



Will Power

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GLOBAL THINKING, PART II

In my last column I suggested that we are all now experiencing a significant and momentous time in history, the Digital Age. I compared today's historical transformation to the year 1455, the year of the invention of Gutenberg's printing press, and how for the 500 years prior to Gutenberg's invention, the Catholic Church enjoyed a virtual monopoly on information. After movable type became commonplace, however, literacy flourished with exponential increases in commerce and knowledge, resulting in unparalleled human advancement.

Once the church monopoly on information was broken, and the separation of church and state took hold in the western world, significant liberation of economics and cultural life occurred. Gutenberg's innovation fostered widespread literacy, new kinds of knowledge, without which modern life as we know it would not have emerged.

As great as that progress had been, however, we are now, according to Dan Sullivan of The Strategic Coach, on the threshold of something incomparably greater. Again, individuals and groups are rising up against authoritarian structures, this time in the form of massive government bureaucracies that want to restrict how individuals conduct their individual lives, especially their economic activities.

Again, as with the printing press, there is considerable polarization, conflict and bloodshed taking place over the Digital Age, due to the new technologies that generate individual freedom.

Thomas Friedman, author of *The World is Flat* writes that the real reason Muslim nations are in a state of turmoil is not due to oppression by the West, but instead is a failure of the Muslim's own leadership to catch the wave of individual empowerment. The Middle Eastern Muslim experience is one of poverty and frustration, unable to keep up socially or economically with the rest of the world.

Muslim leaders choose to spend their oil wealth on lavish palaces and favors for the ruling clans, rather than use their vast amounts of oil wealth to build infrastructure and education for their own populace. The Muslim leadership therefore chooses to deflect the populace's anger by accusing Israel and the West of somehow withholding progress from Muslim nations.

Friedman contrasts the Middle Eastern Muslim experience to the Indian Muslim experience. In India, the wealthiest man is a Muslim. India's Muslim population exceeds that of Saudi Arabia, Syria, Iraq, Iran, Kuwait and Lebanon combined. So why weren't there widespread riots of Muslims in India over the Danish cartoons depicting Mohammed? Friedman explains that this is due to the economic prosperity found in India, providing unlimited opportunity for the young Muslim population. They are too busy building lives to act like 14th Century hooligans.

Turning homeward, for those of us fortunate enough to reside in a part of the world from which the Digital Age technologies are widely available, we are witnessing increased individual freedoms and opportunities. But just as the printing press moved the progress of nations away from a tie in between church and state, the new technologies will enable a greater idea: the separation of government and economics.

Dan Sullivan explains that while the use and the usefulness of the Digital Age technologies will expand, the power of governments to prohibit, restrict, regulate and tax economic activities will continually decrease everywhere in the world. This is already becoming evident in China, where tens of thousands of government employees monitor their citizen's activity on the Internet. The Chinese government fears the ideas found on the internet, and the easy manner in which like-minded citizens can band together to implement these ideas.

There are downsides to these new technologies as well. As I wrote in my last column, the same digital technologies used to communicate and expand ideas, are also available to those with malevolent agendas. Outlaws will use databases to steal identities, forge credit cards, and scam the unsuspecting. Governments can utilize state and federal databases to track your investments, property ownership and economic activities. These developments make the building of a privacy wall around your affairs of utmost importance.

The Digital Age can be used to your advantage. Just as many multinational corporations use Delaware corporate law as a barrier against enemies, you can use selected domestic and international laws to your advantage to build privacy and asset protection barriers against those that threaten your way of life.

Does it really matter anymore whether your 500 shares of IBM are owned in an investment account is at Charles Schwab on College Parkway or at Bank Pite in Switzerland? Or whether the accounts at those institutions holding the shares are titled in a Delaware Trust or Nevis LLC? You can access your assets no matter where they reside from the comfort of your own home via the Internet. All of these options are simply data ports that can be used to transact your business.

Can you establish family partnerships in favorable asset protection jurisdictions to counterbalance those who wish to use favorable state tort law to sue for your wealth? Why not use legal means to counter the daily barrages of attorneys asking for someone to sue you, the target with deep pockets? After all, isn't the message in most of the personal injury attorney television advertisements nothing more than, "Isn't there someone you can sue?" Making your deep pockets private and out of the reach of prying plaintiff's lawyers, should be the goal of everyone in this information age.

On the flip side, one must be open to the ideas of international opportunities. We no longer live in a walled off world. Legal, tax and financial advisors are going to have to be able to look at your situation from a global view to reach the heights available to everyone in the coming years. We live in exciting times. As with any time rife with change, there are dangers. But I prefer to look at the positives, complete with ubiquitous opportunities on the horizon for those willing to explore

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