



P E R S P E C T I V E S



by **Rinaldo S. Brutoco**

Rinaldo S. Brutoco is the Founding President and CEO of the Santa Barbara-based World Business Academy and co-founder of JUST Capital. He's a serial entrepreneur, executive, author, radio host, and futurist who's published on the role of business in relation to pressing moral, environmental, and social concerns for over 35 years.

Celebrating (?) 2021

Remembering an incredible year

This is one very difficult column to write. It is the end of the year, a time typically filled with Holiday cheer – whether Christmas, Hanukkah, Kwanza, or just Santa Claus and family. We pause to celebrate the happiness of the season, complete with the exchange of gifts, and to bask in the warm embrace of family, to enjoy seasonal foods, and to reflect on the year that has just passed while looking forward to what will come. After a year full of ups and downs, what are we celebrating?

The story of Hanukkah (just ended), also called the “Celebration of Lights,” begins in 168 B.C. when the Second Temple of Jerusalem was sacked by Syrians. Thousands of Jews were slaughtered in the process and the Temple itself was desecrated by the erection of a statue to the Greek god Zeus and the killing of pigs on its grounds. Two years later Judah Maccabee (“the Hammer”) completed a successful guerilla war (the “Maccabean Revolt”), recaptured Jerusalem, and directed that the Temple be purified. Unfortunately, as the Jews set out to do that, they discovered they only had enough oil in their lamps for one night. And yet, the oil lamps continued to burn for eight days giving Judah the chance to procure more oil and continue the re-dedication unimpaired.

The history lesson here is that the celebration of Hanukkah today would not have occurred but for the tragedy of the slaughter in 168 B.C. You might say Hanukkah stands for the principle immortalized by Shakespeare that “All’s well that ends well.” Personally, as I reflect on 2021, I’m drawn to remember that story and those immortal words.

Looking back, this year started off with a bang. We witnessed the greatest threat yet to our 250-year-old democratic republic when our Nation’s capital was sacked on the sixth of January. That tragedy, however, was overtaken by the rapidly accelerating Covid-19 pandemic. In the first weeks of 2021, we were stuck in the very dark days of the pandemic as no vaccine or other significant treatment was widely available, and winter and pandemic fatigue were leading to millions of new cases each month. By February 22, the US death toll passed 400,000 people, by September 15, one in five Americans had contracted Covid-19, and by September 20 over 650,000 had died. As you read this today, that number sits at over 815,000. We lost more in 2021 to Covid than in 2020, and it is not done with us yet. That said, in the process, we have learned a tremendous amount.

Thank God for the vaccines that started to be available during the spring, when senior citizens who were being most adversely affected, flocked to get vaccinated to save our lives. Since then, many of us, including yours truly, have received both “doses” and a booster dose as well.

One miracle that came of all this suffering was that the medical world was able to create the mRNA vaccines (Pfizer & Moderna) for a previously unknown virus in one year flat. A truly amazing, lifesaving feat. This new vaccine technology may lead to treatments and vaccinations for illnesses from cancer to malaria to HIV. A bright point of light out of dark times.

Another truly positive feature was the federal government's pumping of cash into the economy, first with the stimulus in the Consolidated Appropriations Act of 2021 (signed in Dec 2020), and then with the American Rescue Plan. Together they put a lot of cash into the hands of American consumers which prevented the economy from crashing around our ears.

By the time the bipartisan \$1.2 Trillion "Infrastructure Investment and Jobs Act" was passed on November 6, anxiety about the economy passed gratefully from "How will we ever get back to work?" to "How will we avoid runaway inflation from so much fiscal stimulus?"

Billed as a "once-in-a-generation investment in our nation's infrastructure and competitiveness" by the Biden Administration, the Jobs Act "will rebuild America's roads, bridges, and rails, expand access to clean drinking water, ensure every American has access to high-speed internet, tackle the climate crisis, advance environmental justice, and invest in communities that have too often been left behind." It is also slated to address supply chain failures that caused more inflation than the stimulus bills as it provides overdue investment in our nation's ports, airports, rails, and roads.

Although inflation did spike this year, it has fallen in both October and November from September highs and appears to be headed lower even as the Fed ramps up its efforts to curb inflation through monetary policy. It turns out that having an engaged, competent administration was exactly what the country needed.

The economy is roaring along. The minimum wage in many states rose; unemployment has dropped to 4.2 percent; and, for the first time since the 1970s, the bottom quartile of wage earners saw their incomes rise faster than the top three quartiles. Bloomberg also projects that the economy will expand an annualized six percent in the fourth quarter before down-shifting to a still-solid 3.7 percent average pace in the first half of 2022. During the last expansion, quarterly growth averaged only 2.3 percent, so the economic rebound is without precedent. WOW, what a comeback!

So yes, there has been an incredible amount of pain, especially the pain of rampant death this year. And yet, we also experienced an economic "miracle" that "lifted all boats."

The bitter with the sweet—itsself a food narrative central to the celebration of Hanukkah—and clearly our collective experience this past year. Many of us have prospered as never before, even as many of us dealt with the sorrow of losing loved ones. In the process, we were all able to choose to vaccinate and thereby in most cases avoid death. This past year, the pandemic switched from a horrific situation for which we were totally unprepared to an "epidemic of choice" where 95 percent of those dying are those who have refused vaccination, despite the overwhelming science showing its safety and effectiveness. Sadly, many are still dying as vaccines have become a political and cultural issue.

Our family and most of our neighbors here in Santa Barbara have come through this year with more strength and more determination than in any prior year. That is worth celebrating even as such a painful year comes to a close. Let's co-create Happy Holidays for all, and together co-create a better 2022 that's less dramatic and healthier for all.

Published in the 12/23/2021 edition of the Montecito Journal