



Friday, July 31, 2020

Week in Review, July 31, 2020

Special Focus: Racism, A Public Health Crisis

The U.S. economy saw its worst contraction in decades declining -9.5% in the second quarter wiping out 5 years of economic growth. The decline would have been worse without the government spending trillions of dollars and the Fed lowering interest rates to zero. Last week, more than 1.4 million Americans filed for new unemployment benefits, making that figure the 19th straight week with more than one million people filing for jobless aid. The unemployment rate is 11.6%. Let's see if this helps Congress move the next stimulus bill forward.

Almost six months after the first reported U.S. death from the coronavirus on February 6th, the number of fatalities this week passed 150,000 and is predicted to reach 200,000 by late September. ([USA Today](#)) Americans represent 4% of the world population yet we have 25% of COVID-19 cases worldwide. The lack of federal leadership and denial of science has left the US with a huge deficit: \$3 trillion dollars and counting. Compared to the EU countries, which flattened the curve with strong leadership, and recently passed a mere \$750 billion dollar stimulus. Who are they calling socialist? ([NY Times](#))

Times have changed for big tech. ([NY Times](#)) Regulators have allowed Big Tech to grow unabated for years. This week, Big Tech's CEOs were grilled by both parties, demonstrating that bipartisanship is not dead. ([NY Times](#)) Is it time to break up big tech? Roger McNamee's interview on [Bloomberg](#) suggests there's explicit violation of antitrust among the Big Tech. Also Tim Bray, former VP and distinguished engineer, left the world's most valuable brand over the company's firing a group of employees who publicly protested conditions at its warehouses during the COVID-19 pandemic. See what he says in his op-ed [here](#).

Despite the grilling from Congress, big tech's earnings surged this week buoying the U.S. markets which ended the week with the S&P 500 up 1.7%, the DJIA down 0.2% and the NASDAQ up 3.7%. ([AP](#), [NY Times](#))

The nation's top law enforcement official, U.S. Attorney General William Barr, said during his testimony before the House Judiciary Committee on Tuesday, "although the death of George Floyd at the hands of police was a shocking event, the fact is that these events are fortunately quite rare" and "I don't agree that there's systemic racism in police departments." Not admitting to the problem is the reason why systemic racism in policing continues to linger in our society. ([Yahoo](#)) Dozens of cities across the U.S. have recently passed resolutions earlier this month declaring racism a public health crisis. ([NY Times](#))

This week, the nation said goodbye to an American hero, John Lewis. From the horse-drawn carriage crossing the Selma bridge named after the former Grand Dragon of the Ku Klux Klan, Edmund Pettus; to being the first elected Black official to lay in state under the Capitol rotunda, a privilege denied to MLK, Jr.; to yesterday's service at Ebenezer Baptist church, where both former Republican and Democratic presidents reminded us of how presidents can inspire us with their oratory skills. The link to Barack Obama's full eulogy for John Lewis [here](#). ([NY Times](#))

Remarkably, the White House and the Army Corp of Engineers stated the large open pit, Pebble Mine, would NOT cause long term environmental damage, though it sits at the mouth of one of the most commercially-productive Alaskan salmon fishing rivers. The Pebble Mine project was blocked by the Obama administration in 2014 with the exact opposite finding. ([NY Times](#))

As always, please reach out to us with any questions or commentary.

Weekend Reads

RBC [Global Insight Weekly July 30, 2020](#)

RBC [Global Insight Monthly July 2020](#)

RBC [Monthly Scorecard July 2020](#)

AP [Twitter faces backlash over handling of anti-Semitic posts](#)

Bloomberg [Socially Conscious Investing Thrives Amid Pandemic](#)

NY Times [At Wall Street Journal, News Staff and Opinion Side Clash](#)

NY Times [A Hedge Fund Bailout Highlights How Regulators Ignored Big Risks](#)

NY Times [States Set Goals to Jump-Start Transition to Electric Trucks](#)

USA Today [Racial inequities will grow if schools don't open safely this fall](#)

WE [MacKenzie Scott donates \\$1.7B to charitable causes, including racial equity](#)

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