

The Huffington Post



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The End of Normal: The New Simplicity - - Real or Reaction?

Posted December 23, 2008 | 11:44 AM (EST)

The stories are starting to show up regularly now - people who spent too much and lived too well are suddenly discovering that possessions don't offer happiness and success can't be measured in square footage or carats.

Recessions run a hard school.

But the speed and certainty of the lessons in this shift from consumption to reflection make me wonder: is it a fundamental transformation or a simply a pit stop in life's long race for bigger, better and more?

Harvard Business School Professor John Quelch has called the chastened former indiscretionary spenders "simplifiers". They realize they have more possessions than they need; they want to collect experiences rather than goods; they are somewhat embarrassed by all they have accumulated and they have come to believe that wealth is still satisfying even when it's not displayed.

If he's right, marketers have a big challenge ahead of them, and an economy that relies on consumer spending is in even deeper trouble than we think.

When we talk about a permanent change in values, however, we're up against evolution. Basic anthropology says that a big part of human behavior is driven by achieving and showing status. We're hardwired that way. We're all part of the wolf pack. And in any group, there will be alphas. Houses, cars and expensive toys are a human reminder of who gets the biggest piece of the caribou.

Combine that basic natural drive for differentiation with a housing bubble and gremlins in the financial clockworks, and you have the makings of excess and unwise decisions.

But I question whether we can rewrite basic code based on the bitter disappointment of a financial crisis, even one that has so dramatically changed expectations and disrupted lives.

There have been financial crises as long as there has been finance.

In the 80s there were stories of apprentice Wall Street wizards lighting their \$50 cigars with \$20 bills. At the end of the 90s, a now-dead dot com flew Elton John and his personal piano to a party on separate airplanes.

Both times it all ended badly. But eventually the sun came out. And we were off again on another round of good times. So far we're sticking to the script of immoderation and repentance. So why would this exercise in excess be any more life-altering than the others?

One answer certainly is the breadth and degree of the pain.

In the previous debacles, most people were hurt by standing too close to the action. Unless your old economy job for a dot com, for example, or invested your money in companies with cool names, high multiples but no products, chances are you watched the death throes of the new economy from the bleachers. This time, families, businesses and communities were sucked into the slipstream of the economic descent.

Like those who lived through the Depression, perhaps current generations of the willing wounded will come out of this with the kind of scars that serve as enduring reminders.

We won't know the lessons learned on the way down until it comes time to apply them on the way up. But it's hard to bet against human nature. People are people. Pain fades. And stuff is fun to have.