America’s cresting on a few torrential financial and political waves as summer sets... rising cases in the Delta COVID variant, staggering prices due to inflation, and punch-drunk exuberance in the markets.

Will these manic swells and swings of the late-pandemic economy come crashing down upon your savings soon?

In a world where you feel like you can’t trust the Fed, D.C., the CDC, nearly all social media, and most news outlets... in a country where we can all barely agree on what’s real... deciding what to do with your money can seem daunting.

But you have to say grounded... which is to say, don’t act like the Federal Reserve. In my feature story this month, I detail how the Fed is living in an alternate universe where inflation, “everything” bubbles, and unhinged market zeal don’t exist. But back in reality, I share how to best invest in these uncertain times.

Editor-in-Chief P.J. O’Rourke knows capitalism is in the crosshairs, noting how Biden’s clumsy executive order attempting to “promote competition” in the American economy serves as a middle finger to free markets.

RealClearMarkets Editor John Tamny adds that while state and local tax deductions inspire ire from the Left and Right, the centrist’s take is the clearest: market-driven wealth bests political waste.

As the pandemic endures and partisan tensions rise between the vaxxed and the unvaxxed, Stansberry Research’s health-investment expert Thomas Carroll notes the irony of COVID helping America’s health care infrastructure.

And while we’re talking health care, you can’t ignore the looming shadow of Big Pharma. Stansberry’s Retirement Millionaire Editor Dr. David “Doc” Eifrig knows you’re sick of pharmacy prices bleeding you dry with costly prescriptions, so he provides the insider’s script for saving money on your meds.

Transitioning from medical maladies to the disease of social media, Executive Editor Kim Iskyan examines the strange case study of a tech behemoth that’s still a woeful investment as a company: Twitter.

On the international front, Executive Editor Buck Sexton paints a somber portrait of America’s abandonment of Afghanistan and the wake of Taliban terror that awaits.

Back in the states, American Consequences writer Andrew Amundson has a few (hundred) choice words for the groping governor of Empire State in our latest Dunce of the Month.

And for all the Defund the Police wokesters, P.J. O’Rourke has a message: You haven’t gone far enough. To get our hands politically dirty and impact real change, we need to defund the sanitation department.

Regards,

Trish Regan
Publisher, American Consequences
Billionaire John Catsimatidis is not like most wealthy men and women the financial media are obsessed with these days.

He’s not a hedge-fund manager... or a venture capitalist.

He’s not the founder of an electric car company... or a software developer.

And he’s not a cryptocurrency backer... or “Fintech” entrepreneur.

Instead, Catsimatidis made his billions the old-fashioned way... by focusing on two areas of life that affect nearly every American, every single day: groceries and real estate.

That’s why I think it’s safe to say John Catsimatidis has a better handle on what’s really happening in the economy and with the American consumer, compared to just about anyone else out there.

And recently, Catsimatidis went public with an alarming prediction...

He says a huge shift is looming in the U.S. economy and financial system, which will reveal itself in a dramatic way this October... (To see why Catsimatidis is so concerned, click here.)

A wealthy former Goldman Sachs banker agrees with Catsimatidis and says:

“Most Americans are completely unprepared for what’s about to take place in our country.”

He goes on to add:

“This is not surprising, since roughly half the U.S. population was born AFTER 1981... and we simply haven’t seen anything like this in roughly 50 years.”

What exactly is going on, and what has these two successful and wealthy men so concerned?

Well, this former Goldman Sachs banker – in addition to being a part-owner in several restaurants and a winery – is a founding partner in one of America’s most successful financial research firms.

And he’s just issued an urgent warning... what he calls a “Final Wake-Up Call” for any American who cares about their money, finances, or retirement.
2021 Stansberry Research Conference
Las Vegas, Nevada
October 25-26

We’re Back & In Person!
Don’t miss out on the chance to be in the room and hear from the brightest minds in finance and the opportunity to learn about new investments...

Last year’s recommendations are soaring, some as high as 355%!

Don’t pass on this opportunity. Click here for all the details.

2021 All-Star Lineup

Featuring

Porter Stansberry
Stansberry Research Founder

Mohamed A. El-Erian
Allianz

John Tamny
Popular Economics

Paul DePodesta
Cleveland Browns

Marko Papic
Clocktower Group
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## HOW DOES THIS DIGITAL EDITION WORK? CLICK HERE FOR A SIMPLE HOW-TO

## DON’T LIKE IT AT ALL? CLICK HERE TO READ THE ONLINE VERSION
LETTER FROM THE EDITOR

Last month, President Joe Biden issued an “Executive Order on Promoting Competition in the American Economy.”

Never mind that the executive order’s title itself is an implicit insult to the American spirit of stop-at-nothing rivalry. It’s as if Joe wandered into the locker room of a Texas high school football stadium on a Friday night and told the quarterback, “You should play hard.”

Americans will compete at anything. Pickleball. I rest my case.

Nonetheless, Joe is worried... about something... But what? That’s not exactly clear because the executive order is 16 pages of bureaucratic bumwad seemingly written by junior underlings up all night with too much coffee and too many Yale law degrees.

One repeatedly raised concern is “market concentration.” The phrase is vague but seems to mean that you can take the idea that A Big Monopoly Is Bad and expand it to Just Big Is Also Bad and maybe even to Better Is Not So Good Either.

Perhaps the nefarious global ping-pong market concentration is threatening a pickleball buyout.

Monopolies, semi-monopolies, and companies that seem to dominate their business sector are (unless their dominance is enforced by government power) self-repairing free-market breakdowns, as Toyota taught GM.

Biden is not deterred by economic theory, let alone economic fact. He says, “...excessive market concentration threatens basic

The problem with what Joe puts his finger on is that it’s a government finger. And we all know which finger the government gives us...
economic liberties, democratic accountability, and the welfare of workers, farmers, small businesses, startups, and consumers, tinkers, tailors, soldiers, sailors, rich men, poor men, beggar men, thieves.”

(Although I can’t absolutely swear that last part was in there, especially the mention of “rich men.” But I was already drifting off even though this was the first sentence of the executive order. I had to go get myself some coffee and a law degree from Yale to keep going.)

The fix for Biden’s broad definition of market concentration is to limit free-market freedoms in order to make the free market more free. This is paradoxical... or maybe just stupid.

To give Joe his due, he does put his finger on some marketplace annoyances – prescription drug prices higher than the cost of a good funeral, giant bloated fatso tech companies that squash and suffocate anyone who tries to sit on the Internet couch, and small farmers buying the farm as Big Ag runs over them with a grim reaper (that can only be serviced by a factory-authorized dealer).

The problem with what Joe puts his finger on is that it’s a government finger. And we all know which finger the government gives us...

No doubt there’s unfairness in agriculture, but no business sector in America has experienced more interference from government than farming – dating back to the squalid federal auctions, to land speculators of territories won from Britain in the Revolutionary War. There’s not a single cow pie in the history of the nation that the government hasn’t stepped in.

Do we really trust government to outsmart Big Pharma on drug prices? Just wait until your next visit to Walgreens... “That will be $3 for the heart medication and $225.99 for the Tylenol.”

And “net neutrality” sounds like a nice idea. But which federal department, regulatory agency, congressional committee, or presidential commission will decide what’s “neutral”? Remember who runs the post office. If we’re not careful, we could wind up getting all our e-mail, social media posts, and TV streaming services delivered once a day, except on Sundays and national holidays, at a cost of 55 cents each.

In his presidential decree, Biden orders “promoting competition within industries through the independent oversight of mergers, acquisitions, and joint ventures.” (My italics.) Independent of what? Not independent of politics, I bet. So, if you’re doing any merger and acquisition activity, you’ll not only have to pay a huge fee to an investment bank, but you’ll also have to make a huge donation to whatever political party happens to be in power.

Joe orders airlines to provide “improved service.” (My suggestion? Order all the passengers off the plane. Service will improve – for the flight crews.)

Joe orders the Defense Department to look and see if there’s enough competition among defense contractors. (Maybe we could buy missiles from Hamas. They seem to have an excess of them in Gaza.)

Joe orders hearing aids to be cheaper. (YOU SAID CHEAPER HEARING AIDS, JOE.)
Unfortunately, Joe fails to point out one area of American life where there’s too much competition.

Joe gives an order: “It is the policy of my Administration that, when agencies have overlapping jurisdiction, they should endeavor to cooperate fully in the exercise of their oversight authority...”

This is accompanied by a list of agencies with overlapping jurisdiction, which, now that I’ve had five or six cups of coffee and gone to Yale, I’ll quote in full:

Such agencies include the Department of the Treasury, the Department of Agriculture, the Department of Health and Human Services, The Department of Transportation, the Federal Reserve System, the Federal Trade Commission, the Securities and Exchange Commission, the Federal Deposit Insurance Corporation, the Federal Communications Commission, the Federal Maritime Commission, the Commodity Futures Trading Commission, the Federal Energy Regulatory Commission, the Consumer Financial Protection Bureau, and the Surface Transportation Board.

(And I promise not to make any other full quotations from the Executive Order on Promoting Competition... or readers will be competing to see who can kill me first.)

So how is Joe going to put his order about agencies with overlapping jurisdiction into effect? By creating another agency with overlapping jurisdiction!

This is the “White House Competition Council.” Members include the heads of every government bureau and department you’ve ever heard of plus some you’ve never heard of in your life, like “the Office of Information and Regulatory Affairs.” The Competition Council “shall be led by the Assistant to the President for Economic Policy and Director of the National Economic Council” whose name may or may not be Larry, Moe, or Curly.

So how is Joe going to put his order about agencies with overlapping jurisdiction into effect? By creating another agency with overlapping jurisdiction!

And talk about urgency... talk about quick and decisive action from a fast-on-its-feet government leadership... The White House Competition Council will meet twice a year.

While we wait for the Competition Council to get seated (competing for a chair closest to the most prominent Stooge), let’s consider the broader issue...

What is Joe Biden doing giving us 16 pages of orders without so much as a nod from Congress, a wink from the judiciary, or a peep from the electorate? Joe is not His Imperial Majesty. Joe is not a King or a Queen, certainly not an Ace, and barely a Jack.

He’s the rooster crowing from atop the Washington, D.C. dung heap only by dint of a few votes from disgruntled ex-Trumpsters.
Don’t we have a system of checks and balances?... Or checkbook balances?... Or an Olympic balance-beam medalist?... Or something like that?

It’s in the Constitution. Therefore I got in touch with my brilliant friend Ilya Shapiro, director of the Robert A. Levy Center for Constitutional Studies at the Cato Institute libertarian think tank. The essence of the ignorant question I asked Ilya was, “Presidential executive orders? WTF?”

The essence of Ilya’s informed reply was that executive orders are “the president telling his underlings how he’d like the law enforced.”

Thus, an executive order falls somewhere between empty threats to take the car keys if your teenage kid doesn’t mow the lawn and saying, “pretty please with sugar on top.”

I italicized the “like” because, although Ilya notes that executive orders can be thrown out in court and nullified by Congress, I’d also add that they can be ignored (with some political peril) by federal appointees.

You remember how Trump kept ordering and ordering “The Wall” to be built but still wound up with not enough fencing along the Rio to contain a small herd of cattle?

Ilya continues, “You can think of it this way: Constitutional provisions have greater legal force than statutes, which have greater legal force than regulations, which have greater legal force than executive branch directives/guidance... Also, there’s no legal significance to the word ‘order.’”

Thus, an executive order falls somewhere between empty threats to take the car keys if your teenage kid doesn’t mow the lawn and saying, “pretty please with sugar on top.”

... Which Biden’s “Executive Order on Promoting Competition in the American Economy” comes right out and admits on the last of its 16 pages.

I shall break my promise with one more dreary quote from the document:

**This order shall be implemented consistent with applicable law and subject to the availability of appropriations... Nothing in this order shall be construed to impair or otherwise affect: the authority granted by law to an executive department or agency... This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforced at law or in equity...**

In other words, the executive order is a pointless waste of time. And I worry that so is this Letter From the Editor.

Except for one thing... President Biden has just given us an important and worrisome, if somewhat blurry, vision of “how he’d like the law enforced.” And when it comes to law, I don’t care for presidents with blurry vision. ☐
Billions in government funding will soon flow into one small market.

It’s a market that 99% of investors hardly pay attention to... but according to Bloomberg, it could see a 14-fold increase in demand in the coming years...

Now the Biden Administration has signed off on a vast stimulus, pumping billions of dollars into this traditionally overlooked sector of the market...

It’s not the semiconductor industry...

Or blockchain technology...

Or artificial intelligence...

But this market is critically important if Biden wants to meet some of his aggressive sustainability goals.

That’s why I’m predicting big gains for anyone who invests in this space as soon as September 1 – when this legislation is expected to go into effect.

And there’s even higher potential upside for those who buy shares of my favorite stock, which is trading for under $5 today...

During my research, I’ve discovered this small company that’s capitalizing on this trend in a very unique way – one that I have never seen in my 20-year career...

And I believe 10 times gains are on the table for anyone who invests in this company today...

I’ll give you a little hint...

The last time this sector was in high demand, the entire market grew 5 times higher... and some of the top stocks saw gains of 1,098%... 2,326%... even 2,983%....

And now it’s happening again...

For the full story, click here.
Re: A Cry From the Far Middle

I read Mr. O’Rourke’s acknowledgments cause I always read that first before I ever start a book. It usually gives me an insight as to whether or not the book is worth my time. I enjoyed it so much, I am returning this copy to the library and ordering my own. – Diane O., from central Idaho where moderates are an endangered species

P.J. O’Rourke Reply: Thank you, Diane. Buying an author’s book is the highest compliment an author can be, as it were, paid. I, too, find the “Acknowledgements” sections of books interesting. Read carefully, they’re often a good place to catch an author fibbing. I try my best to be reasonably truthful. As you may recall from the acknowledgements in A Cry..., I said, “[An] acknowledgement sentence to be on the look-out for begins, ‘This book could never have been written without...’ What follows is usually an encomium to a spouse or partner. What should follow is the word ‘money.’”

PJ, I have always treasured your Brash take on things. Yes, Aerosmith was right: eat the rich. – Mike R.

P.J. O’Rourke Reply: Thanks, Mike. As you note, I brashly stole Eat the Rich as the title of my book. But – to continue with the “acknowledgements” theme – I said in my ETR acknowledgements, “I stole the title. But I don’t know from whom I stole it. I may have lifted it from the 1993 Aerosmith CD Get a Grip. But Colorado journalist Dan Dun informs me that Aerosmith might have nicked it too. Dunn says there’s a tune with that moniker on Motorhead’s 1988 album, Rock ‘n’ Roll. And Motorhead may have filched the thing themselves, because I saw the phrase on T-shirts worn by Shi’ite militiamen in Lebanon in 1984 or 1985. I don’t know where the militiamen got the phrase, but I assure you they stole the T-shirts.”

Re: New Subscribers

I am so happy I found the website. PJ is one of my favorite authors. Parliament of Whores is one of my favorite reads, along with many of his others. – Scott T.

P.J. O’Rourke Reply: A brash “YOU’RE WELCOME,” Scott! PoW is one of my favorite things I’ve written. I will never get as large and slow-moving of a target as the entire U.S. government in my sights again.

Trish, I feel you’re doing a great job giving us the truth with facts. – Barbara H.

Trish Regan Reply: Barbara, the truth is all that matters. Thank you for being a loyal reader.

Trish still has it! You still remain calm, cool and collected as you recommend all to be the same in the bumpy market, which is at its historical high. Thanks for your experienced advice. – Wally P.
Trish Regan Reply: Wally, it’s important to be able to cut through the noise. I’m glad you appreciate clarity!

Trish, I miss watching your show, you’re the best! – Patricia S.

Trish Regan Reply: Patricia, I appreciate the kind words. Glad to have you here as a subscriber!

I am a classically trained economist, who specialized in Monetary theory/policy and a history of Economic thought; and you could not be more right... except probably should have included one other book: The Road to Serfdom, by Friedrich Hayek.

But I must say the most profound comment in your piece was that you can argue the case, but cannot convince them! That is what was spot on!!! I share that view and that frustration. BUT... we must find a way, or we will be lost!!! – Gerry C.

P.J. O’Rourke Reply: Thank you, Gerry, for intellectual support from a genuine intellectual. Funny you should mention Hayek. I had intended to include The Road to Serfdom in my article, but Milton and Rose Friedman gave me so much to say that I ran out of space. However, although I consider Hayek to be one of the most brilliant thinkers of the 20th century, I’m sometimes slightly reluctant to recommend TRTS as a primer. Hayek’s political-economic subject matter is broader and more complex. And he is harder to read than the Friedmans. German, not English, was Friedrich’s first language. And, though he writes in English, his sentences have a tendency to end up in that German-style train wreck of verbs. But you’re right, Hayek is where people should go when they’ve digested the Friedman classics. As to your plea that “we must find a way, or we will be lost!!!” Phil D., below, has some useful suggestions about this serious worry.

Re: How to Argue in Favor of Free Markets

To P.J. O’Rourke: I’ve never read either of the books from Milton Friedman which you recommended in your email today, but i did watch Free to Choose on television. I think it was on PBS when it originally aired in 1980. (Yes, i am that old.)

Fortunately for the young people you would like to reach, it is on streaming on Amazon prime—yes, Amazon!
Not too long ago, I re-watched it when it was still free to Prime members and reminded myself where I’d heard Friedman say something. Generally the segments begin with a presentation by Friedman and end with a discussion group. (The last episode substituted an interview for the discussion group.) Unfortunately Free to Choose on streaming (like all lunches according to another Friedman book title) is no longer free. I think I watched all of it, although not necessarily in order. Thomas Sowell is in one discussion group looking much much younger than he was even at that time and talking with the passion of a leftist radical, except that the content of what he said was more that of a libertarian one.

The segment on education was especially well done, showing experiments in educational alternatives and the financial challenges they faced. If you want to reach young people, streaming might be better than books, at least for a start. – Phil D.

P.J. O’Rourke Reply: Phil, a vivid memory of 1980 makes you a youngster in my eyes. I can’t remember what I had for lunch today. Thank you for your eloquent description of the Free to Choose series and your wise suggestion that parking kids in front of a screen is a better way of penetrating their minds than hitting them over the head with musty old books. (Sad though that may be to say.) I’m in touch with the Free To Choose Network, and I will pass along your notion that this is one case where we should make an exception to the “no free lunch” rule. By the way, the FTC Network has an excellent documentary on Thomas Sowell available. I think you (and most American Consequences readers) will greatly enjoy it. Thank you again for your thoughtful Inbox comment.

Hello PJ, Milton Friedman also wrote a book called Money Mischief. You might point some of your readers to chapter 8, The Cause and Cure of Inflation which starts on page 189. Keep up the great work! You often provide the goal post when it is sometimes lost in the clouds. – Richard H.

P.J. O’Rourke Reply: Richard, shame on me. I confess to never having read Money Mischief, but I shall do so promptly. And I hope other readers will as well. Thank you for the kind goalpost analogy. I hope I get closer to it in
prose than I ever did on the gridiron. (I was so scrawny I could be tackled with a stern glance.)

Re: Taking Tax Breaks with a Grain of SALT

I usually agree with Mr. Tamny’s logic, but not this time. His position that it is better to have tax dollars spent closer to home appears good on the surface. However, I think he is falling for the socialist utopia line of thinking, where all decisions are fair & equitable. To give the rich a federal tax break for living in an over-taxed blue state is ridiculous. While the richest of the rich live in blue states, the poorest of the poor live there too. They are the victims of local government corruption, lax law & order enforcement, among the other ills of our society. It is only the rich in these states that can change the local & state tax & spend policies. Giving them back the SALT federal tax deductions is a disincentive to having them do so. Also, why should blue state billionaires pay less for national defense to protect their bigger bankrolls? – Tommy J.

John Tamny Reply: Yes, but the rich already fund the vast majority of the federal government. SALT isn’t relieving them of taxes. Rather, it’s relieving them of just a portion of their already-enormous tax liabilities. Better yet, the poor in any state (blue or red) gain nothing from the rich handing over more dollars to the Feds. The taxes paid by the rich are a tax on all of us. Government spending is a tax. Better that the damage from government spending be as local as possible.

Your praise of wealth to sustain inventive growth is delusional.

The railroad tycoons advanced transportation with massive Federal land grants.

Tesla manufactures electric cars with massive Federal subsidy, and is about to litter the sky with 5 G satellites which will pollute the heavens and exterminate much of life on earth. And Rockefeller created illegal monopolies that now cloud the atmosphere with global warming CO2.

Oh, we have so much to thank the super rich for, like a great mail system. And our capitalist health system gets us the worlds most expensive terrible health that ranks 38th among nations. A more privatized, monopolized capitalist system might cause your undeservedly high minimum wage to fall to where it should, maybe a generous $0.25 per month, like back in Adam Smith’s era.
And all those Asian tiger economies had nothing to do with personal household savings rates of 35%... it was the billionaires that created modern growth. What a crock! – Kendrick M.

**John Tamny Reply:** Kendrick, I think you’re too hard on the rich. Consider how you’re communicating with me. All these advances you enjoy are a creation of the rich. Does government intervene too much in business? No doubt... I’d love a totally free market. But the lack of same doesn’t diminish the gargantuan accomplishments of the rich in the U.S. You can disdain them, but a world without their accomplishments would be defined by unrelenting drudgery. This would include an inability for us to communicate.

**Re: Why a No-Growth World Is Inevitable**

Thank you, Kim, for your article on rethinking the constant GROWTH economy model. So happy to read some creative 21st century thought! (Not sure if Kate Rayworth’s *Donut Economics* got you pondering on how to reframe a successful, productive, healthy economy that serves humanity and our ‘mother ship’ Earth?) Bravo for breaking down how the future might look for us in innovative terms & taking a nibble at the donut. – Andra M.

**Kim Iskyan Reply:** Andra, I’m not familiar with *Donut Economics*... but it seems highly relevant and I wish I had read it before writing this piece. On a related front, a friend flagged a 1972 study from MIT that predicts the collapse of civilization in 2040 – and so far it has been worryingly prescient (it’s discussed here). It’s a fascinating arena, and thank you for your kind words.

Finally, someone is talking about this... No growth is the ONLY way forward. Really negative growth, especially population growth. Good article, but the real problem is population and money printing. – DMZ

**Kim Iskyan Reply:** DMZ, thank you for your message. We people seem very much to be the core of the problem. When I was a summer camp counselor (a while ago!), we used to joke that summer camp would be a ton of fun and so much better if we didn’t have to deal with all those annoying kids who showed up for camp (for whom, of course, we were there in the first place). I wonder if Mother Earth sometimes thinks about how nice Earth would be without us humans...

**Re: Don’t Be Tempted by Robinhood’s Massive IPO**

An extremely readable and concise description of the IPO marketplace, which I’ll be sharing to many today, starting with my four children. Informative, as always. – Fred J.

**Kim Iskyan Reply:** Fred – thank you for your words. IPOs are the sports cars of the investment world – full of sex appeal and flash, but very often devoid of substance, and they leave the buyer with a sense of regret... and a lighter wallet/brokerage balance.
HAVE YOU HEARD?

LISTEN NOW

Past Guests include:
STEVE FORBES
JAIME ROGOZINSKI
ANTHONY SCARAMUCCI

UNFILTERED.
UNWAVERING.
HARD HITTING.
INFORMATIVE.

Each week, the American Consequences podcast dives deep into fiscal and monetary policy, politics, and economics. You’ll get a view of the Fed, the White House, and the World like nowhere else. Subscribe to stay up-to-date on the biggest guests and the best analysis, all with the signature Trish Regan insight.
THE WORST-MANAGED COMPANY IN TECH HISTORY
Social-networking service Twitter is a truly iconic brand and product that’s the nervous system of the information age...

It’s also been an epic disappointment on many levels.

It has been a terrible investment... has left tens, if not hundreds, of billions on the table... is run by the worst kind of part-time CEO... and has shown few signs of figuring out what’s wrong.

Why hasn’t Twitter made it? And will it ever?
Yet the number of mentions of the name of one of the biggest threats to geopolitical peace in the world (Iran) over the same period? 798. And mentions of the finance world’s hottest investment theme (ESG, or environmental, social, and corporate governance)? 881.

Tweets win, hands down.

Twitter is an extraordinary, transformational product – in a market where the rewards for just minor tweaks of tech innovation come with nine zeros.

And despite all this... **Twitter is a disappointment of Hindenburg-ian dimensions.**

**AN EPICALLY BAD INVESTMENT**

It’s silly to assess an individual’s worth to society based on his net worth. For people, money is just one dimension of the how-am-I-doing scoreboard of life.

But it’s not at all nonsensical to gauge the success of a company based on how much wealth it delivers to shareholders. After share price returns, anything else (bringing value to customers, beating the competition, providing opportunities to employees, keeping the staff lounge stocked with peanuts, etc.) is secondary – and a pathway – to one share price appreciation, which benefits small shareholders like you and me. (Profits are nice... but not a necessary or sufficient condition to make money for shareholders.)

And on this, Twitter has been a big failure...

_Investing at or around the IPO (initial public offering – that is, when a company first sells_
shares to the public) of tech companies that have turned out to be revolutionary usually is a great way to get rich... *with the important exception of Twitter.*

Shares of Alphabet (formerly Google) are up nearly 5,000% since the company went public in 2004 (that’s around 12 times the S&P 500 Index’s return over that period). Facebook is up around eightfold since 2012, and today is valued at 20 times the market capitalization of Twitter’s $50 billion.

Since its IPO in 1997, Amazon shares are up nearly 2,000 times (enough to turn $10,000 into $20 million). Microsoft – up nearly 3,000 times since 1986 – is valued at more than 40 times Twitter.

But Twitter – which punches in the same weight class as these companies in terms of impact, reach, influence – isn’t even in the same universe in terms of returns. Since Twitter sold shares to the public in late 2013, its shares have risen 49%... If you’d bought shares of a boring old S&P 500 ETF then, you’d be up three times as much.

That’s assuming that you bought TWTR shares after the first-day share-price pop – and were not one of the lucky few institutional investor insiders who bought at the actual offering price. If you were able to buy at the actual IPO price of $26/share (compared with $62 today) and suffered through dips and valleys – Twitter shares have fallen by more than 50% within a year several times – you’d be up 138% (vs. around 150% for the S&P).

In other words... Twitter shares rose more on the first day of trading than they’ve risen since the closing price on the day of the IPO through now. Let that sink in...

Now, sure, lots of companies underperform the S&P 500. Lots of investors do, too. But few companies are so bad at filling the space that they occupy... and leaving so much cash lying in the corner, untouched.

**MONEY LEFT ON THE TABLE, CASE NO. 1**

Twitter has been world-class at uncovering (or stumbling into) the next big thing, and then putting a dagger to the throat of its golden goose... just before someone takes a very similar idea, tweaks it a bit, and then goes on to create enough wealth with it to make King Solomon feel like his gold mines are lacking.

First... in March 2015, Twitter bought Periscope, which was one of the first companies to get a handle on livestreaming (which – as your grandkids could tell you – is online streaming media content that’s like personal TV, in that it’s recorded and broadcast at the same time, in real time). It was the popular new kid in town, for a while.

Then Facebook – with around five times more users than Twitter at the time – got into livestreaming and sucked some of the air out of the room for Periscope.

And meanwhile, gaming live-broadcast startup Twitch ate the rest of Periscope’s lunch. Twitch allows gamers to stream their screens so that others can watch them play video games (yes, that’s an actual thing). Amazon bought Twitch in 2014 for nearly $1 billion.

Most of Periscope’s livestreaming functionality
was migrated to the main Twitter platform in 2016, and Periscope as a standalone app was closed down in March 2021. But have you ever heard anyone ever talk about livestreaming on Twitter? Me neither... and that’s the ashes of Periscope.

Twitch, though, now has 27 million daily visitors and 6 million creators – aka gamers – who stream every month (including my son, who swears by it). According to CNBC, today Twitch has an estimated standalone valuation of $15 billion. That’s equivalent to around 30% of Twitter’s current valuation.

Twitter is what may have been a gold nugget the size of Mars. Vine is a big what-if for Twitter. Most likely, a whiff.

If Twitter had a CEO with his eye on the ball – more on that below – perhaps today my son would be streaming his Fortnite exploits on Twitter instead of Twitch. Twitter would have a foothold in the $180 billion gaming industry (that’s more than movies and sports combined). It would also have an entrée into a youthful audience that’s more interesting than the demographic that hangs around Twitter, which my 17-year-old daughter – who is fluent in Snapchat and uses “Insta” when necessary – calls “that kind of social media thing that old people use.”

**MONEY LEFT ON THE TABLE, CASE NO. 2**

The Periscope experience is Little League, though, compared to the Vine episode, which belongs in the Hall of Fame of Missed Opportunities...

Founded in June 2012, social media app Vine was purchased by Twitter four months later for a reported $30 million. With Vine, users could create and share six-second video clips – kind of like the video analog to the short-form text posts of Twitter (140 characters, increased to 280 in 2017).

But Twitter proved (again) to be a poor steward of a great idea. As tech news website The Verge explained in October 2016, “Twitter’s mounting core business problems this year [have] all but ensured it [will] eventually be sold off or shuttered.” Vine was closed down for good in January 2017.

In form, style, and product, Vine is very similar to TikTok, the video-sharing social-networking service owned by China’s ByteDance. TikTok, which initially allowed for 15-second videos (increased to 60 seconds last year... and then to three minutes last month), was launched in China in September 2016. TikTok went global a year later. Today, it has more than 1 billion active monthly users (including 130 million in the U.S., or almost 40% of the population). That’s around five times the number of current Twitter users.

How much money did Twitter, with TikTok-before-TikTok Vine, leave on the table? In early August, the Financial Times reported that ByteDance is hoping to go public in Hong Kong later this year or in early 2022 (the crackdown on tech in China notwithstanding). The company will likely
be valued upwards of $180 billion – which was its valuation when it raised capital in December 2020.

That’s more than three times the total market capitalization of Twitter.

Perhaps Vine was the one that got away – or maybe it was a bullet dodged. Maybe in a parallel universe where two-left-feet, can’t-walk-and-chew-gum-at-the-same-time Twitter didn’t get its grubby, value-destroying hands on Vine, the app would have failed anyway... and would still have been receiving its last rites, just when TikTok was in the cradle. Or perhaps Vine wouldn’t have been able to come up with an approximation of TikTok’s magic algorithm that makes the app so addictive and successful.

And to be fair to Twitter, it’s not unusual for the guy who comes up with a fantastic, world-changing idea worth a herd of unicorns (“unicorn” is the venture-capital term used to describe a startup company that’s valued at more than $1 billion) to lose out on the garage full of Lambos.

Often, it’s the people who improve upon the great idea – and learn from the mistakes of the guy who first came up with it – who become string-of-private-islands rich... in this case, TikTok. (Apple is renowned for applying its superior technology, design, distribution, and customer service to others’ ideas – say, the smartphone – and blowing it out of the water... and less famous for coming up with its own big ideas.)

Still, Twitter is what may have been a gold nugget the size of Mars. Vine is a big what-if for Twitter. Most likely, a whiff.

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**TWITTER’S SOCIAL FAILURE**

Social media has the scope to create goodness and promote empathy by bringing together people with common interests – whether it’s in Far Side comic strips, recipes for spicy peanut butter, what’s going on in the neighborhood, or political inclinations. And it has tremendous scope to widen (and poison) the cleavages that divide people.

If Twitter had had a CEO with his eye on the ball, perhaps today my son would be streaming his Fortnite exploits on Twitter instead of Twitch. Twitter would have a foothold in the $180 billion gaming industry (that’s more than movies and sports combined).

Twitter has failed hard in moderating its platform to eradicate – or at least effectively limit – the toxicity that imbues so much of social media. As marketing professor, entrepreneur, and gadfly Twitter shareholder Scott Galloway wrote in a public letter to the board of Twitter...

The outrage that unchecked social media imposes on our psyches is pulling at the fabric of our republic and threatens the foundations of our social order. Democracy relies on mutual understanding and respect. In addition to handling urgent political crises, Twitter’s CEO needs to scale back “mutual animosity” and help heal public discourse in the U.S...
Former-President Donald Trump had a black belt in using Twitter to spread lies and sow division. Normal users would have been banned years ago for breaking Twitter’s rules like Trump did – but the company allowed him to remain on the platform, “citing the public interest (over which [Twitter] has assumed a guardian role),” the New York Times wryly observed in mid-July.

That was days after Trump’s Twitter account was finally suspended, after his tweets that are said to have incited violence following the siege of the Capitol on January 6. And the suspension – not only after the horse had left the barn, but after he’d gone into town, met a nice mare, and sired a few mini-me horses – was due in part to hundreds of Twitter employees signing a letter urging the company’s CEO to ban the president... and not after Twitter finally realized that it had been violating its own rules of conduct, egregiously and repeatedly, and decided to do the right thing.

Twitter CEO Jack Dorsey co-founded Twitter in 2006 and has been heading it up – after a first stint as the head of the company ended in 2008 – since 2015. In 2009, Dorsey – who, for his considerable shortcomings as a leader of people and organizations, is a brilliant technologist – co-founded small-business digital-payments company Square, where he’s also CEO.

That company went public in 2015... and now is valued at more than double Twitter.

Being the CEO of one public company is a big job, and heading up two is (at least) twice the work. Dorsey needs to fit it in between his other pursuits... like his regular ice baths and habit of fasting for 22 hours of the day.

When you have a net worth of around $15 billion, you can afford to not give many hoots
if people think you’re weird (in July, Business Insider delicately labeled him “unusual”). The problem, though – for Twitter shareholders, at least – is that Square is a lot more important to Dorsey’s personal bottom line than Twitter.

He owns (as of March) 13% of Square, which is worth around $17 billion. Meanwhile, the 2% of Twitter that Dorsey controls is valued at about $1 billion. Which company would you spend more time on?

(The $2.9 million Dorsey made by selling his first-ever tweet as an NFT wouldn’t have even been enough to amount to a rounding error for Dorsey’s net worth. He gave that money, significant shareholdings in Square, and other assets to charity.)

Twitter’s CEO is part-time and not as focused on, or invested in, the company as he is with his other interests. It’s tough to get senior management – or anyone else – to work hard, come up with brilliant ideas, and push Twitter to new heights when the boss only pops in during the morning. (In late November 2019, Dorsey announced that he planned to live in Africa for part of the next year – which he abandoned in the face of COVID-19 restrictions and heavy criticism. It’s bad enough to be a part-time CEO... and it’s far worse if you’re eight or so time zones away from the company you’re ostensibly managing.)

He owns (as of March) 13% of Square, which is worth around $17 billion. Meanwhile, the 2% of Twitter that Dorsey controls is valued at about $1 billion. Which company would you spend more time on?
That's Drowning... Not Waving

Some change has been afoot at Twitter. In March 2020, boldface tech investment firm Silver Lake announced that it was putting $1 billion (at the time, equal to around a 4% stake) into Twitter. It also said that it was linking up with activist investment company Elliott Management, which at the time also held a 4% stake in Twitter, in part to take some seats on the company’s board.

“This is a great day for Twitter shareholders and the commonwealth,” Galloway wrote about the deal, predicting that the stock would hit all-time highs by the end of the year. (He was off by two months, as the shares more than tripled from March 2020 lows to hit highs in February 2021.)

Despite its uptick in financial and share price performance, it’s clear that Twitter is the guy at sea who’s drowning – not waving for help. Its second-quarter shareholder letter reads like a company that’s focused on doing the same thing: selling advertising. It’s squeezing the advertising lemon and making a few more drops of lemonade. But there’s no new thought or innovation about how such a powerful platform can dominate its space – rather than shrink into a small corner of it, as it’s doing now.

“If Twitter has any sense of its future, it seems to lie in doubling down on targeted advertising and copying features from competitors,” New Republic wrote in February. What’s more – maybe most important for the company’s long-term survival – it hasn’t come up with a plan to address harassment and content moderation on the platform.

How Can Twitter Save Itself?

1. Get rid of the CEO.

Get a full-time manager/visionary who is incentivized to make Twitter something much, much bigger. Don’t let Dorsey’s empty virtue signaling (quarantine beard, showy 10-day retreats to Myanmar, black turtlenecks... yes, all part of the schtick) distract you. And then – once Twitter has some time to get over its inferiority complex, and its employees no longer feel like they can duck out early since, hey, the boss does it every day – maybe it can focus on the matter at hand: making something big.
2. Extract value from the platform.

Galloway wrote...

Value is created on [Twitter] every second. Influencers build followings, businesses find customers, ideas are generated and shaped. But Twitter, in a misguided posture of neutrality, lets all this economic activity flow across its platform and neither cultivates nor harvests it.

How? It should be possible to easily sell goods on Twitter – and for Twitter to collect revenue from those sales (the company has been working on this). People with large followings – from which they can make a mountain of money – could be charged a type of follower subscription fee. Lots of other platforms (see: Instagram... Facebook... LinkedIn...) have figured out how to make money from having a lot of people buying and talking and learning on their platforms. Twitter has to try things... fail... and succeed. So far, it has done little, if any of those.

3. Create and curate content.

In January, Twitter acquired Revue, a service that makes it easy to start and publish newsletters. It may have noted the success of Substack, a similar product that launched in late 2017 and already has half a million paying subscribers – that is, unique users who pay for a subscription newsletter. In recent years, businesses that deliver subscriptions – whether it’s to Netflix or the bacon-of-the-month club – that auto-renew to provide a steady and recurring revenue stream have been increasingly viewed positively by investors.

But in the second-quarter shareholder letter, there was no mention of Twitter’s new toy or business. And in any case, Twitter should be trying a number of approaches to get users to pull out their wallets for content... ideally, user-generated (remember TikTok?).

Barring that, though, Twitter could create its own content. It could sprinkle some of the $873 million (not a typo) it spent in 2020 on research and development on making stuff that people want to watch or read... and charge them for it. Hey, it could work.

4. Try stuff and break glass and don’t be afraid to fail.

Twitter has held snowflakes in its hand – Periscope and Vine – and let them melt. The company is still small enough – with revenues of just $3.7 billion in 2020 – that a few good ideas could change the conversation entirely... from a boring, has-been social media app to a player that’s finally filling out its uniform and making a difference. But to get there, it needs to get going.

Twitter is the big airport that sees just a few planes come in every day... the dusty ‘69 Corvette under the tarp that needs a new gearbox and some love... the teenage track star who fell out of shape but still has the muscle memory to be a champion. It’s a platform with potential, but still needs some work.

Will Twitter get there? Given the recent run-up in Twitter’s share price, some investors think that it will – or that at least it’s going to try. While its record isn’t promising, Twitter could still surprise.
A TALIBAN BLITZKRIEG
We are witnessing the biggest foreign policy blunder in years... possibly decades.

A Taliban blitzkrieg that started in May has seized the entire country in a flash. Kabul, the capital of Afghanistan, fell without any meaningful resistance. The now former president of Afghanistan, Ashraf Ghani, has ignominiously fled the country. The supposedly 300,000-strong Afghan army melted away in the face of the determined fundamentalist assault of the Talibs.

As recently as Friday, August 13, the U.S. and Afghan governments were insistent that Kabul would hold and there would be meaningful pushback against the Taliban advance. By Monday, August 16, there were videos of Taliban soldiers working out on the elliptical machines in the private gym of the Afghan presidential palace.
The overthrow of the central government and total victory of the Taliban happened so rapidly, Americans are still in disbelief...

The United States was still weeks away from a total withdrawal of military forces in Afghanistan and has now had to re-deploy 6,000 troops just to secure our hasty exit. It’s a total debacle.

A humanitarian disaster is also unfolding, as evidenced by desperate Afghans rushing out onto the runways at Kabul’s international airport, pleading to get on flights to anywhere outside of Taliban control.

There is a widely circulated video of an Afghan man falling to his death from the gears of a C-17 Air Force plane in flight. Outside the still-secured gates of the airport, reports are mounting of Taliban going house to house in the capital city looking for collaborators to execute.

The mirage of Afghanistan as an enduring, stable democracy evaporated. America spent 20 years, almost a trillion dollars, and thousands of U.S. casualties – all for this outcome?

**SAIGON ON STEROIDS**

For the Biden White House, this is a disaster on every level...

President Biden promised the American people in July that the Afghan national army was large, well-equipped, and more than capable of taking on the Taliban. As Commander-in-Chief, he assured us that the situation in Afghanistan would in no way resemble what the North Vietnamese did to the South in 1975.

Then, photos of Chinook transport helicopters were published evacuating the U.S. Embassy in Kabul as the Taliban closed in. Some described the unfolding scenes of Afghan despair as “Saigon on steroids.”
The mirage of Afghanistan as an enduring, stable democracy evaporated. America spent 20 years, almost a trillion dollars, and thousands of U.S. casualties – all for this outcome?

After days of White House silence while the calamity unfolded, it became clear that Biden had no choice but to take a break from his vacation at Camp David and speak to the American people. In terms of admitting the magnitude of the blunder, Biden mostly pointed the finger at others – especially former-President Donald Trump and the Afghan army.

Biden’s biggest admission during the speech was that the pace of the total collapse “did unfold more quickly than we had anticipated.”

For the leader of the most powerful military in the world to look clueless about realities on the ground in Afghanistan was a stunning moment.

While Biden cannot realistically defend the tactical catastrophe of the withdrawal itself, he still stands behind the overall decision to withdraw and the timeline on which he is doing it. In his most recent speech addressing policy in Afghanistan, Biden said:

I know my decision will be criticized. But I would rather take all that criticism than pass this decision on to another president of the United States, yet another one, a fifth one. Because it’s the right one, it’s the right decision for our people. The right one for our brave service members who risked their lives serving our nation. And it’s the right one for America.

AN INHUMANE CRISIS

As America heads for the exits, what will the international community do about the enormous humanitarian crisis that will accompany Taliban control? What will bureaucrats in Brussels do about the enslavement of women and the violent
Xi Jinping’s paramount concern is ensuring his infrastructure investments, his crowned jewel being the sweeping plan known as the Belt and Road Initiative (a Silk Road 2.0). And as for Putin, he’s hungry to consolidate his nation’s shadow of influence in Central Eurasia, with his eyes on former Soviet republics along the southern border as Tajikistan and Uzbekistan.

And under the bloodied Afghan soil sits precious, tech-friendly elements such as lithium (a requisite for EV batteries), so both of these autocrats will treat the Taliban with kid gloves to not spoil the cynical opportunism of unearthing the region’s resources.

The Russians especially will take a grim satisfaction in the U.S. heading for the exits while Afghanistan smolders in an echo of their own experience at the hands of the Mujahadeen in 1988.

At some level, the Biden administration appears to be in denial about the severity of the catastrophe. This White House has decided that, because the Trump administration before it also sought to leave Afghanistan, there’s bipartisan cover – and blame – for this disaster. Biden made it clear that he has no interest in changing his timeline, regardless of facts on the ground, in a speech he gave on July 8, 2021:

“When I made the decision to end the U.S. military involvement in Afghanistan, I judged that it was not in the national interest of the United States of America to continue fighting this war indefinitely. I made the decision with clear eyes, and

presssure of ethnic and religious minorities within Afghanistan’s boundaries?

The answer: nothing that matters. The “international community” is feckless. In a recent New York Times piece written by a Norwegian and a Japanese diplomat, they exhorted the United Nations to step into the breach and prevent a total catastrophe in Afghanistan:

The U.N. must step into this vacuum. In the first instance, the secretary general must immediately convene the Security Council and seek a clear mandate to empower the U.N., both in the country and at the negotiating table. That would mean the United States, Russia, China, and other members of the council coming together to authorize a special representative to act as a mediator.

Reliance on the U.N. or some other “mediator” with the Taliban is lunacy... It is too much faith in diplomacy that brought us to the current crisis.

The February 2020 agreement that the Trump administration negotiated in Doha, Qatar with the Taliban was flagrantly violated without consequence this past spring. In the absence of U.S. military muscle to punish the Taliban for breaking its word, we can expect them to continue in this fashion. Their approach will be the application of the timeless maxim might makes right.

Additionally, China and Russia have very different goals in Afghanistan than the United States does, and they will ruthlessly pursue their spheres of interest without the slightest compunction about human rights or democracy.
I am briefed daily on the battlefield updates. Nearly 20 years of experience has shown us that the current security situation only confirms that “just one more year” of fighting in Afghanistan is not a solution but a recipe for being there indefinitely. It’s up to Afghans to make the decision about the future of their country.

Indeed, it was up to the Afghans... which was a huge problem. Their incentives to fight absent U.S. funding and support disappeared. It turned out that, as the oft repeated saying goes, the Americans had all the watches, but the Taliban had all the time.

**ONLY THE DEAD SEE THE END**

In many ways, the most surprising part of Afghanistan's unraveling has been the coordinated execution of the Taliban’s major offensive. The Taliban has clearly learned its lesson from the U.S. invasion of 2001 to 2002, when elite U.S. military units were able to bring U.S. airpower to devastating effect on the battlefield in partnership with the Northern Alliance. They didn't make the same mistake.

This time around, the Taliban left no holdouts against their power inside Afghan borders. Instead of focusing their offensive primarily in the traditional Pashtun-dominated south and east of the country, the primary thrust of their maneuvers has been in the north. These areas were the strongholds of U.S.-aligned warlords who were critical in rolling up the Taliban and Al Qaeda in the early days of Operation Enduring Freedom.

So what now? What will happen to the thousands of interpreters who have risked their lives to work alongside American forces and who were promised visas in exchange? What about the chances of a Taliban-Al-Qaeda alliance again?

If President Biden has a plan beyond using “beyond the horizon” (airstrike) assets to hit at terrorist groups from time to time, he’s not sharing it.

It’s not even clear the dissolution of the Afghan government that the U.S. spent decades fostering will mean a political price for Democrats in the 2022 midterm elections back here in America. Unless there is blowback from Biden’s withdrawal that directly affects America – a terror strike, for example, planned on Afghan territory – it’s unlikely Biden’s political party will be forced to regret Afghanistan’s collapse. Americans of both parties have had enough.

Right now, what we are seeing is the end of a “no good options” choice in Afghanistan that was delayed for two decades. “Only the dead have seen the end of war,” Plato once wrote. The Afghan people, who have suffered far too much in living memory, are being reminded of this truth.

What remains to be seen is whether the U.S. has really seen the end of war in Afghanistan, or if our withdrawal is merely the interlude before another intervention and the generation of bloody conflict that comes with it.
The global pandemic caused by the novel coronavirus, COVID-19, has been devastating to the entire world.

As of August 4, the Johns Hopkins Coronavirus Resource Center reported almost 200 million global confirmed cases and 4.2 million dead. In the U.S., 35.1 million confirmed cases have led to 614,000 deaths. And it’s likely these numbers are much higher.

Of the survivors, it is estimated that a third – often referred to as “long haulers” – will continue to suffer long after testing positive. These people may continue to consume more health care resources than they would otherwise, and be less productive in their lives.

The physical impact on human life is by far the worst outcome of any pandemic monitored by modern medicine. But the negative effects didn’t stop there...

• Schools shuttered, leaving many without education, meals, and social interaction.

• Businesses were mandated to close (restaurants and bars), while others saw their sales plummet (airlines and hotels).

• The S&P 500 Index fell 34% in 23 trading days (February 19 to March 23).

• The U.S. health care system painfully showed its flaws.

• And much more...
The pandemic proved over and over again that our health is the No. 1 most important asset we own.

But let’s flip all that on its head... Despite all the problems, believe it or not, there was good that came from the pandemic – especially for our No. 1 asset and the system in which we maintain it.

The notion of “we are all in this together” rang hollow... It’s a nice message and good to hear. But no one was in it together. The lack of a sophisticated and unified health care system slammed the door on any kind of coordinated national response seen in other developed countries.

And guess what? It worked. The weak 2020/2021 flu season proves it.

Between confinement due to shutdowns and deliberate attention to keeping the germs at bay, the CDC reported one of the lowest flu seasons on record. Many people stayed home. Kids went to school virtually. And there were little bottles of hand sanitizer everywhere. My 13-year-old even chastised me one day for not washing my hands for at least 30 seconds!

The little red triangles illustrate the 2020/2021 flu season as compared with other seasons in the last decade.

This behavior change will have some durability. Direct costs related to the flu are estimated at $11.2 billion a year. These include all expenses directly related to physician and hospital costs. But adding in productivity losses, lowered normal spending levels due to...
illness, etc., the flu costs the overall economy much more.

A 2007 study found the U.S. economy was negatively impacted by the flu by $90 billion. A 2014 study estimated the flu’s cost at $87 billion. And a 2017 study with a narrowed scope estimated economic impact at $45.3 billion.

Let’s call the overall impact to GDP about $50 billion. If half of this can be prevented with vaccines and better hygiene, all of us will have more cash in our pockets to spend, save, and push the economy forward.

Telemedicine found its start as soon as video communication took root. One of the earliest examples was around 1960, when a closed-circuit television connection was made between the Nebraska Psychiatric Institute and the Norfolk State Hospital. This was used for psychiatric evaluations.

The HIMSS Conference (Healthcare Information and Management Systems Society) is a global conference for health care technology that I’ve attended many times. At the 2000 conference, over half of the vendor exhibitions were occupied by “telemedicine” providers – and that was 21 years ago.

Even before the pandemic, many telemedicine and digital health care solutions were in use. From 2010 to 2020, an estimated $55 billion was invested in startup health care tech companies. In the first half of 2021, digital health investments approached $15 billion, driven by telehealth solutions.

The pandemic rocketed telehealth into our living rooms overnight.
While virtual health care will never dislodge the in-person patient-provider relationship, it has come a long way in a short time. It improves access to seeing a doctor and will likely occur at lower cost.

Telemedicine and other digital health care solutions are here to stay.

A recent study in *Health Affairs* looked at almost 17 million people insured through traditional commercial health insurance (the kind you get from your job) as well as Medicare Advantage plans (Medicare administered by the private sector). During the pandemic observation period, more than 30% of health system interactions were conducted virtually.

And weekly telehealth visits rose 23 times between the pre-COVID and the COVID time period studied.

Fortunately, the direct payers of our health care – insurance companies and government programs like Medicare and Medicaid – swiftly agreed to pay for it. Medicare issued several “waivers” granting payment parity between in-person and remote visits.

This technology allowed people to maintain contact with their doctors in the convenience of their homes during months of lockdowns. A virtual visit is convenient for all involved, especially the patient.

For once, the global pharma effort crushed it... The industry that takes so many hits from politicians and the media did its job against COVID-19 very well.

The vaccine development was one of the best, most successful examples of public-private partnership. Between Operation Warp Speed and billions in private investment, an effective vaccine was developed in the blink of an eye.

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**THE ARSENAL AGAINST DISEASE EXPANDED GREATLY**

**PRIVATE INVESTMENT IN DIGITAL HEALTH CARE ($ BILLIONS)**

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**SOURCE: ROCK HEALTH**
As COVID-19 ravages other parts of the world, its variants will continue to evolve and potentially give way to another novel coronavirus. Tweaked vaccines will protect us far better. The mRNA approach will be used to build the new health care weapons and do it at scale.

Anti-virals will also be swiftly developed to fight new diseases at the start of symptoms. A current example is Tamiflu – the anti-viral that materially reduces the impact of influenza.

Plus, this targeted approach will support all kinds of precision medicine. For example, developing medicine that teaches the body to only attack a certain cancer cell in a specific organ.

The swift and high-tech development of the COVID-19 vaccine will pay substantial dividends in future drug development.

Overall, the U.S. health care system was woefully unprepared for the COVID-19 pandemic. This was especially true for hospitals, where a lack of personal protective equipment (“PPE”), ventilators, ICU/CCU capacity, and exploding labor costs all impacted these crucial organizations.

Think about the early days of the outbreak in
New York City hospitals... or more recently, the hordes of people seeking treatment in India. Emergency rooms were overrun. People were on stretchers in hallways – or worse, they were turned away altogether.

Even now, the Delta variant combined with anti-vaxxers is leading to further hot spots around the country.

Hospitals across the country were caught off-guard.

Thanks to my friend Eric Pender, a health care data scientist, the 92-hospital Trinity Health System used data to predict when COVID-19 cases would surge in ERs. This is a great example of how one health care system reacted to the pandemic and developed an approach that will last into the future.

The system leverages tracking data from a number of apps on smartphones and tablets in specific geographic areas. Pender and his team were able see whether or not people were moving around. Their theory? If people were moving around, they were spreading the virus... leading to increased illness and demand on hospital resources.

They isolated these data by counties in and around their hospital locations. It’s no surprise that COVID-19 surges to the ER were directly correlated with tracking data showing people moving around (not quarantining).

This heads-up allowed the hospitals to plan for staffing and have adequate PPE, antivirals, ventilators, and other crucial supplies at target hospitals.

This process will be built on and expanded to predict other outbreaks like future flu season hospital utilization. The method can be customized for many use cases. It may not have been developed without the pandemic.

Related to this is something else we first heard about with COVID: contact tracing. Identifying people who were in direct contact with a confirmed COVID-19 case can predict where more illness may occur.

Most of the contact tracing developed for COVID-19 was manually put together and rudimentary. However, with the use of anonymous location tracking data that is now readily available, contact tracing can be used to predict other infectious disease outbreaks.

The use of “big data” in health care will allow us to see patterns that were previously invisible. It also is here to stay.

A NEW HEALTH SYSTEM FOUNDATION

Despite the tragic loss of life, massive economic impact, increase in mental illness, and many other negative consequences, COVID-19 and our country’s response to it will prove invaluable for future generations.

These four positive outcomes presented above are likely the tip of the iceberg... With what we know now after the disastrous year that was 2020, a solid foundation has been laid.
Apple CEO Tim Cook spent his life in the shadows of founder Steve Jobs.

And I believe he’s about to make what might be his biggest, boldest move yet...

You see, based on my research (which you can see for yourself right here), I’m convinced Tim Cook is about to kill the iPhone.

To most folks, the story I’d like to share with you today might feel like a speculation... or a rumor.

But I’ve spent the past year following a publicly available trail of clues Tim Cook has left about his next big move.

And I’m 100% convinced this earth-shattering announcement could come any day now.

In fact, right now, Apple has a team of employees working round-the-clock on this effort.

So whether you own an iPhone or follow Apple stock – this is the most important story you need to see today.
Have you had the chance to go on the virtual reality ride at Epcot Center called Soarin’?

It’s nothing short of incredible. You seemingly “soar” across oceans... feeling the sea mist spray your face as seagulls sing in the distance. You tour the wonders of the world, even flying high above the pyramids of Egypt. It’s as though you’re really there...

The ride is in many ways an astonishing glimpse into our future... Virtual reality, or VR, will have the power to influence us and our experiences in amazing (perhaps even terrifying) ways.

Meanwhile, back here in the real world, the Fed is playing with its own kind of alternate reality. This team of Federal Reserve bankers has managed to create a VR experience to rival Disney’s all on its own... designed to convince investors they too can keep on soarin’.

And soar we have... The markets are at all-time highs with all indications suggesting they could move even higher still.
THE END OF RATIONALITY

But here’s the reality... Despite having experienced the shortest (albeit deepest) recession in modern times from February through April of 2020, we’re printing massive amounts of money as though we’re still in the midst of recession.

Combined with fiscal stimulus from lawmakers, we’ve landed ourselves in the middle of a huge liquidity infusion, the likes of which we’ve never quite seen. In fact, an estimated 22% of all U.S. dollars in circulation were printed in 2020 (wow)!... And 2021 shows no signs of slowing down the printing presses.

It doesn’t pay to be logical when the Federal Reserve has turned the markets into a kind of Disney World playland.

Making matters worse, the money printing comes after more than a decade of record-low interest rates... And the current rounds of stimulus, including $120 billion per month in bond buying, are designed to help keep those interest rates low. After all, if the Fed creates this demand buying up bonds itself, interest rates will stay low – hence the 1.3% yield on the 10-year bond.

It’s no wonder why we’re now seeing inflation... and mass appeal in risky cryptos and meme stocks.

It’s as though folks feel like they have money to burn. Investors are so far out on the risk curve that they’re throwing almost all caution to the wind. There’s no rationality when it comes to investing these days. All this financial engineering has effectively created an artificial market – or a virtual reality – for investors.

After all, why be rational? Why ask the tough questions surrounding actual valuations of companies? It seems the rational folks are the ones punished the most in this crazy environment. It doesn’t pay to be logical when the Federal Reserve has turned the markets into a kind of Disney World playland.

The question now is... when does the ride stop? And can the economy and markets survive without the help of the Fed’s stimulus?

These are the issues the Fed and investors must grapple with two weeks from now at the Fed’s annual shindig in Jackson Hole, Wyoming.

THE CANNES FILM FESTIVAL FOR WONKS

Since 1982, the Federal Reserve Bank of Kansas City’s Economic Policy Symposium in Jackson Hole, Wyoming has been the go-to event for economic professionals, investors, academics, government representatives, and members of the media. Think of it as the elite Cannes Film Festival... for wonks.

From August 26 to 28, amid the stunning backdrop of the Grand Tetons, the Fed’s governors will communicate their message subtly (and not) to the event’s participants. The subsequent headlines will make their way into
the papers, and before you know it, the markets will adjust and possibly a new trajectory will be set.

Already, there are messages that are beginning to leak in the lead-up to the meeting. And if the previews are any indication, it seems this insane world of the Fed’s virtual reality is scheduled to continue...

At present, there’s talk of moving current Fed Chairman Jerome Powell aside in order to make way for someone far more dovish and in favor with Treasury Secretary Janet Yellen, former head of the Federal Reserve.

Lael Brainard, a former professor at MIT who served as the under secretary of the Treasury for International Affairs at the Department of the Treasury, joined the Federal Reserve board in 2014. Brainard has an impressive background, is well-liked, and was mentioned repeatedly as a possible contender for secretary of the Treasury under President Joe Biden, though he ultimately went with Yellen. (Brainard had also been discussed as a contender for the position had Hillary Clinton won in 2016.)

In appointing Brainard to head of the Fed when Powell’s term expires, Yellen would help ensure a more dovish and more politically aligned view of the economy, particularly with that of the current administration.

ARE POWELL’S DAYS NUMBERED?

Though Powell seems to be doing everything right in the eyes of the administration, he isn’t quite “their” Fed chief.

He was, after all, appointed by the man the Left despises so adamantly – Donald Trump. In fact, Powell took Yellen’s spot – unseating her as Fed chief when her term was up.

(I always thought that Trump, knowing how keen he was to print money and issue debt, would have been better off keeping Yellen in the seat. Nonetheless, he wanted his own guy, as did then-Treasury Secretary Steven Mnuchin.)

So, it makes logical sense that Yellen and Biden would seek a change.

Especially now...

Already, there are messages that are beginning to leak in the lead-up to the meeting. And if the previews are any indication, it seems this insane world of the Fed’s virtual reality is scheduled to continue...

BUBBLE WORRIES

It’s a strange world we live in when bad is good and good is bad... But when balancing the risks and rewards of investing amid a Fed-induced sugar high, the world seems upside down.

After all, to continue sending stocks higher despite the continued threat of COVID shutdowns and a new variant making its way through the economy feels pretty insane. Cooler heads are warning against a new kind of “irrational exuberance” (a term well-
coined by noted Fed Chair Alan Greenspan when describing the insanity of the dot-com bubble).

At times, that 2000 bubble feels almost quaint in comparison with what we’re seeing now... When tweets and Reddit forums can send investors rushing into stocks or little-known cryptos, we have reached what I’d call a new kind of *irrational exuberance*. Howard Marks, the co-founder and co-chair of Oaktree Capital, just warned investors that markets are in an “everything bubble.”

**When tweets and Reddit forums can send investors rushing into stocks or little-known cryptos, we have reached what I’d call a new kind of *irrational exuberance*.**

Now, the economy is improving... even if it’s not as strongly as we’d all like. The jobs picture is showing some signs of strength, with 943,000 jobs being added to the economy in the month of July and unemployment falling to 5.4%.

Yet, the labor-participation rate remains weak, and there are still more than 10 million jobs currently available. Translation? *People don’t want to work.* I mean, why should they when Uncle Joe is still handing out unemployment benefits?

Those benefits are scheduled to end this coming month, but just like we saw with the eviction moratorium, there will be political pressure to renew them amid the hysteria of the Delta variant. Even schools are talking about shutting down again... So how will parents go to work without their kids in school? The Left will argue (again) that the benefits are a necessity, and sure enough, this whole cycle will repeat, with the Fed continuing its liquidity push.

Now there are some sensible people on the Fed’s Board of Governors... I’ve known Fed Vice Chair Richard Clarida for many years, including when he was at investment management company PIMCO and at Columbia University, and have always been impressed by his logic on the economy. Rich is encouraging a pullback in the Fed’s tapering (the gradual slowing of the pace of the Federal Reserve’s large-scale asset purchases). And there are others who support this too, including St. Louis Fed President James Bullard and San Francisco Fed President Mary Daly.

Heck, I wouldn’t be surprised if Powell himself comes out in favor of unwinding the bond asset purchases...

But when that happens, you can expect a taper tantrum from Wall Street... and you can count on one from the White House, too.

Keep in mind, the administration knows how this all works... They’ve got the former head of our central bank as Treasury secretary! They want lower rates and additional liquidity in the system, which explains the significant pressure on the Fed to keep the spigot open – even in the face of a declining unemployment...
rate... and even in the face of significant inflation.

If Powell is unwilling to comply, Brainard is waiting in the wings... and already has the stamp of approval from liberal elites.

So what does it all mean?

**TRISH’S TAKEAWAY**

Despite the current craziness of these markets, my sense is that the Fed will continue keeping the status quo. Even if it *does* begin to taper in the fall, if history is any guide, it will still take a couple of years before the Fed ever gets around to raising rates.

Consider this: In 2013, the Fed began winding down its quantitative easing nearly five years after the 2008 financial crisis... yet the first interest-rate hike didn’t occur until December 2015.

This tells me that we still have plenty of time. Now, of course, we risk the creation of a massive asset bubble worse than anything we saw in the year 2000. And let me be clear, I’ll take a sell-off in the stock market any day over a systemic credit crisis.

If the Fed’s financial engineering hasn’t modeled out what happens when inflation keeps accelerating, and there’s not enough overall economic growth to support the influx of cash into the economy, the consequences will be hazardous.

At that point, we risk the “hard landing” or crash that some bears keep warning of.

But we can manage a pullback or a bear market. The macro danger is that all these years have led to riskier behavior and reduced loan quality... and if the economy stumbles again, the entire system gets sucked into a downward spiral.

Now, I’m not in any way suggesting this will happen – that’s a worst-case scenario. Let’s all hope our Federal Reserve is sophisticated and nimble enough to prevent something this catastrophic.

As investors, we must always be prepared... and stay grounded and vigilant. Continue watching the yield on the 10-year U.S. Treasury (which is still amazingly low) for any signs that it’s ticking higher.

And have some conviction. Don’t buy stocks just because everyone on Reddit or Twitter is talking about them... Instead, do your homework and due diligence to understand a company’s business model. It sounds almost quaint and old-fashioned in this day and age, but truly the smart, steady investors tend to win the race... and get to sleep better at night along the way.

It’s time to take the Disney VR goggles off and face the real world.
Now that the “Defund the Police” advocates have had their say...

(With evident effect in Minneapolis, San Francisco, Philadelphia, the District of Columbia, New York City, Los Angeles, and elsewhere...)

... It’s time to broaden our horizons and start thinking about reforming additional municipal agencies.

DEFUND THE DEPARTMENT OF SANITATION

The Department of Sanitation is obviously discriminatory. There’s much more trash on the streets in poor neighborhoods than there is in neighborhoods where the affluent live.

There is also clear discrimination in who the Department of Sanitation hires... Garbage pickup day is a trigger warning for me. It is hurtful to see very few people like myself – in their 70s and wearing coats and ties – emptying garbage cans into sanitation trucks. True, I can’t lift a garbage can. But many other municipal agencies hire people who can’t do their jobs. Why should the Department of Sanitation be different?

Next, the Department of Sanitation causes pollution of the atmosphere – you can smell it!

It harms the Earth’s ecology by dumping dirty garbage into the ground. “Landfills” are nothing but land filled with dirty waste... And studies show that the Earth is losing dirt at a rapid rate due to rising sea levels from climate change... causing dirty oceans.
Giant corporations produce most of America’s consumer waste. Trash should be deposited in investment banks such as Goldman Sachs, not landfills.

Claims that the Department of Sanitation “recycles” garbage have no validity because so-called “recycling” means that garbage is simply being returned to us in the form of recycled plastic, cardboard, and other materials that have to be thrown away again... causing more garbage than ever.

There’s a lot of private, personal information in our trash – credit-card receipts, bank statements, medical records, etc. How do we know this information is secure? Can private, personal information be entrusted to a large government institution such as the Department of Sanitation? A citizen review board should be provided for each garbage can.

Why aren’t garbage trucks, with their large expanse of rooftops, solar powered? (Or, considering the speed at which they rumble by my house if I don’t have my garbage at the curb by 9:00 a.m., perhaps wind power could be utilized.)

Multiple individual garbage trucks cause traffic congestion, loud noise, and increased carbon emissions. Mass transit – like trolleys, light rail, subways, and municipal buses – would be a more efficient means of moving garbage.

Bike lanes should also be given consideration... Two-wheeled, pedal-powered garbage cycles would give jobs to thousands of trash couriers and help relieve urban problems with youth unemployment.

Funding for the Department of Sanitation could be reallocated to community programs such as “sanitation counseling” where teams of trained trash experts promote and support households with the goal of reducing waste output through “smart garbage.”

One positive idea, especially for people living in apartment buildings, is to use a spare closet or kitchen cabinet to create an indoor compost heap.

To reduce the volume of household-disposed trash, plastic containers can be melted in the oven using baking pans or muffin tins to minimize the plastic’s bulk. Paper and cardboard can be soaked in water, then rolled into small wads and left to dry in the dish drainer.

Another useful suggestion, for those who do not have a garbage disposal unit, is to chew leftovers twice before scraping plates into the sink.

Other funding could be used to support a civic-sponsored boycott of all packaged foods. Consumers would be urged – with posters, billboards, radio and TV ads, and Internet notifications – to shop only at stores that sell groceries without cardboard boxes, plastic wrappings, cans, bottles, or cartons. Shoppers can carry home their purchases of loose breakfast cereal, individual bread slices, orange juice, milk, and ground meat in municipally issued reusable tote bags with moisture-resistant interior partitions.

Defunding the Department of Sanitation will improve trash equity, increase garbage diversity, and make the Earth more rubbish-friendly. Our slogan is “Waste Away!”
taking tax breaks with a grain of SALT
Rockefeller, Vanderbilt, and Phipps always come to mind when political and economic pundits talk up raising taxes on the rich. Why’s that? The answer is simple... These three extraordinarily rich families were the most prominent financial backers of the venture capitalists who created what became Silicon Valley.

Too often missed by economists, politicians, and pundits is that the rich have copious amounts of money to lose. That’s why they’re so crucial to progress. While losing $10,000 is very painful to the average investor, the rich have the capacity to lose $10,000 many times over without batting an eye. That’s why they were so instrumental and remain instrumental in what Silicon Valley was and is today. Since the vast majority of start-up companies go belly-up, only the rich have the means to back such low percentages that, with their successes and failures, power so much advance.

Rockefeller, Vanderbilt, and Phipps have certainly come to mind a lot in recent months, but surprisingly it’s while reading columns on taxation by Republicans. Consider one by the Wall Street Journal’s William McGurn... A writer normally at odds with all things Senator Bernie Sanders,

“I am, at the Fed level, libertarian; at the state level, Republican; at the local level, Democrat; and at the family and friends level, a socialist.”

Nassim Taleb

By John Tamny

A FEDERALIST CASE FOR STATE AND LOCAL DEDUCTIONS
McGurn observed that the Vermont socialist had “been doing the Lord’s work on taxes” with Sanders’ criticism of Democratic party efforts to revive the State and Local Tax deduction – otherwise known as “SALT.”

McGurn was pleased because back in 2017, President Donald Trump signed into law the Tax Cuts and Jobs Act. The Act included a $10,000 cap on the federal tax deduction of taxes paid by individuals to cities and states. McGurn added that Sanders “rightly appreciates that the SALT deduction is a big fat tax break for rich people.”

OK, but since when do Republicans look askance at tax cuts for the rich? Don’t they properly disdain class-warfare stances?

Much more important, any change in the tax code that reduces the burden placed on the rich is logically a very good, very pro-growth development. See the opening paragraphs...

The rich aren’t like you and me. They aren’t because, as evidenced by the adjective attached to them, they have enormous amounts of unspent wealth. Which is another way of saying that the rich uniquely have the resources to fund gigantic commercial leaps.

PUTTING WEALTH TO WORK

Short of stuffing their immense wealth under a mattress or into endless coffee cans, the rich have no choice but to put their wealth to work. Yes, what the rich don’t spend is, logically, invested, often in intrepid ventures that most of us lack the means to put money behind. The savings of the middle class could never have created Silicon Valley.

It’s all a reminder that tax cuts for the rich amount to tax cuts for all of us. When they get to keep what’s theirs, whether earned or inherited, we all get a boost in pay by virtue of unspent wealth being used to boost existing businesses, or to vivify entrepreneurial concepts that were formerly just that: concepts.

In the words of Adam Smith:

‘It is by means of an additional capital only that the undertaker of any work can provide his workmen with better machinery, or make a more proper distribution of employment among them. There are no companies, no jobs, and no advances in how we work absent investment first. Tax cuts for the rich are a raise for all of us. Period.

Now, it should be clarified that most who view the revival of the SALT deduction in critical fashion would nod their heads along to what I just wrote. Try as Paul Krugman might to pour cold water on the genius of
savings, no economic school can get around the basic truth that companies, jobs, and progress are preceded by capital commitments that the rich are uniquely situated to make.

Despite this, it’s accepted wisdom on the Right that revival of the SALT deduction is wrongheaded. Again, it’s a tax cut for the rich, plus it’s a subsidy for high-tax blue states. If SALT is revived, blue, Democratically run states like California, Illinois, and New York will get a tax break on the back of red, Republican-run states not so wasteful on the local level.

At first glance, the arguments are compelling. But only at first glance... Given a second pass, these confidently pronounced arguments against re-introducing the deduction start to lose their luster.

WHERE THE RIGHT IS WRONG

For one, members of the Right can’t have it both ways. Yet with SALT, that’s what they seem to want. Lest we forget, members of the Right have for the longest time properly ridiculed calls by Obama, Biden, Elizabeth Warren, Nancy Pelosi, Krugman, et al., for higher taxes on the rich. According to the leading minds of the Left and the Democratic Party, the rich need to pay their “fair share.”

In response, the Right-leaning have routinely (and once again, properly) pointed out that the top 1% of taxpayers already account for 40% of total federal tax revenues. So what could the Dems possibly mean by “fair share”? The question is crucial, but also demands to be asked of Republicans so eager to keep the SALT cap in place. Their answer seems to be no tax breaks for the rich and no subsidies for Democratic-led states.

Except that states don’t pay taxes... People pay taxes. In the U.S., the richest Americans once again account for a gargantuan portion of the annual federal tax take. All the revival of SALT would mean is that the heavily overtaxed rich would get a partial break from their annual fleecing. For the Right-leaning to pretend SALT’s revival would amount to “a big fat tax break for the rich” is for them to speak with a forked tongue.

If the rich already pay the majority of federal taxes (and they do), revival of the SALT deduction would amount to tax relief for a tiny part of the population that creates or invests in the most economic progress and that is heavily overtaxed for doing so.

If the rich already pay the majority of federal taxes (and they do), revival of the SALT deduction would amount to tax relief for a tiny part of the population that creates or invests in the most economic progress and that is heavily overtaxed for doing so.

Now, some who disagree will respond that Americans in low-tax, allegedly parsimonious states shouldn’t have to suffer reduced deductions against federal taxes paid in
What will limit city and state spending is the basic truth that market-driven wealth allocation always and everywhere trumps politicized allocation.

To which critics will ask an obvious question: If state and local taxes are once again fully deductible against the federal tax bill, what’s to keep states from taxing and spending with abandon as a way of shielding their citizens from federal taxes? The question is a good one, but one that unwittingly supports SALT’s revival. For one, conservatives should be much more confident about their economic view of the way the world works. Government spending, whether by city, state, or national governments, is economically harmful. What will limit city and state spending is the basic truth that market-driven wealth allocation always and everywhere trumps politicized allocation.

Indeed, while the top 1% account for roughly 40% of total federal tax revenue, Loyola University economics professor Walter Block calculates that the top one tenth of 1% of Americans account for 19.5% of total federal revenues. Talk about unfair! And that’s only part of the story.

Too often those red states which are worried about “a big fat tax break for the rich” miss the fact that federal taxes paid by the rich are very much a tax on all of us. Lest readers forget, every dollar that the U.S. Treasury collects in taxes is an extra dollar of control that Pelosi, Kevin McCarthy, Chuck Schumer, Mitch McConnell, and President Biden have over the economy.

Government spending is a tax. And contrary to Keynesian economic theory that says spending is an economic stimulant, logic indicates the exact opposite. Politicized allocation of wealth, which is all government spending is, is by its very name an economic somnolent. Looked at from this angle, Americans should cheer any scenario that reduces the flow of dollars to Washington. A revival of SALT would obviously shrink the flow. Simplified, a tax on Mark Zuckerberg is a tax on you, me, and the fellow behind the tree.

What will limit city and state spending is the basic truth that market-driven wealth allocation always and everywhere trumps politicized allocation.

Still not convinced? Ironically, what has you skeptical should have you supporting SALT revival. Think about what happens if cities and states choose excessive spending to massively shrink the federal tax bill of their citizens. The local waste will limit the flow of dollars to the U.S. Treasury, which means that the economic damage will be more limited (think local) in scope... which is kind of the point. The 10th Amendment in the
Constitution wasn’t some inkblot. Rather, it was clear that the vast majority of legislating should take place in states. So let it happen. States are precisely where the government spending should be...

And what about the deficits? Treasury debt is already $30 trillion and growing. Policies meant to reduce federal tax collections would make a bad situation worse, wouldn’t they? Quite the opposite, really... and for obvious reasons.

Indeed, readers need only ask why the Treasury is $30 trillion in the red, but Russia is “only” out $190 billion. Is Vladimir Putin a closet Adam Smith? More realistically, the buyers of government debt don’t trust Russia’s economy enough in order to buy debt that is a purchase of future government tax collections. It’s all a reminder that U.S. debt is of nosebleed proportions not because of too little government revenue, but an obvious consequence of government collecting way too much. Investors are so confident in Treasury collections now and in the future that they’re willing to buy the debt at the lowest interest rates in the world. Investors wouldn’t be as sanguine if policy were more focused on pushing taxation and government spending back to cities and states. In short, full SALT deductibility would logically limit federal borrowing... Soaring revenues encourage it.

After which, it’s worth pointing out what’s long been true: Conservatives prefer local government, states’ rights, and anything else that centralizes legislative power as close to voters as possible. The design of the Founding Fathers was pretty clear – the federal government would have powers “few and defined” so that Americans could choose their legislative bliss. Which is what deduction of state and local taxes would at least encourage.

This isn’t to say that revival of SALT would bring back the early 19th century in a states’ rights sense, but it would at least create incentives for states to do more for themselves, and for their citizens to be rewarded with a lower federal tax bill by virtue of their politicians taking back legislative and spending power.

At present, the opposite is being encouraged... Right now, red states in particular are cheering one another on to see which can push state taxes the lowest (tax competition and all that). It sounds good at first glance. And even at second glance. Really, why should citizens of Texas, Florida, and Tennessee pay more federal taxes so that taxpayers in California, New Jersey, and New York can lower their federal tax bills?

The arguments are always very compelling until it’s remembered that when it comes to federal tax collections by state, California, New York, Illinois, New Jersey, and Massachusetts are already No. 1, 3, 4, 6, and 9. Again, federal tax collections are made large by a tiny and very well-to-do portion of the total tax base. These individuals often reside in blue states. Republicans seem to want to penalize them... Some would call this class warfare.

Put another way, the tax competition
among states that is presently cheered is being subsidized by – you guessed it – the federal tax code. The arguments on the matter of SALT are backwards and upside down. This will only get worse. If the cap on SALT deductions is maintained, incentives will grow for cities and states to shrink taxes as much as possible with an eye on pushing as much government activity and spending as possible to the federal government. Why not? If local spending is going to be discouraged by the tax code, why not move it to the federal government? Such a scenario is one Democrats would love, but Republicans would logically despise. Again, Republicans want local government, yet they’re paradoxically encouraging the opposite with a form of taxation that once again subsidizes the flow of dollars away from state and local governments and into the hands of Washington.

What’s proposed doesn’t seem to be in the cards. In modern times we’ve turned this laudable model of local government on its head. No doubt the arguments in favor of state competition have merit, but that’s not what we’re seeing now. State competition on taxes is perilously pushing more tax and spending power to the federal government, all at the expense of cities’ and states’ rights, along with the rich. This is once again backwards. It suffocates local government, plus never forget the Rockefellers, Vanderbilts, and Phipps.

The simple truth is that a revival of the SALT deduction would, far from subsidizing blue states, actually make it more difficult for taxpayers to live off of one another. That’s unfortunate when it’s remembered that the American ideal was always for taxation to be higher the closer the government is to us. If realistic, and with the latter in mind, the true call should be for a state and local tax credit to push government and its funding even more local than any deduction would.

Sadly, however, what’s proposed doesn’t seem to be in the cards. In modern times we’ve turned this laudable model of local government on its head. No doubt the arguments in favor of state competition have merit, but that’s not what we’re seeing now. State competition on taxes is perilously pushing more tax and spending power to the federal government, all at the expense of cities’ and states’ rights, along with the rich. This is once again backwards. It suffocates local government, plus never forget the Rockefellers, Vanderbilts, and Phipps.

John Tamny is editor of RealClearMarkets, and author of many books on economics including Popular Economics, Who Needs the Fed, and They’re Both Wrong.
WE'RE WATCHING TWITTER, SO YOU DON'T HAVE TO

Douglas A. Boneparth
@dougboneparth

As a married man, I'm very familiar with wars I cannot win.

Jack Posobiec
@JackPosobiec

Amen

Perhaps we need to look at whether US foreign policy actually reflects the American values we claim to be exporting before we point out the flaws in others.

Clue Heywood
@ClueHeywood

I get food amnesia, where I think of a place and say to myself "hey I haven't been there in a while" then I go and remember why I hadn't been there in a while. Happened again today.

Gina Carano
@ginacarano

2021

I obeyed all your restrictions. What's next?

GOVERNMENT OBEDIENT PEOPLE

Jerome Powell
@eljeric

Me after making my coffee at home for 20 years

Someone asked me if I had plans for the fall, it took me a moment to realize they meant "autumn", not the collapse of civilization.

Paul Joseph Watson
@PrisonPlanet

Safety first.
It’s August. In Europe, this means taking the month off. Here, it means sweating your face off and ducking for shade in a beckoning book while trying to ignore the news notifications on your phone.

Since you’re usually poring over our content, we thought it was only fair you get a peek at what we’re reading. So, we asked our American Consequences’ contributors and editors whose words they can’t get enough of in 2021... related to finance, politics, or just a good read.

So, throw a book on the fire – er, a log over the firepit (someone’s reading Bradbury), dig your toes in the sand (or carpet), and check out our staff’s favorite titles of the moment.
TRISH REGAN  
Publisher, American Consequences

**BASIC ECONOMICS**
Thomas Sowell

I first read this book when I was 24 years old, and I love going back to it. Sowell’s *Basic Economics* is one of the best explainers on how the real world works, and I encourage everyone to read cover to cover, again and again.

I have a few days off later this month, and I’ll enjoy digging into one of my most favorite reads. The beauty of rereading a book is that you always spot things you missed the first time around. And, with this book there are new events that help frame the conversation. I encourage everyone to give it a read.

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DAVE LASHMET  
Editor, Stansberry Venture Technology

**BRAVE MEN**
Ernie Pyle

*Brave Men* is Pyle’s second (and last) book that’s an on-the-ground account of American and British soldiers in World War II. It’s written like a conversation, and he covers the grueling, tedious, focused, funny, and all-around dangerous nature of war. Each of his subjects stands out as people – down to their home addresses. Ernie spends a lot more time with sergeants and privates than Admirals or Generals – although, at one point, he gives his first book to Eisenhower!

He subverts that brush with greatness by ensuring that everyone knows Ernie is a coward (arguable), contrasting the former presidents of the world with the brutality of life and death at the battlefront. But Ernie is often in harm’s way as he’s in foxholes all the time – ultimately killed by a sniper bullet in the Pacific. We lost a writer and a soldier’s friend.

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TOM CARROLL  
Editor, Cannabis Capitalist

**THE DOCTORS BLACKWELL**
How Two Pioneering Sisters Brought Medicine to Women and Women to Medicine
Janice P. Nimura

This one is all about the Blackwell sisters, the first women admitted to medical school in the U.S., and their subsequent careers in medicine.

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**THE SIXTH EXTINCTION**
An Unnatural History
Elizabeth Kolbert

This book is a science-based argument that the Earth is in the midst of the next massive extinction of most life on
WHAT WE’RE READING

the planet. It looks at the fossil and carbon records of prior mass extinctions and connects the dots to today. Humans are playing a pivotal role this time.

IN THE WOODS
Tana French
If you’re up for escapism (no finance or investment themes here) that is compelling, gripping, page-turning, and deeply stirring – featuring vivid characters and plots that stay with you for months afterward – Tana French is the ticket. She’s an Irish/American (not hyphenated American – but both, really) thriller/suspense/mystery writer whose touchstone series is about the (imaginary) Dublin Murder Squad. They investigate crimes that get to the very heart of what it is to be human – the sadness and anger and anguish and buried secrets that are never gone forever. In the Woods is the first of the series and will get you hooked. The second, The Likeness, has a premise that’s uniquely brain-melting and extraordinary, and you won’t be able to put it down.

To get an introduction to French’s style – literary and vivid and with a narrative as well constructed as a seamless wardrobe – start with the standalone novel The Witch Elm, which is about friendship, murder, deception, and jealousy and the distortions they create. French’s most recent book, The Searcher, is brilliant as well, but something of a departure in style and approach, and not as easy to slide into as the others... so save it for later.

IN THE WOODS
Tana French

ANTI-POLITICS
Sal Mayweather
The author features agorist essays and excerpts – agorism advocates a society involving only voluntary exchanges. The most frequent author in the collection is philosopher Samuel Edward Konkin III, the father of agorism. Also included are tax resister Karl Hess, anarchist Benjamin Tucker, Mahatma Gandhi, economist Murray Rothbard, 16th-century political theorist Étienne de la Boetie, anarchist Emma Goldman, economist Per Bylund, and Russian novelist Leo Tolstoy.

FREEDOM
Sebastian Junger
It’s about his walking trip along the country’s railroad lines with his dog and various friends. He intersperses historical episodes and ponders the nature of freedom. It’s short but worth reading. It left me feeling hopeful.

EXECUTIVE EDITOR, AMERICAN CONSEQUENCES
KIM ISKYAN

EDITOR, EXTREME VALUE
DAN FERRIS
IT WAS A VERY GOOD YEAR
Extraordinary Moments in Stock Market History
Martin S. Fridson
Fridson’s work has one chapter on each of the 10 best years in the U.S. stock market in the 20th century. I’ve only read 1928, but it was enough to convince me that "the Dean of High Yield" has produced a history book worth reading.

GOD’S DEBRIS
A Thought Experiment
Scott Adams
This book’s courtesy of the “Dilbert guy” – an excellent 134-page thought experiment. Nothing to do with Dilbert. The reader’s job is to "try to find out what’s wrong with the simplest explanations." I won’t say anymore because I don’t want to spoil it.

RUMOR, FEAR AND THE MADNESS OF CROWDS
J.P. Chaplin
He covers some strange historical events like the Salem witch madness, the insane destruction of a Boston convent in August 1834, and the weird career of “end of the world” prophet William Miller in the early 1830s.

The events all show how rumors and widespread irrational fears can cause people (especially in crowds) to behave in highly destructive, extreme ways. The Miller thing wasn’t so terrible because the world didn’t end, and that pretty much ended his career.

THE UNTHINKABLE
Who Survives When Disaster Strikes and Why
Amanda Ripley
A key lesson early in the book is that regular people (i.e., not trained first responders) respond pretty well when disaster strikes. The calamities discussed include the Mont Blanc explosion in Halifax Harbour, Nova Scotia, the 1992 gas explosion in Guadalajara, Mexico, and the 1993 terrorist attacks on World Trade Center.

RUMOR, FEAR AND THE MADNESS OF CROWDS
J.P. Chaplin

BOURBON FOR BREAKFAST
Jeffrey A. Tucker
Every night before bed, I like to finish my day with an essay from this book. Until recently, Tucker was the editorial director for the American Institute for Economic Research. Tucker is a card-carrying libertarian who I’d call an intellectual extremist on liberty and capitalism. You get a sense of that in this book, but so much more.

Bourbon for Breakfast breaks into chapters with different themes like “Crime,” “Health & Manners,” and “Food.” In one piece, he talks about food etiquette and people who smack their lips while they eat. In another, he explains how Mark Twain’s Adventures of Huckleberry Finn is about the benefits of entrepreneurship.
In his book, Tucker also argues that we should ban government protection of copyrights and intellectual property.

*Bourbon for Breakfast* is equal parts goofy, fun, engaging, and thought-provoking.

**JOHN TAMNY**
Editor of RealClearMarkets

*A Republic, Not a Democracy*
*How to Restore Sanity in America*
Adam Brandon

Right now, I’m reading this very exceptional and timely piece from my FreedomWorks colleague. Adam very crucially reminds readers that so much of what divides this amazing country is an arrogation of power by national politicians. Let the policy fights be local to make the U.S. even more exceptional.

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**BILL SHAW**
Editor, *Commodity Supercycles*

*Apoocalypse Never*
*Why Environmental Alarmism Hurts Us All*
Michael Shellenberger

It would be hard to find a more dedicated environmental activist than Shellenberger. He has all the green bona fides. That’s what makes this book so important. Concerned with the hysteria taught in schools, he decided to use his 30 years of “boots on the ground” experience to set the record straight.

After dissecting the wrong-headed environmental movements of the last 50 years, he makes a priceless pitch for nuclear energy. It’s a must-read for anybody who thinks they know the “science” of climate change.

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**P.J. O’ROURKE**
Editor in Chief, *American Consequences*

**The Ax**
Donald E. Westlake

Donald E. Westlake (1933-2008) was an absurdly prolific author. He wrote more than 100 books, mostly in the crime fiction genre. But tucked among the whodunitry is an item of serious literature, *The Ax.*

I picked it up at the used bookstore while...
looking for a little light reading... only to find myself with the most disturbing book about capitalism ever.

*The Ax* is much more upsetting than any Left-wing novels denouncing free markets from the likes of John Steinbeck or Upton Sinclair. Westlake takes property rights, supply and demand, profit and loss, corporate structure, senior management motivations, investor incentives, and ruthless competition as givens.

Then Westlake ups the *ruthless* to a lethal dose. *The Ax* debuted during the glory days of NAFTA with every corporate downsize and shift to lower labor costs greeted with a “hooray” from Wall Street.

The narrator, Burke Devore, loses his middle-management job running the production line at a paper mill that moves to Canada.

Devore is an articulate man who rose to what seemed to be a safe and comfortable height on the corporate ladder. He finds his finances, family, and whole life wrecked by two years of unemployment. And there are other paper mill production-line managers out of work, too – some of them better qualified than he is.

In an all too convincing way, Devore explains what goes wrong with capitalism when investors quit paying attention to anything except a corporation's share price... when C-suite management loses touch with its chain of command... when a business becomes cynical about its workforce... when the cooperation that is the requisite other half of competition disappears from the free market... and when it’s every man for himself.

But Devore makes all this clear not because he wants to change the economic system but because he wants to join it – as the kind of guy you *don’t* want on your side.

Devore researches what well-paid jobs are still available in his industry. Then he tracks down the best-qualified applicants for those jobs. And he sets out to kill them.

I won’t give away the ending. But I will provide a hint... Depending on which way your moral compass is spinning these days, everything turns out for the best.

DOUBLE RECOMMENDED

**EMPIRE OF THE SUMMER MOON**

*Quanah Parker and the Rise and Fall of the Comanches, the Most Powerful Indian Tribe in American History*

*S.C. Gwynne*

**TOM CARROLL**

This book is the history I never learned in school – it’s about the Comanche Indians in western Texas from 1830s to early 1900s. Great book.

**BILL SHAW**

A fascinating true story of the mixed-race son of a kidnapped settler – if you enjoy the history of the American West, you’ll have a tough time putting this one down.
THE PILL BOX HACK

A Script for Picking Big Pharma’s Pockets

By Dr. David "Doc" Eifrig
R
tirement should be a time to relax and enjoy what you’ve worked so hard for during your lifetime... It’s not the time to worry about bankruptcy filings or becoming another burden to your family.

For years now, I’ve been sounding the alarm on organizations that don’t have our interests at heart, from the government to Wall Street. You can’t depend on them to save you in retirement, which means you can only depend on yourself.

Today, I’ll tell you exactly how to increase your income by getting back at some of the big guys... Big Pharma.

It’s time to take what’s yours. Don’t just get even... get paid.

Americans spend an obscene amount of money on medications. This one really makes me mad... Instead of spending your hard-earned money on activities you enjoy in your retirement like traveling, you’re forking it over for medications.

About 75% of people 65 and older take a prescription medication. And they likely don’t just take one. According to one study from Oregon State University, as many as 40% of folks over 65 take five or more prescriptions.

According to the Centers for Medicare and Medicaid Services, Americans spent about $335 billion on prescription medications in 2018. And they project annual spending will increase about 4.8% every year through 2024.

In dollars, it’s steep. The Kaiser Family Foundation reports that folks on Medicare spent an average of about $300 a year on prescription drugs. But that’s not everyone. Those with conditions that require special medication – like cancer or rheumatoid arthritis – pay anywhere between $4,000 and $12,000 a year... and these are people who DO have Medicare Part D.

These prices are far too high. That’s why I’ve spent years finding ways to save money on prescriptions. You should never overpay for your medications. And I’ve even found a way to make the pharmaceutical company pay for your pills instead.

Here are my three favorite cost-cutters to help you keep money in your pocket instead of giving it to Big Pharma’s coffers...

THREE COST-CUTTERS FOR YOUR NEXT PRESCRIPTION

Cost Cutter No. 1 Want to know the nearest place to buy the cheapest medications? Be sure to visit the website www.goodrx.com. This site identifies the cheapest retailers for your prescriptions and includes coupons for extra savings.

Instead of spending your hard-earned money on activities you enjoy in your retirement like traveling, you’re forking it over for medications.
Similarly, www.wellrx.com also shows you the cheapest prescriptions, but does it by zip code so you can find the nearest location for you as well. It should only take a few minutes and immediately you’ll know where the cheapest and closest place is for your medications.

This is my favorite way to save money. I’ve used it before and it makes the process quick and easy.

**Cost Cutter No. 2:** The best-kept secret of the drug business is that you can get almost any prescription drug in the world for free. Don’t expect to hear this secret from your pharmacist... or even your doctor. But these programs are perfectly legal... and are already being used by thousands of Americans across the country.

Most people don’t take advantage of these freebie programs, simply because they – and their doctors – don’t know the programs exist. Drug companies don’t disclose the exact criteria it takes to qualify, but it’s certainly easier to receive free drugs from a private company than it is to get assistance from the federal government.

First, you can start out with the complete list of free drug programs on the Pharmaceutical Research and Manufacturers of America (PhRMA) website: www.phrma.org.

Another great resource is the website www.pparx.org. There, you can enter the drugs you take and fill out a simple form. The website will tell you which drugs are available for financial assistance and from what company. I highly recommend this site for determining where to find free medication. But if you already know who makes your drug, go directly to that drug company and see if you qualify. You can look up their websites, but these are often confusing. I’d encourage you to call the company directly.

When you call, ask the operator for the “patient-assistance program.” They can help determine your qualifications.

Keep in mind, the companies initiated these programs as assistance for low-income folks who struggle to afford their medications. Each has different criteria for giving free medications. In general, you’ll have to verify your income and medical expenses to apply. And not everyone qualifies.

**Cost Cutter No. 3:** Until recently, insurance companies and the Medicare system determined the prices you paid for drugs of all kinds. Now, you can set the prices you pay just by talking to your doctor.

You can determine with your doctor if the medication you take can be changed to a so-called “generic” medication. You see, when a pharmaceutical company develops a drug, it’s awarded patents to protect its product.
for many years. But eventually, those patent protections expire and other companies are free to compete and develop so-called “generic” versions of the same medicine.

In many cases, the generic drugs are just as good at treating what ails you – after all, these are just copy-cat version of the brand-name drugs. And because they are no longer under patent (and therefore other companies can make them), the prices are much lower.

To protect their profits, drug companies often develop “new” (patent-protected) versions of an old drug. Frequently, these newer versions aren’t any better at treating you than the old stuff. For example, doctors prescribe drugs known as statins for heart disease. The No. 1 selling statin is the drug Lipitor. It’s stayed on top since it rolled out in 1996.

But the original statin was called Mevacor, but it went off patent in 2001. If you buy the generic version of Mevacor, you might pay only $4 per month total for it. Ask your doctor if Lipitor is really better for you than Mevacor.

If your doctor is unsure or hesitates, ask him to research the science and get back to you once he can explain the differences — in a way you understand. It’s your health, and it’s your money. Bottom line, many of the drugs you take can be substituted for cheaper generics.

However, it is true that a few drugs have a very narrow “window” of safety and usefulness (the so-called “therapeutic index”). You should discuss this with your doctor, too. If they feel the drugs you take should be brand name drugs because of safety and efficacy (how well the drug works), then by all means don’t switch to the generic.

To know if a generic is a smart, safe option, make sure your doctor can answer these questions:

1) Which of my drugs comes in a generic form? (Your doctor probably won’t know, but you can ask your pharmacist.)

2) What is the effectiveness of the old generic drug in this class of drugs versus the one you currently have me taking?

3) What is the therapeutic index of the drugs I am taking? Is it narrow?

4) What site can I go to online to learn about the safety of the drugs I am taking? The answer is: MedWatch at the Food and Drug Administration’s site.

Now, you may be wondering how to get drugs so cheaply. The answer is a capital “W.” Walmart provides hundreds of drugs (many generics) for only $4 per month… or $10 for a three-month supply. And Walgreens offers many generics for $5 a month or $10 for a three-month supply.

ONE MORE COST-SAVING TIP: GOVERNMENT PROGRAM SLASHES BILLS 30%

In 2003, the U.S. government created a program that allows people to pay for many over-the-counter (“OTC”) medications and even nutritional supplements with tax-free money. New rules do indicate that for some products, like OTC medications, you need
The IRS publishes a list (IRS Pub. 502) specifying the many medical and dental expenses you can cover with an FSA. Go to www.irs.gov and type “502” in the search box to see the list.

The best part is, you can use pre-tax dollars for:
- Health insurance premiums
- Amounts paid for long-term care
- Amounts not covered under another health plan

This means almost all of your medical expenses can be paid with pre-tax dollars through your employer’s FSA plan. And by not paying taxes on the money, it’s like getting a great return on your investments without any risk. See below for how it works.

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### MEDICAL EXPENSES

**No FSA Account:**
- Income of $60,000
- Tax at 22%
- Net Income of $52,800
- Medical Expenses of $3,000

Net Income = $49,800

**With an FSA Account:**
- Income of $60,000
- Medical Expenses of $3,000
- Tax at 22%
- Net Income of $57,000 ($60,000-$3,000)

Net Income = $50,160

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This is an immediate income increase of $360. The benefit increases as your income or medical expenses go higher.

There is one catch to these plans: You must use all the money you’ve set aside by year-end. It’s the so-called “use it or lose it” rule. But since you can buy many OTC medications, you can easily use up any money that may be expiring at year-end by stocking up on things like aspirin, Tylenol, and cold medication.

The FSA plans are easy to use. Most plans provide a debit card (just like your bank ATM card) for expenditures. That makes your record-keeping requirements virtually nil. And by federal law, the card also allows you to get an advance on amounts earmarked for the account in the coming year.

Say in January, you agreed to put $2,000 into the account over the coming year, by law your plan sponsor puts up $2,000 immediately. This allows you to take that money out and use it immediately, even though it hasn’t been deducted from your pay yet. And another insider health secret: If you quit or are fired before year-end, you don’t have to pay it back. It’s the law.

With about 10,000 Baby Boomers turning 65 every day, that’s a lot of folks gearing up for retirement. According to Fidelity Investments, the average 65-year-old couple today can face an average of $275,000 in out-of-pocket health care costs, only about half of which might be covered.

So, find ways to save wherever and whenever you can. These tips are a great way to get started. They can save you hundreds on some of the most expensive items like prescriptions.

Doc’s Wake-up Call

Today, Doc is spending millions to publish an important message. Think of it as a final wake-up call... And a final chance to see something really important, which you haven’t yet recognized.

Things are about to get really strange in America – yet most will have no idea what is happening.

Your money, your retirement, your future... everything is at stake.

The incredible thing is, most Americans today have no idea how this looming crisis will change our lives. That’s primarily because, while the signs are piling up all around us, we haven’t seen anything like this in roughly 50 years.

Most folks have watched what’s taken place in our country and around the globe over the past two years.

And most are still going about life, business, investing, and retirement planning... as if nothing unusual has happened to our financial system.

Doc says if you care about your family’s financial future, you must listen to his dire message today.
You did it, Andrew Cuomo! Back in March, you were a mere Dunce runner-up, but in this Olympian marathon of idiocy, you’ve managed to ascend to August’s top perch.

We all know no one watches the Oscars anymore... Still, whoever scripted Cuomo’s life, political career, and personal arc deserves at least a nod for Best Adapted Screenplay (it might lose out to the Giuliani musical biopic, though).

It’s Greek... Shakespearean... Pulp fiction... A targeted viral algorithm. Cuomo, your fall is yawningly predictable. How many career politicians or men slinking through the corridors of power, from the Hill to Silicon Valley, have limped astray with their wandering eyes (and loins)? Kennedy. Clinton. Trump. Weiner. Bezos. Gaetz. Spitzer. Gates.

A philandering billionaire or president remains a universal touchstone of Americana and humanity, as inevitable as the hurricane season upon us or Congress perennially accomplishing less than nothing.

These sex scandals are little fires flickering in the black, needing only a salacious breath of oxygen to ravage legacies and break the Internet. And right now, Cuomo is scorched...

A TOUCHING STORY

The one anomaly of Cuomo’s black swan dive of disgrace is that he’s single... So, there was no affair to chafe at America’s latent puritanical sensitivities. His crime ultimately was one of staying in the political game too long. Oh, and lack of consent — that’ll get you every time. He’s almost owned up
to the (former) idea, claiming *generational* differences for his hands that know no bounds.

Or the brilliant stupidity of his “Italian Defense” trying to explain away his offenses, with the warped logic that Mediterranean types *just love to touch people*. It’s not his fault! It’s in his genes... as he’s trying to make his way inside *her* jeans. “I’m not a sex offender, *I’m Italian.*”

We’ve all seen this movie before... These decrepit public servants often get sloppy, desperate, delusionally entitled, and empirically gross in the wicked Septembers of their years. But the Cuomos of the world would sooner let go of a skirt than unclutch the intoxicating highs of their power.

Look, Cuomo, we let Nursing Home Gate *slide* – you knowingly falsified COVID death records and expedited swaths of elderly to their graves. *You got away with that.* But more is never enough, right, ex-Governor? Until it is.

As it’s happened so often in the past few years, justice took the form of a #metoo chorus of nearly a dozen women (many of them former aides in his office) to break the Albany Bully into untold pieces scattered amongst the Catskills.

But it’s all cumulative, Cuomo... Take the inappropriate touching, mix in the nursing home scandal, and toss in the hypocrisy of your COVID-hero routine. Your resignation is as evident as your penchant for B.S.

But listen, now that you’re out of the Governor’s Mansion, there are *scores* of bougie assisted living facilities upstate that can accommodate you.

And don’t worry – they’re dying to have you.

Now, on to this month’s runner-up...

**ROCHELLE WALENSKY, CDC DIRECTOR, A.K.A. DR. DOOM**

In a nation that agrees on nearly nothing, one of the few bipartisan sentiments is America’s ongoing eye-roll when it comes to the CDC’s conflicting pandemic messaging for the past year and a half (and sure to persist well into 2022).

The much revered and maligned Patron Saint of COVID, Dr. Fauci, operates in tandem and acts as a liaison for the CDC, but officially works for the National Institute of Allergy and Infectious Diseases (“NIAID”) while seated as the Chief Medical Advisor to the President.

And though Fauci can grate as a pandemic spokesperson with his inconsistency and condescension (draped in a pious mask-shaped halo), there’s usually a relative *reasonability* to him.
DUNCE OF THE MONTH

INSTITUTIONALLY UNWELL

Meanwhile, Rochelle Walensky, newly minted director of the CDC, seems nearly unhinged. My mother, a career nurse anesthetist, put it more politely: “That *&^% seems crazy.”

During a White House press briefing this past spring, Dr. Walensky had this to say: “I’m going to reflect on the recurring feeling I have of impending doom.”

Walensky’s claim flies in the face of logic and her own organization’s research that the vaccine mitigates transmission rates, thereby playing into the hands of the anti-vax crowd and prolonging this pandemic.

Muddied vax messaging is riskier than mixed-up mask messaging (though they feed into each other)... Vaccine hesitancy exists beyond just MAGA Floridians who refuse to get the shot... The tentativeness also lurks in Black Americans with residual Tuskegee paranoia and in L.A. Lululemon yoga influencers who take their clean-body ethos beyond its limit.

We needn’t have the CDC Director remind us of the psychological horrors of 2021 – instead, a focus on epidemiology and sound advice would be most befitting.

We need a calming voice amid this shitstorm – we don’t also want to have to worry about your mental health along with our own.

And then there’s her role in the latest federal moratorium on evictions – one with health czar overtones. No matter what argumentative side you take on this issue (landlords’ property rights versus tenants’), Biden urging her to sign this order earlier this month may have been unconstitutional... his own White House officials agree.

And even if it was well-intentioned (keeping people housed during a pandemic), it still speaks to this mutant variant of governance in the COVID age where health officials’ words bleed into public policy – and not always for the better.

THE VIRAL VIRUS

Another misstep of hers includes a recent CNN interview with Wolf Blitzer, where she claimed vaccines don’t prevent transmission.

Wait, what’s that, Rochelle?

The CDC gleaned from Provincetown data that an infected vaccinated person might be capable of transmitting the virus. That’s a hell of a qualifier...

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Muddied vax messaging is riskier than mixed-up mask messaging (though they feed into each other)... Vaccine hesitancy exists beyond just MAGA Floridians who refuse to get the shot... The tentativeness also lurks in Black Americans with residual Tuskegee paranoia and in L.A. Lululemon yoga influencers who take their clean-body ethos beyond its limit.

Some undecided Midwesterner perhaps saw that Walensky clip and thought, “Eff it – if it’s not going to help me, then why bother getting the vaccine?”

And this utterance is a meta-indictment for all politicians and public health officials right now. If you’re not going to help us, please leave the room and get the hell out of the way.
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Don't miss the next issue...
The mainstream media isn't telling you everything, and we've got the full story.
**THIS ISSUE’S FEATURED CONTRIBUTORS**

**Thomas Carroll** is one of the most respected and longest-serving health care analysts on Wall Street. Prior to joining Stansberry Research, Tom worked at Stifel Nicolaus/Legg Mason in Baltimore for nearly two decades as managing director and senior analyst of health care.

**Dr. David Eifrig** worked in arbitrage and trading groups with major Wall Street investment banks, including Goldman Sachs, Chase Manhattan, and Yamaichi Securities in Japan. In 1995, Dr. Eifrig retired from Wall Street, went to UNC-Chapel Hill medical school, and became an ophthalmologist.

Today, he publishes a 100% free daily e-letter on both health and wealth that shows readers how to live a millionaire lifestyle for far, far less. Learn more here.

**Kim Iskyan** is an Executive Editor for *American Consequences*. Kim is one of the most experienced and well-traveled financial writers in the world today. From covering Iran’s emerging stock market... to landing in Ukraine in the middle of a war... to booking a flight to Thailand as soon as martial law was declared – Kim has been there and helped investors figure out the risks and the opportunities in these “blown out” markets.

**American Consequences** is edited by **P.J. O’Rourke**, author of 20 books including *Eat The Rich* and *How the Hell Did This Happen: The Election of 2016*. P.J. cut his teeth as an editor in chief of the *National Lampoon* and a foreign affairs correspondent for *Rolling Stone*. He’s since written for *The Weekly Standard*, *The Atlantic*... and many other magazines. P.J. is the H. L. Mencken fellow at the Cato Institute, a member of the editorial board of *World Affairs* and a regular panelist on NPR’s *Wait... Wait... Don’t Tell Me*. He lives with his family in rural New England, as far away from the things he writes about as he can get.

**Trish Regan**, Publisher for *American Consequences*, is one of America’s brightest and most recognized conservative economic thought leaders. An award-winning journalist, Trish is the host of *American Consequences Podcast with Trish Regan*, a weekly radio show dedicated to economic and political truth, as well as a columnist for several publications.

**Buck Sexton** is host of the nationally syndicated talk radio program, *The Buck Sexton Show*, heard on more than 100 stations across the country. He’s also a former CIA and NYC police department intelligence officer. You can follow him at BuckSexton.com.
How to Navigate The Digital Edition

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*Here’s what each icon does...*

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