

“ . . . and Now for Some Good News ”

As advanced as we humans are, there remains a primitive part of our brains –the amygdala, also called the “seat of fear”- that is primed to react to frightening events and news. While it was especially useful for early hunter/gatherers who might meet with calamity at any turn, for present-day humans it can interfere with logical reasoning and can cause undue anxiety. In a world of 24-hour TV news and other media, we are bombarded with a lot of anxiety-producing stuff, and we often form a picture of our world that may be more negative than reason would indicate.

Here are a few researched tidbits that may brighten your outlook:

- **Living a Longer Life:** The average newborn today can expect to live a full generation longer than their grandparents (U.S. Census Bureau).
- **More Leisure Time:** The average workweek was 66 hours in the 1850s, declined to 51 hours in 1909, and is 35 hours today (Federal Reserve).
- **We’re Safer:** Homicide rates in the Middle Ages were about 100 deaths per 100,000 people, and today they are about 1 per 100,000 (criminologist Manuel Eisner).
- **More Discretionary Money:** The average American household spends less of their income (as a percentage) on food than any other country . . . about 6%. It was over 12% of income in the 1950s. Relative to wages, food costs have declined 90% since the 19th century (U.S. Department of Agriculture).
- **When You Really Gotta Go:** The average new home in the U.S. has more bathrooms than occupants (U.S. Census Bureau).
- **Too Many People?** The entire population of the earth (~7.5 billion) could fit into the state of Texas, and would have the population density of New York City (World Bank, United Nations).
- **Smarter and Better Off:** The percent of literacy in the world has increased from 56% in the 1950s to near 85% now (World Bank). The Middle Class is expected to rise from 29% of the global population in the 1950s, to over 50% by 2025 (Brookings Institute).
- **Clean Water:** Inventor Dean Kamen (e.g. the Segway) and Coca-Cola have teamed up to produce the “Slingshot”, which can produce 250 gallons of clean water a day from rainwater, sewage, or saltwater . . . with the intention of getting clean water to millions globally. It is powered by any combustible material (even cow dung). “We’d empty half the hospital beds in the world if we had clean water” (Kamen).

- **That's Progress:** In the 1950s the average home was under 1000 square feet, and is over 2300 square feet now, the high school graduation rate was 41% versus 88% now, and a TV cost \$2,100 in inflation-adjusted dollars versus \$500 today (Federal Reserve, Bureau of Labor Statistics).
- **Now, Those Are Good Odds:** The odds of winning at blackjack are 48%, and 44.7% for roulette (Casino Odds: The Wizard of Odds). The percentage of years for the S&P 500* with positive returns since 1926 is 75%, and for any rolling 15-year period you'd have made money 99.8% of the time (Morningstar).

For those who long for the simpler, better times of their youth we submit the forgoing to you (we have hundreds more examples). Life is not perfect these days, far from it, but it is not as unsettled as some would think either. In so many ways, things are better now than in the past. As economist Julian Simon said, "It's getting better all the time."

At Premier Asset Management, we take the long view and endeavor to find the facts of the matters at hand, because bad information can lead to bad advice. If you have friends who might find this approach refreshing, we'd love to meet them.

*All indices are unmanaged and investors cannot actually invest directly into an index. Unlike investments, indices do not incur management fees, charges, or expenses. Past performance does not guarantee future results.

Craig Pulliam and Michael Comstock are CERTIFIED FINANCIAL PLANNER™ professionals practicing at 112 Westwood Place, Suite 310, Brentwood, TN. They own Premier Asset Management and are registered representatives and investment adviser representatives with/and offer securities and advisory services through Commonwealth Financial Network: A Registered Investment Adviser, Member FINRA, SIPC. Fixed Insurance products and services offered by Premier Asset Management are separate and unrelated to Commonwealth.

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