

October 16, 2013

**Robert Samuelson** on the importance of the growth missing from this administration's economy.

*When the history is written, I suspect the brutal budget battle transfixing the nation will be seen as much more than a spectacular partisan showdown. Careful historians will, I think, cast it as a symbolic turning point for post-World War II institutions — mainly the welfare state and the consumer credit complex — that depended on strong economic growth that has now, sadly, gone missing. The story behind the story is that prolonged slow growth threatens to upend our political and social order.*

*Economic growth is a wondrous potion. It encourages lending because borrowers can repay debts from rising incomes. It supports bigger government because a growing economy expands the tax base and makes modest deficits bearable. Despite recessions, it buoys public optimism because people are getting ahead. The presumption of strong economic growth supported the spirit and organizational structures of postwar America.*

*Everyday life was transformed. ...*

*... What looms — it's already occurred in Europe — is a more contentious future. Economic growth serves as social glue that neutralizes other differences. Without it, economic and political competition becomes a game of musical chairs, where "one person's gain is another's loss," King writes. There's a "breakdown of trust," as expectations are continually disappointed. It's an often-ugly process that is convincingly confirmed by Washington's current political firestorm.*

**Mary Katherine Ham** lists some of the citizens' victories over the thugs in the park service.

*Call it the shutdown of shutdown theater. A couple of small parks have taken to the courts to dispute their bullying at the hands of the National Park Service during the government shutdown. One could argue civil disobedience has been shutting down shutdown theater since it began— in D.C., in the Badlands, in Yellowstone—but at least one of these victories might be able to set a useful legal precedent to prevent at least some of Washington Monument Strategy in the future. It's a political strategy that should die an ignominious death. It's the opposite of public service.*

*In Northern Virginia, McLean Youth Lacrosse won its fields back from the feds after the National Park Service shut down a park that sits on federal land but its administered by county government. That's the entity the lacrosse league paid \$5,000 to use the park, not the National Park Service. (Parenthetically, I'm not surprised it was the lacrosse parents of McLean that went to court on this. They have the right attitude and means to make it happen, and I hope their victory can help other youth hurt by the federal government who might not have the means to sue.) ...*

Dilbert creator, [Scott Adams](#), gives career advice.

*If you're already as successful as you want to be, both personally and professionally, congratulations! Here's the not-so-good news: All you are likely to get from this article is a semientertaining tale about a guy who failed his way to success. But you might also notice some familiar patterns in my story that will give you confirmation (or confirmation bias) that your own success wasn't entirely luck.*

*If you're just starting your journey toward success—however you define it—or you're wondering what you've been doing wrong until now, you might find some novel ideas here. Maybe the combination of what you know plus what I think I know will be enough to keep you out of the wood chipper.*

*Let me start with some tips on what not to do. Beware of advice about successful people and their methods. For starters, no two situations are alike. Your dreams of creating a dry-cleaning empire won't be helped by knowing that Thomas Edison liked to take naps. Secondly, biographers never have access to the internal thoughts of successful people. If a biographer says Henry Ford invented the assembly line to impress women, that's probably a guess.*

*But the most dangerous case of all is when successful people directly give advice. For example, you often hear them say that you should "follow your passion." That sounds perfectly reasonable the first time you hear it. Passion will presumably give you high energy, high resistance to rejection and high determination. Passionate people are more persuasive, too. Those are all good things, right?*

*Here's the counterargument: When I was a commercial loan officer for a large bank, my boss taught us that you should never make a loan to someone who is following his passion. For example, you don't want to give money to a sports enthusiast who is starting a sports store to pursue his passion for all things sporty. That guy is a bad bet, passion and all. He's in business for the wrong reason.*

*My boss, who had been a commercial lender for over 30 years, said that the best loan customer is someone who has no passion whatsoever, just a desire to work hard at something that looks good on a spreadsheet. Maybe the loan customer wants to start a dry-cleaning store or invest in a fast-food franchise—boring stuff. That's the person you bet on. You want the grinder, not the guy who loves his job. ...*

[Joe Nocera](#) of the NY Times with the second review we've had that is not enthralled with the latest from Malcolm Gladwell.

*To judge by "David and Goliath," Malcolm Gladwell's favorite word is "we." In fact, it's been his favorite word since his first book, "The Tipping Point," launched his enormously successful career writing about how the world doesn't necessarily work the way "we" think it does.*

*His book "Outliers" was about (among other things) how success requires ingredients that are different from ones "we" normally assume — to wit, talent counts for far less than hard work, luck and background. Before that, "Blink" proposed that one's first impression turns out to be right surprisingly often — contrary to the belief many of "us" hold. And "David and Goliath"? It's*

*about the advantages of disadvantages — and the disadvantages of seeming advantages. Or, as Gladwell puts it: “We have a definition in our heads of what an advantage is — and the definition isn’t right. And what happens as a result? It means that we make mistakes. It means that we misread battles between underdogs and giants. It means that we underestimate how much freedom there can be in what looks like a disadvantage.”*

*The “we” of course does not include Gladwell. That’s the whole point of a Malcolm Gladwell book. He has delved into the literature; he has interviewed lots of people — scientists, economists, deep thinkers and others who wind up in the book — and he has divined meaning and found counterintuitive connections that would otherwise elude the rest of us.*

*Those connections can be quite dizzying. In “David and Goliath,” Gladwell links people who are dyslexic with a hero of the civil rights movement and the citizens of London during the blitz. According to him, they all managed to turn disadvantages into advantages. On the flip side — those whose advantages aren’t so advantageous after all — include students who are not at the top of their Ivy League classes, teachers of extremely small classes and very wealthy parents.*

*As always, Gladwell’s sweep is breathtaking, and thought-provoking. What it is not, however, is entirely convincing. ...*

One of the biggest disappointments from Bush the W was his support of the ethanol foolishness. [Scientific American](#) suggests we might be coming to our senses. *Federal environmental regulators are expected to significantly reduce their biofuel blending mandates for next year, marking a historic retreat from an ambitious 2007 law, according to industry and trade sources.*

*The U.S. Environmental Protection Agency (EPA) is considering a proposal that would set next year’s target for use of renewable fuels at 15.21 billion gallons, less than the 18.15-billion gallon 2014 target established in the law, according to the sources, who said the new figures have circulated in Washington policy circles over the past week. ...*

---

---

---

## **Washington Post** **[The shutdown heralds a new economic norm](#)**

by Robert J. Samuelson

When the history is written, I suspect the brutal budget battle transfixing the nation will be seen as much more than a spectacular partisan showdown. Careful historians will, I think, cast it as a symbolic turning point for post-World War II institutions — mainly the welfare state and the consumer credit complex — that depended on strong economic growth that has now, sadly, gone missing. The story behind the story is that prolonged slow growth threatens to upend our political and social order.

Economic growth is a wondrous potion. It encourages lending because borrowers can repay debts from rising incomes. It supports bigger government because a growing economy expands the tax base and makes modest deficits bearable. Despite recessions, it buoys public optimism because people are getting ahead. The presumption of strong economic growth supported the spirit and organizational structures of postwar America.

Everyday life was transformed. Credit cards, home equity loans, 30-year mortgages, student loans and long-term auto loans (more than 2 years) became common. In 1955, [household debt was 49 percent](#) of Americans' disposable income; by 2007, it was 137 percent. Government moved from the military-industrial complex to the welfare state. In 1955, defense spending was 62 percent of [federal outlays](#), and spending on "human resources" (the welfare state) was 22 percent. By 2012, the figures were reversed; welfare was 66 percent, defense 19 percent. Medicare, Medicaid, food stamps, Pell grants and [Social Security's disability program](#) are all postwar creations.

Slow economic growth now imperils this postwar order. Credit standards have tightened, and more Americans are leery of borrowing. Government spending — boosted by an aging population eligible for Social Security and Medicare — has outrun our willingness to be taxed. The mismatch is the basic cause of "structural" budget deficits and, by extension, today's strife over the debt ceiling and the government "shutdown."

The temptation is to think that stronger economic growth will ultimately rescue us and make choices easier. This is economic growth's appeal. It provides the extra income to buy more of what we want. We explain the weak economy as the hangover from the financial crisis and the Great Recession. Their legacy of caution and pessimism will, with time, dissipate. The economy will strengthen. This is plausible.

But it's equally plausible that slow growth will persist. We rebel at the notion. As economist Stephen D. King writes in his book "[When the Money Runs Out: The End of Western Affluence](#)":

"Our societies are not geared for a world of very low growth. Our attachment to the Enlightenment idea of ongoing progress — a reflection of persistent postwar economic success — has left us with little knowledge or understanding of worlds in which rising prosperity is no longer guaranteed."

His glum outlook is more than idle speculation. In a recent column, I noted that [annual U.S. economic growth](#) has averaged slightly more than 3 percent since 1950, but predictions of future growth cluster around 2 percent. Significantly, the forecast slowdown reflects factors that are only weakly related, if at all, to the recession, as Cato Institute economist Brink Lindsey shows in [a new study](#).

Lindsey attributes U.S. economic growth to four factors: (a) greater labor-force participation, mainly by women; (b) better-educated workers, as reflected in increased high-school and college graduation rates; (c) more invested capital per worker (that's machines and computers); and (d) technological and organizational innovation. The trouble, he writes, is that "all growth components have fallen off simultaneously."

Take women's labor-force participation. From 1950 to 2000, it surged from 30.9 percent to 59.9 percent; but in 2012, it was 57.7 percent, with the falloff starting before the recession. Some

older women are retiring; some younger women are staying home. High school and college graduation rates have leveled off and, in some cases, declined. Business investment rates have also dropped. It seems that “only a surge in [innovation] can keep U.S. economic growth from faltering,” writes Lindsey. But innovation, too, has weakened.

Admittedly, predictions like these aren’t infallible. Growth could exceed expectations. Still, slow growth is more than scare talk. When adjusted for population increases, it reduces per capita income gains to a rough range between 1 percent and 1.5 percent annually, Lindsey calculates. That’s half to three-quarters the historical rate. The increases would be small enough to be skimmed off by rising taxes, higher health-insurance premiums or growing inequality. For many households, it would mean stagnation or worse.

What looms — it’s already occurred in Europe — is a more contentious future. Economic growth serves as social glue that neutralizes other differences. Without it, economic and political competition becomes a game of musical chairs, where “one person’s gain is another’s loss,” King writes. There’s a “breakdown of trust,” as expectations are continually disappointed. It’s an often-ugly process that is convincingly confirmed by Washington’s current political firestorm.

## Hot Air

### [Two small parks and an inn win victories over National Park Service closings](#)

by Mary Katharine Ham

Call it the shutdown of shutdown theater. A couple of small parks have taken to the courts to dispute their bullying at the hands of the National Park Service during the government shutdown. One could argue civil disobedience has been shutting down shutdown theater since it began— in D.C., in the Badlands, in Yellowstone—but at least one of these victories might be able to set a useful legal precedent to prevent at least some of Washington Monument Strategy in the future. It’s a political strategy that should die an ignominious death. It’s the opposite of public service.

In Northern Virginia, McLean Youth Lacrosse won its fields back from the feds after the National Park Service shut down a park that sits on federal land but its administered by county government. [That’s the entity the lacrosse league paid \\$5,000 to use the park, not the National Park Service.](#) (Parenthetically, I’m not surprised it was the lacrosse parents of McLean that went to court on this. They have the right attitude and means to make it happen, and I hope their victory can help other youth hurt by the federal government who might not have the means to sue.)

A federal judge on Wednesday ordered the National Park Service to immediately reopen Langley Fork Park in McLean — which was closed Oct. 1 — and allow the boys and girls of the McLean Youth Lacrosse organization back onto the fields.

The judge’s order was not final. Attorneys are scheduled to return to federal court in Alexandria on Oct. 18 — provided the courthouse is still open and judges are still hearing civil cases — to hash out a more permanent resolution. But until then, Langley Fork Park will be open for the hundreds of kids in the youth lacrosse group, which sued the Park Service, and for anyone else who might want to use it.

“It’s a major relief,” said David “Bucky” Morris, McLean Youth Lacrosse’s executive director. “I’m not sure how long it goes for, but, hopefully, it’s long enough that it goes through the government shutdown.”

A spokeswoman for the Fairfax County Park Authority, which manages the park, said officials removed the temporary barriers at the park Thursday morning after receiving the Park Service’s permission.

“I can tell you this much: We’re glad it’s open for business. That’s the good news,” said Judy Pedersen, a spokeswoman for the Park Authority. She declined to comment on the lawsuit.

The Claude Moore Colonial Farm may have won its battle with just a legal threat, it seems. The NPS reversed course today on its order the small farm close during shutdown, even though it takes no federal funding and requires no federal employees. [The feds sent law enforcement to close it down last week](#), but [today](#):

“We have good news for you at last!” Eberly says. “The NPS has reversed their decision to close the Farm and we will be open [Wednesday] as usual. You can now visit the 18th century Farm, come to the Book Shop tomorrow afternoon, participate in Farm Skills on Thursday and have picnics at The Pavilions again. And all of our volunteers are welcome to come back ‘home’.”

The Claude Moore Colonial Farm exists on federal land but has not received any federal funding for more than 30 years. It funds itself on its own activities. Octobers is its busiest month of the year, but the shutdown has rendered it closed for more than a week. The farm was open during all previous shutdowns, and needs no federal employees for staffing or any other service. It even depends on local police for security.

“Just this morning we received the final absolute NO from the Dept. of Interior and were told the Farm would not open until the shutdown ended. An hour later the Park Police showed up and closed and barricaded the office gates with us inside. This has been a very rough week and we are profoundly grateful that this is ending.”

In intervening time, [Eberly had openly pursued her legal options](#), believing her lease with the Dept. of Interior allowed her to stay open. The *Washington Post* notes the McLean Lacrosse victory might inspire other legal battles. Good, I hope both these stories do.

In North Carolina, the owner of a private inn on the Blue Ridge Parkway seems to have won his stand-off with the park police. First he remained open in an act of civil disobedience, [which was quickly ended](#). After that, he gathered local support and was also vocal about pursuing legal action. [Now, look what’s open again, though it lost five days of revenue at peak leaf-viewing season](#):

The owner of a privately run inn along the Blue Ridge Parkway in North Carolina is back in business five days after the federal government forced him to close as a byproduct of the D.C. slimdown.

Bruce O’Connell, owner of the Pisgah Inn, told FoxNews.com on Tuesday he was “hopeful” that his business would reopen — and by Wednesday, it had.

A posting on the company's Facebook page said the inn was reopening at 5 p.m. Suggesting an agreement was reached with the feds, the post thanked the National Park Service "for working with us through all of this mess." An employee also confirmed to FoxNews.com that the inn was re-opening.

O'Connell was among a growing group of business owners who argued that the federal government was needlessly choking off their ability to earn a living, and were fighting back. O'Connell had been vocal about looking into his legal options following the forced closing.

In Utah and Colorado, [the state is taking over federal park administration](#). In Wisconsin, [Gov. Scott Walker openly defied the feds' calls to shutter state parks with federal funding](#).

Good for all of them. One wonders if it might occur to them that they should retain control after shutdown theater is over, thus ensuring that the political whims of an executive atop a dysfunctional central government send the National Park Service to inflict pain on the public cannot do this to them again.

That's Paul Kengor's thought. [Privatize the National Park Service, but not the parks:](#)

This is Obama's shutdown campaign, pure and simple — akin to the kind of crass political campaigns the American far left has engaged in for decades. This time, sadly, federal employees have been conscripted in the cause; the National Park Service is serving as an army of agents in the campaign. Not unlike the IRS, NPS agents are abusing their powers. They are being tasked as a political/ideological arm of the state. This is precisely not what civil servants are to be.

I'm not talking about privatizing the parks themselves, a suggestion others have raised. In the 1990s, I specialized in privatization, writing reports for state and local think-tanks, particularly the excellent Allegheny Institute for Public Policy. I quickly learned one of the most crucial things about privatization that most people don't understand: privatization frequently involves not ownership but operation. It's often wiser to privatize not ownership but operation. (Roads are an example. Let the government own the roads, but their maintenance should be contracted.) That's particularly true when government employees operating a service became unionized, entrenched, bloated, and over-extended. And that's precisely what we should now consider with the National Park Service. We should privatize not the parks but the service that operates, manages, administers them...

This recommendation will anger NPS employees. Well, for that, they can thank White House schemers for overplaying their heavy hand and unwittingly shedding ominous light on the abusive possibilities of this agency. That's not a sentiment that the president and allies intended to foster when they began agitating and orchestrating their shutdown campaign. Rather than convincing us of the alleged evils of congressional Republicans, they've unveiled the roguish tendencies of some federal employees who blindly follow orders. Let's respond by taking power away from those employees, so this cannot happen again. Easily maneuvered into providing propaganda for a president or party, these NPS workers have proven themselves unworthy of the mission entrusted to them. They are the embodiment of the dangers of unaccountable, big government.

There should be hell to pay for what the National Park Service has done to citizens, on purpose, to make them hurt. Unfortunately, I have a feeling it will only come in the form of fewer kids with dreams to be park rangers. “Yes, Mommy, I would like to set up barricades in front of our nation’s most prized natural and civic treasures to serve the political needs of whoever happens to be my boss. I want to be on the front lines when someone needs someone to screw over our own citizenry. Sign me up!”

## WSJ - Interview

### Scott Adams' Secret of Success: Failure

*What's the best way to climb to the top? Be a failure.*

by Scott Adams



If you're already as successful as you want to be, both personally and professionally, congratulations! Here's the not-so-good news: All you are likely to get from this article is a semientertaining tale about a guy who failed his way to success. But you might also notice some familiar patterns in my story that will give you confirmation (or confirmation bias) that your own success wasn't entirely luck.

If you're just starting your journey toward success—however you define it—or you're wondering what you've been doing wrong until now, you might find some novel ideas here. Maybe the combination of what you know plus what I think I know will be enough to keep you out of the wood chipper.

Let me start with some tips on what not to do. Beware of advice about successful people and their methods. For starters, no two situations are alike. Your dreams of creating a dry-cleaning empire won't be helped by knowing that Thomas Edison liked to take naps. Secondly, biographers never have access to the internal thoughts of successful people. If a biographer says Henry Ford invented the assembly line to impress women, that's probably a guess.



*Scott Adams*

But the most dangerous case of all is when successful people directly give advice. For example, you often hear them say that you should "follow your passion." That sounds perfectly reasonable the first time you hear it. Passion will presumably give you high energy, high resistance to rejection and high determination. Passionate people are more persuasive, too. Those are all good things, right?

Here's the counterargument: When I was a commercial loan officer for a large bank, my boss taught us that you should never make a loan to someone who is following his passion. For example, you don't want to give money to a sports enthusiast who is starting a sports store to pursue his passion for all things sporty. That guy is a bad bet, passion and all. He's in business for the wrong reason.

My boss, who had been a commercial lender for over 30 years, said that the best loan customer is someone who has no passion whatsoever, just a desire to work hard at something that looks good on a spreadsheet. Maybe the loan customer wants to start a dry-cleaning store or invest in a fast-food franchise—boring stuff. That's the person you bet on. You want the grinder, not the guy who loves his job.

For most people, it's easy to be passionate about things that are working out, and that distorts our impression of the importance of passion. I've been involved in several dozen business ventures over the course of my life, and each one made me excited at the start. You might even call it passion.

The ones that didn't work out—and that would be most of them—slowly drained my passion as they failed. The few that worked became more exciting as they succeeded. For example, when I invested in a restaurant with an operating partner, my passion was sky high. And on day one,

when there was a line of customers down the block, I was even more passionate. In later years, as the business got pummeled, my passion evolved into frustration and annoyance.

On the other hand, Dilbert started out as just one of many get-rich schemes I was willing to try. When it started to look as if it might be a success, my passion for cartooning increased because I realized it could be my golden ticket. In hindsight, it looks as if the projects that I was most passionate about were also the ones that worked. But objectively, my passion level moved with my success. Success caused passion more than passion caused success.

So forget about passion. And while you're at it, forget about goals, too.

Just after college, I took my first airplane trip, destination California, in search of a job. I was seated next to a businessman who was probably in his early 60s. I suppose I looked like an odd duck with my serious demeanor, bad haircut and cheap suit, clearly out of my element. I asked what he did for a living, and he told me he was the CEO of a company that made screws. He offered me some career advice. He said that every time he got a new job, he immediately started looking for a better one. For him, job seeking was not something one did when necessary. It was a continuing process.

This makes perfect sense if you do the math. Chances are that the best job for you won't become available at precisely the time you declare yourself ready. Your best bet, he explained, was to always be looking for a better deal. The better deal has its own schedule. I believe the way he explained it is that your job is not your job; your job is to find a better job.

This was my first exposure to the idea that one should have a system instead of a goal. The system was to continually look for better options.

Throughout my career I've had my antennae up, looking for examples of people who use systems as opposed to goals. In most cases, as far as I can tell, the people who use systems do better. The systems-driven people have found a way to look at the familiar in new and more useful ways.

To put it bluntly, goals are for losers. That's literally true most of the time. For example, if your goal is to lose 10 pounds, you will spend every moment until you reach the goal—if you reach it at all—feeling as if you were short of your goal. In other words, goal-oriented people exist in a state of nearly continuous failure that they hope will be temporary.

If you achieve your goal, you celebrate and feel terrific, but only until you realize that you just lost the thing that gave you purpose and direction. Your options are to feel empty and useless, perhaps enjoying the spoils of your success until they bore you, or to set new goals and re-enter the cycle of permanent presuccess failure.

I have a friend who is a gifted salesman. He could have sold anything, from houses to toasters. The field he chose (which I won't reveal because he wouldn't appreciate the sudden flood of competition) allows him to sell a service that almost always auto-renews. In other words, he can sell his service once and enjoy ongoing commissions until the customer dies or goes out of business. His biggest problem in life is that he keeps trading his boat for a larger one, and that's a lot of work.

Observers call him lucky. What I see is a man who accurately identified his skill set and chose a system that vastly increased his odds of getting "lucky." In fact, his system is so solid that it could withstand quite a bit of bad luck without buckling. How much passion does this fellow have for his chosen field? Answer: zero. What he has is a spectacular system, and that beats passion every time.

As for my own system, when I graduated from college, I outlined my entrepreneurial plan. The idea was to create something that had value and—this next part is the key—I wanted the product to be something that was easy to reproduce in unlimited quantities. I didn't want to sell my time, at least not directly, because that model has an upward limit. And I didn't want to build my own automobile factory, for example, because cars are not easy to reproduce. I wanted to create, invent, write, or otherwise concoct something widely desired that would be easy to reproduce.



Scott Adams

My system of creating something the public wants and reproducing it in large quantities nearly guaranteed a string of failures. By design, all of my efforts were long shots. Had I been goal-oriented instead of system-oriented, I imagine I would have given up after the first several failures. It would have felt like banging my head against a brick wall.

But being systems-oriented, I felt myself growing more capable every day, no matter the fate of the project that I happened to be working on. And every day during those years I woke up with the same thought, literally, as I rubbed the sleep from my eyes and slapped the alarm clock off.

*Today's the day.*

If you drill down on any success story, you always discover that luck was a huge part of it. You can't control luck, but you can move from a game with bad odds to one with better odds. You can make it easier for luck to find you. The most useful thing you can do is stay in the game. If your current get-rich project fails, take what you learned and try something else. Keep repeating until something lucky happens. The universe has plenty of luck to go around; you just need to keep your hand raised until it's your turn. It helps to see failure as a road and not a wall.

I'm an optimist by nature, or perhaps by upbringing—it's hard to know where one leaves off and the other begins—but whatever the cause, I've long seen failure as a tool, not an outcome. I believe that viewing the world in that way can be useful for you too.

Nietzsche famously said, "What doesn't kill us makes us stronger." It sounds clever, but it's a loser philosophy. I don't want my failures to simply make me stronger, which I interpret as making me better able to survive future challenges. (To be fair to Nietzsche, he probably meant the word "stronger" to include anything that makes you more capable. I'd ask him to clarify, but ironically he ran out of things that didn't kill him.)

Becoming stronger is obviously a good thing, but it's only barely optimistic. I do want my failures to make me stronger, of course, but I also want to become smarter, more talented, better networked, healthier and more energized. If I find a cow turd on my front steps, I'm not satisfied knowing that I'll be mentally prepared to find some future cow turd. I want to shovel that turd onto my garden and hope the cow returns every week so I never have to buy fertilizer again. Failure is a resource that can be managed.

Before launching Dilbert, and after, I failed at a long series of day jobs and entrepreneurial adventures. Here are just a few of the worst ones. I include them because successful people generally gloss over their most aromatic failures, and it leaves the impression that they have some magic you don't.

When you're done reading this list, you won't have that delusion about me, and that's the point. Success is entirely accessible, even if you happen to be a huge screw-up 95% of the time.

My failures:

**Velcro Rosin Bag Invention:** In the 1970s, tennis players sometimes used rosin bags to keep their racket hands less sweaty. In college, I built a prototype of a rosin bag that attached to a Velcro strip on tennis shorts so it would always be available when needed. My lawyer told me it wasn't patentworthy because it was simply a combination of two existing products. I approached some sporting-goods companies and got nothing but form-letter rejections. I dropped the idea.

But in the process I learned a valuable lesson: Good ideas have no value because the world already has too many of them. The market rewards execution, not ideas. From that point on, I concentrated on ideas that I could execute. I was already failing toward success, but I didn't yet know it.

**Gopher Offer:** During my banking career, in my late 20s, I caught the attention of a senior vice president at the bank. Apparently my b.s. skills in meetings were impressive. He offered me a job as his gopher/assistant with the vague assurance that I would meet important executives during the normal course of my work, which would make it easy for him to strap a rocket to my backside—as the saying roughly went—and launch me up the corporate ladder.

On the downside, the challenge would be to survive his less-than-polite management style and do his bidding for a few years. I declined his offer because I was already managing a small group of people, so becoming a gopher seemed like a step backward. I believe the senior vice president's exact characterization of my decision was "[expletive] STUPID!!!" He hired one of my

co-workers for the job instead, and in a few years that fellow became one of the youngest vice presidents in the bank's history.

I worked for Crocker National Bank in San Francisco for about eight years, starting at the very bottom and working my way up to lower management. During the course of my banking career, and in line with my strategy of learning as much as I could about the ways of business, I gained an extraordinarily good overview of banking, finance, technology, contracts, management and a dozen other useful skills. I wouldn't have done it any differently.

**Webvan:** In the dot-com era, a startup called Webvan promised to revolutionize grocery delivery. You could order grocery-store items over the Internet, and one of Webvan's trucks would load your order at the company's modern distribution hub and set out to service all the customers in your area.

I figured Webvan would do for groceries what Amazon had done for books. It was a rare opportunity to get in on the ground floor. I bought a bunch of Webvan stock and felt good about myself. When the stock plunged, I bought some more. I repeated that process several times, each time licking my lips as I acquired ever-larger blocks of the stock at prices I knew to be a steal.

When the company announced that it had achieved positive cash flow at one of its several hubs, I knew that I was onto something. If it worked in one hub, the model was proved, and it would surely work at others. I bought more stock. Now I owned approximately, well, a boatload.

A few weeks later, Webvan went out of business. Investing in Webvan wasn't the dumbest thing I've ever done, but it's a contender. The loss wasn't enough to change my lifestyle. But boy, did it sting psychologically. In my partial defense, I knew it was a gamble, not an investment per se.

What I learned from that experience is that there is no such thing as useful information that comes from a company's management. Now I diversify and let the lying get smoothed out by all the other variables in my investments.

These failures are just a sampling. I'm delighted to admit that I've failed at more challenges than anyone I know.

As for you, I'd like to think that reading this will set you on the path of your own magnificent screw-ups and cavernous disappointments. You're welcome! And if I forgot to mention it earlier, that's exactly where you want to be: steeped to your eyebrows in failure.

It's a good place to be because failure is where success likes to hide in plain sight. Everything you want out of life is in that huge, bubbling vat of failure. The trick is to get the good stuff out.

*Mr. Adams is the creator of Dilbert. Adapted from his book "How to Fail at Almost Everything and Still Win Big," to be published by Portfolio, a member of Penguin Group (USA), on Oct. 22.*

**NY Times**  
**Killing Giants**

by Joe Nocera

**DAVID AND GOLIATH**

**Underdogs, Misfits, and the Art of Battling Giants**

By Malcolm Gladwell

Illustrated. 305 pp. Little, Brown & Company. \$29.

To judge by “David and Goliath,” Malcolm Gladwell’s favorite word is “we.” In fact, it’s been his favorite word since his first book, “The Tipping Point,” launched his enormously successful career writing about how the world doesn’t necessarily work the way “we” think it does.

His book “Outliers” was about (among other things) how success requires ingredients that are different from ones “we” normally assume — to wit, talent counts for far less than hard work, luck and background. Before that, “Blink” proposed that one’s first impression turns out to be right surprisingly often — contrary to the belief many of “us” hold. And “David and Goliath”? It’s about the advantages of disadvantages — and the disadvantages of seeming advantages. Or, as Gladwell puts it: “We have a definition in our heads of what an advantage is — and the definition isn’t right. And what happens as a result? It means that we make mistakes. It means that we misread battles between underdogs and giants. It means that we underestimate how much freedom there can be in what looks like a disadvantage.”

The “we” of course does not include Gladwell. That’s the whole point of a Malcolm Gladwell book. He has delved into the literature; he has interviewed lots of people — scientists, economists, deep thinkers and others who wind up in the book — and he has divined meaning and found counterintuitive connections that would otherwise elude the rest of us.

Those connections can be quite dizzying. In “David and Goliath,” Gladwell links people who are dyslexic with a hero of the civil rights movement and the citizens of London during the blitz. According to him, they all managed to turn disadvantages into advantages. On the flip side — those whose advantages aren’t so advantageous after all — include students who are not at the top of their Ivy League classes, teachers of extremely small classes and very wealthy parents.

As always, Gladwell’s sweep is breathtaking, and thought-provoking. What it is not, however, is entirely convincing.

You don’t have to be a knee-jerk contrarian to realize that there is a good deal of common sense in Gladwell’s thesis. It’s just that it’s not always as counterintuitive as he makes it out to be. When he writes about the actual example of David and Goliath, he makes the point that David — quick and accurate with the slingshot — was in fact the one with the advantage over Goliath, who was “too big and slow and blurry-eyed to comprehend the way the tables had been turned.” “All these years,” he adds, “we’ve been telling these kinds of stories wrong.” But have we really? It strikes me that many Americans already understand the advantages of the seeming underdog, thanks in part to an example that Gladwell does not include: the way

America's immense military power could not win the Vietnam War, or tame Iraq and Afghanistan.

Similarly, Gladwell devotes a chapter to people with dyslexia, making the point that the skills they nurture to compensate for their condition can sometimes lead to a life of extraordinary accomplishment. He cites a study — and Gladwell always seems to find the perfect study — by a researcher at City University London that purports to show that “somewhere around a third” of all successful entrepreneurs are dyslexic. (One of Gladwell's prime examples is David Boies, the well-known lawyer; my wife works for his firm.) But this insight about those with dyslexia also strikes me as fairly common knowledge, documented at least anecdotally in recent years.

On the other hand, one of the most unconventional theories in “David and Goliath” is that for certain people, losing a parent early in life can be an advantage. He cites the work of Marvin Eisenstadt, a psychologist who did a study showing that “of the 573 eminent people for whom Eisenstadt could find reliable biographical information, a quarter had lost at least one parent before the age of 10” — and 45 percent had lost a parent before the age of 20. The central figure Gladwell leans on to make this case is a doctor named Emil J. Freireich, who made extraordinary advances against childhood leukemia. The section about Freireich is where Gladwell really starts making the kinds of connections he is famous for. It also illustrates the book's primary shortcomings.

The chapter starts with Freireich's childhood, which was marked by his father's presumed suicide. Then it cuts to the blitz — the eight months of German bombing raids on London during World War II — to alight on a curious fact: up to 40,000 people were killed and 50,000 injured in the attacks, but to the surprise of the British government, people didn't panic; many, in fact, simply went about their lives. For Gladwell's purposes, this puzzle is best explained by J. T. MacCurdy, a Canadian psychiatrist who posited that because most people did not experience a bomb going off very close to them, they weren't traumatized; instead they experienced “excitement with a flavor of invulnerability.” MacCurdy called this group “remote misses.”

And what do remote misses have to do with Freireich's extraordinary achievements? Although it takes a while to get there — with further crosscutting into dyslexia, the life of the civil rights activist Fred L. Shuttlesworth and the work Freireich did on children who had leukemia, putting them through hell to find ways to save them — the answer appears to be that sometimes people who lose a parent early in life can be categorized as remote misses. Their difficult childhoods ultimately give them strengths that many of us lack. On the other hand, Gladwell also acknowledges that many others who lose a parent early on “are crushed by what they have been through.”

But isn't that like saying, “Whatever doesn't kill us makes us stronger”? Some people overcome difficulties. Others don't. Gladwell can't really say why Dr. Freireich is in the former category and not the latter. The best he can do is say that “we as a society *need* people who have emerged from some kind of trauma,” like Freireich, even though that means that many others who have experienced trauma will not recover the way he did. To which the reader is likely to respond, “And . . . ?”

I've long admired Gladwell's work in *The New Yorker*, which employs many of the same literary techniques but is more persuasive, perhaps, because it is more contained and less ambitious. “David and Goliath,” on the other hand, is at once deeply repetitive and a bewildering sprawl.

There are chapters, especially toward the end, whose relation to the rest of the book are hard to ascertain, even with his constant guidance.

Maybe what "David and Goliath" really illustrates is that it's time for Malcolm Gladwell to find a new shtick

## Scientific American

### [EPA May Reduce Ethanol Blending Volumes for 2014](#)

***Federal environmental regulators are expected to significantly reduce their biofuel blending mandates for next year, marking a historic retreat from an ambitious 2007 law, according to industry and trade sources.***

by Cezary Podkul

NEW YORK (Reuters) - Federal environmental regulators are expected to significantly reduce their biofuel blending mandates for next year, marking a historic retreat from an ambitious 2007 law, according to industry and trade sources.

The U.S. Environmental Protection Agency (EPA) is considering a proposal that would set next year's target for use of renewable fuels at 15.21 billion gallons, less than the 18.15-billion gallon 2014 target established in the law, according to the sources, who said the new figures have circulated in Washington policy circles over the past week.

At 15.21 billion gallons, the proposal would leave room only for some 13 billion gallons of corn-based ethanol to be blended into the nation's gasoline supply - down from 13.8 billion this year and 14.4 billion required by law for 2014.

Speculation and media reports about the potential reduction in the blending levels ripped through financial markets on Thursday, spurring a major rally in the shares of independent refiners who have been paying hundreds of millions of dollars to buy ethanol credits to cover their blending obligations.

Refiner PBF Energy surged by 12 percent, Valero Energy rose 5 percent while corn futures in Chicago tumbled more than 1 percent on the prospect of reduced demand for corn-based ethanol. Ethanol credits known as Renewable Identification Numbers slipped to 40 cents.

The proposal, if ultimately approved, would mark a significant victory for U.S. oil companies, who have been lobbying regulators and Congress to cut biofuel blending mandates that had been eating into their market share.

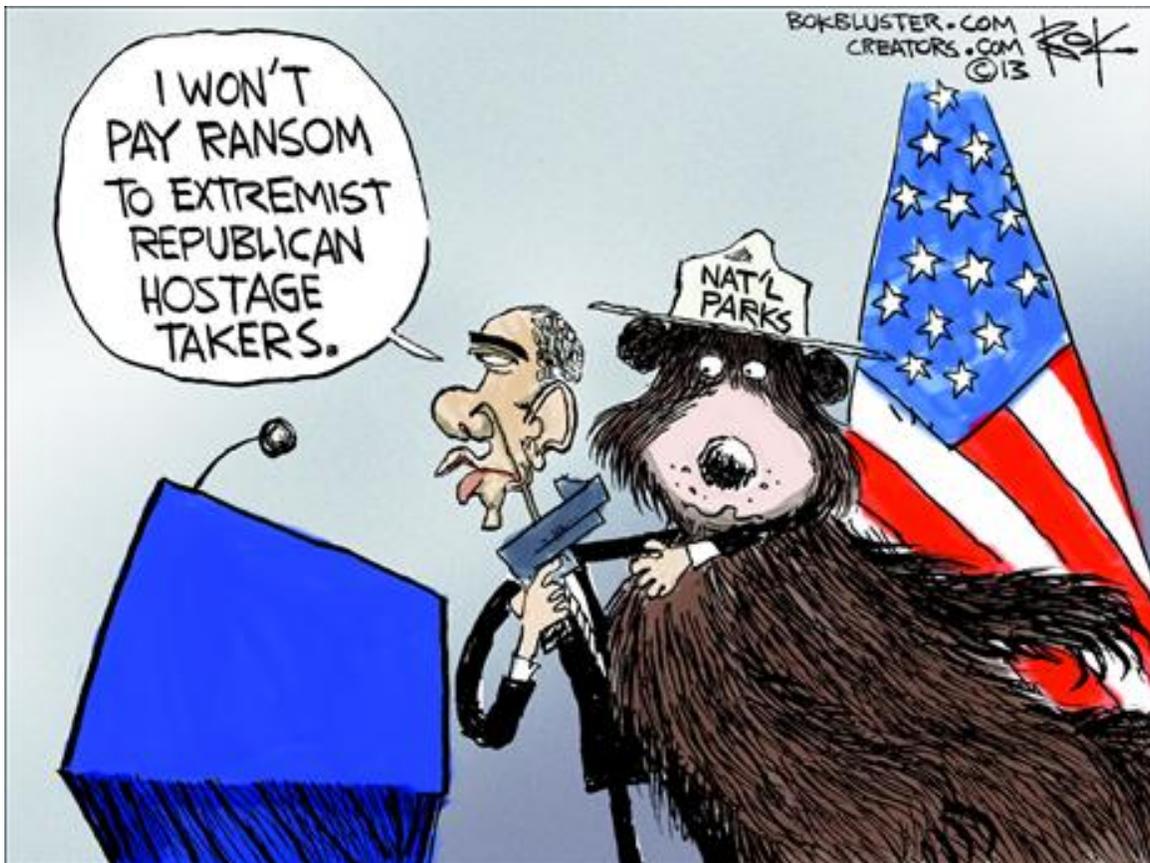
It would also mark a significant blow to the U.S. corn ethanol industry, which has been urging regulators to stand pat at the ambitious blending targets required under the law.

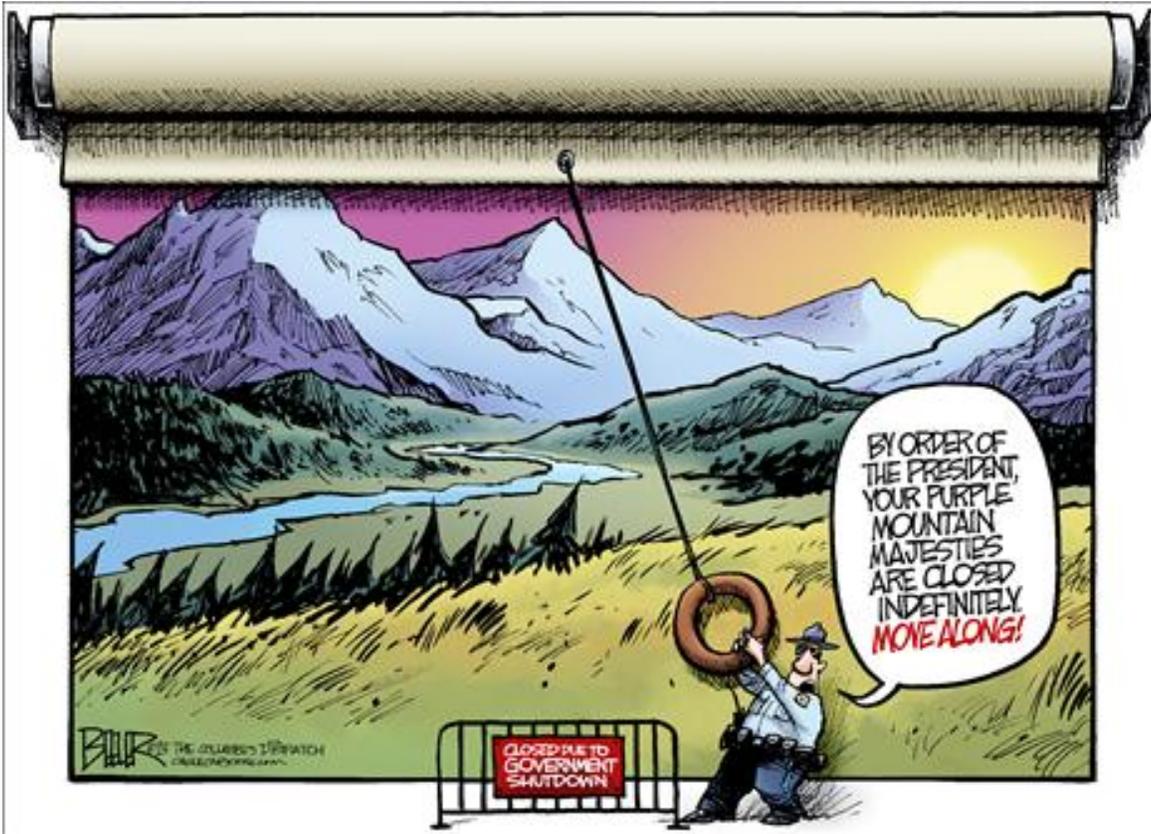
Already, some ethanol groups are threatening to sue the U.S. Environmental Protection Agency (EPA), which administers the fuel blending program, if it lowers its volume target.

"We will pursue every option," said Bob Dinneen, president of the Renewable Fuels Association, which represents the ethanol industry in Washington, D.C. Lowering the target to such volumes is illegal, he said.

It is not clear whether the EPA has indeed proposed the 15.21 billion gallon figure. Its formal proposal on the 2014 blending rule is now under review by the White House Office of Management and Budget (OMB), which must approve it.

A spokeswoman for the EPA, where most staff have been furloughed due to the partial government shutdown, did not return a request for comment.





©2013  
MRC.org/CMI  
Dist. by King Features



IF THE WHITE HOUSE AND THE NATIONAL PARK SERVICE WERE IN CHARGE OF PROTECTING THE NORMANDY BEACH HEAD ON D-DAY.

