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QUOTE FOR THE DAY:

“Some days felt longer than other days. Some days felt like two whole days.” Joshua Harris.

READER REFFERALS/COMMENTS:

Our primary concern is with the here and now, but Bill Duncan brings to our attention an article by Professor Nathaniel Moir of Harvard entitled, “the virus is tough but history provides perspective: The 1968 Pandemic and the Vietnam War.” I’m saying to myself, what is this all about? I was a special agent with the FBI at the time, out on the street every day – Pandemic, what Pandemic? – sorry, I just have no recollection. So, let Prof. Moir enlighten me/us.

In 1968 the Vietnam War was raging and essentially took all the oxygen out of the room, really the only thing Americans were focused

on. What was happening at the same time was a Pandemic caused by the H3N2 flu virus which killed more people in the United States than the total American casualties during both Vietnam and the Korean War. That flu killed over one million globally and, in the USA, which at that time had a population of 205 million, over 100,000 died. In other words, it was worse than Covid -19 has been to date, not to say that Covid 19 might not surpass those numbers, but we are a country of 330 million today.

What I find interesting is that I have no recollection of massive state shut downs, beaches being closed, stadiums shuttered, social distancing and self -quarantining.

Prof. Moir's primary focus seems to be on the fact that very little can be found in the writings of the late '60s that discuss the pandemic of '68, Vietnam seems to be the entire focus. My primary take away is, why is this the only reference I have seen to the Pandemic of '68 and, furthermore, why have the two Pandemics been treated so differently, one

only slightly rippling the economy, the other, destroying it?

UNEMPLOYMENT BOOSTER SHOT:

As much economic misery as there is, the Administration and Congress must be given credit for easing the financial pain for millions by supplementing state unemployment benefits, which, for many, don't even cover half of income previously earned.

The new supplemental program gives unemployed workers an additional \$600 per week, which is scheduled to stop at the end of July. However, it is likely to be extended if the employment vice hasn't lessened by that time. To quote from a recent article, "A person who earns close to the average weekly wage will roughly get their salary replaced on unemployment, but low wage workers who lose their jobs are likely to end up making more than they were before."

This is not a one size fits all solution, and varies from state to state where basic unemployment benefits vary. One example,

“Just over half of workers in Arizona which had a relatively high minimum of \$172 before the crisis, are estimated to make more on unemployment than if they were still working.” The net result is that in 35 states below average paid workers will be making more than their previous salaries. In 15 states, a little less. While benefiting millions, the program would appear to be a disincentive for some to seek work, but, hopefully a trend that will be closely followed.

WHO NOT TO BAIL OUT:

Those sodium/cholesterol laced fast food restaurants, which are killing our population with heart disease, high blood pressure, diabetes and obesity. OK, I may have one or two big Macs in the course of a year, but only with great guilt.

While the health issues are enough to condemn most of the fast food industry, now comes their outrageous request for bail out money from the federal government. Do you know what they have been doing? They have been very profitable and have spent much of

that profitability buying back their own stock and paying increased dividends. Now, with business dramatically down, they're short on liquidity. I say let them fall on their own petard. We'd be better off with 10,000 fewer of their outlets.

BREAKING OUT:

As we all sit with our varying degrees of cabin fever, we are witnessing a few states open some things up. Why Georgia would have targeted Tattoo Parlors, bowling alleys and movie theaters for early opening I have no idea. The bigger point, however, is that every state is different and counties within states also different, so any recovery is going to depend on those state and counties closely evaluating their own particular circumstances instead of mimicking the New York Lock Down mandates (totally necessary for that region). But what does the New York region look like compared to the rest of the country? Here's a snapshot: "As of yesterday, there have been more Covid 19 deaths in Nassau County (pop.1.4 million) than in all of California (pop. 40 million). There have been more fatalities in

Westchester County, 989, than in all of Texas, 611. The number of Covid deaths in NY City per 100,000 is 132. That number is 16 times what it is in America's second largest city, Los Angeles where it is 8 per 100,000. If New York City proper were a state it would have suffered more fatalities than 41 other states combined". What more do we need to know to realize that a "one size fits all" strategy is not the key to recovery?

GETTING MAULED AT THE MALL:

Not you, but the big anchor stores and their smaller mall neighbors. March saw the biggest drop ever. Sales of clothing and accessories fell by more than 50% in March, and April looks no better. Neiman Marcus is expected to declare bankruptcy and the entire management team of Lord & Taylor has been let go.

Department store chains account for about 30% of mall space. As some of these majors go out of business there will naturally be less pedestrian traffic for the other retail outlets, many of which have lease reduction agreements with mall owners. But, the smaller

outlets are themselves in grave danger. For the big stores; cash flow has dropped sharply. Cowen analysts estimate four months liquidity at Macy's, six months at Kohls and seven months for JC Penney. Nordstrom is predicted to be able to avoid store closings for 12 months

Mark Cohen, the director of retail studies at Columbia University Business School states, "The genre is toast, and looking at the other side of this, there are very few who are likely to survive." Some great buys out there – anyone want to go shopping?

THE CAPTAIN BRETT CROZIER AFFAIR:

With the top Naval brass, including the CNO, recommending that Captain Crozier be reinstated as Captain of the Air Craft Carrier, Theodore Roosevelt , final approval is still needed by the Secretary of Defense, with likely input from the president. This has become such a cause celebre that I would be surprised if the Navy's brass were overruled.

That which I find interesting to speculate on is what happens next. As captain of the Air Craft

carrier, Captain Crozier captains the largest vessel among a number of others that sail together, usually a couple of destroyers or frigates, a supply ship, perhaps one or two others and sometimes a submarine. The actions of the group are overseen by a Rear Admiral. I regret I've lost the name of the Rear Admiral in the Roosevelt's flotilla. However, it was that admiral who did not take Crozier's desperate plea for help for his stricken crew seriously enough. Because of that, Crozier went around him, and the crew, 17% of which is now stricken, was able to get more expedited care. For the Navy brass to decide in Crozier's favor appears to me to reflect a view that the Rear Admiral was lacking in good judgement. It is written that the Rear Admiral and Capt. Crozier did not have a good relationship to begin with. I predict, after a decent interval the Admiral will be piped ashore, and don't be surprised to one day read that Captain Crozier has been promoted to Rear Admiral.

Your faithful scribe, PB