



AMERICA'S REAL-WORLD PROBLEMS

The United States of America is the "Roman Empire" of the third millennium and not much has changed! The same story has been repeated through the centuries. It was not that long ago that Great Britain,

a relatively small country, ruled the world. And now we have climbed to Superpower status in a short 200 years. In many ways, our country is like an adolescent child — it knows everything; it is stronger than any other country; it demands things; other countries are not as smart as we are; we demand things of others; we will never die. To put our vulnerability in perspective, let's look at a simple story. This is taken from the newest book by Peter Schiff called *Crash Proof 2.0*:

Six castaways are stranded on a desert island, five Asians and one American. Their problem is hunger. So they sit down and divide labor as follows: one Asian will do the hunting, another will fish, the third will scrounge for vegetation, the fourth will cook dinner, and the fifth will gather firewood and timber fire. The six, the American, is given the job of eating.

So five Asians work all day to feed one American, who spends his day sunning himself on the beach. The American is employed in the equivalent of the service sector, operating a tanning salon that has one customer: himself. At the end of the day, the five Asians present a painstakingly prepared feast to the American, who sits at the head of the special table built by the Asians specifically for this purpose.

Now the American is practical enough to know that if the Asians are going to continue providing banquets they must also be fed, so he allows them just enough scraps from his table to sustain them for the following day's labor.

Modern-day economists would have you look at the situation just described and believe that the American is the lone engine of growth driving

the island's economy; that without the American and his ravenous appetite, the Asians on the island would all be unemployed.

The reality, of course, is that the American is not the engine of growth, but the caboose, and the best thing the Asians could do would be to vote the American off the island — decoupling the caboose from the gravy train. Without the American to consume most of their food, they'd have a lot more to eat themselves. Then the Asians could spend less time working on food-related tasks and devote more time to leisure or to satisfying other needs that now go unfulfilled because so many of their scarce resources are devoted to feeding the American.

Ah, you say, but that analogy is flawed because in

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the real world the United States does pay for its food and Asians do receive value in exchange for their effort.

Okay, then let's assume the American on the island pays for his food the same way real-world Americans pay, by issuing IOUs. At the end of each meal, the Asians present the American with the bill, which he pays — by issuing IOUs claiming to represent future payments of food.

The castaways all know that the IOUs can never be collected, since the American not only produces no food to back them up but also lacks the means and the intention of ever providing any. But the Asians accept them anyway, each day adding to the accumulation of worthless IOUs. Are the Asians any better off as a result of this accumulation? Are they any less hungry? Of course not.

Suppose an Asian central banker suddenly washes up onto the island and volunteers his services. Now each day the central banker taxes the other Asians on the island by confiscating a portion of the scraps of food the American

throws them each day from his table. The central banker then agrees to return these morsels to the other Asians each day, in exchange for each Asian's daily accumulation of the American's IOUs, less a small percentage for himself because he, the central banker, also has to eat.

Does the existence of a central banker change anything? Do the Asians have any more to eat because their own central banker gives them back a portion of the food he took from them in the first place? Do the American IOUs have any more value because they can now be exchanged in this manner? Of course not.

The real-world lesson is that if it doesn't make sense for the six make-believe Asians to support the one make-believe American, it does not make sense for billions of real-world Asians to support millions of real-world Americans. The fact that they do so in exchange for worthless IOUs in no way alters this reality.

In the real world, the holders of all those IOUs will begin to cash them in (spend). When all of those IOUs (dollars) begin bidding for assets in this country, they (Asians) will be the highest bidder and inflation will grow with a vengeance (hyperinflation). Our solution so far has been to engineer what is being called a "Goldilocks" economy (printing money). Greenspan started the "injection" of money into the system and now Obama has fueled the fire! At some point, "somebody" (foreign country) will realize that our IOUs can't be paid and that begins the unraveling of our "Roman Empire." Do I even dare mention the projected cost of the new health care system?

If you want to hear some detailed solutions to the real-world problems, come to one of our May seminars and learn what you must do to protect your assets in this new-world economy that we now live in. None of the old rules apply! There are several solutions, but you won't hear them in the mainstream media.

— By Barry LeMay
Founder and President

Websites to Check Out

allmyfaves.com
catholicscomehome.org
holycards.com
panoramas.dk/fullscreen/fullscreen32.html
usdebtclock.org
theoil drum.com
bigcharts.com
sendables.jibjab.com
herbsguide.net
herbalshop.com/Acupressure/Acupressure_20.html
enstrom.com
apple.com
iirealestate.com/ReitCafe_News.aspx
freecycle.org
irs.gov/advocate
volunteermatch.org
elderlawanswers.com
consumer.gov
grants.gov
coca-colascholars.org
overstock.com
finance.yahoo.com
usc cb.org/nab/bible/index.shtml
fxstreet.com/rates-charts/exchange-rates
humanmetrics.com/cgi-win/JTypes2.asp
officefurnitureexpress.co.uk/6-coolest-offices.htm
geniusbeauty.com/beautiful-places/amazing-roads-photos

Financial Professionals Are Leaving the Industry en Masse

Do you know someone who has lost their financial representative? Invite them to one of our educational meetings so they can learn about AMBAR, our philosophy and the depth of knowledge in areas in which other firms have limited experience. Be sure to call for reservations as seating is limited. (888) 721-1031. Thank you!

Educational Meetings for Second Quarter 2010

MAY SCHEDULE

TOPIC: HOW TO PROFIT FROM THE ECONOMIC COLLAPSE

A summary of the sequel to the best seller *Crash Proof* by Peter Schiff, who predicted the stock market crash & the bursting of the real estate bubble.

SPEAKER: Barry LeMay, President, *AMBAR Financial Group*

DATE: Wednesday, May 12

TIME: 12 Noon — Lunch

TOPIC: CNL LIFESTYLE PROPERTIES, INC.

Come and hear the story of the only REIT that has had two REITs go full cycle in the last three years. Gain an insight into how they increase value by increasing income on properties in their portfolio.

SPEAKER: Michael Blackburn, Vice President, *Marketing CNL Lifestyle Properties, Inc.*

DATE: Tuesday, May 18

TIME: 12 Noon — Lunch

TOPIC: BEHRINGER HARVARD MULTIFAMILY REIT 1

A review of operations of the current Apartment REIT and a summary/projection of the economics surrounding the scarcity of new construction in the industry and the ripple effects in the years to come.

SPEAKER: Sam Stubbert, V.P., Marketing for Northern California, *Behringer Harvard*

DATE: Tuesday, May 25

TIME: 12 Noon — Lunch

JUNE SCHEDULE

TOPIC: CHINA UPDATE

It is important to understand the relationship between the USA and China in today's global economy. The yuan is currently pegged to the dollar. What happens if it is delinked? China is buying oil fields across the world — how will that affect prices in the future? How can we compete with China and sell goods to the Asian world?

SPEAKER: Barry LeMay, President, *AMBAR Financial Group*

DATE: Thursday, June 10

TIME: 12 Noon — Lunch

TOPIC: CYPRESS EQUIPMENT LEASING

One of our most popular programs last year. Consider leasing programs of this kind during periods of low interest rates and increasing inflation. They have no high-tech equipment, mostly cargo, containers, and oil platforms.

SPEAKER: Neil Nakagawa, Vice President, Western Region, *Cypress Capital Corp.*

DATE: Wednesday, June 23

TIME: 12 Noon — Lunch

JULY SCHEDULE

TOPIC: THE FUTURE OF VARIOUS REAL ESTATE ASSETS

Increasing inflation and interest rates will have an adverse impact not only on our economy but on many classes of real estate. Hear our projections about the types of real estate you should consider and those you should avoid.

SPEAKER: Barry LeMay, President, *AMBAR Financial Group*

DATE: Wednesday, July 14

TIME: 12 Noon — Lunch

TOPIC: HINES GLOBAL REIT

This is an alternative strategy in today's world of falling real estate prices in this country. Hines is a privately owned company that has provided service, quality and value to its clients for more than 50 years.

SPEAKER: Ben Garate, Vice President, Marketing, *Hines Global REIT*

DATE: Thursday, July 22

TIME: 12 Noon — Lunch

These seminars fill up very quickly as we have limited seating, so phone in your reply today!
R.S.V.P. REQUIRED: (888) 721-1031