THE FED SAGA

THE GREAT FORTUNE TELLER

Human Behavior as Story



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THE GREAT FORTUNE TELLER

THE FED SAGA — 08

There is a very ancient profession.

Older than the Federal Reserve.

Older than Wall Street.

Older than banks.

Older even than money.

The art of predicting the future.

For thousands of years we have changed the instruments.

Not the obsession.

First we watched the stars.

Then the oracles.

Then the priests.

Then the scientists.

Then the economists.

Then the algorithms.

But the question has always remained the same.

What will happen tomorrow?

Human beings love this question.

They chase it.

They court it.

They buy it.

They sell it.

Sometimes they build whole industries on top of it.

And that is understandable.

The future holds everything we care about.

Our children.

Our savings.

Our health.

Our dreams.

Our failures.

Our hope.

If we could know tomorrow, many think life would be simpler.

I am not so sure.

Imagine knowing your future down to the smallest detail.

Every success.

Every mistake.

Every loss.

Every victory.

Would you really be freer?

Or would you only be a tourist inside a story already written?

Maybe uncertainty is not a flaw in the system.

Maybe it is the system.

And yet we keep on producing fortune tellers.

Some wear an expensive jacket.

Some work for a bank.

Some talk on television.

Some publish three-hundred-page reports.

Some open a YouTube channel.

The instruments change.

The desire does not.

To be the first to know.

Or at least to look that way.

The funny part is that history is not particularly kind to fortune tellers.

Reread the forecasts of twenty years ago.

The forecasts about technology.

About the economy.

About the markets.

About politics.

About work.

About the world.

You will discover something curious.

Very intelligent people get it wrong with great regularity.

Not because they are incompetent.

Because the future is a very difficult opponent.

It has access to information no one else has.

If you watch history long enough, you begin to see a recurring pattern.

Every generation is convinced it has finally figured everything out.

Then comes a surprise.

A war.

A crisis.

A technology.

A pandemic.

An invention.

A person.

A decision.

Something that was not in the model.

And just like that, the castle of forecasts has to be rebuilt.

The Federal Reserve lives inside this paradox.

It has to make decisions today based on what might happen tomorrow.

That is not an economic task.

It is almost literary.

A gigantic act of imagination.

Rates.

Markets.

Inflation.

Employment.

They are all attempts at dialogue with someone who never answers.

The future.

Sometimes I think the difference between a central banker and a writer is smaller than it seems.

Both build scenarios.

Both imagine possibilities.

Both try to understand what might happen next.

The difference is that the writer knows he is telling a story.

Many others don't.

There is a reason human beings love forecasts so much.

Forecasts reduce anxiety.

Even when they are wrong.

A false forecast often reassures more than an uncertain truth.

To say:

"I don't know"

is one of the hardest sentences to utter.

Especially for intelligent people.

Especially for institutions.

Especially for those who are paid to have answers.

And yet the real world is full of questions without answers.

Many more than we are willing to admit.

Over the years I have learned to distrust anyone who is always sure.

Absolute certainty is often ignorance's favorite disguise.

The wisest people I have met had one trait in common.

They left room for doubt.

Not because they were weak.

Because they had seen enough reality to know that reality loves to surprise.

The future does the same.

Maybe that is why no one has ever managed to master it.

You can prepare.

You can study.

You can plan.

You can invest.

You can imagine.

But you cannot command it.

And that is good news.

Because if the future were completely predictable, hope would no longer exist.

Only the calendar would exist.

In the end, though, this story is not about economists.

It is not about analysts.

It is not about the Federal Reserve.

It is about you.

About me.

About all of us.

Every time we make a decision, we are making a forecast.

Every time we begin something, we are making a forecast.

Every time we fall in love, we are making a forecast.

Every time we give up, we are making a forecast.

All of life is built on guesses about a future no one knows.

And maybe the real secret is not to forecast better.

Maybe the secret is to live well even when you cannot forecast anything.

Because in the end, the winner is not the one who guesses the future.

The winner is the one who manages to make it through.

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We don't sell books. We build relationships.