Volume 3, No. 2 **www.christianmoneyplus.com** *February 2014*

How You Can Lower Your Property Tax Burden

There is No Reason to Accept an Unfair Assessment on Your Home—Fight Back!

By Robert G. Yetman, Jr.

People love when their properties increase in value, but where the issue gets thorny is when the market values don't elevate but the assessed values *do*. Homeowners who find themselves anchored to properties because of diminished values don't want to suffer additional insult by paying more than they should to the tax man. If you suspect that *your* assessed value is higher than it should be, there are a few things you can do to make that determination, and then try to get the assessor to see things your way.

For starters, be on the lookout for your tax bill. It usually arrives sometime during the first few months of the year, but may also

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The Trek Toward Minimalism

More and More People Find That Less is Truly More in Present-Day America

By James L. Paris & Robert G. Yetman, Jr.

In the wake of the economic collapse, people reacted to the carnage in a wide variety of ways. Some became even more strident about the pursuit of wealth, viewing what took place as proof that they weren't dedicated enough to their labors, and deciding then to double-down on their efforts. Others, however, saw the collapse as a wake-up call regarding their own manic lives, and decided to go in another direction; for them, the answer to finding happiness, including that which is derived from achieving financial security, was to begin the process of divesting themselves of the material possessions that had defined their daily existences for so long. These people became *minimalists*, and it's worth noting that minimalism as a way of living has gained ground as more and more people see futility in what were once noble efforts at realizing the American Dream. In the last several years, more folks appear inclined to redefine what the American Dream means to them – it has, for many, now become a carefully nuanced idea where there is still an effort made at social elevation, but without the obligation to accumulate possessions as tangible symbols *of* that elevation.

When someone is driven to accumulate, that condition sits in opposition to minimalism. How often have we

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said ourselves, or heard others around us say, that a great deal of work must be done in order to be able to buy a certain car, or take a vacation in an exotic location. Is that, in and of itself, wrong? Not at all, and, as a matter of fact, this is not about drawing a line between accumulators and minimalists and declaring one right and the other wrong. However, it is a self-evident fact that if you are spending an inordinate amount of time at work, you have less time to enjoy family, to reflect, and to otherwise indulge in a lifestyle that does not have both the pursuit and maintenance of material goods as a primary focus.

One aspect of minimalism that can be a source of confusion for many is that it does not necessarily mean having less money – it is simply about having less *stuff*, fewer material possessions. Minimalists are not, by definition, poor people, and, in fact, can see their net worth increase significantly precisely because of their minimalist tendencies. Accordingly, minimalists are usually the same hardworking, earnest people they've always been, but whose lives now, after having made the "conversion," are no longer cluttered… mentally, physically, or emotionally…with the presence of a large number of things.

One of the biggest obstacles to people embracing the minimalist lifestyle is the fear of the unknown. What is the unknown to most people, vis-à-vis prospective minimalism? It is the uncertainty regarding how you will fare if you really devote yourself to minimalism and find yourself with a home bereft of so many of the items we see as being "necessary" to live in modern America.

For the survivalist, the adoption of the minimalist lifestyle can be especially useful. For starters, it is infinitely easier to live like a survivalist if you live *lean*, with few encumbrances; if you need to lock up your home on the spur of the moment and relocate to a retreat, or simply remain mobile for an extended period, that is infinitely more difficult to accomplish if you have responsibilities to the stuff that fills your house. Additionally, if you are a driven accumulator, then it's likely you are especially beholden to your job, which means that you don't have the kind of flexibility that characterizes a true survivalist. Also, as mentioned earlier, minimalism can yield a great effect on your net worth, and the sooner you achieve financial independence, the sooner you can move and act precisely as you need to on behalf of your survival efforts.

There is an expression that says the more one possesses, the more one *is* possessed; even if you like having a house full of stuff, you cannot deny the substantial time and effort that must be devoted to both accumulating and then maintaining those possessions, compared to the person who is fine going without them. This time and effort that must be given to your possessions cannot, by definition, be given to anything or anyone else, which can make them an intrusion. If you see much of what you own as, in fact, owning *you*, then it may be time to consider minimalism, and the profoundly beneficial effects it may yield to you within your own life.

***The James L. Paris Report** is published monthly by Premier Financial Communications, Inc. Known office of publication is 138 Palm Coast Pkwy NE, # 223, Palm Coast, FL 32137. Periodicals postage paid at Sanford, FL and other mailing offices. POSTMASTER: Send address changes to **The James L. Paris Report**, 138 Palm Coast Pkwy NE, # 223, Palm Coast, FL 32137.*

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How You Can Lower Your Property Tax Burden

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arrive toward the end of the previous year. You want to check first to be sure the basics, like tax rate and identifying information, are correct. Next, take a peek at the *property card*, which is now something frequently found now on the assessor's official website. Website access can be particularly convenient, because you will be able to see the property records for all properties in your neighborhood, and so you can conveniently check for assessment consistency. Again, you're looking at the basics – age of home, square footage, number of bathrooms, that kind of thing. You want to see that similar homes have essentially the same assessed values, and, in particular, that your home is in line with your neighbors' assessed values. You should also pin down the assessor's office as to how they derived the value attributed to your property; ask them what comparables they used.

From here, think about the condition of your property – are there aspects of your particular residence that should keep the value more diminished? If there are features of your home that might lower the market value… some of which may not be known to the assessor, whose only real look at your physical property comes in the form of a drive-by glance…then they should lower the assessed value, as well. In order to formally pursue this path to a lower assessment, you'll have to compile evidence (photos, etc.) and send it to the assessor for reconsideration of your valuation. Perhaps the most effective piece of evidence is a professional property appraisal, something you might normally see done only if you were in the midst of a real estate transaction. Let's talk a little more about this.

While you can certainly fight your assessment entirely on your own, there is little you'll do that can be more impactful than the results yielded by a professional appraisal service, and more and more appraisers have added "assessment challenge" to their list of services. For a flat fee, not only will many appraisers provide you with an accurate valuation, but they will also testify for you at appeals hearings; do not underestimate the value of such testimony from a professional certified property appraiser. For one thing, the assessor's office must view as fully credible the opinion of an independent third party that values properties for a living, a status the board will be less likely to grant *you*. For another, because an appraiser speaks the language, their ability to speak persuasively on your behalf in either a written report or an actual in-person testimony can be very valuable. All of this said, before you formally engage an appraiser, your own legwork at the outset should be enough to see if there's even a basis to move forward with an appraisal or an assessment challenge at all; that is, if valuations seem reasonable, or, at least, if the value of comparables seems close to yours, it may well mean that your assessment is accurate as-is.

If you're reluctant to go through the hassle of challenging your assessment, don't be; according to the National Taxpayers Union, between 30 and 60 percent of all properties are overvalued by assessors, and less than five percent of all homeowners ever challenge their assessments (what's more, most over-assessed are lower and middle-income folks). Most who challenge see some relief, which means the odds are awfully good if you decide to initiate a challenge yourself. The simple fact is that assessors are agents of the taxing authorities, and so it is in their best interests to grab as much of your hard-earned cash as possible; don't roll over for them.

Can You Really Blog for a Living?

The Answer is Indeed "Yes," but Getting There Quickly May Require Some Clever Thinking

By James L. Paris

Blogging has become an exceedingly popular mechanism of expression in this day and age, due in no small way to the ability of the blogger to generate income from his efforts. However, some are quick to denigrate blogging as an income source, believing that while it may be possible for most to see a few dollars here and there, it is unrealistic for all but a lucky handful to expect to earn anything more than side money. Let me say upfront that such is not true, but if you expect to earn a living exclusively from blogging, you have to do more than you might expect.

When an Internet marketing "guru" usually talks about earning money exclusively from blogging, he's often referring to the idea of setting up your own blog and monetizing it with various third-party ads that result in small payments to you when visitors to your blog do everything from click on the ads, to purchase something outright. There is no question that a dedicated blogger who also spends a great deal of time working on traffic-generation strategies can see revenue generated from his blog; however, because the amount of revenue realized from going down that avenue depends so much on the aforementioned traffic volume, the blogger has to spend more time engaging in applying a wide variety of Internet marketing strategies than he does writing in order to enhance his revenue opportunities. Is it possible to earn a full-time living as a blogger this way? The answer is "yes," but traffic-building is always a challenge for a start-up blogger who has no ready-made audience.

In order to increase your chances of succeeding as a full-time blogger, it's smart to widen the scope of your efforts. For example, rather than trying to earn all of your income from your own blog, consider blogging for other people and companies. Countless numbers of entities have blogs, but many of them have difficulty maintaining them regularly. Job sites have increasingly become the home for postings from companies looking for bloggers and other online writers. The point is, rather than thinking exclusively in terms of blogging for yourself, think, as well, in terms of serving as a blogger to other companies.

Something else: Trying to ply your craft as a "generalist" blogger is usually a poor idea. In order to best position yourself to earn a living as a blogger, you should select a niche first…preferably one in which you have experience in some form or fashion…and focus on building a reputation as an expert blogger in that field. For example, if you have worked as a professional in the area of human resources, you might want to start your own blog that features your ideas on workplace-related issues, and also set out to secure work as a blogger for staffing companies and other kinds of groups that would have an interest in a regular stream of blog articles on the topic. (Note: if you have little-to-no writing experience, you should set up your own blog and write several articles first, so that when you apply elsewhere, you have ready-made samples of your work…which they're going to request, anyway).

Blogging lends itself to being done part-time, while you're earning your bread and butter at your "regular" job—all of the work can be done conveniently from home, and there's really no advantage to doing it from anywhere else. Ultimately, all that is required for you to succeed is to dedicate yourself to your craft, because there simply are no other impediments. What more could you ask for?

Have You "Optimized" LinkedIn?

The Sooner You Abandon Seeing LinkedIn as a Personal Social Media Account, the Better

By Robert G. Yetman, Jr.

As LinkedIn becomes an increasingly important tool to those who make it their business to fill employment positions, it's imperative that you don't allow yourself to see it as just another social media platform. While it may be broadly regarded as such, it's a good idea for you to cease thinking of it as a kindred spirit of Facebook, and, instead, as a clinical job-searching/professional networking tool that is far more about business than it is about anything terribly social.

This is the first step to using LinkedIn properly: resolve that you will no longer view it as a less-fun alternative to Facebook. Review your LinkedIn profile as it exists currently, and do so with the mindset of a prospective employer or business associate. Would you contact this person for an interview? Based on the way many people maintain their LinkedIn profiles, perhaps not. One challenge is that because folks have as connections the same people they have as Facebook friends, it is difficult to "unsee" their LinkedIn profiles as though they are second Facebook pages, but that's precisely what you have to do. As noted above, it is even a mistake to think of LinkedIn as a social media site – it is a platform of professional association, and so should be regarded as such.

One key way to get the most out of LinkedIn is to apply one of the first rules of successful *Internet marketing* to its utilization, which is not something you would do with a more personal social media account. Specifically, you want to ensure that your LinkedIn profile is as "keyword-rich" as possible. In the realm of the pure Internet marketer, keywords are those words and phrases that are most relevant to a business with an online presence – if the website is filled with those words and phrases, people searching for more information on what the business does will find the website more easily. Well, as it happens, those responsible for hiring will search on LinkedIn using the keywords that are most relevant to the positions *they're* seeking to fill. This means that in the same way an Internet marketer wants to be sure that the text on his site is appropriately populated with relevant words and phrases, you want to be sure that your LinkedIn profile is similarly stocked with references to what you do.

In order to be sure you're profile is rich with keyword phrases, it is smart to review the descriptions of available jobs in your field, and note the words and phrases that are used in the listings. For example, it would be smart to look at the listings at the most popular, online job sites, like Indeed.com. Go to Indeed, and plug in your profession, leaving the location blank, and review several of the job notices that are returned. Read them carefully, paying careful attention to the kinds of words and phrases used. Your goal is to identify those words and phrases that recur most often in each of the postings, and then review your LinkedIn profile to see if it is rich in those same keywords and keyword phrases. If it is not, then you should augment your profile appropriately.

Depending on which survey you consult, the percentage of companies using LinkedIn to find candidates falls somewhere in between 75 and 90+ percent, meaning, that's the percentage of companies and recruiters that actively use LinkedIn as a material component of their search efforts. If you're in the market to improve your career situation, take another look at your LinkedIn profile and see if it's truly "opportunity-ready."

Beware the "Innocuous" Scams

The Latest Scams Making the Rounds are Designed to Fly Well Under the Radar

By James L. Paris & Robert G. Yetman, Jr.

Although increased awareness on the part of consumers and vendors has helped to combat the success rate of scam efforts, the simple truth is that the relentlessness of the scammer remains a formidable challenge for all of us. On that note, there are two new scams making the rounds we want to mention, and their success is tied to a certain *innocuousness* that many scammers have learned is the key to being successful.

One-Ring Phone Scam. The "One-Ring Phone Scam," based outside of the United States, takes advantage of the natural tendency to return a missed call. Here's how it works: The unsuspecting person misses a call (initiated by an auto-dialer) where the phone rings just once, and when he returns the call, he's connected to an expensive "adult entertainment service," one that clips roughly $20 right off the top for the international call service, and then another $9 per minute during the connection time (although some scammers doing this will actually keep the amount charged much lower…just a few dollars…so as to help reduce suspicion).

If your phone rings once or twice from a number that you do not recognize, take a moment to check it out on the Internet before calling it back; remember, because these calls are coming in from foreign locations, the area codes will look odd to you. You'll find that plugging a phone number into Google may yield search results that reveal it to be trouble, and if it's from a country where you know no one and in which you don't do business, don't bother with it.

$9.84 Credit Card Scam. The "$9.84 Scam" refers to unauthorized charges of that amount (or thereabouts), showing up on the credit and debit card statements of people who initiated no such charges on their own. The card information of the violated consumers was obviously compromised somehow, but the key to the success of the scam lies in two, related elements: first, the amount of the charge is small enough to remain relatively unnoticed by account holders, and, second, large numbers of consumers do not carefully review their monthly card statements as often as they should. The people behind these scams…again, based overseas…are obviously aware of these two conditions, and have found themselves in great shape as a result. The specifics of the source of the charges are still being unraveled, but it appears that many of the charges are attributed to Internet addresses that seem generic in appearance – EEETsac.com and CEWcs.com are two, and investigations have revealed that, in one case, the phone number accompanying the charge entry went to what is supposedly the call center of a company that sells online money-making programs.

The key to the insidiousness of these scams is the degree to which they can be couched in normalcy; just missed a call? Surely it's someone you need to speak to, so call 'em back. Notice a generic-looking company on your card statement as the source of a relatively low-dollar "service" or "maintenance" charge? It must be right. What many scammers have done is exchange the prospect of making a lot of money quickly…for *longevity*; if they can find a way to charge you just a few bucks, you may not notice it, and even if you do, may well rationalize that it's not worth the hassle to call and deal with it. The result? The money keeps rolling out of your wallet. It's a smarter way to scam, which means you have to be smarter, yourself.

The Trouble with "myRA"

By Robert G. Yetman, Jr.

During his State of the Union address, President Obama introduced the country to a new retirement savings plan designed to act as a sort of stepping stone for many Americans who have no such plans already and haven't a great history as savers. The creation of the new plan…called the "myRA" as a play on *IRA*, the standard abbreviation for an Individual Retirement Account…comes by way of the executive order, so it's a done deal. The government is still vetting potential program administrators, so you cannot run out and open your myRA today, but you should be able to do that very thing sometime here in 2014, if you're so inclined.

On the surface, the goal seems like a noble one and the mechanism harmless enough (we'll get into plan features in a moment). Unfortunately, the myRA is not only *not* a great idea from the standpoint of practical investing, it carries with it some grave implications well beyond those related to simple personal finance.

First, the plan basics. The myRA is structured in the same way as the popular Roth IRA. This means that contributions are made with after-tax money, but that earnings grow tax-free and can be withdrawn tax-free once a participant reaches retirement age. However, money may also be withdrawn tax-free before one reaches retirement age, as long as it's just the principal and not the earnings that are coming out. To initiate a myRA, anyone who has at least $25 to start and who can continue to deposit as little as $5 each pay period (the contributions are all made via payroll deduction) can have an account. Additionally, the investment vehicles are U.S. Treasury securities, so the government can claim that principal investments are guaranteed. As for the matter of fees, the accounts are free – this is not usually the case with privately-held IRAs and other retirement plans. Custodial fees aren't typically expensive, but they do exist, which is not true in the case of the myRA. Something else – in the spirit of keeping this a starter account, the plan mandates that once your myRA balance reaches $15,000, it will have to be transferred to a standard Roth IRA. There are a few other features, as well, but you get the picture - the myRA is a low-cost, simple-to-manage and maintain retirement plan for people who don't have a history of engaging in long-term savings.

There are, however, speed bumps with the myRA; some have to do with the practical aspects of the plan, while another has to do with something larger. First, the practical stuff; for starters, the rate of return will be abysmally low. The investment vehicle will be something very close to the G Fund, which is the Government Securities Investment Fund component to the Thrift Savings Plans utilized by federal employees. That fund returned 1.47% in 2012, when inflation for the year was just over 2%. This means that not only will plan participants not come anywhere close to the long-term historical average returns provided by the stock market, but they will likely not even keep pace with the rate of inflation, which means that the purchasing power of the invested dollars

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The Jim Paris Perspective

Notes and Thoughts on Bible Prophecy, Business, and Culture

Obama Continues to Weaken U.S. Presidency

After completely losing face when issuing empty warnings to Syria, Obama engages in more saber-rattling over events in the Ukraine. I don't know enough about the politics of what is going on in Ukraine to weigh in on it one way or the other. I do know that there is a knee-jerk reaction of support for any group that appears to have grass roots appeal. That did not work out well for us during the recent events in the Middle East and the so-called Arab Spring. The truth is that in many of these conflicts there is no identifiable good or bad guy to root for (as much as we want there to be). The even greater lesson is the cost of attempting to project U.S. power worldwide. When there is a bona fide national interest at stake, such as rogue countries having weapons of mass destruction, etc… I see justifiable reasons for our involvement.

The worst of both worlds (isolationism or being the world's policeman) is making threats we don't follow through on. Obama and his mouthpieces have given several warnings to Russia in recent days on Ukraine. Each time the Obama administration does so, the U.S. presidency is weakened in the eyes of the world that much more. We were hoodwinked by the Russians on Syria and we will let them have their way in Ukraine. I would never bet on Obama in a chess match against Vladimir Putin. There was no one better than Reagan in dealing with the Russians. It is very sad how far the presidency has drifted in stature from those days.

A Modified View on the Latest Bitcoin Scandal

It should be noted (again) that the collapse of MT Gox does not by any means represent the end of Bitcoin. When we learned of the mounting problems at MT Gox last month, my reading and research into the matter convinced me that this was an isolated situation. MT Gox, one of the world's largest Bitcoin exchanges, uncovered an accounting irregularity that allowed some customers to walk away with far more Bitcoin than they had on deposit. Bitcoin experts all weighed in on the issue and the accounting problem was an 'MT Gox' problem and did not represent any overall flaw in Bitcoin itself. MT Gox has had problems historically and many Bitcoin gurus had serious doubts about them from the beginning. A recent guest I had on my Sunday night show (Trace Meyers) told me that he never trusted MT Gox and did not personally do any business with them.

I did personally have an account with MT Gox, but had no funds in it when they went dark this week. Although this was my good fortune, thousands of other Bitcoin investors did not fare as well. Reports are that more than 850,000 Bitcoins were lost at the now-defunct exchange. While this certainly does not spell the end for Bitcoin, it is more than just a bump in the road. I have received countless e mails this week from individuals asking me my thoughts on 'Bitcoin going out of business.' Perception is reality and Bitcoin critics were thrown a very big piece of red meat this week.

To put things into perspective, a fair comparison might be if the Chicago Stock Exchange went under. I don't think anyone would conclude that the failure of a single stock exchange meant an end to stock investing, or provided support for the notion that stock investments were scams. We have to keep a balanced perspective on the MT Gox matter. Yes, it was a monumental failure and means more than just a temporary black eye for Bitcoin, but Bitcoin itself has not changed. The concept, math behind it, and core protocol still represent an amazing and highly valuable digital asset.

I don't want to simply be a Bitcoin cheerleader here and ignore what was clearly a significant public relations setback for the digital currency. On the other hand, MT Gox and Bitcoin are not one and the same. Bitcoin continues to trade on the largest exchange (Bitstamp.net) post MT Gox at nearly $600. With all of this negative press, it is more than remarkable that the value is holding up as well as it is.

Strange Sounds Continue

Although it was two years ago when I published the video 'Strange Trumpet Sounds' to YouTube, the view count continues to rise. I wish I could take sole credit for the more than a half a million views that this video has received, but the phenomenon itself is growing exponentially. My video has received a recent spike in views and in comments. Although it is now more than two years old, it seems to represent the location on the Internet that people are flocking to in order to debate the topic.

Recently, new discussions on the topic were had on the *Coast To Coast AM* radio show with guest Linda Moulton Howe. The strange sounds seem to have intensified in volume and frequency in Oklahoma. Do a Google search for 'strange sounds' and include the words "Moore," "Tulsa," or just "Oklahoma," and you will get a glimpse into what is happening.

It is my view that these sounds are in some way tied to events of the end times. In my own video, I raise the question, "Could these be the trumpets of Revelation?" "Are these warnings of the return of the Lord?" Any student of the Bible hearing sounds of a trumpet or shofar coming from the sky can quickly connect the dots. We don't know exactly what this is, but I think it is fair to assume that it is supernatural and unexplainable and it may represent, at a minimum, the beginnings of the birth pangs (Matthew 24).

Garcinia Cambogia - Scam or Miracle Weight Loss Supplement?

You may have seen or read something lately about Dr. Oz's latest recommendation for weight loss - Garcinia Cambogia. What is it? From the Dr. Oz website -

"Garcinia cambogia is a small, pumpkin-shaped fruit, sometimes called tamarind. Though native to Indonesia, it is also grown in India, Southeast Asia, and West and Central Africa. It has

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long been used in traditional South Asian dishes, including curries and chutneys. Many also use the fruit for curing fish and preservation.

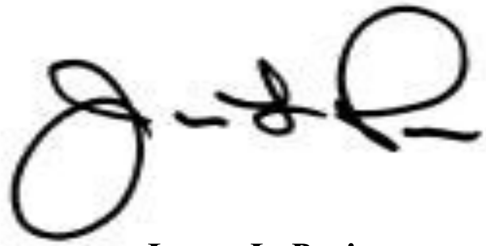
Adding this ingredient to meals is considered to be effective in making meals more "filling." In some villages in Malaysia, garcinia is used to make a soup that is eaten before meals for weight loss because of garcinia's appetite-blocking abilities."

My mother started taking a Garcinia Cambogia supplement a couple of months back and she has lost more than 20 pounds. I am a huge skeptic on things like this, but I have heard more and more reports about this and had to try it myself. I bought a bottle of 1500 MG pills from a local GNC. The retail cost was $50 but with my GNC discount card the cost came down to $40. Well, after about two weeks I can report back that it really works! No kidding, I take one of these pills in the morning and have no hunger most of the day. I have to make myself eat. I have struggled with weight gain since I was about thirty and have lost five pounds already taking this supplement.

My lack of hunger has allowed me to stay away from foods that I should not be eating. I have cut down on meat and many days follow a vegetarian diet. When skipping meals (which is now easy to do), I use a meal replacement option such as a high protein shake or energy bar. Even on days when I go through my two hour workout at the Taekwondo school, I can still operate on 1000 calories or less. I don't know how it works, but it really does. Although I don't write all that much about health issues, I felt that this was important information to pass along.

The Upcoming Trial Of Nancy Jo Frazer

Nancy Jo Frazer, her husband, and business partner will go on trial in September for fraud. The charges at this point are civil and not criminal. Many of you will quickly recognize the name as the central figure in my book, *Exposing The Ponzi Masters*. This worldwide Ponzi scheme stole more than $100 million dollars from the Christian community. ChristianMoney.com continues to follow this story closely. In fact, when Frazer stopped paying the fees on her website, NJFGlobalGroup.com, we picked it up and are using this web address as an information page to assist those that lost money in making complaints with state regulators. I plan to personally be in attendance at the trial in Ohio in September and will be blogging extensively on it at that time.



James L. Paris
Editor-In-Chief

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will actually be eroding.

Also, if you can invest only $25 and $5 each payday, you likely have substantial personal financial issues that need to be addressed first. This is not said to dissuade the earnest saver who has little to work with, but what really keeps the savings rate low is lack of discretionary income. The truth is that there is now already a multitude of excellent retirement plan options available to people, even those with little to invest, so one more plan isn't really necessary (and just about all of the existing plans make available the option to invest in government securities that are essentially identical to those backing the G Fund, if that's what an investor really wants).

Additionally, with no penalties for withdrawal, there exists a diminished incentive to keep the money in long-term; this sets up the possibility that many will use the account more as a government-guaranteed emergency fund that pays better than the local bank.

Those are some of the significant problems with the myRA from the standpoint of personal finance, but there's another concerning side to the myRA, as well. The money is "invested" into Treasury securities, and while a large, purported benefit to that is that doing so eases the mind of the contributor to know he's putting his money into something that's supposedly government guaranteed, what relatively few articles on the myRA seem publicly willing to consider is the possibility that this plan is the first step to *an overt government confiscation of retirement plans*.

Most dismiss the idea that government confiscation of retirement plans could ever happen in a country like the U.S., but it is impossible for any rational person to ignore the following facts: the country is broke (roughly $18 trillion in debt right now, and that does not include unfunded liabilities); the collectivists are in power; and the collectivists ultimately view your money as something that belongs to the government, and whatever you have in your personal accounts is the amount they've graciously allowed you to keep.

Many see this as a gradual process, much like the way gun control is implemented; rarely do gun control advocates seek draconian measures in one motion. Instead, they begin slowly, with restrictions that are just modest enough so as to not cause widespread outrage, but which still drag everyone down the slippery slope. The myRA is innocent-looking enough, but we should all be concerned by the ominous ramifications of a savings plan that has, as its central mechanism, the citizens' funding of the national debt. Some might see that as a paranoid interpretation of an otherwise-innocent attempt by the government to cultivate a savings mentality on the part of more citizens, but it is difficult to separate the substantial debt concerns we have right now in this country from a brand, new, shiny government-sponsored investment plan that features, as the available investment vehicles, the all-important Treasuries needed to be sold to continue the absurd funding.

Win at Investing...by Having *Less*

By Robert G. Yetman, Jr.

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Elsewhere in this edition of the newsletter, there's an article about the new "myRA" commissioned by President Obama through an executive order. It is a new investment program designed to encourage investment savings on the part of people who've traditionally been least able to contribute to a retirement plan by virtue of having little disposable income. We don't speak well of the myRA, and you will (hopefully) read the article for yourself, but it's worth noting that one of the traditional limitations associated with investing…the lack of a large sum of on-hand money…can actually prove to be a great advantage to many people. The fact is that by not having a large sum to put into the equities markets at one time means that your only other useful option is to invest a little at a time on a regular basis…and when you expose yourself to the markets that way, you are likely to engage in one of the most effective investment techniques anyone can utilize: *dollar-cost averaging*.

Dollar-cost averaging, or DCA, is a way to invest in the stock market that allows the investor to largely mitigate the risk associated with putting in a large sum at what ultimately turns out to be a bad time, such as just before a substantial market correction; the investor who averages himself into the market will invest *smaller* amounts of money at regular intervals over *longer* periods of time.

For example, instead of putting $4,000 into the stock market at one time, someone who averages himself in with $4,000 might decide to invest $250 each month for 16 months – if the market is higher, his $250 will buy fewer shares, and if it's lower, his money will buy more. The averaging-in period can vary, of course, and part of determining whether to take more or less time to enter the market will involve having a notion of how volatile the market is, as well as at what level it is, and where it is expected to be in the near-term. For example, if you think it prudent to shorten the timeline, you might opt to invest $400 for ten months, but if you want to be extra-cautious...without taking *too* terribly long to invest the $4,000...you might spread the investment period over two years. However, it's best not to get too bogged down in such an analysis – over-thinking such things will find you engaging in the risky behaviors DCA is supposed to help mitigate in the first place..

Now, back to the original point made in the first paragraph. There is nothing that prevents someone with a lot of ready capital to invest from averaging himself in, of course. However, very often, a well-capitalized investor is more likely to move a larger chunk of his cash into the market over a shorter period because he will grow impatient with seeing it sit on the sidelines, even if it is the best place for it to be - call it a function of investing *nature* that is difficult for most to overcome. However, the smaller investor has no such "burden," and can therefore enthusiastically embrace DCA. More broadly, even without regard to investing a specific sum, regular investments into the market not only help to mitigate risk, but the discipline associated with making them will help to ensure that you will, one day, have a sizable nest egg for yourself.