

CLIENT / CONTACT BULLETIN 8-07

Just in case it matters to you:

- THE SUBPRIME MESS WHICH HAS STALLED THE AMERICAN ECONOMY was created by banks and is worsening due to the “inexcusable behavior” of those same banks. (“They don’t even want to lend to each other, which tells you something” about the magnitude of the fiasco.) “As with bartenders who continue to ply drunken patrons with drinks, the Federal Reserve bears a heavy responsibility for creating loads of excess capital in the first place, and the Bush White House for winking and nodding while the dollar was being debased... The dumbest most destructive economic policy of the Bush Administration has been its weak-dollar position on letting the dollar slide. The repeatedly disproved theory in operation here is that cheapening your currency will improve your trade balance and that an improved trade balance makes the economy stronger and wealthier. Put aside the meaninglessness of the trade balance as a measure of economic health or sickness – the U.S., after all, has had a trade deficit with the rest of the world for 350 years out of last 400. A weak-currency policy has disastrous economic and political consequences – most immediately, our tumultuous equity markets.” [FORBES – Jan 28, 08]
- SOME 28% OF HIGH-SCHOOLERS “LITERALLY NOD OFF DURING THEIR FIRST CLASS.” The reason: “Because of their internal body clocks and hormones, teenagers have a hard time falling asleep before 11:pm or waking up before 8:am, according to a Nat’l Sleep Foundation survey. Yet most high schools ring that first bell around 7:30” – forcing kids to rise earlier than their mind is ready for. When some schools moved their start times later (to 8:30 or 8:40), “attendance immediately went up, as did test scores. So why haven’t more districts followed suit? It seems that improving teenagers’ performance takes a back seat to more pressing concerns – such as bus schedules, after-school activities, and teachers’ convenience... Every parent knows how hard it is to wake up a teenager. Maybe they’re trying to tell us something.” [THE WEEK – Jan 25, 08]
- “FASTING AND SKIPPING MEALS MIGHT ACTUALLY BE GOOD FOR YOU.” Research at several universities has shown that restricting calories every other day or fasting periodically on a regular basis both (1) results in weight loss, and (2) “might protect against disease... The thought from a biological perspective is that fasting rests the metabolism for a day and re-sensitizes the body’s cells to glucose and insulin... Eating less also cuts down on the production of free radicals, which damage cells and can lead to disease... There’s a cellular response similar to what happens with exercise – mildly stressful to the cells at the time but beneficial over the long run.” [US NEWS & WORLD REPORT – Jan 28, 08]
- WRONG POSTURE AT YOUR COMPUTER can lead to ‘Repetitive Stress Injury’ and result in permanent maladies including tendonitis, carpal tunnel syndrome, neck, shoulder, hip and back injuries and illness. Due to “structural changes in muscle fiber and/or decreased blood flow, ...RSI is the largest cause of occupational illness – some 66% of all reported cases... costing business an estimated \$50 billion annually in sick leave, decreased productivity and medical costs.” OSHA suggests things like not resting forearm or legs on edges of worktables or chairs, maintaining a roughly 90-degree angle at knees with feet flat on floor, and a chair which aligns with the “natural curve of your back, cervical, thoracic and lumbar area... to keep blood flowing to the extremities.” [USI RISK ISSUES – Jan 08]
- LOS ANGELES CITY BUSINESS TAX applies to “any trade, occupation, vocation, profession or other means of livelihood,” when performed within the city more than 6 days a year. However, important exemptions apply to (1) ‘creative artists’ who perform activities “primarily for entertainment or aesthetic purposes, including assistants or professional trainees” earning below \$300K; (2) ‘small business’ with less than \$100K gross receipts; and (3) ‘new business’ with less than \$500K gross receipts, for up two years initial operations. Tax is delinquent after Feb 28.
- THOUGHTS FOR THE WEEK: ***‘Do-Not-Call’ legislation which helps avoid unwanted calls from telemarketers has been extended by Congress. If you’re not already on the list, call 888-382-1222 from the number you want to register.***

In ten years, emergency room patients have increased by over 18% – to more than 110M yearly – while the number of ER hospitals decreased by 12%, and average wait time for heart-attack patients increased from 8 to 20 minutes.

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