

A bellwether? - Dallas-based Neiman Marcus has long been identified with-, & marketed for-, its 'snob appeal'; thus last October it produced its annual 'Christmas Book' of unique gifts for the rich, incl. a 12-day, US\$400,000 "Dream Trip" to India. Debt-laden & owned by the Los Angeles-based private equity firm Ares Management & Toronto-based CPPIB¹, in August it filed plans for an IPO only to postpone this two months later due to 'volatile stock markets'. On December 14th it reported 1.8% lower sales YoY, to US\$1.16BN, 5% higher inventories, & a US\$10.5BN loss (vs. a US\$196,000 profit YoY²) for its Third Quarter to October 31st. For after rising for 23 quarters, same store sales had been down 5.6% - *CEO Karen Katz blamed this on the strong US\$ reducing international tourist traffic at its stores in South Florida, New York, Las Vegas & other key markets.*

Butter shortage in Canada? - A shift in consumer preference from margarine to butter seems to be underway; for, while its population has been growing at a 1% annual rate (*solely due to immigration, for four decades Canada's fertility rate has been below the replacement rate*), sales of butter in the past two years have grown at a 2+% annual rate & fluid cream sales even faster. This has created a surplus of skimmed milk to the point that earlier this year there was talk in Nova Scotia of having to "dump" some (*in an environmentally friendly manner, of course*)³ - *This appears to be a North America-wide trend; for last June the WSJ reported Americans were expected to consume 5.6 pounds of butter per capita this year [for a total of 892,000 tons, a quantity not seen since WW II (when its population was less than half as large a today) & that in 2013 Americans had, for the third year in a row, spent more money on butter than on margarine (US\$2BN vs. US\$1.8BN)]. In part attributed to the popularity of celebrity chefs who use-, & cooking shows that feature-, butter-rich recipes, a more important reason (other than cost - margarine has lost much of its one-time cost advantage) is the change in consumer thinking on 'healthy eating' . For while once nutritionists demonized butter for its "saturated fat" content, they now say these fats in milk are less of a health risk than those in margarine [anyone wishing to learn (a little) more about the three kinds of fats, can do so "below the line"]]. A similar trend appears underway in milk sales in Canada; after public health authorities & nutritionists started warning people off whole milk in the mid-70s, sales thereof had halved by 2010 while those of 2%-, & skim-, had grown; but since then, as more scientific evidence has emerged that whole milk is actually better for one's health than the alternatives, sales of whole milk have actually quit falling (& last year in Canada actually increased), while those of the lower fat content varieties have declined.*

Challenge to biometric identifications? - At the December 2014 29th Chaos Community Congress (an annual hackers' four-day get-together in Hamburg, Germany), a prominent hacker, Jan Krissler (aka "Starbug") demonstrated how, by using commercially available software called VeriFinger he had produced fake finger prints of Germany's Defense Minister from high definition photos (so, says Starbug, "My password is safer than my finger print ... (*for it*) is in my head ... and I remain the only one who knows it"). Another technique demonstrated

¹ The manager of the Canada Pension Plan's \$265BN assets.

² Which at 0.016% of gross sales had been nothing worth writing home about in the first place.

³ Might this over time bring back a practice common in the post war era where family farms used a centrifugal cream separator to produce cream & skim milk, shipping the cream & using the skim milk as pig feed? For it would reduce the cost of getting their product to the plant & would produce pork with a flavour likely to demand a serious premium in the market place.

was how another software called “Corneal Keylogging” can be used to read what people were inputting on their computers by analyzing photographs of the reflections in their eyes.

Chernobyl teems with wildlife - After the biggest nuclear accident before Fukushima, at the Chernobyl power complex in Ukraine in 2006, a 4,000 sq. km. ‘human exclusion zone’ was created, where radiation levels were deemed too high for human habitation. But wildlife has thrived there (something similar has occurred in the almost 1,000 sq. km. demilitarized zone separating the two Koreas) - *One must wonder how the wildlife can survive-, & procreate-, in an environment with supposedly dangerously high levels of radiation*

Chicago police officer charged with the murder of a (black) teenager - This charge was laid on November 24th, exactly 11 months after the event, which had been filmed by a police cruiser’s ‘dash-cam’ but only made public at the time the charge was laid, & which showed that within 15 seconds of his arrival the officer had emptied his revolver’s 16 round magazine into a boy who was wandering down the middle of a four lane highway (seemingly at least ten-, if not fifteen-, feet, & veering away-, from the shooter & his partner). The video also shows someone kicking something out of the boy’s hand as he lay on the ground (found to be a ‘switch blade’ with its three-inch blade, however, still folded into the handle) - *this raises at least four issues. Why the delay in the charge being laid (police departments across the continent have a bad-, & from a PR point of view outright awful-, tendency to protect the ‘bad apples’ in their barrel & to delay dealing with them, rather than doing so promptly & decisively. Secondly, is there any good reason why the police should be armed with large magazine, fully automatic weapons (unless they need them because they are ‘bad shot’s?’⁴) Thirdly, it should be endlessly stressed throughout their recruit training & career that a police officer’s primary duty is to protect-, not harm-, the public & that, this being so, firing a gun must be a move of last-, not first-, resort, & that there had better be a bloody good reason for an officer to discharge his fire arm within seconds of arriving on the scene. And finally police forces now commonly use ‘hollow point’ ammunition, whose effect on the target can be akin to that of a flying mini meat grinder, not unlike that of the ‘dum-dum’ bullets invented by the British Army in India in the late 19th century & outlawed for use in warfare under the 1907 Hague Convention.*

Civil servants like their days off - A report last November for the Ottawa- based Macdonald-Laurier Institute said federal public servants now take twice as many sick days as private sector workers (10.6 vs. 6.4⁵) and that this hadn’t changed for the latter in 27 years while for the former it had ramped from 7.2, with most of the increase having come in the last decade. It attributes this to different cultures & motivations to work, and a “gaming of the system”⁶

Evidence of the shrinking US middle class? - Pew Research, after analyzing data provided by the US Census Bureau & the Fed, concluded the middle class was now, for the first time in four decades, smaller than the total of the income tiers above-, & below-, it. Defining it as three person households with family incomes of 66-200% of the median income (currently US\$42,000 & US\$126,000 respectively), with appropriate adjustments for larger & smaller family units, it

⁴ And there have been a number of cases of police officers emptying one magazine, only to reload & resume shooting.

⁵ It may make an attention-getting headline, but 10.6 is nowhere close to twice 6.4

⁶ In addition, at last report about 5% of all federal public servants were on “disability leave”, according to Sun Life, the plan’s administrator, for periods from a few months to 25 years.

found that the middle class thus defined now accounts for slightly less than 50% of the US population.

Farm land as an investment vehicle - Over the past two decades, the S&P 500 generated an average annual rate of return of 9% while, according to the Chicago-based National Council of Real Estate Fiduciaries, that on farm land was 12%, part of it accounted for by the 5% annual rate of growth in land rents, *driven from a doubling of farmland valuations & a 50+% rise in farm product prices*. Following the lead of funds sponsored by the likes of TIAA-CREF, John Hancock, Manulife & UBS, this has prompted a growing institutional investor “pile-in” into farmland that has led to some predictions that two decade hence institutions may control as much as 40% of all US farmland (up from the 1% or so a couple of years ago). For today 70% of all US farmland is owned by people 65 years or older, who, thus the CW holds, will want ‘cash in” their retirement nest egg, (or, if not there to do so, their heirs will, since few farmers’ sons want to carry on the tradition) - *This ignores the fact that only in Jack & the Beanstalk do trees grow to the sky & that in investment, while the early birds often make out like bandits, over time returns ‘regress towards the mean’ as the johny-come-latelies pile in. Finally, with so much farm land owned by old folks, the supply of farmland for sale could over the next two decades easily result in a price rise-moderating buyers’ market which would a) make it less attractive to short-term performance-driven institutional investors & b) make it easier for younger people, among whom there may be a nascent interest in food production, in part fed by a growing consumer interest in non-factory farm food, to enter the industry.*

Globalization downside - Mark Oberholtzer operates Mark-1 Plumbing in Galveston County, Texas. In 2014 he sold a truck still carrying his company logo & phone number to a Houston Ford dealership & was told not to remove it since he might damage the paint job & that the dealership had a safe way of doing so. Imagine his horror a year ago when a tweet went viral showing it, complete with his logo & phone number, being used by Syrian jihadists, after which his phone was flooded with unpleasant calls & the tweet became the lead item on Stephen Colbert’s 2.5MM viewer December 18th 2014 final show, with him joking “Syria is going down the toilet, but for the first time, they know now who to call to unclog it”⁷ - *Mr. Oberholtzer is now suing the dealer*

Muslim women’s hair coverings - A recent Washington Post article carried in the National Post on December 24th entitled Don’t walk a mile in her hijab, took Well-meaning non-Muslims” were to task for “actually supporting the extreme Islamist argument that a woman’s honour lies in her ‘chastity’ “, concluding “do not wear a headscarf in ‘solidarity’ with the ideology that most silences us ... Stand with us instead with the moral courage against the ideology of Islamism that demands we cover our hair.” The key sentence in the article reads “in interpretations from the 7th century to today, theologians from the late Moroccan scholar Fatima Mernissi to UCLA’s Khaled Abou El Fadl, and Harvard’s Leila Ahmed, Egypt’s Zaki Barawi, Iraq’s Abdullah al-Judahi and Pakistan’s Javaid Ghamadi, have clearly established that Muslim women are not required to cover their hair.” - *One of the authors, Asra Q. Nomani, is a former WSJ reporter & co-founder of the Muslim Reform Movement (that advocates peace, human rights & secular governance) & the other, Hala Arafa, a retired news editor at the Arabic branch of the Voice of America. And they are not being quite honest; for despite their reference to the 7th century, all individuals named were born in the latter half of the last century, Mernissi (who died just six weeks ago) was a feminist sociologist, not a “theologian”, several of the others are Islamic*

7

And commented “Hm, pickup truck & machine gun, that could still be Texas”

scholars rather than “theologians” &, other than Menissi, only one, Javaid Ghamidi, actually lives in a Muslim country, Pakistan.

Oskar and Jack - On November 17th the Globe and Mail carried the obituary of 82 year-old Jack Yufe in San Diego. There was little remarkable about his life but for his-, & his twin brother's-, upbringing having been the subject of a 1995 German documentary titled Oskar & Jack after they had been part of a University of Minnesota study of twins separated early in life (in their case at six months) & raised in different environments. For, prior to becoming sort of re-acquainted with each other in their twenties, Jack had been raised a secular Jew in Trinidad, worked on a kibbutz in Israel & served in the Israeli navy, before settling down as a small shopkeeper in California, whereas Oskar was raised Catholic in small town Sudetenland (*the part of Czechoslovakia that Germany annexed in 1938 following Chamberlain's infamous “Peace in our Time” Munich Agreement*), briefly served in the Hitler Jugend (Youth) in the late stages of WW II & made his living as a coal miner & welder. And yet both affected similar mustaches, wore identical glasses, had similar gaits & the same way of sitting on chairs, loved butter & spicy foods, flushed the toilet both before & after using it, read the endings of books first, scratched their heads with their ring finger & delighted in sneaking up on total strangers & sneeze loudly - *about two decades ago, Newsweek magazine had a multi-page feature on the relative importance of genetic & environmental factors that concluded it was not unlike computer hard-, & soft-, ware : a low quality computer loaded with great software in capable hands can have great-, & a higher quality one with lousy software & an amateur user poor-, performance.*

Status of ex-Canadian Prime Ministers - In the US, UK & many other countries, former leaders retain much of their one-time security bubble. But not in Canada, where now former Prime Minister Harper has lost his RCMP security detail, his official car & driver, and is totally left to fend for himself. This was illustrated in a photograph carried on the front page of some Canadian newspapers recently of the lonely figure of the now plain Mr. Harper standing on a Calgary LRT station platform waiting for a train, along with, but apart from, the hoi polloi.

The Boy Who Fell Off the Mayflower - This is the title of a new childrens' book that tells the story of John Howland who, on the trip across the Atlantic in 1620 fell overboard during a gale but was rescued & went on to father ten children, who gave him & his wife, fellow Mayflower passenger Elizabeth Tilley, over 80 grandchildren⁸ and whose genes are carried today by an estimated 2+MM Americans incl. both Bush 41 & 43 as well as Sarah Palin & actor Christopher Lloyd, and were carried by the late FDR, Ralph Waldo Emerson & Henry Wadsworth Longfellow, Humphrey Bogart & Joseph Smith (the founder of the Mormon Church).

The October 4th Doctors without Borders Afghanistan hospital bombing fiasco - This no doubt was not the first case of such USAF malfeasance, only the first case in which such a high profile entity with global clout, not a bunch of voiceless locals, had been on the receiving end. And matters were made worse in this case by the fact that the aircraft involved was not a high speed jet fighter 30,000+ feet up, but a lumbering AC-130 gun ship with a top speed of 300 mph that, lacking a pressurized cabin, typically operates at about 7,000 feet, that, unlike other ground support aircraft, depends on visual-, not technological-, target identification, & that it

⁸ Interesting to see how for the well-to-do life five centuries ago wasn't necessarily 'brutal & short'. For both he & his wife died at age 80, all of their children survived childhood, with three living until well into their 70s, three until their 60s & two until their 50s, & only one in her 30's (possibly in child birth since she had only three children) and the date of the demise for one unknown for the (although he married 'late' & yet they lived long enough to have nine children)

took 25 minutes for the anguished phone calls from those under fire to result in a cease fire order (during which time 211 shells were fired at the target - *contrary to jets that in a high speed 'run' fire a single salvo at a target & then, if necessary, return for another go at it, an AC-130 flies in a circle above its target, continuously firing inwards on it as it does so.*

To quote the late former Premier Ralph Klein “The Alberta government has a spending problem, not a revenue problem.” - This is according to the right-wing, Vancouver-based Fraser Institute, due to “persistent deficits ... (*and*) undisciplined program spending in the past decade⁹” the Province’s net assets position in the past six years shrank from \$35BN to < \$4BN & it will likely go into negative territory in the 2016/17 fiscal year (since 2003/04 government spending has grown 21% **after** adjustment for inflation & population growth, which hasn’t stopped the new left-of-centre government from keeping ‘the (*spending*) pedal to the metal’, undeterred by the Province’ recent loss of its triple-A rating (*which thus is unlikely to be the last word on that matter*) - *this is of no concern to the socialist zealot Ministerial Chiefs of Staff the new Premier imported from elsewhere in Canada, who have no interest in the Province’s longer-term wellbeing but are titillated by the opportunity to entice a bunch of greenhorn ministers down an experimental doctrinaire garden path.*

Trump phenomenon - The lead feature in the December 12th Economist, entitled “Playing with fear” was devoted to it and its more salient points were :

- voters on both sides of the Atlantic have long believed selfish *political* elites in Washington & Brussels, who never are made to pay for their mistakes, aren’t interested in doing their job, dealing with the hoi polloi’s problems. And now they have been infused with fear they cannot even keep them safe either. This accounts for the growing support for Marine LePen in France, the coming to power of right-wing populist governments in Hungary¹⁰ & Poland, and of right-wing coalitions in Switzerland & Finland, and for their record levels of support in Holland & Sweden;
- At the bottom of it all is economic & cultural insecurity, driven by unemployment, stagnating wages, immigration (of people who won’t integrate & conform with local values), and financial crises. While some mainstream politicians dismiss the populist arguments as fascist & extremist, this is just more evidence they aren’t really interested in the hoi polloi’s *often very real* grievances that the populists feed on while others just take the easy way out by trying to & co-opt the populists’ xenophobia;
- But when push comes to shove, most voters don’t really subscribe to right-wing populism; thus the core support for the Trumps of this world is in the 30% range. And best ways to overcome voter resentment is to promote growth, rather than build walls & for politicians to start dealing with voters’ complaints that they are self-, rather than public service-, driven by addressing their *often quite justified* grievances.

GLEANINGS II - 647SPA
Monday January 4th, 2016

CLIMATE-RELATED DAMAGE SOARING (G&M, Eric Reguly)

⁹ Of which Premier Klein himself, after a promising start (that was mainly the doing of hi Treasurer, Jim Dinning), fell victim in no uncertain manner.

¹⁰ Prime Minister Viktor Orman has vowed to build an “illiberal state”, with Putin as his role model.

- On November 27th, four days before the Paris Environmental Summit, the Rome-based FAO (UN Food and Agriculture Organization) issued a report entitled “Impact of Disasters on Agriculture and Food Security” that noted the number of ‘natural disasters’ caused by climate-related events had almost doubled since the 1980’s. Furthermore, that this had hit farmers in the developing world particularly hard, threatening food security & employment in the world’ poorest region, with Sub-Saharan Africa¹¹, where agriculture accounts for 25% of GDP, has been particularly hard-hit. And yet, according to Stephan Baas, the coordinator of the report, rather than becoming food importers, the most food security-threatened countries in Sub-Sahara Africa & Southeast Asia should seek to maintain domestic food production or “we’ll see bigger refugee and migration flows than we’re seeing currently.”
- Global reinsurance companies have long been building data bases of weather-related disasters; these show the number of such events has been rising in lockstep with the growth in CO₂ emissions; in fact, Munich Re’s show that the annual number of such events, incl. storms, floods, droughts & forest fires, that had been between 500- &600 range until the mid-90s, had averaged 800 in the past decade & hit a high of 900 in 2014.

There is some evidence that the civil war in Syria was, in part at least, due to a prolonged drought in parts of the country that drove an influx of rural people into the cities.

LOCKHEED FILE INJUNCTION TO STOP WORK ON OSHKOSH TRUCKS (Reuters)

¹¹ That over the next 30 years it expected to account for over half the world’s population growth.

- On December 17th Lockheed filed a complaint with the Court of Federal Claims¹² over the way a 17,000 unit, U\$6.75BN contract for a new generation of Humvee-type vehicles had been awarded by the Army & the next day asked for an temporary 'stop work' injunction against the winner, Wisconsin-based Oshkosh Corp.

Oshkosh Corp. is a century-old, Wisconsin-based firm with annual revenue in the U\$8BN range & 12,000 employees worldwide, best known for its fire-, & assorted other special-purpose, heavy-duty vehicles, including military ones. In 2014 Oshkosh, Lockheed & AM General (the successor firm to one-time American Motors & the manufacturer of the Humvee) each provided the Army, for testing purposes, with prototypes of a new class of vehicle (even uglier than the Humvee) called JLTVs (Joint Light Tactical Vehicles), designed to recover much of the mobility the Army lost when the Humvees proved vulnerable to the IEDs (Improvised Explosive Devices). Last August 15th, after the Army awarded Oshkosh the contract (worth tens of billions over the next 25 years since it is expected to be only the first of a series), Lockheed protested, prompting the Army to put it on hold until the Government Accountability Office dismissed Lockheed's complaint a month ago.

CANADIANS' TAX BURDEN (Bloomberg News)

- On December 3rd the OECD released data showing how much Canada has bucked the trend towards higher taxation (incl. a sharp increase in the US); thus, while the OECD members' average tax revenue-to-GDP ratio in 2014 was 34.2%, Canada's for all levels of government was 30.5%, with its 3.6%¹³ spread off the average the widest since 1965. This was Stephen Harper's legacy : Canada ranking 24th among the 34 OECD countries, higher only than Slovakia (30.4), Japan (30.3¹⁴), Turkey (29.3), Ireland (29.0), Australia (27.5), Switzerland (26.9), US (25.4), South Korea (24.3), Chile (20.0) & Mexico (19.7).
- As to tax revenue sources, Canada has the third highest taxes on property (10% vs. the 6% average), fourth highest on income & profits (48% vs. 34%), sixth highest on payroll (2% vs 1%), sixteenth by way of social contributions (16% vs. 26%) & of goods & services taxes (ex GST) & GST itself tied for 30th, with 11% vs. 14% and 13% v. 19% respectively (*the latter two numbers are a bit bogus since they do not include the provincial 'top-ups'*).
- In terms of who collects the taxes-, & for what purposes they are collected in Canada & seven other countries (Australia, Austria, Belgium, Germany, Mexico, Switzerland and the US), Canada, with 40%, tied with the US, in the share collected by their central governments, ahead only of Germany (30%) & Switzerland (34%), and well behind Australia's 80%, outstripped the pack with the share collected by its junior governments (40%), followed by Switzerland's 25%, & with 10% was a dismal second only to Australia's zero in the share collected for social security funds (vs. 15% in Mexico, 25% in Switzerland & the US, 30% in Austria, 35% in Belgium & 40% in Germany- *so the most commodity export-dependent, with the lowest median age populations (Mexico -*

¹² One of the oldest courts in the country, it was established in 1885 to hear monetary claims against the US government.

¹³ The 0.1% deviation likely being a function of rounding.

¹⁴ This is a misleading number since the Japanese government funds itself on a day-to-day basis only 60% from taxes & 40% from borrowing (*likely a world record*).

27.3, Australia - 38.2 & Canada 41.7¹⁵) are the most cavalier in providing for citizens' future wellbeing.

While this seems to support the case that American are lighter-taxed than Canadians, this is only true on an apples & oranges comparison basis. For while in Canada 70% of all healthcare costs are paid for from taxes, in the US, roughly 8% of the average household budget goes towards paying for healthcare (two-thirds of it for health insurance premiums that have risen 40% since 2012 when Obamacare came into being); so Canadian households on an apples to apples/oranges to oranges-, net-net-, basis are actually better off tax-wise than Americans.

VIDEOS CAN BE DECEPTIVE, POLICE SAY (NP, Victor Ferreira)

- Recently three online videos showing questionable behaviour by police officers in Ontario have gone viral. In one case a Provincial police officer ran over a dog, in another an Ottawa officer punches a man in the face & in a third two Toronto police officers block a man from filming a drug bust. Experts say these videos continue to contribute to a negative *public* perception of police & warn the public to avoid “trial by YouTube”.
- There is no law against filming police activities. But Const. Mike Gatto, a police public information officer in Guelph, Ont., says the practice of *preventing people from doing so* is “common”. And he can see no reason why people would do so other than to reflect negatively on police, “Anything you have seen on YouTube seems to have negative connotations *for the police.*” For him the problem with videos is that they show only one perspective, recalling a training exercise in which half of his class watched a video of an altercation from one angle & the others one taken from a different angle, with one reaction being “Oh, my God what did that officer just do?” ... & the other ... that makes sense’ “ Still he wishes someone had pulled out a cell phone eight years ago when, after having tried to calm an “irate” bar employee, the man, as he was being led away by co-workers, punched a wall with his fist & then filed a complaint he, Gatto, had broken his knuckles.
- According to Mike McCormack, President of the Toronto Police Association, citizen-filmed videos of police “don’t tell the reality of the story; sometimes people seek to ‘bait’ police”. And a video posted online in August does *indeed* show a group of young men trying to break through a Toronto Police roadblock, confronting the officers & seeking to antagonize them upon which the officers turn on their body camera & remain calm (*suggesting they were well-trained, & well-suited to what is a challenging occupation*). And Simon Fraser University criminology expert David McAlister believes filming help to make police operations *more* transparent, saying “It’ a good thing we’re seeing more people videotape what’s going on.”

The arguments advanced by the police are utterly self-serving, & have the effect of protecting those who contribute to the police’ negative image among many, often law-abiding, citizens.

CLARITY ON CLIMATE (EJ, Tom Spears)

- The effect of climate change is most apparent in Canada’s North where melting permafrost is affecting the stability of roads, pipelines & other infrastructure. On the Prairies water shortages will become more common due to lower river flows as the

¹⁵ The U.S. is third, with 37.6.

Rockies' snowpack & glaciers shrink. Water levels in the Great Lakes will drop (*in part due to unsustainable withdrawals South of the border?*). In BC warmer summers & milder winters contributed to the mountain pine beetle epidemic that raised havoc with its forests. And going forward BC fisheries will feel the effect of the rising ocean water temperatures, the Prairies of more droughts & wildfires, and Atlantic Canada of rising sea levels & more severe storms.

- As to the science of climate change, Mike Wilson, Executive Director of the Ottawa-based Sustainable Prosperity think tank believes the lion's share of emission reductions will have to come from business innovations & *people's* life style changes, and that economics back up the idea that pricing signals by governments can alter individuals' consumption choices; for since BC introduced a carbon tax, fuel use has declined 16%, while the economy has continued growing at a pace similar to that in other provinces, so "the things we have heard before about the job-killing carbon tax did not (happen) out there"]. And according to Brian Branfireun, the Canada Research Chair in Environment and Sustainability at London, Ont.-based Western University the overall message is being firmed up, as "we're not just speculating like 20 years ago" & our best hope is to limit the rise in the Earth's temperature to 3 Celsius by 2100¹⁶. And both agree that meeting the carbon targets will not 'fix' the climate; they're merely a way to limit the amount of change, or at least slow it down, but they "won't make it (i.e. climate change) go away."

The key phrase may well be "we're not just speculating like 20 years ago"

SPAIN 'ISSUES ARREST WARRANT' FOR ISRAELI PRIME MINISTER NETANYAHU OVER 2010 GAZA FLOTILLA ATTACK (The Independent, Loulla-Mae Eleftheriou-Smith)

- On November 17th Spanish National Court Judge Jose de la Mata ordered the police & Civil Guard¹⁷ to notify him if Mr. Netanyahu and/or any one of six other current or former Israeli government officials (*incl. former Defense Minister Ehud Barak, former Foreign Minister Avigdor Lieberman & former Minister of Strategic Affairs Minister Moshe Yaalon*) were to enter the country. For in that case he intended to re-open the case that he had put on hold last year, brought against them following the 2010 attack on the Freedom Flotilla headed for Gaza in which nine people were killed (& *another died later from his injuries*).

An Israeli Foreign Ministry spokesman, Emmanuel Nachson, told the Jerusalem Post "We consider it to be a provocation. We are working with the Spanish authorities to have it cancelled. We hope it will soon be over", a 'head-in-the-sands' attitude as to the fact that goodwill towards Israel in the world has been evaporating (as witnessed by the EU's recent rule that West Bank goods exported there cannot carry "Made in Israel" tags, a move the US declared not to constitute a "boycott", a move Netanyahu called hypocritical & evidence of a double standard¹⁸, & one of his Ministers "disguised anti-semitism"¹⁹).

¹⁶ Twice the recent Paris Summit's 1.5% target.

¹⁷ A military force charged with police duties.

¹⁸ But fewer & fewer decision makers world wide are paying any attention to what he says.

¹⁹ A charge so over-used by right-wing Israeli politicians for any foreign move that doesn't please them anything that it has lost almost all its usefulness.

DEFLATION IS A PHANTOM THAT WE ARE WRONG TO WORRY ABOUT **(The Telegraph, Andrew Sentance)**

- After the UK October CPI came in at -0.1%, headlines trumpeted, “The second successive month of falling prices”. But the major downward pressure on the CPI has emanated from falling oil prices that caused the price of gasoline at the pump in the past year to go from £1.30 to £1.00. But the drop in the price of oil *that prompted this* is most unlikely to be repeated in the year ahead and, meanwhile wages are going up at a 3% annual rate. We need to put this slight fall in the CPI in perspective & pay more attention to those areas of the economy where inflation is lurking, like the housing market & the pay package.

The central banks' have, for reason unbeknownst, brainwashed themselves, & the hoi polloi, into believing that by definition deflation is baaaad, even though throughout history there have many periods of prosperity & deflation going hand-in-hand - The writer, age 57, has a degree in Economics, Mathematics & History from Cambridge & a Ph.D. in Economics from LSE, is a highly regarded British business economist, served for 4½ years ending in May 2011 on the Bank of England policy-setting MPC (Monetary Policy Committee) & is now has since at PwC (PricewaterhouseCooper) as a Senior Economic Adviser.

UK FLOODING : HOW A YORKSHIRE TOWN WORKED WITH NATURE TO STAY DRY **(The Independent, Geoffrey Lean)**

- The town of Pickering sits at the bottom of a steep gorge that drains much of the North York moors. While between 1999 & 2007 it was flooded four times, this time around, on Boxing Day, as much of the rest of Northern Britain was fighting flood waters, it was dry, despite having nixed the building of an expensive flood barrier, a concrete wall that would have cut the town in half. This was due to it having embraced, with outside advice, the opposite of the conventional wisdom, working with-, rather than against-, Nature by recreating what had worked in the past. This involved slowing down the flow of water from the hills by building 167 “leaky dams” of logs that would let ‘normal’ water flow through but slowed down high flows, as well as 187 lesser obstructions in smaller drains & gullies, by planting 29 hectares of trees, and by building a 120,000 cubic metre capacity ‘bund’ (water storage area) that releases any water in it slowly through a (*small?*) culvert, all of it at a cost one-tenth of what the wall would have cost.

A similar attitude change has apparently been adopted successfully by a number of other local governments across Britain.

IS RIO'S OLYMPICS BOOM ALREADY A BUST? (NYT, Simon Romero)

- The pre-Olympic real estate euphoria has turned into a real estate glut with a skyline replete with the skeletons of unfinished buildings. Intense bidding wars for even modest apartments are a thing of the past & have been replaced by developers trying to unload apartments by offering buyers new cars, trips to New York & (&, for all it's worth) undertakings to pay maintenance fees for years. According to Rubem Vasconcelos, the president of one of Rio's largest real estate agencies, “This was supposed to be Rio's moment of splendour ... Instead properties are going for the price of a banana.”

What a difference six years makes. Brazil was flying high when, in October 2007, it was awarded the 2014 FIFA World Cup, & two years later when Rio was named the host city for the 2016 Summer Olympics, the first Latin American city ever to do so. It was a BRIC country, its popular President was midway through a successful second term & its economy was recovering from a brief V-shaped recovery. But the FIFA World Cup was only a modest success since the country had been ill-prepared for it, the spending on it unpopular since it was rife with corruption & Brazilians felt the money could have been used to greater social advantage, & a couple of months before the event IOC officials had declared its preparations for the 2016 Summer Games the “worst ever” in its history. And now the economy is in the dumpster, the President’s popularity rating, a little over a year into her second term (after being re-elected by the skin of her teeth), is in the single digits, & the Supreme Court last month cleared the way for her impeachment for alleged involvement in a massive corruption scandal. And now, to top it all off, have come allegations that, while the government had undertaken to clean up the waters in which various rowing, sailing & long-distance swimming events will take place, it had only tested them for bacteria counts, not for disease-causing viruses the level of which according to tests done for AP last July were 1.7 million times levels “that would be considered highly alarming in the U.S. or Europe.”

OIL DEAL OF THE YEAR : MEXICO SET FOR \$6 BILLION WINDFALL (BB, Javier Blas)

- It has for years hedged part (20%-25%) of its oil output 12 to 18 months out. For the year ending November 30th, 2015 it did so at an upfront cost of US\$ 773MM (*about US\$3.40/bbl*), with Citigroup, Goldman, JPMorgan, BNP Paribas, Barclay’s & HSBC, at US\$76.40 for its ‘oil basket’ (i.e. the various qualities of oil it produces). But as of the middle of November its price had averaged US\$46.61 (& on November 18th was US\$33.28, a post-2008 low). This could yield it a payout of over US\$6.8BN.

Call this “a windfall” is overdoing it. Its net receipts of < US\$6BN will help offset its hedging losses of earlier years. Meanwhile, last July it started hedging about a quarter of next year’s output @ US\$49/bbl for the year ending November 30th, 2016 (at a cost of about US\$6/bbl).

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Three kinds of fats : Good, Bad & In-Between :

- **Good** - Mono-, or poly-, unsaturated fats. The former are commonly found in vegetables & seeds, nuts and fish, and the latter in corn-, sunflower-, & safflower²⁰ oil (*provided that the former two are not genetically modified?*). Both fats cannot be made-, but are needed-, by the human body for, among others, the building of cell membranes & nerve coverings;
- **Bad** - The trans fats commonly found in margarine & shortening. They are created through hydrogenation, the process of inserting more hydrogen atoms in an oil’s molecular chain in order to solidify it & prevent it going rancid, & are commonly found in processed foodstuffs, & increase the incidence of heart disease & Type 2; and

²⁰ Dating back to the days of ancient Egypt, it is still grown in sixty countries with the US being the second largest producer, after India, albeit in only relatively minute amounts (600,000 tons vs. close to 50MM tonnes of sunflower seeds. A major use of it in North America is in birdseed for use in outdoor bird feeders (because squirrels don’t like the taste of it)

- **In-between** - Many of them, like bacon grease, are solid at room temperature, and are commonly found in red meat, whole milk & milk products & coconut oil. Consuming too much of these products may increase cholesterol levels & increase the incidence of blockages in the arteries of the heart & brain.

Two questionable recent calls by Canadian judges?

- Bruce Carson had a decades-long personal history of having his house foreclosed on, being disbarred by the Law Society of Upper Canada, being sued by financial intermediaries for recovery of, sometimes piddly amounts of, money & a 2003 bankruptcy, when in 2004 he became Director of Policy and Research in the office of the then Leader of the Opposition, Stephen Harper & in 2006, when the latter became Prime Minister, became a Senior Adviser in the PMO. Two years later he became Executive Director of the newly-created, with \$15MM of Industry Canada funding, Canada School of Energy and Environment (CSEE) at the University of Calgary, which he had been instrumental in setting up while in the PMO & from which he took several leaves of absence to engage in political activities. But in early 2011 it Board fired him for having charged tens of thousands of dollars of personal expenses to his corporate credit card, subsequent to which the RCMP, after receiving a letter from the PMO advising it of troubling details about recent actions & and claims made by Mr. Bruce Carson”, started investigating his lobbying activities while at the CSEE. Last November 17th Ontario Supreme Court Judge Bonnie Warkentin found him not guilty of influence-peddling since, while he had lobbied government officials to buy water-treatment systems (for First Nations communities) from a *now defunct* company that employed his, *44 year-younger, former escort, girlfriend (who would get a 15% ‘cut’ on any sales)* he had lobbied the wrong people, those with no “direct ability” to sway purchase decisions by First Nations - *Ottawa-based Democracy Watch, that advocates democratic reform, government accountability & corporate responsibility, the Trudeau government to appeal this decision (since stupidity has never been an excuse for criminal behaviour?)*
- In May 2013 in Edmonton a 65 year-old driver lost control of his SUV, slammed into a restaurant patio, killed a two year-old boy & started backing up until dragged from his car & protected from an angry mob until the police arrived, after which he refused to take a breathalyzer test. On December 16th Edmonton Provincial Court Judge John Anderson, after the prosecution had asked for three years, sentenced him to just four months for refusing to give a breathalyzer sample. In his 13-page ruling he said the accused had been the victim of “hopefully rare, ill-informed and bad legal advice” (after being arrested he had phoned a Legal Aid lawyer who had advised him not to provide a sample, *which, contrary to what the judge said, appears routine advice for lawyers specializing in such cases*), that he believed the accused had proven (?) he had not been drunk at the time of the crash, despite witnesses having testified they honestly thought he had been so (*i.e. drunk*) & that he had accepted the theory of a defense expert that the accused’s glassy eyes & speech problems after the crash had been consistent with shock or trauma - *needless to say the child’s family was devastated, to say the least, by this ruling & the prosecution has filed an appeal. And, rather interestingly (& coincidentally), his 120 day sentence is the standard for a third drunk driving offense.*