

# It's official: Severe US recession is over

WASHINGTON

THE biggest increase in employment in three years makes it "pretty clear" the deepest US recession since the 1930s has ended, said the National Bureau of Economic Research's Business Cycle Dating Committee.

**Payrolls** rose by 162,000 workers last month, the third gain in the past five months and the most since March 2007, figures from the Labour Department showed yesterday.

"I personally put lots of emphasis on employment," Mr Rob-

ert Hall, who heads the Business Cycle Dating Committee, said in an interview.

"I would say 'pretty clear' is a good description" for whether the economic contraction has ended, he added.

Among the top **indicators** the group uses is payrolls, according to its website. The US government revised the January and February job count up by a combined 62,000, putting the gain as at March at 224,000 after including the updated data.

"It's great news that employment has finally stopped

**shrinking**," Mr Hall, a Stanford University professor, said.

The report showed the payroll count from the government's survey of businesses and the employment numbers from a separate survey of households have both been heading higher, Mr Hall said.

"That is looking better now," he said. "I think the odds favour a continuing expansion in employment, but I don't have great confidence."

The economy probably grew by 2.8 per cent in the first quarter of this year, according to the

median estimate of a Bloomberg News survey of economists last month, after a 5.6 per cent pace of expansion in the fourth quarter of last year.

The committee waits to make a declaration until it can **precisely** date the start or end of a contraction, which usually takes six to 18 months, according to its website.

The panel has lagged declarations of other economists partly because it depends on payrolls, among the last economic indicators to show growth.

The National Association for

Business Economics last October said the recession had ended, while Federal Reserve chairman Ben Bernanke said last September that the contraction "very likely" had stopped.

BLOOMBERG

## HELPDESK 我的字典

**Payrolls:** 工人 gōng rén

**Indicators:** 指标 zhǐ biāo

**Shrinking:** 萎缩 wěi suō

**Precisely:** 精确地 jīng què de

## BETWEEN THE LINES

# Go green? Just buy less stuff

BY DEVIN LEONARD  
IN NEW YORK

IT MAY seem quaint to recall this now but, on the eve of the financial crisis, one of the biggest business stories was how large corporations were going to save the planet and make billions of dollars for their shareholders at the same time.

USA Today wrote glowingly about Wal-Mart's push to sell environmentally friendly light bulbs. Fortune gushed that Goldman Sachs, Continental Airlines and DuPont had jumped on the ecological bandwagon.

The global economic collapse pushed the rise of green capitalism off business magazine covers, but it will surely resurface. After all, Wal-Mart and General Electric are still pushing it. In a recession, they need all the good publicity they can get.

Now, along comes Ms Heather Rogers, who warns about the dangers of buying into this mindset with *Green Gone Wrong: How Our Economy Is Undermining The Environmental Revolution* (Scribner, 272 pages, US\$26, equivalent to S\$36.40). She says green capitalism is actually undermining ecological progress.

Ms Rogers is a muckraking investigative reporter who is also the author of *Gone Tomorrow: The Hidden Life Of Garbage*.

She says corporate America has led us into thinking that we can save the earth mainly by buying things like compact fluorescent light bulbs, hybrid petrol-electric cars and carbon offsets.

"The new green wave, typified by the phrase 'lazy environmentalism', is geared towards the masses that aren't willing to sacrifice," Ms Rogers complains.

"This brand of armchair activism actualises itself most fully in the realm of consumer goods; through buying the right products we can usher our economic system into the environmental age."

She offers plenty of evidence

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that consumers who load up their shopping carts with organic food, for instance, may be unwittingly subsidising big farm companies that are eradicating forests and defiling the soil in some developing countries.

She says their governments aren't as concerned about the environment, and well-intentioned non-governmental organisations don't have much clout.

*Green Gone Wrong*, to be released later this month, doesn't just go after easy targets like big corporations that she says are clearly more interested in making money than saving the earth.

She is also critical of fashionably green rock bands like Coldplay, whose members fly around the world and think they can erase their sizeable carbon footprints by planting trees in developing countries. In Coldplay's case, many of the trees died.

Indeed, Ms Rogers is so scornful of the mainstream environmental movement that a lot of her points could be used by its enemies, like Rush Limbaugh and Glenn Beck, who are always looking for ammunition.

Even if you don't agree with all of Ms Rogers' assertions - and I don't - they are not so easily dismissed. *Green Gone Wrong* is well-written and exhaustively reported. The author went to places like Uruguay, Borneo and India to show problems she says the green movement has inadvertently created.

But some of the most poignant moments come when she visits or-

ganic farmers in upstate New York. She laments that they can't make a living because it is so expensive for them to comply with the federal certification requirements for organic foods.

"What isn't being talked about is that many of the small organic producers who are expected to lead the reinvention of the food system can barely make ends meet," she says.

Like many books that depict a crisis, *Green Gone Wrong* falls short when it comes to offering solutions. All too predictably, Ms Rogers calls for higher taxes and government spending. That sounds like wishful thinking after the Democratic majority on Capitol Hill struggled to pass health-care reform.

It would have been better had Ms Rogers delved more deeply into another of her suggestions: instead of buying green, we simply need to buy less stuff. She seems reluctant to push this too hard because it's a truly radical idea that flies in the face of capitalism - green or not.

"Around the world, many politicians, the conventional energy sector and manufacturers of all kinds oppose any major reduction in consumption," she writes. "If people start using less, then economies based on consumption - such as that of the United States, where buying goods and services comprises 70 per cent of all economic activity - will be forced to undergo a colossal transformation."

At first, her muted call for a new frugality sounds almost as far-fetched as a carbon tax in the United States anytime soon. But it isn't. This is something individuals could do on their own instead of waiting for reluctant politicians to act.

If there was ever a time to ponder the long-term consequences of our spending habits, it's in the wake of the worst economic crisis in decades, which was fuelled by rampant consumer borrowing. Is it possible that we could save the planet and restore the economy at the same time?

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