I got some interesting questions via email and I thought I would share them, along with my answers.

1. **Does he feel that the economic crisis make him more or less confident in Rand's objectivist philosophy? Why?**

it hasnt changed. Im not a believer that her writings are guidelines for how governments should operate. I think her writings are motivating to the individual, regardless of how governments operate.

2. What does he think about the growing income disparity in the U.S.? Does he dispute the notion of a disappearing middle class?

I dont think disparity in income is the problem. Nor do i think the middle class is disappearing. Just because Usain Bolt sets a world record every time he runs doesn't make the other runners slow. It makes them slower than the best. The middle class can continue to move forward when those who earn the most out perform.

If you want to know where I think we have a problem, Im happy to share. **Our government doesn't know the difference between an investor and a speculator or trader. If we did, we would understand that we should tax the trader/speculator more heavily than the investor**.

The investor allows entrepreneurs access to capital and allows them to work with it and build businesses, which in turn build employment and do great things for the economy. The trader/speculator pushes companies to make more money now rather than invest in doing the right thing for the company. The trader/speculator dominates the stock market today, which in turn puts pressure on public company CEOs to cut jobs and play games with their financials in order to give the appearance of stability in a far from stable market. The investor understands the bigger picture and is ok if profits fall for several quarters or even several years as long as the company will maximize its return over the long run.

The government should raises taxes significantly on profits from short term capital gains on the sale of public stocks, indexes, commodities, futures held for 24 hours or less and extend the length of time required to qualify for Long Term capital gains and reduce the tax rate on Long Term gains. This will discourage flash trading, ETFs that move markets purely on cash inflows rather than fundamentals and also reduce the amount of speculation on commodities. It will also reward companies that act in the financial interests of long term holders and their employers. **I think the impact on the economy would be far fewer layoffs as CEOs find themselves with more shareholders who think long term rather than short term**. Believe it or not, there are shareholders who are fine with companies not beating their numbers if the company is making progress towards a clearly defined goal. I don't care if the P/E of the stocks I own is 14 or 20. I want the companies investing in being a great company rather than trying to make traders of their stock happy. Most CEOs give great lipservice to this approach, but they are so focused on marking to market their own personal stock portfolios, they emphasize stock performance over doing the right thing for the company. Taxation can change the focus on public companies and stock trading. That would be a great thing for the economy.

1. Does he think that massive pay packages are warranted at financial institutions accepting government bailout money?

2 types of pay. Salary and performance bonuses based on outside criteria (stock performance), and commission. if a guy is busting his ass and is great at his job. More power to him if he makes 100mm dollars. If he made his bank 300mm, he helped solve the problem, he didnt contribute to it. If an executive gives him/herself a ridiculous compensation package , thats a different story. Given is far different than earned. I dont have a problem with earned. I do have a problem with given.