

# Palo Alto Rotary Pinion

Weekly Newsletter

Date: May 16, 2011

Reporter: DON MORGAN

Editor: LYLE CONNELL

President-Elect SHERRI SAGER started the meeting at 12:15. At her request, LE LEVY led the pledge. Upon resumption of the meeting at 12:34, SHERRI thanked members who were assisting in the conduct of the meeting.

## VISITING ROTARIANS AND GUESTS

SALLY TOMLINSON welcomed Visiting Rotarian Klaus Heinemann of the Gualala, CA, Club, and asked Members with guests to introduce them.

DICK FREEMAN's guest was Dick Franke.

DICK BUSH introduced his guest Scott Ward.

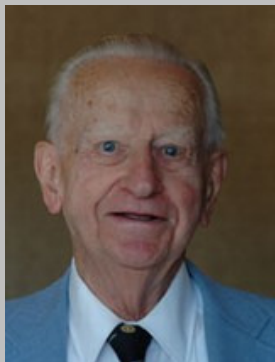
BRIAN STEEN's guest was Dick Pike.

DAN QUINN introduced Jerry Patrick.

AXEL MERK introduced Yuan Fang.

LE LEVY's guest was Emma Li.

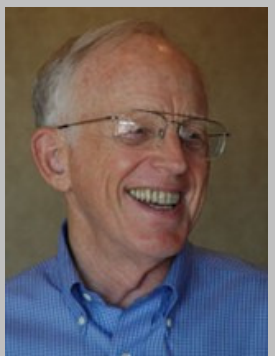
## SPECIAL ANNOUNCEMENT



SAM WEBSTER lamented the passing the preceding Friday of long-time Member and his good friend, HIG HIGGINS, and said there would be a memorial service next Monday. President-Elect SHERRI SAGER asked for a moment of silence in HIG's memory. At the conclusion of the meeting JOY CUSICK joined the President's Club in his memory.

## OPENING REMARKS

ROB LANCEFIELD spoke in honor of the nation's service men and women, disclosing that he had been born into the Army at Walter Reed Hospital in Washington, D.C., in



1936, and grew up on Army posts. He noted that the wars in Afghanistan and Iraq differed from prior ones in that higher percentages of survivors suffered psychologically, and returned with very challenging physical disabilities. His good news was that Congress has made adequate funding available to care for the returnees; and the Army is

increasing the availability of counseling.

## THE PROGRAM: CHALLENGES TO THE ECONOMY AND THE DOLLAR

GEORGE FITZGERALD introduced AXEL MERK as the Club's in-house expert on monetary and related matters, and added that AXEL has pioneered strategic currency investing.



AXEL described what was going on in the U.S. and global economies, and discussed differing perspectives on whether inflation is occurring. He said declines in consumer purchasing

power had facilitated revolutions in some countries, and unhappiness in the U.S. helped give rise to political figures with simplified fixes of complex problems. AXEL reviewed Ben Bernanke's thinking for the Federal Reserve Board on why printing lots of money should not be inflationary. He talked about the effects of expansions and contractions of credit, on the part of governments, banks, and consumers. He saw the bond market as a powerful disciplinary tool to bring about necessary changes in economic policies and practices.

Perhaps implying that his presentation was oversimplified, a notion few present would accept, AXEL said autographed copies of his book *Sustainable Wealth* were available for purchase at the meeting for \$20, with all proceeds going to the President's Club, and that the book dealt with the subjects of his talk better than today's presentation could. There was an active book market after the Q&A that followed his talk.

## FUTURE PROGRAMS

**May 23 New/Longtime Member Talks**

**May 30 Dark, Memorial Day Observed**

**June 6 Judith Kleinberg, The Soul of the Community**

[Palo Alto Rotary - Meeting Information](http://www.rotarypaloalto.org)

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