



Just in case it matters to you:

CLIENT / CONTACT BULLETIN 10-25

- **SERIOUS FINANCIAL 'REFORM' IS "ALL KIND OF A FAKE DEBATE."** The bold pronouncements from legislators in both parties has been mostly for public consumption while "the financial services industry has reportedly flooded the Capital with more than 2,000 paid lobbyists...such that fine-print compromises and freeway-wide loopholes have screwed any chance for meaningful change." Four generally agreed areas of abuse require critical change to maintain the system's integrity, but each has been effectively gutted: (1) Auditing the Federal Reserve – which handed out some \$2.2 trillion in 'secret' loans after the 2008 meltdown – will be limited to a one-time look at transactions after 2007; (2) The proposed 'Consumer Financial Protection Bureau' is watered down to exempt all but Megabanks (over \$10B deposits) and mortgage lenders, even providing 'favored industry' status for auto loans – 2nd largest source of American borrowing; (3) Taxpayers will still be "fronting the nation's biggest banks the money when they find themselves in trouble" since legislators wimped out on reforming the "too big to fail" doctrine; and (4) Congress also torpedoed proposals to reform over-the-counter Derivatives trading – in which five of the country's biggest banks account for "90% of a market where swaps of all shapes and sizes are traded more or less completely in the dark." The pendulum is already swinging back. [ROLLING STONE – June 10, 10]
- **IT MAY NOT REALLY MATTER MUCH, SINCE THE FEDERAL DEBT LEVEL** now 'officially' exceeds \$13 trillion, ignoring *another \$66 trillion* for social security & medicare, commitments for two ongoing wars, and projected budget deficits for many years to come. "Just keeping up with *current* spending would require raising the tax rate on the rich to 88% and on the middle class to 63%. No sane person believes the economy can survive that kind of taxation." Many economics experts think we're headed down a road to catastrophe, regardless of what current band-aids may be applied. [THE WEEK – June 18, 10]



- **"IT TURNS OUT THAT JUST ABOUT ANY KIND OF PLANT OR ANIMAL WASTE** can now be turned into biofuels or other sources of clean energy." Alternatives to oil are now being developed and utilized in America, Canada and Britain including: diesel and biofuels derived from chocolate, turkey parts, human fat and coffee grounds; methane gas for generators from cow manure; and hydrogen-produced electricity from urine. Even a racecar steering wheel has been partially made from root vegetables. Fortunately, only the coffee fuel keeps its distinctive smell. [BLOOMBERG BUSINESSWEEK – June 7, 10]
- **NEWEST BEER-BELLY RISK: ALZHEIMERS!** "A large stomach is associated with high blood pressure, cholesterol and diabetes – all major risk factors for dementia or Alzheimer's disease." A Boston Univ. study measured waist size, body-mass and abdominal fat in adults average age 60 to conclude that "the more overweight, the more likely a person was to have a smaller-than-average brain – which in turn increases the risk of developing dementia or Alzheimer... Doctors recommend that women limit their waistline to 35 inches and men to 40 inches." [THE WEEK – June 11, 10]
- **DIETARY SUPPLEMENTS BEING MARKETED TO SENIOR CITIZENS** (impressionable to any health-extending promise) aren't always what they claim! A recent 'undercover investigation' by the federal Government Accountability Office found that "companies gave inappropriate medical advice, such as that supplements were safe to take with certain medications, or that the consumer would be able to stop taking medications." Also, of the 40 products analyzed, 37 had "at least one potentially hazardous contaminant... including lead, cadmium, arsenic and pesticide residues" (but none at levels exceeding FDA regs or considered to "pose an acute toxicity hazard"). [MANATT ADVERTISING LAW BULLETIN – June 2, 10]
- **THOUGHT FOR THE WEEK:** *"The Web environment promotes cursory reading, hurried and distracted thinking, and superficial learning. Skimming is becoming our dominant mode of thought – our preferred method of both learning and analysis. What we're experiencing is, in a metaphorical sense, a reversal of the early trajectory of civilization: We are evolving from cultivators of personal knowledge into hunters and gatherers in the electronic data forest."*
– Wired Magazine