

Re: What happened to Japan?

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From: Chief (*Chief_at_Home.com*)

Date: 07/15/04

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Jim Blair <see@sig.com> wrote in news:cd6hv5\$pk3\$1@news.doit.wisc.edu:

> Chief <Chief@Home.com> wrote:

>> Jim Blair <see@sig.com> wrote in news:cd3nk3\$b75\$1@news.doit.wisc.edu:

>>

>>> Chief <Chief@Home.com> wrote:

>>>> ..

>>>>>

>>>>

>>>> IMHO, it was age and benefits.

>>>

>>> Hi,

>>>

>>> When Krugman suggested the aging population it sounded reasonable to

>>> me. But since the current recovery, that cannot have been the

>>> explanation: did the Japanese suddenly get younger since 2000? Has

>>> there been a large influx of younger people in Japan?

>>>

>>

>> They cut back on benefits – quite drastically. I know a guy who works

>> there and he said there are many more poor old folks walking the

>> streets these days.

>

> Hi,

>

> You think the decade long recession in Japan ended because they cut

> back on benefits to the elderly? They still HAVE a large elderly

> population, they just don't take care of them anymore and so the

> economy is booming?

>

> That does not sound likely to me.

>

>

>>

>>>>....The same thing that will hit us in 10-20

>>>> years unless the idiots in congress can keep their hands off the

>>>> FICA tax monies.

>>>

sci.econ: Re: What happened to Japan?

>>> ??? *The money collected by the FICA cannot be "saved", it MUST be
>>> spent on something. Some is used to pay out Social Security, and
>>> the "surplus" must be spent on "other things". Do you think that
>>> they could stockpile 100 dollar bills in a "lock box" in the
>>> treasury department basement? (Al Gore and others seem to think
>>> there is such a locked box ; -)*
>>
>> *True but money can be invested in instruments that increase it's worth
>> and benefit all of us.*
>
> *Like the US government buying private corporate stocks?*
>
>> *...Use it to pay off the debt for one.*
>
> *But there is a deficit. Should the Fed be paying off existing govt
> bonds early (and paying an interest panality) at the same time that it
> is selling new bonds?*
>
>>>
>>>
>>>> *...Only our problem will be worst because our families are not the
>>>> same as Japanese families.*
>>>
>>> ?? *How so? Explain.*
>>>
>>> *Families here don't routinely take care of their parents.*
>
> *Thats why we have Social Security.*
>
>
>> *....More parents
>> end up take care of their kids well into adulthood.*
>
> *More in the USA or in Japan?*
>>
>>>> *...We will be up to our ears in extremely poor
>>>> old people flipping bergers for heart medications.*
>>>>
>
> *jeb:*
>>>
>>> *The elderly in the US are the richest segment of the population.
>>> Some people worry about the exact opposite: that the old geezers are
>>> and will continue to own and run the country.*
>>>
>>> *There was an article just in the last week in the times that said that
>>> has reversed and the seniors are where the fastest growth in poverty
>>> and debt is.*
>
> *There have always been poor elderly. Them being the richest is based
> on averages. And I haven't seen any evidence that this changed.*

Re: What happened to Japan?

sci.econ: Re: What happened to Japan?

- > *Politicians are saying that it is the "working poor" and the "Middle Class" that are suffering--from all that outsourcing that lowers prices for the rest of us (especially the elderly)*
- >

I did just see a thing on CNN in the past few days that indicated that the rich/poor divide is increasing not only in the middleclass but also the seniors.

- >
- >>*Medical cost have gone up more than any investment.*
- >
- > *Yes, but we have Medicare and such. And not more than ANY investment.*
- > *Also the market value of investments (stocks and bonds) is not as important to the retired as the income they generate.*
- >

And low interest rates make that return less.

- >>...*Seniors on a fixed income have had to weather a terrible market, low interest rate for bonds and higher medical costs.*
- >
- > *People on a "fixed income" have had relatively low inflation for 20 years, and they are not much into the stock market--or else they would not be "fixed income".*

When the market dumped it dumped for much of IRA's, Pension Funds, And other investments.

- >
- > *But yes, a booming economy helps those retirees with stocks and bonds.*
- >

Not always true. A booming economy didn't help pensions. It didn't help costs, and it didn't help much of anything when you factor in the cost of the bursting of the bubble.

- >>...*Also their grown kids haven't faired to well these past years and many have paid their bills while they were out of work or loaned them money for their grandkids college. I am a senior. Believe me. Next time you see some old guys at the local eatery sit and have a chat.*
- >
- >
- > *Most of the retired that I see are when I go to the Ho Chunk casino. They seem to have enough money to play slots for hours. Some even play blackjack.*

Do you think this is a representative sample of seniors?

I took a gamble years ago on a woman. Then took a gamble on raising kids. Then took a gamble on retiring early and opening a business. That's about

Re: What happened to Japan?

sci.econ: Re: What happened to Japan?

the extent of my gambling. I was a test pilot fro 25 years and gambling wasn't something I thought was smart at work or play.

>>

>>*You know we used to have neighbors and neighborhoods where we all knew
>>the others problems and helped when we could. Now days it's not just
>>the politicians and media that's out of touch with the American
>>people. We are out of touch with each other.*

>

> *I agree with that. When we first moved in, we knew all of the
> neighbours. My wife's bridge group all lived within walking distance.*

>

> *Now I know only a few of those in the area (and still remember the
> houses by the names of their first owners most of whom moved out
> decades ago). Now my wife's bridge group lives all over the county.*

>

>>*...Really sad and somehow my generation
>>messed up this country and raised kids with so little concern for
>>those around them. Damn shame. The greatest generation raised the
>>worst generation. For the life of me I can not understand how we got
>>to the low point we have reached.*

>

> *Cheer up. The kids today are OK, just different. Purple hair and nose
> rings and.... Well maybe you have a point :-(*

>

I have no worries about my life but I wish my grandkids could have lived in a world better than the one I grew up in. It's not the case. Both my kids have good educations from top tier colleges but go in and out of work occasionally. If they didn't have a good education, I could see where they would be in trouble in today's world.

Unless your one of the truely wealthy, education is the only way to enjoy a somewhat decent lifestyle and that education is disappearing as an option to the kids who by no fault of their own were born to poor parents. If I were president for a day the first thing I'd do was make public education extend through the first two years of college or trade school and to four years or even higher for kids who choose a hard science. I wouldn't mind a tax increase for that at all. But I do mind a tax increase for Bunker nukes, corporate welfare, mistakes that lead to wars, and rebuilding countries for folks that are shooting at our young troops.

The current crop of business owners remind me of the farmers of old who planted the same crop year after year after year and were surprised when their final crop was a dust bowl. Todays farmers learned to rotate crops and take care of their land. Todays businesses seem to somehow be unable to relate the worker with the consumer and are consequently competeing for a shrinking pie. The current administration's tired old trickle down policy isn't working any better than it did under Reagan. When one primes an engine you don't do it by first buying a Blaupunkt radio and a diamond

Re: What happened to Japan?

sci.econ: Re: What happened to Japan?

stick pin. The tax cuts should have gone to the middleclass and lowerclass. But that they did it isn't the problem I have with this crowd. It's that they did it knowing the effect.

Do you teach?

>
> > ,,.,.,.,,
>>> _____ooo__(_O O_)__ooo_____
>>> (_)
>>> *jim blair (jeblair@facstaff.wisc.edu) Madison Wisconsin*
>>> *USA. This message was brought to you using biodegradable*
>>> *binary bits, and 100% recycled bandwidth. For a good time*
>>> *call: <http://www.geocities.com/capitolhill/4834>*
>>>
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>