

Make Me Smart November 22, 2021 transcript

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Kai Ryssdal: Don't mind me, I'm just Googling my medical condition. That's all. So, I am, I've got left knee pain and I'm all about trying to figure it out without having to go see a doctor. Anyway, I'm Kai Ryssdal.

Kimberly Adams: Did you just get a booster shot?

Kai Ryssdal: No, I did not. My booster was like, a week and a half ago. Anyway, welcome back to Make Me Smart, making the day make sense, with or without, whoops, muting your Slack notification. There we go.

Kimberly Adams: Okay, and I'm Kimberly Adams, in for Molly Wood. Thank you for joining us. It is Monday, also known as what did we miss Monday, where we highlight some of the stories that you slash we slash I may have missed over the weekend. Plus one big news story of the day.

Kai Ryssdal: You know, so I just put the news story in there, assuming that we would both agree that that was the big news story of the day. Jay Powell. Okay. Okay. All right. So Jay Powell gets the nod for the Fed chairmanship again for four years and Lael Brainard gets promotion of vice chair. It's a, it's a reasonably big--no, let me rephrase that. It's a big deal. Not entirely unexpected. Is that fair?

Kimberly Adams: Yeah, I think that's fair. I mean, it would have been kind of an earthquake to the markets and politically if he'd gone a different direction. And the last thing Biden needs at this moment is something else to distract from his agenda, which has already been more complicated to push through than I think any of the Democrats anticipated. So this was one of those things where he's yet again upsetting many progressives, but the majority of his party was pretty much on board with this.

Kai Ryssdal: Yeah. And I think honestly, and I talked about this before, I think it came down to a political calculus, right. Lael Brainard, for all that she is qualified, which is tremendously so, she was not going to get all that many Republican votes. And Jay Powell was going to get, you know, 25, 30. And I think that's what it came down to, honestly.

Kimberly Adams: You know, like, I think politics and many other things are about picking your battles. And this was just not one the Biden administration wanted to fight right now. And, you know, so what this means is, you know, I guess, stay the course while the course is still being

figured out. I mean, as you talked about in your interview with President Bostic, you know, they're still learning as they go and figuring things out because, as they've, you know, various members of the Fed and economists have said over and over again, this is just an economic situation that we've not been in before, and we don't know how it's gonna play out. And we're getting surprised all the time. But, um, you know, we've got inflation, and I know that's what everybody is very worried about right now. But, you know, some of these unemployment stories, especially when it comes to racial breakdowns around unemployment, like that just refuses to change. And I wonder how strongly the Fed is going to hew to its, you know, stated recent change in policies that they really want this recovery to reach all of the economy because they're really coming up against it now.

Kai Ryssdal: Right, and, and translated for the layperson, that means they're going to start worrying more and more about--no, that's fine--worry more about the labor market and getting everybody employed than they are about inflation. That's, that's the translation. All right. Okay, you go, you've got your three links. I've got mine, you go first.

Kimberly Adams: Okay, so the first one, they're sort of related, are two stories from Reuters. Reuters has been doing this series of special reports on Amazon and just really in depth, interesting reporting looking at, you know, Amazon, copying other people's products and selling them and there being no recourse for small businesses. And this latest one is about privacy and just how, you know, Amazon has been lobbying intensively across the United States for privacy rules that allow them to basically have a lot of information. And I mean, even to the point of hiring former Obama, Obama administration officials to help them push this big effort that has helped them advance privacy laws in the way that they want, the company wants in more than 20 states. Now, of course, Amazon has taken sort of the Facebook response to this, which is, oh, this information is outdated. And it doesn't fully reflect the way that we view these things. But I can't, I mean, it's a very long read, but it's worth getting into it because this is a company that has a lot of information about us. And there was also a story in *Reveal* which I'll send, post a link so that we can put it in the show page, that talks about just how leaky a lot of that information is, has been within Amazon. So, you know, it's a, enjoy your holiday shopping. Yeah. The other one I have is pretty grim. I mean, it's, it's been rough watching the Kyle Rittenhouse stuff. I won't get too much into it. But it's just been rough to watch and to observe. But in Kenosha, Wisconsin, a lot of local advocates are trying to convince the people who have been protesting the Rittenhouse verdict, to turn their attention to the case of Crystal Kaiser who is a sex trafficking victim who was accused of killing her abuser when she was 17-years-old. And she too in her defense team have been claiming self-defense. And this is a case that is ongoing. And so now there is a big effort to just say, look, if you've got all this energy and you're upset, if indeed this is what we're doing with our self-defense laws here in Wisconsin, pay attention to this young woman who is also in pretty dire straits. And so it will be very fascinating. I should mention that Crystal Kaiser is a black woman. And it will be very interesting to see how justice plays out here compared to how it played out in the Rittenhouse trial.

Kai Ryssdal: Interesting is quite the euphemism there.

Kimberly Adams: Isn't it though though? Yeah, you have to kind of determine how much of this you can, you can take on a given day. With the knowledge that it's a privilege to be able to filter that.

Kai Ryssdal: Yeah, for sure.

Kimberly Adams: Okay, I sincerely hope yours aren't as grim.

Kai Ryssdal: No, they are, they are not as grim. They are, they are more, I don't even know what they are, just kind of, well, honestly, they're a bit random. So first of all, from the New York Times this weekend, a very long read on how China is winning, to quote the headline of the Times, the contest for clean energy, specifically, the hunt for cobalt in Congo. It's kind of amazing, it's a great piece, they put a lot of time and energy into it as the Times does because they can. But look, the whole clean economy thing that we've been talking about a lot on this podcast--

Kimberly Adams: And then Molly has a whole podcast about herself

Kai Ryssdal: Whole podcast on it. It's resource based, it's resource based. It's just different resources. And the Chinese sort of decided to act on that sooner than we did. And this is an interesting piece to contextualize what's gonna be the next 50 years in this economy, I would say.

Kimberly Adams: Well, what was fascinating about that story is that they didn't actually decide to act on it before we did. We've been, we were acting on it decades ago, and then just decided to stop. To stop. So all of that investment--anyway, I won't take, take away from the story, because it's definitely worth reading. But it's just, it's a dropping of the ball, really.

Kai Ryssdal: Yeah. Yeah, for sure. From the Wall Street Journal yesterday, a really interesting thing that I had not been aware of, inflation in Japan is basically flat. The catch is that inflation in Japan is basically flat because of the wrong things, because companies are not investing, the labor market is really tight and rigid, the pay structure is really set and determined. It's actually an interesting look at how things can be different depending on where you are. And what actually happens when these inputs to an economy change or are not, in a better way to put it, dynamic, right? I mean, American, the economy here is dynamic, kind of in the extreme. Lots of variability. Not so much in China, that's kept their prices flat. But at the price of a whole bunch of stuff. Lack of investment, workers--did I say China? I meant Japan. China's a whole different deal. Workers not having a lot of flexibility. It's just, it's an interesting and not too terribly long read. Totally interesting. And then just because we've talked about it so much. You got your thoughts on Japan? Go ahead.

Kimberly Adams: I was just wondering, like we say that that's bad. And I wonder if the folks in Japan also think that's bad.

Kai Ryssdal: Yeah. Yeah, it's the trade off of, you know, having companies make investments and having workers be able to jump from job to job looking for better pay. But oh by the way, inflation is at 6%. And not, you know, and that's you, everybody gets to decide, I suppose, is the deal. Okay. The other thing just because we talked about this a lot and did a whole bunch on it last week, this whole Constitution DAO, Constitution DAO and their failure to get the copy of the Constitution that they had been trying to buy at Sotheby's, right. So, oh, my goodness. Oh, my goodness. Talk about a dumpster fire in the aftermath of this thing. There's an article in Vice, I saw one somewhere else, Gizmodo I think has a piece as well, about what's happening with those people who gave that \$40 million dollars to try to buy the Constitution, remember, for the people. Yeah, it's, it's, oh my god, it's so good. But the dynamics of how it was gonna work and people weren't really paying attention. And oh, by the way, crypto is good. And DAO's are lovely because it's great. And getting back to the people and maybe not. Marissa is going to put it on the show page. It's incredible. It's, it's just amazing. And it's an object lesson in what could possibly go wrong if you don't understand what the market is that you're getting into.

Kimberly Adams: Can I just read this headline, though? The headline is, "The Constitution aftermath: everyone very mad, confused, losing lots of money, fighting, crying, etc."

Kai Ryssdal: It's cray cray, it's just so amazing. It's so amazing and you had to say we knew it was like, the handwriting was on the wall, something is gonna happen. It just was. It just was. Alright. Some make me smiles today on Monday? How about that? Shall we?

Kimberly Adams: Okay, so we have a make me smile that one of our listeners sent in, so what do we have? Yes.

Kai Ryssdal: I kind of love this. I saw this actually. Yeah, I saw it before we put it in the rundown. And, and had we not had a listener submitted make me smile, this would have been it. It's comedy wildlife photography. And they're just, we've got it on the show page. They are incredible. They are incredible. It's, it's a nanosecond in time with animals in just funny poses. And you're gonna say, oh, this is dumb, who's got time for this. We all do. Cleanse your timeline. Just do it. Click on it. Have a look, please. It's so great.

Kimberly Adams: My favorite is the pigeon with the leaf in its face.

Kai Ryssdal: Yeah. Yeah. They're all great. They're all great. Lots of birds.

Kimberly Adams: Lots of birds, birds. Okay. And then Sarah in Denver sent us this, a turducken inspired dessert. I have to say when I looked at the picture of this, I actually thought it was real meat. But it's not. So Sarah said that after hearing Friday's show and listening to how excited some people were over the giant Reese's pie, she introduces us to what she calls the greatest Thanksgiving dessert ever created by her friend in Charleston, South Carolina, Cynthia Wong. It's made of ice cream. But when you cut into it, you see the chocolate dark meat and there's a strip of cranberry sorbet, and it's coated on the outside with like cornflakes or something like that. Apparently, they're sold out for national delivery. But if you happen to be in

Charleston, South Carolina, you can attempt to snag one in person. It looks pretty cool. And as someone who, as someone who has actually made a turducken myself, it looks much nicer than mine did, for sure.

Kai Ryssdal: How did your turducken taste? That's what I want to know.

Kimberly Adams: So the duck has such a powerful flavor that basically the whole thing tasted like duck. And so, you know, and then also, once you start cutting into it, it all just kind of like, mixes together. It's sort of like, just a pile of stuffing and various meats. So it just, it honestly, it just felt a little gluttonous.

Kai Ryssdal: Yeah, I get that. I get that. All right. We're, we're out on the note of gluttony. We're doing a deep dive tomorrow actually on the Fed. Yes, Jay Powell gets to keep his job. Yes, Lael Brainard gets to become Vice Chair. We're going to talk, though, about what the Fed does, why it exists, how it does what it does, and what it means for the economy. Because literally, what the Fed does affects every man, woman and child in this economy in some way. And it's important all y'all understand that.

Kimberly Adams: And if you have specific questions about the Fed or how it affects every man, woman and child in this economy and all the other folks as well, you can send them our way, we are at makemesmart@marketplace.org. Or you can call us and leave us a voice message. The number is 508-827-6278 or 508-UB-SMART. Because you can be.

Kai Ryssdal: Also what you think about turducken. Send us your turducken, send us, send us your turducken.

Kimberly Adams: If you've done it.

Kai Ryssdal: Make Me Smart is produced by Marissa Cabrerra. Today's program was engineered by Juan Carlos Torrado. Tony Wagner writes our newsletters.

Kimberly Adams: And our senior producer is Bridget Bodnar and the director of on demand is Donna Tam. You know, I wonder if there's a cocktail version of a turducken.

Kai Ryssdal: Oh Kimberly, cut it out.

Kimberly Adams: Like, how would that translate into a cocktail?

Kai Ryssdal: Okay. 508-UB-SMART, let us know your turducken cocktail recipes. I will certainly not be having one, I'm just saying.