Howard Jackson's 2021 Real Estate Market Forecast and Economic Blue Print ©®™

by Howard Jackson, MAI, SRPA

NYS Licensed Real Estate Appraiser and Real Estate Broker, Chairman

www.howardjacksonrealestate.com

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We are pleased to present the 35th consecutive ***Howard Jackson's 2021 Real Estate Market Forecast and Economic Blue Print*** **©®™** .

GENERAL OVERVIEW OUTLINE

Howard Jackson's Real Estate Market Forecast and Economic Blueprint **©®™** for Growth for 2021 will be different this year as a result of the Covid-19 pandemic and the Presidential election..

This pandemic caused the government to shut down the entire economy for a substantial period of time which is historically unprecedented.

The focus will be on the time frame after the economy restarts and stabilized which is estimated at this point to be in September 2021.

The body of the report will cover the major indicators including a detailed analysis of the economic laws and principles underlying the blueprint. Also included will be specific plans on how to improve the economy which include tax revisions and addressing the major issue of inflation (loss of purchasing power of the dollar.

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If the following can happen, this economic, world crisis can be quickly resolved and place the US and the world economies back on the road to prosperity. Here is the ***Howard Jackson Real Estate Market Forecast and Economic Growth Blueprint*** **for 2021©®™** plan of action.

There are some very basic fundamentals along with very complicated relationships. This writing will keep the discussions about the important issues in a method and manner that can be presented in the simplest format possible.

Given the start of 2020, there are a number of economic issues that will play out. They are: the volatility and decline of the stock market, the US government shut down, the trade war, the FED's continued process to continue to keep interest rates at almost zero with a focus on the slowing of growth in the European Union and the economic and militant aspects of China's desire to be the global leader in economics, military, science and technology. The side effects to areas dependent upon higher interest rates, such as pension funds, insurance companies, have been deem out of the focus of the FED's mandate.

Howard Jackson's Real Estate Market Forecast and Economic Blueprint-Introduction

Introduction and Recap of Basic Economic Theory

In any economic system, there are unlimited wants and desires versus limited resources. Thus the basic economic system answers the questions:

1. What to produce?
2. How to produce?
3. For whom to produce?

The goal is to get the best possible product at the lowest possible price from anywhere in the world as well as being able to buy a lesser quality good at a lower price according to one's free choice and convenience. This assumes a free market, no tariffs, no subsidies, rule of law, stable money.

Price is the message to both producer and consumer which answers these basis questions and causes those goods and services to be produced in the most efficient manner and making a profit for the producer.

Collectively, all of the above is referred to as the “free market”. There will be more on this later. A free market is one where there is voluntary cooperation for a better way to solve problems rather then to turn those problems over to government to solve which ultimately never works out efficiently.

Nations employ tariffs (border adjustment taxes) to protect their sovereign nation and to protect certain products. But this has two negatives: 1. It increases costs to the consumer and 2. It is a hidden tax.

Capitalism, socialism, communism , Marxism are all economic systems operating under the free market and some of these systems tend to massively intervene into the free market system causing it to behave differently. But in the long run, the free market ultimately prevails.

The price is expressed in two forms – money and interest rates. Money is used as the focal point for it is understood as such by most. It is the other side of all transactions. But technically it is really currency that is being exchanged which is backed by the full faith and credit of the United States. These are the two most important signals in a free market economy. That is the prime reason that the market should set the rates not the FED or some planning authority. Ultimately when the market sets the value of money that tends to produce a stable currency under which the economy produces sustained and long term growth without inflation which yields the highest standard of living.

The FED has massively intervened in the market but keeping interest rates at almost zero for almost a decade. This has had the effect of causing massive distortions in the market, particularly the stock market and residential real estate. This results in what are called market bubbles. This distortion of interest rates has had a very negative impact on long term savings and investing.

It is the issue of having public, political power vs. private economic power. In a free market there is limited government vs. a large private sector economy. There are many examples of problems with large government bureaucracy such as the Department of Health, Education and Welfare (HEW), which apparently is the largest government bureaucracy in the world, according to economist Milton Friedman.

To have a strong, vibrant, growing economy with little to no inflation, there are four basic underlying elements necessary:

1. Savings - (Long term)
2. Investment- (Long Term)
3. Stable money
4. Production – Without production, there can be no economic activity. There can be no wealth creation. From gains in productivity, all other economic benefits flow. Profits direct production. It is the amount of goods and services produced

that deliver the level of prosperity.

Stable money is crucial in a healthy, vibrant economy. Money should remain neutral with regards to prices for the long term.

Money is a store of value, medium of exchange, a measure of price, a means of accounting. It is usually backed by something, such as gold, as the US $ once was. It it doesn't have all of these characteristics, it called currency, specifically a fiat currency. Under a gold backed money, the government could not “print” extra money into existence. But under a fiat system, the government could. Imagine if one day there are 12 inches in a foot, the next day 11 inches, the following day 13 inches etc. How could business and transactions get done. The very same thing applies to money.

If the market doesn't trust the value of money then the following happens:

1. There is less investment.
2. The investments that are made are less productive in that they are made in current projects rather than in future projects.
3. Investments that are made are risky enough but if you are uncertain about the value of the future dollars you get back it adds more uncertainty to investments which is a major component of why our current recovery is stagnant.
4. Money should have a fixed value. If this isn't gotten right, then even though everything else was gotten right, the system won't work.
5. Money is social trust, a promise – debasing money undermines the social fabric. Much of the unrest occurring recently can be traced to this.
6. When money is stable in value, brainpower goes for a productive use. Before 1971 before the US went off the gold standard, there was very little currency trading. Now currency trading is a major, global financial activity.
7. With unstable money, the damages done aren't apparent and identifiable until too late.
8. Money isn't about greed, it is about trust. It tells us what society values.
9. When money is unstable, it defrauds customers and suppliers of their due. In certain extreme cases, it could lead to the rise of a dictator. It also leads to unrest, for example, Egypt, Syria.
10. When money is debased, inflation occurs and society gets the feeling that they are being defrauded – fixed incomes, salaries have less purchasing power, while other people through financial gimmicks are reaping unwarranted gains. The necessary link between risk and reward is severed.
11. When money is debased, the market creates mechanisms to cope with this which have been referred to as hedges and to the extreme, financial gimmicks- basically gambling. These items do not produce a produce such as a car, food, fuel, a home etc. But this adds complexity to the economic system and normal direct relationships between risk and reward, price and value become distorted.

Bitcoin – Crypto -Currencies- These are being promoted as a currency and subsequent payment system that is de-centrazlized without having the need for a “ bank” or intermediary. But in order to do substantial volumes of transactions, a third party handler is being introduced into the system. This is different from currencies of the past. Historically currencies start by being backed by something, i.e. gold for instance. The use of currencies is a convenience making transactions easier and more efficient.

This is not going to be a treatise on Bitcoin or crypto-currencies but:

1. It has shown to have substantial price fluctuations and instabilities, note the latter half of December. Bitcoin has risen over 300% for the year.
2. It is very difficult to use in average, daily, small transactions.
3. It is backed by nothing, other than massive computer efforts to keep many crypto-journals up to date across the world. These massive computer efforts to mine bitcoin (money supply) and maintain the system require vast supplies of electric power.
4. One of Bitcoin's pillars it to stop making any more after a certain point. But it the supply of Bitcoin stops and the demand continues, what happens to the value of Bitcoin? It rises, thus the issue of stability again.
5. Ultimately regulators will step. It is ;unclear at this point what the regulators could do, but actions could put an end to it.

I expect, over time, that the crypto-currencies will fall in price, probably to zero. But the block chain technology will be adapted for a multitude of purposes going forward.

When the discussion of money comes up usually the word finance also comes up. This is obliquely related to money but very different. So there is no confusion, here are the basic functions of finance:

1. A payment system
2. Wealth management
3. Allocation of capital
4. Risk mitigation

Your paycheck, quality of life, consumer confidence, national security and other factors are all related to a central theme that governs everyone’s lives. It is called “economics”.

Economic factors and principles affect every aspect of our private, business, government, national and international interests and every day life. Many times factors about economics are distorted, misquoted, misunderstood, misused, debated and often ignored.

Economic decisions that will be made will have an impact on business, government and private lives. What will the resulting impacts be?

Many times, a significant economic policy is enacted and most all of the attention is focused on the short term impacts, which are presented in a positive light. But rarely are the long term consequences of that action focused on – these are generally very negative in nature.

Economics seems to always be too difficult to understand and use except for a few. Many times these few are quoted in the media, on TV or radio and only portions of their complete statements are presented. This makes consistent, useful understanding of what they said almost impossible. That is why most just simply accept these decisions and hear the pundits debate these decisions on the popular news channels.

But economics doesn't have to be ignored simply because in the past is seemed to be too difficult to understand, not applicable and for other reasons.

Certain economic principles and theories can be easily understood and used effectively in every aspect of life.

Following is a short prelude that will explain the basic economic principles and theories in such a way that can be effectively understood. This will enable the reader to utilize this understanding in making certain decisions which will have a positive financial impact.

This will also set up an even better understanding of the economic blueprint that follows.

It will also enable the reader to effectively analyze and understand the impacts of economic decisions made by others such as the Federal Reserve System, political candidates, heads of state, military tacticians, government agencies, business leaders to name a few.

Introduction and Historical Perspective

We now live in a fiat based economic world, in simple terms, each country (except now for the Euro), has its own currency and based upon the economy's relative strength of that country, that currency has a value related to other counties currencies. The strength and the holding power of the Euro has been tested to the extreme during 2011, 2012 and more during 2013, 2014, 2015 and probably well into 2019 This is called "fiat" currency since the currency is not backed by anything, for example, gold.

We used to be under a gold standard which President Nixon took us off of in 1971. Below are links to educational videos that take this into great detail. The most important aspect of this is that under the gold standard, there would be imposed fiscal discipline on governments and there would be more stable currencies.

Arguments can be made that the gold standard is outdated in the digital world of today and there is some element of truth to that, But this standard did impose a sense of discipline about the governments ability to create money and the value of the $ is relatively stable.

The new administration has appointments to the FED, including a new FED Chair to replace the existing Chair with, Jay Powell.

There is no magic or mystery about having a world class economy with low unemployment, strong GDP growth, high confidence, low inflation and a balanced budget. This article will carefully explain the key factors as to how the economy works and the steps necessary to accomplish this end.

After reading this section of the forecast, most readers will say things like: " *why haven't we been doing this all along*?" or "*what is the President (Congress) going to do about this*?" etc.

Specific steps (policies) that can be done, will be presented at the end.

This article is written so that the average person, who doesn't have a Ph.d in Economics can effectively understand what is going on and be in a position to make an informed decision about what steps to take going forward. It is recognized that much of the key points discussed here, could be discussed, defined etc. in much greater detail. But that is well beyond the scope and goal of this treatise.

Economic System Defined

An economy is a fairly complicated, man made system that ultimately arranges for the provision of goods and services to people, businesses and government. It is the way that this is done that separate economic systems from one another and which can also have a profound effect on the quality of life one experiences.

While it may seem chaotic, unpredictable, obtuse, it does have many aspects about it that can be described, analyzed and forecast. Like a human body which can be described as complex, difficult to understand, an economic system does have certain forces that drive it that can be described, analyzed, communicated, forecast and understood.

An economic system is a complex vehicle that ultimately distributes the goods and services produced to the consumers located within that system. It could be people, businesses or government or all.

Our system is referred to casually as a free market system. The means of production are owned by the private sector. Everyone is free to utilize their skills, labor, capital and land to maximize profits -without coercion . They are also free to buy or not buy any product presumably the best and the cheapest price from anywhere. The amount of profit that could be made is unlimited. This causes competition which spurs innovation and technological breakthroughs. The down side is that if an enterprise fails, everything could be lost. That is the risk.

It is price which is the message about what to produce and what to consume. It is the distortion of price – by the FED that causes other things to happen economically that wouldn't have ordinarily happened.

Over the years, certain economic cushions have been put in place such as Social Security, unemployment insurance to buffer the risk of loss of income. To encourage certain or a change in economic behavior, tax laws were put in place or modified. Along with this the influence of "special interests" grew.

This then becomes the beginning of political influence on the economic system. At one end in its purest form there is the free market system and on the other end – socialism -where the government decides the needs of the people and owns the means of production and resources to accomplish those goals. In simple terms, socialism is an economic system laden with government influence and many of the basic needs are provided for by the government.

In socialism, people get certain, defined income and benefits regardless of what they produce. For example, take two people assembling I-phones. One assembles 30 I-phones in one day and the other makes one I-phone. They both get paid the same wage and get the same benefits. Thus, under this system there is no innovation, market efficiency and ultimately the system will collapse.

In the free market system, the communication of those needs and wants are communicated almost immediately and clearly. In the socialistic system, that communication is often delayed, ignored, mis-communicated which ultimately results in inefficiency, the needs not being met and mis-allocation of resources putting aside getting the best possible product at the cheapest price from anywhere.

Free markets turn scarcity into abundance. But there is a great risk. The vehicle that attempts to do this invests much capital, labor, other resources. The reward is making a profit. The risk is that the venture fails, goes bankrupt. This is a process that must not be interfered with so that the allocation of resources in bringing to market the best possible products at the lowest possible prices can function normally. But this process has been interfered with in the quantitative easing process the “QE's”. Now the big question the FED faces is how quickly to get to normalization of interest rates (market rates of interest). The FED said it would be patient which is understood to mean that this process will take a few years. Ultimately this is a good thing for it will let the free market, through the price process, properly and efficiently allocate the scarce resources.

This is based in an environment where we have unlimited wants and desires vs. limited resources. There are generally two basic types – free market or government controlled or planned. There are variations of each.

It allows all of our wants and desires (within limits) to be fulfilled by the best possible products at the cheapest possible prices.

Price is used as a message to ultimately make these decisions- what to produce?, how to produce? , and for whom to produce? This must not be distorted by government intervention. For when it is, it gives the whole economic system mixed messages and in most cases those messages are incorrect and cause unintended consequences most of which are bad. This also gives a distorted picture of a “market” economy. Price is the quickest, most efficient way of communicating this message between consumer and producer.

The problems of quantitative easing, although it seemed to have worked, is that it distorts the pricing mechanism and money goes into areas it might not ordinarily go searching for the highest rate of return at the lowest risk. Not to mention discouraging savings and investments the key to long term economic growth and prosperity.

Also if government borrows money, it takes it away from the private sector (Say's Law). But under certain, dire circumstances, the economy needs an investor, spender of last resort to keep the economy from collapsing or to spur it out of a recession.

The idea of quality of life comes into play for it is the market’s perception of the quality of life that figures into the equation that ultimately decides what appears on the market place to be bought by the consumer. Also to be considered in this equation are environmental issues and workplace factors. It seems that a cycle is evident. When a new low cost country is discovered for production, that country seems to do increasingly well because the labor costs are low as well as lack of environmental concerns. But as this country begins to prosper, labor demands to be better compensated to get a higher quality of life, environmental issues become more of a concern and then this area is no longer the low cost producer.

The advancement of technology within the manufacturing and service sectors will enhance the quality of the goods but with less input from labor. This brings about the issue of continuing retraining of the labor force.

Also, artificial intelligence will continue to find its way into the manufacturing and service sectors which will increase the quality and dimensions of products and services.

In our economic system, which in theory is a free market system, the market will be the regulator, the decider of products, value of our currency relative to the other currencies in the world economic system and the other issues. In a free market system, which is open, full and free communications, free trade, generally the right products will get to the right consumers as if guided by an ‘invisible hand”.

The problems arise when this system begins to get manipulated by governments, businesses and other factors. These factors could be: taxes, tariffs, regulations, actions of foreign governments etc. There are also some certain, basic, economic principals or laws. When those principals or laws are understood, then things start to make sense. It is when steps are taken to circumvent these principals, that things start to get complicated, mis-understood and unintended side affects come into play. These steps are primarily legislation based – tax laws, trade policy, economic policy etc. Sometimes these steps were enacted in prior economic times. These steps, at best, may have made sense then. But as times change, these steps may no longer make sense and be actually harmful. But they still remain in place.

It seems evident that capital, the means of production (land, labor, capital and entrepreneur spirit) will gravitate to an economic location where the capital and profits can be maximized with the minimum of risk. This should happen without artificial distortion by actions, for example, of central banks who enact policies that artificially surpress interest rates.

In simple terms, a free market lets market dynamics make these decisions, as opposed to a non-free market (i.e. Russia) where a central planning organization makes these decisions. The free market would do a better job of regulating itself rather than government.

The free market system theoretically fosters the ability for any consumer to buy any good at the cheapest possible price anywhere. This will ultimately produce the highest living standards at the lowest possible price. It also reacts more quickly, effectively and can handle multiple, complex inputs.

In the modern world, information, finances and means of production can be moved anywhere quickly. Old notions of a company providing a starting job lasting a full career and then retirement are becoming relics of the past. This is inevitable and provides challenges but it also provides opportunities which educational necessities have to be woven into the current overall educational system.

The US and the rest of the global economy is finally starting to recover from a global market crash and recession beginning roughly in 2008 commonly marked by the fall of Lehman Brothers. There is more to it than that.

The US is now in a global economy and in some part is subject to market/economic forces over which is has little or no control. In the early 1950's and 1960's the US enjoyed 5 major advantages: 1. A large capital base, 2. Large and unrestricted market share, 3. Superiority in education, 4. Little or no competition, 5. Ease to implement technological advances. Over the last 2 decades many of these advantages have been degraded.

Basic Economic Principles and Forces Influencing the Economy

These principles and forces influencing the economy are limited to the key ones in the interests of keeping this article simple, brief and focused on the most important ones.

Supply and Demand

In simple terms, if a producer makes a product and can sell that product for a profit, then there is a demand for it. Everyone can make products, which consume resources, so there is a limit. What is that limit? Basically, a producer will continue making the product as long as a relative profit is being made. If the profit is very high, then other producers (competition) will come in and produce a similar product, the price will fall, as will the profit and the amount of product will also fall. This is an example of how the operation of the free market regulates products, resources and prices. Admittedly simple in description, it is accurate and it generally always works.

Law of Comparative Advantage

This means that certain countries, states, localities due to their location, position, resources are better able to make a certain product than other countries, states and localities. For example, a locality on the water is better able to harvest fish products and an inland farm. A location near an oil well is better able to extract, refine and export oil than a city. There are many other examples that follow from this.

A relation to this would be known as the specialization of labor. A person or business could specialize in something they do very well, sell their product or service for money and then be able to purchase the goods and services they want or need.

The problems arise when technology and change occur. Certain localities that once had this advantage, no longer have it. So vehicles such as tariffs, trade barriers are used to protect the localities. This is an example of “steps” mentioned earlier. This then escalates into trade wars, protectionism and the free market breaks down. It could also lead to war.

These vehicles (steps) are also used internationally to persuade a country to do one thing or another. A classic example is the US embargo of oil and other product against Japan in 1940-1941. This prompted Japan’s attack on Pearl Harbor and other resource rich countries on December 7th, 1941. This was the follow up start to WW2 which actually began in September 1939 with Germany’s invasion of Poland.

Additional problems occur when a government subsidizes a produce so that in can enter a foreign market at a very low price relative to the existing price of that product. Then a market share can be had an expanded. For example, the TV industry in the 1970’s.

Guns vs. Butter

This is an example of a possible production scenario. It is as it sounds – civilian products vs.

military or some combination there of. If there was no such thing as conflicts or wars, this discussion would be unnecessary and the private sector and the free market would make most of the economic decisions.

This macroeconomic theory simply illustrates the relationship between a nation's investment in defense and civilian goods. The US for example, has to choose between two options when spending its finite resources. It can buy either guns (invest in defense/military) or butter (invest in production of goods), or a combination of both. This can be seen as an analogy for choices between defense and civilian spending in more complex economies. If the US decides on a certain amount for defense spending, the remaining limited resources are available for the civilian side (personal and business).

While it is a simplification, it is a decision that has far reaching consequences and is a theoretical balance of guns versus butter which best fulfill its needs, with its choice being partly influenced by the military spending and military stance of potential opponents. This doesn't correlate well with a free market economy since the political decision of defense spending is made and then the rest of the national resources are left to full the needs and desires of the nation.

Perhaps the best known actual usage (in translation) was in Nazi Germany during World War 2. In a speech on January 17, 1936, Minister of Propaganda Joseph Goebbels stated: "We can do without butter, but, despite all our love of peace, not without arms. One cannot shoot with butter, but with guns." Sometime in the summer of the same year, Hermann Göring announced in a speech, "Guns will make us powerful; butter will only make us fat." This was derived from Military History and Columbia World of Quotations.

A part prime minister of England, Margaret Thatcher said at a speech at Kensington Town Hall – 1/19/1976 , "The Soviets put guns over butter, but we put almost everything over guns. " Astonishingly enough, the Soviet Union ultimately collapsed by the sheer weight of unsustainable military spending relative to its economy.

United States President Lyndon B. Johnson's Great Society programs in the 1960s is an example of the guns versus butter model. While Johnson wanted to continue New Deal Liberalism, he was also in the arms race of the Cold War, and Vietnam War. These put strains on the economy, and hampered his Great Society programs. This was derived by Presidential Profiles.

There is also the factor of an economic multiplier. If a dollar is spent in the US to buy goods or services, the receiver of the dollar spends that money for goods and services and so on. Without getting technical, it is estimated that the multiplier effect could be 5. Whether the economic multiplier is a bit more or less in not important.

On the other hand, if the US has 100,000 combat troops in a foreign country, all of that money is spent over there. Not to mention that the act of war destroys things and doesn't increase the quality of life. The amount of money could be in the billions of dollars. Virtually none of that money is re-circulated here. More importantly, all of that money spent means it is subtracted from the total US resources and the remainder is left for the civilian goods and services.

If the US or any nation is involved in a war over a protracted period of years, it means that all of the money spend annually for defense is drained from the economy. In World War 2, England was forced to try and put an end to the war since it was on the verge of bankruptcy.

There are technical studies that debate the impacts of guns vs. butter to finer degrees. But the bottom line is that defense spending does have an impact on the civilian side of life in that it takes away from resources that could be spent or invested in the civilian aspects of life.

Financial Gimmicks

An economy is based upon products produced by the butcher, baker, candle stick maker (products) . Add to that a banker, real estate broker, home builder (services) etc. This is easily understood.

But as the economy became more sophisticated, certain financial products (gimmicks) began to arise. It seemed that one could make money, but really didn't produce a tangible product. This is called a rentier economy. It is basically a combination of financial engineering or gambling, not investing. Taken to the extreme as in 2008, it was tantamount to legalized gambling, but in case of a failure, the taxpayers would ultimately bail out the participants. Given the state of technology, computers and communications, vast amounts of capital could be gained or more importantly lost, in fractions of a second. If you look at the recent collapse of the financial and banking system followed by the economy, much of this damage was caused by products like this. The same held true in the era of the Great Depression. There was a major law enacted after the Great Depression to prevent this from happening again. This law stayed in effect for many years but was ultimately repealed in the 1990's. This sowed the seeds that ultimately resulted in the financial market and economic collapse of 2008. The same thing is happening in 2020.

The further removed from the basic goods and services of the economic system a financial product is, the more the propensity that it is or could be a financial gimmick. This could also be described as gambling.

The free market should have no government regulation, in theory. But there should be some operating guidelines and regulations which should be kept to a minimum. For example, is money issued by a nation real? How are the legitimacy of stocks and bonds maintained? How are investors protected from fraud or manipulation? It there transparency? Etc. The idea is to set up guidelines so that the free market can operate. But at the latest market crash, financial meltdown and economic collapse seem to indicate, there is more regulation necessary. In the stock market crash of 1929 and the resultant Great Depression, almost the same thing happened. Certain regulations came forward from that.

Given what has happened in the aftermath of the current market crash, the obvious issues created by the Crash of 1929 and the resultant Great Depression, one thought comes to the forefront – The Glass Steagall act.

After the Great Depression, the Glass Steagall act was passed in 1933 which, in effect, put basic banking and investment banking in two separate and distinct categories. It also established the Federal Deposit Insurance Corporation (FDIC).

In the later part of the 1990's decade, this was slowly repealed and a major financial collapse occurred not to soon afterward. JP Morgan actually applied to the FED to be allowed to expand a loophole in 1989 and in 1990 received permission to underwrite securities as long as this didn’t exceed 10% of its business.

When the Senate voted to pass Gramm-Leach-Bliley by a vote of 90-8, it reversed what was, for more than six decades, a framework that had governed the functions and reach of the nation's largest banks. No longer limited by laws and regulations commercial and investment banks could now merge. Many had already begun the process, including, among others, J.P. Morgan and Citicorp. The new law allowed it to be permanent. The updated ground rules were low on oversight and heavy on risky ventures. Historically in the business of mortgages and credit cards, banks now would sell insurance and stock.

Throughout the 1990’s applications were made by financial institutions to continue to mix and merge businesses once prohibited by this act and slowly the power of the Glass Steagall Act eroded. In 1999 after 12 attempts, the Glass Steagall Act was finally repealed. It was called the Financial Services Modernization Act. On November 4th, 1999 Senator Byron Dorgan spoke out against the repeal. 10 years later, he was vindicated. Unfortunately it was as a result of a crisis.

If financial firms are divided into two categories (banks and unlicensed financial firms). Banks that want to live on deposits, "repos" and money-market funding would require a government license and be subject to stringent regulation of their safety and soundness. They'd be guaranteed a government bailout if things went wrong, but they'd also have to pay some kind of advance compensation for that guarantee.

Unlicensed securities firms wouldn't be permitted to fund themselves in the short-term market — their capital would have to come entirely from the equity and bond markets. Nor would they be eligible for a government bailout. They would be just allowed to go bankrupt.

If securities firms were forced to fund themselves in the long-term markets they would be smaller and much less profitable than today's financial giants. This would solve the "too big to fail" problem immediately.

The money market funds would probably fade away, because the new rules would make their business models untenable. Regulators such as Securities and Exchange Commission Chair Mary Schapiro, who said in February that these funds are so susceptible to panic-driven runs and so poorly supervised that we are "living on borrowed time" before a blowup in the sector threatens the stability of the financial markets.

The crash in 2008, while precipitated by the sub-prime mortgage crisis, was driven by the unraveling of the short term market. Had all these unregulated firms not been allowed to access the short term market in the first place, this current economic crisis probably wouldn’t have happened.

The problem of the rating agencies also has to be figured into the equation. During the sub-prime mortgage crisis and the aftermath, the rating agencies rated pools of securities as investment grade. Major investors, pension funds, individuals bought massive amounts of these securities – a high rate of return and low risk (as per the rating agencies). The rating agencies were wrong and this initial financial calamity turned into a financial nightmare. It wasn’t the investments per se, that were wrong, it was the risk relative to these investments that were mis-analyzed and ultimately mis-priced. Thus massive amounts of investment capital were chasing these investments not knowing the real risk vs. reward profile. Had the market clearly and accurately understood the correct risk vs. reward profile, the amount of money flowing in would have almost self regulated itself and moved to other investments as the risk vs. reward profile relative to other investment would have dictated.

This is a simple problem that must be corrected. It hasn't been addressed adequately at this point but it must be. The free flow of capital to investments must be based upon clear and accurate information. To the extent this has been compromised (the loss of business for failure to give a favorable recommendation, incompetence on the part of the analysts etc.), a distortion of the risk vs. reward profile proliferates, the worldwide flow of capital is mis-appropriated and the market economy model also gets distorted.

It is clear that something like this the Glass Steagall Act has to be re-enacted. On such transactions fitting into the category of investment banking – other than basic banking, issuance of stocks, bonds, the investment banks could be permitted to do just about any type of trade, as long as no basic bank deposit money utilized and other reasons previously mentioned. But for the time being, the Dodd –Frank legislation is the substitute for it. But this is over-papering this situation many more times than necessary.

While this is a bit more complicated, a simple guide could be utilized. Does the transaction fit into the model of directly causing the production of goods and services for the economy? Is there excessive leverage? If the product doesn't and there is excessive leverage, then there should be some type of regulation.

The free market economy should have little regulation, but the regulations should be clear, simple and powerful. A sound investment should be clear, simple and should be rewarded if successful. A strong economy gets built on good products, innovation, appropriate financing and hedging of risks. It doesn't get built on gimmicks. But if a company, financial institution wants to take a risk on a financial product, it should be free to do so provided there is no leverage.

Then there is the new issue of the LIBOR scandal of July 2012. It is unclear how this will play out but already some major banks are rushing to make settlements.

A last minute bill was passed by Congress to keep the government open, but it had no open debate and was passed with a quick vote. The trouble is that the bill negated a regulation regarding derivatives which was the major factor involved in the market collapse of 2008.

This issue is sure to come up in the legislative session of 2016.

Federal Reserve System – The FED

This is going to be debated for some time to come, mainly because it is a bit complicated; partial information released to the news media seems to be the standard; and an easy answer seems unlikely.

The FED was founded in 1913 and had a basic mandate of price stability and over the years other mandates were added – maintain full employment, lender of last resort and recently being in charge of regulating the banking system.

Initially the FED was prohibited from buying US debt (treasuries). This provision was put there to force a balanced budget. But soon afterward this was changed to where the FED could buy US debt. Problems arose afterwards and it a major factor today.

Behind all of this is our basic money system. While an historical recounting of money is interesting, it is well beyond the scope of this article and actually unnecessary. Money is a store of value, a unit of value, measure of price, unit of calculation and used to facilitate the actions of the basic economic system.

For better understanding and putting certain, popular myths to rest, a hard, objective look, has to be taken at the two money systems going forward. In real terms – a country can't devalue its way to prosperity – meaning by its printing more money, its goods are cheaper to sell abroad. Producing a world class economy focusing on real and legitimate goods and services in a free and open world economy is accomplished by orderly, economic growth. This then extrapolates into a steady and strong economic climate.

There are two types of money. Money that is backed by gold, for example and money that is backed by the US Government, for example (fiat based). The US went off the gold system in 1971.

Two striking details about this – gold based money limits, to a degree, the amount of money in an economic system. Fiat based money systems, use fractional banking reserves and can create money out of thin air.

While this is true of a fiat based system, the world financial markets price currencies, one against all others, so if a country decided to print excessive currency, this would result in the devaluation of the particular currency and this would lead to inflation. Terrible economic times have been associated with this. Although, mistakenly, certain theories hold that by lowering the value of the currency it makes exports cheaper abroad thus increasing trade at home. But this is somewhat illusory since a country can't devalue its way to economic prosperity.

Inflation is really the loss of purchasing power of a unit of currency. Sometimes it takes a while for this to happen. Since the collapse of the market and economy in 2008, the FED has enacted quantitative easing – putting more money into the system, and the critics say this will cause inflation down the line. If that happens, then the FED will drain money out of the money system, which will slow or even stop the economy, which will then causes prices to fall or inflation to slow down or worse deflation. This is also known as a boom/bust cycle. It is very painful for many at both ends. But inflation hasn't happened yet. But eventually economic principles will come through in the end and the debasement of our currency will cause inflation.

The question is " how do we get there"? Many times, smoke and mirror solutions will give the appearance of solving a short term problem only to have a more severe problem requiring more severe solutions cropping up a bit later in the cycle.

It appears that the FED did make some correct moves resulting from the crisis and financial market meltdown of 2008 by preventing a world wide panic but it also did other things that were problematic. This could be described as the FED taking the role of a "planner" which should never be the case. But this is also hotly debated in that the critics say that the banks should have been left to fail. There would have been some economic disruptions but it would have let the system clear itself. There is a lot of truth to that. With all of the QE's and money printing and zero interest rates, things like savings and investments which are the key to long term economic prosperity have been put on hold over the last 6 years.

In the free market economy, recessions need to happen to clear the system of mal-investments. What the FED has ultimately done by there policies is to delay this process from happening.

 Below are links to more detailed discussions on this very important matter.

Currently the FED is underway in the normaliztion of interest rate aspect which is the unwinding of the QE's that it initiated as a result of the financial crisis of 2008.

The FED raised interest rates by 25 basis point this December and signaled that is would have three more 25 basis point increases in 2017,.

Ultimately this will cause money to be directed into market oriented, profitable ventures which includes savings and investment which are the cornerstones to a solid economic system.

Should the FED be the central planner of the monetary system? No, it should be the free market. The FED should stick to its mandate – price stability, low inflation and low unemployment. Unfortunately due to the financial crisis of 2008, it had to get involved in preventing a financial disaster. Many economists say that the FED actually created the 2008 market crash when it kept interest rates too low during the dotcom bubble in 2000.

Role of Government

It is the private sector that is the source of innovation, wealth creation and jobs. It is the driving source of the free market system. The government simply re-distributes it.

The role of government should also be as a mediator so that private parties, businesses etc. can use it to mediate disputes, protect the quality of the currency, defense of the nation etc. But the role of government should never be to protect us from ourselves.

Above all, the government should be small relative to the private sector. It is the private sector that is the ultimate producer of goods and services – locally, nationally and world wide.

But government can play a good role. How? By doing things that individuals, businesses can't do by themselves. For example, investing in infrastructure – bridges, roads, sewers. Taking the lead in incubating new technologies, defense, the rule of law, maintaining the value of money, making sure investments are safe from fraud, facilitating free and open investment. In the case of a national emergency, making sure it is dealt with.

Government should not be in the business of providing goods and services to the private sector unless absolutely necessary. It does it now, for example, in the areas of military spending. But recently, it has been pointed out that this expense is giant, relative to others. News stories point out that this area is too large to be audited.

Government also mandates certain things that need to be done. What this effectively does is to drive up the cost of a product, increase taxes, the cost of doing business. It may not sound like much but when it is compared internationally, it may mean the cost of the US product or doing business in the US is more than another comparative location, so the business will go there.

Orderly Economic Growth

In a bottom line analysis, a long term successful economy seems to have orderly economic growth as one of the factors. It is always lead by the private sector. It doesn't mean that the economy doesn't have issues, but it means that the issues are overcome and the economy moves forward – low unemployment, continued increases in productivity, low inflation and ultimately balanced budget.

It also means that the above principles mentioned are recognized by people, investors, government and industry. Certain nations will continue to take advantage of possibilities, but these principles have a way of leveling things out in the long term and the major economic powers, basically considering these principles, seem to remain as a major economic power.

Will new technology, scientific discoveries and inventions change the effect of these principles? The short answer is no. Businesses that continue to invest in research and development although paying a high up front price, will reap an extraordinary reward with a new technology development or scientific discovery. There are substantial issues regarding intellectual property. News stories report that certain countries, backed by their respective governments, are engaged in wide spread economic espionage and intellectual property theft. This has widespread and alarming economic ramifications.

Investments in basic education by countries and economies as a whole will, over the long term, have a better equipped work force for the economic conditions that lie ahead.

Savings and investments in the future are also the key and must be rewarded (competitive rate of return).

All of the above, when taken in the aggregate, will contribute to orderly economic growth meaning a steadily growing economy, stable political environment, low inflation and a high quality of life.

Conclusion

A number of economic principals, theories and factors have been presented in a simple way in order to understand our basic economic system- how it works, the impacts of key decisions and how those decisions affect personal, business, local, national and international lives.

While the US system is a free market economic system compared to a socialist or other system, some decisions affect that freedom.

There are also some issues that, while effectively presented, will continue to be debated at the highest economic scholarly levels – a fiat based money system or a money system based on gold, rewriting the tax code, for example. I think that our current based fiat money system is effective currently and going forward but it should be re-examined in detail periodically.

There are some aspects of the economy where a simple economic concept may be "modified" for various reasons including political.

By having an understanding of the simple aspects of how an economy works, one can reasonably see how by modifying some of these principals, changes in the economy can be made. Changes that can be immediately seen, changes that can be seen over a few quarters and years, and changes that can only be seen over a long period of time.

But what can be seen is that when an economy follows simple principles – investment, research, science, technology etc, the economy will have stability, short and long term growth and many of the good amenities that come from a situation like this.

Defense spending also plays a key role in the freedom of the United States and the other nations of the world. But it comes at a very high economic price. What that price is and the balance between the military and civilian side will no doubt be the subject of political debated for decades if not centuries to come. But currently, the size of the military budget and apparatus has to reviewed in light of current and future threats.

By investing in things like – plant, equipment, science, technology, human resources, research and development on a long term basis, more likely than not, these investments will pay off well, not only for the investor but for the economy at large.This also includes savings. When this is applied in the aggregate, a great economy usually follows and is sustained.

The rewards for this type of economic behavior should be maintained for that will continue this type of behavior.

Unfortunately, this doesn't always happen. The goal of this economic treatise, was met by presenting the key and simple economic principals so that the individual, business, government, national and international interests can see the economic and political implications of the manipulations of these principals.

Howard Jackson's Economic Blueprint For 2021©®™

The US economy has basically recovered from major financial shock, a market collapse, economic decline not to mention all of the above has affected the world markets and economies. The recovery has not been as robust as desired and Europe and China have been slowing down and in fact have enacted their versions of QE.

The US is the world's largest, diverse, strongest economy. It is a highly coveted market place as well as being the safest political environment. Although, there has been much media coverage about the US economy "falling off a cliff", there are clearly a number of steps that can be done which will continue the US economy in its dominant role in the global economy. These steps are clear and unambiguous and will get the economy moving forward, increase confidence among consumers, investors and the private sector portion of the economy. These steps will produce immediate, medium term and long term positive results.

As the US economy, markets as well as the world's economies and markets continue to stabilize and improve, there are a number of things that could be done to make this process happen more quickly and keep the resultant vibrant US economy and the world economies moving forward with continued growth in GDP, lower unemployment, low inflation and less political instability resulting in an overall higher quality of life. But actions need to be taken now not only by the US but also by global world powers.

Enacting what is necessary to ultimately having a smaller government, larger private sector, enhanced economic base, simplified tax code will put the US economy on the path to being in a vastly better position then it is now.

An environment which facilitates and encourages basic investment in business, human resources, science and technology will strengthen the means of production and strengthen and enhance overall competitiveness. This in turn, provides demand for product and services. This, along with other steps, will channel massive investments away from financial gimmick types of products – financial speculation, the culmination of which ended in the Great Depression in the 1930’s and the major US and world market decline of 2008/2009. A little speculation can be good, but not when it represents the major portion of total investment relative to the basic side of investment in business, plant, machinery, human resources, science and technology.

With Congress having a democratic majority and speaker of the house, it presents challenges but also opportunities. It is unclear how this will play out. More likely that not it will be either very bad or good (extremes).

Following is Howard Jackson's Economic Blueprint for 2019 ©®™ which will restore and enhance the economic luster and power going forward. This will also contribute to the stabilization and growth of the world economies most all of which have a substantial economic relationship with the US.

By following the following steps (presented in a simple, understandable format), the US and hopefully following the world economy, will have the greatest period of peace and economic prosperity every known. Not to mention the highest quality of life.

1. Free Market – The market will regulate itself. It doesn’t need government to make it work. It will also continue the spark of creativity and freedom that makes the US the greatest country and one those other countries emulate. It can also react more quickly and efficiently to the increasing complexities of the market – much more quickly and effectively than a centralized government planning system. The highest standard of living also flows from this. This should be looked at in terms of 21st century capitalism. This also includes interest rates; the market should set the rates. Interest rates are the most important signal in the economy for it establishes the relationship between risk and reward. When the FED keeps rates artificially low for a long period of time, investors start investing in things they normally wouldn't do. So do people. Since they can't get a return on savings then tend to speculate in the stock market under the guise of investing. With a Free Market legitimate savings and investments will return. Without this, a strong, sustainable economy with low inflation can't occur.
2. Free Trade – No tariffs. Let other countries sell to US the things that they can produce the cheapest and let the US sell to counties the goods and services they can produce the cheapest. The goal is always to be able to buy the best possible product at the lowest possible price no matter where is comes from. This is also known as the law of comparative advantage – specialization. This is how the standard of living rises to its highest possible level. This would have to be done with global cooperation and in a phased in way. This includes eliminating tariffs, gradually. The NAFTA treaty should also be upgraded and modernized. It was written pre-internet, for example. It should be done tri-laterally and not bi-laterally although bi-laterally things could be implemented more quickly, but the changes wouldn't last long. Although major, positive

changes were made with the treaty, most of the benefits were to the large players. The Mexican economy has radically and positively changed. The TPP trade agreement is most likely to pass and it will create opportunities. There will be issues here in the US. But the tide of world trade is already here and we simply have to adapt going forward to take advantage of the opportunities instead of trying to create barriers to slow down or prevent change. The sudden Presidential executive action on Cuba has opened many opportunities. The introduction of the free market system into Cuba will transform that country to a thriving metropolis within 5 years. There are many potential opportunities for trade for small and mid-sized businesses. But there are a number of under the radar regulations which can hold up these small business initiatives that need to be eliminated. Additionally, amend the IMF charter to call currency manipulation (competitive devaluation) as a trade subsidy.

3. A sound money system. Money is a medium of exchange, a store of value, serves as a unit of pricing, a unit of economic calculation. Currency is much like money except for one thing – being a store of value. This also includes a free exchange rate – currently a fiat money system in which all currencies are traded against each other in an open market. Each is freely and openly exchanged on Wall Street and the international exchange. A lingering issue is Nixon's taking the US dollar off the gold standard in August 1971 as well as repudiating the Bretton Wood's agreement. Also the issue of using this system to backdoor finance government deficits. This is an area of continued exploration. It's importance can't be over stated and a detailed discussion is beyond the scope of this forecast. The currency system regulated by the opern market world wide is a technically market perfect system but with a flaw that central banks can manipulate interest rates and print money. But there is still a lot of cushion for countries to manipulate its currency. If money is neutral, it has no bearing on output. Following is a link to a book called " Currency Wars" https://www.youtube.com/watch?v=ZSl9SAl8cQU .It is an excellent, historical and analysical book which describes basically " currency manipulation" by countries to get a trade advantage. It starts back at the beginning and discusses in detail all of the financial panics, crises etc. and how they developed, what was done and whether what was done was correct or not in light of economic principles. The economic and political implications are enormous and far reaching. Another excellent video is "Currency Wars and Reform of the International Monetary System". https://www.youtube.com/watch?v=cs1Xwm1TuIM Additionally with the current 10% requirements, banks also create currency. Conerns about the supply of money (M2) and the velocity of money also factor in. There has to be a strong link between effort and reward as well as risk and reward. When there is currency devaluation, manipulation, money printing by the central banks, the price mechanism gets distorted and without accurate prices the links between supply and demand also get distorted. Asset bubbles occur in situations like this.

4. Demand based economy – falling prices create demand. Increasing demand creates jobs. Falling prices are a reward for capitalism. But people don't want jobs for the sake of a job, they want it for was the benefits a job will buy – increase of the quality of life. But people have to be employed productively. If no one is producing anything, then a salary has no value. Look at the Russian economy before it collapsed.

5. Boom and bust cycles – When the Fed pumps too much money into the economy, it creates a boom, then a recession occurs (the bust). Here is where the market tries to correct the problems created and establish an equilibrium. There have been continuing debates that the FED's interference in the market with lose financial policy, while clearing up a bad situation, is actually sowing the seeds for the next economic calamity. Examples of this is the 2002/3 easing, leading to the housing bubble, leading to the 2008 market collapse. There are probably contributing factors, but there is strong evidence of substantial probability that this is true. Also a question of terminology – if the economy's GDP went from 1% growth in 2012 and to 3% in 2013 and projected to go to 4% that means the economy is expanding, if the reverse were true, then the economy would be contracting. It is most often confused resulting in the continuing implementation of poor economic policy. This definition has nothing to do with whether or not there is inflation or deflation. For example, if prices were falling on certain goods (deflation), that is a good thing. But if prices were falling across the board because of continuing weak demand, that would be a contracting economy, not deflation. The other issue is over-reliance on central banks and debt to resolve severe recessions. Instead restore more powerful growth engines such as: investment in infrastructure, improvements in the labor market (productivity) and corporate tax reform.
6. We have a new tax code but it is not as simple as touted and it did not eliminate certain loop holes such as carried interest deduction. You can't tax an economy into economic prosperity – the Great Depression is an example. There have been studies done indicating that the lower the tax rate, the more in taxes that will be collected – assuming a broader base. Let US companies repatriate their capital back to US for new investments without a tax or minimum tax. The issues with "inequality" have ultimately to do with the return to capital vs. the return to labor. If there were higher taxes on the return to capital and lower on the return to labor this could go a long way to solving this inequality. Additionally, the current tax code is an altered relic of the industrial age era. It is woefully arcane in our current digital age economy. Ultimately the tax code will have to be completely revamped in order to interact with the modern economy. It should be written to do the least amount of damage possible to the economy. More attention will have to be focued on the elements of where income is earned vs. where it is taxed. Close and eliminate the carried interest loop hole. The tax code allows for full expensing of investments (plant and equipment) in the year the investment was made. The Fair Tax and the Flat Tax were considered in this process. Both are based in essentially having only one tax rate. The Fair Tax is very transparent and we can see what we are paying for and the complex tax code and loop holes are removed. The Flat Tax is similar to the Fair Tax but it is more opaque in that there are embedded or hidden taxes which also include payroll and corporate taxes. A greater issue must be addressed by society – should we tax production, income or should we tax consumption – such as a National Sales Tax? High tax rates encourage higher incentives to cheat or the use of tax shelters etc. Also the more you tax something the less you get of it. Low tax rates lower incentives to cheat and studies have shown that more income is generated and there is more voluntary compliance.
7. The Glass Steagall Act or a reasonable facsimile should be re-enacted. Unproductive investments in financial gimmicks should be either eliminated or strictly curtailed.

Currently the attempt to do this is the Dodd Frank legislation but it is a poor attempt in that it doesn't accomplish the end results and the costs of compliance are enormously and dis-proportionally high especially for the small and mid-sized banks.

8. One economic system goal is to make the poor people rich not make the rich people poor. If you tax people who work and pay people who don't work, guess what you will get? The middle class recovery will play an important role going forward. But this can't happen unless and until the current tax code is revised. More focus and emphasis has to be put on this long neglected and key aspect of the economy.

9. Discontinue using trade as a political weapon. Look at North Korea, Cuba, Iran. Trade embargos don't work and they end up making life time enemies, especially unintended ones. But with Cuba, late in December, the President by executive action, re-opened trade (albiet limited) and relations with Cuba after almost 60+ years.

10. Limited government –Reduce government spending. The government should be limited to its basic functions – for example, protecting the US from outside enemies, keeping peace and order and home and acting as an intermediary over our disputes. The role of government should be to protect (mediate) other parties from harming the individual. But never to protect the individual from harming oneself. All of the agencies trying to impose regulations on how individuals should behave should be eliminated. Having voluntary cooperation (free market) is clearly the best way to solve problems rather than turning these problems over to government. In rare instances, government could act as a catalyzing agent to get things done that individual businesses could not get done individually such as the space program. Government doesn't produce wealth, products or services. It simply redistributes them from those who produce to those who don't produce. This should be done in a way that does not cause collateral damage. The role of government, other than to keep law and order, works best when focused on a single task i.e. World War 2. But it is grossly inefficient in trying to manage an economy with all of the complexities, consumer tastes. This should be done by the unfettered operation of the free market system. Government will continue to grow so long as people believe that the only way to solve their problems is to turn them over to government. The government should have an intelligent and supportive relationship with the business sector (private sector).

11. Continue to have a strong military to protect the US from outside threats. Also the global economy prospers by the US military and economic efforts abroad. This resource should be used carefully going forward since it is a very expensive commodity. Once spent, it is not available for civilian or free market initiatives. Is the current level of spending appropriate for the potential threats of today? Could it be reduced and still maintain its effectiveness? By how much? By reducing this spending, this money would be free to go into the private market and produce the goods and services that would increase the quality of life.

12. The unwinding (tapering) from the quantitative easing has begun in 2014 and the normalization of interest rates has started in December 2015 but when continued in 2018, apparent market negative reactions caused the FED to lower the interest rates to basically zero where then stand today. Although it sounds good in its present form and

has been well received by the markets, so far, there is still much more to go. When normalized, the interest rates will allow money to go into the areas that will produce market driven products based upon demand. It will also start the two basic economic necessities for a strong economy – savings and investment to resume which has been missing for the last six or so years. When this will happen is still unknown but in recent statements, the FED indicated that normalization of interest rates are a few years away, possibly in 2024. Note the other central banks around the world have been following this policy.

13. Incentive the initiatives in the private sector that create jobs, initiate research, development, new products. Initiate investment into R&D that would make better products more cheaply and efficiently. The focus should be on long term thinking. Industries should be targeted that are industries of the future- many of these would be rapidly growing small businesses. Along with that should be more emphasis on research and development. And along with that should be worker training or upgraded training for the jobs and industries of tomorrow. This will bring back the middle class.

14. Continue to reduce regulations. Eliminate agencies that control products that should be left to the operations of the free market and society.

15. Inflation raises taxes without anyone voting for it. It is also a dangerous disease to an economy. But yet FED policy is to continue with quantitative easing until there is substantial and continued inflation. This then begs the question –" and then what?". The FED's target is 2% inflation. This continuing of the FED's continuing to print money to get to this 2% target is a bad idea. It is like pouring gasoline on a fire. Shouldn't the inflation rate be close to 0%? If you have, for example, 2% inflation for 10 years, that means that if you had a savings account for retirement, that account would lose 20% of its purchasing power. Additionally, long term investments, necessary for economic growth and wealth creation is curtailed for long term investors don't know what the value of the future dollars they will be paid with will be worth.

16. Much of our work force is immobile meaning if a single mother currently unemployed and get a good job in a new state, there is no way currently this person could move there and take that job. This is inhibiting many good and capable workers from filling positions.

17. Has the FED done it's job? Maintaining price stability? Maintain full employment? Lender of last resort? Bank regulator? Have the effects of QE develop a self-sustaining economy? The role of the FED should be limited to stabilized prices – zero inflation and to be the lender of last resort. In doing this, the FED would have to exercise more regulatory authority over the banking system and markets to insure stability. But it should not be in a position to be a "planner" and at times, let the recession take its course to clear the market of mal-investments. What is has been doing is to try and soften the effects of a recession which prolongs the problem. An economist of the Austrian School (Libertarian), Peter Schiff, has testified in front of Congress about these issues. Here is a link to that testimony - https://www.youtube.com/watch?v=TzyYENGZKpI . Here is another link to a speech he gave about why the FED should be ended - https://www.youtube.com/watch?v=3en75HjKvyo

18. Empower the IMF which would lead to better growth globally. In essence, the IMF would be the world's central bank. This is a complex area with substantial ramifications. A global economic group should study this in more depth and make recommendations.
19. With the New Presidential coming into office, substantial tax increases are a given and the role of the FED, military and global influence will be adjusted to revert to positions of the past administration to name the major issues.
20. New trade agreements should specifically address the issues of currency manipulation. The Bretton Woods agreement didn't address it. This will be called Bretton Woods 2.0. This will become more apparent at the next meeting at Davos in 2021.
21. The price of energy has fallen dramatically which is a help to economic growth except to the energy producers. Alternative energy sources, especially solar, wind, thermodynamics as replacement to carbon based energy sources (oil, natural gas) are the right steps moving forward. As new energy sources are considered, the price of that energy source is irrelevant but the net energy is. The new administration appears against fracking which ultimately will increase oil prices.
22. Regarding emerging markets globally, BRICS approach is a dominant factor and there is a very large developing market emerging. **BRICS** is the acronym for an association of five major emerging national economies: Brazil, Russia, India, China and South Africa. The grouping was originally known as "**BRIC**" before the inclusion of South Africa in 2010. One issue is that many of these markets are based upon dominant “tourist” dollars rather then on “dedicated” dollars. It could also be stated as the dedicated investor vs. the cross-over investor. It remains how this will play out going forward given that the US FED will be raising interest rates which other global central banks are actually starting to do the US version of QE – quantitative easing.
23. For the US economy, the restoring of more powerful growth engines going forward such as infrastructure, labor markets and corporate tax reforms. Along with this has to be less reliance on the FED (central banks) and debt financing.
24. The issues of the rating agencies and how they are regulated has to be brought under more scrutiny as well as FASB – the accounting standards which have seemed to be pushed to the side. One recommendation is that stock options should be expensed. . These options have to be represented as a cost on a company's balance sheet. After much wrangling with the lobbyists, stock options are mentioned as a line item in the footnotes.
25. Eliminate student loan guarantees. This will force the education providers to compete which will drive down the prices of tuition and increase the quality of education.
26. The parasitic economy – is the situation where businesses, people etc. use the law to get something that they could not get voluntarily in the marketplace. Attaching to someone else's wealth. This issue has to be looked at more closely and changes need to be made to move this aspect of the economy to a free market basis.
27. Use QE to reduce private debt instead of creating asset bubbles.

The US economy is doing better than last year and substantially better when it took the catastrophic hit in late 2008 but the Covid crisis reversed that tremd. As the economy continues to improve in 2019, it will make more and more specialized products. This will have a tendency to leave people behind. But the free market can also correct that as well. The current education system nationally does not factor in how productive workers (skill-wise) and move from one job to another as the aspects of world trade and new technology affect the economy.

By enacting the above points, the US economy will bound to new highs, a better quality of life, act as a positive catalyst for the rest of the economy with less government, lower taxes and little to no inflation. I believe that this is the just part the starting point of a 10-15 year economic expansion and that GDP growth will continue to accelerate, unemployment will continue to decline and inflation will remain low. But embedded within this is the caveat that the FED will start the normalization process and there won't be any catastrophic side effects. There are no historical perspectives to draw on. This could start to happen in September 2020. But it remains to be seen what will be the outcome of the two Georgia Senate races to be decided on January 5th 2021. If the Democrats win both seats, then the Democrats will control the White House, Congress and the Senate and by their own statements, there will be substantially higher taxes, more socialistic policies and globalism and green policies.

Below are links to detailed lectures about key economic points made above.

These informative links are grouped under seven major categories:

1. Free and Fair Trade
2. Fiscal and Monetary Policy
3. Taxes
4. Money vs. Currency vs. Credit
5. Inflation – Deflation – Loss of Purchasing Power
6. Income Inequality
7. The Free Market System

Free Trade – Fair Trade

Dr. Milton Friedman – Free Trade – Producer vs. Consumer

http://www.youtube.com/watch?v=QXkX4POxA0g

Competitive Currency Devaluation

https://www.youtube.com/watch?v=uoSh3yU_PdI

Chinese Currency Manipulation
https://www.youtube.com/watch?v=eHKCetAYWp8

Bretton Woods – Monetary Order Just After World War 2
https://www.youtube.com/watch?v=wuOOK7aU1TY

Fair Tax Economics- Impact on Trade
https://www.youtube.com/watch?v=luVejdOhY0I

Do we need a Trade War with China?
https://www.youtube.com/watch?v=bgUXdv0GHIA

Are international taxes at a tipping point with regard to trade? Arthur Laffer
https://www.youtube.com/watch?v=XVki7gsEU70

How China Steals US Technology for Profit
https://www.youtube.com/watch?v=eNobp7OnlJw

Fiscal and Monetary Policy

Public Polity Debate between Dr. Authur Laffer and Jared Bernstein, 1/12/2012
http://www.youtube.com/watch?v=e2GAdPNa1Fg

Joseph Stiglitz, "War and the Economy: The True Cost of Conflict"
http://www.youtube.com/watch?v=jRPYq2Ndzfk

What does MMT (Modern Monetary Theory) tell us about Economic Policy?
https://www.youtube.com/watch?v=JGuNpqYBkZk

Taxes

Dr. Arthur Laffer – Taxes and The Economy
http://www.youtube.com/watch?v=QTjxZwxVK7k

Lower Tax Rates – Higher Tax Revenues: The Laffer Curve

https://www.youtube.com/watch?v=FqLjyA0hL1s

The Case for the Fair Tax

https://www.youtube.com/watch?v=6szslYYlRr8

The Case for the Flat Tax – Steve Forbes

https://www.youtube.com/watch?v=ui35En1rjRE

The Rich are Taxed Enough – Intelligence Squared Debate

https://www.youtube.com/watch?v=irHgknaS2jA

The Negative Income Tax – Milton Friedman

https://www.youtube.com/watch?v=xtpgkX588nM

Money vs. Currency vs. Credit

Steve Forbes – Money

https://www.youtube.com/watch?v=1ptIuCsmVUE

Sound Money – Dr. Judy Shelton

https://www.youtube.com/watch?v=hdlZi2KPXhU

What is Money? Joseph T. Salerno, Congressional Lecture

http://www.youtube.com/watch?v=b-a1ddv9E20

This was one of the best speeches I have ever heard about money, prices, FED, gold, inflation, deflation, depression.

Credit Money and Why it fails: Professor Steve Keen

https://www.youtube.com/watch?v=7ZK7aTBD97U

How the Destruction of the US $ Threatens the Global Economy – Steve Forbes

https://www.youtube.com/watch?v=Dijvf1PTMiE

Masters of Money – John Maynard Keynes
https://www.youtube.com/watch?v=hEYdS5sUR90

The Gold Standard
https://www.youtube.com/watch?v=99dTApHQhmE

Why the United States Left the Gold Standard in 1971
https://www.youtube.com/watch?v=JEPBbaK8sVI

The Global Monetary System and Mega Trends – Annual World Conference
https://www.youtube.com/watch?v=5z2wUDjeMe4

USA's Day of Reckoning- The Hidden Secrets of Money –Episode 7- Mike Maloney
https://www.youtube.com/watch?v=P4_1pwsm5LY

Bitcoin vs. Gold – Peter Schiff
https://www.youtube.com/watch?v=0L7SOPDOvvI

What is Real Money,
https://www.youtube.com/watch?v=1uSgSrlX21M

Inflation – Deflation – Loss of Purchasing Power

David Stockman, The FED is the problem.
http://www.youtube.com/watch?v=xJ0LLi8rJZw
and
The Great Deformation
http://www.youtube.com/watch?v=BhigdkNh7a4

Peter Schiff
What about money causes economic crisis?
http://www.youtube.com/watch?v=npJ0CUT8d_

Money and Inflation- Lawrence Reed

https://www.youtube.com/watch?v=IKpwjzpWHHo

The US$ loss of purchasing power – a home school example

https://www.youtube.com/watch?v=s_hOz6QaNow

How Inflation Causes Loss in Purchasing Power

https://www.youtube.com/watch?v=urnQQaaQctE

Income Inequality

Income Inequality, What can be done about it.

Paul Krugman

https://www.youtube.com/watch?v=DGmUtJkTaqc

Thomas Piketty

Capital in the 21st Century

Many charts, graphs.

https://www.youtube.com/watch?v=heOVJM2JZxI

The actual speech. An extraordinary explanation and documentation about income inequality.

Below is the link to get the actual documents.

http://piketty.pse.ens.fr/en/capital21c2

The Free Market System

Thomas Piketty, Paul Krugman and Joseph Stiglitz: The Genius of Economics

https://www.youtube.com/watch?v=Si4iyyJDa7c

Will The Economy Continue To Feel Better in 2021?

The basic micro and macro economic factors for an improving economy recovering from the Covid – 19 economic shutdown of 2020 are in place and working. Unemployment is continuing to fall but there still is a long way to go.

Mortgage and rental payment abeyance is continuing but at some point it has to stop or the system itself will freeze.

The Presidential Election is of critical importance for it offers a stark choice: keep going in the direction we are going or make a substantial turn to the left. Technically the election will be official when the Electoral College meets on January 6th, 2021 in front of the full Congress and Senate to officially deliver the results. This event, combined with the two Senate seat run off election in Georgia, the day before will present the final results and that new direction will be known.

The economy will do well in 2021 either way but if steered to the left, after a few quarters, there will be higher taxes, spending which ultimately would slow economic growth.

Energy prices have substantially fallen but are expected to rise under a Democratic administration.

The normalization of interest rates by the FED is not going to happen at least until the end of 2024.

But should the trade war with China be quickly resolved, this would give a big boost to the Stock Market, add confidence in the business and consumer sector which will ultimately have a positive impact on GDP growth. But this is not going to happen right away since there are other issues with China: theft of intellectual property, currency manipulation, human rights and China's military expansion, particularly in the South China sea.

The debt problem will have to ultimately have to be resolved. That will most likely get resolved by inflating it away. But that path is not a sound one for the long term. The only other way is to raise taxes.

About The Author

Howard Jackson - Real Estate

APPRAISALS • EXPERT WITNESS TESTIMONY • REAL ESTATE FINANCE (DEBT AND EQUITY)

Howard F. Jackson, Jr., MAI, ASA,
Chairman, NY State Certified

Anne Jackson (1898 - 1978)
Joseph Jackson (1890 - 1939)

www.howardjacksonrealestate.com
author837@gmail.com

Qualifications of Howard Jackson, MAI, SRPA

New York State Licensed Real Estate Appraiser and

New York State Licensed Real Estate Broker

Howard F. Jackson, Jr., MAI, SRPA, NYS Licensed Real Estate Appraiser and Real Estate Broker is a descendant of a 4-generation Jackson real estate and appraisal family in the New York area established in 1890. He is the Chairman of Howard Jackson Real Estate: www.howardjacksonrealestate.com He is the longest serving real estate appraiser and real estate broker in the Jackson Family Real Estate history (since 1967).

He is a graduate of LaSalle Military Academy, with honors including 4 years of Army ROTC. He did his basic training at Fort Dix. He continues to serve in an Honor Guard Unit (USV-11th Regiment – www.usvny.com) performing the Full Military Honor Funeral Ceremonies.

He is a graduate of Long Island University with a BA and economics minor.

Real Estate Finance
Mr. Jackson has been retained by major real estate development and operating companies to raise equity capital for projects in excess of $1 Billion. He has senior relationships with over 225 domestic and 115 foreign sources of real estate equity capital.

Professional Designations – Licenses
Mr. Jackson holds the MAI and SRPA designations from the Appraisal Institute. He is also a NYS Licensed real estate appraiser and real estate broker. He is also approved by the NYS Department of Transportation as an accredited real estate appraiser. He is approved as a real estate appraisal instructor for NYS Department of State – Division of Licenses.

Expert Witness Testimony
Mr. Jackson has qualified as an expert witness in both Federal, State and local courts (bench and jury trials) for real estate having been called to testify on a wide range of subjects including: tax certiorari, condemnation, zoning, construction issues, matrimonial and equitable distribution, legal and architectural malpractice, land use, environmental damage valuation, bankruptcy and other forms of litigation.

Authorship
He has written 5 books and published over 400 articles, monograms, bi-lines, computer software in real estate appraisal, real estate, economics, finance, computer software and geographic and artificial intelligence applications.

For example:

1. *What is the "Market" in Market Value? ©®™*
2. *Key Writings in Real Estate ©®™*
3. *The Real Estate Appraiser and the Law ©®™*
4. *Artificial Intelligence Applications For The Real Estate and Financial Industries ©®™*
5. *The Real Estate Appraisal Data Management System ©®™*
6. *Howard Jackson's Annual Real Estate Market Forecast ©®™*
7. *Howard Jackson's Economic Blueprint ©®™* This document goes into great detail about having a free market economy, the rule of law, small government, low tax rates on a broad base and stable money which would yield the best economy reflect the most efficient use of resources, high level produce and service creation, leading to the highest standard of living. There are links to videos which drill down on all of the major points.

For a complete list, please visit www.howardjacksonrealestate.com and click " Publications".

He has been quoted by many of the real estate, newspapers containing real estate sections and finance publications.

Other
He has trained and mentored 1,000's of real estate appraisers, brokers and salespersons.

He has been approved as a lecturer by the New York State Department of Licensing to teach real estate courses for license recertification as well as continuing legal education courses. His courses and lectures have been accepted for recertification credits by the Appraisal Institute, Bar Associations and other real estate organizations nationally.

He was an OEM for Hewlett Packard when he designed and implement the Real Estate Appraisal Data Management System ©®™ which was a comprehensive set of computer programs designed for real estate appraising, market analysis, data bases, net working and office support functions.

He gave a seminar sponsored by the Conference Board in 1985 entitled " Using Microcomputers for Executive Leverage" at the Vista International Hotel, New York City, September 4th, 1985.

Public Speaking - Teaching

He has spoken about real estate appraising, market analysis and computer applications in real estate appraising and general real estate.

He has been an associate adjunct professor of real estate appraisal for such universities as : NYU, Queens College, Long Island University.

He has been a real estate appraisal instructor for the Long Island Board of Realtors.

He has given seminars about real estate appraisal and computer applications for the American Institute of Real Estate Appraisers, The Society of Real Estate Appraisers, Hewlett Packard and other educational and real estate organizations around the United States.

Historical Client List

Financial Institutions

Advanta
Amerasia Bank
American Savings Bank
AmeriFederal Savings Bank
Alliance
Apple Bank
Asia Bank
Association Southold Savings Bank
Astoria Federal Savings & Loan Association
BA Mortgage
Bank of China
Bank of East Asia
Bank of Great Neck
Bank of Ireland
Bank of New York
Bank of California Facility, San Francisco, California
Bank Central Asia
Bank Leumi

Bank of North Carolina
Bank of Virginia
Bank of China
Bankers Trust
Barclays Bank, Ltd.
Bayridge Federal
Bayside Federal Savings & Loan
Beacon Federal
Bear Stearns
Brokers Funding
Brookside Savings & Loan
Broward National Bank of Florida
Cardinal Federal Savings
Central Federal Savings
Centerbank Mortgage
Central National Bank of Cleveland
Chang Hwa Commercial Bank, Ltd.
Chase Manhattan Bank
Chemical Bank
Chinatrust Bank (U.S.A.)
Chinese American Bank
Citibank
Citizens Mortgage Corporation
City and Suburban
College Point Savings
Columbia Savings & Loan, Columbia, Georgia
Columbia Equities
Commercial Bank of Kuwait
Commonwealth Eastern Mortgage Corporation
Community National Bank and Trust
Connecticut Bank
Continental Bank
Coreast
County Attorney's Office, Nassau County
Citizens Savings Bank, San Francisco
Credit Suisse
Suburbia Federal Savings & Loan
Countrywide Funding
Dade County Federal Savings & Loan Association
Dale Mortgage
Dime Savings Bank
Dollar Dry Dock
Dollar Savings Bank
Dormitory Authority, State of New York
EAB
East River Savings Bank

Eastbank
Empire of America
EquiCredit
Erie County Savings Bank
Executive Mortgage Bankers, Ltd
Fairmont Funding
Far West Savings, California
Federal Deposit Insurance Corporation
FHA
FHB
Financial Equities
First Federal Savings and Loan
First Nationwide
First National, Massachusetts
First National Bank of Hollywood, Florida
First NH Bank
First Lincoln Bank, Rochester, New York
First Union Mortgage
First West Mortgage
Flagstar Bank
Fourth Federal
FNMA
Franklin Savings, Kansas City, Kansas
FreddyMac
GE Mortgage
General American Corporation
Genesis Mortgage
Girard Bank
Glenby Mortgage
Globe Mortgage
GMAC Commercial Mortgage
GMAC Residential Mortgage
Great Western Bank & Trust, Phoenix, Arizona
Greenwich Capital Markets
GSL Savings
Guardian Life Insurance
Hansen Savings
Heller Financial
Hempstead Bank
Home Owners Federal Savings & Loan, Boston, Massachusetts
Home Federal
Hongkong Bank
Hua Nan Bank
Industrial National Bank of Rhode Island
International Commercial Bank of China
Island Federal Savings and Loan

Irving Trust Company
ITT Small Business Finance
Ivy Mortgage
Jersey Mortgage
Korea First Bank
Lehman Brothers, Conduit Program
Lyons Savings & Loan, Chicago, Illinois
Marine Midland
Maspeth Federal Savings
MetLife Real Estate Investments
Midlantic
Mission savings, Mission, Kansas
Mitsubishi
Moody's Investor Services
Morsemere Federal Savings
Nara Bank
National Bank of North America
National Westminister Bank
New Jersey Business Finance
New York Life Insurance
North Conway Loan and Banking Company, New Hampshire
North Fork Bank
Norstar Bank
Norwest
NVR Mortgage Bank
NYS Housing Finance Agency
Palm Beach Federal
Pan American National Bank, New Jersey
Peoples Trust Company, New Jersey
PHH Mortgage
Ponce de Leon Savings & Loan, Puerto Rico
Prudential Mortgagee
Raritan Valley Savings & Loan Association
Reliance Federal Savings Bank
Residential Mortgage
Richmond Hill Savings
Seamans Bank for Savings
Security Pacific
Smith Barney Conduit Program
Stamford Federal
State Bank
Sun Bank, Fort Lauderdale, FL
The Bowery Savings Bank
The New York Bank for Savings
Travelers Mortgage Services
Troy Savings

Ulster Savings
Union Savings Bank
United Orient Bank
Village Savings Bank, Rye, N.Y.
Wachovia
Westwood Savings & Loan Association
Whitestone Federal Savings and Loan

Private Lenders and Mortgage Bankers

AFC Realty Capital
Apex Credit Corporation
Avco Finance
Boston Capital Partners
Bridge Capital
Carnegie Capital
Carold Corporation
Colonial Mortgagee
Dartmouth Plan
Delaware Valley Mortgage & Trust Company
Esses & Union Mortgage Company
Evans Financial Corporation
Goldome Credit Corporation
HMC Funding Corporation
Lakeshore Financial
Marschall Associates
Mutual Credit Corporation
Oxford Mortgage
PMC Capital, Inc.
Public Equities
Rockwell Equities
The Money Store
Today Funding Corporation
U.S. Money Center
U.S. Capital
Union Capital

Real Estate Companies, Business and Industry

ADEMCO
Ascot Management
Agree Development Company
Algonquin Property Consultants
Allen Group
Allen Cymrot & Associates
Allstate Insurance
American Property Investors
American Realty Trust
American Equities
American Title Insurance

American United Life Insurance
Amurcon Equities Corporation
Angeles Corporation
Arthur Young & Company
Arundel Corporation
Ascot Management
Aspen Capital Corporation
Associated Property Management
Bankers Life Insurance Company
Benenson Equities
Berkeley Square Realty
Best Products, Inc.
Blue Cross-Blue Shield
Borden Company
Boston Capital Partners
Brad Zackson, Dynamic Group
Bremar Holdings Corporation
Breslin Realty Development Corp
Brown Williamson Tobacco Corporation, Kentucky
Capital Holdings Group
Chicago Investment Corporation
Chrysler Company
CIGNA
Citicorp Realty Consultants
CMP Publications
Collins Food International
Commonwealth Pacific
Community Program Centers
Coney Island Resorts, Inc.
Continental Mortgage Insurance Company
Control Data Corporation
Cooper Horowitz, Inc.
Coordinated Financial
CRI, Inc.
Cross & Brown
Crownpoint Securities
DeAnza Corporation
DeMatteis Construction
Diversified Equities, Inc.
Diversified Realty Group
DRW Investments, Ltd.
East Coast Capital
East River Management Company
Engel Burman
Equidyne Properties, Inc.
F.D. Rich Construction company

First American Title
Ford Motor Company
Ford Motor Credit
Gardner Capital Corporation
General Electric Company
General Motors Corporation
General Electric Pension Fund
Goodyear Tire Company, Kentucky
Grand Union Company
Grayside Realty
Gregg & Associates
Grubb & Ellis
Grumman Aerospace, N.Y.
Guardian Mortgage Investors, Jacksonville, Florida
Hall Real Estate Broup
Hamilton Investors, Inc.
Hemsley-Spear
Houlihan-Parnes
Huntington Hartford Enterprises
Inflight Magazines
Insurance Company of North America, Chicago, Illinois
Integrated Resources, Inc.
Intercontinental Pacific Group, Inc.
International Electronics
Investment Management Associates
J.D. Branmaur, Inc.
JMB Realty
Johnstown American Companies
JRD Management Company
Josepthal & Co.
Kalmon Dolgin
Kenbee Management
Krupp Realty & Development
Landauer
Landmarks Restoration Corp.
Laventhol-Horwath, N.Y., Chicago
Lennar Partners
Lenoir Industries
Lieberman companies
Lionel Corporation, Pennsylvania
Magnetic Coil, Inc.
MAQ, Inc.
McDonald's
Medico Industries
Milex Industries, Inc.
Murdock & Coll

National Diversified Industries, Pennsylvania
National Property Analysts
National Development Council
Oneonta Investors Associates
Oppenheim, Appel, Dixon
Oppenheimer Properties, Inc.
Park Forest Associates
Parkview Associates
Pearce, Mayer & Greer
Polimeni Enterprises
Prime Sites
Prudential Property Casualty Group
R.A.J. Development Company
Radice
Radio Corporation of America - RCA
Realco
Reckson Associates Realty Corp.
Resource Investments, Inc.
Rexford National Corporation, California
Robert Corso Real Estate
Robert A. McNeil Corp.
Rochelle Holdings
Rubin Wachtel Baum & Levin
Rudin Management
Samson Management
Schenley Distillers, Inc. - Nationwide
Sequoyah Equities
Shearson-American Express
Shearson Real Estate
Sonnenblick Goldman
Sotheby Parke Bernet Galleries, N.Y., California
Southern Airways Facility, Atlanta, Georgia
Southmark
Southwestern Life Insurance Company, Dallas, Texas
Stone Bridge Companies
Stonehenge Capital Corporation
Summit Insured Equity, Inc.
SYMS
T.B.S. Enterprises
T.I. Home Transfer
The Garden City Company
The Related Companies
The Terlene Group, Inc.
The Investment Group
The Patrician Group
The Mortgage Corporation of America, Inc.

The March Company
Triton Capital Corporation
U.S. Life Insurance Realty Company
U.S. Plywood Corporation
Union Mutual Insurance Company, Maine
United Artists Theatres, Inc.
United Realty
United Southern Realty
VMS Realty, Inc.
Volume Shoes
Western Union Telstar Tracking Systems, California, New Jersey
Winnebago Corporation

Attorneys-at-Law

Albanese & Albanese
Arthur Nadel
Barbara L. DeMare
Bardey, Miller & Arnow
Bondy & Schloss
Birbower & Montalbano
Bronstein, Summer & Ansell
Carro, Spanbock, Fass, Geller, Kaster & Cuiffo
Andrew Grunebaum
Casey, Haythe & Krugman
Certilman, Balin, Hyman & Adler
Certilman, Haft & Lebow
Checkow & Kisner
Costigan, Hyman, Hyman & Martone
Cullen & Dykman
Dawson & Schwartz
DaSilva & Keidel
Dreyer & Traub
D'Amato & Lynch
D'Errico & Caputo
Farrell, Fritz
Field, Lomenzo & Turret
Finley, Kumble, Wagner
Flower & Plotka
Forman & Kingston
Frenkel & Lomas
Friedman, Altschul & Popplein
Stephen Gassman
Gehrig, Ritter, Coffey, McHale & McBride
Gold, Sax, Meyer & Sirlin
Goldberg & Finman
Goldfarb & Fleece
Grenier, Humes & Nolan

Gulotta, Margolin & Gulotta
Hyat, Hyat & Landau
Hyman & Hyman
Ingber & Klapper
Irving Levine
Jacobowitz, Garfinkel & Lesman
Jasplan, Kaplan, Levin & Daniel
Joseph Appelman
Joseph Lite
Joseph Lubin
Kavanach, Peters
Kemp Hannon
Koeppel Sommer & Martone, P.C.
Kramer, Lowenstein, Nessen, Kamin & Soll
Kroll & Blachor
Kronish, Lieb, Weiner & Hellman
Lee Goldin
Lehrman & Breiter
Levitan & Friedman
Linette, Schechter & Reicher
Lord Day Lord
Lysaght, Lysaght, Kramer
L'Abbate & Balkan
McCarthy & Dorfman
McKee, Dorris, Riebesehl & Peltz
Meltzer, Lippe
Meyer, Suozzi, English, Klein
Mitchell Kay
Mudge Rose
Naidich & Smolev
Parket & Waichman
Proskauer Rose Goetz & Mendelsohn
Raymond, Frank, Schneider, Levine & Feldman Wormse@, Kiely, Alessandroni, Mahoney, Iwyers
Ressa & DiNapoli
Richard Gaba
Rivkin, Radler, Kremer
Robert C. Michaelis
Robert I. Futerman
Robert Hart Jewell
Rosen,Colin, Freund
Ross & Hardies
Ruskin, Schlissel, Moscou, Evans
Samuel Goldstein & Sons
Schiff, Turek, Kirschenbaum
Schroder and Strom

Siegel, Fenchel, Peddy
Shore & Reich
Solin & Breindel
Speno, Goldberg, Goldman
Thomas F. Liotti
Whiteman, Ciovacco & Gorray
Whitman & Ransom
Wiener, Zuckerbrot, Weiss & Brecher
Wofsey, Certilman, Haft & Lebow
Wydler, Balin, Pares, Soloway, Seaton, Margolin, N.Y.
Hotels and Country Club Facilities
Aggieland Inn, College Station, TX
Air Host Inn, Tampa, FL
Americana, Rochester, N.Y.
Bahia Mar, Florida
Beachcomber Hotel Resort, N.Y.
Bristol Hotel, N.Y.
Carousel Inn, Columbus, OH
Cedar Brook Country Club, Nassau, N.Y.
Chatwell Hotels
Coliseum Motor Inn, Nassau County, N.Y.
Colonie Hill Complex, Hauppauge, N.Y.
Econolodge, Knoxville, TN
El Patio Beach Club, N.Y.
Elizabeth Caterat Hotel, New Jersey
Glen Oaks Country Club, Queens, N.Y.
Gurney's Inn, Montgauk, N.Y.
Hempstead Country Club, N.Y.
Hempstead Golf Club, N.Y.
Hilton Hotels - Various Locations
Holiday Inns - Nationwide
Holiday Inn, Bermuda - St. Thomas, J.S.V.I.
Hotel Empire, N.Y.
Howard Johnson's - Nationwide
Inn on the Square, Cleveland, OH
Ironshore Country Club, West Indies
Laurels Hotel & Country Club, N.Y.
Midway Hotel, N.Y.
Par Central Hotel, Queens, N.Y.
Raceway Motel, Corp.
Ramada Inn, Lumberton, North Carolina
Rolling Hills Golf Resort, Davie, Florida
San Geronimo Hilton, Puerto Rico
Timber Point Country Club, Suffolk, N.Y.
Travel Lodge Hotels - Nationwide
Travelers Hotel, N.Y.

<u>Restaurants and Other Related Facilities</u> <u>Nationwide</u>
Dunkin Dougnuts
Hardees Restaurants
Sambo's Restaurants
Gino's Association
Pizza Hut
Kentucky Fried Chicken
Sizzler Steak Pubs
Victoria Station Restaurants
McDonald's Restaurants
Cocos/Reuben's - Western States Plankhouse - California
Burger King
7-Eleven Stores - Nationwide Convenience Stores - Nationwide
<u>Hospitals</u>
Bayswater Health Related Facility, Far Rockaway, N.Y.
Baytown Hospital, Texas
Brunswick Hospital, Suffolk, N.Y.
Cardiac Medical and Health Care Center, Yonkers, N.Y.
Charter Oaks Facility, Georgia
Coral Gables Hospital, Florida
Elwood General Hospital
Florida Medical Center
Lakeside General Hospital, Nassau, N.Y.
Limited Care Facilities - National Locations
Long Island Jewish Medical Center, Nassau, N.Y.
Manhasset General Hospital, Nassau, N.Y.
Massapequa General Hospital, Nassau, N.Y.
Miami International Hospital, Florida
Mid Island Hospital
Parsons Hospital
Rockville General Hospital, N.Y.
South Nassau Hospital, Nassau, N.Y.
Srydam Health Related Facility
Stony Lodge Hospital
United Cerebral Palsy

<u>Nursing Homes, Limited Care and Full Care</u>

Many types of these facilities have been appraised around the country and in the New York Metropolitan Area. They range from 50 bed to over 1,100 bed facilities (such as the A Holly Patterson facility).

<u>Educational Facilities</u>
Southampton College
North Merrick U.F.S.D., *N.Y.*

Valley Stream District, N.Y.
East Meadow U.F.S.D., N.Y.
St. Mary's School, Garden City, N.Y.
St. Pauls School, Garden City, N.Y.
Hofstra University, Hempstead, N.Y.
Adelphi University, Garden City, N.Y.
Educational Inst. Services
Nassau Community College, Garden City, N.Y.
Levittown U.F.S.D., N.Y.
Mineola U.F.S.D., N.Y.
Farmingdale U.F.S.D., N.Y.

Accountants

Bertucelli & Barragato
Seidman & Seidman
Peat Marwick
Kenneth Laventhol & Company
Arthur Anderson
Haver Porchenick
Arthur Young & Company
Zimmerman & Company
Arnold Gruber
Weiner, Margolin, Evans
Rogoff & Chanin
Turman & Eimer
Marks, Shron & Co.

Employee Relocation Companies

General Electric Relocation Services
Homequity/Homerica, Inc.
Ticor Relocation Management
Eastman Kodak Relocation Services
Equitable Relocation services
Executrans, Inc.
Alcoa Industries Relocation Services
Western Electric Relocation Services
East Dil
Singer Relocation Services
Revlon Relocation Services
Dun & Bradstreet

Major oil companies

British Petroleum
Gulf
Texaco
Shell
Merit
Cities Service
Mobil Oil Corporation

Sun Oil
Exxon
Sav-Way
Amoco
Cumberland Farms
United States Government
General Services Administration
Internal Revenue Service
Federal Aviation Agency - Int'l - Regional Airports U.S. Navy
Corps of Engineers, U.S. Army
Federal Housing Administration
Housing and Urban Development
Resolution Trust Corporation
FDIC
United States Postal Service
United States Attorney, various Districts National Park Service
Retail Stores - Nationwide
Albert's Furniture Stores
Alexander's
B. Altman & Company
Best Products
Broadway-Hale Department Stores
Dillon Stores
Fortunoff
Hartfield Zody
Howard Stores
J.C. Penney
K - Mart
Kinney Shoes
Levitz Centers
Lord & Taylor
Macy's
Martin's
Neiman Marcus
Newmark & Lewis
Pearle Vision Centers
Safeway Stores
Sears Shopping Centers
Skaags Furniture Stores
Southland Corporation - 7-Eleven Stores
Wickes Furniture Stores
Zody's Department Stores
State of New York
Department of Public Works
Department of Transportation – Accredited Real Estate Appraiser
Dormitory Authority

Long Island State Parkway Commission
Department of Health
Department of Mental Retardation and Developmental Disabilities
Metropolitan Transportation Authority MTA
National Park Service
NYS Housing Finance Agency
City of New York
Corporation Counsel, Public Housing Agency Department of Real Estate
Division of Acquisition and Land Valuation
New York City Economic Development Agency
Municipalities
Town of Islip
Town of Brookhaven
Town of Hempstead
Village of Westhampton Beach
County of Nassau
County of Suffolk
Village of Lake Success
Bronx Housing Council
City of New York
City of Yonkers
City of White Plains
Village of Mineola
Village of Hempstead
City of Glen Cove
Jericho Fire District
County of Nassau
Bethpage Fire District
Unions
N.Y.S. Teachers Retirement Fund
Int'l.'Union Operating Engineers, Washington, D.C.
CWA 1109
Municipal Credit Union
American Airlines Credit Union
Delta Employees Credit Union
Baxter Credit Union
Local 210 Health Insurance
Utilities
Penn Central Railroad
Long Island Lighting Company
Arkansas Light & Power Company Facilities
Duke Light & Power Company, North Carolina
Ashland oil Company
Carolina Light & Power Company, North Carolina Consolidated Edison, New York
Metropolitan Transportation Authority, New York City
Churches

St. George's Episcopal Church, Hempstead, N.Y.
Diocese of Rockville-Centre,. Long Island, N.Y.
Cathedral Properties, Garden City, N.Y.
Diocese of Long Island
Church of the Intercessor
Order of the Passionate Fathers
Catholic Charities

Special Purpose Properties

In this category, the firm has appraised over 3,500 parcels for the City of Long Beach, City of Glen Cove, Village of Rockville Centre, Village of Hempstead, Village of Lindenhurst, Village of Westhampton Beach, and the Village of Lynbrook. Included also were studies on air rights, bridges, easements, tunnels, streets, municipal buildings, hospitals, medical centers, nursing care facilities, banks, theatres, rail terminals, track and power line rights-of-way, race tracks, amusement centers, regional shopping centers, gas service stations, converted buildings, piers, docks, waterfront parcels, beach properties, man-made lakes, airport facilities, resort hotels, nuclear power plants, and distilleries. The firm also has appraised the Town of Islip consisting of 96,000 parcels of real estate for tax assessment purposes. Inherent is the firm's use of (CAMA) Computer Assisted Mass Appraisal techniques and GIS (Geographic Information Systems) in re-assessment project implementation, re-assessment project consulting and procedural audits.

The firm has also appraised significant environmentally damaged properties in litigation. The most recent case being in New York City in 2012.

The firm's largest valuation was $210,000,000 for two hotel properties in New York City in 2006 in an equitable distribution matter.

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Open to new information:

Should you feel you have a study (economic, real estate), economic or market research and analysis that should be considered for the 2018 Annual Real Estate Market Forecast, please feel free to send to this author's office via email.