

# ATENAS TODAY



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***ATENAS TODAY** is a free English language newsletter for the residents and potential residents of Atenas, Costa Rica. It contains informative articles and creative compositions submitted by our readers, and is distributed via email approximately once a month to over 350 email addresses. To get on the distribution list or to submit material, please send an email to Fred Macdonald at [fredmac222@yahoo.com](mailto:fredmac222@yahoo.com).*

*Compositions from back issues are archived by category on the Atenas Chamber of Tourism and Commerce website, [www.atenascatuca.com](http://www.atenascatuca.com). Click on the English version and then [Atenas Today](#) on the business page.*

# NO! To Silence on Crime

*by Marietta Arce*

I spent a couple of weeks in New York with my teenage daughter this summer. We enjoyed our vacation immensely, being both residents and tourists and enjoying the many things New York has to offer. During the first couple of days, I was struck by an unfamiliar feeling, though, that I could not quite explain.

As a former New Yorker, I pretty much know my way around the transit system so we relied mostly on the subway to get around. Naturally, everything is 'automated' so that one buys Metro Cards from machines rather than clerks. As I was unfamiliar with the procedure; I had to read the instructions. Since New Yorkers are notoriously known for their impatience, when I spotted someone coming towards me as I was fiddling with the machine, I was probably visibly nervous. The man approached me and in a slow and pleasant manner guided me through the process and continued his day, no sign of impatience at all and no reason for stopping at the machine other than help me sort it out.

My daughter and I made our way to the platform and boarded the train. We were impressed with the subway cars and their riders, counting more than 10 nationalities in our 'car' alone. As we looked at the ads decorating the walls, I noticed signs that said: "If you see something, say something"; "The MTA (Metropolitan Transit Authority)" reserves the right to inspect large or suspicious packages"; "It's your subway, keep it clean", and my favorite: "Thanks to you (for reporting), 1500 felons are off the streets."

It was during this ride that I was able to identify the unfamiliar feeling that had been disturbing me...in this large, overpopulated, noisy city; I felt we were on the safest spot in the universe. It was with sadness that I realized that I haven't felt that way in Atenas in a long, long time. Our 'climate' is not always the best.

This past weekend, I was at the home of friends and heard not one, not two, but three heart wrenching stories of homeowners being robbed and threatened by delinquents. The shocking thing for me is that these lovely homeowners live in 'gated' communities with guards at their entrances. Even more disturbing is the knowledge that the victims do not report these crimes to the police. When questioned as to why, they state simply that it doesn't make any difference. They feel unprotected, disenchanting and like they want to go 'home' and forget the awful nightmare.

CATUCA has been working hard to encourage the formation of a security committee to bring seminars and training to our citizens. We need to learn to protect our properties and families, not necessarily violently. Our local Police can only do so much, especially in light of the fact that the 'official' figures still place Atenas as a very safe place with only 7 car thefts per year (the real figure is more like 1 per week).

We urge you to report suspicious activity, to get to know your neighbors and look out for each other. The telephone number for the Police Department is 2446-5063. The Judicial Investigations office (OIJ) is located in the Courthouse, diagonal from the Catholic Church in Atenas Center, hours 7 a.m. – 11:30 a.m. and 1 p.m. – 4 p.m. Phones are: 2446-8200, 2437-0340, 2437-0342. We need to do our civic duty so that we can also enjoy the security that residents and visitors of a democracy are entitled to.

# How Can We Fix Free Market Capitalism?

*by Fred Macdonald*

It would be a great understatement to say that the economic news these past few weeks has not been good. Unregulated, free market capitalism seems to have failed us, forcing the government to socialize a large portion of the financial industry. Does this mean that the whole concept of unfettered capitalism must be rethought, or is there just some specific problem that can be fixed?

There is no question that so far capitalism has proved to be the most successful economic system. People acting in their own self interest have provided the energy and creativity that has driven economic growth and improved the lives of everyone. As a byproduct, however, two significant problems have been created.

First, the personal economic incentives in a free market system are almost all short term. The executives who make the decisions that affect us all are rewarded based on short term results. In addition they have compensation packages with “golden parachutes” that allow them to bail out when the longer term effects of their policies begin to be felt. The effects are problems like the present one, where our financial institutions are crippled by bad debts that produced great earnings in the short term, but disaster in the long term.

Second, the incentive for managers to pay themselves the maximum and their employees the minimum has resulted in an ever widening gap in living standards and created anger and resentment in the middle class. Sooner or later the masses will revolt against such a system.

I have an idea for a simple change to our system that would give executives more incentive to think long term and to pay their employees better. Congress could pass a law that says managers can be compensated only in two ways: salary/benefits and stock options (no “golden parachutes”). The salary/benefits of the top paid person in a company would be limited to no more than 40 times the salary/benefits of the lowest paid person. The stock options can be unlimited in size, but they cannot be exercised until ten years after the date they are granted.

The salary/benefits cap would encourage top executives to raise the pay of their employees. If you want to earn \$1,000,000 a year, you have to pay your employees at least \$25,000 (a minimum wage of about \$12 an hour). Raising the pay at the bottom would have a ripple effect up the corporate ladder, raising the wages of all but the top people. Given the competitive nature of capitalism, it will be difficult therefore for executives to earn more than \$1,000,000 from salary and benefits. Their big payoff will have to come from stock options, and this payoff will not materialize if their policies are not successful for at least ten years.

It seems to me that changing the fundamental personal incentives in this way is a better solution to what ails capitalism than relying on complex regulations of corporate behavior. As we have seen, conditions change, and regulations become quickly outdated.

I am probably missing something here, and I would like to receive feedback from the readers of [Atenas Today](#). Your comments will be published in the next issue, with or without your name attached as you wish.