

# HOW WE WILL ENDURE

**Changing Values, Strategies, and Plans  
for Surviving the Coming Depression**

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# Introduction

Our economy has gotten way out of whack. All indicators are that there is smoke coming out of both engines, we're losing altitude fast and we're looking at a hard landing. There is little use in wasting energy ruminating over the incredible levels of malfeasance, neglect, selfish corruption and short sightedness that have lead to our current economic condition as a nation-(with the exception of applying lessons learned to the changes we all need to make now). We need to appraise where we're at now, and how we're going to deal with the realities we are now facing.

That quintessential American phenomenon admired so strongly world-wide, the quality of life as the American middle class, is on the gurney with the defibrillator paddles charging up. The idea of a secure job, a market that wants the products and services your company sells, a house and yard, a car or two in the driveway, healthy well fed kids with clothes on their backs, football practice and piano lessons-- and decent schools and perhaps college in the future, backyard bar-b-ques and a family vacation—those days may be over or at least on hold for quite some time to come.

The middle class aren't the only ones hurting. Understandably, there is little sympathy for the plight of the rich in these serious times, and although they may not be applying for food stamps, many have seem dramatic percentage losses in the net worth of their portfolios as well. The highly leveraged financial gambits and esoteric securities hedge products hurt those who participated in them the most, nose diving from promises of lofty returns down to the rocks below of investment bank closure and complete losses in value.

Those driven to poverty and homelessness in the past few years by the steady downslide in the economy will be quick to tell you that things have gone from bad to desperate. Busier food banks, less abundant charity, and shrinking options for temporary shelters and housing and every other survival resource is increasingly competed for by many more who have fallen on hard times.

Small businesses, large companies, institutions and organizations of all kinds are confronting a broad range of challenges from lack of financing for production to dried up markets, necessity of layoffs and plant closures, and dramatically lower consumer spending. Our small business leaders are the energy and drivers of a strong economy. Rather than focusing on innovation and creativity however, the issues on the front burner for business are all about security, survival and viability.

When one considers the other global economic forces contributing additional holes in the American economic bucket such as uncontrolled immigration, escalating international aid, extraordinary expenditures on wars and the military, failure of age-old industries and companies, increased security costs related to terrorism, volatile energy costs, international trade imbalances and unforeseen natural cataclysms—it's enough to keep anyone awake all night with worry.

It is not news that the current recession, depression, downturn, crash or by whatever expletive you want to describe it- affects each of us tangibly and very personally. The changes of these times are forcing their way into our lives, whether we like it or not. Although we all hope and pray for the best, the question is- what are we going to do with these changes? How are we going to adjust to them? Is our fundamental way of life in America at risk? In these challenging times—

### ***How will we endure?***

To be American means that our resilience never be questioned, however nothing short of rigorous self examination is now required, with our values, our goals, our relationships, our leadership and our way of life.

This book highlights and synthesizes the coming economic trends and their related effects on our personal, and business lives, and the necessary behavior changes, changes in our values and ways of living we will need to make—whether we like it or not.

Although the dire economic circumstances our nation and the world are facing now seem bleak, there is hope for reasonable and pragmatic adjustment to lessen the pain and to insure the survival of our way of life. Many of these lessons have been learned by America in it's past but forgotten— most recently from the great depression of the 1930's. Although each era has a unique set of economic conditions and circumstances that lead to financial crisis, the responses by each individual and family, small business and large corporation bear strong similarities.

To be informed and to become more aware of changing economic conditions and trends leads to better choices and decision making for us all. The purpose of this book is to help each of us make the changes necessary to make tremendous economic shifts less impactful, and to help us establish a sustainable foundation that might lead to a more prosperous future.

Changes are coming fast, we will need to adjust.

# 1. A Time of Adjustment

**If things keep going the way they're going-what are we looking at?**

Massive tightening and downsizing. High unemployment. Record state and federal budget overruns. Continuous military spending. Dramatic international trade imbalances. Drying up of credit and financing. Increasing health care costs. Increasing food and living costs. U.S. manufacturing at a 26 year low without much hope for new industries on the horizon. Less consumer spending. Levels of government debt never seen before. Reducing value of the dollar. The list goes on ..

Needless to say, things don't look good.

Even in the rosier scenario, it will take *awhile* for these factors to get sorted out. Nobody really knows how long. New leaders have been brought in to clean up after others who did not leave things in better condition than how they found them.

My grandfather, whose generation was shaped by living through the great depression of the 1930's, used to say to me: "Son, get into the misery business". My parents laughed, others thought his strong opinions and advice for economic survival were the cute musings of an old man, who couldn't possibly be in touch with the fast pace and complexity of today's world. They couldn't have been more wrong.

'The Misery Business', my grandfather explained, was some kind of product or service that people always had to have, no matter what. "Son become a doctor, a lawyer, a plumber, or provide a product like food, water, or energy that people will always need – and will always find a way to pay for when things get rough".

Like many others, now I find myself scrambling now to find an economic niche that is somehow protected as our economy spirals downward, out of control. The management consulting and training business I have made a living from over the past 25 years is not as

necessary to my clients in these times as I thought it should be. Many businesses and industries are struggling to remain valid as shrinking spending across the board increasingly shifts from 'want to have' towards 'have to have'.

### **Business Impacts**

The lesson for any business now and for our own careers is that if what you do doesn't answer fundamental needs- it's at risk, it's an extra expense, it's something we will try to do ourselves with the resources we have now, or will go without as long as possible. This principle is important to understand as it will affect everything from vendor and service relationships, to mid-level management jobs, suppliers and component producers of all kinds. Entire industries that depend upon other industries will dry up completely, or quickly consolidate under a lower price business model.

Consolidation of many industries, products or services will naturally drift towards the low-priced value proposition. More Walmart and McDonalds, less Nordstroms and Sushi. Businesses who provide products or services that cannot sustain themselves under a tighter economy will fail, leaving the cheap but necessary, and increasingly fewer choices. Categories that supported ten major brands in the past may shrink to two or even one.

Pressure on sales propositions will increase. Not only will it be harder to find buyers with the budget to buy anything, but it will take some serious convincing to get them to part with their cash. Every product or service offer must include a very strong value proposition. This includes justifying new hires by the work load they can handle, or making a product or service proposition that answers really big customer needs- foremost among them are saving money, increasing efficiency or solving a costly problem.

Business decisions to spend money will take more time, as consensus amongst stakeholders will be increasingly important, and with extra examination, discussion and study of spending decisions- a larger percentage than ever will decide not to.

Tightening spending will have a growing wave effect. The auto industry and the hundreds of parts supplier companies, the construction industry and all of the various trades, the airlines and thousands of employees and the travel industry and many other sectors are all experiencing a dramatic shrinkage based on their 'product' not being sold to consumers. Each wounded industry is taking literally thousands of small businesses down with it. Employees in these industries wonder desperately if they are getting a pink slip tomorrow or if their retirement program, funded with company stock, will be there for them. Small businesses cannot float their expenses and payroll with credit drying up and new lines of credit nearly non-existent. Not meeting payroll will be a more and more common occurrence.

Those businesses who depend on easy capital find the costs of short term borrowing increasing or no longer available. Routine ways of doing business such as lines of credit for restaurant owners, seasonal farm borrowing, or loans against receivable invoices from long-term payers are not being extended. Most small businesses are experiencing huge new financial challenges they have never had to consider in the past. Those whose existence depends upon thin profit margins and economic conditions staying the same are at the biggest risk.

With spending frozen or moving slowly through the snow drifts, business projections need to be re-written. Long held assumptions about what a 'normal year of sales revenues is' must be thrown out. A more realistic estimation is to gauge future business projections by the worst year of sales on record- ever. These new assumptions and dire estimates need to be plugged into all business projections and budgets now, with accompanying mitigation in areas of long term contract and lease renegotiation, orders from suppliers reduced or postponed, and cancellation of expansion plans.

All strategic plans developed more than six months ago should be thrown out and re-drafted with a zero-based outlook. Getting a realistic and well grounded financial re-orientation has never been more critical for American business. Small businesses need to make sure of not only their own financial dynamics, but also make preparations to lower

the chance of being blindsided by the failure of their bank, a key supplier, or a large customer.

### **Personal Impacts**

Unexpected career shifts and unemployment levels are rising fast. During the great depression unemployment reached 25%, and high levels of unemployment continued for more than ten years. Internet job boards are burning up their servers as any new job listing is seized upon within minutes by thousands of over-qualified applicants. Wages, which have increased little in recent years are actually going down due to labor and union concessions and downsizing, wage freezes across the board in many companies, and the willingness of the workforce to do the same job- or any job, for less. Increasing attention and pressure on the illegal immigrant labor force will emerge as inevitable resentment by citizens who can't find work look for someone to blame.

Job seekers need to take a fresh look at re-working resumes to emphasize their ability to do the work of two or more people, or the ability to pay for their own salary through the money they will save the company with their efforts and contributions. Businesses with products or services to sell will need to re-examine pricing, guarantees, financing and the ways in which they demonstrate their commitment to the customer.

Movement will be towards a cash economy. Opportunistic financial institutions have betrayed the public trust in numerous ways. High transaction fees and inevitable overdraft charges, slower transaction processing, lower interest rates on checking and savings accounts, automated digital withdrawals from various creditors and increasing bank account garnishments and dropping currency values are all driving the movement towards cash in hand behaviors. Knowing you really have the money to eat and buy gas, and that it has not disappeared from your bank account is becoming increasingly important.

Alternative banks, check cashing, and payday loan-type businesses are becoming increasingly popular as alternative ways to cash checks (without worrying about your

traditional bank account being overdrawn) and as getting access to cash becomes more important for survival. Bartering for goods and services will become much more popular. Discount stores have never been busier.

Choices for products and suppliers in all areas will get narrower. Lower spending in each market will not support X number of brands. Less choice means greater temptation to abuse consumers once consolidation has taken place. Examples we've already seen include local hardware and grocery stores, cable television and gasoline. Large scale box store operations have been pushing out the corner mom and pop store for years. This trend will accelerate with increasingly fewer category choices as the big box retailers begin to push one another out. Examples include CompUSA, K-Mart, and Circuit City.

Higher stress levels will increasingly dominate every aspect of our lives. Look for anxiety mitigation strategies to increase dramatically from Zanax, Zoloft and Valium to alcohol consumption, cigarette smoking and illegal drug uses. Americans are under increasing stress due to financial pressures that affect their quality of life and security and the most foundational levels. It's hard to think about anything else when you're wondering how you are going to keep the roof over your head, gas in your can and food on the table for your family.

Continual insecurity and real fears of losing your car, or home or having your heat or lights turned off are added to by continual bad news on international fronts with fears of terrorism and ever expanding war. Add in creditor harassment at all hours, letting your car insurance or car registration lapse and risking a big ticket, or writing a few checks on the assumption that you're paycheck will cover everything on Friday, an unhealthy dose of insomnia and worry-- and you have a recipe for a nervous breakdown or worse. Buying a one dollar lottery ticket becomes the cheapest fantasy escape there is, followed closely by television, pirated movie watching on the internet and video games. A bottomless cup of coffee passes for the most important meal of the day.

The biggest continual stressor will be the realization that you can no longer afford the things you used buy and not give a second thought to. The higher your standard of living has fallen from, the more it is going to hurt.

We are all going to be adjusting to having less, to dealing with continual uncertainty in foundational areas of our lives, and to prepare for our own lives, and the lives of those we know and love to go through some major, mostly unwelcome changes.

### **What We'll Leave Behind**

Americans are going through an agonizing reappraisal of their balance sheets. Household spending behaviors are changing fast.

The financial complacency of the past will be replaced by laser beam and magnifying glass attention to every penny of spending. Americans will be trimming the fat out of their lifestyles, and aggressively cutting out extra charges, membership fees, cell phone plan enhancements, extra cable TV stations, full coverage car insurance, activities for their kids, local driving without a specific purpose, luxuries such as beauty shop treatments, Saturday golf games, and eating out. The normal middle class lifestyle expenses of the past are already being trimmed and pruned down to the purely essential.

Since the early part of this decade, house values went up at such a fast pace that many Americans succumbed to the temptation of mortgage refinance to reset their consumer credit overuse, with the predictable result of running up their credit cards again. Easy credit, based on inflated home equity positions lead to a few years of conspicuous consumption, luxury and indulgence, and very high levels of consumer spending. These times are now over.

Although re-setting high interest consumer debt to lower mortgage interest rate levels was a good idea, this debt did not go away and was added to mortgage principal amounts for many. When home values dropped precipitously in 2008, many homeowners found

themselves upside down, many with variable interest rates which kicked up their mortgage payment at exactly the wrong time. The speed and shock of these changes have forced consumers into a level of family thrift that stands in stark contrast to the household liquidity of the recent past.

ATV's and boats, country club memberships, classic cars, vacation homes, and timeshares for sale are flooding the market at fire sale prices. Assets and possessions acquired during times of prosperity are being sold for desperately needed cash. Family vacations, cruises and international air travel are seeing a strong downward trend, despite heavy discounting and incentives.

The stay at home spouse has become extremely rare. If both spouses aren't working full time there is something wrong or an infant at home. Even in cases with a newborn in the household, after having a child mothers are returning to work sooner than ever before. Daytime childcare expenses are a major burden, and many are turning to friends and relatives for cooperative care, rather than shelling out cash for care of young ones while they are at work. Kids are increasingly arriving to a parentless home after school at a younger and younger age, for those that simply can't afford another option. Older kids are taking care of younger ones in many cases. The stresses are exponentially increased for single parent homes.

Abraham Maslow's hierarchy of needs stresses the dependency of each level of the pyramid of self actualization on the level underneath it. America has always pointed to the opportunities for self actualization as one of it's finest attributes. Under Maslow's model however, safety and security needs must come before a focus on 'making more of oneself', characterized in America as entrepreneurialism, creativity and innovation. Increasing unemployment and rising costs of living have forced Americans to the bottom of the pyramid with safety and security issues predominant. Focusing on keeping a roof over the family's head and eating will displace time and energy invested in new business ideas or ventures of any kind. Look for a slowdown in small business start-ups.

Another predictable result of a extreme economic downturn is the increase in crime. Desperation for basic survival will lead many to petty crimes and increases in burglary and theft. In the extreme, more violent crimes including muggings, drug related gang activity and armed robberies will undoubtedly increase. Everyone is always surprised when crime comes to particular neighborhoods that seemed tranquil and secure in the past. The result will be more locked doors and more evident security from alarm systems and less walking outdoors at night to increased handgun purchases and bars on windows and doors. Under higher stress levels, people will have heightened sensitivity, wariness and suspicion regarding personal security and protection of their possessions. People will become more secretive and private, especially when they have some prosperity.

In addition to cutting the gardener, many households will put off needed home maintenance such as painting and roofing, or opt to do it themselves. Homeowners associations will vote in few if any spending increases. The overall result will be a slow degradation of neighborhoods and housing assets. Home additions and remodeling will not be good businesses to be in for local contractors.

With nearly every City, State, County, State and Federal budget running in the red, infrastructure improvements will be few and far between. Roads and water systems, bridges and public buildings will continue to decay and erode. Neighborhoods and cities depending upon public money for major improvements will be disappointed. One only need to look at areas of America's own rust belt to see the result of this kind of neglect. This will affect everyone's quality of life.

What we define as healthcare essentials will change. Health care to stay alive will be emphasized but proactive preventative care will be minimized. Health insurance companies will continue the steady shrinkage of covered services and employer financed healthcare will be increasingly unavailable. Dentists and doctors will see more serious conditions that might have been prevented if people could have afforded care earlier. More and more Americans will fall outside of the health care system as it exists today.

Food purchases will be made more and more from discount outlets such as dollar stores and less from traditional higher priced grocery chains. Meat and other high cost protein items will be purchased at lower levels of quality and less frequently. One twenty dollar piece of steak can buy two bags of groceries at the dollar store. The freshness and quality of food in the price range most families can afford will decline as food costs continue to rise. Household food planning will be increasingly important on tighter budgets with many parents even forgoing meals to make sure their children get to eat what's in the cupboard.

The isolated view of our separateness and specialness and privilege as Americans is being replaced by the wake up call that with the current rate of economic decline, we could look a lot like many second-world countries very quickly. One could blame our naiveté or living with our blinders on while bad decisions were being made or as will become increasingly fashionable- to blame our government and leaders for not 'watching the basket', but either way you look at it and for whatever reasons you cite—hard times are upon us and the quality of life we have known is changing quickly and dramatically.

### **How We Will Look**

If the current tremendous recession continues one only needs to look to America's south to Mexico to see the results of the direction where we might be heading. Mexico is a good example of adaptation to economic hardship over a long period of time and one can observe the negative results, efficiency strategies, and cultural values that have evolved from a weaker and more turbulent economy.

**Larger Poor Population.** With many mortgages seriously delinquent and literally millions of foreclosures, and high unemployment rates will result in many more Americans living at the poverty level. A large increase in the number of poor and homeless and a

proportionate decrease in the middle class will leave a smaller group of the affluent and a large group of poor.

Wages will be depressed and full time jobs will be prized. People will work longer hours at lower wages at less convenient hours to earn a living. The focus will be on putting food on the table and the very essentials of life. Anything beyond that will be a real bonus.

Housing will be increasingly rented, shared by larger family groups, extended family, and others. The chronically unemployed will devise alternative housing in everything from trailer parks and campgrounds to illegal squatting and tent cities where municipalities may or may not legally allow. Creative housing of all kinds will abound. Part time shelters, food banks and community resource centers will become permanent epicenters of the homeless and unemployed. Access to bathrooms, basic hygiene, clean drinking water, heat and protection from the elements will become valuable commodities. Pan handling and begging in all dimensions will become more prevalent.

Whether intentional or through being forced out of their current living situation, many will simply walk away without paying final months mortgage, rent, utilities or other obligations. Landlords, banks and other creditors will add default expenses to already negative balance sheets.

Many will look for strategies to check out of American society by ‘hitting the road’, sailing around the world for a few years, or moving to another country such as Mexico where living expenses are dramatically less. These individuals literally turn their backs on all of their financial obligations. Divorced parents may leave the other parent with the full responsibility of raising the children when no other options are available.

Working, useable and used will replace the new in every category, from cars and clothing to tools and televisions. Repair and refurbishment businesses may be among the few

winners in the economic downturn. Taking better care of things and making them last longer will be imperative.

Fewer and more simple vacations will predominate. Loading up the clan and driving somewhere to camp out will become more popular, rather than Disneyland, airfares and hotel stays. The cheap vacation will be highlighted by the opportunity to dig clams, catch fish, shoot some game or somehow bring home a good meal. Visiting relatives will come back in vogue.

America may see a resurgence of the vegetable garden, bathtub wine, and chickens in the backyard. Any way to generate commodity items cheaper will be aggressively pursued where investment is low and personal labor is the main ingredient.

Public transportation will be utilized more, and will expand to keep up with demand. Cars and affording gasoline will be reserved for the gainfully employed.

Overall a sense of essential pragmatism will prevail. Many will figure out ways to get off the grid, use their computer for phone service, share or steal their cable TV, and heat their homes with firewood. People will routinely pay their bills late and understand the shut-off routines of various providers in detail. Federal and state tax payments will be put off in lieu of paying for rent and food. Creditors will compete to get to the debtor with more creative and aggressive strategies to collect debts.

Time for hobbies and leisure pursuits in general will be minimized as most will shift more time and energy towards subsistence and survival. 'Hunkering down' without spending money will be the rule.

Stockpiling, hoarding, squirreling away will be the consumer theme, appealing strongly to those who frequent wholesale stores that selling large quantities to save money. Really good bargains will sellout faster than ever, as people's mindsets will resemble those preparing for an earthquake or other natural cataclysm.

People will pay their bills in order of food and gas first, then hopefully, the rest of the pile. Payments for everything will be pushed out as far as possible.

Lack of trust between customers and retailers, and between one another will make cash increasingly important. It will be harder and harder to find someone who will take a check. Electronic banking systems will acquire increased power and control with increased dependency to clear bank deposits faster; approve digital purchases and access maximum daily cash withdrawals by ATM. In the event of more significant lowering of banking system confidence, or an accelerated drop in the value of the dollar, electronic processing systems will most likely crash first, leading to a 1930's style run on the banks with customers coming in to their branch to take out all of their money in cash. Many will carry their net worth in their pocket in cash, under the mattress or in a coffee can buried in the backyard.

Gold and other tangible commodities such as gasoline, food, and water will provide well respected barter value. Unexpected commodities like candles for heat and light will become more important. Appliances that take batteries will be favored less because of the expense. Shade tree mechanics will stay busy as a reasonable alternative to expensive car repairs. The black market economies of all kinds will emerge.

Spirituality and church will move back towards a central role in people's lives, providing for economical socialization needs, charitable support and a desperate need to find solutions. Churches of all kinds will their growing role helping the poor and destitute.

Landlords will need to become more flexible as consistent income from their tenants will be a rare thing. Despite draconian pre-screening and detailed credit reports, landlords will find themselves carrying their tenants for extra weeks and months and many will have to get all too familiar with eviction procedures. Being two months late on a mortgage will be standard procedure. With the dream of home ownership getting farther away, economically depressed families will be locked into the spiral of renting and living from paycheck to paycheck until things really turn around.

Look for families to stay together longer under one roof. Kids won't be able to afford to leave home and even third generation and first generations may continue to live together. Grandmothers, Parents, older kids and grand kids in spaces designed for smaller families. Everyone will share the load as best they can. Family connections and closeness, hand me down clothes, older teaching the younger, family decision making, first hand care of the elderly and built in child care, and guaranteed attendance at holiday meals will be benefits.

As the economy tightens and everyone looks for rescue, the importance of educational achievement of the oldest son or daughter, and a well considered career choice may represent in some cases, the family's best hope for the future. As the oldest succeeds they can bring others along with them. Many cultures have been long familiar with sacrifice for the eldest's education and good example for the other siblings. America will learn about this again.

Expressing the sentiments of the heart with slender means and chivalrous demonstrations, not associated with expenditure of money will be more and more popular, as a re-acquaintance with thrift gets drilled into the DNA of 99% of the humans on the planet.

Agonizing financial decision making will force trade offs between paying for heat or food, water or gasoline, a Christmas present or paying a phone bill. Many will re-discover how to bake and cook from scratch because it's cheaper. The art of spending the least possible on low grade meat, day old bread and yesterday's ripe vegetables will see throngs showing up on the day deliveries come in, and on the days when others are discounted just before they're thrown away. Meal choices will be based on what's about to go bad or what already has once you cut off the bad part.

Nothing is going to go to waste as anything resembling a commodity will find it's market from scrap aluminum, paper and plastic to wooden pallets and fryer oil.

Extreme measures will not be enough to adjust for the increasing number of people who fall into poverty. Those who still have jobs and money, and any kind of significant resources will rise in esteem. People will value their friends who are 'connected' to job opportunities, have some measure of luxury remaining in their lives or who can lend resources, tools, or other assets to help make something happen to aid in survival.

Americans will put on a strong face, emulating the Brits in one of their eras of stringent economizing, while suffering quietly, many in desperate isolation and misery. We may even re-discover tea, the drink so steeped in ritual and ceremony, but so simple and inexpensive in actuality. There will be an excess of intellectual capability and ideas, but no clear path to pursue capitalization of new businesses or entrepreneurial ideas other than those that are definitively 'shoestring'.

As we all get poorer, a good meal will become a real luxury. People will travel the extra mile for multiple courses of protein rich table fair, appetizers, good wine, and rich desserts as full spreads like this will be a much more seldom occurrence. Study of obese people has shown us the psychological relationship of overeating and feelings of peace and satisfaction that come from a full stomach. In future, more are bound to get in touch with these complicated emotions, although not because they are fat. 'Health food' will be replaced by 'any food'. Diet counseling businesses will experience a severe industry downturn.

It remains to be seen whether some sort of 21<sup>st</sup> century hybrid speakeasy may evolve but enterprising entrepreneurs will more than likely bundle multiple types of illegal sin under one roof from gambling and prostitution to homemade spirits and cheap hard drugs in a calculated effort to generate something like a steady income. A fair shot at making an honest buck will be hard to come by, making illegal ones more attractive than ever.

Famous movie actors and athletes, the truly talented and still successful business leaders will all become superstars with inappropriate levels of admiration and worship as they

will be admired as the 'lucky and privileged'. Those who demonstrate unselfish acts of charity to help their fellow Americans will truly be loved.

The growing gulf between the rich and poor will be exacerbated as the availability and expense of education will be tougher, more time and resources will be directed towards survival and less on development as society will provide special opportunities only for the outstandingly gifted. Many promising youth will need to apply themselves to work and a job from an early age, to help out as best they can, rather than having the opportunity to pursue advanced studies.

Employers will quickly discover that they are in a 'buyers labor market', and adjust wages downward, knowing that they can get all of the cheap labor they need-and they'll stretch to pay for it, but it may be one of things that helps them stay in business. Those with these jobs will become more and more appreciative as the depression deepens.

Individual health will suffer, and the question will not be whether or not you're getting what you might if you could afford it, but how bad you are doing and how long you can go without true medical care. Lower cost folk and alternative remedies, black market drugs, and unlicensed practitioners will be on the rise. This is what happens in many of the nations of the world today, why should America be any different?

America's international focus and awareness, tens of billions in foreign aid and chic adoption of particular world causes from aids in Africa and the spread of Islamic fundamentalism to the plight of Tibet will fall off the radar screen, as the intensity of America's economic collapse fills the entire TV screen and the idea of spending billions on others seems more and more ludicrous.

If recent dysfunctional decision making processes and disconnected overanalyzed and extremely complicated stuck-in-the-mud congressional responses to the real pain in America continue-- there will be an increasing disconnect between government and the population. The government will develop a more impersonal hard edge, as it grapples

with the necessity of making hard choices and trade offs, collecting every penny of revenue it can, and keeping the wheels from coming off the wagon at any cost. Government representatives will seem to have forgotten how to be compassionate, but in reality will develop a sobering steely resolution that comes from intimate familiarity with the real numbers.

People will not bother with frustration at their representatives anymore as it will require too much energy and feel increasingly futile. Most will opt instead to join with whatever expedient strategy, group or idea that will put a buck in their pocket today- never mind tomorrow- however logical an argument might be made for long term planning and sacrifice.

Expediency will trump clear thinking, egregious use of majority political group dominance, and vicious competition for slim government dollars will bring back hard knuckle politics, favoritism and the use of positional power to 'get ours' at any cost. Strong divides and conflict between groups will correlate with competition for government money and other resources.

Those who are lucky enough to have a backup plan or a fallback position will use them. Moving back in with parents, at any age will see resurgence. Parents will move in with their kids as living costs get further out of reach. Many will return to their 'roots' and the towns where they grew up, usually where the cost of living is a lot less or just to be close to their support network. Leaving the country will be a very attractive option for those with ties in Mexico, the Philippines or wherever else the cost of living is much lower along with a welcome and more relaxed lifestyle change.

Having to make all encompassing life changes might be just the excuse you have been looking for to live a dream you've always had. Sailing around the world looks more attractive than ever. There are a lot of sailboats on the market now-cheap. No rent to pay to drop anchor in a beautiful cove, sails don't require a filling station, and fishing is a

great pastime. Social security checks or other revenue can be mailed or direct deposited and digitally accessed from almost anywhere.

Spending five years seeing the world on a sailboat doesn't sound so bad. Who knows, there may be some tropical island paradise out there where you can live like a king on two dollars a day and the fat of the land. Just watch out for increases in piracy, hurricanes, sun cancer and the lower tolerance for this lifestyle in ports and marinas worldwide that are concentrating hard on making a buck themselves.

Others may get some really cheap acreage in the desert of Arizona or New Mexico and build an ecologically friendly 'earth ship' (houses built into the side of a south facing earthen hill, made primarily out of automotive tires) and drop off the grid. An entire 'earth ship' house can be built for a few thousand dollars and be run for little or nothing with all of the energy and water efficient integrated systems. Look it up on the internet.

Checking out takes guts, a certain relationship with uncertainty that most people are not wired for, and the realization that you are leaving many whom you know and love behind as well as your old familiar way of life. There may be unforeseen events, bad weather, and real in-your-face survival issues. On the other hand, it may be the adventure of a lifetime. 'Checking out' is almost guaranteed to change you completely.

Others may develop some sort of cobbled together lifestyle dependant on three part time jobs with odd hours, a home internet business, or Amway distributorship. A few bucks from this, a few bucks from that, anyway you can get them. Most will try to hang on too hard or too long to their middle class lifestyle, partly with the long shot hope that 'things will turn around soon', and partly because with they don't know how to do anything else. These folks will live with continuously high stress levels, one step away from eviction and 'the street'

Welfare roles, the plan of last resort and only option for many, will rise beyond all previous levels. Every type of government assistance will have their lengths extended, become oversubscribed, and become rapidly exhausted.

Many have no back-up plan or fallback position and will not be able to adapt. Homelessness and suicide rates will rise.

As the depression continues, current leaders and rescue plans will be replaced with different leaders and other plans. The slow realization will emerge that the longer it takes for recovery and the more ways of looking at it our politicians present, the more intractable this depression will look. With intermittent economic stimulus, little in the way of new technology or emerging industry to look towards, and dramatically lower state and tax revenues to operate with, the servicing of trillions in government debt will go into default. Look for devaluation of the dollar to follow shortly thereafter.

History teaches us that if things get this bad, a lack of hope, deep cynicism and frustration may lead to talk of revolution. When one has nothing to lose, anything else might look better.

This is a very dire and pessimistic outlook to be sure, but if one can project the sequence of events leading in this direction so easily with such plain logic, they must at a minimum be a cause for strong concern. Wake up America. If we don't want these negative outcomes, we've got to look at some real changes.

Don't get too depressed. There is hope out there if we can adapt and change.

## 2. Values Will Change

Some changes will come whether we like it or not, and we will have to react to them.

Many are already here. Other changes will require that we are more proactive, which will require analysis and appraisal, decisions, and actions outside of our comfort zone that need to be sustained over time. These changes will demand a healthy re-examination of our values in order that we survive and thrive.

For sure, it's going to be interesting. Let's start with our identity as a nation.

### **Are we still number one?**

You bet. America has been a 200+ year outstandingly successful sociological experiment. Create a protected environment with good infrastructure, resources and its own built-in markets, a big measure of freedom that encourages participation, creativity and innovation and embraces an ideal quality of life, mix in a diverse and rich collection of cultures and a level playing field legal system and no one can hold a candle to us. We've had success across the board, achieved strength and power worldwide and contributed more to the world than any other five nations in history.

Unfortunately for us, the processes that we've been using to run our machine well have become inefficient, historical events that have favored us are in the past, and other macro-global trends are starting to work against us. We've created many economic problems for ourselves because of our own shortage of self-responsibility and lack of attention to 'our own basket' in general. Maybe that neglect is what comes with great prosperity, but we can't afford to keep it up. Circumstances require that we get very serious again. We're getting bitten in the ass and if we can't adapt in a nimble fashion to the vicious monsters of our current challenges-- we will get eaten.

As we struggle in our weakened economic condition, other nations who don't live by the same set of underlying assumptions about humanity that we do, are getting wealthier and stronger. Others are great at exploiting our good nature and our weaknesses. Our abilities

to respond quickly and intelligently will be necessary if we are to retain our title as the greatest nation on earth. A measure of inspired leadership and clear direction would also help.

### **Trade and Jobs**

Let's hear it for free trade. America has opened the way to accessing many foreign markets for our exports. These companies who export are making money selling our technology, food, and whatever else- go for it USA! That means jobs and revenue that comes back home. Unfortunately, now the United States has a negative balance of trade because companies in other countries are doing the same thing to us, and our money is going back home to them. It is really out of balance. China, who a few short years ago gained access to the World Trade Organization, is eating our lunch. That comparatively little country, Japan, who's economy we helped re-build after beating them in World War II, has been taking huge bites out of our economy and has been thrashing many of our industries for years from consumer electronics to automobiles. An estimated \$700 billion dollars a year goes to paying for foreign oil. There are others.

US industry and labor get swatted down like a talkative butcher at a vegetarian picnic, anytime the specter of trade protectionism for our wounded industries is raised. But how can we go on like this? How many American jobs will continue to be sacrificed with lower priced imports, tax free trade zones and competition from countries that pay a fraction of what we do in wages? American manufacturing companies themselves have been forced to open operations in labor cheap countries like China- often with the communist government taking a partnership position in the operation. Where are the incentives for American companies to keep jobs here?

What about those trading partners who don't adhere to the same employee or industrial standards our factories must adhere to by law, and who are difficult to penalize when they don't follow intellectual property protections or import quotas that were fundamental to trade negotiations and agreements to begin with? It is not a level playing field. Our long term international trade policy has seemed to favor giving away more than we get. The

costs of this in losses of good American manufacturing jobs- the foundations of the middle class way of life, are excruciatingly apparent. We need a new approach.

America is smart enough. Americans are hard workers. America has pioneered industrial efficiency, the quality improvement movement and so many of the industrial optimizations that have lead to increases in profitability and efficiency. Unfortunately, everyone else learned these approaches as well, and these quality practices are now the standard wherever factories are set up—including China.

American factories need to continue to achieve seemingly unachievable cost cutting and overhead optimizations, quarter after quarter to keep their doors open while their international competitors continue to pay workers paltry wages for longer hours and a longer work week. With American factory wages frozen or lowered for some years now, wages still continue as the big differential. The only advantage American factories have is when the addition of shipping costs for heavier or bulkier products make the American product a lower cost option. This hemorrhaging of American manufacturing jobs is not sustainable. Our consumer driven market is drying up because we can't even afford to buy the low priced imported products we gave away our jobs for.

Access to our hungry consumer markets has been the great American economic gift to the world. It's hard to take it back once we've given it away, but somehow these negative trends in trade have to be reversed. There's no magic bullet solution here, but instead, a lot of hard work to examine every relationship, industry and trade imbalance will be necessary, so that America's interests as a whole are advocated for, not just the lobbying company who stands to benefit from opening trade in another country- many times at the expense of the American jobs they provide now.

'Free Trade' needs to be replaced with 'Smart Trade' so our huge trade imbalances begin to move in a more favorable direction for the American economy. Times of crisis demand that emergency measures are taken. Perhaps some temporary 'emergency measures' that might be termed by some as 'protectionism' need to be implemented so

that our 'special trading partners' like China and others, share some of the burden of our current financial woes. We will certainly see who our friends are when we suggest changes that might cost them a little more. The smart ones will see more favorable changes in trade for America as promoting a healthy American consumer market, something that has the potential to be as good to them in the future as it has in the past.

### **The Stock Market, Savings and Investing**

America has long been known for having a low savings rate. Whether this has been caused by lack of an experience of widespread poverty in our recent memory, by brainwashing from our consumer consumption driven media, or because we've been so used to economic opportunity all around us that we felt confident that we could make money one way or another when we really needed it- so why not spend now? Saving money will be harder than ever, but rarely in our history has it been more important.

Saving in times of economic uncertainty is a survival skill, but where do you put your money if you have miraculously managed to save some? Banks seem insecure, many have closed. The fewer consolidated banking institutions left are continually finding ways to charge higher fees while paying lower interest as they use your money. The stock market is a volatile monster that seems to bear no relation to economic fundamentals and commonsense predictability. Instead it's plagued with hidden transactions, and complex financial machinations that are not well understood by most, leaving all but a few 'holding the bag' when it suddenly turns downward. After getting stung by huge losses in their portfolios, everyone from large company pension funds to the individual investor will need a long time before trusting financial markets again. Even real estate, the historical rock of a solid, long term investment strategy is suspect. Are we at the bottom? Many are simply waiting on the sidelines to see where things will go.

The non-risk averse will likely jump back in when investment markets hit historic lows seeing potential opportunities, but even then with a much more wary eye. The average investor will be more likely to hoard their cash until regulatory agencies and the federal

government create the assurances that make it's safe to get back in the water. This trend across the board will slow down economic activity and the number and dollar volume of investment transactions, adding cement to an already sluggish stock market.

Investment will become more direct and personal. People with money to invest will want to investigate much more closely, where their money is going, and develop a strong feeling of confidence that unplanned for surprises or squirrely financial transactions will not take place. The trend towards more conservatism and shyness towards the stock market might mean more money available in the community. Private loans might become the only realistic financing alternative because of reticence towards banks and brokers, whose advice and behavior has failed so many. From the brother in law's new taco stand, to short term loans against receivables to make payroll, amateur private money will likely be more available, than supposedly professional investment banks can offer, and with a lot less trouble. With negative credit ratings commonplace, lending will be more relationship-based with a higher level of personal trust. Investor's will demand a closer relationship with their money and will prefer situations where they can watch it for themselves, kick the tires, and collect on their investment personally if necessary. Pawn shops and other higher interest short term loan cash businesses will multiply. Look for Community banks, largely acting more independently, to be the first to emerge intact from the current mess, but look for conservative terms and well collateralized qualification requirements. The old days of easy credit are over.

### **The Old Ways of Doing Things**

Many of the old ways of doing things will change. Car manufacturers, if they stay in business at all long term will need a smaller footprint, fewer models and quality cars that are durable, efficient and affordable. Perhaps new energy efficient technologies will come on line just in time so American companies won't be the only ones who need to massively re-organize the showroom floor and the factory.

The Employment model as we know it has already been changing for some time. Union protected wages with full benefits and pensions will be a thing of the past without some

kind of government protection. The Asian salary-man model might emerge where industry consolidation leaves only one or two large companies in each industry, and large numbers of applicants compete rigorously to get hired. Once hired as loyal soldiers who carry the company flag, they will tie their entire career destinies to one firm and trust it to provide them with consistent, but low wages. They might even live in company housing and buy most of their goods from some kind of company-related enterprise. If the company doesn't do well, all suffer and sacrifice together. Wage increases happen only when the entire company does well. Employees in this type of feudalism kill themselves trying to demonstrate new levels of loyalty and commitment, just to get noticed. Many die much too young.

Or maybe we'll all turn into 1099 part time contractors, without guaranteed hours or long term contracts, laid off without notice as is convenient for the employer. No benefits, no full time labor requirements. No retirement or pension. No health care.

### **Health Care Will Change**

The health care will continue to be a successful American industry, but it will grow increasingly unaffordable for most. Health care needs a major transformational intervention to fulfill its purpose of keeping us all well. Perhaps this area of service will need to be socialized to some extent so that quality health care is not so much of a successful business as it is a successful delivery system. Obtaining cheaper health care in other countries is already on the rise. Mexico and Canada's health care industries will continue to grow rapidly as a preferable alternative to these expenses in America. Those with more complicated (expensive) conditions will suffer more, as insurance companies will not be willing to carry them and specialty treatments continue to get more expensive. Health care will become an ad hoc combinations of options from generic drugs obtained over the internet, to non-profit funded treatments clinics, to exploration of every type of low cost alternative health practitioner. No one will seem to be able to manage it, or care.

### **Elder Care**

For a large percentage of baby boomers reaching today's retirement age of 65, retirement will be pushed back. Today's 65 is the new 50 and these folks will stay in the work force longer if they can find work. Most can't afford any kind of retirement anyway, and will be hard pressed to live on social security, even if it is still provided in the next few years. Older persons with deep experience will be competing head to head with young applicants for simple low-level jobs if they are forced to change from their life-long careers. More elderly folks will be increasingly cared for at home with the family, rather than being housed in an expensive retirement home. Families who plan for this now will adjust better.

### **Education Will Provide Hope**

With jobs so hard to find, many will re-discover school and apply themselves to new trades that have the promise of employment. Old and young alike will fill the school systems as many will have nothing but time on their hands and a zealous motivation to find a way out of financial hardship.

### **What will happen to customer service?**

Employees are the most obvious and expensive overhead item for any business. There will be allot of pressure to cut as many as possible. The ones who are left will be overworked to be sure. Add in business automation replacements for human beings like self check out at the hardware store or the grocery store, voicemail, and email only access to your supplier and you have the recipe for customer dissatisfaction. Scream and complain all you want, it might work a little bit. Better to become the non-attached sage who lets nothing affect him while standing in line..

As the depression worsens, smart businesses will begin to realize that any customer is a valuable customer and begin to value them more. Small and large business alike will not be able to afford to lose a single paying customer. New levels of customer service and attention will emerge, harkening back to times of legend.

## **Security**

Security- in terms of the basics of life will be on everyone's mind. Keeping a roof over your head, paying the bills and staying fed will influence every spending decision, where you travel to, what you participate in, and who you hang out with, and how much you risk. Aligning your behavior, time, energy and purpose with improving your own security and the security of others will put you into alignment and synergy with the times.

## **Chickens and Fruit Trees**

People will re-discover backyard strategies for creating food. A few chickens who lay eggs every day, maybe a pig or goat who can be fed table scraps, avocados, limes, apples, apricots, herbs and tubers and whatever else can be generated in a small space. Although not much, it will be appreciated as better than nothing at a very low cost to produce.

## **Utility and Durability**

In this economy, things will simply need to last longer. When people buy 'things' there will be more attention paid to how long it will last vs. how good it looks. Used, useful and not quite used up will become more meaningful terms. Shopping at the swap meet allows you to buy a percentage of value or durability left in an item for an appropriate price. Let's say you need a power grinder to help you restore a piece of furniture. You don't have the budget for a \$129. new one, but that used one has enough life left for your project and several more, and even though it's splattered with paint and there's no case, it will still do the job that it's designed for. At \$20. you'll get your project accomplished and many others without the additional stress on your bank account. You may surprise yourself at how long used items will continue to provide service and value- especially if you take care of them.

## **Pragmatism**

Who can afford not to be pragmatic? Arranging one's life with all kinds of synergies and optimization, scheduling and intensely detailed budgeting will cause you to make better decisions for your own survival and the survival of your clan. Pragmatism, security, and

conservatism will stop you from doing many of the things you never gave a thought to in the past. We'll start to look like our grandparents more and more.

### **Suspicion/Mistrust/Low Tolerance/Sinicism**

Reacting to the new depression will look a lot like the four stages of grief. *Denial-Anger-Bargaining-Depression and Acceptance.*<sup>1</sup> Many of us would like to hang out in the second stage of anger- with accompanying blame and the justifiable lack of trust for authority and lack of belief that anyone is really going to do anything about it. This generalized Sinicism will be widespread; creating very low tolerance for anyone or anything that resembles those and that which was done to us.

This suspicion, mistrust and low tolerance for anything not very well grounded and tangible, will stifle creativity and innovation, and reduce the number of ears willing to hear radical new ideas and entrepreneurial strategies. The chronically creative would be well advised to develop their own support group to help percolate new concepts, rather than risking instant deflation on overall extremely low public opinion.

### **Re-discovering Your Network**

Family and friends will become more important as you lean on one another for support. Lending money, sharing food, child care, loaning tools, giving a ride, sharing knowledge, handyman help, , shared holidays, a free meal, hand me downs, hospital visits, a cup of coffee, holiday celebrations, companionship and emotional support. The isolation we have developed in recent years through our own self indulgence and selfishness has denied us the richness of sharing our lives with others. By reaching out, and allowing others to reach out to you, your experience of life will deepen. You will actually begin to appreciate one another. This re-discovery of one another may be what God has in mind for us in these challenging times.

### **Waste Is a Sin**

I can remember these types of ‘waste nothing’ behaviors emphasized by my Grandparents generation. You should always eat everything on your plate and appreciate it because there are starving children somewhere in the world. How right they were.

Getting every penny’s worth will influence our behavior from saving leftovers to getting every last drop from the gas pump.

### **Trim The Fat**

National sales conferences in Florida will be replaced by smaller regional events where no one stays overnight. Business lunches will go Dutch. Sales reps will only drive to a meeting to close the sale. Cheese pizza, .99 cent hamburgers, \$5. Ray Ban knock offs, Christmas shopping at Wal-Mart, and used tires bought one at a time as the old ones go flat. Continuous small sacrifices will have an impact on your quality of life to be sure, Get used to it.

### **Pushback on regulations and taxes**

Overbearing regulations like increased car registration fees, increases in homeowner’s association fees, environmental and recycling fees will be strongly objected to. In fact any proposed fee or tax increase will be strongly resisted by most of the population who share the sentiment of not getting their money’s worth for what they are paying now.

This will not be a good time to for politicians to propose spending increases of any kind unless it’s to provide real help to real people.

### **Revenge of the fiscally conservative**

Those folks who embraced thrift and financial conservatism years ago- who paid off their original mortgage and have owned their house for years, who function on a pay as you go basis and who have made only the wisest investment decisions are really the only survivors in this economy. Strong credit, high net worth, and peace of mind put them in a very admirable condition. They can criticize, point the finger and say I told you so all they want. The rest of us deserve it, and hopefully we get the message this time.

### **Rejuvenation of self-sufficiency and self responsibility**

After we all get done whining and complaining it will become readily apparent that belief in ourselves and our own capabilities is all we can depend upon. No rescue is coming, we must help ourselves. This readjustment back to reality will help us recalibrate our lives to what's really important, and put our energies into taking care of business. Say goodbye to the victim mentality and get up earlier in the morning.

### **Spending time together may suffer**

As everyone in the household goes in different directions to various part time and full time jobs on different schedules, coordinating the time to sit down together for a meal may be tough. The early settlers in America were known for leaving a continuous pot of soup on the fire at all hours, so everyone could eat when they were hungry, not necessarily together or with a lot of fanfare or ceremony. Sunday dinner might be the schedule that works best for the entire clan to reconnect with one another.

### **Downsizing**

Number of employees. Quarterly budget. Your extra car. The boat and other toys. Just one of everything, not two or three extras. The size of your house or apartment. Look to cultures like the Japanese to see the standard for how little space a family can live in.

### **Modesty and Lack of Pretension**

Modesty will demonstrate that you have your values in the right place. Arrogance and selfishness, conspicuous consumption and blatant insensitivity for the plight of others will fall out of fashion quickly. Paris Hilton and P. Diddy will become anathema.

### **We've got to plant some seeds**

With little help coming from government, many will bemoan the consistent lack of preparation for the future. On whatever small basis possible, people will literally and figuratively plant seeds of all kinds, from very small investments and savings, to fruit trees and other assets they can make, build or create with their own individual efforts.

### **People will have to love you for who you are**

As pretentiousness and material posturing disappear, your personal conduct, courtesy and pleasantness, respect and regard for others will be more appreciated. You'll be known more for your personality than the material things you have or the job you do. Many will re-discover collegial relationships and the art of an intelligent conversation, simply because it doesn't cost anything but time.

### **Increased activism**

As people get more upset and frustrated they will re-discover activism and our American Democracy. With a lot of time on their hands, the unemployed will have more time to call their congressmen, research the impacts of laws and policy and organize those with similar issues and concerns. Look for more demonstrations and increasingly vocal demands for change and improvement.

### **Pressure on the Educated**

A more serious attitude will towards education and by those paying for it will put a stronger requirement on getting something out of it that can turn into a living. There will be increasingly less tolerance for partying at school with a liberal arts major and more emphasis on hard skills and competencies of value in the working world. Parents will sacrifice more than ever to keep their kids in school and will demand a good return on their investment- and less fooling around.

### **Re-discover the simple and free**

We will all begin to appreciate the simple and the free more. A beautiful sunset, a walk on the beach or through the woods, a catch with the football, swimming in the river, a fish caught from shore, a game of chess, a good book, a love song played on your own guitar, a beautiful moon and a starry night. Sharing simple things with others will make them immeasurably more valuable. 'Staycations' will be the rule rather than the exception.

### **Preserving self esteem**

As we all realize that “*But for the grace of God, there go I*”, hopefully we’ll see a trend towards less judgment and more compassion for others. Treating those who have fallen onto unfortunate circumstances with dignity and preserving their self respect will identify yours as one of the good souls on the planet.

### **Give it away first**

A stronger culture of charity and giving will emerge. As money gets tighter, people will naturally begin to inventory all of their possessions to see what they might have stored in the attic, basement or garage that can be sold or given away to others who need it. This culture of recycling old stuff will lead naturally to the sharing of these resources and the good feelings generated from donating to those in need. This is one of the best cheap thrills there is.

With continuous reminders of hardship all around us, opportunities for meaningful donation will regularly present themselves. People might not give so much, but they will give more often, as they see themselves a step away from many who are experiencing extreme hardship. Besides money, food and shelter will be much appreciated gifts as well. America has always had a strong donation ethic. Look for this value to grow.

### **Fundamental belief in the goodness of human nature**

Although crimes of desperation and negative news might fill the airwaves and newspapers, it will be our personal interactions with one another that color our reality.

The fundamental belief in the goodness of humanity, in our ability to work ourselves out of our current troubles and our belief in the possibility of the future will see us through. Keeping these thoughts in our hearts and minds will help insure that they become reality.

### **A shift back to the values of my Grandparents**

As I think back to what I’ve learned about the great depression of the 1930’s and analyze how it molded the values of my Grandparents, I am amused at the similarities of what today’s depression is demanding. Self sacrifice, hard work, value of a good education,

thrift, respect for one another, saving for the future, and raising a heck of a vegetable garden.

Our Grandparents lived through a ten year depression and emerged on the other side of it intact. There is no reason to believe that with hard work and a little luck, we won't do the same. It will challenge us, to be sure, but we're going to expend calories doing something anyway, so why not spend them re-creating ourselves into a tighter ship with a clear direction and compelling destiny? In ten years we'll probably look back and see this period of time as a necessary wake up call. Our Grandparents are all up there in heaven thinking that we deserve what we're about to be living through because we didn't take their advice. Maybe each generation needs to re-establish these values by learning why they make sense for themselves-- experientially.

### **The Divine Plan For America?**

Only time will tell if this is God's way of punishing us as a nation because of our sins or challenging us to develop into a more heart-centered culture that values one another more than money and things. Perhaps this is the next step in America's evolution, and by default, the evolution of the human species. We've conquered industrialism, materialism, and technology. Maybe the next frontier is humanism. These tough economic times may force us to improve our relationships with one another.

1. The Kübler-Ross model first introduced by [Elisabeth Kübler-Ross](#) in her 1969 book "On Death and Dying",

### 3. Relationships Will Change

A researcher might undertake a study to demonstrate how the most cultured peoples of the world have also experienced the most challenge and tragedy over their history.

Do tough economic times force cultural change, adaptation to new conditions, amendment of long held behavior patterns, and abandonment of the traditional? Or perhaps tumultuous economic events spur sociological mutation into something else we have not seen before. Although no scientific thesis is validated here, one cannot help but extrapolate the consequences of these sweeping events on our relationships; personal, family, business and our relationships with society as a whole.

#### **Guarded**

My Grandfather once told me a depression-era story of how highwaymen on lonely back roads used to fake that someone had gotten hurt and was lying in the road. When you stopped to offer help they would rob you.

My Grandfather laughed about this, as he explained his solution to this all-too-common problem on the back roads of Chicago in those years.

“I’d drive past them a little ways and then reach under my seat for the long nosed .38 I kept under there. I’d walk towards them swinging that .38 out where they could see it really well. Usually by the time I’d got close, the guy lying in the street would miraculously jump up and the both of them would take off as fast as they could”.

The matter-of-fact way he conveyed his easy relationship with guns and his commonplace expectation of being robbed gave me insight into his depression-era way of thinking. I hope we don’t come to that extreme, but I know that many are now stockpiling guns and ammunition. Some have always had them, while others who have never owned a gun before are thinking about it for the first time.

Times of economic hardship cause us all to ‘hunker down’, suspect the worst in one another, see malevolent perpetrators around every corner and want to prepare for Armageddon. The ‘survivalist’ mentality has preyed upon this weakness of human

nature throughout history, projecting a time where civil society breaks down and it's every man for himself defending his compound, like the early settlers fighting off the Indians.

A more watered down manifestation of these extreme beliefs is demonstrated by overprotection and caution, locking everything up, keeping assets in cash and gold, suspecting the worst from neighbors and co-workers, seeing muggers around every corner at night, and generally acting with fear and without trust as the dominant thought process is to be defensive.

In fact, reality does provide us multiple examples of the low points human behavior is capable of falling to. The Los Angeles riots after the Rodney King trial would make anyone in Los Angeles feel safer with a gun. Looting incidents during California wildfires demonstrate the opportunistic nature of criminals during crisis. Recent drug cartel wars in Tijuana have resulted in scores of decapitated bodies dumped in public parks and neighborhood shootouts commonplace on the six o'clock news.

Sure there is good reason to be cautious, but it's stressful to worry about it all the time. Sure there are bad people out there—always are. The salient point is; if we act out of fear, mistrust and wariness all the time, what is the natural outcome of the expectation that we are creating? Will the desperate and financially challenged fulfill their manifest destiny of our expectations and turn to crime? Will we live in a police state; give away our rights and privacy in exchange for a tenuous security? Or, on the other hand, will there be such an abundance of understanding and empathy for our fellow Americans in financial trouble that there will be a multitude of resources, services and help for them, so much that they could not even imagine crime in their wildest dreams?

Idealistic yes, but caring for one another is something we should think about as a more effective strategy- rather than more fear and mistrust of one another.

## **Competition**

As we find ourselves sharing more limited resources, we'll be trying to be first in line and generally behaving like a selfish mob. One only has to drive in the international border crossing from Tijuana to San Diego for the average of three hours to see the extent people in line will go to so they don't relinquish a single car length in front of them. Those 'in the know' will aggressively force themselves in front of you with what seems to be complete disregard for the integrity of the paint job on their automobile to get over to the lane that moves a little faster. Some border crossers do this day after day, exhibiting the selfish me-first mentality that leads to fist fights and traffic accidents every day at this, the busiest of international border crossings.

How will people behave if water or food becomes scarce? What if only the first in line can get gasoline? Will friends and neighbors turn on one another in the scramble for resources? One only needs to look to Iraq's recent history to see the enmities that have developed between various factions living in the same neighborhoods, as they compete for survival. Long memories of this or that offense has deteriorated into a never ending cycle of revenge and violence. We all hope to avoid something like this.

### **Stress**

Inevitably, accumulated stress and anxiety will manifest itself. Road rage, over emotionality at sports events, yelling at the check-out clerk or the cable company voice mail system, hard drinking with accompanying anti-social confrontations, yelling at the kids and kicking the dog will be more common during times of economic hardship. We might become hard to live with.

Insomnia, stress related sexual dysfunction, overeating, ulcers and generalized depression will make many of us no fun to be around. Financial challenges make will many of us feel like failures with accompanying blows to our self-esteem, driving us into depression and ill health. We must become masters of managing our own stress and astute at recognizing manifestations of stress in others- so that we can do whatever we can to alleviate it, however scanty our resources.

### **Dependency and Understanding**

These challenging times will thrust many into unemployment or underemployment. The traditional breadwinner may not be able to find work, depending upon the other spouses low paying job for survival. Many will shoulder much more responsibility than they are used to. Great levels of understanding will be necessary to avoid the natural frustrations towards one another as financial pressures in the household mount. Those seen to be ‘not trying hard enough’ to find work, or wasting their time will likely receive regular feedback.

Older children and other dependents will manifest symptoms of stress themselves, as they emulate their stresses-out parents and internalize the general atmosphere. Young people will feel more pressure than ever to work, if only to provide better materially for themselves, to obtain the products and toys they might not be getting this year for Christmas. Some will be important contributors to putting food on the table.

Spouses will be more challenged than ever as their ideals for a ‘perfect marriage’ are thrown out the window. Loyalty, support, and fortitude demonstrated now will be among the best demonstrations of love over the history of a committed relationship.

With the stressful atmosphere, everyone in the household needs to remember to offer all of the sensitivity, understanding, compassion and love they can.

### **Family attitude and commitment to one another- neighbors as family**

As modesty and humility increases, and compassion and understanding for others’ financial distress grows, people will relax artifice and take off the masks of the image they have projected for so long. With more openness, relationships will take on more quality and depth. Reaching out to family, friends, and neighbors will uncover the depth and richness of connection, relationship and a sense of community.

### **Life Will Get More ‘Local’**

As Americans travel less, due to increased costs and fewer outings involving spending money, local businesses, parks, and natural areas will be increasingly utilized.

Rather than traveling to the 'big city' for dinner and a show, it might be the corner pizza shop and movie that ends up being the big event of the week. A two dollar bottomless cup of coffee with a few local friends in the morning at the local coffee shop can meet fundamental human needs for socialization<sup>2</sup> as well as brunch at the fancy resort hotel in the big city.

### **Employer-Employee Relationships**

Small business employers who can't afford to pay more will effort to make the quality of the work environment a substitute for lack of wage increases. After inevitable cuts and downsizings, employers will push the people who are left less, and in general treat them with more flexibility, respect, and the understanding that they really need them to make the business work.

Employees as well will express mutual appreciation for having a job with new appreciation for hard it is to keep the doors open in this economy. Many small businesses will develop a closer 'family-like' atmosphere, as humanness is revealed on both sides of the relationship.

In larger companies, relations may be more stressed as competition for resources, competition to keep one's job predominate and employee insecurity levels that track with decreased sales revenues. Employees and 'management' may develop real adversarial positions as each group advocates for 'what should be saved or cut' in the best interests of the company. These insecurities will sustain themselves as long as the economy remains under pressure.

### **Relationship With Customers**

Larger organizations, lead by monopoly suppliers like telephone service and cable TV will continue to cut technical support and customer service staff. With few other options, customers will only have the option of getting more frustrated or creative in getting their needs met.

Other industries will see honor return to the customer-supplier relationship. Businesses who had become so lean and mean with total neglect for customers in the past will re-embrace the predictors of satisfaction. Quality, Value, Timeliness, Ease of Access, A welcome environment, Great front line service behaviors, taking responsibility when things go wrong, departments that work together well to answer customer needs, and innovation will bring an old 'higher standard' back to business out of the interest I their own survival. Suppliers know that they cannot afford one customer to walk out the door.

### **Buyers and Sellers**

Salesmen who sell to businesses will need to make stronger value propositions to become part of the 'open to buy' budget. Suppliers will need to carry more risk in the form of attractive order and payment terms to make a sale. More sellers will be chasing fewer buyers. Relationships between purchasing agents and their vendors will become more organic and personal as sales decisions stretch out over many more calls and much more time before an order is written. A classic 'buyer's market' will give the purchaser much more leverage and control over brand relationships that a short time ago, were dictating terms to the buyer to carry their brand. Corporate buyers will need to resist the inevitable increases in gifts, entertainment, and under the table incentives desperate suppliers may offer to secure an order or contract.

### **With Government**

The American experiment is a contract. We agree to be represented and lead by those who are supposed to be the responsible stewards of our resources and who have been entrusted with the care and growth of the American machine. Many Americans feel that their government has fallen down on the job of this responsibility and trust. One must continually ask if the incredible wealth and productivity and capabilities of America could be managed better or differently. This conversation, more than ever, is the topic of kitchen table discussions across the nation. What's happened to our money? Didn't we appoint people to take care of those things? Who said they could spend our money on

that? Isn't anyone looking out for us citizens? Who is taking responsibility for these mistakes?

As Americans are made to pay more, in the form of increased taxes and fees, they will see their relationship with their government as more adversarial. When bail-outs of hundreds of billions of dollars don't achieve promised effects or bring tangible benefits to the citizen consumer, especially when it's their money being spent- people are bound to get rankled.

Citizens will demand more transparency, access and that their voices be heard when it comes to legislation and policy decisions that affect them. This level of dissatisfaction resembles that of early Americans who responded by throwing a lot of tea in the water. Perhaps this healthy questioning of government will result in the rehabilitation of Democracy in its truest form. With 24/7 cable news coverage and lots of time on their hands, people will suddenly be much more in-touch with what they're government is doing. Citizen complaints will be characterized by less patience and rapid shifts in support for incumbents in favor of fresh leadership and new ideas that can get things moving.

2. Sigmund Freud's Elements of Personality; Basic Human Needs.

## 4. Leadership Will Change

How could anyone want to be a leader in times of extreme economic crisis? There is no doubt that effective leadership is what is needed now. From the President of the United States to leadership of the family household, someone needs to take responsibility, make decisions, articulate a definitive plan and keep it on track.

### **Leadership Vacuum**

The recent events in finance and government leading up to our current economic woes were characterized by a painful commonality; *no one seemed to be watching the basket*. Financial institution CEOs, Chairmen of government agencies and many other senior executives who were enriched by the loosest lending and credit policies in history didn't see prevention of the resulting financial crash as having anything to do with their own responsibilities. During the many investigative congressional hearings to follow, it was hard to find anyone to acknowledge that their actions were at fault.

Everyone is looking for '*them*' to fix it.

Leaders take responsibility- because they didn't; now we have to.

*'Them'* is '*Us*'.

Whether you're the leader of your household, a small business leader or corporate executive, you are now facing problems of what or who to cut, what to borrow, how to economize and whether or not you will still be viable. Under these conditions leaders will need to display a characteristic hard-core crisis leadership mindset.

### **Watch the Basket**

Keeping your eye on the fundamentals is even more important when resources are cut to the bone. Rigorous monitoring of income and outgo will be job 1.

### **Clear Communication of the Current State and New Direction**

Leaders need to provide a sober analysis of the current state of affairs, and articulating the pains of the current reality in terms of their effects on each person. Everyone will want to know what the plan and strategy is for the future, however unpalatable the truth might be, so they can begin to adjust to it and help, rather than hinder the process going forward.

### **Zero-based planning outlook now**

Whatever plans have been in motion up to this point need to be completely re-examined from a fresh perspective. No assumptions can be taken for granted, no sacred cows. All financial fundamentals and their consequences need to be re-examined completely.

### **Motivate through inclusivity**

Leaders will need the support of their spouse, their family, their employees, their managers and board members. This is not the time for sweeping autocratic dictates and lack of communication and neglecting consultation before decisions are made. As each is fully informed and given the opportunity to participate, they will feel more connected and supportive with the ultimate direction that is taken- even when hard decisions are necessary. Effective leaders will make hard decisions feel like consensus decisions, to bring the team along together.

### **The Leadership Example**

Modesty will be the appropriate attitude to take, bearing the burden without complaint and being seen as 'on top of the problem' will inspire confidence from others. Decisions that are logically explained and fairly administered will help the medicine go down easier.

### **Leaders must be adaptable and resourceful**

Chances are, leaders will not have an overabundance of resources or personnel at their disposal with which to attack problems. The wrong combination of people to delegate to, gaping holes in competency or ability of subordinates, and little in the way of extra financial wherewithal.

Leaders will need to mentor and develop the people they have, inspiring them to take on new responsibilities, and training them as needed so they might grow more quickly. Leaders will also need access to informational resources, expert opinions and professional directions, assistance programs available, and a clear idea of how much they can stretch things to survive. Leaders will need to find innovative and creative solutions to tough problems, adapt existing capabilities to new circumstances, and making it happen ‘home grown’.

### **Personal responsibility and sacrifice**

True leaders will identify themselves as where the buck stops with the strong message to team members, and creditors alike that – “I’m accountable”. Leaders should prepare now for long hours, complex problems, and resurgence of difficulty before things are ultimately turned around. Leaders will, in actuality, have much less latitude in their decision making and choice of direction as their real options will be few. Another big responsibility will be helping to maintain team motivation as problems and financial restrictions drag on for some time.

### **Focus on Efficiency**

One cultural change smart leaders will emphasize is a focus on efficiency, cost control and thrift. Questioning every overhead expense, leading brainstorming and process improvement initiatives, and making everyone a zealot for penny pinching will create occasions to celebrate when optimizations are discovered. From shutting off lights and running fuller laundry loads and wearing sweaters to save energy at home, to ordering truck deliveries in the most fuel efficient routes and shaving a half hour a day off labor

costs in the workplace, everyone should be questioning everything to see how it can cost less. This sort of leadership has a bottom line return.

### **Get Light and Flexible**

From the household to the factory, material goods, furniture, equipment, and too much stuff will need to get paired down and minimized to the absolute essentials. The factory or the household may need to move to a smaller or lower overhead location. Preparing now will help minimize moving costs and allow you to take advantage of opportunities fast- when they come up. Some may move several times until they are able to sustain themselves in one location. Having a truck and a trailer, and an alternate low-cost or no-cost place to store things you don't want to get rid of, but also don't want to move around will help make you more nimble.

### **Don't Forget the Creativity**

Times of crisis often lead to new ideas and approaches that work better than the original ones. Smart leaders will always give creativity a seat at the table. Embracing and promoting creativity, suggestions and input from everyone, as well as formal 'creativity sessions' to brainstorm on particular problems can generate dramatic and unimagined solutions to tough problems. A long shot, hail Mary solution might be just what the doctor ordered.

### **The Korean Team Survival Philosophy**

During one of their severe financial crisis in South Korea, The President of Samsung defied all popular wisdom and invested heavily in teamwork training and the importation of best practice employee and manager team development programs from California-based Aquarius Training & Development- the first program of it's kind in all of Korea. Samsung staved off flagging revenues, attrition and low morale by implanting a clear cultural message: "By suffering together and working together as a team, we can overcome anything, and when we do- we will all share in the benefits and celebrate together". Samsung went on to become the dominant chaebol in South Korea and the

region and gained global market share in numerous industries, challenging the likes of Caterpillar, Sony and Nokia.

There is no doubt that it will take hard work to overcome the economic challenges we are all facing today. Effective leadership will help it work more quickly and efficiently.

What every good leader needs is a good plan.

## **5. Your personal plan to respond to the new depression.**

The traditional strategic planning model starts with a mission and strategic vision for achieving specific goals, followed by some kind of current status check, identification of major issues, the development of strategic initiatives, operational planning, actions and results. The reason our current economic situation seems so impossible is because we now have to go back to the mission and strategic vision, and change them.

Many haven't really faced this fact yet. The things you wanted to achieve and the way you were setting about to achieve them are no longer sustainable. Many are in denial about this, many are angry about this, but the smart ones are searching for a way to do something about this- to re-adjust, to re-calibrate. The process presented here is a critical part of re-defining your mission and vision with a long-term view that starts with what is possible now. That starts for looking for any leverage you can find in your current situation.

There may be resources you haven't discovered yet. There may be ways of doing things you haven't thought of. There may be internal changes in your values and goals that you will need to change for yourself. There may be support networks that you can build or join. There may be some creative business ideas you can try. There may be adjustments to your cash flow that can give you some leverage. There is probably overhead you can still cut. There may be some part time work out there. You might be considering the pros and cons of bankruptcy. There might be something you can make, a service you can provide, or something you can sell. There might be someplace cheaper you can move to.

Don't hold your breath waiting for a bail, hand out or miracle. There are no magic bullets. You have to start with the reality of where you are now.

This chapter is about doing what you can.

**First get you mind right.**

It sucks to have to lower your standard of living. Nobody likes it. Go out in the backyard and scream a little bit, give the garbage cans a good kick, and maybe even cry. Then let go of it.

Decide which of the following philosophical mindset strategies is going to work best for you from now on, to help you deal with additional stress and changes:

**The Zen Master**

This mindset is anchored by non-attachment, by not letting things effect your emotions, by even minded-ness in the face of agonizing decisions, troubles and loss. The Master is unaffected no matter what happens. Not a bad strategy if you can pull it off- probably why we respect these guys so much.

**Cheerful Denial (on the outside)**

Despite evidence to the contrary, this mindset is one of happy cheerfulness, remaining positive, and exuding happiness no matter what you are really thinking. This approach is good for other people-at least you're not dragging others down, just make sure you get all the private time you need to re-charge those happiness batteries however you can.

**The Ox**

Just keep working hard, and expect others around you to work hard, and if anyone isn't working hard you guilt them into getting to work. You're the example of stubborn single mindedness, getting it done no matter how many calories it takes, the harder the better. By gritting your teeth and keeping your nose to the grindstone there is no obstacle that cannot be surmounted. This is a great example for others around you, and probably decently productive as well- just don't kill yourself with stubbornness.

**Mr. Leverage**

Many out of work MBA-types will try to find the leverage in every situation. How can we find complicated administrative approaches, exploit loopholes in rules and policy,

borrow against ephemeral value, and negotiate with higher level decision makers in hopes of creating appeals from an unexpected direction. You might indeed be able to think yourself out of trouble or perhaps create an opportunity where there wasn't one before. Just make sure it's worth the time and energy and that there are really eggs in that basket.

### **The Martyr**

Suffering is noble. The more the better. Walk several miles to the store and back carrying all the groceries to save gas. Get up really early and go to bed late at night to cook meals for everyone. Don't buy anything for yourself-ever, be there for everybody all the time, do all the housework or whatever else is required. The few thank-you's you receive will be the precious recognition you crave to validate your existence. Most of the time you will suffer alone. You'll probably go to church every week and pray for everybody.

### **The Nihilist**

Since you can't control anything that's happening to the world, why bother trying? Somebody else caused these problems, let someone else fix them. Self absorbed and selfish, freeloading off of parents or other relatives, the focus will be on having fun and shirking responsibility as much as possible. Although it may seem like an attractive strategy to some, it will most likely backfire at some point.

These examples are meant to give you pause, and to make you think about developing your own philosophical perspective that you can use as your own foundation during these challenges to come. Perhaps a little bit of each of the examples above will work for you and yours. Don't feel restricted by these mind sets, make up your own that works for you.

Now that you've gotten straight in your head how you will think about things, it's time to make a plan to do something about them.

The real purpose of this chapter is to help you help yourself out of danger and get to a place of greater security and hope for the future than you have today. We're looking for mitigation strategies in light of the specifics of your individual circumstances.

Our model and approach is:

**First**--- figure out where you are today. Analyze where the weakest areas and potential negative impacts in your situation are and what are the stronger areas of your particular situation that you might build on.

We've provided a 50 question self assessment instrument here that examines the ten most important categories for dealing with the new depression:

*Variable Overhead*

*Fixed Overhead*

*Work*

*Education*

*Internal/External Pressures*

*Opportunity*

*Network and Community*

*Cash Flow*

*Readiness for Change*

*Survival Resources*

**Second**— develop ideas, tactics, changes, and options that you can apply in areas most in need. The process presented here is designed to help you see your situation holistically, to evaluate and think critically and to develop the logical rationale that will lead to the courage needed to make decisions.

**Third**— you'll craft your decisions into a measurable action plan with a to do list, resource projections, relationship management strategy and a teamwork and leadership direction that will help you create real progress in your situation.

# NEW DEPRESSION SURVIVAL ASSESSMENT

This 50 question self-assessment will aid you in establishing a holistic view of your current circumstances and situation in response to the challenges of the new depression.

Ten categories are presented with five questions each, scored on a scale of 1 (least extent) to 10 (most extent).

After scoring each question, plot your answers on the DEPRESSION SURVIVAL ASSESSMENT IMPACT CHART, and perform any additional calculations and analysis. A calculator may be helpful.

Once complete, follow the improvement planning guidelines provided.

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Score your answers on a scale of 1(lowest, worst or least extent) to 10 (highest, best or most extent). Add up the total of answers in each category and divide by 5 for each 'category mean score'.

## **VARIABLE OVERHEAD**

1) I can afford food for myself and family.

1    2    3    4    5    6    7    8    9    10

2) I can afford the gasoline to get where I need to go.

1    2    3    4    5    6    7    8    9    10

3) I can afford my home heat and air conditioning costs.

1    2    3    4    5    6    7    8    9    10

4) I can afford the clothing I and my family need.

1    2    3    4    5    6    7    8    9    10

5) I have enough money to pay for a good quality of life (eating out, gifts, hobbies, vacations etc.)

1    2    3    4    5    6    7    8    9    10

Total of questions 1-5 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **FIXED OVERHEAD**

6) I can afford my current housing situation

1    2    3    4    5    6    7    8    9    10

7) I can afford to pay my utilities (power, phone, cable) each month.

1    2    3    4    5    6    7    8    9    10

8) I can afford to pay for healthcare expenses.

1    2    3    4    5    6    7    8    9    10

9) I can afford to pay my credit obligations (credit cards, loans etc).

1    2    3    4    5    6    7    8    9    10

10) I can afford to pay for other various recurring costs (small business costs, maintenance, repairs, childcare, etc.).

1    2    3    4    5    6    7    8    9    10

Total of questions 6-10 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **WORK**

11) I have work that pays me the money I need to cover my overhead.

1    2    3    4    5    6    7    8    9    10

12) I have the opportunity for retirement savings and/or health care benefits from my work.

1    2    3    4    5    6    7    8    9    10

13) My work provides the opportunity to increase my wages.

1    2    3    4    5    6    7    8    9    10

14) My job is secure; I am not in danger of being fired/laid off.

1    2    3    4    5    6    7    8    9    10

15) I have the opportunity to pursue additional/extra/part time work.

1    2    3    4    5    6    7    8    9    10

Total of questions 6-10 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **INTERNAL/EXTERNAL PRESSURES**

16) I can support my own household and extended family who depend on me.

1    2    3    4    5    6    7    8    9    10

17) All of my taxes are paid and current.

1    2    3    4    5    6    7    8    9    10

18) A major life event has not impacted me within the past two years (death, illness, bankruptcy, divorce, business loss, job loss).

1    2    3    4    5    6    7    8    9    10

19) My overhead has not increased significantly recently (due to variable mortgage, health, unexpected costs, other).

1    2    3    4    5    6    7    8    9    10

20) I am not currently late or in default with my biggest creditors.

1    2    3    4    5    6    7    8    9    10

Total of questions 16-20 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **EDUCATION**

21) I have the professional skills and education I need.

1    2    3    4    5    6    7    8    9    10

22) I am prepared to pay for the educational expenses of my household.

1    2    3    4    5    6    7    8    9    10

23) I can readily access better work opportunities and quality of life with more education and training.

1    2    3    4    5    6    7    8    9    10

24) I have the time to pursue additional education and training.

1    2    3    4    5    6    7    8    9    10

25) Education is affordable and available for my household.

1    2    3    4    5    6    7    8    9    10

Total of questions 21-25 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **OPPORTUNITY**

26) I can start a business to make more money.

1    2    3    4    5    6    7    8    9    10

27) I can sell an asset(s) to relieve substantial financial pressure.

1    2    3    4    5    6    7    8    9    10

28) I can move to a less expensive situation.

1    2    3    4    5    6    7    8    9    10

29) I can pursue other work.

1    2    3    4    5    6    7    8    9    10

30) I can implement another idea (such as renting a room) to make more money each month.

1    2    3    4    5    6    7    8    9    10

Total of questions 26-30 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **FAMILY NETWORK AND COMMUNITY**

31) My friends, relatives and I stay in contact.

1    2    3    4    5    6    7    8    9    10

32) My friends, relatives and I share resources to support one another.

1    2    3    4    5    6    7    8    9    10

33) I donate time/resources in my community.

1    2    3    4    5    6    7    8    9    10

34) I have an effective informational network I can access to find what I need.

1    2    3    4    5    6    7    8    9    10

35) I don't need the support on my network/community to get by.

1    2    3    4    5    6    7    8    9    10

Total of questions 31-35 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **CASH FLOW**

36) I make what I need to get by every month.

1    2    3    4    5    6    7    8    9    10

37) I have savings to fall back on.

1    2    3    4    5    6    7    8    9    10

38) My expenses each month are stable (not increasing).

1    2    3    4    5    6    7    8    9    10

39) I don't need to borrow each month to cover my overhead.

1    2    3    4    5    6    7    8    9    10

40) I have good access to credit when I need it.

1    2    3    4    5    6    7    8    9    10

Total of questions 36-40 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **READINESS FOR CHANGE**

41) I'm willing to make big changes or whatever necessary to get by.

1    2    3    4    5    6    7    8    9    10

42) I'm willing to relocate to save money or for better opportunities.

1    2    3    4    5    6    7    8    9    10

43) I'm willing to share housing.

1    2    3    4    5    6    7    8    9    10

44) I'm willing to switch careers to make more money.

1    2    3    4    5    6    7    8    9    10

45) I'm willing to lower my quality of life to get by.

1    2    3    4    5    6    7    8    9    10

Total of questions 41-45 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

## **SURVIVAL RESOURCES**

46) I have access to fresh water/hot water.

1    2    3    4    5    6    7    8    9    10

47) I have a warm place to sleep every night where I can wash.

1    2    3    4    5    6    7    8    9    10

48) I have enough to eat this week.

1    2    3    4    5    6    7    8    9    10

49) I have a plan and a place to go if I can no longer afford housing.

1    2    3    4    5    6    7    8    9    10

50) I can provide these things for my kids/household.

1    2    3    4    5    6    7    8    9    10

Total of questions 46-50 \_\_\_\_\_ Divided by 5 = Category Mean\_\_\_\_\_

List your Category Mean Scores:

Variable Overhead \_\_\_\_\_

Fixed Overhead \_\_\_\_\_

Work \_\_\_\_\_

Internal/External Pressures \_\_\_\_\_

Education \_\_\_\_\_

Opportunity \_\_\_\_\_

Family Network and Community \_\_\_\_\_

Cash Flow \_\_\_\_\_

Readiness for Change \_\_\_\_\_

Survival Resources \_\_\_\_\_

**Add together all of these scores  
and Divide by 10**

\_\_\_\_\_ **This is your Overall  
Mean Score**

## NEW DEPRESSION SURVIVAL ASSESSMENT IMPACT CHART

	<i>Survival Zone</i>				<i>Maintenance Zone</i>			<i>Security Zone</i>		
Variable Overhead	1	2	3	4	5	6	7	8	9	10
Fixed Overhead	1	2	3	4	5	6	7	8	9	10
Work	1	2	3	4	5	6	7	8	9	10
Int/Ext Pressures	1	2	3	4	5	6	7	8	9	10
Education	1	2	3	4	5	6	7	8	9	10
Opportunity	1	2	3	4	5	6	7	8	9	10
Fam. Netwrk/Comm	1	2	3	4	5	6	7	8	9	10
Cash Flow	1	2	3	4	5	6	7	8	9	10
Readiness Change	1	2	3	4	5	6	7	8	9	10
Survival Resources	1	2	3	4	5	6	7	8	9	10

Make a mark corresponding to each of your Ten Category Mean Scores.

Draw a vertical line through all of the categories corresponding to your Overall Mean Score

The scale can be generally interpreted as having three distinct zones:

**Survival Zone 1.00 - 4.50**

Scores this low reflect a real survival situation characterized by desperation, living hand to mouth, and under continual, extreme stress. Individuals with scores this low might be in real danger of becoming homeless (or be homeless already), not eating enough to stay healthy and being exposed to many kinds of discomfort, risk and dangers. This barely qualifies as a standard of life and is not sustainable.

**Maintenance Zone 4.51 – 7.25**

Scores in this zone generally describe a basic standard of living, having a roof over your head and a place to sleep, enough to eat and no immediate health dangers. Although stress levels may be very high and the situation very modest and uncomfortable, chances are there are still options, choices and trade offs you can make to improve your situation in small ways, and a little time to prepare for more significant decisions you can forecast which are coming soon. Many are stuck in this state of uncomfortable equilibrium without any obvious path to resolution and greater security. It is just a matter of time before something must change.

**Security Zone 7.26 – 10.00**

Although you may have experienced financial losses and a significant drop in your quality of life during these times, you are likely not in danger of being thrown onto the street tomorrow, starving or being able to put some gas in your car. You have not completely exhausted your choices, options, or resources. Remember that many, who were in a similar condition only recently, would like to be in your shoes right now. You can still extract great benefit from developing an action plan and as your situation improves even more, you'll be better able to help others.

**NEW DEPRESSION SURVIVAL ASSESSMENT: Strengths**

*List your highest three category mean scores:*

Category name	Mean score
_____	_____
_____	_____
_____	_____

*List your five highest scoring questions:*

Question wording	1-10 score
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

These areas represent your strongest areas of your self-assessment. Strengths can be built upon to raise overall scores even higher. List some things here you can do to improve any/all of your strength areas:

**NEW DEPRESSION SURVIVAL ASSESSMENT: Weaknesses**

*List your lowest three category mean scores:*

Category name	Mean score
_____	_____
_____	_____
_____	_____

*List your five lowest scoring questions:*

Question wording	1-10 score
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

These areas represent your weakest areas of your self-assessment. Weaknesses require specific actions to overcome or to compensate for their negative impacts. What can you do to compensate for these areas or to raise scores in these areas? List some things here you can do to improve any/all of these areas:

## **NEW DEPRESSION SURVIVAL ASSESSMENT: Action Plan**

**1) MOST URGENT ISSUE-** the most time sensitive issue you have to deal with. Describe it here.

What will happen if you don't take care of it?

**2) MOST IMPORTANT ISSUE-** the most significant or threatening issue you have to deal with. Describe it here.

What will happen if you don't solve this problem?

**4) Describe the most realistic best-case scenario** of how you see yourself solving these problems:

**5) Describe the most realistic worst-case scenario** of what will happen if you don't solve these problems:

**6) What are the specific things you need** that will resolve these problems (amount of money, mortgage decision, find an apartment, pay electricity bill, register car, etc.)

**7) WHO ARE THE PEOPLE** in my network/on my team that my plan will affect or benefit? List each person touched by your plan. List also how will I relate to each of them differently or what I will need them to do or change?

>These are the things I have to do and have no choice about:

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This is when I will do them:

>These are the things I need to do or there will be negative consequences:

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This is when I will do them:

>These are the things that I want to do that will improve my situation:

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>These are the things I can think of right now that I can do for someone else:

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## **NEW DEPRESSION SURVIVAL ASSESSMENT: Biggest Issues**

**1) MOST URGENT ISSUE-** the most time sensitive issue you have to deal with. Describe it here.

What will happen if you don't take care of it?

**2) MOST IMPORTANT ISSUE-** the most significant or threatening issue you have to deal with. Describe it here.

What will happen if you don't solve this problem?

**4) Describe the most realistic best-case scenario** of how you see yourself solving these problems:

**5) Describe the most realistic worst-case scenario** of what will happen if you don't solve these problems:

**6) What are the specific things you need** that will resolve these problems (amount of money, mortgage decision, find an apartment, pay electricity bill, register car, etc.)

**7) WHO ARE THE PEOPLE** in my network/on my team that my plan will affect or benefit? List each person touched by your plan. List also how will I relate to each of them differently or what I will need them to do or change?

>These are the things I have to do and have no choice about:

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This is when I will do them:

>These are the things I need to do or there will be negative consequences:

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This is when I will do them:

>These are the things that I want to do that will improve my situation:

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>These are the things I can think of right now that I can do for someone else:

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## **READINESS FOR CHANGE**

Are you sure you're ready? What Big Changes Are You Willing To Make?

What will you **Reduce**?

What will you **Postpone**?

What will you **Give up**?

Where will you **Move**?

What will you **Share**?

What will you **Trade or Switch**?

What will you **Leave or Leave Behind**?

What will you **Return To**?

## **GUIDELINES FOR DECISION MAKING**

Now that you've developed an overall picture of your situation and identified your most pressing issues you will need to actually commit to solving your problems in a specific way. Keep the following in mind:

1) Is it better in the long run to let the situation go (the house, the car etc.) to relieve future stress and eliminate the problem once and for all? Do you have one or more fall-back positions if you can't achieve a solution? Ask yourself if this problem is a 'critical' issue or not (meaning that you cannot do without it or serious harm will result).

2) For each problem you need a solution for, list all of the other options you have, however modest, distasteful or difficult, that you might have to consider. Let's take for example; the problem of giving up your car because you can't make the payment.

Borrowing a car for awhile from a friend or relative

Buying a very old, ugly, cheap car

Catching a ride to work

Making the kids walk home from school

Taking the bus

Hitch hiking

Hiding out from the guys who will come to re-possess your car as long as possible

Financing a cheaper used car at a higher interest rate

Get a motorcycle

Ride a bike

Walk

3) Now apply your real-life-constraints and decision making filters to your list of options such as:

a. most affordable option b. option that fits the time you have to make a decision

c. easiest thing to do d. best short term option e. best long term option – or other criteria you may have (each problem situation will be different of course).

Which ever option on your list seems to get the most ‘votes’ from each of your decision making filters and best fits your constraints is probably the right decision- even though you might not like it or want to face it.

4) Now that one or two options seem to be emerging (however unpalatable they may be), try to fall in love with the idea or choice you will have to make. This sounds kind of ridiculous, but the idea is to begin thinking creatively about how you could make that particular choice work better so you can get more comfortable with it. Maybe you can get by with taking the bus to work and a moped to drive around town that will save you lots of money on gas each month..

5) Once you’ve identified the best option- execute. Don’t waste time. Make the change. Get to your new situation fast so you can begin to adjust, and hopefully have a better situation with less pressure. If your option doesn’t relieve some level of pressure, you might want to re-consider it. If you are making a large change or sacrifice, you should aim to get some kind of benefit like making one of your problems go away.

My own story...

In my own situation I was driving a 2005 Ford 150 that I bought new and was making payments on each month, many times paying late, paying full coverage insurance since the bank owned a good percentage of it, paying high registration fees each year, paying shocking amounts at the pump every time I filled up and worrying allot about keeping it in good condition. Then my truck was re-possessed. The same day I found a 1990 Ford Ranger for \$1500. (Bought from a guy that was getting on his sailboat to sail around the world). It was scratched and a little rusty, but intact and still very functional in every respect.

The leftover insurance on the other truck covered the Ranger for six months when I transferred it. Registration wasn't even a third as much, it gets much better gas mileage—and the best part—there is no payment to make every month. No more of those damn envelopes in my mailbox. It even came with a camper shell which I can put on or take off as I need it.

I used to get a little embarrassed when I picked up the kids at school and all the other parents are driving late model European cars and the like. What I know now is that I've eliminated one big area of stress in my life that they still have, no matter how shiny their cars are. My older little truck performs all the same jobs as their new shiny ones do.

I got a repair manual for it as well. It turns out that in 1990, the assumption was that people still worked on their own cars, which I have been able to do a little here and there—saving money by doing things myself. My newer truck might as well have had the engine sealed in plastic, between the computers and very customized and high tech components; I hadn't a prayer of working on that thing myself. If I needed a repair I knew it was back to the dealer for a good wallet vacuuming.

The practicality of an older, simpler car means that I have a shot at finding parts in Mexico on a trip if I break down, fixing things myself, or if I do need to hire a mechanic, the range of guys I can use is much greater and more than likely less expensive. I'm looking for a new windshield now that I can get used for about 80. bucks (mine has a small crack in it) and I can probably get it painted in Tijuana for about 125. bucks. I drilled a hole in the dashboard the other day to mount my cell phone case so I could slip in my phone when I'm on the road. Can't say I would have done that with the shiny truck.

The next breakthrough I made was to get a motorcycle. During the times when gas prices reached astronomical levels I could adjust my driving to ride the motorcycle most of the time unless I had a reason where I had to drive the truck. Since I live in San Diego, weather was rarely an issue and I found myself preferring to ride the motorcycle just

about everywhere. Picking up one kid from school, dropping one at football practice, riding downtown where car parking was always a problem, going to see the fourth of July fireworks, and getting to various places when everyone else was stuck in traffic. I always arrive earlier on the motorcycle than I do in the car. I never have to fill the 6 gallon gas tank more than once a week—and for allot less.

I wish I'd started riding a motorcycle 15 years ago. 45 to 50 miles per gallon and an enjoyable ride. I have a house in Mexico I am building myself (my backup plan) and it's about 100 miles one way to make the trip. The motorcycle quickly became the preferable way to make this drive, with a beautiful adventure ride down the coast, and the advantage of coming back across the border on the way home in four minutes- driving between the cars that wait in line for hours and hours. Now I can have a 'cheap weekend' for less than fifty dollars including food at my Mexican getaway spot. It would cost more than that just for gas even in my little truck. My lady and I have enjoyed several fun motorcycle touring trips that have allowed us to go down the back roads, see out of the way spots and spend more on a good meal than we do on our gasoline.

My point here is that I stressed a lot about keeping my shiny newer truck, which was truly a beautiful machine, but I quickly got used to my new transportation options, which have dramatically lowered my expenses, and I believe that I enjoy my new driving strategy allot more. It took a re-possession to make me act though. At the time, giving up my shiny truck was nowhere on my list of economizing options. It should have been one of the very first things I considered.

### **Develop Your Plan**

What you need to do now is go through each of the options you've identified, and actions you've committed to and collect all of your solutions into one master plan. Decide which you will do first, second and third. See if there are any relationships or additional optimizations you can make. For example, having to move out of your house and find a new place to live- perhaps you can move to something cheaper very close to where you work- to save transportation expenses. Maybe a part time job in food service or a restaurant will provide a free meal each day or discounted food you can bring home to your family.

This idea can be extrapolated for clothing, or other regular supplies your household needs. Employee discounts as a supermarket worker might potentially offset a big percentage of your monthly grocery bill. Maybe you can share internet or cable service with one or more of your neighbors. Perhaps moving to a place with access to enough free firewood you can chop yourself to heat your house and lower your oil or electricity bill is an option. Think creatively. Look for synergies, leverage, and relationships between your options and plans.

### **Track Your Metrics**

Make goals for improving in each of the ten categories presented here. Decide that you will call ten job prospects a day, list your resume with five new career search engines and then do it! Buy three chickens and see how many eggs they lay a week. Make a complete monthly budget of what you are spending now. Project the impact of each of your new choices in your action plan. Track the reduction in spending as you adjust to your new situation and make sure you are getting everything you can out of it. Pennies count.

### **Keep your chin up and work your plan.**

Challenge yourself and don't get discouraged. You should continue to look at key assumptions and don't stop looking for new optimizations just because you've recently made a big change. Look for more changes and continuously save and improve.

## **SUMMARY OF PHILOSOPHIES**

The following are highlights of philosophies and principles that might help you or at least give you something to think about as you plan your adjustments to these hard times (in no particular order):

- ◇ Take care of fundamental survival needs first. Enough to eat, a warm and dry place to sleep, water.
- ◇ Think about how to do everything/get everything cheaper.
- ◇ Look for big reductions in your overhead through less-than-comfortable sacrifices. Better to take your own decisions now before a worse option is forced upon you.
- ◇ Be creative in looking for additional sources of income. Don't be afraid of hard work, menial work or doing something you never thought you would see yourself doing.
- ◇ Save anything you can, even if it's just a few dollars a week. Make it grow.
- ◇ Tune in to the used and useful. Thrift stores, garage sales, community resource centers, and swap meets. People throw away things you can use all the time.
- ◇ Waste nothing.
- ◇ Consider checking out to live in another country if you can. No better time for an adventure. Just don't burn all your bridges behind you.
- ◇ Plant a vegetable garden, herbs, fruit trees or whatever you can. Grow things in pots on your patio if you're in an apartment. They will grow a little every day and soon you'll have something you didn't have before.
- ◇ Get rid of anything you are making monthly payments on except your house. You can get another one when things get better.
- ◇ Get an old car. Fix it up and drive it.
- ◇ Read more, it doesn't cost anything.
- ◇ Use your local library. They have free computers too.
- ◇ Connect with your family and friends. Find ways to help one another out.
- ◇ Consider sharing your house or renting out a room or the garage.

- ◇ Find jobs for your teenagers.
- ◇ Attend free job training at night. Take college courses if you can afford them. Learn new marketable skills- even if it takes you awhile.
- ◇ Re-negotiate your mortgage. It's worth giving it a try. Do it yourself.
- ◇ Re-negotiate your credit card balances when you know what you can pay. Stop paying them for awhile if you can get away with a bad credit rating. Eventually (maybe a year or more) they will offer you a more attractive deal. Nobody should have to pay 28% interest on anything.
- ◇ Consider moving in with a relative or offer for them to move in with you. Share expenses and grow closer as a family. Your kids will appreciate it later in life.
- ◇ Fix and refurbish stuff. You'll need to keep things working longer anyway. Maybe someone will learn a new skill they can leverage like restoring furniture, fixing motors, etc.
- ◇ Re-discover simple pleasures. The picnic. A day at the park. Stargazing and Sunsets. Listening to and playing music. Writing. Making love.
- ◇ Always have something for sale. Make sure buyers can find you on the internet.
- ◇ Cook more at home. Make things from scratch. Re-discover jars and canning and smoking- especially if you grow a lot of something or have productive fruit trees or catch a lot of fish.
- ◇ Consider buying some chickens, goats, pigs or maybe buy a cow with some friends. You can all share in the meat and it will be cheaper than the supermarket.
- ◇ Try making your own beer, wine, or tequila. You never know, it might be good.
- ◇ Find ways to relieve your stress. You'll need it.

## **6. How We Will Endure**

America needs realignment, hard work and a new direction. We need hope to look towards in the future.

### **Holding Firm**

Our interests lie in holding together. Getting back to what our nation used to be like. We need to support one another and return as quickly as possible to a way that works, to reclaim our prosperity and leadership in the world as a successful example. No one believes that the United States of America can fail, but lately not enough have been investing in its success. Once again, the burden will fall upon the people of this country to take a firm hold of the tiller and get the ship back on course. When it does return to the right direction let's remember what we've learned so as not to steer it into the rocks again. All hands on deck!

### **How Fast Can We Recover?**

With the right strategies, tactics, alignment and leadership we should aim to get back on course as quickly as possible. Like the hard personal choices many of us will have to make, our country needs to make some difficult choices to eliminate or compensate for particularly challenging issues. That is going to mean a top to bottom audit and restructuring of government departments and spending. It's overdue anyway. Hopefully, lawmakers will find new ways of working together that will work more effectively than what we've seen in the past. The possibility exists that we can come back from this fast. If it's politics as usual, it will take longer and there will be no guarantee of the quality of the decisions that are made.

### **Inspiration**

The people need high goals for the will of the people to be directed towards. Truly inspired plans that provide a great benefit will be widely supported. The American people in alignment around a specific goal can be a very powerful force. Ideas that are structured to benefit the few or the privileged will be resisted.

### **What are the growth ideas?**

What are the seeds for the future and who is planting them? The soil should be prepared now for start-ups of all kinds with incentives directed towards promising new industries and technology. To get two or three really good ones we might have to try fifteen or twenty. Small business entrepreneurship, the garage inventor, the well funded university lab, the tax incentivised manufacturing company, the national think tanks and brain trusts must all concentrate on stretching their thinking, research and experimentation more than ever. They'll need government money to prime this pump. If we do develop some new industries or technology, let's see if we can keep them American for awhile.

### **Can We Get Our Money Back?**

Is there any possibility of getting some of our wasted money back? Can we go back to some of these failed bail out programs, dysfunctional government agencies or overweight government contracts and recover some of this funding? Just need to pass a law or take some emergency measures. Doesn't this depression qualify as an emergency?

### **What About Accountability?**

Many are frustrated that taxpayer's funds have been misused, corruption has lead to incredible overspending, and CEO's that were responsible for billions in failure and loss walk away with golden parachutes and millions of dollars. More public punishment, humiliation and jail sentences of corrupt officials and business leaders will send the right message for the future.

### **We Have to Move Away from the Livestock Mentality**

Most of us feel like sheep to be shorn or cattle being marched to slaughter. How is it that our government has grown to such a size that it takes such a bite out of our wages and incomes—and we get so little in return? How is it that other countries pay less in taxes and have universal healthcare? How is it that the wealthiest nation has become the biggest debtor nation? With the trillions upon trillions we have spent in this country, shouldn't we have something better to show for it? Could someone else manage this

much money differently? Is the privilege of being American mean that you have to pay? Other countries do a lot more with a lot less. Time for the cow to bite the rancher.

### **What Assets Do We Have to Leverage?**

There isn't much 'fat of the land' left in America. What resources we have should be leveraged now in any way possible as a parallel economic effort in addition to any stimulus investment. Offshore oil, coal, natural gas, our wind corridor, and our geothermal resources need to be examined in the light of not 'if' we will use them, but 'how' we will use them. There is a smart approach in each of these energy areas, we just need to find them and back them.

What about all of the government owned underutilized land in the deserts of the west and other rural areas? Why not bring back homesteading and give parcels away to Americans who are willing to start whole new areas in exchange for a place to live. Coupled with new self-sufficient technologies this could be exciting. Many Americans are ready for this type of pioneering adventure right now.

What about the American consumer market? Everyone seems to be benefiting from access to it but us. How come South Korea exports 600,000 cars here and we only export 5000 over there? Can we charge a little bit of a premium to countries like China who have wrecked our manufacturing industries with unfair competition? Maybe we need to hire a Chinese-American as our head trade negotiator.

### **Our Creativity and Innovation**

It's time to give away a lot of engineering scholarships to American kids. Let's prime the pump here and make the technical sciences more attractive. How can we make our industries compete on a world-class scale? Why not give low interest government loans to new technology car companies who don't have the financial burdens of the 'big three'? We could use a fresh and comprehensive assessment of the industries we have now that are the most promising and give them all the support we can. No one seems to be asking

a critical question: *‘How can America develop something to sell the world that can make a lot of money real fast?’* There’s probably more than one thing out there.

### **The Man On The Street**

Temporary intervention in mortgage refinance woes, the cost of gasoline and price stabilization for foodstuffs like milk, bread, eggs, and beef could help take the hard edge off for everybody as we all hang in there together until there’s a recovery.

### **Time for Less Regulation and More Efficiency**

From expensive permits to build your own hose to overburdening corporate America with layers of expensive regulation, we need to take another look at what is essential and common-sense here, and which rules, laws and policies are too costly and extreme. A national movement of government process improvement in every area will help get things moving faster and keep them moving. Government agencies all need to trim down to focus on fulfilling core missions first and add additional complexity only when the core stuff is working well and the maximum benefit is being delivered.

### **Why Can’t Everyone Own a House?**

Why is housing so expensive? Sure privately funded neighborhood developments are designed to a high standard, adhere to rigid safety codes and look great. The problem is so many agencies and rules and regulations are involved that the cost of building a house is far out of range for the average family. Some creativity and relaxation of regulations in the interests of putting roofs over people’s heads would be a good idea, now more than ever. Architects, natural builders, new energy dwellings, cement and brick, and traditional stick-built homes can all be built cheaper. Maybe people can sign a waiver of some of these regulations and won’t be able to get insured, but they can build a house to live in cheap. Isn’t that what people need today? History shows us that 99% will continue to develop and improve their property over time, regardless of what kind of home they start out with. Once again, can the government donate some land to put them

on? This would unleash these people's energy to creating new equity for themselves and their families.

### **What should we be advocating for?**

Education funding. Government transparency. Fair trade agreements. Keeping American jobs here. Leaner, higher performance government. Local economic stimulus. Conservative international commitments and entanglements. Fixing things that we're paying for that are broken. Keeping our promises to elder Americans. Better thinking on health care. Energy independence. A focus on the quality of life in America, for Americans. Remember it's our money they are spending.

### **Re-connect with Government**

Today most Americans feel that they don't have access, or influence to their own government and the representatives they've selected to represent them. The beauty of the democratic design is that is supposed to reflect the thinking of the lion's share of the voters, who will generally work out a common-sense middle of the road position on just about every issue there is. When state and local government is concerned more with special interests than the American people's needs, the citizenry will naturally be dissatisfied with how their money is being spent. The trend towards replacing incumbents and a resurgence of ethical behavior will be a welcome change in government that should also save a lot of money. If this can be accomplished, government will once again begin to resemble something real that can be trusted.

### **Back to Self Responsibility**

Many feel that the current economic meltdown is the fault of the financial industry and those in collusion with it for their own selfish self interest-and justifiably so. Many feel put upon to feel the impacts and to have to respond so severely, for a situation they did nothing to contribute to. Today, US Citizens will need to suck it up once again and focus on surviving and taking care of their households, their businesses and their country—

however difficult it may be. The natural self-responsibility that will inevitably develop will breed a stronger, more resilient, tougher set of Americans. We'll start to remind ourselves of our grandparents.

**We'll all be engaged.**

Everyone's efforts will be required. This economic collapse will touch us all. The question will not be what have you done in the past, it will be what are you doing now. Standing still will not be an option. Americans will look back at this time and have stories to tell.

**Caring for One Another as a Strategy**

Let's make the commitment now that we will operate with compassion, understanding and support for one another that sets a new standard. America is a giving nation with wonderful people. Let's re-discover that. Ask yourself how you can demonstrate that in your community every day.

**Refuse to be afraid**

Yes many of us are worried. Just don't let the fear get to you. You won't be alone. This is the United States of America and this ship's course will be righted. We may be broke, but it's still the USA. We will recover and evolve to be stronger than ever. With faith and the right attitude, we can turn this national challenge into a large-scale transformational experiment in revitalization. Let's get busy.

We will endure.

Bart Allen Berry

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## Other Books By Bart Allen Berry

The Gift of Experiential Learning

Quality Values- Market Dominance Through Customer Satisfaction

What Customers Want! Fundamentals of Satisfaction for Your Enterprise

*Bart Allen Berry is a consultant and change expert who has worked with hundreds of thousands in the area of large-scale organizational change. Bart is the founder of Southern California based Aquarius Training & Development, and is the CEO of heretohelp.us, a recession survival resource web portal. Bart performs regular training and speaking programs world-wide.*