

EDITORIAL

It is heartening that many of our friends are speaking well about this newsletter: We sincerely hope these good wishes transform into positive contributions to the newsletter that will make the newsletter more beautiful and richer.

There was an organization with a few active members. The secretary was a very committed person and a willing volunteer. One day he did not come to the institution, everybody was surprised. When the president enquired about his absence this man's friends intimated that he had decided not to come to the institution. The next day the president went to meet him at his house. The secretary began to feel that the president had come to take him back to the institution, but he never said anything, even the president did not speak anything. Both of them sat watching charcoal burn in the fire place in total silence. After some time the president got up, went to the fireplace and picked up a bright burning charcoal and kept it aside. After a few minutes the burning charcoal kept outside cooled down and became black again. The president again went and picked up the cold charcoal and threw it in the fireplace and it immediately caught fire and started burning brightly. The president thanked the secretary and started to leave the house. When the secretary went to see him off up to the door, he slowly said, "Sir, I will be back in the organization tomorrow morning. Thank you very much for teaching me a lesson without a word. Charcoal in the group can be a source of light and heat but taken out of the group remains only a charcoal".

We are also like the charcoal. In a group we can be very creative and effective, but out of it we lose our luster. We are sure that our fireplace of the newsletter will be eminently bright with the contributions from all of you. Keeping in tune with the current situation we have put together a few interesting articles on recession, happy reading!

'STOCK MARKET' SIMPLY ILLUSTRATED

Once upon a time in a village, a man appeared and announced to the villagers that he would buy monkeys for Rs10. The villagers seeing that there were many monkeys around, went out to the forest and started catching them. The man bought thousands at Rs10 and as supply started to diminish, the villagers stopped their effort. He further announced that he would now buy at Rs20. This renewed the efforts of the villagers and they started catching monkeys again. Soon the supply diminished even further and people started going back to their farms. The offer rate increased to Rs25 and the supply of monkeys became so little that it was an effort to even see a monkey let alone catch it.

The man now announced that he would buy monkeys at Rs50! However, since he had to go to the city on some business, his assistant would now buy on behalf of him. In the absence of the man, the assistant told the villagers. Look at all these monkeys in the big cage that the man has collected. I will sell them to you at Rs35 and when the man returns from the city, you can sell it to him for Rs50." The villagers squeezed up with all their savings to buy the monkeys. Then they never saw the man nor his assistant, only monkeys everywhere!

Welcome to the Market!!!

save the date



Samanvay Premiere League (SPL) 2009
Annual Cricket Tournament
Register at spl09.eventbrite.com



Spring Gala
Look for updates on - www.samanvay.net



Samanvay
Group

A NEW S L E T T E R F R O M S A M A N V A Y G R O U P



EVER WONDER WHAT CAUSES A recession?

Once upon a time a man used to sell hot dogs by the roadside. He was illiterate, so he never read newspapers. He was hard of hearing, so he never listened to the radio. His eyes were weak, so he never watched television. But enthusiastically, he sold lots of hot dogs. He was smart enough to offer some attractive schemes to increase his sales. His sales and profit went up. He ordered more and more raw materials and buns and used it to increase the sales.

As his business was growing, the son, who had recently graduated from College, joined his father. Then something strange happened. The son asked, "Dad, aren't you aware of the great recession that is coming our way?" The father replied, "No, but tell me about it." The son said, "The international situation is terrible. The domestic situation is even worse. We should be prepared for the coming bad times." The man thought that since his son had been to college, read the papers, listened to the radio and watched TV, he decided to take his son's advise seriously.

So the next day onwards, the father cut down his raw material order and buns, took down the colorful signboard, removed all the special schemes he was offering to the customers and was no longer enthusiastic. He reduced his staff strength by giving layoffs. Very soon, fewer and fewer people bothered to stop at his hot dog stand. And his sales started coming down rapidly, and so were his profits.

The father said to his son, "Son, you were right". "We are in the middle of a recession and crisis. I am glad you warned me ahead of time."

FRINGE SCIENCE

Why money messes with your mind!

Dough, wonga, greenbacks, cash. Just words, you might say, but they carry an eerie psychological force. Our relationship with money has many facets. Some people seem addicted to accumulating it, while others can't help maxing out their credit cards and find it impossible to save for a rainy day. In these cash-strapped times, perhaps an insight into the psychology of money can improve the way we deal with it.

In a study to be published soon in the journal *Psychological Science*, the lead researcher Vohs says that, "Money seems to have symbolic power as a social resource. It enables people to manipulate the social system to give them what they want, regardless of whether they are liked." Put bluntly, it looks as if money is acting as a surrogate friend. Could that explain why some people focus on extrinsic aspirations at the expense of real social relationships?

Psychologists Stephen Lea and Paul Webley, University of London, have suggested a reason for unhealthy and obsessive attitudes to money. They believe that it acts on our minds rather like an addictive drug, giving it the power to drive some of us to compulsive gambling, overwork or obsessive spending (*Behavioral and Brain Sciences*, vol 29, p 161). The study propose that money works more like a drug which can activate the brain's pleasure centres. Of course, money does not physically enter the brain but it can promote biochemical or physiological stimuli by acting through the mind and emotions.



When it comes to money, some may be categorized as greedy, and others just needy - thirsty for status or using money to compensate for social shortcomings. What is clear is that money - supposedly a dispassionate tool of exchange - stirs up big emotions and mental strife.

lasting thoughts...

Money does not create man, it is the Man who created money
~ Warren Buffet

The only reason I made a commercial for American Express was to pay for my American Express bill.

~ Peter Ustinov

