



National Assessment Specialists, Inc.  
IRWIN SAVODNIK, M.D. & MEDICAL ASSOCIATES, INC.



# News Gram

AUGUST 2010

VOLUME 18, NO. 1

\$49.95/year



© Goldution

## Burning Fury

by Pierre David

**T**HERE ARE HUNDREDS, MAYBE THOUSANDS, OF FIRES RAGING across Russia this summer. Outside Moscow, in the ancient, dried out peat bogs, the fires start underground, and the smoke rises out of the marshes and yellowed fields and filters across the sky. In the city, it is terrible and then not so terrible. It depends on the winds. Also, there's the rain. When it rains, usually in quick, twenty- or thirty-minute bursts, the soot and ash dissolve into streams that run down the sides of buildings and cars and onion domes, into the gutters and back into the ground. Moscow is usually lovely in the summer, but this summer, with the smoke and the record-high temperatures that are very, very hot and surreal, distinctly un-Russian, it is awful.

The state-controlled television stations are reporting that fifty or so people have died in the fires, and that several villages

have been burned to the ground. This means only one thing: That the destruction — of people, villages and livestock — is far greater than that. As always, no one knows exactly what is happening, or what will happen, but it is safe to assume that things are worse than the organs of power would have the masses believe. They may be far worse.

What the fires have revealed is that Russia's political and socioeconomic infrastructure — its ministries, its municipal governments, its roads and heliports and telecommunications hubs — is a hollowed out mess. And they've revealed that even though this is the case, even though the state cannot provide for the most basic of services, the people, or, at least, the vast majority of them, are unlikely to demand change, meaning systemic change: better

— continued on page 3

# The Big Short: Inside the Doomsday Machine

by Michael Lewis

**T**HE *BIG SHORT: INSIDE THE DOOMSDAY MACHINE* IS MICHAEL Lewis' meticulously reported account of the financial crisis of 2007-2008. It is richly detailed, well written, packed with colorful detail about some very colorful Wall Street tycoons—and premature. We learn much more about America than we do about Wall Street in this book, strange as that may sound.

Lewis, it should be said, is a first-rate journalist who's written some marvelous books — *The New New Thing*, *Blind Side* and *Moneyball*, among others. He has a fluid writing style, and wonderful way of telling a story. He also has a very keen sense of finance. (His first book, *Liar's Poker*, details the story of a young bond salesman at Salomon Brothers in the 1980s.) Above all, he loves to delve into the complicated, often unexpected biographies of his protagonists, most notably, that of Lewis Ranieri, in *Liar's Poker*. Central to Lewis' journalism is this human element, this capacity to tell the big story by telling several smaller, more personal, stories. This makes *The Big Short*, like all his work, easy to read and very compelling.

But it's impossible to read this book without feeling like it's all a bit rushed. One senses that Lewis' editor decided that Lewis had to write this book, that it had to be done now, not tomorrow, and that the most important thing was getting it out, not getting it right. In other words, this journalism CNN-style, not Charlie Rose. After all, how can we possibly know, at this early date, all the many factors and forces and people who contributed to this implosion? And how can we know what the effect, what

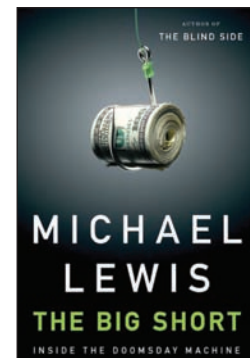
**“STILL, THIS KIND OF PREMATURE JOURNALISM IS DANGEROUS. IT SHAPES PUBLIC OPINION THAT HARDENS INTO CONVENTIONAL WISDOM THAT BECOMES IMPOSSIBLE, OR NEARLY IMPOSSIBLE, TO MOVE EVEN AS THE NEED FOR REASSESSMENT MOUNTS.”**

all the effects, of this implosion will be? And how is it possible to piece together all the many connections and intermediaries? Certainly, we've learned a lot these past two-and-a-half years about the subprime industry, Lehman Brothers, AIG, Fannie and Freddie, and, of course, the bailout — or bailouts — of a banking industry that may have saved the economy but alienated the better part of America. But as Lewis knows all too well, this is a very complicated business, and there are very sharp divides and disagreements about what, exactly, transpired. It may be the case that Lewis has written the final word on the financial crisis and that all future accounts will be measured against his, but that seems unlikely. What seems much, much likelier is that, in the next five or ten or twenty years, we will learn a great deal more about what happened and why. Consider that historians and economists still debate the causes of the

Great Depression, sparked by the 1929 stock market collapse, and who or what is responsible for bringing the Depression to a close.

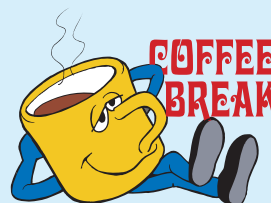
All this probably says much more about contemporary society, the publishing industry and the public's desire to know everything right now than it does about Lewis. Lewis, as all good business journalists know, is simply filling a niche made possible by a market that he did not create.

Still, this kind of premature journalism is dangerous. It shapes public opinion that hardens into conventional wisdom that becomes impossible, or nearly impossible, to move even as the need for reassessment mounts. In recent years, we've seen this kind of inanity with greater frequency: The Internet boom of the 1990s, the Bush tax cuts, the attacks of September 11, 2001, the war in Iraq and Barack Obama's election to the White House have all been framed by journalists and politicians as caused by and leading to things that do not, in fact, jibe with reality. Indeed, as David Hume argued more than two centuries ago, establishing a causal relationship is impossible. Stating with any confidence why things happen and what will follow is, to put it gently, ridiculous and misleading. It would be much, much better if journalists like Lewis, who is a talented and thoughtful writer with a superb and intuitive understanding of financial markets, stuck to what he knows. That may seem to be lacking in ambition, but it's what we need: facts, insights, the occasional reflection. No doubt, fewer people would have much to add to this kind of high-caliber conversation — but it would be a conversation well worth having. —PD



Which psychiatric diagnosis DOES NOT appear in the DSM-IV:

- A. Psychotic Disorder Not Otherwise Specified
- B. Neurotic Disorder Not Otherwise Specified
- C. Pervasive Developmental Disorder
- D. Obsessive-Compulsive Disorder
- E. Adjustment Disorder with Mixed Features
- F. Borderline Personality Disorder



ANSWER: B.  
The concept of neurosis was dropped with the introduction of the DSM-III in 1980. The DSM-IV followed suit in 1994. The DSM-V is scheduled for publication in 2012.



© Shooarts

## Burning Fury

—continued from page 1

government, less corruption, more transparency. The fires will have zero impact on any future election in Russia.

It's worth comparing Russians' reaction to the fires and Americans' reaction to, say, Hurricane Katrina, in 2005, or this year's Gulf of Mexico oil spill — not because we should gloat in our democratic spirit, our collective desire to hold elected officials responsible for bad things that happen on their watch, but because we, meaning the Russians and the Americans, approach the world, the state, the individual, society, the very meaning of life, in radically different ways. These are not stylistic differences. They are fundamental chasms.

Why does this matter? It matters because at the very same time that Russia is battling its fires, America is seeking to forge a new relationship with Russia.

Relations between the United States and Russia soured under President George W. Bush, and maybe that was inevitable. After all, Vladimir Putin, who became president of Russia on January 1, 2000, has never shown much appetite for open government, a free media or free and fair elections, and the Bush administration was never particularly adept at masking its impatience and, at times, hostility. President Obama came to power and soon after “reset” relations with Moscow. It remains to be seen whether the reset amounts to anything substantive, or whether it is just wishful thinking. The White House is looking for signs of a rapprochement. So far, there hasn't been much to talk about. Yes, the Russians agreed to new sanctions against Iran — but no one expects those to do much. Meanwhile, a pro-Kremlin government has taken power in Ukraine,

None of this is to say that the reset cannot or will not bear fruit. There are good reasons to doubt that much will come of it, but for now, it's hard to make any definitive statements.

That said, the fires of the summer of 2010 — and, in particular, the Russian public's response to those fires — offer cause for concern. In a healthier, more representative society, citizens would be angrier, and they would demand change, and their leaders, fearing their citizens, would take action. We call this democracy. It has many drawbacks, but it is infinitely preferable to any of the alternatives. In Russia, the fires have prompted a familiar pattern of actions and reactions: Mass suffering, followed by a handful of outbursts, followed by a bit of state-managed theater (in this case, Putin visiting a burned down village and promising to install webcams that will monitor construction of homes), followed by a

muting of the people's frustrations. This is not democracy but Potemkin democracy, and even though it has little to do, in any direct sense, with the reset and U.S.-Russia relations, it tells us something about whom we're trying to do business with, and how they think and what they want. They do not want what Americans want. In Russia, they like their leaders tough and strong and unaccountable. In America, we like tough and strong, but we keep our elected officials on a much tighter leash, and this makes all the difference. Can we find common ground? Maybe. Maybe not. —PD

## OLD, NEW, BORROWED, AND BLUE: PROPOSITION 8 TRANSFORMS THE WORKPLACE

Judge Vaughn Walker's recent decision to overturn California's Proposition 8 and allow for same-sex marriages has yielded national attention. Across the political spectrum, there is a growing consensus that the decision expands civil rights, by ensuring equality under the law.

At the time this newsletter went to press, there was a temporary stay on the ruling. Nevertheless, Judge Walker's decision has left a lot of businesses wondering what legal ramifications same-sex marriages might have on the workplace. Assuming same-sex marriages are allowed to continue, state employers will face new challenges centered on entitlements, including employee benefits that extend to spouses.

According to an article by attorneys at Seyfarth Shaw LLC, businesses will have to consider rights and benefits for heterosexual married spouses, registered domestic partners, and now, same-sex spouses. And the inevitable question is whether or not an employer will be obliged to extend benefits to employees with same-sex spouses.

The 1974 Employee Retirement Income Security Act generally preempts state laws concerning employee benefits and allows employers to limit benefits to opposite-sex spouses, should they choose to do so. Seyfarth Shaw tells us, however, it's not quite that cut and dry. For instance, benefits provided by government and religious organizations usually fall outside the purview of ERISA and employers will be mandated to abide by all state and local regulations. Of course it's important to remember that California law already requires employees to extend insurance to spouses and registered domestic partners.

The layers of complication surrounding this decision can be peeled away like the skin of an onion. For instance, how will businesses be affected by California's willingness to recognize, and provide rights and benefits to, out-of-state, same-sex marriages? Other labor concerns include issues over state leave laws like the California Family Rights Act's family and medical leave provisions, as well as employment discrimination. Discrimination on the basis of sexual orientation or marital status is already prohibited under the state's Fair Employment and Housing Act, but now a new segment of employees — those in same-sex marriages — can claim “marital status” discrimination.

It's unlikely Judge Walker had the (very) last word in the debate over same-sex marriages. But California businesses would be smart to think ahead and start planning for the future.

— Sabrina Leigh Schaeffer

PRESORTED STANDARD  
U.S. POSTAGE  
PAID  
Torrance, CA  
Permit #754

Newly Updated Website  
The Savodnik Website  
has been newly refurbished  
for the new decade!  
Log on today at  
[www.savodnik.com](http://www.savodnik.com)

Burning Fury

18 Locations  
throughout California  
Call us for Psychiatric  
Evaluations!

2780 Skypark Drive, Suite 260  
Torrance, California 90505  
Telephone: (310) 517-1717  
Fax: (310) 517-9853  
E-mail: [contactus@savodnik.com](mailto:contactus@savodnik.com)  
[www.savodnik.com](http://www.savodnik.com)



National Assessment Specialists, Inc.  
IRWIN SAVODNIK, M.D. & MEDICAL ASSOCIATES, INC.



## Save a Tree or 2...HUNDRED

When evaluating how we can do our part to conserve in 2010, paper consumption was a subject that came under scrutiny. Providing expert medical evaluations requires the use of a lot of paper. This, for the time being, will not change. As another way to conserve, we turned to the beloved NewsGram, which since its inception has consumed approximately 200 trees. But, we need your help to conserve! RECEIVE THE NEWSGRAM VIA EMAIL! Save a tree, save energy, save time by receiving your monthly NewsGram via email.

Here's How:

- Email us at [contactus@savodnik.com](mailto:contactus@savodnik.com)
- Type "Save a Tree" in the subject line
- Note your first name, last name and company name in the body of the email.

Have no fear. If we do not hear from you, you will continue to receive your NewsGram courtesy of trees, gasoline, human resources, Uncle Sam and of course, Irwin Savodnik, M.D., and Medical Associates Inc.



National Assessment Specialists, Inc.  
IRWIN SAVODNIK, M.D. & MEDICAL ASSOCIATES, INC.