

Ireland Votes "Yes" for EU Expansion

-- Irish voters backed the European Union's eastward expansion in a referendum Sunday. --

BACKGROUND:

The European Union has already grown from six to 15 countries, and is now preparing for its fifth round of expansion. Ten countries (Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia) from central and Eastern Europe have begun preparations to join the EU and the first of them could be members by 2004. Turkey has also been accepted as an applicant, but has not yet begun membership negotiations.

The Nice Treaty, which was drawn up at the European Union's Nice summit in December 2000, changes the way decisions are taken within the EU, in the hope of preventing paralysis once it has taken on 10 new member countries. The treaty has to be ratified by all the EU's 15 existing member states. However, Ireland is obliged by its constitution to hold a referendum. They had one in June of 2001, but to the government's embarrassment voters rejected it. A second referendum was held Saturday.

STORY:

Irish voters backed the European Union's eastward expansion in a dramatic turnabout in a referendum Sunday, ending fears of a delay in the growth of the 15-member bloc. The final count in Ireland's second vote on an EU enlargement treaty put the "Yes" vote at 62.89 percent, according to official results. The final figures were compiled by the Alliance for Europe group using official results from returning officers.

Irish Prime Minister Bertie Ahern, who campaigned hard to overturn a stunning defeat last year when Irish voters rejected the Nice Treaty,

hailed the results from Saturday's poll as giving "an emphatic 'Yes' to enlargement."



"It's a very important vote for Ireland, for Europe, but mainly for the applicant countries," he said on a trip to southeastern Ireland. "I think Ireland will be seen in a good light right across eastern and central Europe."

At the EU's Brussels base, where officials have been hanging on every twist and turn of the vote to see if plans to admit the 10 new members in 2004 would stay on track, there were signs of relief.

"This result demonstrates that the only people in the EU to have been consulted have, after a period of reflection, given the clearest possible signal that Europe's rendezvous with history cannot be further delayed or postponed," said president of the European Parliament, Pat Cox, himself an Irishman.

Irish voters, fearing it might infringe Ireland's policy of military neutrality, initially rejected the treaty which was signed in the French resort of Nice two years ago to prepare EU institutions to admit 10 new members mainly from Eastern Europe.

The "No" vote last year by prosperous Ireland, one of the biggest economic success stories in the EU, led to serious soul-searching in this nation of 3.9 million people, always previously a big backer of EU treaties.



Faced with the possible derailment of EU expansion plans, and the effect on Ireland's standing in the EU, the government said the low turnout justified holding a second referendum, and plowed millions of euros (dollars) into a massive information campaign.

Ireland was plastered with some of the hardest hitting campaign posters ever seen here, including one by the "No" side showing a man with a gun to his head and the slogan "Don't be bullied."

In the balance was the future of 70 million people, mainly eastern Europeans once isolated behind the Iron Curtain, who after a decade of painful free market reforms is now looking forward to invitations in the next few weeks to join the Union.

Ireland alone among EU members required a popular vote to ratify the Nice Treaty. Unless it does so this year, the treaty will be invalid and the process of expansion held up.

The Nice treaty and the legal basis for enlargement would have expired by the end of this year if it had not been not ratified by all member states. But EU officials warn that there is still much work to be done before the 10 candidates can become part of the Western club. Poland, Hungary, the Czech Republic, Cyprus, Lithuania, Slovenia, Estonia, Latvia, Slovakia and Malta are preparing to join the bloc in 2004. Romania and Bulgaria are expected to join later this decade.

EU leaders are meeting for a summit in Brussels this week to debate one of the thorniest issues of enlargement - how to pay for the entry of so many, mainly poor, former communist states.

"We can now get on with finalizing preparations for enlargement of the European Union," said European Commission President Romano Prodi in a statement released after the results were declared.

Saturday's referendum contained two questions in addition to the approval of Nice. One

asked for approval for future moves on integration to be put to a parliamentary vote instead of a referendum, in line with the rest of the EU. The other asked for a ban on the government joining a common European defense force without a referendum first.

Social Security Gets 1.4 % Increase

--Social Security recipients will get a 1.4 percent cost-of-living increase in their monthly checks next year. --

BACKGROUND:

Almost all American workers pay Social Security taxes. If you take a look at your pay stub--the part that shows how much is taken out for various taxes and benefits each pay period--you'll see deductions for Social Security and Medicare. On some pay stubs it's called FICA, which stands for "Federal Insurance Contributions Act," the law that authorized payroll deductions for Social Security.

The tax rate of 7.65 percent covers both Social Security and Medicare. The Social Security part of the tax is 6.20 percent of gross wages, up to \$80,400 in the year 2001. The Medicare tax is 1.45 percent of all earnings. Employers match a worker's Social Security tax payment. Self-employed people pay Social Security taxes equal to the combined employee/employer tax, although half of their tax is deductible as a business cost.

Generally, out of every dollar paid in Social Security and Medicare taxes:

- 69 cents goes to a trust fund that pays retirement and survivors benefits;
- 19 cents goes to a trust fund that pays Medicare benefits; and
- 12 cents goes to a trust fund that pays disability benefits.

The taxes also pay for administering Social Security. The administrative costs are less than 1 cent of every Social Security tax dollar collected.

The SS trust funds now take in more money than they pay out each month--on average more than \$12 billion per month. These "reserve" funds are then invested in U.S. Treasury bonds, the safest of all possible investments. Those reserves will grow, earn interest and be used to help pay for the retirement of the baby boom generation.

The Great Depression of the 1930s dramatized the fact that many American workers were financially dependent on factors beyond their own control. The Social Security Act, signed into law by President Franklin Delano Roosevelt in 1935, helped to change this situation. In the years that followed, Social Security was broadened to include survivors' benefits, disability benefits and health care benefits.

The Social Security system is meant to provide a minimum "floor of protection" for retired workers, and for workers and their families who face a loss of income due to disability or the death of a family wage earner.

Social Security payments are based on two philosophies. First, the system is designed so that there is a clear link between how much a worker pays into the system and how much he or she will get in benefits. Basically, high wage earners get more, low wage earners get less.

At the same time, the Social Security benefit formula is weighted in favor of low wage earners, who have fewer resources to save or invest during their working years. Social Security retirement benefits replace approximately 53 % of the preretirement earnings of a low wage earner and 40 % of an average wage earner.

Automatic benefit increases, also known as cost-of-living adjustments or COLAs, have been in effect since 1975. The adjustments are designed to offset the impact inflation has on retirees' purchasing power. It is tied to the government's most widely watched inflation gauge, the Consumer Price Index, with the actual figure based on the increase in the level of prices in the July-September period of this year compared with

the same period a year ago. The biggest annual increase was a 14.3 percent jump in 1980, reflecting the double-digit inflation of that era, while adjustments over the past decade have averaged a much smaller 2.6 percent as the country has enjoyed a prolonged period of milder inflation.

Please visit: www.ssa.gov for more information.

STORY:

Social Security recipients will get a 1.4 percent cost-of-living increase in their monthly checks next year, the smallest increase in four years, reflecting a slowdown in inflation caused by the weak economy. The increase will mean an extra \$13 a month for the typical retiree.

The increase, announced by the Social Security Administration Friday, will cover the country's 46 million people receiving Social Security benefits and 7 million recipients of Supplemental Security Income, the government's cash assistance program for the needy.

The increase, which will show up in January Social Security checks, is down from this year's boost of 2.6 percent. In 2001, benefit checks went up by an even larger 3.5 percent, the biggest cost-of-living rise in nine years.

This year's increase, the smallest since a 1.3 percent gain in 1999, reflected the dampening effect last year's recession and this year's uncertain recovery has had on the ability of businesses to raise prices.

The average monthly check for individual retirees will rise from \$882 currently to \$895 starting in January, an increase of \$13. For the average couple receiving Social Security benefits, their monthly check will go from \$1,463 to \$1,483, an increase of \$20.

The 1.4 percent increase for the needy receiving SSI payments will translate into a maximum payment of \$552 a month for an individual, an increase of \$7. For a couple, the

maximum payment will rise to \$829 a month, an increase of \$12.

Social Security also announced that for working Americans, the maximum annual earnings subject to Social Security taxes next year will rise to \$87,000 from \$84,900 currently. This change will affect about 9.7 million of the 155 million workers paying Social Security taxes.

In advance of the government's announcement, many economists were looking for the increase to be a full percentage point below the advance announced a year ago of 2.6 percent, which had been sharply lower than the 3.5 percent boost in checks that took effect in January 2001.

This time around, economists were predicting the increase would be around 1.5 percent, reflecting a modest rise in inflation as prices have been held in check by last year's recession, the country's first downturn in a decade, and this year's anemic recovery as well as a break on energy prices.

SIGNIFICANCE:

While Social Security has been a hot topic in many congressional races this fall, Republicans and Democrats remain far apart on the best way to address the financing shortfall that is expected to occur after the baby boom generation begins retiring in a few years.

"Inflation has come down to the point that some people have begun to worry about deflation," said Lynn Reaser, chief economist at Banc of America Capitol Management Inc., referring to the problem currently plaguing Japan after more than a decade of sluggish growth.

In this fall's midterm election campaign, Democratic congressional candidates have attacked their Republican opponents over the issue of how best to bolster the program's finances to cover the retirement of baby boomers.

President Bush campaigned for office in 2000 on a program to partially privatize Social Security by allowing younger workers to divert

part of their Social Security taxes into personal investment accounts on the belief that these accounts would earn higher returns than the same money invested in government bonds.

However, Democrats have used the stock market's steep plunge to attack the idea of privatizing any part of Social Security and have run campaign ads against Republicans accusing them of pushing risky schemes that will put retirees' Social Security benefits at risk.

Many analysts believe the bitter campaign debate and the government's rapidly worsening budget outlook will make it far harder in the next Congress to come up with a solution to the Social Security problem.

"There is no real prospect that we are going to make any changes in the way Social Security is handled in the near future," said Mark Zandi, an economist at Economy.com. "We lost a golden opportunity when the government's fiscal situation was strong and the stock market was healthy to deal with Social Security."

Peter Orszag, a Brookings Institution economist who served as an economic adviser in the Clinton White House, said one of the problems was that the campaign debate over Social Security could lock candidates into taking positions that will make reforming Social Security that much harder. If you sign on now to saying I will never raise taxes or cut benefits, then you don't leave much room later for getting reform done.

Michael Tanner of the Cato Institute, a Washington think tank that is promoting creation of the individual investment accounts as a way to bolster Social Security, said the outcome of the Nov. 5 elections will play a big role in determining whether the idea can win approval in the next Congress.

"Depending on the outcome of the elections, we could see action in Congress next year," Tanner said.

WHO YOU NEED TO KNOW:***NAOMI WATTS***

After 15 years of hard work in mostly forgettable films, overnight fame is about to arrive for British-born, Australian-raised, L.A.-residing actress Naomi Watts.

Overcoming adversity is nothing new to Watts, who could not afford to go to movies in her youth. She recalls a love-rich but unconventional childhood as the daughter of a single mother who moved around much of England before moving to Australia. Her parents split when she was four and her father died a few years later. Watts says she decided to become an actress when she was about five years old and saw her mother, a then-aspiring actress, performing on stage.

The most notable movie of her career so far is in David Lynch's "Mulholland Drive," which starts off with blue-eyed, blonde-haired Watts playing a Hollywood ingénue and then morphs into a half-dozen other plots leaving viewers uncertain as to what it was all about or who she really is.

"I'm sure I'm going to be asked what 'Mulholland Drive' means until I'm on my death bed," she says with a laugh. "No matter how great a role I get or how many movies I make, this is the movie that will keep people guessing," she said.

The role was her big break in Hollywood and earned Watts several awards and offers, including one she accepted in the thriller "The Ring," which opened recently and concerns a video that kills people within seven days of being watched, it is one of four upcoming movies that

star Watts. The others are: "Plots with a View," a romantic comedy co-starring Brenda Blethyn, "The Kelly Gang," a biography of the infamous Australian outlaw Ned Kelly, also starring Heath Ledger (her current beau), and "Le Divorce" a film with Kate Hudson of the Diane Johnson best-seller.

ENTERTAINMENT:**New Path for Rosie**

A month after talk show host Rosie O'Donnell severed ties with the magazine bearing her name, publisher Gruner & Jahr suspended publication of 'Rosie' and eliminated most of its employees -- 120 positions. The publisher, who is suing O'Donnell, the magazine's former editor, for breach of contract, blamed her for the job cuts. O'Donnell as seen September 20 at the Crystal and Lucy Awards in Los Angeles.

THIS WEEK IN HISTORY:**October 21, 1805****The Battle of Trafalgar**

In one of the most decisive naval battles in history, a British fleet under Admiral Lord Nelson defeats a combined French and Spanish fleet at the Battle of Trafalgar, fought off the coast of Spain.

At sea, Lord Nelson and the Royal Navy consistently thwarted Napoleon Bonaparte, who led France to preeminence on the European mainland. Nelson's last and greatest victory against the French was the Battle of Trafalgar, which began after Nelson caught a Franco-Spanish force of 33 ships attempting to sail to Italy. Preparing to engage the enemy force on October 21, Nelson divided his 27 ships into two divisions and signaled a famous message from the flagship *Victory*: "England expects that every man will do his duty."

In five hours of fighting, the British devastated the enemy fleet, destroying 19 enemy ships. No British ships were lost, but 1,500 British seamen were killed or wounded in the heavy fighting. The battle raged at its fiercest around the *Victory*, and a French sniper shot Nelson in the shoulder and chest. The admiral was taken below and died about 30 minutes before the end of the battle. Nelson's last words, after being informed that victory was imminent, were "Now I am satisfied. Thank God I have done my duty."

Victory at the Battle of Trafalgar ensured that Napoleon would never invade Britain. Nelson, hailed as the savior of his nation, was given a magnificent funeral in St. Paul's Cathedral in London. A column was erected to his memory in the newly named Trafalgar Square, and numerous streets were renamed in his honor.



SPORTS:

New Marathon Record

The 28-year-old British runner's triumph in a chilly, windy Chicago Marathon in 2 hours, 17 minutes, 18 seconds was 89 seconds faster than the previous world record set by Catherine Ndereba of Kenya in the same race last year. Ndereba was a distant second last Sunday.

After a career of near-misses in her biggest races on the track, including a fading fourth-place finish in the 10,000 meters at the Sydney Olympics, Paula Radcliffe trained this year for the first time for the marathon. In remarkable condition after training in the Pyrenees Mountains of southern France, she won the London Marathon in her debut at that distance April 14 in 2:18:56.

Working with her husband and coach — former 1,500-meter runner Gary Lough — Radcliffe has six victories this year. She defended her world cross country title, won the 5,000 meters in the Commonwealth Games and took first in the 10,000 at the European championships.

Although she is the two-time world cross country champion, Radcliffe's greatest international exposure, until Chicago, had been as an outspoken opponent of performance-enhancing drug use. When it was hinted that she was using performance-enhancing drugs, she asked that her last 10 drug test results be made public. All were clean. She chose to be tested on Sunday, also.

On Sunday, with cool temperatures, she simply wore down the competition, running the second half of the course a minute faster than she did the first, even though she faced a stiff wind over the last few miles. Radcliffe broke away from Ndereba in the 17th mile. Ndereba, who won the race the last two years, finished in 2:19.29.

Khalid Khannouchi, born in Morocco but a U.S. citizen, won the men's race in 2:05:56 — his fourth title in Chicago. He missed the world record he set last April by 18 seconds.

FEATURE:

Relationships in a Humane, Sustainable Culture Part II

by **Klaire Rowley**

Love extends beyond those of our own species—we have an innate affinity for other animals, and the environment. In many of today's urban environments, our genetically programmed need to be with other species is usually thwarted, leaving us yearning. These days, biophilia has to be satisfied with sadly diminished opportunities such as gardening, owning pets, and visiting the zoo. These activities relationships we build shape the way we form relationships in general.

The place where we spend most of our lives molds our priorities and the way we perceive our surroundings. We are able to assess our personal well being without much trouble. It depends on how we feel about our prosperity, the place we live, our friends and family, our physical health, our self worth and a range of other conditions. Without this foundation all other relationships can be questioned. The greatest gift of love is a sense of personal worth which grows with kindness, encouragement, and challenge. John Powell suggests in *Unconditional Love* "If...the ability...to love, appreciate, and celebrate one's own goodness is the key factor in the health of human personality and the basic ingredient of human happiness, then the essential contribution of love is clear; my love must empower you to love yourself. If I love you, then I want you to love yourself so you'll be truly happy."

The conditions of modern society are hard on relationships. Our lives have become complex and stressful, making it difficult to nurture the spiritual connection between and among us that is called relationship. Our society has very few models for creating relationships that support our growth and few ways of getting the assistance we

need. One-hundred years ago extended families began decreasing to nuclear families. In the 1950's, seventy five to eighty percent of families in the U.S. were traditional (breadwinner husband, homemaker wife, two or more kids); today, that figure is less than seven percent. Currently the fastest growing relationship lifestyle is single hood. A network of friends takes the place of family and spouse. Looking through history the old traditional family trend keeps getting weaker.

If we are to deliberately plot a sustainable future, the opportunity for each of us to experience love, family and other species must be a fundamental component. We, as a society, need more energy and time to devote to our relations. With this improvement the results would be a greater maturity in the quality of our relationships and, like a mature eco-system, a richer mutually beneficial diversity of forms and styles. How we are with each other casts our votes for how we want relationships between all aspects of the planetary culture to be. John L. Hoff bases his work on the idea that "we can create a fine world to live in if we each 1) choose to become the best possible version of our own unique self, 2) discover our connectedness to each other and the rest of Nature, and 3) join with others in community to support and encourage each other's growth and a societal transformation"

Unconditionally is the key to fully experiencing and manifesting out innate love. Most of what passes as love in our lives has conditions on it. Conditional love is not love. Most often, it is a vehicle for a hidden need to be loved, or to ease the pain of suspecting that one is neither loved nor loving. A person who truly lives "in love" has no particular need or desire for any "extras" in life. F. M. Esfandiary has high hopes for the future and urges, "if it is possible for us to identify with and be committed to a specific person or group, it ought to become possible for us to reprogram so that we can begin to identify with and be committed to all humanity." It is a creative suggestion that I personally will strive to take action upon.

Quote of the Week:

“Oh yes indeedy, it doesn’t pay to be greedy.”
-Popeye, *The Popeye Cartoon Show*

Fact of the Week:

Cows outnumber people in nine US states.

Word of the Week:

referendum (ref*er*en*dum) n. The reference to public vote, for final approval or rejection, or measures or proposals passed by a representative assembly.

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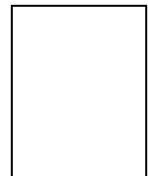
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