

# BUSINESS AND FINANCE

## One Man's Opinion

By Gerry Chong

Without a doubt, the clearest expression of American sentiment regarding this administration's approach to the economy can be found in a long running poll prepared by AT&T/Yahoo. I would urge every reader with access to the Internet to view and participate in the one question poll found at [http://is.polls.yahoo.com/quiz/quizframe.php?poll\\_id=46067](http://is.polls.yahoo.com/quiz/quizframe.php?poll_id=46067).

The question is a simple one: The President's progress with the battered economy has been both praised and criticized. How well are his efforts measuring up with you?

As of October 7, 2009, the results of the poll are: 3,337,422 people have responded as follows:

Extremely well. We are undoubtedly moving in the right direction – 8 percent

Fairly well. There's still a long way to go – 10 percent

Not well at all. His plans are hurting more than helping – 80 percent

Not sure/no opinion – 2 percent

The reasons for this public expression are no secret. Nationally, the narrow definition of unemployment is 9.8 percent, while in California it is 12.2 percent. But the reality is that things are worse than that. If you include those who want to work full-time, but can only get part-time work, and those who have given up looking for work, (a measure the government calls U-6 unemployment), the national unemployment rate is 16.8 percent, and California's rate is estimated at a whopping 23-25 percent!

And the news gets worse. Of those working "full time," the average work week is only 33 hours. So even fully employed people aren't working a full 40 hour week.

There are now 15 million unemployed in the U.S., of which 7.2 million have lost their

jobs since the start of the recession. Not surprisingly, personal bankruptcies have set a new record, topping one million this year.

What does the future hold, you ask? President Obama's projection is that unemployment will continue rising into 2010. When Obama took office, the national debt was \$11 trillion. Based on his spending plans, the President projects that in 10 years that debt will almost double, to \$20 trillion. If interest rates remain the same, the interest on that debt will be one billion dollars per day!

In his nine months in office, what has President Obama's plan accomplished? Not much. Consider, less than 20 percent of the \$787 billion Stimulus funds have been spent, so the slow pace of expenditure has resulted in a minimal impact on the economy.

Of the money that has been spent, the President acquired controlling ownership of GM for \$50 billion, which promptly shut down operations of Saturn Motors. The result of that shutdown is that 13,000 jobs will be lost, and the taxpayer's share of the financial loss will be enormous. Good job, Mr. President! Just think, if we had allowed GM to go into bankruptcy without the government bailout, Saturn would still have shut down, but the taxpayers would not be on the hook.

How are we doing with our \$15 billion bailout of Chrysler? Fiat has announced a complete changeover in senior management, and sales are down 40 percent compared to last year. Nearly 800 dealerships have been shut down, resulting in thousands of jobs lost. It's a good thing President Obama is not my personal financial advisor.

I can't wait to see the operating results from the next business government takes over. Ohhh, maybe we won't have to wait that long. It's going to be healthcare, isn't it? •

## Don't skip a vacation; Just watch the costs

By Jason Alderman

One of the first things many people trim from their budget during economic downturns is vacation. That's unfortunate because stressful times are when we most need to recharge our batteries. Taking on additional debt to finance a vacation is itself stressful.

Here are a few tips for taking a well-deserved break that won't break the bank:

Staycations. Gas and airfare price hikes popularized "staycations," where people vacation close to home and explore their own backyard – sometimes literally. A few ideas:

If gardening relaxes you, dedicate time to sprucing up your yard. If you hate it, splurge on a gardener.

Use money you save by not traveling to hire a housecleaner after your staycation so you won't have to think about cleaning.

Become a local tourist. Research what online travel sites and the Chamber of Commerce recommend for visitor activities. Many businesses provide local-resident discounts to encourage return visits.

For a minor splurge, visit a local resort and take advantage of its amenities. Most offer off-days where rates are lower.

Enjoy crowd-free shopping and errands while everyone else is at work.

Uncover hidden vacation costs. If you do travel, make sure to budget beyond normal airfare, hotel, rental car and meal expenses. Consider such items as surcharges for extra or overweight luggage, sales and hotel taxes, babysitters, tips, taxis, rail and transit passes, event admission costs and ticket-ordering charges, new luggage, sporting equipment rental, and special clothing or accessory requirements.

Don't have a vacation budget? Visa Inc.'s free personal financial management site, Practical Money Skills for Life ([www.practicalmoneyskills.com/travel](http://www.practicalmoneyskills.com/travel)), a travel budgeting center filled with tools to help you create a vacation budget, including a web-based calculator that suggests various travel options and then automatically tallies the results.

Double-check prices. You can find great deals on fares, hotels and rental cars by comparison shopping online. But beware: Before clicking "confirm" to finalize your purchase, make sure the final price matches the initial quote. I've seen fares jump \$50 or more in just minutes or had the seat I thought I was booking suddenly become unavailable.

Try haggling. With so many people cutting back on travel, many hotels, airlines, restaurants and other tourist-oriented businesses are hurting. Don't be afraid request incentives like an extra night's lodging, free parking or shuttle service, meal vouchers or spa treatment discounts. At worst they'll just say no or perhaps offer some other perk. And always ask for member discounts if you belong to organizations like AAA or AARP – 10 or 15 percent here and there can add up.

Be flexible. Unless you're tied to your kids' school calendar, try to avoid peak travel times and routes. Flying mid-week or from more remote airports can save a bundle. And with so many flights overbooked, airlines frequently offer cash rewards or free tickets to those willing to be bumped to a later flight. Just make sure you won't lose any deposits at your destination. Don't forego vacation – you've earned it. Just be cautious about how expenses can add up. •

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