# Lost Decades and Growth Decades

Gasoline prices are falling. On behalf of all of those who blamed the evil oil companies for the high prices I would like to thank them for lowering prices.

The oil business is booming in North Dakota. Unemployment there is at 3%. They are paying $15 an hour for waitresses, and strippers from Vegas are going there because they can make much more money- as much as $2,000 to $3,000 a night. Even better, the oil available there is reducing our dependence on foreign oil. If this is new to you, you should ask why so little of this development is covered in the news.

More and more companies are moving manufacturing operations back to the United States, a movement called reshoring, from China and other overseas locations.

Technology and innovation is erratic. Technology that changes our lives goes through phases from discovery to growth to consolidation. The growth in the 1920's was followed by the lost decade of the 1930's. The strong growth of the 1950's and 1960's was followed by the lost decade of the 1970's. The strong growth of the 1980's and 90's was followed by the lost decade of 2000- 2010. We may be in position for a very strong growth and innovation spurt. Recent legislation has caused businesses and individuals to sit on their cash. There is plenty of liquidity in the market. The legislative and regulatory disincentive to deploy it is creating a huge pent up demand.

How much of the lost decades were due to normal consolidation of previous gains and how much of it was due to restrictive government and economic policies? It is debatable. Perhaps the success of the growth decades made us feel rich enough to

support expensive government programs that proved too much to bear during normal periods of consolidation.  Attitudes toward wealth and growth bear a remarkable similarity in the 1930’s, the 1970’s and the first decade of the new millennia.

The lost decades led to major changes in policy that heralded new periods  of growth.  We will look back of the lost decade of Bush and Obama as a gateway to new growth and innovation.  Perhaps the elements of new growth are all around us just waiting to be unleashed.

That is the message for the next election.