



# BARTER & NEGOTIATIONS

HOW TO GET WHAT  
YOU NEED IN  
DESPERATE TIMES



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## INTRODUCTION

For many people, bartering is both an automatic reflex and a learned skill. People exchange money for goods every day without ever thinking about the true cost or value of the money or item they're purchasing. It's unfortunate that bartering or "haggling" over prices is so often frowned on simply because current etiquette dictates that not paying the stated price of an item is bad form and trying to get a better deal will make you look "cheap". But why would you ever want to pay more than the absolute minimum required for an item you want?

*If you would rather pay face value for everything you want and need, please put this report down now. It is not meant for you.*

However, If you are less interested in keeping up with the Jones's and more concerned with getting the most bang for your buck then read on.

After a crisis you need to make sure you know exactly how to approach a situation and what to say or do to get what you need without compromising your safety or giving up something that you will need down the road in a bad deal. This is the essence of bartering in a normal situation, and it becomes even more important in a crisis.

The best part about bartering is that you can use it on a daily basis and with a bit of practice and effort, you can become a master negotiator and barter tactician that is conscious of every bartering opportunity available that you would have otherwise missed.

Once you learn the art of effective negotiation, you will be able to barter with ease and gain more favorable results. However, it is important to remember that while it may be possible for you to influence people to give you the things you want for far less than they want, you may need to work with these people again. Being fair in your tactics will prove to be beneficial in future dealings just as taking advantage of those less skilled in the art of bartering will usually end up hurting later exchanges. The best case scenario is for both parties to leave the table satisfied that they got a “square deal”. Unfortunately the best case scenarios rarely play out and you may need to resort to more drastic measures... but you will learn more about that later.



### **Brief History on Barter and Trade Economies**

Bartering has been around for as long as humans have wanted things they didn't have. Basic bartering would include a person offering a chicken in exchange for a basket of vegetables. This quickly leads to the problem

of equivalent exchange. The person with the vegetables may not be interested in the chicken but is interested in trading for a jar of honey. The person with the chicken can't get what they need without bartering with a third party for the honey.

This inequality in the valuation of products caused major upsets when a loaf of bread cost one chicken on Monday and 3 chickens on Tuesday. To simplify this, currency was introduced, allowing people to sell items and perform tasks for a set amount of money which could then be traded with others for the items and services they desired.

So what is currency? Currency can be anything that everyone agrees has value. It could be precious metals such as gold and silver or consumables such as salt and corn which have all been used by ancient civilizations. Today currency is typically paper or coins that have only a perceived value and no intrinsic value like gold or silver. Instead, paper currency is simply a representation of time and value, just like poker chips used in a casino. Because most currency has no intrinsic value it is subject to inflation such as what happened to the South's currency during the American Civil War or the currency of Germany between WWI and WWII.

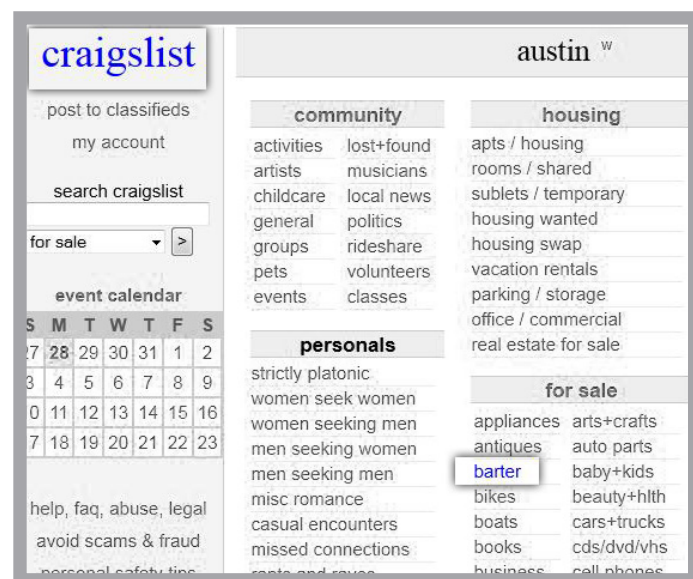
### **Modern Day Bartering Examples**

Anytime inflation devalues currency and makes it impossible to buy the things you need or want, bartering makes a comeback. For instance, after Katrina hit, people in affected areas began trading fuel, water, and

food for the things they needed much more often than they would simply buy something, because paper money couldn't feed, warm, or hydrate them or their families.

In Argentina, bank crises stopped allowing people to make withdrawals which led to the creation of as many as 800 barter clubs by some estimates in 2002. Each club had its own set of rules and created a system of credits that worked like currency within the club. The credits derived value in the same way government currency does, and people were willing to accept them as payment because they believed they would be able to use them to buy the items they needed in return.

Bartering allows people to negotiate for the exact items they need in exchange for the items they have.



## Barter in the Digital Age

Bartering has returned in a big way as the Internet has become more popular and accessible to a wider range of people. Sites like Craigslist and eBay are prime examples

of online bartering communities.

Craigslist and other digital classified sites often have offers of people who want a simple barter exchange; one item or service in exchange for another. Online auction sites like eBay allow people to exchange items they have and no longer want for cash. This is different from a retail store setting in that the items are generally previously owned and are frequently more difficult to locate than the mass produced items found on the average store shelf. Additionally, the auction-like setting gives much of the power to the buyers who are able to determine exactly how much they are, or are not, willing to pay for any given item. It is still a good place for the sellers however, because they can place a firm limit on the lowest price they are willing to accept.

More and more stores, both brick and mortar and online, are beginning to offer trade-in pricing on high end items and electronics. Some places like Gazelle.com or Plato's Closet offer cash for your items. Other places like Amazon.com, BestBuy, Apple, and Target typically offer you slightly more for your items with the caveat that you receive gift cards or store credit for that particular store in lieu of cash.

This might not work out so well if you are looking to trade a 50" television for food and water but if you are looking to get something in particular from that store you could end up spending quite a bit less going the trade in route.

If you are only interested in cash your best



bet may be the old fashioned pawn shop. Pawn shops have been around for thousands of years and are one of the first business models that incorporated bartering.

It is extremely important if you decide to pawn something that you do your research!

If you are selling gold and jewelry make sure you know the exact amount gold is worth the day you go in. Also it would be a good idea to have your gold weighed by a professional jeweler. That way you know if you are dealing with an unscrupulous pawn broker and with an incorrectly calibrated scale.

Bartering for food and items is also coming back in a more personal way as the popularity of yard sales and farmer's markets continues to grow. The ability to advertise online allows sellers to reach a wider audience and increase the foot traffic and potential profits. Typically these events allow people to exchange money for goods owned, made, or grown directly by the individual selling them, however, some events encourage traditional barter as well. This entirely cuts out the middlemen involved in most retail exchanges and can lower the overall price for the consumer and increase the profit of the seller. This is what is known as a win-win situation for both parties.

## HOW TO MASTER NEGOTIATIONS

### **Scouting Ahead–How Planning Your Negotiations Can Increase Your Profit or Lower your Cost**

Planning is the first step to a successful barter or trade. It increases the likelihood of a

successful negotiation substantially and is one of the most important things you can do to ensure a positive outcome.



### **Determining Value (Is it Worth My Cash or My Time?)**

Bartering is a skill people use every day whether they realize it or not. Some people never advance beyond the basic bartering skills of going to a store and exchanging their money for the items on the store shelf. However, they are still bartering. They exchanged their time and effort to someone to obtain the money they exchanged for goods that the owner of the store had bartered to obtain in a similar way.

This chain of bartering is extensive as very few people trade directly with one another anymore. Everyday people decide if the cost of an item is worth the time and effort it took to earn the money to pay for it. Granted, some people never put a great deal of thought into their transactions and those people will find it more difficult to transition into a world fueled by a pure barter system.

To practice your bartering skills look at every purchase you make. Consider how much time

it took you to earn the money you will spend. Is the new CD, movie, or dinner out with friends really worth the time you spent? If you begin looking at all of your transactions this way it will soon become second nature and you may find you would rather spend your time differently.

Let's say you make \$52,000 every year and you want to purchase a new computer that retails for about \$3,000. If you are able to use modern day bartering skills of coupons bargain shopping to lower the price to \$2,000 you will have saved a week's worth of work. This is substantial! Imagine what you could do with an extra week of free time.

In a survival situation your time becomes far more valuable than the dollars assigned to it in a stable society. Look at what it will take for you to replace the goods you will be bartering with or the time you will be giving. Make sure that what you will be receiving in return is worth the loss of these things or learn to walk away.

## 10 Steps to Successful Negotiations

There are ten things to consider before beginning any bartering session. These are all part of the planning phase. By taking the time to go over each one prior to your bartering session, you will improve your negotiation skills and final outcome.

### Playing Poker

You may think that in a bartering situation the last thing that will be on your mind is gambling, however, there is a very important poker strategy that you should always keep

in mind when bartering and that is the classic bluff.

To successfully bluff, you must know without a doubt how much you are willing to lose and just what you stand to gain. Before any bartering session decide what a winning hand is and what will make you fold and walk away. If you have these touchstones in mind before you begin, you will know without a doubt what you should do no matter how the bartering session unfolds. If you wait until you are actively bartering you may get caught up in the moment and end up with far less than you want, or even more importantly, less than you need.



### Ante

Continuing the poker analogy, you must know what your ante is going to be for any given bartering session. Ideally you will let the other person make the opening offer, so you can determine just how interested they are in the item(s) you have available for trade. If your bartering opponent is determined for you to begin the negotiations say something like, "I'd love for you to make it a gift, and I'm sure you'd like for me to give you everything I have; what's a deal you can live with?"

## **Your Extras**

Always keep in mind a few extras that you'd be willing to part with that may have little value to you but great value to others. You can use these items to up your ante without really sacrificing your overall profit. Consider knowledge that you have and are willing or able to share. You could offer someone lessons in a skill you have mastered or time with a book that has specialized knowledge of an important resource such as maps, first aid books, or an almanac.

## **Their Extras**

Consider things they may have to offer that will not hurt their supply or stockpile in any meaningful way but that will considerably impact your supply situation or knowledge base. Consider their knowledge base the same way you considered yours when determining the extras you were willing to offer.

You may also want to consider items that have a high value to you but little value to others. For example if you are going to be canning produce, you may be able to take items that aren't as fresh as other individuals may require. If your bartering partner has a limited market for what he or she is offering it will greatly improve your ability to negotiate a price that is favorable for you.

## **Know Your Opponent**

In any situation, it is always best to know as much about your opponent as possible. While you may not like to think of the person you are bartering with as an opponent, in reality they are. You both have objectives and the possibility to score a great deal or to have a great loss. However, this doesn't mean that

they have to lose for you to win. Take the time to learn about what your opponent needs and try to find ways to give it to him or her with minimal cost to yourself.

## **Win-Win**

A win-win arrangement is the very best result for a bartering session. Always look for ways to make this happen because it will change the interaction from a simple deal into a relationship that could be very useful in the future, and it will allow you to achieve your own objectives while also helping someone else. Ending on a good note will make your opponent much more likely to strike a deal with you in the future and give you a better chance at more successful trades with them.

For example, if you know someone needs a tree cleared off his land and you need firewood for the coming winter, an arrangement can be easily made. You offer to help cut the tree down or cut it by yourself and in exchange you get to keep the cut firewood. In this situation your labor is provided in exchange for a good. Both parties get exactly what they want without either one conceding anything other than time and effort.

Sometimes simply looking at the situation of those around you will allow you to target the best person to approach for a specific bartering request that will provide an opportunity to make both parties feel like they got the better end of the bargain.

## **Concessions**

As always, it is important to know before beginning what you are willing to concede.



Your goal should always be to minimize any concessions you make because giving them to your opponent will train them to think your initial offer is never to be accepted.

If you must make concessions to complete a transaction be sure to draw them out as long as possible. Each subsequent concession should be smaller than the first, and they should always be accompanied by a concession by the other party. You never want your opponent to think they will be able to get something from you while offering nothing in return. In essence you are looking for a quid pro quo or this for that arrangement.

### **Split the Difference**

Splitting the difference is something the other party will almost always suggest and something you should usually avoid. In a perfect bartering situation you will never concede to something that doesn't benefit you and cost your opponent an equal if not greater price. There are times, though, that splitting the difference may be the only option, especially if you are trading for something that you can not do without and that you could not find elsewhere.

### **Time and Location**

Choosing the right environment for a bartering session can help improve your outcome. The best location is, of course, your own home turf. It will put you at a psychological advantage if nothing else and may provide a security advantage depending on the situation. The next best location is one on neutral territory such as a co-op, trade show, or farmer's market type of environment.

As for time, if the bartering will take place in an event type setting it is often beneficial to go towards the end of the event. The sellers are often at their most agreeable then because they are either happy with the sales they made and are less worried about their bottom line, they haven't reached their goals and are desperate to trade, or they are too tired to want to pack up and go home with the items they set out to trade.



### **Emotions**

Emotions are often the downfall of many bartering sessions. This is true for both you and your opponent so it is equally important that you be aware of both. If you are emotionally invested in what you are bartering for you may give too much away to obtain it. Likewise, if your opponent is emotionally invested in what you are offering they may be willing to give you far more than they normally would for a similarly valued item.

The problem with emotional bartering is that the trigger is that people are different and no one has the same trigger. For example a woman may be emotionally attached to the idea of chocolate, bubble



baths, a favorite perfume, or some type of pampering item. A man may be emotionally attached to a particular type of liquor, cigars or cigarettes, knives, or specialty guns. Yes, these are stereotypical items but they become stereotypes typically stem from a seed of truth. Men and women are emotionally attached to different things, so it is important to find out what your opponent is emotionally invested in and try to provide it. It is equally as important to make sure that you know your own emotional triggers and how to keep from acting out of emotion instead of logic.

## FACE TO FACE: TACTICS TO HELP YOU GET WHAT YOU WANT

Bartering is far more effective in person because each person is able to observe the body language and hear the tonal differences in speech patterns.

### Body Language

Body language is usually entirely subconscious, but with a little bit of effort

you can work to make your body language say what you want and learn to read the body language of others.

The primary goal behind altering your own body language and paying attention your opponent's body language is to help develop a rapport with them. You want the other person to like you a bit more so they will offer you a better deal or concede more than they otherwise would. The goal, however, is not to necessarily become friends with them, since this is still a business transaction.

### Eye Contact

Eye contact is the first step in improving the message your body is sending to those around you. People tend to instinctively know when someone is being 'fake' simply by looking into their eyes. Why is this? Because no matter what a person is saying they are usually not thinking about what their eyes are portraying.

When someone who likes you looks at you, they will be fully engaged and looking into your eyes. Their eyes will crinkle in an authentic way and their eyebrows may quirk



when you say something amusing. Someone who is bored with what you are saying or who distrusts you will often have eyes that are still.

When you look at your bartering partner try to visualize them as someone you do like, want to help, and who has the ability to help you. While they may be an opponent in a game that has significant stakes, try your best to consider them a friendly opponent.

A note on eye contact: Be aware that while in America not making eye contact is considered rude and makes you look weak, many other ethnicities are the opposite and consider eye contact rude and a sign of aggression. For example, many Muslims find eye contact unacceptable. Sub-Saharan Africans, North Africans as well as Mid-Eastern nations and South East Asian nations find it highly unacceptable. This is even more of a touchy subject when it comes to interactions between sexes.



### **Smile**

A smile can go a long way toward easing tension in a negotiation. Make the effort to smile when you meet the person and to smile throughout

the bartering session. It puts people at ease and a positive outlook will make the entire experience more pleasant. Just make sure that you're not faking your smile. Most people can sniff out when your smile is fake. Something will just seem off about you, your eyes and nose won't crinkle the correct way. If it helps, remember that if this goes successfully, you will walk away from the table with something you need or want for less than you were willing to pay for it.

### **Posture**

Some people are seen as aggressive simply because of the way they naturally stand. A man who is standing straight, feet slightly spread, and with their arms crossed or at their hips will appear to be threatening even if only on a subconscious level.

Be aware of your posture and what it is saying to those around you. If a person feels threatened they will keep their guard up which is bad for negotiations. Keep your hands in a neutral position such as in your pockets, slouch a bit or lean against an object, and tilt your head slightly when listening. Think of yourself as a friendly professor rather than as a prize fighter and watch how your posture changes and the effect it has on those around you.

### **Mirroring**

People are attracted to those they with whom they feel a connection. One way to build an instant connection is to assume a similar posture and even match breaths but this can take awhile to master and may look fake or feel awkward until one becomes quite good at it. Instead, use words and phrases your



opponent favors and match your tone and tempo to what they are using (as long as they are already calm).

### **Flinch**

The very first offer that is made should incite a slight negative reaction from you. Decide what feels most comfortable for you and then perfect it. This may be a slight raising of the eyebrows, a crinkled nose, a little gasp, or a slight frown. Often this will be enough to have your opponent backtrack or make a counteroffer. If not you may want to follow up with a simple statement that while the item is certainly worth the amount being asked it simply is not something you can offer. Alternatively, if you are selling an item or service you could respond by saying that while you would like to see them leave with the item you couldn't possibly agree to something that wouldn't be fair for both parties.

### **Stare**

If there is an obvious flaw in the item you are bartering for be sure to stare at it. You don't need to mention it all, simply look at it intently or glance at it often until the seller is aware that you have noticed it and offers an explanation. Typically this will be followed by a reduction in the asking price without you ever having to say anything negative about the item being offered.

### **Pupils**

Pupils will dilate and nostrils will usually flare when a person sees something that affects them emotionally. Remember this if you will be bartering for something that has an emotional impact on you and consider

wearing sunglasses to conceal the fact from your opponent. Alternatively, be sure to pay attention to these subtle signs when discussing your own offerings to determine the interest level of your opponent.

### **Uniforms**

Uniforms often have a powerful impact on people even if they don't realize it. If you are a member of a group or profession that is associated with a specific type of uniform and you have the opportunity to wear it to a bartering session, do so. The uniforms of law enforcement officers, medical professionals, firefighters, and individuals in the military may positively impact people's perception of you. Many people want to thank individuals for their service, so give them the opportunity to express their gratitude with a discounted price. Just think about how many restaurants businesses and organizations offer discounts for uniformed officers and military.

### **Walk Away**

This is quite possibly the most powerful tool in your arsenal of body language tools; the ability to walk away. If the price is too high tell your opponent that while you would love to be able to take the item home the price is simply more than you are willing to pay.

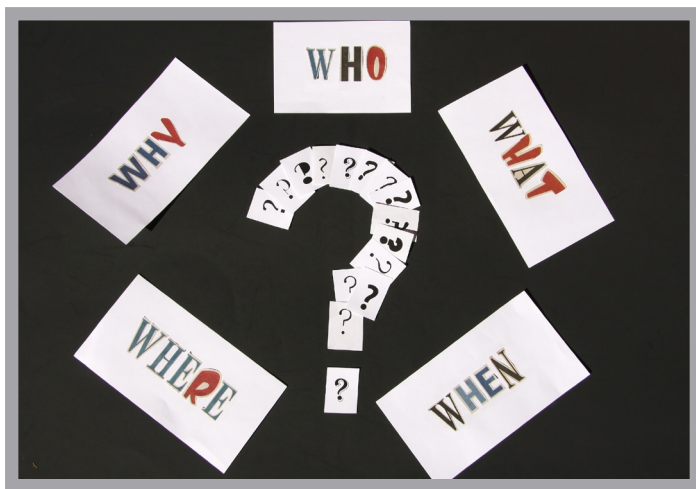
Tell them you are going to have to look for an alternative and ask if they'd be willing to match a lower price if you find it. This will tell you if there is any flexibility in their price and will allow you to return later if you need to.

However, if you do walk away be sure you are willing to lose the opportunity to obtain the

item from the seller as the next person they speak to may not be quite as well versed in the art of negotiation and snatch it up at the asking price without a second thought.

### Verbal Skills

Once you have the language of the body mastered you can use these verbal skills to further improve your chances of a successful outcome.



### Questions

Ask the person what they are selling and what they want for it or what they are offering for whatever it is you are selling. This puts them in the position of having to show their cards to you while you take the time to observe their body language and what they have to trade. If they get uncomfortable or irritated by your questions, this lets you know that there may well be something that they are not telling you about the item. The more questions you ask the more chance you have to learn something that could lower the price.

Keep in mind that this works both ways. If the seller is a skilled merchant, they can

pull just about as much information from the questions you ask and the response you make to their answers as you will get from their answers.

### Leverage

Leverage is a powerful negotiation tool and one that is easy to abuse. As with all of the other tips, it is best to remember the importance of treating others fairly. You may simply want to mention that you are aware that others may try to use the leverage you have to take advantage of the person but that you have no intention of doing so. Let them know you want to come to a fair arrangement that is beneficial to both parties.

In some instances, however, you may need to use leverage to obtain items you need. It is also important to be aware of the most common forms of leverage that someone may try to use against you at some point in your bartering endeavors.

**Options**—If multiple people are offering the same goods or services you have more power because you can easily go elsewhere.

**Deadlines**—People tend to be more willing to consider concessions as deadlines such as the end of the day approach.

**Emotions**—Getting emotional may weaken your position if it is seen as desperation. However, it is possible to fake anger to get someone to meet a demand. The clearest example of this is when a child throws a tantrum, however, adults have been known to use the same method with great effect.



**Momentum**—This is applicable to both commitments and concessions. Every consecutive concession or commitment you get the other person to agree to the more likely they are to agree to the next.

**Weakness**—Illness, fatigue, and any other weakness (whether real or perceived) can be used to push negotiations. A person who is ill may be more desperate for a medical item than a person who wants it to prepare for something that may happen in the future. Be sure to hide any of your own weaknesses from those you barter with while looking for any they may have.

**Power**—People in positions of power may use that power to exert additional influence on bartering sessions. Be aware of this ploy and if the person uses their power to threaten those they trade with it may be best to avoid them whenever possible.

**Knowledge**—The person with the most knowledge about the service or item being bartered for will have far more leverage than their opponent. Be sure to learn as much about whatever it is you are looking for so you will be able to barter from a place of knowledge and understanding rather than one of simple need or desire.

**Bulk**—Buying in bulk almost always allows the buyer to obtain the item for less. If you are able to barter on behalf of friends or neighbors you may be able to lower the overall price for everyone by allowing the person you are bartering with to have a guaranteed sale quickly rather than holding on to items they may not be able to sell for an extended period.

**Law**—If the items or services being bartered for are in any way illegal some parties will threaten to inform the authorities if they are not given what they want.

## Consequences

If there are extenuating circumstances which will result in serious consequences if the item or service being bartered for is not obtained, this will weaken the position of that person. For example, if a person is in need of antibiotics or they or a loved one will die, they will give anything within their power to obtain it. This affords the person with the item great power which can easily be abused and will often lead to resentment.

## Higher Power

Tell the person you are bartering with that while you are interested in the deal you have to run it by your wife, husband, committee, or boss before making an agreement since the price is more than you expected. Let them know the final decision isn't yours and ask if there is a better deal you can offer your "higher power"—even if that person is a complete fiction, it can be useful as a bargaining tactic.

## Quantity

Change up what you are offering or what you are willing to accept. If the price is firm let them know that you will meet the price but you need a bit more in the deal. So if you are going to pay \$200 for the ammunition insist on an extra case or another weapon to go with the price. If you are selling you may say you will be willing to sell at the price they are offering if they are going to buy more of the

item. So instead of selling them one dozen eggs at \$5 you would sell them 5 dozen at \$5 each.

Regardless of how you change it up you will need to make sure they understand you are willing and even eager to make the transaction work by looking for alternative methods to make an agreement.



### **Silence**

Don't be afraid to be quiet. If you've asked a question or made an offer wait quietly while they consider their options. Sometimes people will fill the silence by making additional concessions or providing you with information you may be able to use during the bartering process. If the silence goes on for an unusually long time say something neutral about not meaning to stump the other person and allow them to reengage in the conversation.

### **The Future**

Talk about the person using the item you are offering at some point in the future. Mention how good she will look on her date wearing the jewelry you made, how happy his wife will be with the beautiful box, or how tasty

the pie will be after dinner that night. This gets the person thinking about the item as already belonging to them and how they are going to enjoy it and may heighten their emotional attachment to it making them more willing to make a favorable decision during the bartering process.

### **Stories**

Tell the person a story about how you have used the item you are offering, how it was made, or the history behind instead of listing off a series of dry facts. Again, this gives the person an emotional connection while still conveying important information the buyer will need.

### **Mindreading**

No, you don't really need to read your opponent's mind. However, saying what they are likely thinking is one way to break the ice and help them open up to you. Talk about how good something looks, comment on what you assume they will be doing with the item, or even how scarce something has been lately.

### **Extras**

Always assume you get extras or a bonus if it there is an opening to do so. If you buy a dozen cookies for example you may imply that you assumed it would be a baker's dozen rather than twelve cookies. If you are purchasing a new gun ask about the cleaning kit that comes with it. If you are buying in bulk always ask what the discount is for doing so. Look for ways to imply this assumption rather than simply stating that you assume something to be true. If they have to correct you that leaves you an opening to request a lower price.



## Compliments

Compliments are one of the easiest ways to put people at ease. If someone is selling an item they were probably fond of it at one point. Look for opportunities to compliment the person you are bartering with or the item you want. One important caveat is that the compliment does need to be sincere. People will be put off by false praise.

At the end of the negotiation you can compliment the other person's bartering skills. This is far more effective in building a lasting relationship than telling the person you would have paid more for an item, which will likely make them resentful and negatively impact future sessions.

## DIRTY DEALINGS: HOW TO IDENTIFY AND AVOID DIRTY NEGOTIATION TRICKS (OR USE THEM TO YOUR ADVANTAGE)

Sadly, many people will lie during a bartering session. The most effective defense against this is to be aware of the deceptive tactics people may use.

### Verbal Tricks

The following are some of the most common lies people tell when they are attempting to sell an item.

### Facts

A person may lie about the frequency with which an item was used or the condition it

is actually in. Look for 'tells' that the person may be lying or ask for a way to verify the information they are giving you.

### Authority

A person may tell you they have the authority to agree to the terms being discussed and then once a deal has been struck say they have to get approval from someone else. This gets you to a point where you are emotionally and psychologically married to a deal and expecting a resolution and then gives them the power to come back with a worse offer which you may be more inclined to accept because you have now become committed to the transaction in your own mind. You must be willing to stand your ground or walk away when this tactic is applied.

### Quality

Sometimes a seller may show examples of a product rather than the actual product that is going to be delivered or provided. You may taste a cake that is scrumptious and exactly what you want and yet the one you get is made with inferior ingredients or that isn't the same design as the one you saw and tasted. Be sure to be clear on quality requirements in the final agreement if you are not leaving with the item(s) at the end of the deal.

### Psychological Tricks

There are several ways to turn up the psychological pressure during a bartering situation.

### Physical

You can make the physical environment

uncomfortable for your opponent. This may mean making the location of the negotiations overly warm, cold, bright, or dark. You can use disturbing imagery either placed behind them or in front of them to throw them off their game. You can also physically place them in an elevated position to make them feel as if they are on display or place yourself in that position to imply your position of authority. You may want to bring someone who is intimidating with you to the negotiations. This person may not play an active role during the process and may not even need to speak at all. Simply having someone with an ‘enforcer’ type presence may be enough to subtly apply psychological pressure for the other party to be on their best behavior.

If you find yourself in a position where you feel any of these tactics are being used against you it may be beneficial to simply ignore them or calmly request a change of location for an unspecified reason.

### **Personal Attacks**

Usually these will take the form of a petty insult, which may be targeted at your intellect, appearance, or integrity. This may be as simple as refusing to make eye contact or shake hands or have any other physical contact with the person.

### **Bad Cop**

The good cop/bad cop routine is one that is well-established and usually easy to spot. To neutralize this tactic simply ignore the ‘bad cop’ altogether. People using this tactic typically are either uninterested in

maintaining a lasting relationship with the people they barter with or they are so inexperienced in the art of bartering that they are simply defaulting to tactics that they have seen used on television shows or in movies. Occasionally, however, the good and bad cops will honestly be themselves and are a pair that simply aren’t unified in their objectives.

### **Threats**

Blatant threats are always possible. If the person is threatening imminent physical harm you need to remove yourself from the situation and if that isn’t an option, you may simply have to yield and let them have their way if you have no way to defend yourself or retaliate. While it may be seen as weak to back down or surrender, in a scenario where your safety is in serious jeopardy, it may be better to utilize the old motto of “live to fight another day”.

If they are making petty threats about future retribution you may want to simply point out that there is no need for them to behave in such a manner. Let them know you want to work a deal with them and you are sure they didn’t mean for what they said to sound like a threat and that you’d be happy to give them the opportunity to rephrase. If they choose not to do so you may need to utilize your right to walk away.

### **Fake Anger**

Temper tantrums aren’t just for children. Some people are simply immature and do not handle disappointment or rejection well. Other people know how uncomfortable strong displays of emotion are for most people and



use this to their advantage.

Let the person know you realize they are upset and offer to come back at some point in the future when they've had a chance to calm down. This will take away their power and may have an instant calming effect that will allow the bartering process to continue. This may also be used if the person you are bartering with becomes overly emotional and begins crying.

### Extra fees

This is more likely to happen in a contract negotiation, such as when one purchases a vehicle. Once you have spent the time and effort to haggle and reach a price that both parties have agreed upon the person purchasing the item has become emotionally and psychologically invested in the item. The seller can then begin adding on fees that may increase the overall price substantially. Be willing to continue negotiating or walk away if the price increase for delivery, setup, or whatever else is being added is too steep and makes the agreement no longer one that is in your best interest.

### Relationships

People will often attempt to leverage a real or implied relationship to improve the outcome of a bartering arrangement. Relatives may try to appeal to your sense of family loyalty to try and reduce their cost or to get additional items for free. Others may promise a future sales relationship if they are given a good deal on the current item they want.

### Openings

Look for little openings to negotiate for a lower price. Let's say you see a part for your car that you know normally retails for \$500 but the person is offering it for \$300. Tell them that you have been looking for that part and you know it is a fair price but that all you have is \$250 and if they are willing to sell it at that price you can provide the money right then. This lets the person know you are aware of the fair retail value of the part and that the price they are asking is not unfair, but it is out of your reach. While this won't work every time, when it does work it can afford you substantial savings.

## PRECONCEIVED NOTIONS: COMMON MYTHS ABOUT A BARTER SYSTEM



### Top Barter Myths

There are several myths that surround bartering. Let's address some of the most prevalent.

### Taxes

Many people believe incorrectly that bartering exchanges are not taxable. In fact in the United States, these exchanges are taxable. Federal as well as state and local taxes are often applicable and must be paid on any barter transaction.

Argentina waived the taxes on barter agreements during their 2002 financial crisis and it is possible that other nations would follow their example. Of course, in Argentina and elsewhere, the tax status of a bartering arrangement depends on the transaction being reported. While you should report bartering deals for tax purposes as they are considered a taxable form of income, there is little the authorities can honestly do to track bartered deals. Furthermore, in a true survival situation, the powers that be are going to have a lot more to worry about than collecting taxes on barterers and trades.

### **It's Illegal**

Contrary to popular myth, bartering is not illegal.

### **It's Expensive**

People assume that bartering will drive up the expense when in fact the opposite is often true. Bartering takes out the middleman entirely in some instances, which can significantly reduce the total cost of the item.

### **Antiquated**

Many people think of bartering as something that happened in the olden days before credit cards and the dollar bill. However, people everywhere still bargain, especially after natural disasters or during times of economic crisis. Both offline and online bartering communities are gaining ground every day.

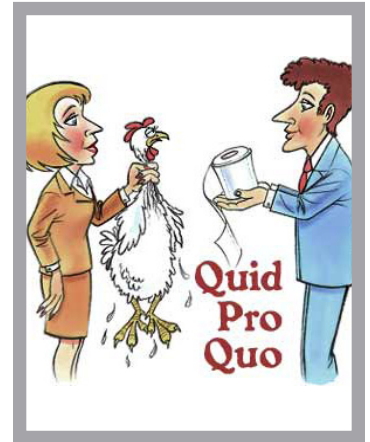
### **Winners**

Some people believe there must be a winner and a loser for bartering to occur but this is simply not true. The most rewarding bartering sessions are those in which both

parties are able to obtain something they want by giving the other person a thing or service they desire.

## **LET'S SEE WHAT YOU'VE GOT**

You are probably already in possession of many items that would have a high value in a barter system. The real problem is you likely don't have the necessary quantity.



For example, you probably have soap and basic first aid supplies, but do you have enough to keep for yourself and still trade with others? For most people the answer would be no. Take the time to look through the list below and see what you can add to your shopping list each week to increase your stockpile.

### **Useful Items for Trade**

Some items have a greater intrinsic value than others. These are the items that other people will want and those that will be most difficult to come by during a time of instability. When you are creating your own stockpile, purchase items you will use on a regular basis when possible so a new supply is constantly being rotated in. You will also want items that can quickly and easily be moved should you need to change locations.

- Alcohol—Medicinal grade alcohol but also the type that can be consumed.



- ▶ Animals—Specifically animals that can be used for food or fuel. Those that continually produce food, such as bees, chickens, sheep, and milk producing mammals will be a constant source of bartering goods.
- ▶ Antibiotics—Both oral and topical antibiotics will be in short supply.
- ▶ Baby Wipes
- ▶ Band Aids
- ▶ Batteries—All sizes will be useful but especially those common for flashlights and other light sources.
- ▶ Bleach—Bleach can be used to clean and disinfect and purify water.
- ▶ Books—A well stocked library would include survival guides, field manuals, medical and first aid guides, local and regional atlas, craft and skill guides.
- ▶ Chocolate
- ▶ Coffee
- ▶ Condoms
- ▶ Cough drops
- ▶ Dental floss
- ▶ Drugs—Medications that are still within the expiration date will be the most valuable but many are still potent after the date on the packaging. Include a manual with the efficacy and shelf life expectancy for optimal barter value.
- ▶ Duct tape
- ▶ Essential oils
- ▶ Fishing line
- ▶ Flashlights and bulbs
- ▶ Fuel—Any and all types of fuel.
- ▶ Games and Cards
- ▶ Gas stabilizer
- ▶ Diesel additive
- ▶ Eyeglasses—For bartering purposes you may want a variety of strengths, if you are more interested in making sure you are able to see well consider extras in your prescription and some that are stronger as well.
- ▶ Hard candies
- ▶ Heirloom seeds—These are seeds that have not been genetically modified. While non-heirloom seeds may be fine in the first year or two, long term they are not viable because most are not capable of sustaining reproduction.
- ▶ Iodine—Try to keep both the tablet and liquid forms on hand.
- ▶ Knives—All varieties of blades including assorted knives, box cutters, and razors as well as blade sharpening kits.
- ▶ KY
- ▶ Lighters
- ▶ Matches
- ▶ Orajel and Dentemp
- ▶ Pain medications—Include oral and topical pain medications and those made especially for children.
- ▶ Pencils and paper
- ▶ Pepper spray
- ▶ Pesticides and herbicides
- ▶ Plastic bags—Plastic bags for garbage disposal, contractor bags, and bags for

food storage.

- ▶ Plastic sheeting
- ▶ Precious metals–This includes any pre-1965 US silver coins
- ▶ Repair Kits–The most popular examples will be shoe and tire repair kits.
- ▶ Rope and cord
- ▶ Shoes–Shoes that are new or in good condition are important especially for families with growing children. Work shoes will be necessary for adults as well.
- ▶ Short season seeds
- ▶ Soap–All varieties of soap including shampoo, deodorant soap, dish soap, laundry soap, and bar soap.
- ▶ Spices
- ▶ Sugar and Salt
- ▶ Cloth Diapers
- ▶ Sunscreen
- ▶ Surgical gloves–Latex and non-latex for medical procedures.
- ▶ Tarps
- ▶ Tobacco
- ▶ Toiletries–Items such as toilet paper and feminine hygiene products.
- ▶ Tools–Tools will become more valuable as people begin to realize their need to repair rather than replace items.
- ▶ Toothbrushes and toothpaste
- ▶ Wire–All types including wire for electrical appliances, phones, and fences.
- ▶ Yeast

You may notice that food, weapons, and ammunition are not included. It isn't that you won't need these things but more that you likely won't, or shouldn't, be using them for bartering. If you are storing food choose those items with a long shelf life such as dried peas or beans, rice, and MREs. Ammunition and weapons stores that are known about by neighbors and those in the community may become a liability if those people become desperate enough.

## **Sometimes What You Know is More Valuable Than What You Have!**

While most people focus on the things that should be bought in bulk to use in a barter economy those stocks, no matter how vast, will eventually be depleted. Instead, focus on skills you can develop that will be valuable to a world reliant on barter.

### **Midwife**

Anyone trained to assist in natural childbirth and who has the medical skills and experience to do so with limited medical resources is going to be in high demand in the event of a natural disaster or social unrest.

### **Paramedic**

Any first responder is going to be an asset to a community that has limited medical resources. They are trained to deal with emergency situations and medical traumas with limited equipment.

### **Nurse**

Nurses of any level have the basic training necessary to handle most emergency



situations and standard medical issues. They are usually the people who identify issues for physicians in a normal situation and this diagnostic skill will be quite valuable.

### **Veterinarian**

Veterinarians and those trained as vet assistants have many of the skills necessary to treat human patients as well. The medications and tools they have can typically be modified to work on humans when necessary and their original training can become invaluable if livestock becomes more of a necessity than a hobby.

### **Farming**

Farming is quite different from gardening. People who have a hobby garden tend to rely heavily on prepackaged solutions to common gardening problems or on specialty seeds for exotic produce. A farmer knows more about the natural rhythms of the land and will be able to find solutions to common problems.

### **Chemist**

A trained chemist will be able to make fuel, medications, alcohol, herbicides, fertilizer, pesticides, explosives, and narcotics. Once these items become difficult to obtain through existing supplies those that can create them with more abundant resources will be in high demand.

### **Escapism**

A skill that allows people to escape from their current reality will be invaluable to a society that has radically changed. A person able to offer entertainment in the form of music, plays, literature, alcohol or drugs is always

going to be in demand.

### **Teaching**

Individuals who are able to teach, discipline, and responsibly and effectively monitor children will find their skills in high demand after the initial crisis is over.

### **Beekeeping**

Bees offer a source of calories that are popular and shelf stable for long periods of time. They also improve garden performance.

### **Fuel**

The ability to create high quality charcoal to be used as a source of fuel or access to an abundant supply of wood that you can process and distribute will be in high demand as gas for generators and vehicles become less available.

### **Water Purification**

The ability to purify water may be the most valuable skill a person can learn. When pressurized water and standard chlorination efforts are no longer available instances of numerous diseases will begin to reemerge in epidemic proportions. The more methods you know how to use to purify water the better.

### **Mechanic**

Specifically those with the ability to repair and maintain small engines such as those found in generators and how to modify them to run on alternate power sources.

### **Plumbing**

The ability to make water pumps work and to make the transfer of fluid via tubing in

unorthodox settings will be invaluable in making new shelters viable and keeping existing structures supplied with water.

### **Animal Husbandry**

The skills and knowledge associated with increasing the instances of successfully breeding healthy offspring from available livestock.

### **Blade Sharpening**

All blades must be sharpened. The right angle and optimal edge created by sacrificing the least amount of metal is not only a skill but also an art form. A true expert will ensure these survival weapons are as sharp as possible and are cared for in a way to make them last as long possible.

### **Clergy**

After a natural disaster or during periods of social unrest people often turn to their faith. Having the ability to discuss and teach people about the faith is always in high demand.

### **Psychology**

A deep understanding of psychology will be invaluable after a crisis. Grief counseling, negotiations, creating new social guidelines, dealing with people going through withdrawal or post-traumatic stress disorder all require special training.

### **Textiles**

Individual who can make cloth from wool or cotton will be able to replace material as it wears out. Those who can design and sew clothing will be able to set themselves up as tailors to make or repair items as they wear

out from constant use.

### **Martial Arts**

The ability to offer people self-defense training of any sort will become more popular as law enforcement breaks down.

### **Brewmaster**

No matter what happens, people will always have a vice that will need a fix. Beer is the third most consumed beverage in the world and also happens to be one of the most common addictions. If you have the skill and ability to brew your own beer, imagine just how valuable you will be after the liquor stores are all boarded up. Just how much would a 6 pack of your home brew be worth?

## **CONCLUSION**

Now that you are finished reading this report, it's time to go back and reread the first section on negotiating again and start practicing. Use the tools provided to begin perfecting your bartering skills in every retail transaction where you have the opportunity. Train yourself how to become aware of the body language of those around you and be conscious of what your body language is saying to others.

Look at the list of barter items and consider what items you could put on your regularly schedule grocery list to increase your personal stockpile. Use your list to make a schedule of purchases so you don't have to invest a large sum of money at any one time. Buying items slowly gives you the satisfaction of doing something productive on an



ongoing basis rather than simply waiting and worrying while you save the money to do so.

## Brief Summary of Important Bullets

Bartering has been with human civilizations from the very beginning and continues to be a major part of the retail environment. To help you excel, here is a little cheat sheet of tips for those moments when you don't want to go back and read all of the information in depth.



### Master Negotiations

Determine the value of your time and your items before beginning any negotiation then follow these ten steps.

1. Know what constitutes a successful trade before you begin.
2. Try to have your opponent start the session.
3. Know what you can offer to sweeten the deal with little additional cost to you.
4. Know what they have that may sweeten the deal with little additional cost to them.
5. Know as much about your opponent as possible.
6. Try to make a deal that leaves everyone a winner.
7. Minimize the concessions you make during any negotiation.
8. Splitting the difference should not be your default resolution strategy.
9. Choose a time and location that will be beneficial to you.
10. Keep your emotions in check and pay attention to the emotions of the person you are dealing with.

### Bartering Tactics

These tactics will help you achieve the results you want.

1. Pay attention to your body language as well as to the person with which you are trading.
2. Make eye contact feel more sincere by remembering this is a person who is going to potentially help you. (Make sure you are aware of cultural stigmas that could make eye contact a No-No)
3. Smile sincerely when you meet the person and at opportunities throughout the bartering process.
4. Maintain a neutral rather than an aggressive stance.
5. Mirror the other person's body language, verbal expressions, and overall tone.
6. Flinch at the first offer to let them know you want to negotiate.
7. Stare at any defects in the merchandise.

8. Watch the pupils of their eyes for indications of their emotional response to items.
9. Wear your work uniform if it is likely to illicit a positive reaction.
10. Be willing to walk away if the negotiation isn't going your way.
9. Say aloud what they are likely thinking in order to form a personal connection with your bartering partner.
10. Be mindful of things you could ask to be included. If they are not included use it to negotiate a lower price.
11. Offer sincere compliments on the Items being bartered for and on the negotiation skills of your opponent.

### Verbal Skills

The following verbal tricks can help improve your overall bartering skills.

1. Ask what the person is selling or offering.
2. Be aware of any potential forms of leverage you could use against them or they could use against you.
3. Be aware of any extenuating circumstance that may have negative consequences for the other party if they were unable to successfully negotiate a trade.
4. Tell the other party you must run the deal by a higher power be it a spouse or committee.
5. Offer to provide or except a different quantity of the merchandise if their fee is firm.
6. Don't be afraid of silence. Use it to make your opponent uncomfortable.
7. Discuss the person using or enjoying the item in the future to help them connect to it on an emotional level.
8. Tell stories about the item to impart information to help the other person make an emotional connection.

### Dirty Dealings

Be mindful of the tricks and lies people use.

1. People may tell complete lies about the quality or condition of an item, always ask for proof.
2. People may say they have the authority to negotiate a deal when they don't in order to wear you down.
3. People may show you a high quality sample and then later deliver an inferior product; always make same quality upon delivery part of the agreement.
4. A physical environment which is uncomfortable.
5. Personal attacks on character, intellect, or appearance.
6. The good cop/bad cop routine.
7. Blatant or implied threats.
8. Additional fees tacked on to the agreement once a deal has been reached.
9. Using a real or implied future relationship to obtain a better bargain.



## FURTHER READING

The Art of Barter

Buy Gold and Silver Safely

Country Wisdom & Know-How: A Practical Guide  
to Living off the Land

Back to Basics

Secrets of Power Negotiating

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