



Aaron Brahbam: Welcome to Stansberry Radio. I'm Aaron Brahbam. I'm not solo this week. The big man is back in the seat.

Porter Stansberry: I'm back.

Aaron Brahbam: Porter Stansberry, how you doing today?

Porter Stansberry: Back, back, back. I'm doing great, Aaron. We got a big conference in Dallas this week.

Aaron Brahbam: Yes, we do.

Porter Stansberry: We'll be doing the Black Label show live –

Aaron Brahbam: Live.

Porter Stansberry: – from the conference in Dallas.

Aaron Brahbam: That's right.

Porter Stansberry: So if you don't have plans yet, get yourself to Dallas on Friday. See it all happen.

Aaron Brahbam: I know Friday's gonna be at the Ross Perot Museum. I've heard fantastic things about it, should be a really good time. We've got great speakers, T. Boone. Alex Jones is coming by and a bunch of other people. Should be interesting. I hear you're gonna do something pretty crazy, too.

Porter Stansberry: And I think – I'm not certain but I believe the chairwoman of General Motors might be making an appearance.

Aaron Brahbam: What?

Porter Stansberry: Mary Barra. She's gonna introduce us all to the new lineup of GM automobiles.

Aaron Brahbam: I don't know what this is about, but this sounds interesting.

Porter Stansberry: The new GM Explosion.

Aaron Brahbam: Instead of the Cobalt it's the Explosion. I like where this is going.

Porter Stansberry: And the GM Coast. It just turns off randomly and coasts down the highway.

Aaron Brahbam: It locks up the steering. You have no idea where it's going. Well, that should be interesting. All right, Porter. Well, today we have Richard Maybury as our guest. Of course, he's one of the top free-market writers in America, *Uncle Eric* series. We actually had a lot of our subscribers and listeners –

Porter Stansberry: Well, hold on now. You're skipping things, because these *Uncle Eric* books are truly amazing. So, if you are afraid of the information that your kids or grandkids are getting through the public schools – and I personally think you should be – but if you've ever seen your kids' textbooks, it's outrageous. So you can buy the *Uncle Eric* series for – it's cheap. It's, I don't know, \$10.00, \$20.00 per book.

Aaron Brahbam: You can go to Google and type in Amazon and it'll pull up a link for you.

Porter Stansberry: Go to Amazon.com or wherever you like to buy books and look for the *Uncle Eric* series, and Uncle Eric is, of course, our friend who'll be on the show today, and we'll talk more about it but I just want you to – you said *Uncle Eric* real quickly, but you guys should know that these are probably the most famous introductory guides to economics and sound thinking that's out there. They're the best.

Aaron Brahbam: So we will do that, Porter. Let's get to a couple of headlines in the news, if you don't mind. Let's give 'em something useful. I would talk about your fishing trip, but –

Porter Stansberry: They don't wanna hear about that.

Aaron Brahbam: Exactly. We're gonna say –

Porter Stansberry: That's old. That's old news.

Aaron Brahbam: Actually, people do wanna hear about it but we're gonna save that for the Black Label and –

Porter Stansberry: Well, I did find a great new spot.

Aaron Brahbam: I actually am very excited to hear about that, but let's save that for the Black Label show that we have coming up on Friday. Let me throw a couple topics at you, Porter. Do you have any thoughts on this whole China-Russia deal of delivering 1.3 trillion cubic feet of gas over the next 30 years but not using the petrol dollar to trade? Does that mean anything for the U.S. as far as them abandoning that idea?

Porter Stansberry: I've been on the boat all week. I haven't heard anything about this.

Aaron Brahbam: So Putin, he's –

Porter Stansberry: No, no, no. I know what this is. So every time the Russians get into trouble with the U.S., they always craft some kind of a new deal with the Chinese.

Aaron Brahbam: Always.

Porter Stansberry: And they're always trying to make it look as though the Russians and the Chinese are gonna get together. The problem with that is that the Chinese and the Russians hate each other way more than the Russians hate us, so it's all just smoke and mirrors. In fact, I bet you if you went and did a LexisNexis search, you could find this same energy deal has been proposed by Russia and China a dozen times over the last 40 years and it's never come to fruition. Now, that doesn't mean it won't this time, but I think it's more about Russia trying to – kinda like a turkey, kinda like bluster, kind of trying to blow up its feathers and say, "Ooh, don't mess with us, 'cause we've got –"

Aaron Brahbam: "We'll cut you off, Europe. We have China here –"

Porter Stansberry: "We've got China."

Aaron Brahbam: "– and we're not gonna trade in dollars anymore. America, F you."

Porter Stansberry: I think it's all a bunch of nonsense. In fact, where was I? I was writing about this recently. The thing that we could do to Russia – we don't need to put our troops on the ground or whatever. We just cut them out of the dollar economy and they are completely screwed. That's the power that America has, and that's brought Iran to heel. Cutting them out of the dollar economy has made the mullahs come begging.

Aaron Brahbam: We send Kim Iskyan in, and it was a very dire report that he gave on Iran. It's not a place that you wanna live. You don't wanna be cut off from the world or at least the U.S.

Porter Stansberry: Kim Iskyan, his letter that he wrote for us was great. I hope you guys have seen that on our Web site. I'm not sure where the beta versions have been published.

Aaron Brahbam: I think they're internal and also to maybe some Alliance – they sent that to _____ to Alliance –

[Crosstalk]

Porter Stansberry: Only to us and the Alliance members.

Aaron Brahbam: To our best subscribers.

Porter Stansberry: Well, we sent a researcher to Iran to look at the economy there, and as soon as that economy opens, there's gonna be great investment potential, and he was just talking about how Iran – how the people, they don't have any – basically they don't have any – there are no international goods and services whatsoever, because they're completely – they're not allowed in the banking system. So there is no way to really transact with Iranians.

Aaron Brahbam: All right, Porter. You sent me an article a couple weeks ago. I like that I'm just jogging your memory here. You sent me an article a couple weeks ago about – it was in *The Wall Street Journal* – about the looming pension crisis. It's the one thing that very few people continue to talk about, but I found it extremely disturbing, especially with this excerpt that they had, which was, “But the most critical piece of the state's fiscal dilemma –” talking about New York “– is that they are borrowing to cover their operating deficits. They do this directly by issuing debt securities but also indirectly, like New York, makes contributions to the pension system and promissory notes instead of cash.” Big problem on our hands, right?

Porter Stansberry: It's a huge problem, and I don't wanna – it's so big that I don't even wanna try to describe it, because everyone out there will think that it's just some gross exaggeration.

Aaron Brahbam: Some alarmist type of thing.

Porter Stansberry: So there's two things that've gone on, and I hope people stop what they're doing, turn off the television or whatever. Just think about this for a second, 'cause this is a very big issue, and you really do need to understand it, because all the stuff you're gonna see about this on television is all gonna be a bunch of nonsense. So there are two important issues that are going on with pensions. The issue, number one, relates to private companies, so whether they're publically traded or not, but private enterprise has a set of pension problems, and I wanna describe those. And then there's the public pension problems, and those are pension problems that're related to municipalities and states. And they're two very different kinds of problems, so I want you to understand both of them.

Let me do the private enterprise problem first, because it's actually the easiest to solve. Here's what's happened in the private enterprise problem. The unions that have demanded increases to pensions over the years, they're basically going down three tracks. They want earlier retirement ages. They want higher percentage of gross pay, and they want no medical co-pays. Those are the three things that people have been promised, and it got to the point, where if you worked for General Motors or Ford or if you're in the UAW, it got to the point where you couldn't be fired, so all you had to do was go and sit in the cafeteria and be in the jobs bank. And I'm not kidding. There were 8,000 people doing that.

Aaron Brahbam: And there's a lot of reports about that.

Porter Stansberry: So you didn't even have to work and you could still qualify for your pension. So that's a problem. That's –

Aaron Brahbam: That's a problem.

Porter Stansberry: So then the other thing was that you ended up getting – I forget exactly the details, but it was essentially 80 percent of your top wage. Now, they would trick the pension program by making sure that the person who in their last year before they retired would work tons of overtime.

Aaron Brahbam: They would sandbag it.

Porter Stansberry: And so then they would say this line worker who was earning 75 grand, he actually made 150, and so for retirement he's gonna get 80 percent of \$150,000.00. And he's retiring after 30 years on the line, so he joined the line when he was 30, so he's retiring at 50 and he's getting twice as much as any existing worker. And so, this has the impact of greatly inflating pension costs far more than

they had planned. On the flipside, these pension programs were funded according to certain assumptions, and the assumptions were that the pension plans would earn eight percent or so on their investments, and of course they haven't done that. And the main reason why they haven't done that is because of the Federal Reserve actions over the last several years to artificially reduce interest rates almost to zero.

Aaron Brahbam: It's hard to find really good, safe income out there.

Porter Stansberry: So this is a huge, huge problem. So well-intentioned private companies, whether they're owned by the public or not but private enterprise made a deal with the unions. The unions systematically cheated at every turn, and in the meantime the conditions for funding those pensions changed radically so that the companies were not able to live up to the promises, and the result is enormous underfunding of pension programs. Now, if you listen to the news about all this stuff, what you hear again and again and again is that companies stole the pension money, blah, blah, blah, and it's just not true. What happened was they made promises that were based on economic assumptions that were no longer in existence. GDP isn't growing three to four percent a year. Fixed-income returns of six or eight percent a year are no longer possible. So there has to be a massive restructuring of these promises or else probably half of the companies in the S&P 500 will eventually go bankrupt, because they cannot afford these promises they have made to these pension programs.

And you have seen companies again and again and again trying to move people off of the pension program and onto a 401(k) program by buying them out. IBM did this with a large cohort of its employees maybe ten years ago, and other companies have done the same thing. And that's really the solution. You take people in their 40s and you say, "These promises that we made to the generation before you are no longer affordable, so we're gonna pay you today a certain percentage of what you're owed, and we're gonna give you more money in terms of wages and salaries so that you can save for your future yourself and we don't wanna responsible for the pensions anymore."

This is a big problem, and let me give you one more example before we move off of the private side, which is General Motors. So, when General Motors filed for bankruptcy, they had outstanding pension obligations of something on the order of \$100 billion, and the pension program was underfunded by about \$30

billion. So they owe pensioners today \$100 billion, and they've only got \$70 billion to pay for it, right?

Aaron Brahbam: \$70 billion.

Porter Stansberry: So they're underfunded by \$30 billion, and they went out and did a deal, where they sold off \$30 billion of that obligation, so roughly a third of the obligation. They sold off. They got rid of \$25 billion of it, and they only had to spend \$28 billion to get rid of it.

Aaron Brahbam: It's ridiculous.

Porter Stansberry: Which led me to think that the real cost of that pension – the real cost of that \$100 billion liability was much larger than they were saying. Anyway, the part that's important is when GM went through bankruptcy, there wasn't a single penny of that pension obligation that was written off. So, that's an unfunded liability, and as a result, it should have the same standing in bankruptcy as any other unsecured creditor. So an unsecured bondholder, an unsecured lienholder, all those folks stand behind bank lending, secure creditors, all that stuff. But, of course, it didn't happen that way.

So the pension program didn't take any haircut whatsoever. They got dollar on dollar for the unfunded liabilities, and as a result the new GM – although you wouldn't know this by looking at their balance sheet – they're still \$30 billion in debt. And that means that they're really crippled going forward and they were gonna have a very hard time competing in a marketplace with un-unionized carmakers, for example, the folks in Tennessee, who recently voted to not have a union, the folks at Volkswagen. So this is a big problem, and GM is a great example, because we saw how it went through bankruptcy. We saw how it wasn't treated the same, and by the way, it was completely illegal.

And, look. Don't blame me. I mean, I'm just telling you what the laws state about unsecured loans, and if you go back and look at all the steel company bankruptcies back in 2003, all of their pensions, all of their unfunded liabilities for their pensions were wiped out, all of them. And as a result, the U.S. steel companies were able to come back and to be a lot more competitive. So basically you're hanging a huge anchor around the neck of General Motors, and that's the number-one reason why I'm certain that GM will go bankrupt again, not tomorrow, but it will because of this.

And there're a lot of other companies that have the same problem, so I just wanna make sure you understand the problem with private enterprise is the ability of the companies to fund the pension programs has been decimated by the Federal Reserve's policies. So there is no safe way for them to earn six or eight percent a year, so the programs are underfunded, but that's not because the companies haven't been making contributions. They have been. It's that the expected return on these portfolios have been far, far less than expected. Meanwhile, the unions have gamed the rules and created much bigger obligations than were ever forecast.

On the public side –

Aaron Brahbam: Let's stop there, 'cause we're gonna have Richard Maybury come on right now, so save it for after the interview, 'cause this is good stuff. I didn't know I was gonna get you going this detailed. I like it. Let's get him on the hotline.

Porter Stansberry: Richard, how are you?

Richard Maybury: How're you doing? This Porter?

Porter Stansberry: Yes, it is.

Richard Maybury: Good. Good to hear your voice.

Porter Stansberry: Nice to hear you. Thanks for taking some time to talk with us.

Richard Maybury: Well, I appreciate you having me on. It's an honor. And, incidentally, I would like to compliment you personally on the job you've been doing helping the American people receive a non-status point of view for a change. The major news media, they're all status, and they pretty much speak in lockstep with each other, and you're doing a really great job. You're one of the leaders out there trying to get a non-status viewpoint across, and I thank you myself very much.

Porter Stansberry: That is a tremendous compliment, maybe the finest I've ever been given. Thank you, Richard. You've been doing that for your whole life and you're one of the people that inspired me to do what I do, so I'm very flattered.

Richard Maybury: Thank you. Thank you very much.

Porter Stansberry: Aaron, why don't you tell the folks who we've got on the line? No sense in backing up. We will just keep going, but give us an

introduction for Richard for those of our listeners who may not know him.

Aaron Brahbam: Absolutely. So Richard's one of the top free-market writers in America and a world-renowned author of numerous books, including his highly acclaimed *Uncle Eric* series which, by the way, Richard, we have had several subscribers write in based on the last interview that we had with you and have purchased it for both themselves and their kids, and everybody speaks very highly of that, so thank you so much for taking time out of your busy day to come join us again on Stansberry Radio.

Richard Maybury: Well, again, I appreciate the honor. Thank you.

Porter Stansberry: So, Richard, if you don't mind, for folks who may be first-time listeners or maybe not familiar with you and your reputation, Richard Maybury is, in my mind, the foremost – it's like you're a historian but you're really not, 'cause you're really a futurist. You're really looking at the history of Eurasia and explaining the risks that that area poses to the world going forward, amongst other things that you have written and said about, but I think you're most well known for your idea of Chaostan. And if you could, please, just briefly explain the theory.

Richard Maybury: After the American Revolution there was a sudden, tremendous development of prosperity in America, liberty and prosperity, and the rest of the world saw this and they wanted it for themselves. And so the principles of the American Revolution began to spread around the world, but they didn't go all the way around the world. The problem was that the socialist revolutions began to erupt in the 1800s, and they put a halt to the spread of the American principles.

And the part of the world – I should say the most important part of the world that never got those principles is the area from the Arctic Ocean to the Indian Ocean and Poland to the Pacific plus North Africa, and that's the area that I call Chaostan, and that area has been just a vast sea of blood and destruction since the beginning of history, because they did not have these principles, and they never did get them, because the socialist revolution cut off the spread of those principles. And so we live with the result of that today. That area of the world is in this constant state of turmoil and bloodshed and destruction, and there's no hope for it until they decide to go down the road that America did in the early 1800s and the rest of the world did – not the rest of the world, what came to be known as the free world did in the late 1800s in the 20th century.

And I began to realize this right after the fall of the Soviet empire around 1990 that that area, while everybody else was signing about the new era of peace and brotherly love, I was saying the Soviet government sat on that area like a lid on a pressure cooker, and now the Soviet government is gone. The lid is blown off, and all hell is gonna break loose. And it did, and it hasn't gotten any better, as you can see by watching the news, and, in fact, I think it's going to get a whole lot worse because of some articles that I've been writing about the treaties of Westphalia. Do you want to get into that?

Porter Stansberry: I think we can get into that, but before, let's back up and just – before we get deep into the theory and the work you've done, maybe just tell us what's the big new thing that you see coming? I mean, people wanna know is this thing in the Crimea and then the Ukraine – is it gonna be peacefully settled? Is that really a big thing, or is that a smokescreen for something else that's going on?

Richard Maybury: Well, it's not a smokescreen but it does kind of obscure the view a little bit, because the news media focus in on these things and they regard, for instance, Ukraine as a problem or a big problem, but that's just a symptom of the really big problem, which is the destruction of the Treaty of Westphalia. In the 1500s and 1600s, governments got together and they said, "Boy, we gotta do something about these wars that we're getting into all the time," and they made a series of agreements that're now just called Westphalia, in which they promised to not cross each other's borders, except when there is clear and present danger. You're not allowed to just invade somebody else's country. You have to have clear and present danger from them before you can use military force.

And, now, this was, of course, violated many, many times, but after World War II, after everybody saw what happened in World War II, these governments kinda renewed the effort to try to keep the warfare under control, and in the Nuremberg decisions they agreed that from now on the treaties of Westphalia would have some teeth in them and you would no longer be able to cross borders just because you think those people on the other side are bad people. You actually have to have clear and present danger before you can invade somebody else's country.

Porter Stansberry: But Condoleezza Rice and President Bush said that we didn't need to do that anymore.

Richard Maybury:

You're right. You're putting the finger right on the problem. There's this idea of American exceptionalism that came up after World War II, where the U.S. government said, "We're so powerful. We're running everything, and we don't have to obey the rules." So, no sooner were the new props for the Westphalia agreements set up at Nuremberg but the U.S. government began to knock the props back out from under it again, and time after time after time Washington invaded other countries when those other countries were not a clear and present danger, and just these precedents built up over and over.

In the '90s I began writing about it, "This is gonna be terrible. They are erasing Westphalia. This is gonna be a catastrophe." And finally the Libya invasion in 2011 I think was the straw that broke the camel's back and I was writing then that Washington had essentially given the world permission now to invade other countries. Anybody can invade anybody else's country, as long as they think those people are bad people, and that's what's going on now. The whole world is starting to blow up because Washington erased Westphalia. And it's like the gloves are off, and you see first coming to the floor right now are Moscow and Beijing and both of them saying, "This is great. We can do whatever we want now, and we're gonna do it."

And this has just developed in the last three months or so. It's just erupted like a volcano all of a sudden that the whole world is realizing that the constraints on invasion are gone. So, one of the implications – my newsletter, *Early Warning Report*, is for investors. One of the big financial ramifications of this is you've got governments all over the world who were assuming that Washington was protecting them and they could go ahead and spend their money on welfare programs instead of defense, and so most governments are pretty close to helpless now. They all are assuming that Washington will have them covered, and Washington has nowhere near the resources to do it.

So the U.S. government now, the Obama administration, has a policy where they are going around the world telling other governments, "You'd better arm yourselves, because we can't do it. We can't cover everybody," and all hell is breaking loose. And so, all these governments around the world – this is a very rough estimate, but I'm estimating that about 150 governments out of the 200 on the planet are in crash programs now to buy as many weapons as they can, which, of course, creates an enormous investment opportunity for the people that recognize it in the defense-industry stocks.

Porter Stansberry: And I can't tell you folks. I first came across these ideas in about 1996. I began reading Richard Maybury, and I have to tell you, Richard, the very beginning I thought you were totally out to lunch, because like everybody else, I read *The End of History* by – I can't remember his name now the guy who said that the end of the Cold War meant that peace everlasting.

Richard Maybury: Francis Fukuyama.

Porter Stansberry: Fukuyama. Anyway, he has been dead wrong and you have been right at every turn. And just reading the headlines just from today you see that the Chinese and the Japanese are back at it, and they hate each other with a passion that I don't think Western people could really understand. And so the Chinese just sunk one of their boats.

Aaron Brahbam: Vietnamese.

Porter Stansberry: And then they're fighting the Vietnamese. And maybe you can speak to this. What's the fiction that the Russians and the Chinese are ever gonna partner up?

Richard Maybury: Well, they hate each other, but they hate Washington more. And so this is kind of a marriage of convenience. As long as they think that by being friendly with each other and helping each other in various ways that they can hurt Washington, then I think they will. And that will continue, I think, pretty much indefinitely. As long as Washington continues being a barrier to their expansion, then they will cooperate with each other, I think.

Porter Stansberry: This is an interesting question to ask you. The Indians just had an election that everyone wants to believe is historic and that they've turned away from the socialist party that brought them independence in '48, and investors, some of them are very bullish about India going forward, because they see this as the beginning of the rollback of the terrible bureaucracy that has stifled India. And, of course, there's, what, 1.2 billion people there, and all of them, of course, would prefer to be wealthier and to be more free. Will this new regime stick? Will India begin to go down the path of prosperity?

Richard Maybury: They may temporarily. This is something you see very often that people realize that socialism is actually a terrible thing, that robbing Peter to subsidize Paul is a very quick way to destroy a civilization. And so they get scared and they go back in the

direction of the system of liberty. That doesn't mean they believe in the system of liberty. It just means that they're scared to death of what they have gotten out of socialism and they wanna try something else. But, of course, there are always people who want political power and they're always up there promising more than they can possibly deliver in order to buy votes to win elections, and people just fall into that trap again.

I lay most of the blame for that from the existence of government-controlled schools. All over the world people during the 20th century were taught that you have to have school systems that are owned and controlled by government agencies, and so the whole world does now. All schools all over the world are to some degree in some – in a lotta cases completely owned and controlled by government agencies, and that has a chilling effect that children essentially everywhere are taught that if you got a problem, the solution is more government. Well, it's even worse than having a government-controlled press, because the kids have absolutely no life experience; they just believe what they're told, so everybody grows up with government being their religion, because that's what they were taught in school.

So there's no way out of this mess until we get away from this idea of putting our children's minds in the hands of governments. As long as that's going on, I'm not very optimistic, but on the other hand I've become much more optimistic in recent years, because the spread of interest in the system of liberty is just growing beyond anything I ever thought it would in my lifetime, and I think the Internet is helping that an awful lot. The young people are growing up and getting savvy quicker now, I think –

Porter Stansberry: Like you, I always doubted whether or not people really wanted liberty. Harry Brown used to always make that his big campaign slogan, "I will set you free. If I'm in charge, you will get to keep what you earn. You'll be free." And I always told him. I said, "Harry, I don't think that pitch is gonna work, because the Americans that I know, that's the last thing that they want. They don't wanna be responsible for themselves. They want somebody to take care of them." But you know what I see now is I see that the Internet is helping the folks out there like us, Richard, who all we want is for you to leave us alone. We are never gonna ask you to take care of us. We just want you to leave us the hell alone. And we know that that idea that you are solely responsible for yourself and that no one owes you anything is always the first step to success. You're never gonna make anything out of your life if you stand around waiting for somebody to give you something.

And so I think with the Internet is the Internet has allowed people like us that have like minds to begin to not just connect but to begin to judge the folks out there that are the – Bonner calls them zombies. I call them leeches. Most people just call them citizens of Detroit, but what it's allowing us to do is to see that this is not just a cultural conflict. This is a political conflict, and that's allowing us to band together, and there are some political places like Singapore and maybe now Puerto Rico that have decided to identify with this group. And that's why Jim Rogers lives in Singapore. That's why people all in my industry are moving to Puerto Rico. And I think this is a very powerful trend. I think you can really see here the beginnings of a new world order, where the producers are all gonna band together, where they're gonna band together culturally through the Internet, but they're gonna band together politically through these new kinds of – it's almost like they're bastions against the virus that's out there.

Richard Maybury: You're describing *Atlas Shrugged*, I think, to a large extent here.

Porter Stansberry: It's very similar to that, right, but what's interesting is that the political places that are giving us refuge, they're really doing it because they know that a healthy cow will pull that cart a lot further.

Richard Maybury: That's for sure. Another really, really encouraging thing here, I think – the Internet has made possible the spread of information to young people that they never got before unless they actually were confronted by it physically in their own lives like I was when I was drafted.

Porter Stansberry: And like I was when I met Bill Bonner. You're right.

Richard Maybury: Well, the young people are spreading the word about what's going on in the world, because they grow up being taught that government is a solution to their problems, but they get out into the world and they find out that government is the cause of their problems. So they're beginning to realize earlier and much more quickly and more deeply that there's something that they were taught when they were young that was a lie. And they're not quite sure what the lie was, but they're pretty sure that government is not the solution to your problems.

Porter Stansberry: You're seeing this in so many ways. Look, for example, at all the new approaches to marriage that are beginning to take place, the new approaches to church and religion and lots of new approaches

to education, lots. I mean, Montessori is just getting bigger and bigger every year, and, Richard, I don't know what your opinion on Montessori is, but it's certainly a different approach than the state school that I grew up in. But, listen. Time is short and I know you've got better things to do than to talk to these two knuckleheads all day.

Richard Maybury: No, I don't.

Porter Stansberry: I wanted to kinda put you on the spot. I've got three tough questions for you.

Richard Maybury: Go ahead.

Porter Stansberry: And the first one is really easy, but it'll be hard for you to answer, and that is if I was only gonna buy only one *Uncle Eric* book, if I was only gonna buy – I keep wanting to say Uncle Richard, 'cause it's you that writes these books, but if I was only gonna buy one *Uncle Eric* book to give my 6-year-old son, Traveler, at an appropriate age, when he's 10 or 12 years old and begins to ask about money and finance, if I was only gonna give him one book, which one would it be?

Richard Maybury: Well, undoubtedly –

Porter Stansberry: See, it's tough for you to answer this. It's not a hard question but it's hard for you to answer, 'cause you love all the books.

Richard Maybury: Well, no, *Whatever Happened to Justice?*. That one is the one I feel like I was put on Earth to write, and that is the one that I know changes people's lives more than anything else I've ever written, and it really does change your lives profoundly. It not only explains to you the fundamental thing is wrong with the world, which is that the law has gone rotten. It helps people teach their children the difference between right and wrong. Surveys, studies show now that something like 40 percent of people in their 20s don't know the difference between right and wrong, and this book I see as the antidote to that. And I get comments from people all the time about how they have their teenagers read this book and it just turns their teenagers into totally different people, that they really like their kids after their kids read the book, because the child understands the difference between right and wrong and knows how to navigate life after that without getting into trouble.

Porter Stansberry: I think for most children that is a big, huge dilemma, because I think that children actually have an idea – and I remember feeling

this way when I was a teenager. They have an idea that the world isn't operating by any principles which I can understand, because it's not objective, right? So things are wrong but then they're right in certain cases and blahbity-blah, and it's very, very confusing, and that leads you to adopt the view that, well, whatever I want is right.

Richard Maybury: That's exactly right. Of course, that's what the government teaches is that right and wrong are just matters of opinion and you should go with what the majority believes, and kids living in these pure pressure cookers called schools, they just go with the peer group. But *Whatever Happened to Justice?* does it teaches them that there is an objective standard of right and wrong. They're very simple rules, very, very, very simple rules. I've got them boiled down into, I think, 14 words, and you can live by those 14 words and become a very, very fine person that other people trust.

Porter Stansberry: That's the key to life, I think. You know what, Richard? I'm so glad that I asked you that question, because what I would like to do – we'll have to get our teams involved in this, but I would love to do a Webinar with you, where we talk about that concept, and you and I can even script it out a little bit and then we use that Webinar just to sell your book series, because – so basically we would sorta give away the ideas from that book, but then we would use it to sell the whole series. And I would love to do it, because I love those books and I think that you're – I agree with you. I think these ideas can actually help the world, which sounds like a crazy dream, but I believe it's true. You get these ideas out there that can be very powerful.

So I'll follow up with that with you and your staff later. Let me get to my second tough question, 'cause this one's a lot harder. Where's the next place that 100,000 people or more are going to be killed violently?

Richard Maybury: I think that's a pretty easy one to answer, actually, and that's because the answer for most of the 20th century has been Africa, and it probably is Africa now. There's something about the central African area that is just so incredibly violent it's astounding. I can't point to the exact spot in central Africa where that'll happen, but there's just something that –

Porter Stansberry: I mean, obviously with Rwanda you don't necessarily need a lot of mechanization to kill a lotta people, but are there enough armed forces there to really achieve that level of death? I don't know. I

can't remember now how many people were killed in the Rwanda massacres in '94. Was it more than 100,000? I can't remember.

Richard Maybury: It was about a million, I think.

Porter Stansberry: Oh, my God.

Richard Maybury: And it was done with teenage soldiers.

Porter Stansberry: And machetes. It's just mindboggling.

Richard Maybury: So if you're just looking at the seriousness of the conflict in terms of the number of people killed, I would always default to central Africa as being the most likely place. But as far as if you're asking what really big, serious war is likely to break out soon that's going to affect the world generally, I think an accidental war in east Europe, Latvia, Estonia, Lithuania – Latvia would be my first choice and possibly also in the Far East.

Porter Stansberry: Didn't we just send those guys a heck of a lot of F-16s?

Richard Maybury: Which guys are those?

Porter Stansberry: I just remember reading about a big shipment of arms to Estonia and Latvia from Poland.

Richard Maybury: No, not a big shipment of arms, I wouldn't say, but they put troops in there. I just finished an article on that, and in the next *Early Warning Report* the big thing that – the Obama administration went and did a really stupid, stupid thing is they put paratroopers in Estonia, Latvia, Lithuania and Poland. Now, to Americans, paratroopers aren't a big deal, just guys who jump out of airplanes, but to Europeans who remember World War II, paratroopers are terrifying, I mean, absolutely terrifying, because during World War II a lot of the blitzes began with paratroopers.

Porter Stansberry: With paratroopers.

Richard Maybury: And if you try to put yourself in this position of a European mother back in those days, you're in the kitchen one day. You're doing the dishes. You look out the window to check on your kids and there are paratroopers dropping into your garden, and in two or three minutes your children are in the middle of a gun battle. Now, that was a very frequent experience all across Europe, so by putting these American paratroopers in these countries that're bordering Russia, that's got to just be scaring millions of Russians

to death and making them rally and be more and more willing to support Vladimir Putin as the protection against these paratroopers.

Porter Stansberry: Very interesting. Richard, we gotta move on, and the last question: Given your worldview and your long history of being correct about the increasing amount of violence in Chaostan, what's the one stock or fund that you would buy? How does one protect themselves financially against the likelihood of greater and greater violence in this part of the world?

Richard Maybury: Hands down, Lockheed Martin.

Porter Stansberry: Easy answer, Lockheed Martin. Folks, Richard, I just wanna say thank you so much again for being my friend for many years and for coming on our show. It's really, truly a great honor for me to host you, and go ahead and tell our folks out there if they wanna get details of subscribing to your newsletter or they wanna go ahead and buy the *Uncle Eric* book series, which I would highly recommend both, but for kids the *Uncle Eric* book series is literally – it's a light in the darkness, and I can't wait for my son to be old enough to read and absorb those messages. How can folks get your newsletter and how can folks get your book?

Richard Maybury: Our 800 number us 800-509-5400. Again, that's 800-509-5400. The address is Henry Madison Research, Box 84908, Phoenix, Arizona, 85071, and you can send \$10.00 either to that phone number or address and we'll send you the two most recent issues of *Early Warning Report* newsletter. And these are especially important issues, because I'm talking about – there's a huge change that's occurred over the last few months, just the whole world moving in the direction of a war all over the place. And, again, that's just \$10.00 for those two most recent issues that I really urge everybody to read those articles, because you're not gonna get this information anywhere else. Again, the phone number is 800-509-5400 and the address is Henry Madison Research, Box 84908, Phoenix, Arizona, 85071.

Porter Stansberry: Richard, great to talk with you, and thanks again and we will be in touch soon about getting together about this promotion for the book series.

Richard Maybury: Great. Sounds really fun, and, again, keep up your good work, Porter. It's really great and it's making a difference, and I'll tell you I hear your name all over the place now and I'm proud to be able to say I know you.

Porter Stansberry: Thank you very much, Richard. Have a great day.

Richard Maybury: You too, Porter. Bye-bye.

Porter Stansberry: Bye-bye.

Aaron Brahbam: Well, Porter, this might change my plans in September. I've got a couple of my friends – you remember John and Amy from south Florida. They're getting married in Amalfi, Italy, and I'm going to attend the wedding because I've never been to Europe. So, that's at the end of September, and I was gonna fly in a few weeks prior to and kinda hit that eastern side of Europe, specifically Riga, Latvia, but now I think I'm gonna actually have to read the report, because that's still six, seven months away, and maybe it's not a good idea to go over there. What do you think?

Porter Stansberry: Richard Maybury just told you the next major war will be –

Aaron Brahbam: Latvia specifically, and I was gonna go to the capital, 'cause our buddy, Bobby Casey's, out there and I was gonna –

Porter Stansberry: Maybe there'd be a lot of people looking for a way out at that time.

Aaron Brahbam: Yeah, but I don't know if I wanna be the guy going in.

Porter Stansberry: You could be the –

Aaron Brahbam: I could rescue a lot.

Porter Stansberry: – Schindler of Latvia.

Aaron Brahbam: Or like they call them on the border in Texas, a coyote.

Porter Stansberry: A coyote.

Aaron Brahbam: I could smuggle some people outta there, but I don't think I wanna do that. I think that –

Porter Stansberry: And if you were going to save some people from a looming war –

Aaron Brahbam: I know exactly who I'd save. There are a lot of really, really – very goodhearted people over there that would love to come over.

Porter Stansberry: The funny thing, though, about these girls in this part of the world is they're really good under 30.

Aaron Brahbam: I know where you're going with this.

Porter Stansberry: And then all of a sudden it's a babushka.

Aaron Brahbam: The wall. It's the wall.

Porter Stansberry: It's a giant babushka. What happens there? How does that work?

Aaron Brahbam: Maybe it's too much potatoes, too much vodka. I don't know what it is, but it takes a toll over there. But you know what? I'm seriously going to have to reconsider. I was gonna book the trip pretty soon and get all the flight –

Porter Stansberry: Listen. I think if you want, if you're looking for the ultimate physical specimen in a woman – you're gonna –

[Crosstalk]

Aaron Brahbam: I'm interested.

Porter Stansberry: – laugh. You're gonna think I'm wrong, but I have been to some places. I've seen some beautiful women.

Aaron Brahbam: You have been all over the world. You've seen it all.

Porter Stansberry: I married one that's so far out of my league I have to actually climb a stepladder just to get in bed at night.

Aaron Brahbam: I mean, I agree. I still don't know why she's with you, but, I mean, she could get a good chunk of money to retire right now, but she's sticking it out. She really loves you, man.

Porter Stansberry: It's a –

Aaron Brahbam: It's a good thing.

Porter Stansberry: I live in a miracle.

Aaron Brahbam: I love it.

Porter Stansberry: Anyway, the most beautiful women I've ever seen anywhere in the world, and I've been to who knows how many countries, two or three dozen at least.

Aaron Brahbam: Well, you named your son Traveler for a reason.

Porter Stansberry: Exactly. It's far western China.

Aaron Brahbam: Really?

Porter Stansberry: You have to go there to see it.

Aaron Brahbam: Wow. I would've never guessed that, 'cause that would've been one of the last places I would've said, China.

Porter Stansberry: Everyone is tall and lean and they have perfect skin and they're Asians, but they're tall and athletic Asians, and they –

Aaron Brahbam: I love Asians. Went to Thailand and Singapore, love that.

Porter Stansberry: You know one of these women, Captain Steve's wife.

Aaron Brahbam: She's gorgeous. She's like a supermodel. I didn't know that's where she was from.

Porter Stansberry: They all look like her. And far western China, beautiful people, real –

Aaron Brahbam: Anything else in Europe, since I'm gonna be in Europe, so I'll just stay on the western side instead of the eastern side?

Porter Stansberry: Well, I mean, gosh, there's –

Aaron Brahbam: Italians are gonna be great.

Porter Stansberry: I think –

Aaron Brahbam: Maybe go to Spain, maybe go to Ibiza.

Porter Stansberry: Amsterdam.

Aaron Brahbam: That's where we're gonna start, in Amsterdam, go with one of my buddies.

Porter Stansberry: Amsterdam has lots of really beautiful people, for sure.

Aaron Brahbam: We're just not gonna migrate that –

Porter Stansberry: By the way, folks, I'm not talking about the red-light district in Amsterdam. I'm talking about –

Aaron Brahbam: Meeting people.

Porter Stansberry: Real, wholesome, high-quality folks.

Aaron Brahbam: They're all tall over there. That might be a kicker for me, but –

Porter Stansberry: And there's no obesity in far western China.

Aaron Brahbam: That's a big deal. I like that.

Porter Stansberry: I'm telling you it's very, very beautiful people there.

Aaron Brahbam: Well, I'm gonna check that out. All right, Porter –

Porter Stansberry: I went over there one time with Casey, and we were looking at silver mines. Long story, but the local chieftain wanted to make a good impression on us, so he got the only goat he had that was all white. He got his all-white goat. He strung it up by its horns, and he insisted on us watching while he gutted it. He slit its neck. He dumped its guts out on the ground, and then we had it for lunch when we got back from the mine.

Aaron Brahbam: I bet it was pretty delicious.

Porter Stansberry: It was delicious.

Aaron Brahbam: And you're a killer, so it's okay with you to watch all that.

Porter Stansberry: Look, the meat comes from somewhere, folks, so –

Aaron Brahbam: It does.

Porter Stansberry: But I thought that was actually very polite. This was back when they didn't even have a lotta refrigeration, so it was important to know that the meat was fresh.

Aaron Brahbam: That's great. I will check that out. I'll put that on my 2015 list.

Porter Stansberry: I'm telling you. Just get on a plane and go.

Aaron Brahbam: I'm doing one big trip a year, man. That's what I have to do. That's my deal. I'm gonna pack the podcast equipment, and that's what I'm gonna do.

Porter Stansberry: Great. Have fun.

Aaron Brahbam: I love it. See, this is why I love working for you, Porter. All right, Porter, so let's get back. We're actually short on time because it was such a long interview, but it was a good interview.

Porter Stansberry: The private pension program that we talked about. The public pension program –

[Crosstalk]

Aaron Brahbam: So let's get to the public one, and then we'll get to –

Porter Stansberry: – is a lot harder to solve, and the public pension program goes back to the 1960s, when for the first time ever state employees were allowed to unionize. And not even Franklin Delano Roosevelt was in favor of this. It wasn't until Jack Kennedy needed to win an election against Nixon that this happen, and he caved on this issue. And this is a really bad problem, because with the public pensions what you have is the unions organizing for higher and higher benefits. And these things eventually get settled at the polls. So who's gonna win the vote if there's a huge component of the voting electorate that's voting for their own wages?

Aaron Brahbam: The masses win.

Porter Stansberry: So that's the problem there, and the problems in the public pensions are way more egregious, so you've got people – literally you have lifeguards that are retiring at 44 –

Aaron Brahbam: California. It's very well known.

Porter Stansberry: – and earning \$100,000.00 a year as a retired lifeguard.

Aaron Brahbam: As a lifeguard.

Porter Stansberry: And then the lifeguard's making 100 grand a year retired. Then look at the firefighters. And my favorite story here was I was at the most expensive beer tent at Oktoberfest, which is not a cheap trip.

Aaron Brahbam: That's not cheap at all.

Porter Stansberry: I was there with the Atlas 400, where I would guess out of the dozen guys on that trip the average net worth is probably \$50 million.

Aaron Brahbam: Good lord.

Porter Stansberry: This was a \$2,000.00 ticket to get into this tent. And who's the guy sitting next to me?

Aaron Brahbam: Firefighters.

Porter Stansberry: A firefighter from San Francisco. I'm not making this up. He was a nice guy. I don't begrudge him anything. He said, "I work one week a month. The next three weeks I travel, mostly to eastern Europe." What a life. You should go –

Aaron Brahbam: What a life. I should go do that. Good God.

Porter Stansberry: And he told me that he was making \$125,000.00 a year, single guy, travels all the time, has a ball. He does that for 20 years and he retires with 100 percent of his pay as a pension.

Aaron Brahbam: That's insane. It's stupid. I think he even sent you a shirt or something when he got back.

Porter Stansberry: He did. He sent me a bunch of gear.

Aaron Brahbam: Why not, right? It's on us. Porter, it was a thanks for you contributing to him.

Porter Stansberry: I'm not literally a taxpayer of San Francisco, but he said, "As a taxpayer, I owe it to you."

Aaron Brahbam: Okay, well, thanks a lot.

Porter Stansberry: He was a nice guy and I don't begrudge him his scenario –

Aaron Brahbam: Not at all.

Porter Stansberry: – but I was telling him that we can't afford it. We just can't. And so you're gonna see a huge number – so basically if you live in New Jersey, Illinois or California, the chances that your state literally goes bankrupt – Michigan as well – in the next 10 years, I'm gonna say it's 50/50.

Aaron Brahbam: I'll let you say "literally" that time, 'cause literally you meant that time.

Porter Stansberry: Sorry. I've said that word way too much.

[Crosstalk]

Aaron Brahbam: Remember, we _____. I gotta police-dog you. I gotta watch you a little bit.

Porter Stansberry: You gotta coach me on that. So 50 percent, so that means that out of those 4 states, at least 2 of them will go bankrupt.

Aaron Brahbam: That's not good.

Porter Stansberry: Believe me. People don't even see it coming. It's not even on their radar right now.

Aaron Brahbam: Let me think about this. Funny thing is all those states are really fast-forwarding to the legalized weed right now for – because that's their last bastion of getting some tax dollars.

Porter Stansberry: And how's that gonna help?

Aaron Brahbam: It's not gonna help. It's not enough money. There's no way it's gonna be enough.

Porter Stansberry: So everyone in their state – and think how many of the state employees will be sitting around getting high.

Aaron Brahbam: Well, the thing is they already do, but –

Porter Stansberry: So one state that took some progressive steps against this was Wisconsin and also Ohio. They said no more unions.

Aaron Brahbam: And it was a battle, man. It was a battle.

Porter Stansberry: They've gotta scale back these wages and promises. They can't afford them.

Aaron Brahbam: All right, Porter. Well, let me get to the mailbag. We'll get outta here. You asked for it; you got it. We received hundreds and hundreds of feedback e-mails from last time from the Alex Jones show, when you said, "Quit being a bystander. Send us. Let us know either way."

Porter Stansberry: And I really appreciate it.

Aaron Brahbam: I do too.

Porter Stansberry: I read every single one of them, and a lotta these messages are really nice and heartfelt, and it means a lot to me and Aaron that

we're not just up wasting our time, 'cause Lord knows we're not making any money doing this.

Aaron Brahbam: We're not making any money.

Porter Stansberry: So, it helps, and a lot of people said some really nice things and they gave specifics, which is nice. They talked about how we had helped them on the right track in terms of savings, talked about how they were doing better as investors, talked about how they're just having better lives knowing more about what's going on. Really appreciate it, so, please, if you haven't yet, send us a something, an e-mail.

Aaron Brahbam: Something.

Porter Stansberry: It's feedback@StansberryRadio.com.

Aaron Brahbam: That's it, feedback@StansberryRadio.com.

Porter Stansberry: And let us know how you're doing. There was one really funny message. I know you're gonna read a couple. Maybe you're gonna read this one, but there was one really funny one, where the guy said – it was so classic. He's like, "I totally believe everything Porter says about how I've gotta get more income. I've gotta do more savings. I've gotta put my financial life first if I ever want to be wealthy," and then he spent the whole rest of the letter completely justifying why he hasn't actually done any of it.

Aaron Brahbam: I love those.

Porter Stansberry: It was so great. Anyway, I just wanna make something very clear. You can have a very good life and be a very good person and never, ever be wealthy. It's not a goal that's appropriate for most people. Most people are not gonna make any of the sacrifices and wouldn't enjoy doing any of it, right? So, for example, let's say you want to be the world's greatest French chef. You wanna have a three-Michelin-star restaurant and that's all you wanna do with your life. Well, think about how many sacrifices you're gonna make along the way, and for most people – I don't wanna do that. I have no interest in any of that stuff. I don't wanna go into the most capital-intensive, most competitive business I can think of. I don't wanna spend 25 years of my life being an intern, which is what it takes.

Aaron Brahbam: That's what you do.

Porter Stansberry: I don't wanna do any of that. So you don't, so then most people don't become a three-star Michelin chef. No problem, right, and no big deal. Same dedication, the same things are true for people who want to be wealthy, but it's even harder.

Aaron Brahbam: Way harder.

Porter Stansberry: So most people don't wanna have three jobs in their 20s. Most people don't wanna save half of their after-tax income. Most people don't wanna spend years and years and years and years learning and thinking about finance and economics. They don't wanna do any of those things. Most people don't wanna figure out how to write marketing copy, how to build a business, how to hire, how to fire, how to do mergers and acquisitions. They don't want any part of that. Look, I was one of the weirdos that that's all I cared about since I was 12 years old. I had a rich uncle and I thought, "Wow, that seems like a lot more fun than anything else I can think of. Let's do that," and so I spent my life doing it. But it doesn't mean that you have to, so you can take these ideas that we've got. You can put 'em to use for yourself as you see fit, but don't feel like you have to justify to us why you're not doing all the things that we have told you to do if you wanna be rich.

Aaron Brahbam: It was like a stream of conscious thought that he was having.

Porter Stansberry: So, sorry, that's my rant.

Aaron Brahbam: I just have a couple of real short ones here, 'cause I knew we'd be running up against it. One of them is just we received a lot of these, "Good show, entertaining and informative. Signed up for Porter's newsletter from listening to your show, good cross-marketing strategy." At least somebody said good cross-marketing strategy.

Porter Stansberry: We have no marketing strategy.

Aaron Brahbam: "If it weren't for the show, I wouldn't have signed up." Another guy: "Work in customer claims department at a bank, of course, created for compliance-regulation reasons. Recently had a customer demand \$178.00 returned to their account because a certain TV cable company had taken out their overdue balance. The \$178.00 was to pay for their car. If they didn't pay it, it was gonna be repossessed." What do you think the chances are it was a GM car, Porter?

Porter Stansberry: A hundred percent.

Aaron Brahbam: I was gonna say it's probably pretty high. "And just a note to let you know that thoroughly enjoy the podcast. Please keep 'em coming. You have the best one out there. Here's a question: I don't wanna discourage or frighten my two teenage sons, but I would love to share your podcast with them for the valuable life lessons you share. I could've used them myself 30 years prior. What impact do you think your shows would have on a typical teen?"

Porter Stansberry: That's a tough question. That is a tough question –

Aaron Brahbam: That's why I saved that one for last.

Porter Stansberry: – because on the one hand I love to think that young people listening to especially the life lessons that Aaron and I talk about will be very valuable, but I also think that kids are so brainwashed in school these days to be taught that entrepreneurs or investors are ruthless and evil that they may turn against us, that they may think that what we're doing is essentially propaganda, and then they therefore will do the opposite. But if you can teach your kids just a couple of simple things, whether you do it through this podcast or not, I think it really starts with – number-one thing is no one owes you anything. Brahbam, anybody owe you anything?

Aaron Brahbam: No, absolutely not.

Porter Stansberry: What about your job? Don't I owe you the job?

Aaron Brahbam: Absolutely not.

Porter Stansberry: No. I don't owe Aaron anything. He chooses to work here out of his own free will, and I have a contract with him. As long as I meet the obligations of that contract, he doesn't have any claim on me or my business.

Aaron Brahbam: That's right.

Porter Stansberry: And I have the same relationship with my partners, right? Everyone's got a boss.

Aaron Brahbam: Everyone does. You have to perform, Porter.

Porter Stansberry: So if you can find a way to teach your kids that, they'll be so far ahead of the game. And then once they know that nobody owes them anything, well, then they gotta start thinking about what they

want outta life and how they're gonna get it. And the only way you're gonna get anything out of life is if you're able to deliver value for other people. It's that simple. You wanna make some money? Sell something that's worth buying. So, that's the lesson. I don't know if this podcast will help you teach your kids that or not, but if it does, try it. See how they react to it. But my fear is that particularly younger kids, I think they really need to get a job. They need to work in the real world for a couple years before they're ready to hear a message that's as radical as the one that we preach.

Aaron Brahbam: I would agree with that. I know that David **Newman**, our senior producer, he – of course, he had his two teenagers listen to it, and he's seen 180-degree turn. They love it. They never miss a podcast. They have their hands deep in learning about entrepreneurship, and so it's good, man. So it can work, but we'll see, right? Give it a shot, maybe, but don't do the Black Label, though. It's –

Porter Stansberry: Keep the kids away from the Black Label.

Aaron Brahbam: We should have an 18-and-up warning on the Black Label show, as a matter of fact.

Porter Stansberry: The thing about that is – I've tried to explain the Black Label. I don't know that I can do it.

Aaron Brahbam: It's hard to do it.

Porter Stansberry: I do like the idea that people are multifaceted, right? If all you did was listen to my podcast and read my newsletters, you'd think the only thing that I care about is money, and that's actually – at this point in my life it's very far down the list, very far. I wouldn't own a boat if all I cared about was money.

Aaron Brahbam: You're right about that. That is a sinking money pit.

Porter Stansberry: I love the richness of life, and that's what we're trying to get across in the Black Label show, that we have other interests and other passions, and most of all we love having a good time. Here's a secret for your career, and we'll sign off from here. But a lotta people say you shouldn't go into a career where you're doing what you love, because you'll end up hating it. So let's say you love to cook, right? Well, then don't be a chef, because you're gonna get tired of cooking. I believe exactly the opposite, and here's why. I love what I do. Even before I got paid I was writing newsletters. I

wrote newsletters in high school. I wrote newsletters in college, and when I got my first newsletter job, I was writing about Latin America, and I didn't really care about Latin America, so I would get home and then write my own newsletter to my friends that was about the major economies, Europe and the U.S.

So I would do this even if nobody paid me. I love it. I love thinking about finance and economics. I love making money. I love helping other people make money. I can't stop myself, right? So let's say you don't. Let's say you don't really care that much about economics and finance. You've read a couple of the books; it was drudgery for you. You just don't get it; you're not interested, but you wanna be rich. So you start a newsletter company and you try to compete with me. What're the chances that you're gonna do very well if you're competing against people who literally do something because they love it?

Aaron Brahbam: Literally.

Porter Stansberry: Sorry. There you go. See, I said it again.

Aaron Brahbam: You have zero chance.

Porter Stansberry: You have zero chance. You're never going to be the best at what you do if you don't love it. You got zero chance. So what I would tell you is find what your passion is and then find a smart way to make money in it. A long time ago we had a woman who wrote into my newsletter, and she said she was really worried about her son, 'cause all her son ever wanted to do was play video games and do programming on the computer and as a result he was doing bad in school and blah, blah, blah. And I said, "Well, first of all, it's not your life. It's his life. And second of all, as long as you establish some clear boundaries and rules, it's your house, so if you don't want him to play on the computer, then he can't play on the computer at your house. That's fine, right? It's your house." I said, "But more importantly, instead of fighting him all the time, so he doesn't wanna be on the soccer team. So what? You think he's gonna be a pro soccer player? Good luck with that. Now, what are the chances he might end up being a pro computer programmer?"

Aaron Brahbam: If that's his passion, he's doing it every day all day, pretty damn good.

Porter Stansberry: "So why don't you try encouraging him?"

Aaron Brahbam: Let him go create an app or do something like that.

Porter Stansberry: And the other thing I told her was – I said, “What’s the worst thing that could happen, right? The worst thing that could happen is that he ends up unemployed like a lot of other 24-year-olds, but at least you’ll have a good relationship with him.”

Aaron Brahbam: That’s a good point. That’s a very good point.

Porter Stansberry: “And he won’t blame you –”

Aaron Brahbam: That’s right.

Porter Stansberry: “– whereas if you make him do something his whole life that he doesn’t wanna do, he’s also gonna suck at it, and –”

[Crosstalk]

Aaron Brahbam: And have resentment for you.

Porter Stansberry: “– he’s gonna blame you.” So think about that.

Aaron Brahbam: All right, guys. That’s our show. Send us feedback, feedback@StansberryRadio.com. I hope we’ll see you in Dallas. If so, please come say hi. I’m the short, redheaded leprechaun guy.

Porter Stansberry: And I’m the guy who looks like he has inflated shoulders but doesn’t; they’re actually real.

Aaron Brahbam: Actually are real. All right, guys. See you.

Porter Stansberry: See you.

[End of Audio]