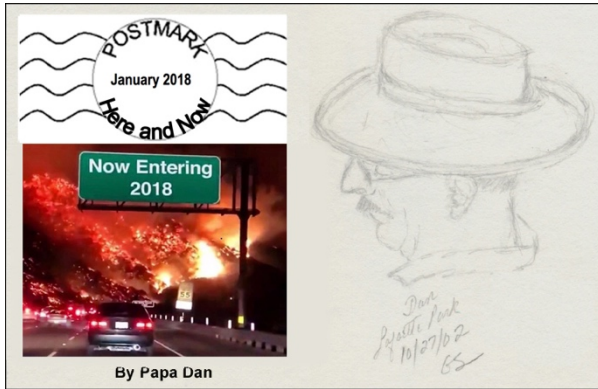


An Optimist Looks At 2018

By Dan Sapone



"I'm an optimist. I tend to believe that, at some point, common sense and justice will prevail, at least for a while.

I was raised — by example — to believe that you can make good things happen. Let's face it, nobody gets out of here alive. So, if today isn't to our liking, it's on us to own it and make it better. We have more than enough people trying to make it worse."

— PapaDan

2017 was a strange year

An optimist might be hard pressed to use 2017 as a guide for deciding what to expect from 2018. Events in 2017 were certainly not predictable from evidence provided by 2016. For most of the year, how many predicted the outcome of the election, the reversal on the Paris Climate Accord, the childish name-calling that emerged in public discourse, a disparaging attitude toward the victims of natural disasters, and the threat of war around the world. Nobody expected that 2017 would be a year of women's empowerment with a long list of male celebrities falling from power and influence after revelations of sexual misconduct. And, those stories are NOT over yet. None of them. An optimist has to look elsewhere to make predictions.

This Optimist's Predictions for 2018

So, with 2017 as an unreliable body of evidence, how can we decide what to expect from 2018? Here are some things that *this optimist* expects are possible.

- **We'll start with the *important* stuff:**

The Academy Awards: "The Post" will win the award for Best Picture. How could it miss — it highlights the value of courage, the importance of the press in holding the powerful accountable, and the indispensable role of a woman pushing against daunting obstacles — the perfect messages for our times — AND it stars Meryl Streep and Tom Hanks! Bet the farm on it. (OK, so I predicted "La La Land" would win last time; and I was right for about 30 seconds.)

The Grammy Awards: I haven't the faintest idea, since I haven't heard of most of the nominees. — although the album "Tony Bennett Celebrates 90" sounds promising.

The NBA Championship — The Warriors will win — nuff said. (How many players can share the MVP award?)

The World Series — I can't comment on the outcome of a World Series between the Yankees and the Dodgers; it violates every principle of "[The Optimist Creed](#)" that used to hang on the wall in my Dad's office. So, I am required to predict that My Giants will win (maybe . . . someday).

The Super Bowl — I really don't care, except that I hope football will continue to decrease in popularity, starting at the local school-district level and permeating upward. (BUT, Nancy has a terrific Super Bowl Party that MUST continue! — It's all about the commercials and the wine.)

Now, Let's Get Serious . . .

- **The U.S. Economy:**

Paid family leave will become increasingly widespread — On January 1st, New York joined California and other states requiring paid family leave in more categories of employment.

The (new) Great American Migration begins — Silicon Valley and Wall Street will follow Amazon's example and open major campuses in American regions where unemployment is high and real-estate prices and taxes are low. Depending on how fast and how thoroughly this strategy plays out, this migration could change . . . well . . . everything we currently understand about American life from politics to economics to regional culture.

Cost of Living vs Income — Minimum wages are rising in some 18 states at the start of 2018 (ranging from \$7.95 in Missouri, to \$13.50 in parts of California, to \$15.45 around Seattle). The Great Migration mentioned above will strengthen this trend. The U.S. inflation rate is predicted to hover around 3.2% in 2018 (up a bit from 2017); BUT, the coming budget deficits caused by "tax reform," may dramatically inflate the inflation rate nationally. We'll have to wait and see.

Home purchases and mortgages — High house prices left over from 2017 are likely to stay high. People who live in places that lose historic industries (say, coal mining) will find it expensive to move where the jobs are and those opportunities are likely to require different skills and more education. With all the rebuilding that will be necessary after the hurricanes and fires, housing will be a challenge for the working class. We'll have to see how/if the "Migration" works out.

The stock market will continue to rise, and even more sharply as corporate tax cuts take effect. Some will continue to assert (citing "alternate facts") that profits reflected in stock prices lead to increases in hiring and wages. Economic history teaches that employers don't hire employees because they receive a tax cut. Hiring has been stimulated primarily by one overarching feature: customers with money in their pockets. Therefore, the factors likely to lead to large-scale hiring are mostly absent from the business outlook for 2018. Instead, the market boom will continue to result in higher dividends for shareholders and profitable mergers that lead to consolidation (read: layoffs). THEN, corporate celebrating will be interrupted by an Autumn sell-off like the one in 1987. Such a sell-off and the above-mentioned migration could confirm the disjointed relationship between the stock market and the rest of the economy. Is that good news or bad news? This optimist predicts the result will be a dramatic election turn-about in November.

"The Mall" vs "Downtown" — A life-and-death struggle is developing between malls, with corporate stores like Macy's and Nordstrom, and locally owned downtown shops. AND both of these business models are threatened by Amazon-style online shopping. Will online commerce drive local stores out of business? How many? What will happen to the people working in those stores? This optimist makes a two-stage prediction. First, online shopping will continue to strain local stores well into 2018. But, I expect large numbers of people to make the conscious decision to "shop local." We'll get tired of sending online purchases back to Amazon because they don't fit right or don't look the same as they do online. More shoppers will decide that they want to try on their purchases. Amazon seems to agree, given their purchase of Whole Foods and Target. If that happens soon enough, local stores may continue to be the backbone of local economies. Optimists are mixed on this. We'll have to wait and see.



- **World Events:**

The Korean Peninsula will begin to show peaceful signs by the end of January, despite the bellicose influence of the U.S. president in the region.

— On January 1st, Kim Jong Un extended an olive branch to South Korea, proposing discussions about the possibility of a North Korean delegation to the upcoming Winter Olympics in South Korea. He expressed the goal of a “peaceful resolution with our southern border.” South Korea agreed to high-level discussions on January 2nd. Prediction: the U.S. will continue to become more isolated in foreign affairs as other nations — in Europe, Asia, and the Middle east — explore solving worldwide problems (like global warming, “a two-state solution,” and European cooperation) without the obstacles created by rhetoric from the U.S. president. This promises to be both a problem (Step One) and a solution (Step Two) as an eventual rebalancing begins.

The Winter Olympics in South Korea — For two weeks in February the world will focus on the games alongside the warlike rhetoric of Kim Jong Un and Donald Trump. Many have suggested that this event is a recipe for disaster in the current international climate (remember the massacre at the Summer Olympics in Munich in 1972?). This optimist has come around to the view that, this time, the Olympics will actually do what they were intended to do — bring people together and lead to better understanding among people who look at the world through different eyes. North and South Korea may come around to find common interests and make their own way without the superpower rhetoric that has kept them apart for the past fifty years.

A Royal Wedding — Prince Harry and American Meghan Markle will be married in May. It will be a day for Brits to enjoy their royal anachronism. As usual, however, America’s top-level weirdness is interfering. Will the Royal Family insist that the sitting American president be invited or will the groom simply invite his buddy Barack and cause another Trump-centered kerfuffle? This optimist predicts that Obama will be invited to the wedding as a friend of the family and Trump will announce his rejection of the (not yet offered) invitation. Most Brits will say good riddance, keep calm, and carry on. Trump will probably announce that the British Prime Minister will not be invited to his Fourth of July tea party at Club Mar-a-Lago.

- **Domestic Politics:**

Trump’s Approval Rating will dramatically increase to 25% after he resigns in June. Two possible reasons will be offered for his resignation: 1) for health reasons or 2) “It was always my intention to make Mike Pence President; so, this is another in my long list of successes.”

The American 2018 Mid-Term Election — The November election will decide the control of the House and the Senate. This Optimist predicts that Democrats will win a slim majority in both houses and begin efforts to restore America’s leadership in areas like global climate, science-based energy independence, a two-state solution in the Middle East, income equality, a sensible tax structure, and other urgent policy areas. Prediction: in the short term, they will fail in many of those efforts. The Trump (or Pence) Administration will stand in their way as best they can. But, it will be a *first step*. The work will continue in statehouses and city councils across America. We’ll find out what we’re made of and it will take some time in the imperfect way we optimists always conduct ourselves.

We’ll see. This optimist expects to be surprised.

Finally,

This optimist believes that the key to a better 2018 will not be found in the national news; it will have to come from the way we treat each other right here in our own neighborhoods and families. While race, class, gender, and religion will continue to be a source of national and international conflict, the way forward must be local — in our selection of the people we choose to emulate — teachers, neighbors, you and me. We can affect change, but we have to be patient. I like a line I read from distinguished journalist Eric Sevareid near the end of his life:

“I’m sort of a pessimist about tomorrow and an optimist about the day after tomorrow.”

And as President John F. Kennedy said near the end of his inaugural address in January of 1961:

“All this will not be finished in the first one hundred days. Nor will it be finished in the first one thousand days, nor in the life of this administration, nor even perhaps in our lifetime on this planet. But let us begin.”

Yes, the sun will rise in the morning, good people will do the work they do best, be a good friend, be a good parent, a good sister or brother — and oh, YES, drink some good wine. Some will find ways to bring others along with them, helping those who need help and encouraging those who need only encouragement. Optimists will take inspiration from those optimists who have gone before them — like Winston Churchill, who said:

“Success is not final, failure is not fatal:
it is the courage to continue that counts.”

Happy New Year!

