

Lessons from Argentina's economic collapse

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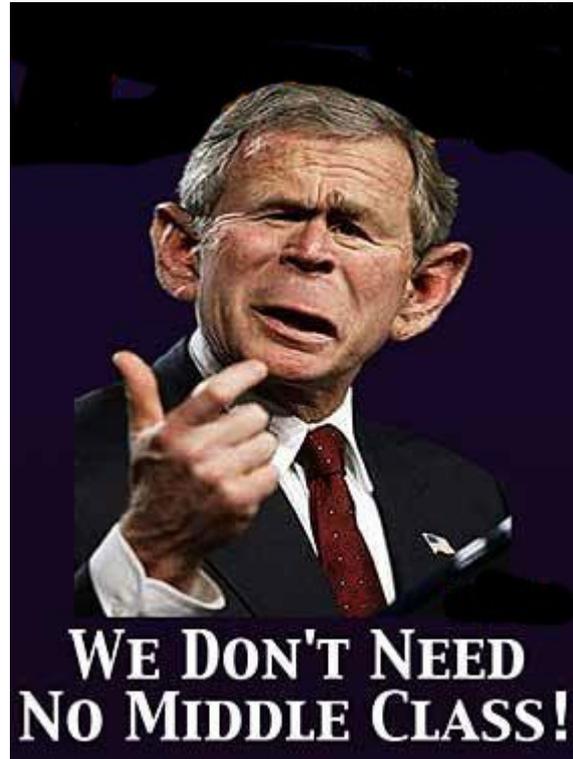
Part Three

Studying the SHTF at the University: Dark omens:

I forgot it! Darn, same as the gold stuff but worse, much worse. I've never been good at remembering some things, like numbers and names of people I meet, I forget those (instantly), they just flee my mind, uneventfully, but I do remember some other things that don't seem to be as important. I do remember living in USA as a kid. I remember my school, Pierce School, Don't remember exactly where it was, because we lived some in Boston, Massachusetts and some in New Hampshire. I remember my best friend, Freddy, and a girl (why is there always a girl?) Samantha, Sam. She was red haired and tall, I had a picture of her playing together but I lost it. Some time between the age of 3 and 26 I lost that picture that was so dear to me. I remember the smell of an orange shaped "scratch and smell" sticker my kindergarten teacher stuck in a small book we made once. But I almost forgot this forever. This, this was important, a moment where the life we once knew stopped existing, and a group of students, in a class room that looked like an abandoned building, realized it, all 60 of us at the same time.

It's 1:06 AM over here. I just finished showering and my wife and son are asleep. I was putting shampoo on my hair, thinking about what I wrote today on this post, and remembered the exact moment when I realized along with several other people, not only that TSHTF (that we all knew) but that the world we once knew no longer existed, and that this was not a hurricane, this was an ice age period, it wouldn't just go away.

We understood it the same way a kid understands photosynthesis: Because a teacher coldly explained it to us, even used graphics. I slept 5 hours yesterday, 2 hours the day before yesterday. Saturday night I didn't sleep at all. I'm already used to it. Deadlines at the University, staying late at night, drawing in CAD 3D, waiting until Renders are ready. It's a competitive world out there, and no one sympathizes with what you are going through, they just want you to perform as expected, and the standard is always high. It happened 4 years ago, almost a year after the December 2001 crisis. It was a social studies class and this teacher, don't remember if it was a he or a she, was explaining the different kinds of social pyramids. God! Now I remember more! We even had a text book with those darn, cruel pyramids! The first pyramid explained the basic society. A pyramid with two horizontal lines, dividing those on top (high social class) those in the middle (middle class) and the bottom of the pyramid (the poor, proletariat). The teacher explained that the middle of the pyramid, the middle class, acted as a cushion between the rich and the poor, taking care of the social stress. The second pyramid had a big middle section, this was the pyramid that represents 1st world countries. I which the bottom is very thin and arrows show that there is a possibility to go from low to middle class, and from middle to the top of the social pyramid. Our teacher explained that this was the classic, democratic capitalist society, and that on countries such as Europeans one, socialists, the



pyramid was very similar but a little more flat, meaning that here is a big middle section, middle class, and small high and low class. There is little difference between the three of them.

The third pyramid showed the communist society. Where arrows from the low and middle class tried to reach the top but they bounced off the line. A small high society and one big low society, cushioned by a minimal middle class section of pyramid. Then we turned the page and saw the darned fourth pyramid. This one had arrows from the middle class dropping to the low, poor class.

"What is this?" Some of us asked.

The teacher looked at us. "This is us"

"It's the collapsed country, a country that turns into 3rd world country like in pyramid five where there is almost no middle class to speak, one huge low, poor class, and a very small, very rich, top class."

"What are those arrows that go from the middle to the bottom of the pyramid?" Someone asked.

You could hear a pin drop. "That is middle class turning into poor".

I won't lie, no one cried, though people rubbed their faces, held their heads and their breath.

No one cried, but we all knew at that very moment that all we thought, all we took for granted, simply was not going to happen.

"You see, the income from the middle class is not enough to function as middle class any more. Some from the top class fall to middle class, but the vast majority of the middle class turns into poor" Said the teacher.

I don't know how many people in that room suddenly understood that he/she was poor.

The teacher continued "You see, we have a middle class that suddenly turns to poor, creating a society of basically poor people, there is no more middle class to cushion tensions any more. Middle class suddenly discovers that they are overqualified for the jobs they can find and have to settle for anything they can obtain, there for unemployment sky rockets, too much to offer, too little demand. You see they prepare, study for a job they are not going to get. You kids, you are studying Architecture because you simply wish to do so. Only 3 or 4 percent of you will actually find a job related to architecture."

We all sat there, letting it all sink in. After a few months, it all proved to be true. Even the amount of students that dropped out of college increased to at least 50%. They either so no point in studying something that would not make much of a difference in their future salaries, had no money to keep themselves in college, or simply had to drop college to work and support their families.

Someone once said, in this forum, that if this had happened in USA, the social unrest would have been much worse, because people from S. America are stronger. At first, I told him that I didn't think so, I said that all humans adapt when they have no other choice. But now that I consider it more, maybe he was right. Not that S. Americans are stronger, but they are more used to adversities. Most of us are children from grandparents that escaped civil war, either in Spain or dictators in Italy, our parents survived the dirty war, even more dictators, and therefore their children are of strong character too. Can USA citizens survive what we survived? Of course they can, though I think that there are too many that are not like you, many that don't prepare, and take everything for granted. Those are the ones that will be responsible for the increase in the social unrest once the SHTF, those that were too lazy to take care of themselves before the SHTF, or that had gone soft through out the

years, believing that the government will "take care of them because they pay their taxes". But in the end, they will pull through. People will adapt, they always do. You'd be surprised. And those that don't want to adapt to the new reality they live in, will die young, thus cleaning the gene pool and ensuring the continuity of the specie. It's been this way for thousands of years.

MISCELLANEOUS Q&A

Don't prepare for an idiot shooting a Raven at you 200 yards away, prepare for the sneaky son of a gun that waits until you are distracted, fed the dogs some nice pills, and gets to you when you less expect him. THAT is much more likely than someone attacking you 200 yards away.

I didn't mean it as an insult to anyone, I'm well aware that there are cases of people shooting enemies 1000 yards away. That is war. Killing someone that wants you dead before he gets close to you is perfectly logical.

Please name me one case of self defense where the person shot the bad guy 100 yards away.

I had a guy try to steal my car a while ago while visiting a friend at his farm.

I saw the guy next to my car about 300 meters away. I had my FAL PARA with me, since we where going to spend some time shooting that morning.

I could have shot that guy from a safe distance, right? But you can't do that in real life. People that shoot others 300 meters away for no reason, claiming self defense, are called psychos. I had to fold my rifle, hide it under my coat, walk to where my car and the guy where, and ask him what he wanted. When he said that he was there to take the car I leveled my FAL at him, and as it usually happens in real life, the guy almost pissed his pants, and left, babbling some BS story I no longer remember.

If someone starts shooting at you 300 yards away, and you shoot back in self defense , that's ok, but that rarely, if ever, happens.

Any bad guy that has survived through puberty will be smart enough to get close, very close, maybe when you are distracted with some chore/fieldwork and point a gun at you, asking you to calm down and walk into the house.

No way can you know what a man's intentions are 200 yards away, unless he starts shooting at you like an idiot. And if he wants you dead that bad, he will get close enough and make sure that that one shot is the last thing you hear on this planet.

As I said, dogs are the best alarm on the field, though those too can be eliminated, as it happened to my friend. A shame by the way, they were nice dogs.

But if your idea of a self defense plan is shooting anyone that happens to be within your 200 yard range, do as you wish. You will not have to worry much about survival, State penitentiary will provide all you need.

It is one thing to go to war, and it is another, completely different, to live your life in a SHTF situation. When you deploy in a war zone, you set yourself mentally to do a job, when the job is done, you return home, you turn the mental combat switch off.

You cannot live your entire life as if you where in combat, it's impossible.

I'm as alert as I can be, all day long, and all night. Thanks to that I kept my family and myself safe, while everyone else I know has at least been involved in one or more violent crimes. I'm so winded up that the slightest sound will make jump out of bed at night and have my pistol ready even before I'm conscious of what I'm doing.

My house is the only one in the block that has not been broken into, my wife and son are safe, safer than all the other stupid sheep that blame God for whatever happens to them, and do nothing to prevent it themselves.

But still, you have to live your life, go to work, go to the supermarket... live a life! do everyday stuff.

The stress of living that way will be the end of you, I'm 26 years old and already have problems related to high stress like high blood pressure, migraines, insomnia, etc.
NSA

"You make it sound like carrying a pistol on your person is a fairly common occurrence (at least now)."

My mistake, it is not common, at least for descent working people. There are parts where criminals carry their guns openly, sticking out of their joggings and no one does anything about it. No one dares mess with them, these are neighborhoods where police don't dare to enter.

Carrying a handgun, ready for use (loaded and on your person) is illegal, unless you have a permit that is almost impossible to get. You need to own a large company, and justify carrying the gun because you transport large amounts of money (several thousands of USD on daily basis). Carrying a gun for self defense is not a reason for a carry permit, only the protection of money. It's ridiculous, isn't it?

Still, owning handguns is not that complicated, once you get a gun user card, but a ccw permit card is out of the question.

Some gun users still choose to carry guns, even though they don't have a carry permit. This is not allowed and you might lose your gun user card for this.

Carrying a gun, bought in the black market, and without even having a gun user card, will take you straight to jail.

On the issue of cops and guns, some may understand that you are carrying for self defense, because you are in a very dangerous area, and if you have your gun user card that shows that you bought that gun legally, he MAY be sensitive and let you go, or not.

More than likely, he will ask for a small "tip", for his troubles. It's a matter of luck actually. You have to consider all this, and decide if the risk of getting caught is greater than the risk of getting killed for not being able to defend yourself.

We often call unprepared people, the mass, sheep. Sheep describes them pretty well. They do as the rest of them do, don't fight for their rights, accept almost everything and so on. But what happens when "sheep" get desperate? Well, that's what happened here.

After years of closing factories and the destruction of the national industry, extremely low wages, people got fed up. This destructive economy by Menem, our previous president, one of the most corrupt presidents in the history, (he was into the bombing of the Jewish embassy, managed the drug market in the country, just to mention some) plus the stupidity of the following president, De la Rúa, was a formula for disaster.

One day the Minister of Economy declared that no one would be able to get more than 100 bucks a day from the ATM(correct?) nor close accounts. You could just get 100 bucks out of the bank a day. That was it.

Then came the devaluation. Before this happened 1 US\$= 1 \$ Argentine peso. Suddenly this changed into 1 US\$ dollar= 2 pesos then 2.5 even 4 pesos. Today 1US\$= 3 Pesos.

The banks kept the people's money, including their deposits in US dollars. If you had 1000 US\$ dollars in Bank Boston for example, they turned it into 1000 pesos, that equaled 333

U\$S dollars. They stole 666 dollars from you!

Prices went up 200%, 300% and sometimes more. Imagine for one moment what your life would be like if today you go to your local 7-11 and everything has gone up 200%. How would you survive with your pay check?

The sheep got desperate. First, because they had been stolen by banks and wouldn't return the money to the people.(the so called "corralito") then because the classes with the lowest income found out that their salaries weren't high enough to buy the minimum food stuff to survive. The country marched asking for the presidents resignation. He had to leave the presidential palace in a chopper...

Banks were destroyed by people that wanted their hard earned money back. Supermarkets and other shops were looted, as well as regular houses.

This lasted for about a month, the chaos spread all over the country, concentrated in the largest cities.

I remember being at a supermarket and the mob outside, negotiating with the manager. Sometimes, they would not destroy the place if the supermarket surrendered them the goods peacefully.

Food got scarce. I mean, you could buy just a certain amount of milk or water, 4 bottles for example. And most imported goods disappeared. Electro domestics such as TV, videos, and refrigerators kept their prices in dollars, inaccessible for most people. The same happened with real estates, cars and luxury goods.

Today this all seems far away. Not because it got better, but because us humans have this damn capacity to " get used to".

How did our lives change? I cant even being to explain... everything changed!

The streets are more dangerous than ever, thanks to the general poverty.

Education suffered thanks to this as well. Kids working or stealing to survive instead of going to school.

How could I explain this to you?....

For example, tools are really expensive, since most come from abroad... remember, our national industry was sold out or destroyed.

Stuff like MRE, Emergency food bars are impossible to get. No one imports them anymore. (I paid 10 dollars for 1 MRE a guy had)

Guns and ammo are really expensive and are sold in small quantities.

Forget about buying a "case" of ammo! Forget it! I know it's hard for some of you to imagine this, but you just can't buy a " case" of anything. A large store may have 10 or 15 boxes of 308, 20 rounds each box. Small stores have 10. or less.

Only common ammo is available such as 22, 38, 357. 9mm, some 40 s&w, 12 ga 308 and a little 223, that's pretty much it. Ammo for my 357 sig is hard to get. I buy a box of it every time I find one around... and it's extremely expensive.

IF you just HAVE to buy something strange like 300 magnum or 270 (strange for us J) there's one place you can get them from but be prepared to pay +100 dollars for 20 rounds. While we are at it, there are also few models of guns, 70 % of it is used. You can find about 4 or 5 12 ga pumps, mossberg 500, Maverick or Rem 870 in each store. Handguns are relatively plentiful, not the newest models but still there's some Beretta, Glock, Colt, S&W, Walther, Taurus, Rossi and Sig. Same goes for Mausers and bolt action rifles as well as side by side shotguns.

Semi auto rifles are hard to get. Some big gun shops have 1 FAL each. M16 are quite rare and expensive. Saw a Galil and a SKS(600 dollars) the other day, but it's not common and the red tape is HUGE. I found a good FMK3, one of the few left around, and bought it for 250 dollars, but this isn't common.

Shoes and clothes are also, expensive, even in U\$. Labor is cheap; you can have a maid and a gardener for 300 dollars. There's no "safe" job. With 20% unemployment they pay you whatever they want and if you don't like it there are 100 persons waiting to get your job. Owning a shop-business is hard. You have to consider armed robbery (some get hit 10 times a month) and still you have to pay the police for protection (from themselves) Hope it helps, at least so you can have an idea how your world would be if this happened in your country, hope you never have to experience it in the flesh...

Well, one thing I learned with all this is that people adapt, people get "used to".

And finally, people accept.

I have a hard time seeing people eat out of trash cans, that's one thing I'll never get used to.

Every night entire families, wife, husband and 2 or 3 kids, little kids about 3 years old go throw trash cans in search of food.

At almost every light stop there's little bare foot kids begging, all dirty and skinny.

That's the thing that affected me most, the starving children.

One guy in another board told me he didn't care for this "bleeding Heart thing" and that "Life is rough. Get used to it." I told him that I didn't need someone that lives in San Diego, California, explain me how rough life is.

I've seen dead people, man, I once saw a guy "sew" his mouth shut with a piece of rusted wire he got out of a broom, and all that I can handle, but a 3 year old sobbing because he's starving, Im sorry, I can't.

Believe me, it's one thing to see a little kid starving in Africa, you probably saw that terrible image a million times, but now imagine that that kid speaks English, with an American accent, and you see the Hollywood sign in the background.

Both cases are terrible, but the one that looks as if he could be your son and not some kid in Africa or Croatia hits a nerve. Because "those things don't happen here". It happens to others, not in my country, not in my neck of the woods.

Sorry , Im babbling here. Back to your question:

You guys have most stuff covered, but there's some stuff I'd like to share:

- 1) Don't invest all your money in your country. Don't put all your eggs in the same basket, just in case economy goes to hell. Invest in a country in Europe, in Australia, whatever, I don't know, but not in the same place. I did this, but most people didn't and got screwed.
- 2) Keep cash. Both dollars and Euros. I know some of you just don't like the European money, but it's the only way you have to cover most bases. Here the national paper money was worth 1/3 from one day to another.
- 3) If you have land, have some animals. Even a few chickens and rabbits can make a huge difference and will complement your staple food.
- 4) Buy guns and ammo. Not 20, but a couple of fighting guns, 1 or 2 Mausers and 2 or 3 handguns. You know the kind. Get lots of 22 ammo.

5) Try to get 2 or 3 similar guns, like 2 or 3 AR, Fals, or SKS. This way you can use the same ammo and if 2 guns brake you may be able to fix 1. For example, If I were you, Id buy 3 or 4 SKS and 3000 rounds of ammo. If your SKS brakes, you have a spare gun that you already know how it works and are used to.

6) Spare parts are ok, but make sure you know how to replace them, a gunsmith may not be available. If not, get a similar gun as back up.

7) Don't trust the media. If you watch the news here, reporters say everything is ok, everything is fine. But then you talk to your neighbor and it turns out Mr. X got shot yesterday, the nice girl on the next block got kidnapped and raped, and today the boy next door was also kidnapped. This is the kind of conversations I have in my neighborhood, I'm not kidding.

8) Keep 6 months- a year worth of food stored if you can and have a well or at least a good supply of bottled water stored as well a 2 water purifier and a good supply of filters for them. The water network works but it's not safe. Some time ago an entire town got sick because of the contaminated tap water and lots of people died.

9) B-proof vest. I'd sell my left testicle for one these days. I never believed I would ever need one and now here I am. Get one of those that can go under the regular clothes.

10) Keep your passport and cash ready. If you can afford it, the best thing to do in such a country is getting the hell out of it! Maybe you have family somewhere else, keep in touch just in case. I did with my family in Spain and I going there as soon as I can.

"What about essential services like power and water?"

Power get cut some times but not for long , a couple of flash lights and your ok. Water is still working but you cant drink. Most of the water supply in Bs As shouldn't be drank, I used to drink it but this year the water was just too dirty. Even if we still pay our water bill and the gov. says it's ok for drinking this water wouldn't be accepted in the US. Here the water companies can bribe their way out of it.

"Were they always delivered reliably or were there blackouts etc...."

There were blackouts, I remember once most of the country was without light for about a day. Buenos Aires was without light for 4 days.

"What about medical care, how do people get treated for injuries or illnesses? "

If you have private health you are ok, but if you don't have the money for it you might as well put a bullet in your head. Free hospitalization, forget it, you'll die because of an infection. They don't have supplies, even sterile needles are hard to get in a public hospital. No way, if you don't have private health you have a foot in your grave already.

"Is the crime mostly simple street crime or is it highly organized with gangs and cartels/mafia style?"

Both. The police handles most organized crime. The governors are the head of the organizations on each Province. The worst part is the kidnapping. About 2 or 3 persons get kidnapped each day in my neighborhood.

For example, I keep 10 pesos (about 3 dollars) bills to give to the police if I get stopped when driving. You HAVE to bribe the cop that stops you, the last time I got stopped by a

couple of cops I played a little hard to get (pretended I didn't understand he wanted money) the cop got really nervous so I just gave him the money and he calmed down, he let me go.

The cops are involved in most illegal activities like drugs, prostitution, robbery and kidnaps.

That's why I keep the high power Hirtemberg 9mm stuff and AP 308, because there a big chance the "perp" might be wearing a "Policia Federal" body armor vest.

They ask for donations. That's right, the government asks the people for donations instead of doing things themselves.

And the best part is that once they get all the donations.(mostly food, milk, blankets and such) The damn Governors SELL the donated goods to the poor. No , you cant imagine the kind of corruption we have here.

The problem is that nothing is being done to get us on the right track, because a small group of people wants this country as poor as possible to take advantage of it.

Imagine having to pay your employees 1 dollar a day and selling the soya, meat and other agricultural products you get at international prices.

The people that own small portions of land have it worse than those professionals that are in the city. This is because they are destroyed by the larger land owners such as Benetton and other large international corporations.

But you are right, they can at least live out of their land. The poor people in cities have to collect cardboard or look in the garbage.

You are also right about people now fixing things instead of buying new ones. Seems as handyman will always find a way to survive.

The only things that can be imported are the cheap ones from China, or Brasil. Other products like large plasma TVs and such are rare and only accessible to the extremely wealthy.

For example, I had to buy a electric shaver because the Gillette blade are too expensive. No way am I going to spend 6 dollars for a pack of Gillette Sensor.

And so you adapt to whats available and what you can afford.

people that live in the Patagonia are a little better off than those that live in other Provinces. The rich people do well everywhere (except for the kidnaps and murder) but the poor people that live in the south have better land and can at least grow and raise a few animals. The central part of Argentina, and the North has been severely punished. Tucum n is a disaster, as well as Chaco, Entre Rios, and others, the amount of children that starve to death is astonishing.

The Chileans returned to Chile long ago, Chile is MUCH better off. Argentineans are going to Chile looking for job.

Buenos Aires is also a disaster area. Even the "nice part" of Buenos Aires, the Capital where the nice Hotels are, the part that tourists see, turns into a complete nightmare after 10 pm.

During the day tourist from around the world shop and sight see, ignoring the beggars. But at night the picture is Mad Max 4:

All the "cartoneros", people that pull carts in search of cardboard and paper to sell, flood the city. And I mean flood: 20 to 30 persons per block.

They pull the carts themselves, followed by the wife and a few children. They pick the

paper out of the trashcans and eat whatever they scavenge.

The government considers them "employees" God only knows why, since they have no salaries, just the paper they get. This is just another "trick" the government has to reduce the unemployment %, considering these poor people that eat out of trashcans employed. (Our politicians have no shame)

As I write this I hear shoots being fired outside and people screaming.. jjejee, I never would have think that I would be writing this today, 3 years ago, but now it's almost normal.

Gold & silver kept their true value, as they always do. I didn't have gold, but had dollars and euros. Now that you mention it gold might be a good way to go for the Americans. Dollars, Euros and gold and you'd have most bases covered.

You can't barter gold at a supermarket for example, you would loose too much money. But you can wait until things settle and change for dollars/Euros or other stable paper money and save yourself from devaluation. Or get out of dodge with your gold and deposit it in a safe country.

The point is that gold never loses it's value because, unlike paper money, it holds value itself.

Foreign accounts could not be touched since they are protected by other countries law, not affected by national executive orders.

Imagine a federal agent calling a Suzie Bank.

"Hi, I'd like to seize Mr. Smiths accounts"

"Why?"

"Well, because I want to steal his money"...

Wouldn't work.