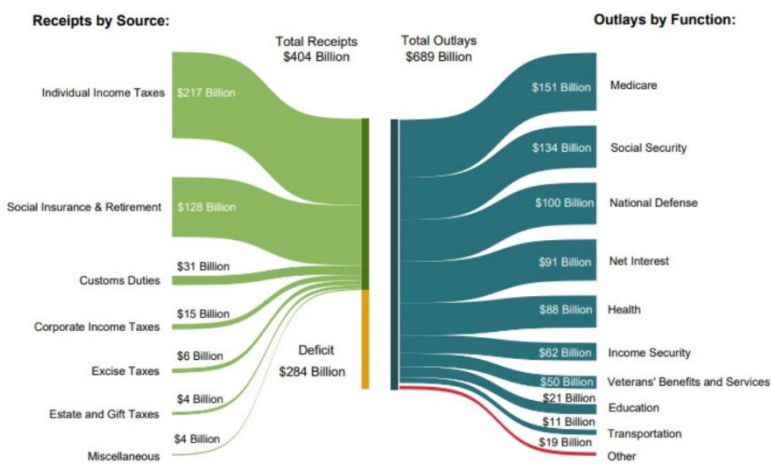


## J. Michael Locke Musings

### #270: Musing December 6, 2025

Our government fiscal situation is such a mess. Look at this graph about October revenue and expenses for the federal government:

Figure 1. Receipts, Outlays, and Surplus/Deficit for October 2025



As the WSJ puts it, *"The US depends on the kindness of strangers to finance its huge budget deficit"* as we sell bonds almost constantly. Some very sophisticated people like Ray Dalio think it is coming home to roost. The excessive borrowing is going to lead to a devaluation of the dollar (god forbid it lose its role as the world's reserve currency). This is part of the big run up in gold prices. Even Tucker Carlson (remember my comments about celebrities leveraging their ability to attract customers) is getting into the gold business.

I recently wrote about how companies need to focus on customer acquisition. Here are a couple more innovative examples. Pro sports team owners figured out they were attracting the customers but all of the neighboring bars/restaurants were benefiting. Baltimore was first and now it has caught on. The owners of the Cubs basically own all of Wrigleyville. Now the owner of the Mets just got a license to put a casino next to the stadium. Topgolf uses the golfing game to drive its food & beverage business. Bowling alleys make all of their money on Budweiser. The games are just a customer acquisition activity.

A big part of success is the management of expectations. Too many people allow expectations to get set too high and then the probability of disappointment is outsized. If I ever went on a dating app, I certainly wouldn't catfish with a hat on and saying I am over 6 feet (apparently women can now sort potential matches by height and show a great preference for someone over 6 feet even though the average American male is 5'9".) When describing your business, too many people overstate revenue or

profit growth to try and be impressive. Be humble and understate. Let them think you are a schmuck (channel your Woody Harrelson White Men Can't Jump). You want to establish expectations that you can exceed.

Most good leaders I know follow some level of "servant leadership" where your focus is on growing, empowering and supporting those who work for you. I don't like the "servant" word but it highlights the difference from the historical hierarchical, authority-based military leadership model. Unfortunately, college football coaches seem to have missed the memo. Why is the coach running out first onto the field? I think he should be last and the captains first. Famed hockey coach Herb Brooks didn't even go on the ice after the USA team won. Former Ole Miss coach Lane Kiffin definitely missed the memo. His college athletes should be excited to be 10-1 and headed to the playoffs and instead it was all about him. He even wanted to coach them in the playoffs after he said he was leaving? From the WSJ: *"Honestly, the whole discussion reeks of College Football Brain, that cross-affliction of entitlement and exceptionalism in which the most bizarre circumstances are treated as routine business."* Once you know someone is "leaving your team," call it a day and exit them.

One thing I hate about the "attention economy" is how it rewards folks who can drive attention regardless of their background and expertise. Whether it is AOC or Mamdani or Nick Fuentes, we have people with significant societal influence with scarce experience. Never had kids. Never employed people. I don't think any of them have ever owned a home. Their influence comes from their ability to communicate via social media. Not good.

We definitely have a K-shaped economy. The wealthy are doing well as asset prices increase (homes, stock market) and you see it with strong results from luxury brands. On the other hand, the lower end is feeling pinched and trading down. Chipotle has weak sales while Dollar General outperforms. According to the WSJ, households with over \$250k in income own 68% of the stock market wealth although only 9% of homes. On the other end, households with under \$100k in income only own 10% of the market yet represent 67% of homes. This is not healthy. Class 'warfare' is simmering and showing up in things like legal disputes around beach access in resort towns.

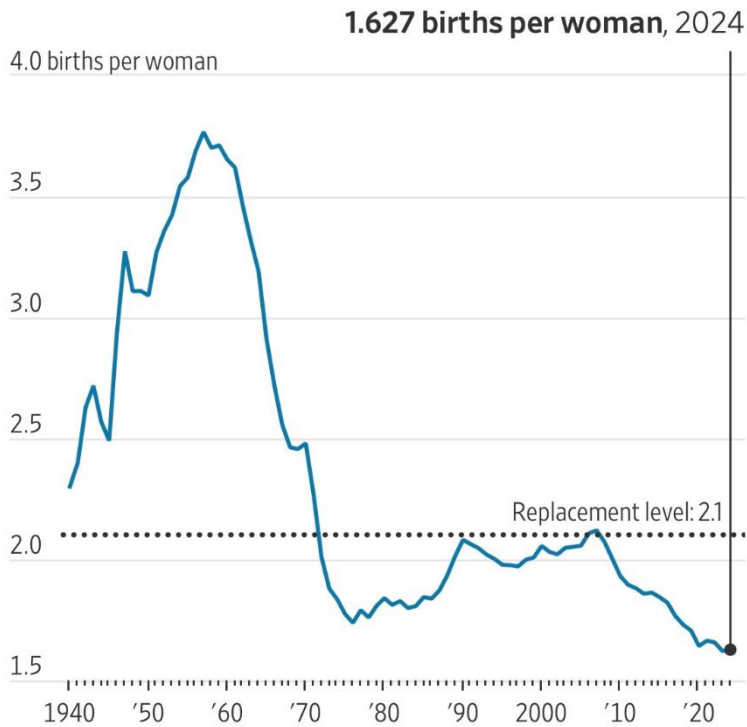
Nice of Susan and Michael Dell to try and help with their \$6.25 billion donation to give 25 million kids \$250 each as babies. The money is invested and grows tax free and then can be used for things like education or a retirement account when the kid becomes an adult. I like some of the newer approaches to philanthropy from the uber rich. Jeff Bezos' ex-wife Mackenzie Scott does not have a big foundation or staff, she just cuts huge checks directly to nonprofits (recently some HBCUs). I had some firsthand experience with the Gates foundation and what an inefficient way to give away money.

We need more kids!! Look at this chart of the fertility rate:

---

## U.S. total fertility rate near record low

### U.S. total fertility rate



Note: Total fertility rate is an estimate of the number of babies a woman would have in her lifetime; 2.1 is the level needed for a generation to replace itself. Data for 2024 is provisional.

Source: Centers for Disease Control and Prevention

Hopefully our boys will seek real women and not folks like Aitana Lopez. Google her. Totally an AI-generated celebrity influencer. Give me reality tv and DWTS. It is like there is a huge “risk off” going on. Less booze. Less sex. Constant monitoring. Too much safety is not a good thing.

Maybe our boys are getting too many micro-toxins from all of the plastic K-cups etc. Apparently, micro-toxins stimulate estrogen release which is leading to earlier arrival of puberty in girls.

When someone starts with “out of abundance of caution,” you know a bad decision is coming (thanks Mark Locke). Taking safety too far can even effect health. I believe the obsession with hygiene among parents of little ones has reduced the development of immunity and driven the rise of allergies. Let your kid play in the dirt and follow the five second rule on a dropped pacifier.

Never turn on your “out of office” message. If you want to be a successful executive, I don’t believe in work/life “balance.” Technology has made life more “integrated” vs “segmented.” The velocity of

business means you can't work just Monday – Friday normal hours. It is a 24x7 global world which moves quickly. The art form is using technology to be work/life integrated where you can check email at night or do a zoom on Saturday morning and also take an extra long lunch or go to your kids play.

I think therapy can be productive but worry about those who use it to deal with all obstacles. We need more grit and less triggers warnings. Here is an interesting excerpt from recent Scott Galloway piece on the increasing rise of therapy. *“According to psychotherapist Jonathan Alpert, the rise of therapy culture has turned a tool for meaningful change into a “comfort industry” that’s making Americans sicker, weaker, and more divided. “We live in an era where disagreement is treated like trauma, and emotional reactions are weaponized for political gain,” Alpert [writes](#). “On social media, vulnerability is currency. On TikTok, influencer ‘therapists’ dish out instant validation in 30-second bursts. The most anxious voices often hold the most influence. Complex issues get reduced into content. Millions watch, but few get better.” One 2022 [study](#) of mental health videos on TikTok found that 83% were misleading, 14% provided potentially damaging advice, and only 9% were produced by content creators with relevant professional qualifications. Similar to supplements, therapy is a good thing that’s easily exploited by hucksters. But if supplements are a pipeline to getting red-pilled, therapy culture is a sinkhole of misinformation, manufactured fragility, and needless suffering.”*

Not all innovations are good. I recently had a chance to drive a Tesla CyberTruck. What an ugly car. Nothing says “rich asshole” more than driving one of those. I think you can tell a lot about someone by the car they drive. Fun game I recommend at your next dinner --- guess what kind of car someone drives. Based on the personality, you would be surprised how close you can get. The male orthopedic surgeon will much more likely drive a Porsche than a Honda. The practical accountant will more likely drive a Toyota Camry than a BMW.

I think dog ownership also tells you something. You know a guy is married when you see him walking a miniature doodle.

Congrats to our daughters on the launch of their holiday collection. Anyone shopping for a 18-40 year old woman – take a look: [www.rowandwhit.com](http://www.rowandwhit.com) Based on a lot of feedback, they have moved away from using a model to using themselves. Speaks to my overarching comment about a society wanting authenticity. Mom even makes some appearances but don't wait for yours truly to appear – not brand compliant and relegated to driving shipments to UPS.

jml