

# NEW YEAR'S MESSAGE

BY MARTIN RAPAPORT

Winter festivities have their roots in the celebrations of ancient man. As winter brought about ever shorter, colder and darker days, man feared the worst. Perhaps the trend would continue and he and his world would come to an end. And then, in mid-winter, just after the solstice, the trend reversed. The days grew longer, warmer and lighter. Man was elated. Yes, it was still winter and times were tough. But the worst was over. There was hope for the future. And so it came to be that humanity celebrates the transition from darkness to light at the peak of winter. Winter celebrations have evolved and persisted in all cultures because they are not just about survival, they are about man's potential for the future.

While modern man is no longer surprised by the changing seasons, he does have problems accepting the economic climate. We rationally adjust to the cycles of the sun but are unable to accept the empirical fact that economic activity also follows a natural cycle. In summer, we are too hot and in winter, too cold. So, too, do our economies overheat as they attract irrational exuberance and speculation. And then, inevitably, the booms go bust. Economies decline and even freeze, providing us with economic versions of fall and winter. Finally, as our greatest fears of gloom and doom emerge,



the season changes. Emotional darkness declines as rational light increases. The economic climate warms up. New ideas and opportunities take root and the economy springs forward.

It's time for us to accept and expect the realities of our cyclical existence. Nothing is ever as good or as bad as it seems. While we may not know when or how things will change, we do know that change is inevitable and that conservative realism during highs and rational optimism during lows can help us keep our balance.

Recessions follow booms as surely as winter follows summer. So why are we — or were we — surprised? Why weren't we prepared? Will we be prepared the next time, or will our greed make us forget?

What about the current situation? As we experience an economic winter, who among us is preparing for the spring? Are we so captured by our dark fears and cold concerns that we fail to see an enlightened future? Are we identifying the new opportunities that are sure to surface? What are we doing about tomorrow?

As we return from our winter celebrations and begin the new year, let us internalize the message of ancient man. As the days grow longer, warmer and lighter, let us look toward the future with realistic optimism. Let us recognize that our greatest gift is our ability to envision and create a better tomorrow. For, in truth, hope springs eternal. ♦