

TechVest Econometrics Global Chess

Special Gaming Relief Issue 4-17-12

TechVest Econometrics presents a decidedly capitalist view of investment economics, driven specifically by technology advancement. Real economic progress comes NOT through Progressivist redistribution, but instead requires economic added value, derived from real velocity and real acceleration of real productivity and real technology. Deflation and inflation are both corruptions of real value. The changes now needed are fundamental and drastic. Core principles (including those in the Constitution) have been neglected for a hundred years. Leadership from behind puts us even further behind.

The Players:

	The West	The East
Castle	Dollar	Ruble
Knight	Ben Bernanke, US Fed	Sali Berisha, Albania
Bishop	Yoshihiko Noda, Japan	Ali Khamenei, Iran/Egypt
King	Barack Obama, USA	Vladimir Putin, USSR
Queen	Angela Merkel, Germany	Hu Jintao, China
Bishop	Sarkozy, France	Tayyip Erdogan, Turkey
Knight	Ben Netanyahu, Israel	Hugo Chavez, Venezuela
Castle	Euro	Yuan
Pawn	Mario Draghi, ECB	Mahmoud Ahmadinejad, Iran
Pawn	Wolf Schäuble, Germany	Tsai Ing Wen, Taiwan
Pawn	David Cameron, Britain	Dimitri Medvedev, Russia
Pawn	Hillary Clinton(s), USA	Bashir Assad, Syria
Pawn	Tim Geithner, USA	Fidel and Raul Castro, Cuba
Pawn	Manmohan Singh, India	Yousaf Gilani, Pakistan
Pawn	Lucas Papademos, Greece	Najib Razak, Malaysia
Pawn	Mariano Rajoy, Spain	Abdelilah Benkirane, Morocco

Tax Day having now passed for most of us (it never really ends, of course), we thought we might do a special "relief feature" after all our gloomy econometrics.

Being of serious-minded germanic extraction, however, our topic always stays a bit serious and real: an econometrics newsletter can hardly be anything else, even tongue in cheek as we are in April.

The starting pieces and positions are assigned as shown, the West had the initiative and went first, the battle is already joined, as you will see on the next page. Is there a viable western strategy?

On an economic chessboard, some of the players will be more universally familiar than others, but they have been chosen for their economic power as well as their political power, and the castles being defended are the key currencies of the world. You will find monetary powers in important advance positions, and you will find military leaders strangely absent, but they are all over the field in support positions. In addition, you will find Taiwan in a somewhat uncomfortable position already having to play on the Eastern team, despite her relationship with, and attractiveness to, the West.

You might also note some rather curious deployments of the forces, particularly in the West, seemingly "out of position" to seriously affect the battle. The East is much more certain of its ultimate goals, and those goals are advertised for all to see.



April 2012 Chessboard after West's Move 10: The Positions in April 2012

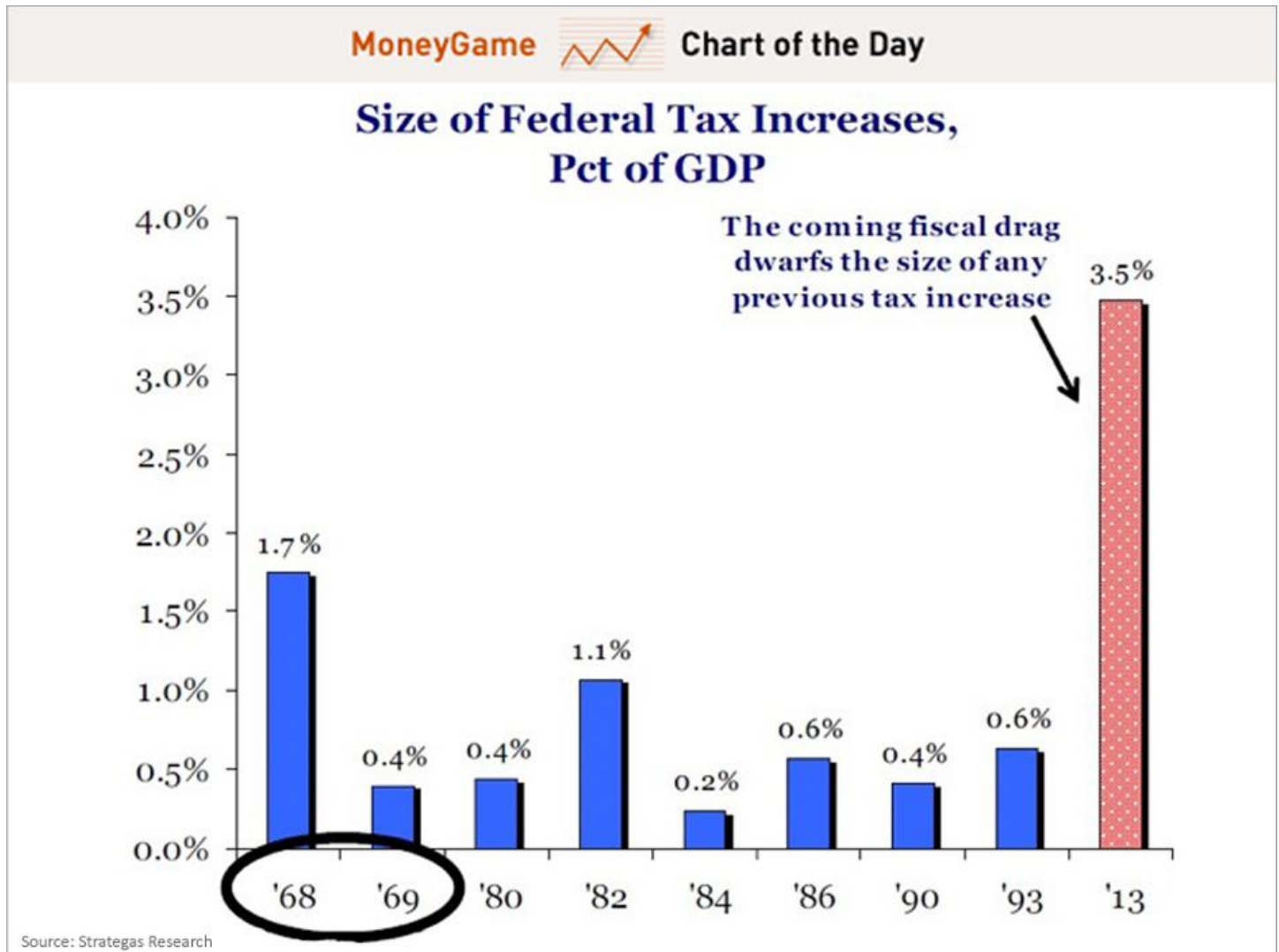
the Political Economic Chess Game of World Conflicts (East versus West)



No piece has been taken off the board so far, though pawns Greece and Spain have been allowed to stray and have become distinctly vulnerable to an economic and political menaces, both self-inflicted and more than a thousand years old. And even Japan is directly vulnerable to attack from unexpected (but real economic) quarters. On this economic chess board, the West has just made its tenth move, while the East has made only nine, you can reconstruct the sequence with some effort on your own. The true relevance is in some of the potential and upcoming future battles. Note some high impact moves already possible by both sides. Game on !

Be glad Tax Day 2012 is over, next year may well be "Taxmagedon"

Run deficits, and the gap must be closed eventually. Grant tax holidays, and the holidays eventually end. Consume too much, and the party will result in a hangover. That hangover year is 2013, and 2012 will seem a dream in comparison.



Sorry, any relief is brief.

Next TechVest Econometrics Issue May 1:

Mayday 2012: Auspicious of Leninist Challenges to Capitalism



It is a little-known fact that it was the Marxist Germans that spirited Lenin into Russia in 1916 after fomenting sufficient chaos against Tsar Nicholas for Lenin to take over. It was of course ascribed to a popular uprising. That socialist legacy has had underlying importance to the economic policies of Hitler's corporate socialism (fascism) and continued social over-promises throughout Europe as an unattainable ideal, now resulting in necessary retrenchment. That unleashes imminent large scale revolt by those who feel their social contracts have been or will be broken. May Day 2012 is not exactly a celebration of European social largesse. Oddly enough, May Day is becoming a more important American Labor Day all the time ... Politics impacts Econometrics when Marxism and Socialism square off against Capitalism.



We cannot just bury our wealth in the sand, it needs to be used and grown wisely.

We must persist and prevail against all odds.

Wishing you the best investing in 2012,

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