

The Betty Letters

My Dear Grandchild,

How interesting it is that Greece should have to admit to being on the verge of insolvency and, then, go cap in hand to the International Monetary Fund and the European Union, asking for a bridge financing in the amount of €30 billion (about \$HK309 billion) ... or more. The historic home of democracy obtained an agreement, just this week, for €110 billion (about \$HK1,1309 billion) to be handed over to Greece over a 3-year period, with the European Union, putting up €80 billion and the International Monetary Fund, putting up the rest. Greece is a democracy, you know, and, in history, as I recall, it was the founder of the democratic system of government as we have come to know it. Now, China is a communist country and we don't have any problems even remotely close to those of Greece. We have more money than any other country in the world, as a matter of fact. China is the biggest debtor of the United States of America, just in case you did not know. It is fact that, in communist countries, there are rarely any problems, approaching to those of Greece, today. The reason for this, as I have come to realise in my investigations, is that my country does not suffer fools gladly; we take swift action to stamp out corruption and ineptitude in management of State corporations; we incarcerate felons in correctional institutions as little as possible, preferring more permanent methods of suggestive deterrent sentences; and, China does not engage in deficit financing. Deficit financing, My Dear Grandchild, is the root cause of many of the problems of Greece, in my opinion, and of man in general. It is never a good idea to spend more than one earns. I, strongly, believe in this economic philosophy. Portugal and Spain, also, engage in spending more money than these countries are able to earn, making up the shortfall by borrowing money from whomsoever is willing to buy those countries' bonds, derivatives or other securitised pieces of paper. I talked to Bo-Bo, my froglike husband, about my investigations and he, surprisingly, suggested that I should go to Beijing to tell the high, muck-a-mucks of my findings. So I am planning to make a trip to the Capital City of China in order to present my findings to the heads of The People's Bank of China. The Frog suggested that, prior to my departure, I should have my thoughts, recorded in such a form as to allow any fool to understand them. That is, really, clever thinking. I am, also, going to meet the head of The Propaganda Ministry in Beijing in order to instruct this department of government how best to use my findings so that it can teach the world the best way to manage an economy.

I want to tell you secretly, though, that I do not understand high finance, at all, but I do understand how to manage money. Running a government, for your information, is simply balancing the cash books, just like the monthly allowance, given to me by The Frog, in order for me to run our home. All one has to do is to calculate the cash, coming in, and the cash, going out. If the cash, coming in, is greater than the cash, going out, that it called good management. If the contrary is discovered, well, just cut back on buying some new dresses for a short while, or, alternatively, have your husband take you out to dinner more often so that you can save money in that manner because, then, you will not have to buy food for the home. Now, I ask you, My Dear Grandchild, which married woman does not know about such things? My common-sense method of house finance is that I only spend about 30 percent of my monthly allowance on the food, consumed in the home, I spend only about 30 percent of my monthly allowance on cleaning and paying my Filipina to do all of the heavy housework, and I keep about 30 percent of my monthly allowance in reserve

for emergencies, such as repairs, maintenance, petrol for the cars, and so on. I told The Frog of my simple method of money management and he pulled out a small calculator and announced: 'But that is only 90 percent of the monthly allowance! What happens to the rest of the money?' 'What rest?' I asked. 'There is no rest! That is all.' The Frog thought that he was clever with his little calculator and said: 'Look, 30 percent, plus 30 percent, plus 30 percent is 90 percent. And 90 percent is 10 percent less than 100 percent.' I responded: 'You think that you are such a clever fellow, but it is only 10 percent of the monthly allowance so I just round off little things like 10 percent because, at law, it is part of the De Minimus Principle – De minimus non curat lex: The law does not concern itself with trifles. And I follow the law, which encourages me to balance the books of our home. You have never, in our life, gone hungry. Is that correct? Do you want to end up like Greece?' The Frog sat up and I detected that I was about to be taken to the cleaners so, before he could utter a word, I said: 'A proposed budget to run a home, or, for that matter, a proposed budget of my government, is not a science, but an art. You, always, have to leave a little bit in reserve just in case the unexpected happens. That is the way that I operate and, over the years, I have proved to be an excellent manager of MY money.' 'You mean, MY money, don't you?' 'No, MY money! Once money is in my hands, it is mine ... and only mine. I do not need to ask you how to spend MY money because you have delegated that authority to me and I cannot delegate my authority to anybody. I remind you, again: Delegata potestas non potest delegari – a delegated power cannot be delegated.' I had him. He just looked at me and said: 'I don't speak French, you know that. Just tell me what has happened, over the years, to that 10 percent of every monthly cash allowance that I give to you to run the house.' 'It is all used up,' I admitted. He pressed on with his probing until, eventually, I had to admit that some of it went to buy him presents. When he asked for examples, I asked him how he always wore new underwear, underwear that he did not buy himself, but which I bought for him ... 'out of the 10 percent.' 'You call underwear, presents?' 'Yes, I do. You have to wear them, don't you? And, since you don't buy them, then, it is up to me to decide whether or not I should PRESENT them to you.' 'Do you have a bank account, Betty?' 'That is not your business.' 'Then, you do. How much is in that bank account?' At this point, I burst into tears. (This is the best defence of a lady in trouble, you know) I just could not help myself because I had been to Pacific Place and had bought 2 new dresses, the cost of which cleaned out all of my savings. I could control my emotions no more and owned up: 'I am a little overdrawn, just now, but the bank said that I could borrow \$HK54,000 until you pay me my next housekeeping allowance. There is no problem, I shall just get a little bridge financing, just like the Greek Government. It is the in thing, you know: Bridge financing.' The Frog sneered at me, horribly, so I quickly left the living room, having removed the batteries from the remote device that operates his television set. I tell you, My Dear Grandchild, never, never, never marry a frog: They croak too much.

Talk to you, next week.

Chief Lady

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