



FINANCIAL PREPAREDNESS

"One of life's most painful moments comes when we must admit that we didn't do our homework, that we are not prepared." ~ Merlin Olsen

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Gas

As you probably heard, last Friday [a ransomware attack shut down the largest gasoline pipeline in the U.S.](#), which supplies about 45% of the gas on the East Coast. First of all, thank goodness that construction of the Keystone XL pipeline was halted! Second, I was relieved to hear the Energy Secretary say that [the federal government would have no tolerance for "price gouging."](#) A lower gas price will ensure that (1) consumers have no incentive to conserve, ration or change their behavior, (2) suppliers will have no special incentive to rush gas to areas where it's needed the most, and (3) people who really need gas and would be willing to pay a premium for it (e.g., a couple expecting a child any day now) won't be able to purchase it at any price because it has all been bought by casual users who would not be willing to pay the true current market price for it.

Apparently, many politicians and consumers never took an economics course where they were exposed to the concept of supply and demand (price is where those two curves intersect). It's like they're living in some bizarro fantasy world full of rainbows, unicorns and stores with fully stocked shelves where supply, demand and prices never change. It makes you realize how complacent, out of touch with reality, unprepared and un-resilient many people are. Just imagine how desperate they would be during a *real* crisis, and if you

live near a large city, think about being surrounded by millions of them. That is why you need a dependable source of gasoline: so you can get the hell out of Dodge when the SHTF.

Of course, rational consumers, who were rightly afraid of running out of the fuel of modern civilization, filled up their tanks and many also filled gas cans, which contributed to the panic and shortage. Better late than never, but a word of advice: It is much less stressful and expensive to have your preps in place *before* something like this happens.

“What are you preparing for?” Remember, that's a question I've been asked before. This was not even a black swan event since it was completely foreseeable that the supply of gasoline could be disrupted, even by a computer hacker. Latent viruses have been found on the computers that run the stock market, power companies, etc., just waiting for the ideal time to be triggered for maximum leverage, chaos and destruction as part of a pre-planned, comprehensive attack. I even recommended a book to you about it ([Lights Out](#) by Ted Koppel). If/when that day ever comes, it will be like someone slammed a 2 x 4 into America's face; we'll never know what hit us.

But even without any deliberate attacks, supply chains can still be disrupted by many different natural forces. We take modernity for granted and have no idea how fragile it really is or what life would be like without it. When people suddenly find themselves transported back to the 19th Century, they won't be able to “check in,” take selfies of themselves drinking dirty water, or get any “likes” of their bare pantry. There will be no “safe spaces.” No one will complain about “microaggressions” (such as being asked “Where are you from?”) anymore, as they'll be dealing with macroaggressions (assault, rape, murder).

When I heard about the pipeline shutting down, I made sure we topped off the gas tanks in our cars, but other than that, I wasn't concerned and didn't do anything else. I just kept on living my life because *I was prepared*. You see, I already had seven five-gallon cans full of gas. When it comes to having the fuel of modern civilization, I do not like being at the mercy of whatever is currently in stock at the gas stations--I have my own “strategic petroleum reserve.” This removes me from the panic in which everyone else suddenly finds themselves. Why live your life so close to the edge if you don't have to?

I store my gas in metal [5-gallon NATO jerry cans made by Wavian](#). They're called “jerry cans” because they are modeled after the gas cans that the German army used during WWII (“Jerry” was the generic name for German soldiers), which were prized by Allied soldiers due to their superior design (they are sturdy, stackable and you can carry two in each hand when they're empty). Beware of fakes—there are a number of videos online that show you what to look for. You will also need [a spout](#).

Gas degrades over time, but you can extend its life to a year or more by using a fuel additive such as Stabil. Label your cans with the date you last filled them (I use a label maker, and note the dates in my prepping spreadsheet) and use the gas in your car before the year is out. (It's also nice to have some gas on hand when your car or lawn mower is running low but it's not convenient to go to the gas station.) I keep my cans in a locked

plastic deck box outside my house but under some cover.

There are a number of scenarios where I might want to get in my truck and drive for as long as I can without stopping (either because gas is not available or I don't want to be around a bunch of frightened and desperate people milling around a gas station, waiting for someone to come to their rescue), so in order to maximize my range, I have a heavy duty steel hitch-mounted cargo carrier/basket/luggage rack in which I can carry my full jerry cans (strapped down with some bungee cords).

Incidents like this remind you of how dependent we (a growing population) are on a finite supply of fossil fuel that is increasingly difficult and expensive to extract. Without a form of reliable and portable energy, the conveniences and progress of modernity will be impossible. I've noticed that in my state, they have started installing massive solar panel farms, and that's a good start, but as we saw in Texas last Winter, solar energy can fail just when it's needed most.

Quote of the Week

“This cultural hubris, or overweening presumption about what we are entitled to from a universe that is basically insensitive to human needs, generally leads to trouble. The unwarranted sense of security sooner or later results in a rude awakening. When people start believing that progress is inevitable and life easy, they may quickly lose courage and determination in the face of the first signs of adversity.” ~ Mihaly Csikszentmihalyi, Flow: The Psychology of Optimal Experience

What You Should Be Doing Now

I plan to cover the why and how of these in future issues (if I haven't already), but here are some actions I recommend you take (or at least start thinking about) now:

1. Create your own strategic petroleum reserve.
2. If you live near a large city and would like to extend the range of your car, get a cargo carrier for your jerry cans.

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I would love to hear from you! I thrive on feedback from readers. If you have any comments, suggestions, insight/wisdom, or you'd like to share a link to a great article, please [email me](#).

Generally, I don't have time to answer questions about your specific situation, but if you have a general question that I think other readers also have, [let me know](#) and I will provide an answer in a future issue.

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