



## Basis Points – May 17, 2022

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### Above the Fold

#### Will “Friend-Shoring” Help Ease Global Supply Chains?

In the midst of global supply chain issues from the war in Ukraine and the pandemic, the United States and its allies are looking to change up the “trading” game with something people are calling “friend-shoring.” Essentially, trading will be limited to a large group of friendly nations rather than utilizing countries with cheaper production and labor costs. It is sort of the middle ground between complete globalization and isolationism. The countries on the outs are autocratic nations like Russia and China, and some private companies are already making the move to more politically stable countries.

Some economists remain skeptical of the practicality of the new trend. Maintaining a truly open trading system is crucial to some foreign countries — both rich and poor — that have grown accustomed to the benefits of globalization over the last few decades. Others are finding issue in the idea of “friend-shoring” saying that it is just a disguise for standard offshoring and a major setback for increasing domestic production. With domestic production, economists believe that America’s supply chain could be better secured and more jobs created.

One area of critical goods that the United States and Australia are trying to build their access to is rare-earth metals. Currently, China is a major exporter of this resource, which is a huge part of electric car production. China exports 80% of global Cobalt and 60% of Lithium demand, which are vital to high-capacity battery manufacturing. Whether you are against it or not, it seems friend-shoring may be gaining some legitimate traction given the current state of global supply chains.

## Three Things

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### Could “Cambria” Be Meta’s (Facebook) Next Big Thing?

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Mark Zuckerberg just announced a high-end virtual-reality (VR) headset that could change the way people see VR altogether. “Project Cambria” is a new VR headset with full-color passthrough, meaning the device allows for virtual elements to be present in your real-world view, offering a level of mixed reality experience unlike any other available currently. This could allow users to work out with virtual instructors right there in the room with them, or create the perfect workspace with screens at all 360 degrees. Whatever the user needs, Cambria may be able to pull it off.

### Google Glasses Could Change How Humans Interact

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Google gave the world a peek at augmented-reality eyeglasses they are developing at this year’s Google I/O conference. The eyeglasses could change the way people interact, offering a real-time version of Google Translate that captions your conversations in a sort of “heads-up display.” Technology like this could make communicating in foreign countries much easier as well as helping deaf users communicate better with anyone unfamiliar with sign language. Search functions also may allow users to Google something by simply focusing their eyes on it. With functions like these, and potentially many more, Google seems determined to bring the future to us.

### The World’s Second-Largest Wheat Producer Halts Exports

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With corn and soybean prices nearing record highs, India has recently stopped exporting wheat. As the second-largest producer of wheat in the world, this could put even more strain on skyrocketing food prices around the world. Wheat supply has already taken a considerable hit with

the Russia-Ukraine war putting a strain on exports coming from the Black Sea. Prepare for bread aisles in grocery stores to resemble the toilet paper aisles in the early months of the pandemic.

## In the Know

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### More Than a Lifetime of Dedication...

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In an economy that is seeing workers job swapping at all-time highs (less than two years currently), one man is setting records for working at the same company longer than anyone ever has. Walter Orthmann, who is 100 years old, has worked at ReneauxView, a Brazilian textile firm, for 84 years. Hired as a shipping assistant in 1938, Walter quickly climbed the ranks to a managerial role that he still holds today. Considering that he was 15 years old when he was hired, it's safe to say this record may stand for a very long time.

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