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Brad DeLong Delivers 2010 Gorlin Lecture

By: Kevin J. Murphy

Celebrated author, pundit, and public intellectual J. Bradford DeLong of the University of California—Berkeley travelled to OU on the evening of March 10th to deliver the 20th annual Alice Conner Gorlin Memorial Lecture. Brad DeLong is a highly regarded expert and scholar on the broad topics of economic history and international macroeconomics. He has also become an intellectual celebrity in the last several years, hosting an extremely popular and widely read economics issues blog (check out: **http://delong.typepad.com/**). He is frequently quoted in the *New York Times* and the *Wall Street Journal*. Prior to joining the faculty at UC--Berkeley he served as Deputy Assistant Secretary of the U.S. Treasury with Robert Rubin and Larry Summers during the Clinton Administration. Professor DeLong has also served on the faculty at Harvard, MIT, and Boston University. He earned his Ph.D. from Harvard in 1987. His current book, co-authored with Stephen Cohen, is *The End of Influence: What Happens When Other Countries Have the Money."*

More than 300 people packed the Banquet Room of the Oakland Center to hear DeLong deliver the Gorlin Lecture. His topic on the evening was "The Great Panic in Historical Perspective." His speaking style was marvelously erudite, engaging, and intellectually stimulating. In his talk he delved into the causes of the current financial and economic crises and explored their historical antecedents. He drew on the works of John Stuart Mill and Jean Baptiste Say in developing his thesis.

He noted that we are currently mired in the deepest recession since the 1930s. He wondered aloud whether our dire straits are inevitable and necessary, as some have argued, before the economy can get back on to a path of sustained economic growth. He answered his question with a resounding "no," and argued that this kind of thinking reflects what he characterized as "zombie economics;" that is, bad economic ideas that won't die. He noted that several prominent economists from the University of Chicago were particularly guilty of advancing such ideas and he suggested that they had forgotten (or perhaps not ever learned) the basic macroeconomic lessons of the Great Depression. He went on to chide the Republican Party for having chosen the path of obstruction when, in the alternative universe where John McCain had won the presidency in 2008, the mix of monetary and fiscal policy would surely have been quite similar, if not identical, to what has been implemented over the course of the last fourteen months. DeLong's arguments were fabulously provocative and challenged much thought on the part of the audience of mostly students.

He finished his talk by discussing what can and can't be done to pull the economy out of the abyss and back on to solid footing. First, he pointed out that we'd run out of options as far as monetary policy was concerned, as we find ourselves in the classic situation of a "liquidity trap." He argued that much more can and should be done on the fiscal side of the coin, however, including large infrastructure projects, investment in industrial enterprises, and general restoration of confidence among consumers and investors.

At the conclusion of the talk, he entertained a number of questions from the audience. It was wonderful to watch him reflect on the questions and provide very thoughtful remarks in response. The academic/intellectual process live in the laboratory! At the completion of the question and answer session, Dr. Anandi Sahu, Chairman of the Department of Economics, presented DeLong with the Gorlin Award for Excellence in Economics. The large audience saluted and thanked Professor DeLong with much thunderous applause.

The Gorlin Lecture was established some twenty years ago by the Gorlin family to celebrate the life and legacy of Alice Gorlin, Professor of Economics and charter member of the School of Business Administration. Professor Gorlin joined the Oakland faculty in 1972 having earned her doctorate in economics from the University of Michigan—Ann Arbor. During her time at Oakland she established a record as a distinguished scholar of the Soviet economy and as an outstanding teacher of economics. She was a cherished friend and mentor to faculty colleagues, and she held the distinction of first tenured female faculty member in the School of Business Administration (then known as the School of Economics and Management). She passed away tragically in 1987 at an early age and in the prime of her career.

The Gorlin Lecture has had many illustrious speakers through the years, including Jeffrey Sachs of Columbia University, Mancur Olson of the University of Maryland, Joel Mokyr of Northwestern University, Catherine Mann of Brandeis University, and Matthew Slaughter of Dartmouth College. The Gorlin Lecture has evolved into a signature lecture series for Oakland University. Its mission is "to promote understanding of international issues and events"for the university community.

The Economics Department proudly notes that Professor Brad DeLong of UC—Berkeley did a smashing job this year of honoring Alice Gorlin's memory and deep legacy at OU, of helping us fulfill the venerable mission of the Gorlin Lecture, and of joining us in celebration of the Gorlin Lecture's 20th anniversary!