



## **The quotes of 2013: Uneasiness about our economic future and government's ability to adapt**

By KEITH CHROSTOWSKI

December 30, 2013

The quotes of 2013 that captured my attention piled up in my Google Cloud account like a gathering storm. Looking back over them, you can see what you were most concerned about through the year.

In sum, they reflect a feeling that we and our government have not yet fully grasped how severely technology and the Internet have shattered the old economy.

Government seems spectacularly unable to adjust and help many people left behind by the new business models that are arising. Ideologies both left and right, just plain incompetence, interest groups looking out just for their own, and ill feelings toward each other make honest, reasoned debate and compromise almost impossible.

Most of this year's quotes are more philosophical than pithy.

Playwright David Mamet raises the curtain: "The Founding Fathers, far from being ideologues, were not even politicians. They were an assortment of businessmen, writers, teachers, planters; men, in short, who knew something of the world, which is to say, of Human Nature. Their struggle to draft a set of rules acceptable to each other was based on the assumption that we human beings, in the mass, are no damned good — that we are biddable, easily confused, and that we may easily be motivated by a Politician, which is to say, a huckster, mounting a soapbox and inflaming our passions."

Nicco Mele in his book "The End of Big," on technology: "The devices and connectivity so essential to modern life put unprecedented power in the hands of every individual — a radical redistribution of power that our traditional institutions don't and perhaps can't understand."

Bloomberg commentator Clive Crook, normally a big fan of New York Times columnist Paul Krugman, about the lack of civility: "A line has been crossed when the principal spokesmen for contending opinions have no curiosity whatsoever about their opponents' ideas and radiate cold, steady contempt for each other.... This is America's biggest political problem — and Krugman's not part of the solution."

Washington Post economics columnist Robert Samuelson on our disillusion: "Our leaders — and this applies to both parties — often create narratives that seem uplifting and convincing only because they are completely detached from underlying realities. These fantasies transcend routine rhetorical flourishes and self-serving exaggerations and simplifications. But sooner or later, the realities assert themselves. People grasp that they've been misled. They feel betrayed."

Outgoing New York Mayor Mike Bloomberg on saying no: “Everybody would like to have everything at no cost. That’s normal. That’s not the real world. It’s easy to say yes. It’s not easy to say no when people scream at you at a parade, give you the finger, criticize you in the paper.”

Regulator William Dudley may as well have called bankers crooks in explaining that cultural issues made it difficult to address the “too big to fail” problem: “There is evidence of deep-seated cultural and ethical failures at many large financial institutions.”

With that attitude extant, there’s probably little hope for Pope Francis’ call for a kinder capitalism: “The worship of the ancient golden calf has returned in a new and ruthless guise in the idolatry of money and the dictatorship of an impersonal economy lacking a truly human purpose.”

Somehow, this goes along with the pope’s quote. NPD retail analyst Marshal Cohen on starting holiday shopping on Thanksgiving Day: “Forget Black Friday. Now it’s Forever Friday.”

Goldman Sachs chief Lloyd Blankfein ought to know: “This country does a great job of creating wealth but not a great (job) of distributing it.”

But Brink Lindsey of the Cato Institute explains income inequality this way in “Human Capitalism: How Economic Growth Has Made Us Smarter — and More Unequal”: “Who gets ahead, who struggles to keep up and who gets left behind are now determined primarily by how people cope with the mental challenges of complexity.”

Democratic Rep. Keith Ellison of Minnesota thinks we can indeed afford to help those left behind: “We’re not broke; there’s plenty of money. It’s just the government doesn’t have it. The government has a right, the government and the people of the United States have a right to run the programs of the United States. Health, welfare, housing — all these things.”

But Isabelle Sawhill, co-director of the Center on Children and Families and the Budgeting for National Priorities Project at the Brookings Institution, sees an entitlement squeeze: “Growth of entitlements is crowding out programs for younger families and their kids, and are likely to impair social mobility.”

Hedge fund billionaire Cliff Asness points out we can’t afford it: “You cannot pay for ... any vision of a cradle-to-grave welfare state without massive and increasingly regressive middle-class taxes. The poor don’t have the money to pay for a European-style welfare state, and the rich, rich as they are, don’t have anywhere near enough.”

Stephen Colbert, at the University of Virginia graduation, delivers a comedic truth: “I believe we have given you a gift, a particular form of independence. Because you do not owe the previous generation anything. Thanks to us, you owe it to the Chinese.”

Maybe this is why Larry Summers lost the nod to become the next Fed chairman: “Now is not the time for austerity, but we forget at our peril that debt-financed spending is not an alternative to cutting other spending or raising taxes but only a way of deferring these painful acts.”

Nassim Nicholas Taleb, author of “Antifragile,” also warns those who think debt is a benign tool: “Debt traditionally has blown up systems and has been very good for governments to wage war.”

Michael Greenstone, an MIT economics professor, is surprised by sex: “The greatest, most astonishing fact that I am aware of in social science right now is that women have been able to hear the labor market screaming out, ‘You need more education,’ and have been able to respond to that, and men have not.”

This was back in March! Henry Chao, the chief digital architect for HealthCare.gov, worried about the website’s debut: “Let’s just make sure it’s not a Third World experience.”

And the quote of the year. President Barack Obama stating what the rest of us already knew: “What we’re also discovering is that insurance is complicated to buy.”