



Basis Points – August 31, 2021

 westwoodgroup.com/weeklyblog/basis-points-august-31-2021/

Above the Fold

What the Great Resignation Means for America

Long customer service hold times, skeleton staff at retail stores, overburdened restaurants ... you've probably heard (or experienced) some or all of these nationwide issues. Triggered by the pandemic and exacerbated by shifting opinions around work, a strong economy and never-before-seen government intervention, America is extremely short on workers. And even though employers across many sectors are raising wages, the shortage is getting worse as many overworked, and apparently underappreciated, employees walk.

Media has dubbed it “The Great Resignation,” and it could change the domestic workplace forever. Even in an already tight labor force, more than 4 million employees quit their jobs in April, another 4 million said bye-bye to their employers in June, and the trend seems to be picking up steam, driven mainly by younger workers.

A vast majority of millennials and Gen Z workers surveyed recently said they were willing to switch jobs for a better work-life balance. And with more than 9 million open positions in the U.S., businesses have some tough decisions to make if they want to fill those gaps and retain existing staff. In the near term, it’s likely that companies will not only increase total compensation to lure workers, but also offer more flexible work schedules, benefits and even remote options where available. Technology is also sure to be leveraged to replace live personnel, which could mean that some jobs may go away forever. Longer term, we should see some normalization in the labor market as stimulus wears off and the economy cools; but many of these changes could be here to stay.

Three Things

1. *Apple Puts a \$15 Billion Price Tag on Your Privacy* – Google is **expected** to pay Apple \$15 billion in 2021 to keep Google’s search engine the default across all Apple devices (yes, on Safari). The ongoing deal seems to fly in the face of Apple’s “privacy is a fundamental human right” stance as the agreement does not come with a warning or restriction as to what Google can do with all of our search data. So be aware that even if you’re browsing on Safari, your information is likely going straight to Google’s algorithms.
2. *China Puts Harsh Restrictions on “Spiritual Opium”* – According to Bloomberg, the Chinese government will limit minors under age 18 to one hour of gaming between 8 p.m. and 9 p.m. on Friday, Saturday, Sunday and public holidays only. Regulators said that the drastic measures are necessary to combat gaming addiction, describing online games as “spiritual opium.” Gaming companies will have to implement real name verification systems to ensure the limits are obeyed.
3. *Ida Tests Massive Levee and Flood Wall Systems* – Hurricane Ida struck Louisiana Sunday as a category 4 storm, but was downgraded to a tropical storm as it moved inland. The storm left all of New Orleans without power and over 1 million more statewide. A new, \$14.6 billion flood protection system installed after hurricane Katrina appears to be working, but experts are still warning residents to be cautious. The system covers a 133-mile-long perimeter around the New Orleans metro area, with some concrete walls as high as 30 feet tall.

Did You Know?

Are You Ready for Constitution Day!?

A little-known, but extremely important holiday, Constitution Day, occurs on Sept. 17. Constitution Day marks the actual date our Founding Fathers signed the most important document in America. Ironically, it's not as popular as July 4th, which is when the final Declaration of Independence from England was approved (not signed) by Congress.

The information contained herein represents the views of Westwood Wealth Management at a specific point in time and is based on information believed to be reliable. No representation or warranty is made concerning the accuracy or completeness of any data compiled herein. Any statements non-factual in nature constitute only current opinion, which is subject to change. Any statements concerning financial market trends are based on current market conditions, which will fluctuate. Past performance is not indicative of future results. All information provided herein is for informational purposes only and is not intended to be, and should not be interpreted as, an offer, solicitation, or recommendation to buy or sell or otherwise invest in any of the securities/sectors/countries that may be mentioned.