THE 3 SIMPLE STEPS TO OPT OUT OF THE DIGITAL DOLLAR

By Teeka Tiwari

THE PALM BEACH LETTER
In the mid-1960s, under the leadership of President Lyndon B. Johnson, the U.S. government went on an incredible spending spree. Between 1960 and 1965, spending tripled from $40.9 billion to $122.7 billion, largely due to the Vietnam War.

Johnson also launched his Great Society initiative during the decade. It was an ambitious series of legislation and programs with the goal of ending poverty, reducing crime, abolishing inequality, and improving the environment.

In total, the U.S. spent $120 billion fighting the war in Indochina, or about $1 trillion in today's dollars.

Many Great Society programs such as Medicare live on today over 50 years later, with an estimated total running cost of over $16 trillion.

But in the 1960s, the U.S. dollar was still pegged to gold. That meant other nations could redeem their dollar reserves for gold.

And that's exactly what happened...

With government spending getting out of control, countries began to dump the U.S. dollar and exchange it for gold, which nations have always viewed as a stable store of value.

By 1965, France started to convert its dollar holdings into gold. And the country moved it out of the vault of the New York Federal Reserve. Others followed suit.

To stop the bleeding, President Nixon announced a radical change in 1971.

Without giving any warning to the American people, the president went on live TV and took the dollar off the gold standard in what’s now known as the Nixon Shock.

Here’s how he justified that unprecedented move:

We must protect the position of the American dollar as the pillar of monetary stability around the world.

Nixon said he acted to protect the American people. In reality, we know this new dollar regime would eventually give the government the power to print unlimited amounts of money.

After 1971, the U.S. dollar became a fiat currency. And the Federal Reserve was free to print money willy-nilly, without worrying about any gold reserves.
Most people didn’t understand what was happening. And it caught them by surprise.

The result?

Inflation crushed U.S. consumers in the 1970s. Their purchasing power collapsed. And since then, the dollar has lost 87% of its value, as you can see in the chart to the right.

Here’s another way of looking at it...

It takes about $7.82 in “today’s money” to purchase the same amount of goods and services a single dollar would have bought you back in 1970.

In other words, most Americans became poorer under the new U.S. dollar regime.

Here’s why I’m telling you this history...

In the coming months, we could see President Biden go on national TV – much like Nixon did in 1971 – and announce a new dollar “regime.”

He’ll say it’s for your own good...

He’ll tell you the government’s doing it to stop a new “de-dollarization” trend...

He’ll assure you they’re doing this to preserve the U.S. dollar as the world’s reserve currency...

Historians might even call it “the Biden Shock” because it will catch most people by surprise.

But today, you have a chance to prepare.

In this special report, I’ll share three simple steps you can take to opt out of this new dollar regime if you so choose.

This move doesn’t require you to move abroad and become an expat... to get a second passport... or to already be rich.

Best of all, you can do it all from the comfort of your home.

Friends, if you’re confused or worried about this new regime, I get it.

You’re probably thinking, “Tiwari, you must be crazy. The government would never seek that kind of power. It would never try to control our lives like that.”

My answer is this: Have you ever heard the saying, “Never let a crisis go to waste?”

Like it did in the 1970s with the Nixon Shock, the government will take advantage of any crisis to increase its power.

And right now, we’re in the midst of a huge U.S. dollar crisis.

Before I get to my three-step action plan, let me tell you more about this new dollar crisis because it’s unlike anything we’ve seen before.

The De-Dollarization Trend

Most countries use dollars to transact in global trade because it’s the world’s reserve currency. For that reason, central banks MUST hold dollars in reserve.
This has been the case since the Bretton Woods Agreement of 1944, which established the dollar as the world’s main reserve currency.

That agreement was a game changer because it created guaranteed demand for the U.S. dollar. It’s a big reason why America became a superpower.

The problem is that the U.S. government has been abusing that privilege for decades now. Our debt has exploded, especially in the last two decades.

As you can see in the chart to the right, U.S. debt is nearly $32 trillion... That’s about $94,000 per citizen.

And as if that wasn’t enough, in February 2022, the Biden administration took things to a whole new level by weaponizing the U.S. dollar.

To punish Russia for its invasion of Ukraine, the U.S. froze all the dollar reserves of Russia’s central bank. That was $630 billion.

The rest of the world watched that unprecedented move and started thinking, “Wait a second. If the U.S. can do that to a nuclear power like Russia, it can do that to anyone.”

That’s why an increasing number of nations in Asia, Europe, and Latin America have recently announced plans to dump the U.S. dollar as their sole reserve currency... and instead trade in their own local currencies.

For example, China and Russia have normally used U.S. dollars to buy products from each other. But just this past year, the volume of trades using their own currencies has increased by 8,000%.

Russia and China aren’t the only nations hopping on the de-dollarization trend.

The finance ministers of the Association of Southeast Asian Nations (ASEAN) – including Indonesia, Thailand, the Philippines, Singapore, Vietnam, Cambodia, Laos, Malaysia, Myanmar, and Brunei – recently met behind closed doors, and they also decided to move away from the U.S. dollar.

ASEAN released a statement, in which Indonesia president Joko Widodo said:

Moving away from Western payment systems is necessary to protect transactions from “possible geopolitical repercussions.”

Widodo cited the sanctions targeting Russia’s financial sector from the U.S., the EU, and their allies.

And look at Saudi Arabia. For the past 48 years, it’s only accepted U.S. dollars in exchange for the oil it sells to nations around. But now, Saudi Arabia says it’s considering trading in currencies besides the U.S. dollar.

Even some of our allies want to reduce their exposure to the greenback. French president Emmanuel Macron recently urged Europe to wean itself off its dependence on the U.S. dollar.
The *Bloomberg* headline – “Suddenly Everyone Is Hunting for Alternatives to the U.S. Dollar” – says it all.

The U.S. dollar share of world reserve currencies has decreased from 73% in 2001 to 47% this year – the lowest level ever.

Most Americans don’t realize this is a huge deal. Thanks to its status as the world’s No. 1 reserve currency, there’s always been a lot of demand for the U.S. dollar.

That’s the only reason why our government has been able to spend money like drunken sailors... Without having to worry about any consequences.

It’s a huge advantage that literally gave us our standard of living.

So the fact that nations around the world are now dumping the U.S. dollar at a pace faster than the previous two decades is a huge crisis.

Like I said... The government never lets a crisis go to waste.

To stem this de-dollarization trend, I believe the government will implement a new monetary regime: A digital dollar.

You may have also heard it referred to as a central bank digital currency (CBDC). And it will give the government more control over your money.

If you think this is some crazy conspiracy theory, just listen to what Fed chair Jerome Powell recently said about a CBDC at a recent conference.

(You can watch the video right here. The comments come at the 4:07 mark.)

**A U.S. CBDC could also potentially help maintain the dollar’s international standing.**

Powell is openly talking about the idea. It even made headline news:

*Yahoo Finance* wrote: “U.S. explores central bank digital currency to preserve dollar’s reserve status.”

And Bank of America wrote something similar: “U.S. CBDC would preserve dollar’s status as world reserve currency.”

Make no mistake. The digital dollar is real. And we could just be months away from an official announcement about it.

Right now, the U.S. is already falling behind when it comes to CBDCs.

According to the think tank Atlantic Council, 114 countries are exploring digital currencies. Their collective economies represent more than 95% of the world’s GDP.

In other words, the entire world is getting behind CBDCs.

China, India, Nigeria, and the Bahamas have already rolled out digital currencies. Others, like Sweden and Japan, are preparing for possible rollouts.
These governments believe a digital currency will be an upgrade over traditional forms of money because it would flow more easily around the world through digital wallets... and bypass the messy web of commercial banks and money-transfer businesses.

If you’ve ever had a check held at a bank or had to figure out what the heck a wire is, this faster settlement sounds like a fantastic improvement.

Of course, it would also give the government the unprecedented power to track and control how you spend your money.

Once a government implements a digital currency, it will have direct access to your bank account.

For example, if we had another pandemic, the Fed could just deposit stimulus “checks” into every U.S. citizen’s digital-currency account.

And if the economy is running too hot, they could do the opposite. They could freeze a portion of your money to reduce consumer spending.

Regardless of what you think about CBDCs, that’s the future of money... And nobody can stop this trend.

Until recently, the U.S. was falling behind this trend... But it’s now playing catch up.

Imagine the incentives the government could offer the American people to ensure widespread compliance.

For example, the Fed could hypothetically offer anyone who switches a traditional account to a digital dollar wallet $1.50 in CBDC for each $1 in cash.

How many Americans do you think would comply?

I believe most would...

According to a recent Lending Club survey, 64% of Americans are now living paycheck to paycheck. So most Americans are struggling.

In my opinion, they wouldn’t think twice before switching to a digital dollar if they were offered $1.50 for each $1.

Again, this is a sad reality of the world we live in. And there’s nothing you or I can do to stop it.

But there’s a simple move you can make today to opt out of this digital dollar – as well as profit from the de-dollarization trend.

Let’s start with opting out of the digital dollar...

**The Three Steps to Opt Out of the Digital Dollar**

I believe the simplest and most effective steps to opt out of this digital dollar are:

1. Open a crypto account
2. Buy bitcoin on the exchange
3. Self-custody your bitcoin

I know many of you have heard me tout the benefits of bitcoin before. But with the possible move to a new dollar regime, it’s even more urgent that you move a portion of your wealth to alternative assets like bitcoin.

Here’s why...

The beauty of bitcoin is you hold it. Nobody can take it from you. If you self-custody your bitcoin, no one can charge you any fees on it.

So you’re essentially your own bank.

Another reason you should own bitcoin is because it’s a deflationary asset.

This deflationary feature in bitcoin’s code is due to a “halving.” That’s when the supply of new bitcoin is cut in half, once every four years.
There are still 29 more halvings left before new bitcoin will cease being produced.

The next one in 2024 will reduce the new supply of incoming bitcoin from 900 per day to 450. Then, bitcoin will halve again in 2028 – and so on – until the last halving in 2140.

Another advantage of bitcoin – and other permissionless blockchains – is that they’re decentralized. That makes them antifragile.

To summarize author Nassim Nicholas Taleb:

Antifragility is beyond resilience or robustness. Some things benefit from shocks; they thrive and grow when exposed to stress and uncertainty... The resilient resists shocks and stays the same; the antifragile gets better.

This perfectly describes the bitcoin network and other blockchains.

No one computer controls bitcoin. The open-source software runs on hundreds of thousands of computers (called nodes) concurrently... And there’s no single point of failure. So no government can just “shut off” the network.

More importantly, as more computers join the network, bitcoin’s decentralization increases. This fortifies the system even further.

And that makes bitcoin virtually unkillable.

Finally, bitcoin has incredible upside.

Even amid the current crypto winter, bitcoin is showing tremendous growth in new users. And so is the hash rate that powers the proof-of-work (PoW) system.

This explosive growth of usage on the bitcoin network is a strong signal that we’re getting over the worst of last year’s selloff.

Bitcoin’s adoption is on the same trajectory as other groundbreaking technologies like the internet or smartphone adoption.

According to former Google engineer Michael Levin, bitcoin’s current adoption rate puts it on track for 1 billion bitcoin users by 2025... about half the time it took the internet to reach the same milestone.

Combined with the halving next year that will further deflate new supply, it’s easy to see why over the coming years, I expect a single BTC will be worth $500,000.

Friends, bitcoin is a must-own asset.

It’s no one else’s liability. As long as you custody your own bitcoin, it’s free of counterparty risk. It’s a deflationary asset, so you can’t indiscriminately print more into existence. And no central authority can tamper with it.

That’s why I had my team put together step-by-step instructions to help anyone buy, store, and self-custody their bitcoin. You can follow the instructions below.

**Action to Take:** Buy bitcoin.

**Buy up to Price:** See the portfolio page here.

**Buy It On:** Coinbase, Binance, Kraken, or any other cryptocurrency exchange.

**Store It On:** A hardware wallet such as Trezor or Ledger.

**Position Size:** $200–$400 for smaller traders and $500–$1,000 for larger traders

**Risk Management:** Move your bitcoin to a hardware wallet to avoid the danger of an exchange failure or shutdown. Use a small position size to reduce the impact of volatility on your portfolio.
Bitcoin Self-Custody Instructions
Step-by-Step Instructions to Help You Buy, Store, and Self-Custody Bitcoin

Be sure to read through these instructions before starting to self-custody your bitcoin. Doing so will help you determine if self-custody is right for you.

Everyone has different needs and capabilities. And taking self-custody of your assets is not for everyone.

In this step-by-step guide, we’ll show you:

• How to set up a crypto account and purchase bitcoin
• How to self-custody
  • This includes how to self-custody bitcoin using a Ledger Nano S and Trezor cold storage wallet.

Please Note: We do not receive any compensation for recommending these devices. We have chosen these devices because they are two of the longest running hardware wallets on the market.

Crypto experts consider hardware wallets the safest option for taking self-custody of your assets. But it’s important to note that no solution is perfect. Each wallet comes with its own risk.

This is why we advise to never hold all your assets in one place. If you lose access to any single storage solution, you don’t want it to impact your ability to sleep at night.

Taking complete control over your assets has its benefits and drawbacks. The main thing to be aware of is you are solely responsible for the safeguarding of your assets.

If you lose access to your wallet or private keys, your funds will be lost and there is no one you can call to help you retrieve them.

If you don’t want to take this responsibility, but you want exposure to bitcoin, there are other options out there.

You can simply hold BTC on an exchange, purchase BTC in a Fidelity brokerage account, or own a BTC ETF like BTCC-U.To. You can read more about this BTC ETF in our April 2021 Palm Beach Letter issue.

Ultimately, it’s up to you to decide the best custody solution of your assets.

Of course, I believe self-custodying your bitcoin is the best way to opt out of the digital dollar. If you self-custody, you’re essentially your own bank. Nobody can take your bitcoin from you. And no one can charge you any fees on it.

So let’s get to it...
Setting Up a Crypto Account and Purchasing Bitcoin (BTC)

Step 1: Create an account with one of the major exchanges.

- To purchase bitcoin, you’ll need to open an account with one of the major crypto exchanges. This is similar to opening a brokerage account.

  We recommend using Coinbase or Kraken. Or you can use Binance if you’re an international subscriber.

Step 2: Fund your account.

- To fund your account, you can link your bank account to the exchange. This is a similar process to linking your bank account to a brokerage exchange.

- Some exchanges – like Binance – offer you the ability to deposit funds with a debit card or credit card. You’ll likely pay a high transaction fee if you choose to fund your account with this option.

Step 3: Purchase bitcoin (BTC).

- After funding your account, you can purchase bitcoin (BTC) on the exchange.

- Note that you’ll need to wait a few days for your cash deposit to settle before you can withdraw your bitcoin from the exchange.

- While you wait for your funds to settle, you can start the process of setting up your hardware wallet to store your bitcoin and other crypto assets below.

Taking Self-Custody

As mentioned above, we’ll provide self-custody instructions for both the Ledger and Trezor devices.

Both devices are considered “cold storage” since they can be disconnected from the internet when you’re not using them.

This makes them more secure than wallets that operate on your desktop or mobile device that are constantly connected to the internet.

While cold storage wallets are considered the safest solution to securing your crypto assets, no solution is perfect. So be sure to never hold more than you can afford to lose on any single device.

With that in mind, let’s first dive into storing bitcoin (BTC) on a Ledger hardware wallet. Then, we’ll end with instructions for using a Trezor hardware wallet.

How to Store BTC With a Ledger Device

Step 1

- Buy a Ledger device directly from the manufacturer.
Do not purchase your Ledger device from a third party like Amazon or eBay. Purchasing directly from the manufacturer reduces the number of hands that come in contact with the device. This helps ensure you’re not buying a used product that someone might have tampered with.

**Step 2**

- Once you have your Ledger device, go to Ledger.com and select “Ledger Live” at the top of the screen under the dropdown menu. See image below:

![Ledger Live](https://www.palmbeachgroup.com/ledger-live.png)

- From here, you will click the “download the app” button and select the operating system you’re using.

**Step 3**

- After downloading the software and connecting your device, you’ll be asked if you want to set up a new device. Go ahead and confirm.

- Next, you’ll be asked to create a pin for your device. This helps protect your assets if the device is lost or stolen.

- After setting up your pin, you’ll begin the process of writing down your 24-word seed.

  These words make up your private key that you can use to regain access to your funds in the event that you lose or damage your hardware wallet.

  Be sure to write these words down in the correct order on a piece of paper. Don’t store this information on the internet, a device that’s connected to the internet, or share it with anyone.

**Pro Tip** – To navigate your Ledger device, click the button on the right to move right and the button on your left to move left. To select an option, you’ll click both right and left buttons on the device at the same time.
**Pro Tip** – We also recommend storing more than one set of your seed phrases in different locations. This ensures that if a fire or water damage occurs where you store the seed phrase, you’ll always have a second set.

**Bonus Tip** – You can also get creative by storing only a portion of the words on one piece of paper and another portion of the words on a different piece of paper. This would help protect you if someone found (half of) your seed phrase. They still wouldn’t be able to access your assets without the full seed phrase.

This is an option if you’re worried about someone gaining access to your seed phrase. But this will increase your own personal responsibility of knowing how and where you stored two sets of the seed phrase. Don’t make it too complicated.

**Step 4**

- After writing down your 24-word seed phrase and verifying it on the device, you’re now ready to receive bitcoin (BTC).

- On the Ledger Live app, you’ll be prompted to add an account to get started. See image below.

![Add an account to get started](image-url)

- Once you select “Add account,” you’ll be asked to select the token that you want to create an account for. For these instructions, we’ll use bitcoin. See image below.
• After selecting bitcoin, your Ledger hardware wallet will ask you to allow Ledger Live to access the device. To confirm, click both buttons on the device at the same time. This will start the process of downloading the bitcoin application to your device.

• Once the download is complete, your bitcoin address will be generated.

• Next, the Ledger Live application will ask you if you want to give your wallet a name. Then, click “Add Account” as shown in the image below.

• Once you’ve added your account, select the “receive” button.

• Make sure you have the bitcoin app open on your device. You’ll see a long string of random numbers and letters displayed on both the Ledger Live desktop app and your Ledger hardware wallet device. This is your address.
Note: While your bitcoin address won’t unlock your wallet, be careful with who you share this address with.

That’s because all transaction history is visible to anyone on the blockchain. So if someone shared their address with you, you could look up their BTC balance and their entire transaction history. Think of it like allowing someone to look at your bank records.

- Make sure that both of these addresses match. Then, you can copy and paste into the exchange where you hold your BTC and intend to withdraw.

- As always, be sure to send a small amount before sending a larger amount to ensure everything works as intended.

- After hitting “send,” you can expect the transaction to take up to 30 minutes depending on the network’s congestion.

How to Store BTC With a Trezor Device

Step 1

- Buy a Trezor device directly from the manufacturer. Do not purchase your Trezor hardware wallet from a third party like Amazon or eBay.

- Once you have your Trezor device, go to trezor.io to download the software associated with the hardware wallet.

- On the website, click “App” at the top. And select the correct desktop version for your computer.

- After downloading the software, you will be asked to connect your Trezor device to the computer. And you’ll be prompted to update the device’s firmware.
Step 2

• Once your device’s firmware is up to date, we can begin the process of creating a new wallet.

• After clicking “Create new wallet,” select “Standard seed backup.”

• Next, you’ll be asked to confirm on the device that you want to create a new wallet.

• After, you’ll be asked to acknowledge the instructions on creating a backup to your Trezor wallet shown in the image below.

• After reading these tips, tick the boxes and select “Begin backup” as shown in the image below.
Next, you’ll start the process of writing down your 24-word seed phrase. These words make up your private key that you can use to regain access to your funds in the event that you lose or damage your hardware wallet.

Be sure to write these words down in the correct order on a piece of paper. Don’t store this information on the internet, a device that’s connected to the internet, or share it with anyone.

**Pro Tip** – We also recommend storing more than one set of your seed phrases in different locations. This ensures that if a fire or water damage occurs where you store the seed phrase, you’ll always have a second set.

**Bonus Tip** – You can also get creative by storing only a portion of the words on one piece of paper and another portion of the words on a different piece of paper. This would help protect you if someone found (half of) your seed phrase. They still wouldn’t be able to access your assets without the full seed phrase.

This is an option if you’re worried about someone gaining access to your seed phrase. But this will increase your own personal responsibility of knowing how and where you stored two sets of the seed phrase. Don’t make it too complicated.

- After writing down your seed phrase, it will prompt you to create a pin.
- You’ll do this by selecting the dots on the screen that match up with the numbers on your device.

As you’ll notice, the numbers are in a mixed order on the device. So pay close attention to which numbers you intend to select and the corresponding dots on the Trezor software on your computer.

**Step 3**

- Now that you have your device set up, you’ll install the bitcoin application to the device.

If you wish to store other crypto assets like Ethereum on this device, you can select them from the menu. See image below.
• After hitting “Complete setup,” you can name your device as you wish. Then, select “Access Suit.”

• Next, you’ll be asked to select a wallet type. For this demonstration, we’ll select “Standard wallet.”

**Note:** If you’re a more advanced user and want to put an additional layer of security in place, you can select “Hidden wallet.” First, be sure to research how you’ll need to recover your wallet if it’s lost or stolen.

**Step 4**

• Now that your device is set up and you’ve installed the BTC application to your device, you’re able to receive bitcoin.

• To retrieve your BTC address which you’ll send your bitcoin to, select “Bitcoin” as shown in the image below.

• On the next screen, select “Receive.”

• Next, click “Show full address.”

When your address is displayed on desktop software, be sure to confirm this address matches the BTC address shown on the device.

• After confirming the addresses match, you can copy and paste into the exchange where you hold your BTC and intend to withdraw.

**Note:** While your bitcoin address won’t unlock your wallet, be careful with who you share this address with.
That’s because all transaction history is visible to anyone on the blockchain. So, if someone shared their address with you, you could look up their BTC balance and their entire transaction history. Think of it like allowing someone to look at your bank records.

- As always, be sure to send a small amount before sending a larger amount to ensure everything works as intended.

- After hitting “send,” you can expect the transaction to take up to 30 minutes depending on the network’s congestion.

- You can monitor the Trezor application on your desktop to see when the funds have arrived.

  Once they have arrived, you can send a larger amount that you feel comfortable with.

- Once you’re finished, be sure to unplug your device. Store the device and the seed phrase in a safe and secure area.