out of a suitcase or a backpack, for a while you should do it because that's the right thing for you, at the time. PT gives you freedom of choice in an unfree Big Brother world.

Living out of a suitcase is certainly one way to be a PT, but constant travel is an option enjoyed usually only for a few years. The travel period of your life may be like going to college. You should

learn things and make contacts that will be useful later on. Looking for a place to settle down is like looking for a wife or long term partner. You process a few 'possible' and rule out some losers before you decide upon the finalists.

## PETER THE PT CONSULTANT: LIVES OUT OF A SUITCASE BUT STILL HAS A HOME

We know a young, single guy - let's call him Peter - who works as a PT consultant. He is in fact one of the co-authors of this book. He travels frequently, meeting consulting clients and bankers. He is always seeking and making new contacts and deals in various countries. He's constantly checking out new destinations and opportunities for his clients. He spends 90% of his time travelling.

Peter told us he has absolutely no problems with 'living out of a suitcase'. Still, he keeps a home base in a convenient studio apartment with a view. It's in a major European city and has excellent connections to a downtown airlines terminal. The French call this arrangement & *pied-a-terre*, or a foot on the ground. This is 'home' to him.

His trips are usually short hops back and forth, rather than long circular trips. He only spends two or three days at a time at his pied-a-terre, yet he is never away for too long. And the suitcase he lives out of is refreshed and repacked every week. He also uses a friendly seller of telephone cards as one of his two maildrops to receive mail, personal subscriptions and take social messages. Thus his personal life is kept separate (compartmentalized) from his business. In this way if something goes wrong in either sphere, he does not jeopardize all his connections in the event of a sudden change becoming necessary. A PT, he says, "must always be prepared thoroughly, and think ahead."

Despite its modest size and appearance, Peter's furnished apartment has everything he needs to feel at home: personal stuff like favourite books, family photos, school diplomas, kitchen gadgets and other easily portable personal possessions. When he wants to move, all his possessions will fit in a hatchback.

Of course he keeps his clothes and personal items at his studio. He says a compact washer/dryer is essential. But that and any furniture will be sold or abandoned when he moves. He enjoys gourmet cooking so he keeps a well equipped kitchen stocked with basic foodstuffs. His freezer is stocked with quality frozen food and cold beers for those nights when he arrives home on a late flight and cannot do any grocery shopping.

Besides that, he has a fully-equipped PC workstation with high speed wireless internet, laser printer, scanner and all the goodies. Peter told us he is accustomed to working on the move, struggling with third world dial-up connections for his laptop, or popping into cybercafes. Lately he has found that he can visit the lobbies of most good hotels and use free wi-fi connections to the net. He tries to keep his business files in electronic form. Nonetheless, he needs to keep a few paper files somewhere. And, he says, "It's a relief to plug in my laptop at home and catch up on things for a day or two... Plus: It's great to using familiar equipment and connections that usually work properly!"

A nearby branch of the franchised chain Mail Boxes Etc also handles mail and courier packages for him, in a company name. That keeps his mail safe when he's away. 'Peter' doesn't give out his home phone or address to anyone. In fact, he doesn't even have a home phone. Important travel

documents and a year's worth of cash spending money are kept in a bank safe deposit facility, also nearby.

Because his apartment is rented in the downtown of a major, multi-cultural city, nobody thinks twice about him being a foreigner. He has never felt any need to register with local authorities. As for taxes, well - nobody would even think of considering him a permanent or 'legal' tax-resident there.

But naturally, just in case anyone ever asks, he has papers to prove the studio is a 'secondary residence' because he lives elsewhere and has been out of the country much of the time.

Utilities are all in his landlord's name. If he needs a car he rents one. Peter's place is centrally located so he can walk most places, take busses, metro or hop in a cab. But it's also convenient for the airport. He chose this city especially because of its good connections to the rest of Europe and the world. Last but not least, he takes care to have absolutely no business interests, serious bank accounts nor investments in this particular country. It's strictly a place for living. He is usually only at home for a day or two at a time before he is off again. We asked him if he has 'put down roots' there and he told us:

"Frankly, I do most of my socializing in those other places I visit regularly. I'm always travelling to meet other people. I have many good friends in several countries. Occasionally I will fly in here with a girlfriend and show her around town. But basically when I'm here, I enjoy being alone for a few days. And this place is all mine. I have a few friends and acquaintances here locally - not many but enough so that I can always make a few calls and have some company for dinner or the theatre - if I feel the need for companionship.

"I know the people in the local stores and so on. It's good to see familiar faces. I know the area enough to buy the things I need. I know good restaurants and cinemas, all within walking distance. I am friendly with a few neighbours but not 'best friends' with any of them. As far as I'm concerned, that's all the participation in the local community I need. I could have more, but I have no interest in local politics or the 'community' as such. I like being an almost invisible PT here. The name on the doorbell and local mailbox is still that of the prior tenant. The locals don't even know my surname.

"I always use a different identity for travel than the one I use here. Very few people even know in what city or country I am based, let alone where this apartment is. Clients don't know what name I travel under. I do that for my clients as much as myself- they trust me with confidential information. I am dedicated to protecting that information."

## ANOTHER WAY PTS CAN PUT DOWN ROOTS

Another PT author proposed having rented homes in two countries - keeping each under six months of the year. He said, "take a couple of weeks vacation in a third country, or maybe a cruise between the two homes."

Most income tax laws allow you to be free of tax (except on earnings in the country of residence). All it takes is that your paperwork is arranged to show that you personally stay under six months per year in any particular country. Thus if you have your investments or businesses in a couple of other countries it is possible to live tax free - legally. You can even legally own two or more 'secondary residences.' This topic is covered more elsewhere in the book, and also in the other book we offer free to our registered book buyers, *Paper PT*. (see the next chapter)



Those who want it, can have local status as a known property owner and member of the community. It's a good arrangement for PTs with families who may want to put their kids through school in one place.

And of course, in most places, especially touristic resort towns or big cities, nobody cares or checks on how long you stay. We've met people with homes in two or three countries. Instead of long periods of travel, it becomes a matter of just a quick commute between the main home and the weekend place. Sometimes the homes can be as little as five minutes away -just across a border for instance. Paperwork shows you 'live abroad.' Let's say you use a car registered in "the other place". It is easy to create the illusion that you are "from somewhere else." Even the neighbours, if asked, would back up your story.

Even many non-PTs do this. With the low cost flights we just mentioned, it is now very common for middle class Brits, Dutch or Scandinavians to own properties in the south of France or Spain. They visit frequently at weekends all year round, and for longer periods at vacation times. Normally they will choose to be resident in the place that gives the most legal advantages. PTs know they can be non-resident everywhere.

*It's important to spend time in playgrounds that you enjoy. PTs know they can live anywhere they choose.* Adjust the business, tax and community involvement issues to fit your specific desires.

Talking of participating in communities, it is commonly heard in rural France, Italy and Spain that PT home owners from northern Europe are warmly welcomed. Why? Because they move into rural areas with energy and money, *revitalising communities* that were dying out due to rural depopulation. PTs patronize local stores, cafes and bakeries. We may put our kids in local village schools, thus allowing them to grow up bilingual. In rural France (and many other similar areas in the world) there are towns and whole islands (Sark and Alderney come to mind) that have no police, no tax collectors. The state really has just 'withered away.' Everybody knows each other. There is no crime. The local tavern owner may serve as mayor, judge and keeper of the peace.

## CROSS CONTINENT COMMUTING AND CROSS BORDER WORKERS

Some Americans work on Wall Street earning millions per year- but commute between their New York mid-week apartments and their Acapulco, Mexico homes. Being 'bi-coastal' is quite common in the USA today. It doesn't take much to internationalize that. A nice triangle with low travel mileage is New York, Montreal, and Bermuda. Come to work on Monday morning, sleep overnight less than 3 nights a week, and you (if you work it right) can be a non-resident of the USA, UK, or Canada - among other places. Some Italians do this with Monaco; Austrians with Liechtenstein; and Swiss with Campione.

## THE DISTRIBUTED PT COMMUNITY

Before we leave this subject, let's consider the way the world is heading. Communications have changed the nature of those 'groups' we feel attached to.

Traditionally, when we think of 'communities' and 'putting down roots' we think of physical, geographic locations. But that is simply not the case anymore.

As was pointed out in *The Sovereign Individual*, people feel more at home with those of similar backgrounds on the other side of the world, than with the people who happen to live in the house next door.

A professional investment banker living in a rural environment outside London probably has more in common with somebody of a similar status in Frankfurt, Germany, than he does with his farmer neighbors. It is logical that with the internet and mass travel, people who were previously separated by geography can now form online communities of their own. Our banker can participate in such groups, without being geographically connected.

Today's graduates from the world's top universities might have travelled halfway around the world to become students in their chosen institution. Then they will spread out again in different directions. The class of 2010 from Harvard Business School or INSEAD in France will have a stronger sense of community and camaraderie with each other than with most of their geographic neighbours.

PTs are a case in point. Having worked in the PT business for years, this author has made many lifelong PT friends. I am frequently introduced to new ones. There is a strong feeling of community spirit amongst us. We even get together for what we call 'PT Speakeasies.' As a reader of this book, you will be invited to join online forums - and if desired, you can and will be placed in communication with like minded individuals.

There is an old and important rule to remember if you ever meet a fellow PT: *'you should never ask a PT where he is coming from or going to. Like you, - he s just passing through'*. In other words, we respect each others' privacy and don't ask intrusive questions unless the other person volunteers information.

Where we come from or live physically is not important. PTs can and do develop long-lasting online friendships with each other which allow them to share experiences, stories, ideas, jokes, families, good times and bad times. The PT community can be much like a traditional community. And it's great to be able to chat relatively openly with somebody who understands and shares your ideas. That is something you can find online, but probably not in your geographic locale.

We might meet with you in an encrypted internet chat room. To an outsider this seems impersonal, but discussions are lively. If you join the PT community you will soon find you have invitations to stay as a houseguest in desirable cities and resorts around the world where other PTs hang out. As in the non-PT world, relationships are not always instant, and it may take a bit of effort to make friends. But as a PT you will have some entree to the group, just as athletes, yachtsmen, or members of most professions or groups share an immediate affinity for each other.

You might get together informally when a few PTs are passing through the same city at the same time. Sometimes, we even get together and make a special trip for a few days to some discreet and desirable location for an informal get together, with or without girlfriends and spouses.

For these get-togethers, the PT publisher of the *Freebooter* newsletter and website coined the term 'speakeasy,' - the name given originally to secret drinking parties that took place during the prohibition era in the USA.

Of course, there are some PTs who choose not to participate in any type of community activity and, for their own reasons, to stay far away from other PTs. PTs are a pretty diverse bunch. PT is about tolerance, liberty and the freedom to associate with anyone or do whatever you choose.

Bottom line? It can't be said that PTs need to feel displaced or uprooted. Becoming a PT is a decision taken freely. At any time we are free to give it up and go back to being a taxpayer and conventional Nine to Fiver. Nobody is forcing you or even trying to persuade you to be a PT. It is something you will do for yourself, if it appeals to you.

*If you become a PT, you will discover - and if you so choose, become part of- a vast network of like-minded individuals. We socialize and do business together, as well as sharing ideas and discoveries. Join us if you want to. Quit anytime if you want to.*

## Chapter 23

# PAPER PT - AN IMPORTANT CONCEPT

Is it possible to be a stationary PT, always living in one place, yet invisible to Big Brother? Yes!

Can you 'disappear' yet stay in the same house where you were born? Or can you continue to live in the property where you are currently registered?

Frankly, becoming invisible to all authorities and getting off Big Brother's computers will be difficult to do without any physical move. Of course you could try to be like Anne Frank, the girl who hid from the Nazis in a secret room in Amsterdam. Maybe you could pull it off with the assistance of friends in the house who would bring you food and say you had moved away. But that is doing it the hard way, and the risky way. After all, Big Brother Adolph and his Gestapo minions did eventually get poor Anne Frank. Thus, we go from theory to reality...

Generally, to disappear and break free from Big Brother and other inhibiting ties, the least one must do is change neighborhoods. If the authorities or anyone else should come by to check what happened to you because, say, you did not show up for Jury Duty, you should not still be around. When they pound on your door the person who answers should truthfully be able to say he thinks you moved to Zanzibar (or to repeat whatever cover story you told him). And that takes us to being a *Paper PT*.

Here's how to be a PT who becomes invisible *without* moving permanently to a foreign country.

## WHAT IS A PAPER PT?

A 'Paper PT' is simply someone who lives most or all of the time in one place, but he arranges the paperwork to give Big Brother the impression that he has left the jurisdiction and is no longer resident.

Being a paper PT is nothing new. Retired Belgian dentists and other professionals rent studio apartments in low tax Luxembourg. They register their cars there, move their bank accounts, then hang out at their old haunts in Belgium pretending to be tourists.

Germans prefer Campione a tax-free Italian enclave on Lake Lugano in Switzerland. A German news magazine once ran a story on how ten German millionaires were (at least on paper) living in a damp, smelly Campione basement. This caused both the German and the Campione authorities to clamp down. These days, maildrops and storage rooms are no longer good for residence purposes. *To be legal and safe, wherever you are in the world, it is best to have a proper, livable place as your official legal residence.*

What about the USA? A rather radical PT author says "The USA is so huge and in such flux that is easy to live underground for years." He claims, "If you want to disappear, it's not necessary to leave the country at all. Just join the 'underground economy' like the millions of illegal immigrants who live and work for years at a time in the US, and even manage regular home visits to Mexico. It is possible to stay off Big Brother's data bases and their tax rolls in the same way that 'undocumented aliens' do it."

The point of being a paper PT is to avoid the need for much travel. Why would you want to avoid travel? Presumably because you enjoy living in a particular place.

Perhaps there is something there that ties you down. Maybe friends, maybe elderly relatives, maybe your church... Whatever it is, you don't want to leave for any longer than is absolutely necessary. If this sounds like you, consider the Paper PT solution.

## ENTER ALPHONSE VAN KATTLE

Some years ago, Alphonse von Kattle wrote a very original book called *Paper PT*. Global Liberty Publishing's office can tell you where to download it, or send you an email copy free of charge (registered readers only of course!) Call the office or email [members@glpub.bz](mailto:members@glpub.bz)

'Alphonse' started with the original 5 PT flags idea. He then went on to explain *how he did it without ever leaving home*. In a nutshell, Al is an American who has spent time in Asia. He presents a detailed strategy on how, with maildrops, carefully planned border crossings, and the use of a cheap local 'fixer' in Asia, you could stay in small-town America (or even more easily in big cities) and have Big Brother believe you live in Asia.

Thus, as a Paper PT, you have all the advantages of being a PT without the need to travel. In any stateside encounter with Big Brother, you will be considered a non-resident tourist.

Although Al writes from personal experience, there's nothing to stop you applying the same theories to, let's say, living in England or Australia but pretending to be resident in Costa Rica or the Faroe Islands. On paper, your legal, official or 'fiscal' residence is where you live and meet your various obligations to the State.

## NEGATIVE ASPECTS OF PAPER PT

Eccentric Al loves tweaking the tails of American bureaucrats by writing long, rambling letters to them from his exotic 'offshore' home. They are legally obliged to reply. He gets a lot of good information that way, but information on his whereabouts is also entered on certain government databases. Being listed, identified and known to Big Brother is no problem for Al. In fact, it is part of his grand strategy. Al loves to be entered on government databases - the more the merrier.

Why? Because he feeds them only the information (or disinformation) that he wants to give them. He does this to create a record that the Big Brother guys will later rely upon to determine his status.

All in all, *Paper PT* really does have some great ideas in it. But in our opinion, there are several flaws. First, we believe it is illegal because of a fraudulent intent. The rest of this book, we hope, will show the reader how to do things legally. If all the true facts and your intentions were known, we want you to still be technically legal. The Paper PT concept relies on Big Brother 'buying' the idea that you are living out of the country when in fact you are not. Al says that he will never, never, never make any false statements. He says that Big Brother will always draw the incorrect conclusions if his game plan is followed. We say, "That may be true unless you slip up and get caught."

Al would have completely legal paperwork such as passport stamps in place to 'prove' what he claimed. That's fine, until the IRS talks to his next door neighbour and finds out that he hasn't been in Thailand for the last few years but has been living there on Main Street USA the whole time. Then he could be in deep doo-doo. Al disagrees with us and says his methods are foolproof. Anyway, actually departing for his ASEAN hideaway is his backstop position.

Getting the paperwork spot on, dotting all the i's and crossing all the t's Al says is vital here. We've long been advising people that if they are going to adopt this approach to being a PT, being ever watchful of what you do and how you do it must be paramount.

*Little things can easily trip you up.* For instance, things like ensuring that letter paper matches where it's supposed to have come from - it's no good sending a letter purporting to have come from the USA if it's written on A4 paper, the European standard size, or vice versa. Another thing is ensuring that the time clocks on your PC and fax machine match the time zone where you are supposed to be. Too many details to remember to carry out his rather complex deception plans. In our opinion, anyway.

We have nothing against Al and we wish this rare bird every success. We encourage our readers to check out his excellent book. Everyone can get at least a few good, useable ideas from it. For example, you could successfully combine aspects of the Paper PT theory with the idea of living between two or three homes in different countries. Every reader will have a different perspective on this. The more ideas and options open to you, the happier and more effective you will be.

We think the Paper PT theory could work but it also depends where you want to live. You would have to think very, very carefully through the risks of the worst case scenario. We say, "Make up your plan. Then run it by, and get advice from, an expert PT consultant." You can even discuss your plans with Al himself. You can track him down on the internet.

## THE PT MINDSET: "YOU DON'T KNOW UNTIL YOU GO"

Another difficulty with being a Paper PT is the mindset problem. This has nothing to do with what papers you have, or what nationality you are, or whether you have the ability to tell lies convincingly. There is an old, simple and very true proverb: "travel broadens the mind."

We believe you need some experience of being not just a tourist, but actually living in a different country for at least a few months before you can truly acquire the PT mindset. As one of our favourite correspondents is so fond of pointing out, "you don't know until you go."

Going back to Al, he lived and worked for years in Asia so he can tell a convincing story if asked to prove that he really lives there. He has become street-wise and learned a lot from experience. Al is familiar and at ease dealing with both US diplomats and third world bureaucrats.

Merely reading Paper PT could encourage some lazy chap who has never been outside the USA to claim Asian residence. Such a person who never walked the walk, and can't talk the talk probably wouldn't have enough experience and savvy to pull it off. He would be sure to end up in trouble. So, if you want to be a Paper PT, please at least get to know the place you claim to be living at first!

## PAPER PT-ING IN A THIRD COUNTRY

As we said above, the Paper PT plan would be risky for Americans using it in America. Brits using it in Britain etc are also just asking for trouble.

Using similar techniques to live in a third country is quite a different matter altogether. We would say that being a Paper PT in a third country is just following the Six Flags Theory... Paper PT is an interesting variant.

Take an example. Dave, a good friend of ours, is typical of thousands of expat Brits. He lives year round with his wife on the Costa del Sol on Spain's south coast. Dave jokes that as a PT he travels perpetually between his Spanish home and his local pub.

He's a cockney businessman who started in the property business with no capital at the age of 15. Eventually he sold out his properties in London for a few hundred thousand pounds at the right time when he was in his early fifties. Hiding his money in offshore banks, he bought into a resort in Spain's Malaga province. He's not really rich, but he's comfortably off. The income from his investments in discounted mortgage loans easily supports his lifestyle.

Dave loves the Costa del Sol for the climate, and because he can easily get by speaking English. He can socialize with lots of British pub friends. He can be found on the terrace of his his local cafe every morning enjoying a traditional bacon and egg breakfast with his favourite tabloid newspaper *The Sun*. This newspaper is now even printed in Spain daily due to the large community of guys like Dave!

He probably knows many more crooks than the average person would know. Yet he's always stayed pretty much on the right side of the law himself. He was only sued once when a drunk fell down the stairs in one of his rental properties. He settled out of court for a relatively modest sum. He's been with the same wife for over thirty years and doesn't have any divorce problems.

He left behind a few relatively small unpaid tax bills in the UK, but the Inland Revenue knows he really has left the country. They are not making a big fuss. It's just not worth their while because his first stop was a little tax haven country between France and Spain called Andorra. They don't have a tax authority and like Switzerland, won't enforce tax claims or most foreign judgments against their residents!

Thus Dave lives rather openly. He doesn't care who knows where he sleeps or drinks his pints.

Dave has three flags: the UK, Spain and Andorra. He was bright enough when he decided to leave the UK, to do some advance planning and research. He did not know much about anything 'foreign' and even less about Britain's tax laws. He had always paid his London-based accountant to handle his paperwork, but when the Inland Revenue were demanding well over a hundred thousand pounds on his property capital gains, he decided to retire abroad.

He was smart enough to know what he didn't know. He spent a few thousand pounds on getting good advice to escape from that one big tax liability. *An added bonus was escaping taxes for the rest of his life and estate tax after his death.* He bought a few tax avoidance and privacy books from the late lamented Scope Publishing and through them he hired a PT-oriented consultant.

That was how he heard about Andorra. A little country, more an accident of history than anything else, it's nestled in the Pyrenees mountains between France and Spain. Besides the scenery and the skiing, the best thing about Andorra is that it had and still has absolutely no income or corporation taxes.

When Dave explained that he planned on moving to Spain, one of the consultants gave him a warning that shocked him: The British Inland Revenue actually has a whole office building in Madrid. They operate there under a shroud of secrecy. The main purpose is to keep track of (and go after) British tax evaders in Spain, of whom there are thousands.

For a long time, British tax dodgers were safe in Spain. But with new extradition treaties and the speed of European integration, who knows? For this reason, the consultant recommended Andorra as his official residence. Andorra is not a member of the European Union.

One of these consultants gave him another very simple but important bit of advice: *"Don't talk to your accountant at home about this."* Accountants in the UK, like in most other countries, are legally obliged to squeal on clients doing naughty things. If they don't, they can go to jail themselves. And unlike lawyers, accountants never could claim 'lawyer-client privilege.' In the USA and Britain, Big Brother has put professionals in the position where they have to decide between turning in a long-time loyal client, or risking criminal penalties themselves.

Had Dave told his local accountants of his plan to leave the jurisdiction, they would have been obliged to tell the authorities, and Dave would probably have been arrested and prevented from leaving. So Dave opened an account abroad, wire transferred his money, and said *Bye Bye Big Brother*.

Flying out from London on a Friday afternoon to Barcelona, he rented a car and drove up into the mountains, reaching Andorra that evening. Saturday he met a couple of real estate people he had been referred to in advance. Saturday night he went drinking in Andorra's expat hangout where he discreetly engaged a few local expats in conversation and confirmed the unwritten rules of how things are done there.

Monday morning one of the real estate guys took him to a local bank which opened a multi-currency account for him with an opening deposit often euros. The local contact informed him that, although the banks certainly won't admit it publicly, *with a suitable referral it is still possible to open secret, numbered accounts in Andorra*. Some weeks later, Dave opened one of those accounts, and wired a substantial sum from his UK bank to Andorra ...

The same morning, he finalised the contract for his maildrop. The Andorran authorities don't permit overt maildrops. Mail Boxes Etc opened there once and was forced to close after just a few months. But the unwritten rule there is you can 'borrow' an address if you don't abuse it. There are a few discreet businesses that offer this service for perhaps 2000 euros per year. Even the banks themselves offer private mailboxes for their wealthier clients, who can then use the bank's street address. Mail is sorted into mail vaults accessible only to clients.

That same Monday evening he was back home in London. He's been back to Andorra a few times since, but he rarely bothers to go there as his mail is forwarded for collection at Citibox in the lovely Spanish tourist town of Marbella. That's the Spanish branch of a British-owned mail drop outfit he had used previously in London.



Over the course of the next few months Dave continued his departure preparations. Once his money had been sent on ahead of him, Dave simply told his London accountant he was moving to Andorra. He had to explain where it was. His accountant then prepared a letter to the Inland Revenue to that effect, which Dave signed and mailed. Once a Brit leaves British soil, he is no longer liable for British income taxes (on non-British income).

Shortly afterwards, all the back-tax demands he had been receiving at home in London started to be sent to his Andorran address instead. However, they were only computer-printed demands, looking much like bank statements. (The debit interest and penalties that mounted up on each statement was a lot more than banks charges, however)

Dave continued to receive the tax statements in this manner for a while after his move to Spain. Eventually he made arrangements with the Andorran maildrop that they would simply destroy any Inland Revenue correspondence, forwarding his other mail. They did not charge any extra fee for this service - indeed, we are sure it gave them a lot of pleasure. Andorrans, being fiercely independent mountain people, have a strong dislike of taxes and tax collectors. Then, after a year letters threatening all kinds of unpleasant consequences for non-payment miraculously dried up, because the Inland Revenue does not have any enforcement office in Andorra. For the time being there is nothing they can do there by way of collecting from tax-deadbeats like Dave. The same would be true on most non-tax debts owed to British outfits. They would have to be written of as non-collectible.

What about the Andorran authorities? Well, to them, Dave has never been anything more than a tourist. They don't keep any records of entries and exits of tourists. It's unlikely the Brits will ever check, but if they do, they would easily find out that Dave does not have an Andorran residence permit. But that still doesn't prove much to them. All that really matters to the Inland Revenue is that Dave is not in the UK.

How about the Spanish authorities? To them, Dave is just another tourist. He rents a furnished apartment and still drives a right-hand-drive car with British plates. He blends in just fine down there. If anyone asks, he just says he lives at 2 Old Brompton Road in London - the branch of Citibox from where he has his little remaining UK mail forwarded to Andorra and then on to Marbella.

A special Spanish S.L. corporation owns the property he 'rents' there. This company is discreetly owned by some straw men from Gibraltar. That is also nothing out of the ordinary. They pay his local property taxes each year, and that is that.

What do we think of this? Well, in principle, it's great - and it works for Dave. *However, this was a 'good old days' PT lifestyle and controls are getting tighter now.*

There are a few things we would do differently. For example, Dave still keeps his assets in Andorra. Maybe not so smart. There is no immediate risk, and he can make use of some very discreet, stable, world-class banks there. Because he sent all his money there by wire in one lump sum, it looks to the British authorities very much as if he really went there.

But in our view he would still be well advised to move his money from its original destination in Andorra and open another account far away in another banking haven. He could access his cash with a plastic ATM card and also earn some tax-free interest on his money. Also, most banks will gladly manage money by placing it into stocks, bonds, hedge funds or investment trusts. Another possibility is buying real estate rental property.

Most European countries would demand to see Dave's Andorran residence permit before taking him off the local tax rolls and acknowledging his move. It's a problem that can be solved with a little extra effort. At the moment, though, for Brits, Americans, Aussies and others, a physical move and foreign mail drop works just fine. They just want people to prove they have left.

Playgrounds? Dave doesn't want another one. Data Havens? Dave doesn't know how to turn on a computer. He can't type. Business havens? Doesn't need one, he's retired. Passports? For the moment Dave is quite happy to keep his British one. He never uses it any more anyway.

The UK has *not yet* started to refuse to renew passports for tax problems, as the USA does. If and when they do, he will then find another solution. Spain for instance, after a bit of red-tape, offers a legal residence card (good for travel to most places in Europe) to anyone who can prove a long term physical presence and can speak a bit of Spanish. They also will give the Daves of the world a Spanish passport after a while. But then he might have to start paying Spanish taxes. Dave's not really one to worry. He has known ups and downs before. His 'ace in the hole' is to try to settle his tax liability at a big discount once they give up on him.

Dave is using a variant of the Paper PT strategy, but in a different way than Al suggests in his book.

*Dave is not using the Paper PT idea to live tax-free in a country where he is already known or used to be a taxpayer. That is a key difference.*

If he came to official Spanish attention somehow, he would be classed as a tourist in Spain. Even if it were known that he stays there permanently - more than the permitted six months per year to be tax free - he doesn't file any tax returns nor try to vote in EU elections. Thus he is on no official register.

And even if he were, Dave (in our opinion) will never be bothered by any tax collectors from Spain. Why? Because he has no serious assets there. He doesn't own property, he doesn't have a Spanish registered car, nor have any serious bank accounts. The Spanish Hacienda (as the Revenue Service is known there) can't be bothered to seize and sell his pots, pans and crockery. *Foreign pensioners who do not seem to be of high net worth will be left alone by the local versions of Big Brother in most countries.*

Like all PTs, Dave, in the back of his mind, has an exit strategy. If the government of the place where he lives gives him a hard time over anything at all, he will take his already packed suitcase and his wife, load up the car and perhaps a rented trailer, and simply drive for a few hours. He will stop at a nice coastal town with a good English Pub in Portugal, France, Italy, Croatia, or even Turkey. There he will rent a similar modest house or apartment, and live happily ever after, until and unless he is given another hassle. But by appearing to be a small fish, the odds are very good that Dave will be left alone.



## Chapter 24

# EMOTIONAL ATTACHMENTS TO YOUR POSSESSIONS MAY CONFLICT WITH BEING A PERFECT PT

(But don't worry, nobody's perfect!)

*"If you can sleep on it, in it, or with it - rent it, don't buy it"*

*PT, 1996*

Most of us want to enjoy some material pleasures. We have all heard the saying, "There is no point in having wealth if you are not going to enjoy it." It is not for me (Grandpa, your narrator here!), or anyone else to tell you what to spend your money on. There are, however, some PT guidelines on this subject.

Do you place any value on the security that comes with having three years' worth of liquid assets (living money) stashed away for a rainy day? Whatever unexpected events or emergencies may come up, in my opinion, you should be prepared.

A mistake to avoid is blowing your money on expensive possessions that tie you down. Collecting toys (i.e. non portable status symbols) and consumer goods should not be the dominant factor in your life. Nor should things you own become an impediment to a mobile, international lifestyle.

If you feel the need for houses and cars, that's fine. Owning replaceable things, including homes and a car or two, can fill emotional needs. Yet the PT needs to be ready to move on if necessary, and to let go of physical possessions.

It's also common sense that spending less on expensive, depreciating things leads to greater accumulation of real wealth.

## WHY SHOULD YOU BE RICH?

Some people want to accumulate wealth to impress other people. But for me, the reason for accumulating wealth is freedom (not to work for others) and security. I know better than to flaunt it. Now that I am older and wiser, the feeling of security I get from having good investments (yielding spendable cash) is worth more to me than memories of costly parties or a lot of now out of fashion, worthless designer clothes, shoes or handbags. Yachts, airplanes and condo-apartments are not investments, they are high-maintenance things that cost you money to own. Of course if you buy to lease out such things at a profit, that's OK.

A PT does not rely upon any Big Brother government to support him in ill health or old age. Thus it is important to accumulate reserves to take care of yourself.

I have never felt deprived by having mostly portable personal items (office equipment for example). My stuff is either portable (like a laptop computer) or it is readily saleable and replaceable, anywhere in the world.

Once you become emotionally attached to 'things' like a collection of you name it - animals or antique cannons, for example - they will control your life. Having your freedom of movement curtailed by your possessions may be just as limiting as having your life hemmed in by bureaucrats!

If you want to collect, fine. A PT should collect numismatic coins, rare postage stamps or diamonds - not large heavy things.

Expensive, non-portable material possessions are not good for most PTs. Looking back over my life, spending my money on good food, lively women, and beautiful rented homes has brought me far more pleasure than owning status symbols. My serious assets were always deployed in money making deals.

## THE TOOLS OF YOUR TRADE

Some people have professional skills that require tools or equipment in order to practice their trade. Most independent medical specialists and dentists, furniture makers and potters all need bulky, heavy tools or equipment which cannot easily be carried along on their travels.

Does that mean they cannot be PTs? Unfortunately it usually does. If you want a portable trade, the tools of that trade must either be portable, or easily rented at your destination. Yes, it is possible for someone who is an expert in a trade or profession that involves heavy equipment to get a foreign job. However, working for an employer in that sort of job (running a steel mill for instance) usually involves a degree of commitment (and a giving up of freedom) that would not be characteristic of a PT.

Generally speaking it is nearly impossible to be a PT if your trade or profession requires either a local license to practice, or if it involves using non-portable equipment.

Exception: we know a man who drifted into a portable trade by becoming an international sales representative for hospital equipment. He travels to hospitals all over the world, demonstrates the equipment, and earns big commissions. He also works online or travels to consult with local physicians who are already using this equipment.

You can be a PT selling tanks, Boeing 747s, or ocean-going yachts. They are big and heavy, but you can travel light.

We will discuss in later chapters how you can create your own portable trade or profession. But of course, if you have sufficient financial assets to live on, being an 'investor' is just about the best portable trade there is.

Nothing is more portable than liquid assets: Cash deposits or securities can be acquired, sold or converted to local money anywhere, anytime. A good PT regards his money as a tool for security and survival - not as something to blow on booze, gambling, possessions, toys, or consumer goods.

## Chapter 25

# ESSENTIAL PT READING: TWO NOVELS

Ayn Rand was probably one of the most important authors and philosophers of the twentieth century. A great number of the original PT theories and morality were inspired by her work. Her most famous and influential novel was *Atlas Shrugged*. We dedicate this chapter to Ayn Rand and her successor, the anonymous author of *A Lodging of Wayfaring Men*.

Ayn Rand observed that governments make many innocent people suffer whenever they introduce most new laws and regulations. They know that in our modern world, due to an over-abundance of conflicting laws, anyone who achieves success *must* become a lawbreaker along the way. Under this arrangement, Big Brother can prosecute and jail anyone at any time.

The fact that most of the laws broken today involve victimless crimes does not mitigate the severe consequences of a criminal conviction. Just as George Orwell demonstrated Big Brother's need to invent an enemy, Ayn Rand clearly showed that transforming an entire population into criminals benefits the government.

As a Russian expatriate who fled to the United States from Soviet Russia in the 1920s, Ayn Rand's success is based largely on the public acclaim she received for her novels. Her outlook on life was unique.

In her view, life belongs exclusively to the individual. Individuals (in her view) should be free to do whatever they please, as long as the rights of others are not transgressed.

## ATLAS SHRUGGED

In 1957, Rand published her outstanding novel *Atlas Shrugged* (highly recommended to all PTs - and available from Laissez-Faire Books in hard copy or as a free download on the net). In this novel, Rand explained exactly how things work in the real world and the dangers that await us if we just go with the flow. More terrifying still is the realization that much of the Big Brother controlled society that Rand predicted has already taken shape in almost every Western country!

Set in the USA (not mentioning any specific year), the backdrop for *Atlas Shrugged* is the steel industry and the people who make it work. The heroes, according to Rand, are not unionized workers who alternate between whining for shorter hours and demanding more pay for less work - but are rather a few, rare capitalists, without whose constant quest for efficiency and profit the world economy would dry up.

In her story, a number of senseless laws are passed by government. All are ostensibly for the common good. Competition is restricted by law, lest old and inefficient companies with bloated payrolls lose ground to new, ambitious upstarts. Socialistic plans are introduced to spread profits around, lest a few attain 'excessive' riches.

Against this backdrop, an entrepreneur named Hank Rearden invents 'Rearden Metal'. It is stronger and lighter than steel.

Suspicious at first of this new product, the world soon realizes that the new product holds supreme advantages over steel. It will revolutionize every sector of the industry.

As a result, the government passes laws to protect the old steel industry. To make sure that Rearden does not discriminate against those customers who initially refused to buy his product, he is forced to put a quota-system into operation that ensures everyone will enjoy a state-guaranteed right to buy a 'fair share' of Rearden's output.

Even so, Rearden profits mightily due to his years of research and hard work backed up by strong patents. Soon rival mills, unable to compete against him with ordinary old-fashioned steel, are driven to the brink of bankruptcy.

Making no excuses for his success, Rearden is then blackmailed by the government into giving up his patent rights so that 'all' his competitors may share equally in the benefits of his invention. The best thing in the novel is a verbal exchange between Rearden and Ferris, the emissary of Big Brother who visits Rearden to announce the government's ultimatum:

"You honest men are such a headache, but we knew you'd slip up sooner or later. This is just what we wanted."

"You seem to be pleased about it," answered Rearden.

"Don't I have good reason to be?"

"But, after all, I did break one of your laws."

"Well, what do you think they're there for?"

Dr Ferris did not notice the sudden look on Rearden's face, the look of a man hit by the first vision of that which he had sought to see. Dr Ferris was past the stage of seeing; he was intent upon delivering the last blows to an animal caught in a trap.

"Did you really think that we want those laws to be observed?" said Dr. Ferris. "We want them broken. You'd better get it straight that it's not a bunch of Boy Scouts you're up against."

"We're after power and we mean it. You fellows were pikers, but we know the real trick, and you'd better get wise to it. There's no way to rule innocent men. The only power any government has is the power to crack down on criminals. Well, when there aren't enough criminals, one makes them. One declares so many things to be a crime that it becomes impossible for men to live without breaking laws. Who wants a nation of law abiding citizens? What's there in that for anyone? But just pass the kind of laws that can neither be observed nor enforced nor objectively interpreted. You create a nation of law-breakers. Then you cash in on guilt. Now that's the system, Mr. Rearden, that's the game, and once you understand it, you'll be much easier to deal with."

*"Whew! The story of our life!" say most PTs.*

Translate this to modern-day politics and you quickly see that the earlier so-called 'war on drugs' and now the 'war on terrorism' are, in fact, nothing but an elaborate Big Brother plot to make it legal for the state to make anyone a criminal. A multitude of legislation introduced creates a situation where prosecutors can select and convict almost anyone of some crime. The 'war' gives government

almost unlimited options to seize the property of anyone they target, or to put anyone into cold storage.

If nothing else, *Atlas Shrugged* will open your eyes to what happened in both Europe and the USA under socialism during the latter part of the twentieth century. Politicians, scheming intellectuals and over-ambitious bureaucrats have been given absolute control over our lives.

At least, that's what Ayn Rand had to say in what is, arguably, the most prophetic book of the twentieth century.

## A SIMILAR NOVEL FOR THE MODERN ERA

A new book, released in 2003 by an anonymous writer, has drawn rave reviews comparing its author's talents to those of the late Ayn Rand.

*A Lodging of Wayfaring Men* is a free-market, PT-oriented philosophical novel for the twenty-first century. In the story, a group of diverse characters sharing the same PT ideals set up a free-market, unregulated trading system based on the internet. It is something like the distributed file-sharing systems commonly used for downloading music today. Around the same time, a brilliant professor escapes in the dead of night to carry on his work in secret. He is under pressure from Big Brother to discontinue his research, but instead he becomes a PT and goes underground.

The government soon becomes aware of this international 'conspiracy' to undermine tax revenues. Suspense builds as top FBI bureaucrats become involved and begin to hunt down the users of this new free-market system. All the while, the users are distributing their computing power across the world.

The characters live an exciting 'Invisible PT' lifestyle, bringing up their kids under alternative identities in cities such as Amsterdam and Venice, Prague and Budapest. Who will win? Big Brother or the free marketeers?

The reader is also treated to a fascinating glimpse of how low-level bureaucrats, starting out with good intentions, are corrupted by power. The leading character has problems with his wife because he is a non-conformist. Finally, the book also addresses the issue of Christianity and Judaism and their compatibility with Libertarianism in an easy-to-follow way.

Anyone who appreciates Ayn Rand's writings should love *A Lodging of Wayfaring Men*. It's a fast-moving, easy to read novel. You won't be able to put it down. It is also a great gift for friends whom you might want to introduce to these ideas for the first time.

How can you acquire a copy? Because it is an underground publication it is not too easy to get a hold of! It can be purchased in hard copy for \$35 from us, Global Liberty Publishing. Registered readers can receive a copy of the electronic version, free of charge in pdf format, on email request to [members@glpub.bz](mailto:members@glpub.bz)



BBBB - How to Get Your Money Out of Your Country, Before Your Country Gets Your Money Out of You

## Chapter 26

# ALL WE LIKE SHEEP HAVE GONE ASTRAY

(The Holy Bible, Book of Isaiah, 53:6)

*"Make yourself sheep and the wolves will eat you. "*

*Benjamin Franklin*

Are PTs 'Positive Thinkers' or 'Paranoid Together?'

Most PTs that your authors have met are very positive people. We all saw the writing on the wall. We took the steps needed to preserve our assets and our personal freedom of movement. Big Brother is confiscating private property right and left. They are pushing the envelope of what is criminal conduct, throwing productive people in jail for newly created offences like the victimless crimes of 'money laundering' or 'obstruction of justice.' We did not bend over and let Big Brother have his way with us. We became PTs.

*Like us, you can also opt out!* You can pick up your chips and move them to another country. Or you can simply prepare mentally and do the paperwork to make the move - if you have to. Your next home base or combinations of the Six Flags will surely be better than the strong possibility of being victimized by Big Brother in your original home country.

Unfortunately, most people (even very rich and successful people) mistakenly believe that they have no options but to fight Big Brother in a court system rigged against them. After reading this book you, hopefully, will not make the same mistake!

## LIFE ACCORDING TO THE PT THEORY

Most taxation and victimless crime regulation is nothing more than the misappropriation of talented and productive people's time and money. It is theft from the self-sufficient for the benefit of others 'less fortunate.' 'Less fortunate' usually means those who made less effort and sacrifice to get to the place where you are.

A few involuntary contributions may be an acceptable proper price to pay for some community services and some redistribution of wealth. But we think things have gone too far. Unfortunately, the pendulum has swung towards clearly excessive government control and arbitrary confiscations. We told specific stories elsewhere in this book.

Big Brother tells us how we can spend our time and how much we can keep of our private wealth. If we don't like it, they take our money and throw us in jail. Encouraging our pursuit of life, liberty, property and happiness is not what Big Brother has in mind. No, we are sheep and Big Brother is there just to shear us and convert us into *shish-ka-babs*.

Politicians located at the seat of government, hundreds or even thousands of miles away from where we may live, too often lose touch with the needs of their most important citizens - the original thinkers, the producers of wealth, the effective organizers of resources. We are the PTs.

Immense waste and misdirection of productivity has been the inevitable result. Productivity always declines when governments move towards greater ownership or burdensome controls over private assets or property.

*The main products of all governments are egotistical politicians and power grabbing bureaucrats who waste space, exude inefficiency, dispense red tape and disrupt natural laws of supply and demand.*

## NO MORE WARS FOR US

PTs understand that most wars are not in the best interests of those who are sent out to be killed or maimed. Unlike Caesar who said *Vini, Vidi, Vinci* (I came, I saw I conquered) PTs say: *Vini, Vidi, Vai* (I came, I saw, I ran away).

We PTs also understand the obvious. Wars destroy capital and redistribute what's left over to a politically favored few. High taxes and repression are justified by real wars and also by imaginary wars against such human nature such as poverty, drugs and immorality. Military actions are all too often choreographed by politicians, only to give them more power or divert concern away from their many failings. Power for the sake of power seems to be a common motivation. Wars historically have been the best way to eliminate domestic opposition.

After all, when a war is on, be it a war on drugs or a war on terrorism, Big Brother insists that everybody 'must' get behind the common cause. Those who protest or don't join the parade can be in for a very rough time. 'Leaders' often start wars for the sake of gaining more power. The people love and re-elect a victorious warrior leader. But a good PT turns on, tunes in and then silently drops out.

For PTs, being in a country waging constant wars (against anything or anyone) is dangerous. Big Brother was originally conceptualized in Orwell's 1950's novel *1984*. The plot was set in a world of nations at constant war. Has it come to your country? *Big Brother is Watching You* was the national slogan in the novel *1984*. Has it worked out that way? What do you think?

Did we get 'peace' and greater freedom when the cold war ended? What do you think? Would you rather fight or flee? Better red than dead?

## BACK TO THE REAL WORLD OF TODAY

What government officials might consider the harmless eccentricity of the Libertarian Lunatic Fringe during times of peace, can easily be regarded as dangerous unpatriotic activity - or even Probably Treason - during war time. Thus, the PT must have his paperwork and avenues of physical escape open long in advance of war measures that affect him. *This involves more than just thinking about it!*

Second passports and a safe haven must be established before a crisis. This will take physical visits - advance transfer of assets, setting up an offshore business enterprise or two, and acquiring all the necessary visas and travel documents. A PT has a packed trunk and is ready to escape quickly. He can leave a danger spot at a moment's notice. If one is prepared, PT style, for war and the worst

imaginable catastrophes, then preparation for lesser problems, such as divorces, ruinous lawsuits or wrongful criminal charges, is automatically achieved. The following volumes of this book will enable you to Prepare Thoroughly using advanced Privacy Tactics.

## PTs SHARE THE IDEALS OF THE LIBERTARIAN POLITICAL PARTIES

*PTs, like Libertarians, realize that the best government is minimum government.* Perhaps 99 per cent of all legislators and government employees could be fired and forced to seek more useful work. The quality of life for the rest would be greatly improved. A world of local, self governing autonomous communities, relatively free of taxation, government regulation and controls, is the best of all possible worlds. Roads, schools, fire departments, bridges, utilities, postal services, communications, libraries, parks, transport, health care, banks and insurance should all be privatized. Users and only users should pay for services.

The only function of government should be the protection of individual freedom and promotion of laissez faire economics.

The only coercive function of organized society should be the suppression of violence and fraud.

There should be no such thing as a class of professional politicians whose main purpose in life is to be re elected. How about a one term limit on every political office? The present system in most countries encourages grandstanding and pandering to the lowest common denominator. Redistributing the wealth of the productive to the non contributing members of society has been a worldwide disaster. Perhaps there should be a property qualification for holding office and voting. Politicians should serve only one *unpaid* term in any office and then be obliged to go back to earning an honest living.

Sadly, we also know that a Libertarian world and the sweeping social changes needed to bring it about are unlikely in any foreseeable future period. The zenith of maximum individual freedom in history has come and gone in Europe and in the USA. Perhaps it ended with the closing of the American frontier. Freedom peaked in both Europe and the USA from 1870 through 1914. These golden years were also a time that experienced maximum improvement in living standards, economic growth, and creativity in art. It was a time of new ideas and inventiveness.

Today, one cannot become a pioneer and go to the Wild West to escape government. The Pioneer of Today is a PT. Like the pioneers of yesteryear, we must keep on our toes and be ready to move on when government coercion begins to chafe. Libertarians may be able to slow down Big Brother a bit. But as a practical matter, our opinion is that a packed suitcase is more sensible approach than writing clever Libertarian letters to the editor. Possible problems must be thought about and prepared for years in advance if they are to be dealt with successfully. Today, *the Pioneer Traveler must be a human multinational* with the documentation and protective coloration needed to disappear without trace and resurface and prosper in a different safe haven.

## AVOIDING THE SHEEP MENTALITY

Do you truly want to become a complete PT? If so, then reading this first volume of *Bye Bye Big Brother* has been just the start of your lifelong individual quest for personal freedom. Getting there is not half the fun. It is all the fun!

And, of course, there is no 'there'. PT is just a direction to follow, a perpetual journey -just like life itself. A person who studies languages, history, fine art or classical music creates for himself new options, new worlds of understanding and pleasure. As a PT, wonderful experiences will open up for you. The PT will not wait long to discover new experiences and opportunities never before even conceived of. Just traveling the PT Road in itself, is like reading a *National Geographic Magazine* full of wonderful new people, places and ideas.

Not having the burden of Big Brother Watching You allows you to have glorious productive experiences rather than endless meetings with tax accountants and lawyers!

This book will mainly reach the already converted. Feel free to recommend or lend it to worthy PT candidates. *But if you want us to survive and write other books, please don't just copy it or pirate our work.* That would not be the PT way.

We do need to recoup our substantial investment of time and money. If you want to give a truly invaluable gift of copies to your friends, we have very good deals for cases of a dozen copies of the complete boxed set. Want to buy in quantity and resell our books and services at a nice profit? Contact the publisher: [members@glpub.bz](mailto:members@glpub.bz) Our target audience is people of originality, affluence and intelligence: PTs and potential PTs. You can help them and help yourself too by going into partnership or joint venture deals with us.

PTs and potential PTs already have a far higher degree of awareness than the general population. Those who actually buy and read this report, and certainly those who get this far into it, are already galaxies ahead of the masses who are pre conditioned to accept as fact whatever they are told. The unwashed multitudes are, in fact, sheep.

We are, unfortunately, usually born into an environment of sheep. Before any of us discovered how to think for ourselves, we were brought up in this world of sheep. We were educated by sheep and fed a daily sheep's diet of sheep television, sheep newspapers, sheep movies and so on. It is unavoidable therefore, that a lot of 'sheep think' has rubbed off on us. When we think in a sheep like way, we lack a much needed questioning attitude and receptivity to new ideas and concepts. Getting out of a flock of sheep isn't easy!

Finding non sheep to communicate with is quite a task. Do you question authority? How many non-conformist literary works constructed by original thinkers have you been exposed to since college? Do you have many friends who might be PTs? If you know people who think like the authors of this book (not sheep), you are quite lucky - and very unusual. We, all of us, still automatically and unconsciously accept a lot of garbage, government coercion and peer group pressure that we should start questioning. *Do you really have to put up with all the limitations, restrictions and opportunity costs imposed on you?*

PT is all about freedom and self liberation. The general population always will accept conditions of involuntary servitude or, more bluntly, slavery. Most people are nine to five workers at jobs they hate. They are locked in - up to their eyeballs in debt. Some have spouses they would gladly leave

behind. If they get into trouble, what do they do? Most people everywhere accept authority. They will spend a fortune on lawyers dutifully to fight a hopeless case, and in the end check themselves into a jail. They would go willingly to their own execution because 'that's the way things are.' It is not however the way things have to be. You can break free. This book and our ideas will give you hope, and a practical, workable approach to changing your life.

There are not a heck of a lot of 'Jonathan Livingston Seagulls' out there in the world. Independent individual thinkers are rare birds - and we can and should help each other!

Do not be selfish. Don't try to keep any information that you discover nor new wrinkles on this dynamic philosophy all to yourself. Share it with fellow PTs and those you love. The world needs fewer sheep. You will be safer if we can transform some sheep into Positive Thinkers. Your life and your Treasure (as in Protect Treasure) is at risk in a Big Brother world. PT is the Perfect Thing: Your passport to a new life.

## BECOMING A PT IS NOT A STATIC THING

Becoming a PT is not a static thing that you can do once and then, like obtaining a diploma, just hang it on the wall. PT is a state of being, a way of thinking. It is far more than a mere occupation or even a lifestyle. The variations and possibilities are infinite.

One thing that all PTs have in common is real freedom in an unfree world. Are you going to let yourself be dominated by "those in authority" or others (like peers or relatives) who think that only they know best how you should live, love, think? How you should spend your time and money? This is a do it yourself project for PTs.

The PT doesn't just grumble, protest or make a fuss on the way to army induction centers. He won't quibble or co-operate with government auditors and tax collectors or submit to hanging judges. He won't even play the game. *At the first whiff of any unwanted government coercion, he is on the other side of the Earth.* His first rule is to be able to fly like a rocket and be able to disappear in a shower of sparks.

No government should even know he exists, or at least no one should know where to find him. The PT is alone and successful against a coercive, all powerful state: Successful not by confronting and contesting its power, but by becoming invisible to it. *The PT's main weapon is good, reliable information.* The information is here in this book. If it isn't here, we try to educate you enough to find answers. Answers that will work for you. This may involve internet searches or personal tutorials from people who have been there, done that.

Big Brother governments are making too many decisions that should be ours alone. It is dangerous for an individual to confront Big Brother directly, but you can quietly drift away from involuntary servitude.

**PTs do not need to demonstrate, march, parade, unite, revolt or make speeches to save the world. By merely dropping out of government computers, moving our assets out of their greedy grasp and placing ourselves well outside of their jurisdiction and control, we put limits on Big Brother. How intrusive and abusive can governments be when the whipping boy is not around to be whipped?**

By living as PTs, we are participating in and creating a better, happier world order. We are people who respect and promote individual freedom, the sanctity of private property, equality, opportunity, social justice, unlimited prosperity and vibrant good health. Bringing freedom and happiness to everyone in the world starts with Number One, **YOU!** With the PT techniques outlined in this book, you can personally, without leading any revolutions, quickly raise your own personal and financial freedom to optimum levels. And every penny you avoid paying to government is a penny less they have to spend on destructive projects. It's a win-win situation for everybody except Big Brother!

## A WARM WELCOME TO THE WORLD OF PT

By now, you can consider yourself a PT - or well on the way to becoming one. That's great! PT begins as a *state of mind*. You become who and what you think you are. Before you started, you probably considered yourself an individualist, entrepreneur, libertarian and freedom seeker. Now, you are about to put down Volume One of this how to do it manual. Are you going to start moving towards new goals? Choosing goals and moving towards them is what life is all about. Thus, formulating your own personal philosophy and a workable life plan becomes the most important factor. *What your mind can conceive, you can achieve.*

This first part of this book which you have just read was designed to present the basic PT philosophy: The PT Theory. In the next volume we cover specific details of PT - putting the ideas into practice. In the third volume, we cover, among other things, the intriguing world of second passports. Future volumes will cover even more essential PT subjects.

Are you now ready to pursue a new life of Liberty, Freedom and Happiness? You already have the unique PT perspective. Once you have read and digested the basics in the following volumes, *use the resource list, for more material. Contact us by e-mail if you have further questions.* The writers and publishers are PTs themselves. We walk the walk. We are always happy to help new 'converts' to the PT philosophy.

Consult the Resource List for more information on goods and services that may be useful for PTs. Send for catalogue. Use their products and services. Check their websites. Please let us know if something is especially good or bad. That way we can update our recommendations accordingly. If you think you were ripped off, our clout in the PT community may be able to get you satisfaction or a refund you couldn't get all by yourself. No guarantees, but we will try to assist.

## WORK WITH GRANDPA AND THE GLOBAL LIBERTY TEAM

I (Grandpa) hope that with your help, comments and contributions, the PT world will be a GREAT place for you. As to your future place in the world at large, we cannot in good faith tell our readers to think only of themselves and let the rest of the world go to blazes. Unpleasant as politics may be, we advise you to stay peripherally involved to preserve and expand those freedoms still existing.

The good news is that our gringo PT friends and others of similar mentality raised a ruckus with letters to the editor, telegrams, e-mails and perhaps discreet contacts and donations to American legislators. As a result the worst aspects of Patriot Act II were buried. Freedom is not free. We all must stay aware and do our part lest the PT option may be severely limited. The Soviet Union permitted no travel by its ordinary citizens. The USA could move in that direction (of a legal Wall

to keep people in) if too many of the intelligent and wealthier people head for the exits.

As surprising as it may be for readers who fail to understand the PT philosophy, we are not at all selfish. We advocate taking responsibility for our own actions. If, for instance, we bring children into the world, we should try to support and educate them - even when a court awards custody, control and most of your money to an unworthy, incompetent spouse. This may involve waiting patiently, and biting the bullet until they are old enough to make a choice and choose you as the custodial parent.

PT parents tend to be very popular with kids. If we make mistakes that cost other people money or time, we should do our best to do right.

**We welcome a proliferation of honest PT merchants, consultants and publishing competitors! Harry Schultz, Harry Brown, Doug Casey, W.G. Hill and others of the 'older generation' invented the PT concept. We have expanded upon it. Now we join those who have gone before in declaring our newly colorized and updated version of the term PT as public domain. *No one shall bury it as a registered trademark. We hereby give our version of PT to the world. Not the whole book of course. Just the Six Flags of the PT Philosophy are our gift, and may be excerpted and quoted. It would be nice if you said you got the material from Bye Bye Big Brother.***

If you would like to work in the PT service business, feel free to use the Global Liberty Publishing offices as a central clearing house. If you can offer your expertise as a consultant, we would especially like to hear from you as we have many readers who seek a helping hand to get started. By becoming a PT consultant, you can help people and achieve a good income in the process!

All big governments and bureau-rats are against the PT concept. But don't let Big Brother scare you. Once you are out of his physical jurisdiction, you are free. When people, as individuals, learn from this book how they can be free, free at last, some of them will seize the opportunity. The force of this good idea will bloom like a million flowers. Hopefully it will put limits on coercive governments all over the world. Good ideas have consequences in the real world. PT will give many people a new capacity for thinking independently. They will cease to be sheep.

Big Brother isn't the shepherd who'll protect you and lead you into green pastures. What does a Big Brother Shepherd want from his sheep? Think! Don't be a sheep, or you will be sheared and transformed into dead meat!

During the cold war, a socialist in Britain wrote about what he considered the inevitable future: "Better Red than Dead," he said.

At the time, this old writer transferred his lolly abroad and took off for the tax haven of San Marino. From there I wrote the friends I left behind in England:

**Not Red  
Not Dead  
I Fled**

Today you can say *Bye Bye Big Brother* in so many ways! Please share your way and your experiences on our members only website. All registered book buyers are automatic members, of course.

Enjoy Volumes II and III!

Grandpa

[www.byebyebigbrother.com](http://www.byebyebigbrother.com)