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THE INVESTOR'S MIND: ANTICIPATING TRENDS THROUGH THE LENS OF HISTORY

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WHO'S GOT THE POWER

> "When the guardians of the public financial mores begin urging people to acts of recklessness, we cannot help but notice. Buy more, says one Fed governor. Borrow more, says another. Don't worry about debt, interest rates, or the loss of jobs, says the captain of them all. It is as though the National Council of Bishops had come out with a public statement urging wife swapping." [1]

I realize this quote may seem a bit vulgar, but sometimes plain, yet unrecognized, truths must be stated in such a way if only to shake us from the lethargy of prevailing error, and to help us grasp the paradox, and perhaps the gravity, of the situation. Many continue to argue that the Fed is the ultimate (or efficient) cause of inflation, and on the surface this seems to make sense. Yet, deeper study shows that the Fed, in the sense spoken of above, is a gatekeeper. They can open and shut the gate that gives access to credit, which drives inflation, and even entice individuals to partake, but they cannot force people to consume credit.

Last month we presented two historic examples of when the Fed and the Bank of Japan were unable to thwart deflation. Still, bulls and bears alike assume that the Fed has the ability to create inflation whenever it feels the whim to do so. This line of thinking is so replete that it borders on a social phenomenon. Those "foolish" enough to question this "fact" are patronized with chiding explanations on the subject. And, of course, this got me to thinking.

The basis of contrarian investing is that the majority is usually wrong. The majority, also known as society, exerts such an incredible pull on us that I am amazed that any of us can partially stand outside of its influence for a moment. Whether we call it peer pressure, crowd psychology, groupthink, or sociology, we have innate tendencies to act collectively. Conscious awareness of these tendencies often goes unnoticed. Without this awareness our ability to think and act independently is greatly diminished.

Is the suggestion that the Fed, and monetary policy, has limitations so far outside of the realm of possibilities – especially when history and science have shown that this is the case? Then why does our society hold so dogmatically to the belief that the Fed can control the world? In 1841, Charles Mackay said the following:

> "Every age has its peculiar folly; some scheme, project, or phantasy into which it plunges, spurred on by the love of gain, the necessity of excitement, or the mere force of imitation." [2]

But, certainly we are too sophisticated for this statement to hold true today. Or, is our overconfidence in our sophistication the sophistry, which will prove to be our Achilles' heel? However we choose to answer that question, we cannot deny that crowd behavior does affect each and every one of us. It is not the Fed, but society, which has the power.

WITH SO MANY PEOPLE THINKING OTHERWISE...

In this newsletter we will show that societal pressures exert a strong pull on all of us, that because of the timeframes over which they occur, we are largely unaware of the extent of the changes in our society, and that the increasing complexity within our society has reached a point of unsustainability.

Herding… It is one of the most powerful forces in our lives, and, at least to some extent, its power is in its subtlety. While most individuals reading this newsletter are somewhat familiar with this concept, those who will go further, and actually study it and grasp the essence of this idea, are likely to realize that this not only affects the way that we view markets, but it also changes the way that we *think* about a great many things in our lives.

We often read about the contrarian investor who stood outside the crowd and whose fortitude paid off. We respect their poise, but our interaction with these stories ends there. We are unable to apply the lesson. When we look at the forces of herding, we begin to understand why.

Robert Prechter's book, The Wave Principle of Human Social Behavior, provides a broad understanding of our herding instincts from psychological and sociological standpoints. Here, Prechter discusses one aspect of our unconscious societal tendencies. As you read these words, think about whether or not you have witnessed such behaviors in your own life.

> "Falling into line with others for self-preservation involves not only the pursuit of positive values but also avoidance of negative values, in which case the emotions reinforcing herding behavior are even stronger. Reptiles and birds harass strangers. A flock of poultry will peck to death any individual bird that has wounds or blemishes. Likewise, humans can be a threat to each other if there are perceived differences between them. It is an advantage to survival, then, to *avoid rejection by revealing your sameness*." (Italics his) [3]

But, herding is not limited to survival situations. Dr. Irving Janis, professor of psychology at Yale University, corroborates from his studies of group decision-making.

> "'In general, the greater the number of those in the decision maker's social network who are aware of the decision, the more powerful the incentive to avoid the social *disapproval* that might result from a reversal.' What's more, 'The greater the commitment to a prior decision, the greater the anticipated utilitarian losses, social disapproval and self-disapproval from failing to continue the present course of action and hence a greater degree of stress.'" (Italics his) [4]

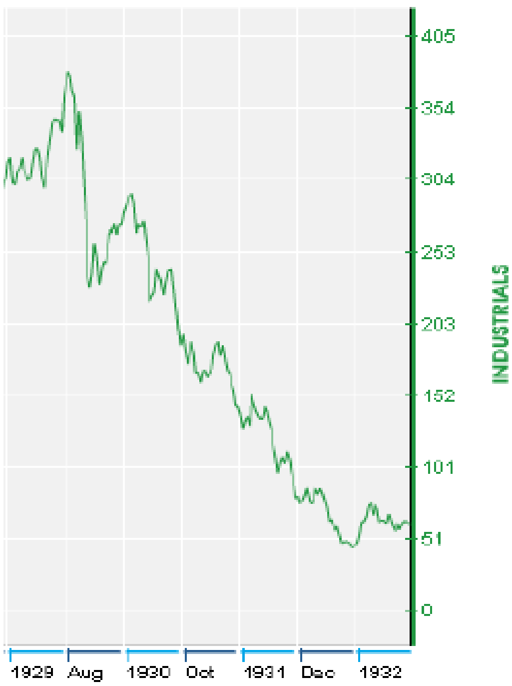
In speaking of the disastrous decisions that some societies make, Dr. Jared Diamond, Pulitzer Prize winner and professor of geography at UCLA, substantiates the herding concept from his field of study.

> "One possible reason for irrational refusal to try to solve a perceived problem is a well-recognized phenomenon in short-term decision-making termed 'crowd psychology.' Individuals who find themselves members of a large coherent group or crowd, especially one that is emotionally excited, may become swept along to support the group's decision, even though the same individuals might have rejected the decision if allowed to reflect on it alone at leisure. As the German dramatist Schiller wrote, 'Anyone taken as an individual is tolerably sensible and reasonable – as a member of a crowd, he at once becomes a blockhead.'" [5]

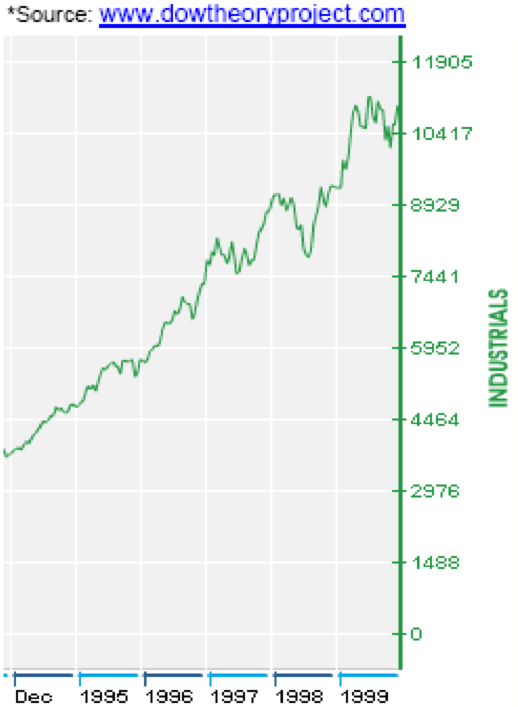
The very reason that a contrarian view is sometimes considered "extremist" or "alarmist" is the same reason that CEOs and politicians are sometimes held in high esteem. As John Nofsinger, Associate Professor of Finance at Washington State University explains below, peoples' perceptions have a great deal to do with the prevailing social mood.

WHO ARE YOU TO DISAGREE?

"Social mood determines the general attitude toward business and businesspeople. When social mood is high, corporate CEOs are treated like heroes and business is considered one of the most sacred and important institutions in society. When social mood is low, executives are considered greedy and companies are believed to be cheating the public. During periods of low social mood, these attitudes lead to more government intervention into business. Governments may become more active in antitrust activities and enact more regulations when social mood is declining. During optimistic times, however, the government may allow more mergers and deregulate industries." [6]



*Source: www.dowtheoryproject.com



Governments, by the very nature of bureaucracy, represent group thinking. As such, their actions are often the best examples of herd behavior. Since the historical record has many such examples on both sides of the isle, this is not intended to be a criticism of a particular person or party, but rather, an observation of the fact that people herd and that the majority is often wrong. A great example of this can be seen in the events that surrounded the establishment and repeal of the Glass-Steagall Act.

In 1933, the Glass-Steagall Act (GSA) was enacted, which set up a wall separating commercial and investment banking activities. The Dow had (*already*) crashed. This, combined with the conditions of the Great Depression, had a profound effect on investors and our society as a whole. The United States was experiencing a great deal of negativity on many fronts, and the securities and banking industry was no exception. The government "had to do something," so the Glass-Steagall Act was put in place.

Now, let's fast-forward to November of 1999, when the Glass-Steagall Act was repealed. The line of reasoning given for the revocation of this act and the timeframe of its annulment, combine to show how social mood, reflected in legislation, exercises control over the government's decisions. *Investopedia* notes the following:

> "The limitations of the GSA [Glass-Steagall Act] on the banking sector sparked a debate over how much restriction is healthy for the industry. Many argued that allowing banks to diversify in moderation offers the banking industry the potential to reduce risk, *so the restrictions of the GSA could have actually had an adverse effect, making the banking industry riskier rather than safer*. Furthermore, big banks of the post-Enron market are likely to be more transparent, *thus lessening the possibility of assuming too much risk or masking unsound investment decisions*. As such, reputation has come to mean everything in today's market, and that could be enough to motivate banks to regulate themselves.
>
> Although the barrier between commercial and investment banking aimed to prevent a loss of deposits in the event of investment failures, the reasons for the repeal of the GSA show that even regulatory attempts for safety can have adverse effects." [7] (Italics mine)

CREEPING NORMALCY…

As we can see, groups wield a great deal of influence over the actions and thoughts of individuals and, as evidenced here and in our other writings, groups often do the wrong thing at the wrong time. Though most of us realize that we are at least somewhat affected by societal pressures, we often overestimate our independence and doubt that we would follow any crowd into some great folly. Yet, the reason that we are often swept along with the crowd is that the rate of change is slow enough that we perceive each subsequent change as being within the realm of normalcy.

In his book, Collapse: How Societies Choose to Fail or Succeed, Dr. Diamond focuses on our how societies are impacted by the decisions that they make. In his discussion of why societies are unaware of the harm they do themselves, he introduces the terms "creeping normalcy" and "landscape amnesia."

> "Politicians use the term 'creeping normalcy' to refer to slow trends concealed within noisy fluctuations. If the economy, schools, traffic congestion, or anything else is deteriorating only slowly, it's difficult to recognize that each successive year is on the average slightly worse that the year before, so one's baseline standard for what constitutes 'normalcy' shifts gradually and imperceptibly. It may take a few decades of a long sequence of such slight year-to-year changes before people realize, with a jolt, that conditions used to be much better several decades ago, and that what is accepted as normalcy has crept downwards.
>
> Another term related to creeping normalcy is 'landscape amnesia': forgetting how different the surrounding landscape looked 50 years ago, because the change from year to year has been so gradual. " [8]

Diamond gives an example of his meaning. He grew up in Boston and had never been west of the Mississippi until age fifteen. After spending the summer of 1953 and 1956 in Montana's Big Hole Basin, Diamond didn't return there again until 42 years later, in 1998. He remembered how, when he was a teenager, the distant mountaintops from Big Hole were covered with snow, even in the mid-summer, and how he had enjoyed camping with friends in this magical band of snow. When he returned in 1998, he noticed a significant change to the area. [9]

> "Not having lived through the fluctuations and gradual dwindling of summer snow during the intervening 42 years, I was stunned and saddened on my return to the Big Hole in 1998 to find the band almost gone, and in 2001 and 2003, actually all melted off. When I asked my Montana resident friends about the change, they were less aware of it: they unconsciously compared each year's band (or lack thereof) with the previous years. Creeping normalcy or landscape amnesia made it harder for them than for me to remember what conditions had been like in the 1950s. Such experiences are a major reason why people may fail to notice a developing problem, until it is too late." [10]

In this day and age, millions of us live with varying degrees of cognitive dissonance. We can think of a number of financial and economic issues that just don't seem right. The more we think about it, the more concerned we become. If we voice our concerns to friends and family, we are likely to be told that we're worried about nothing. The older we are, the more they seem to question our lucidity or our ability to keep up with a fast-changing world. The truth is that these types of questions make us all feel uncomfortable. It's easier to dismiss them and move on to more pleasant or pressing concerns.

But something *has* changed, and some of those changes have not been for the better. When we look back 30, 50 or 80 years ago, we see vast differences between what was commonplace then and what is accepted as the norm today. As you read this excerpt from Jim Grant's book, Money and the Mind, consider how great is the divide.

AND LANDSCAPE AMNESIA

> "The evolution [of peoples' attitudes regarding debt] was telling of the 1920s, and it anticipated the 1980s. In each decade, the terms and conditions of lending became progressively easier with the passage of years. Auto financing helps to illustrate the tendencies. To start with, cars were financed for a year and with a down payment of one-third to one-half of the purchase price. However, as Professor Edwin R.A. Seligman noted in 1927: 'With the growing competition between dealers to increase the volume of their sales, the minimum cash payment was gradually reduced and the maximum period of installments was lengthened. It was not long before the minimum down payment was lowered to a third or even to a fourth of the selling price of new cars, while the series of monthly payments was increased to eighteen months, and even in some cases even longer periods.' A conservative backlash followed. In 1923, the Annual Convention of the Finance Companies urged creditors to hold the line on one-third down and twelve months to pay. In 1926, the year in which Merriam-Webster admitted "down payment" into the language, a Chicago finance man warned the National Automobile Dealers' Association that an automotive credit crisis loomed." [11]

Or, consider the prevailing attitude in the 1920s regarding real estate lending, and the mortgage bond business. Grant notes:

> "In the early 1920's Simon Strauss, credited with originating the first mortgage real-estate bond in 1909, seemed a veritable Morgan. He insisted that every building have a solid foundation of equity: say, 40 percent of the market value." [12]

Remember, these standards were debated as being too lax at the time. Today, these same loan conditions would comprise the highest quality loans in many of our banks. Yet, as we are all aware, these days of yore were not without their share of folly.

Perhaps we have also forgotten that the claim that stocks are always the best place to invest is one that has been made before. In his 1924 best-selling book, Edgar Lawrence Smith observed that stocks had always outperformed bonds over longer holding periods, and were therefore much to be preferred. One of the most famous economists of the 20th century, Irving Fisher, thought that the bull market of the 1920s had occurred because investors were now privy to this information. In speaking of Smith's work, in 1929, Fisher stated:

> "These writings threw a bombshell into the investing world. It was only as the public came to realize, largely through the writing of Edgar Lawrence Smith, that stocks were to be preferred to bonds during a period of dollar depreciation that the bull market began in good earnest to cause a proper valuation of common shares." [13]

Dr. Robert Schiller points out that, over the years of the great bull market from 1982 to 1999, society's perception of the stock market and risk changed as well.

> "It is commonly said that people have recently learned that the stock market is much less risky than they once thought it was, and that the stock market has always outperformed other investments. Their 'learning' is allegedly the result of widespread media coverage for over ten years of the historical superiority of stocks as investments, and of the publication in 1994 of the first edition of Jeremy Siegel's book *Stocks for the Long Term*." [14]

Shiller goes on to comment on how investors are affected by what he calls a "hindsight bias." [15] That is, after experiencing several years of a bull market, they gradually develop a view that the world is more predictable than it really is and fail to recognize that their standards have been altered.

COMPLEXITY AND UNSUSTAINABILITY

The best way to explain this is to look at the differences between American and Japanese investment practices. Since 1982, with the glaring exception of 2000 to 2002, Americans have experienced the greatest bull market in US history. On the other side of the globe, beginning in 1989, the Japanese stock and property bubble popped and began what has turned out to be the worst bear market in modern history, accumulating losses (by 2002) that are greater than those the US suffered in the Great Depression. [16] Not surprisingly, recent data reveals that Japanese investors have over 95 percent of their funds in government bonds (as of 2003), and, according to the 2004 findings of the Investment Company Institute, US investors have over 70 percent of their retirement funds in the stock market.

In short, our main problem as investors, and perhaps as a society, is that we are overconfident because we forget too quickly. To make matters worse, large changes occur gradually so we lose track of what constitutes sound economic and financial conditions. We forget that, as Solomon stated in Ecclesiastes, "There is nothing new under the sun." We forget that we have been here and done this before. And, it looks like we are going to do it again. The only difference is, now, with all of our advancements, we are likely to do it on a grander scale.

So, basically the reason that we are not concerned about our dollar losing 97 percent of its purchasing power, that we are not concerned about the depletion of our high paying, labor intensive manufacturing jobs, and that we are not concerned about our transition from being the largest creditor to the largest debtor nation in the world, is the same reason we do not notice how much our children grow. We see them every day, and the change is gradual. When we look at old photos or recall certain memories, we become more cognizant of the changes. Perhaps, in some way, we need to do this with our economy as well.

The problem with this, of course, is that societies tend towards complexity, complexity leads to instability, and increasing instability eventually leads to collapse. My focus here is not to try to protest or reverse this process, but to caution that the greater our alignment with, and dependence upon, societal solutions or modes of operation, the more we place ourselves in harms way.

We are all aware of our predisposition to deny or dismiss painful thoughts, and surely this will rank as one of the most ominous discussions we would ever have, yet necessity dictates that we continue. In his book, The Collapse of Complex Societies, Dr. Joseph A. Tainter, who taught anthropology at the University of New Mexico and whose credentials run far and wide, discusses how complexity ultimately leads to collapse. He writes:

> "Return on investment in complexity varies, and this variation follows a characteristic curve. More specifically, *in many crucial spheres*, continued investment in sociopolitical complexity reaches a point where the benefits for such investment begin to decline, at first gradually, then with accelerated force. These remarks are not meant to suggest that social evolution carries *no* benefits, nor that the marginal product of social complexity *always* declines. The marginal product of any investment declines only after a certain point; prior to that point benefits increase faster than costs.
>
> The cost-benefit curve for investments increases at first favorably, for the easiest, most general, most accessible, and least expensive solutions are attempted first. As these solutions are exhausted, however, continued stresses require further investments in complexity. The least costly solutions having been used, evolution now proceeds in a more expensive direction." [17]

A good example of this would be Social Security and Medicare. We are all aware that these are pay-as-you-go programs. The Baby Boomer generation started off with a smaller payment, which was more than ample to meet the needs of the smaller previous generation. Of course, the amounts paid into the program have grown.

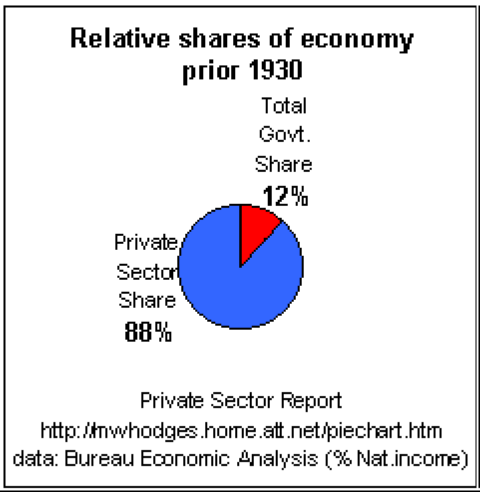
WHAT'S WRONG WITH THIS PICTURE?

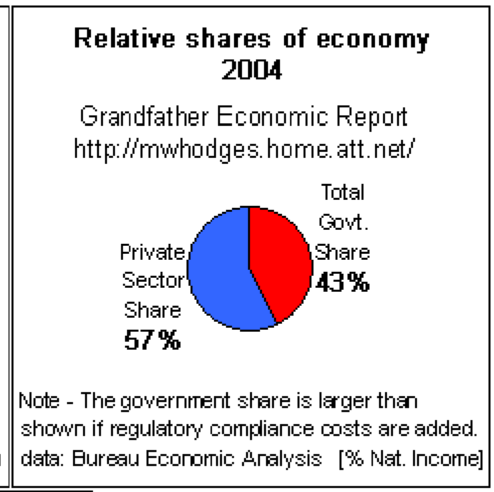
As the Boomers retire, higher percentages of workers' pay will need to be withheld, not to increase the benefits, but just to maintain the status quo. Eventually, this will prove unsustainable. As we ponder this, let's return to Dr. Tainter as he discusses the increased complexities and inefficiencies that carry with them the factors of social decline.

> "Organizational solutions tend to be cumulative. Once developed, complex social features are rarely dropped. Tax rates go up more often that they go down. Information processing needs tend to move in only one direction. Numbers of specialists ordinarily don't decline. Standing armies rarely get smaller. Welfare and legitimizing costs are not likely to drop. An ever increasing stock of monumental architecture requires maintenance. Compensation of elites rarely goes down. What this means is that when there is growth in complexity it tens to be exponential, always increasing by some fraction of an already inflated size.
>
> Thus, a growing sociocultural system ultimately reaches a point whereafter investment in further complexity yields increased returns, but at a declining marginal rate. When this point is reached, a complex society enters the phase where it becomes increasingly vulnerable to collapse." (Italics his) [18]

So, in what areas have we seen this transition from complexity to unsustainability? How about, government spending? Michael Hodges, of the Grandfather's Economic Report, maintains an excellent website on this subject, so for those who would like to read more on this, see his site or my July 2005 article, *A High Wall*.

Or, how about Social Security?





Overall Perspective (in billions of dollars)

	2004 Balance Sheet	2004 Additional Responsibilities	2004 Combined Amounts	2003 Balance Sheet	2003 Additional Responsibilities	2003 Combined Amounts	$ Change
ASSETS							
Inventory, cash	$ 359	$ -	$ 359	$ 372	$ -	$ 372	$ (14)
Property, plant & equipment	653	-	653	658	-	658	(6)
Loans receivable	221	-	221	221	-	221	(0)
Other	165	-	165	154	-	154	11
Total Assets	$ 1,397	$ -	$ 1,397	$ 1,405	$ -	$ 1,405	$ (8)
LIABILITIES & NET RESPONSIBILITIES							
Social Insurance							
Medicare (Parts A, B, & D) [1]	-	(24,615)	(24,615)	-	(15,006)	(15,006)	(9,609)
Social Security (OASDI)	-	(12,552)	(12,552)	-	(11,742)	(11,742)	(810)
Other (Railroad Retirement)	-	(112)	(112)	-	(110)	(110)	(2)
Subtotal, Social Insurance	-	(37,279)	(37,279)	-	(26,858)	(26,858)	(10,421)
Fed. empl. & veterans pensions/benefits	(4,062)	-	(4,062)	(3,880)	-	(3,880)	(182)
Federal debt held by the public	(4,329)	-	(4,329)	(3,945)	-	(3,945)	(385)
Other liabilities	(716)	-	(716)	(675)	-	(675)	(41)
Other responsibilities	-	(903)	(903)	-	(862)	(862)	(41)
Total Liabilities & Net Responsibilities	$ (9,107)	$ (38,182)	$ (47,289)	$ (8,500)	$ (27,720)	$ (36,220)	$ (11,070)
BALANCE (Total Assets minusTotal Liabilities & Net Responsibilities)	($7,710)	($38,182)	($45,892)	($7,094)	($27,720)	($34,814)	($11,078)

1 Part D's Medicare Prescription Drug & Transitional Assistance Accounts not included in 2003 because both established after fiscal year 2003.

Note: Details may not add to totals due to rounding.

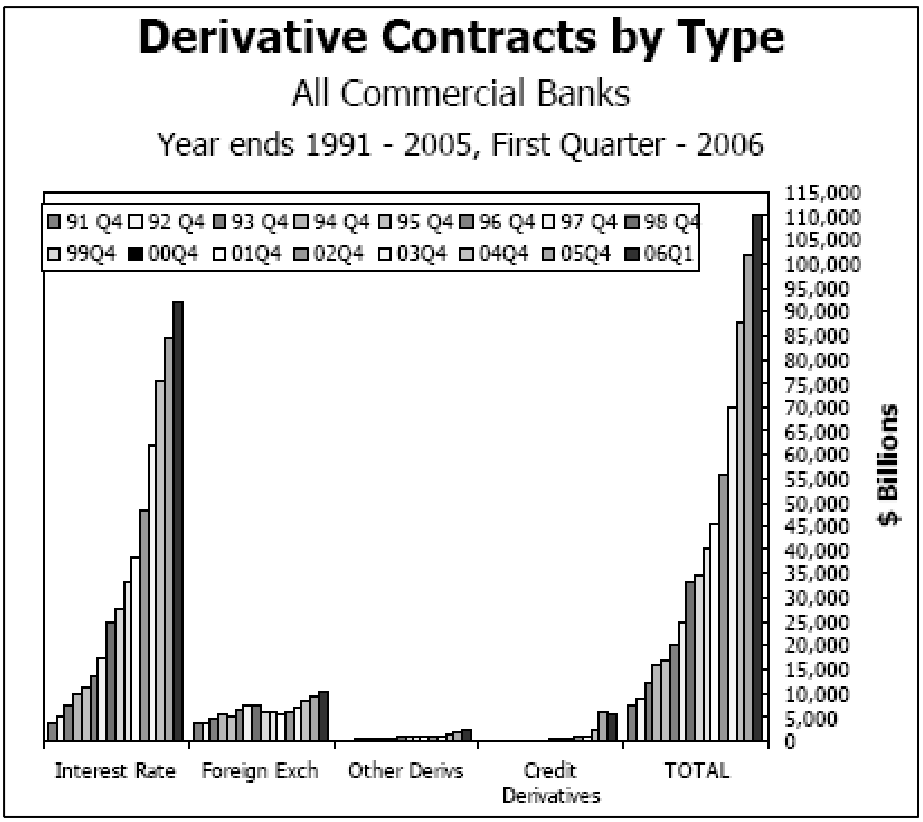
This chart comes from the 2004 Financial Report of the United States Government. It shows that, according the Generally Accepted Accounting Procedures (GAAP), the US government's Social Security and Medicare obligations was in excess of $37 *trillion* dollars. Those who suggest that there is no problem because Social Security is a pay-as-we-go system should let the Comptroller General of the United States, David Walker, know that he's overreacting.

WHAT'S WRONG WITH THIS PICTURE?

You see, a November 14th 2005 USA Today interview with Mr. Walker states,

> "'We face a demographic tsunami' that 'will never recede,' David Walker tells a group of reporters. He runs through a long list of fiscal challenges, led by the imminent retirement of the baby boomers, whose promised Medicare and Social Security benefits will swamp the federal budget in coming decades.
>
> To hear Walker, the nation's top auditor, tell it, the United States can be likened to Rome before the fall of the empire. Its financial condition is 'worse than advertised,' he says. It has a 'broken business model.' It faces deficits in its budget, its balance of payments, its savings – and its leadership." [21]

Or how about our gargantuan, unregulated derivatives market?



This chart is taken from page 16 of the Office of Comptroller's Currency Quarterly Report on Bank Derivatives Activities, for the first quarter of 2006. The derivatives market has grown 21 percent per annum, from $7 trillion to $110 trillion in the last fourteen years. The credit derivatives market, a younger market, has grown 75 percent per annum, from $55 billion to $5,472 billion in a little over eight years. The OCC's stated objective is, "To ensure the safety and soundness of the national banking system." The more we find out about the derivatives market, the more likely we are to question whether or not they're achieving this goal.

Or, how about servicing, much less paying off, our outstanding debts? The July 2006 edition of The Richebacher Letter reveals the following.

> "Total outstanding debts in the United States amount to $41.8 trillion. Assuming an average interest rate of 5%, this implies an annual debt service of about $2 trillion. This compares with an increase in national income of $616 billion in 2005. During the first quarter of 2006, real disposable income growth was zero." [23]

THE DAM STORY

So, why do people believe that the Fed has absolute power? In answering this question, allow me to defer to Dr. Diamond.

> "Consider a narrow river valley below a high dam, such that if the dam burst, the resulting flood of water would drown people for a considerable distance downstream. When attitude pollsters ask people downstream of the dam how concerned they are about the dam's bursting, it's not surprising that fear of a dam burst is lowest far downstream, and increases among residents increasingly close to the dam. Surprisingly, though, after you get to just a few miles below the dam, where fear of the dam's breaking is found to be the highest, the concern then falls off to zero as you approach closer to the dam! That is, the people living immediately under the dam, the ones most certain to be drowned in a dam burst, profess unconcern. That's because of psychological denial: the only way of preserving one's sanity while looking up every day at the dam is to deny the possibility that it could burst.
>
> If something that you perceive arouses in you a painful emotion, you may subconsciously suppress or deny your perception in order to avoid the unbearable pain, even though the practical results of ignoring your perception may prove ultimately disastrous. The emotions most often responsible are terror, anxiety, and grief." [24]

People believe that the Fed is almighty because they want to, and, in some ways, they must. To say that the Fed is not able to overcome any problem is to threaten the very core of our world and how we live in it. And yet, the one thing that is certain from looking at the information presented in this newsletter is that our world is going to change.

Okay. Now that we're all *really* depressed, what do we do with this information? While each of us will come to different conclusions, I would like to leave you with a few thoughts.

First, take courage in this fact. By increasing our knowledge and facing painful realities, we have allowed ourselves time to adjust before some of the strongest winds hit, and we're likely to be better prepared, emotionally, as the storm sets in.

Second, this knowledge allows us to become better prepared mentally and financially, as well. As we stated in our April newsletter, *Losers: Why We Invest With Them*, at critical junctures, contrarians, who were willing to prepare for the sea change, are the ones whose boats rise on the storm.

Lastly, as much as contrarians seek to steer clear of influence of the herd, I hope that we do not fall prey to a fortress mentality. If we are able to prepare, and grow our assets because of this trend change, then I believe that we have a moral obligation to help others. There are no manuals or ground rules here, and each of us must decide for ourselves how we will proceed. However, my hope is that if our financial situation improves, we would see our gains as a means to help others.

As part of your preparation, I hope that you will read our research paper, Riders on the Storm: Short Selling in Contrary Winds, because I think it will help you. This work is offered at no cost on our website behind the login page.

As an aside, I would like to thank Gordon Graham at the Socionomics Foundation for recommending Dr. Diamond's and Dr. Tainter's works, and Bob Prechter for his pioneering work in Socionomics and his book, The Wave Principle of Human Social Behavior and the New Science of Socionomics.

ANTICIPATING TRENDS THROUGH THE LENS OF HISTORY

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Mission:

Best Minds, Inc. is a registered investment advisor that looks to the best minds in the world of finance and economics to seek a direction for our clients. To be a true advocate, we have found it necessary to go well beyond the norms in financial planning today. We are avid readers. In our study of the markets, we research general history, financial and economic history, fundamental and technical analysis, and mass and individual psychology.

Disclaimer: Nothing in this newsletter should be construed as advice to buy, sell, hold, or sell short. The safest action is to constantly increase one's knowledge of the money game. To accept the conventional wisdom about the world of money, without a thorough examination of how that "wisdom" has stood over time, is to take unnecessary risk. Best Minds, Inc. seeks advice from a wide variety of individuals, and at any time may or may not agree with those individual's advice.

Challenging one's thinking is the only way to come to firm conclusions.