

# Once Again, A Lost Generation

By Michael Kraten, EconVue Expert ([www.econvue.com](http://www.econvue.com)) 5/20/2020

Precisely one century ago, Ernest Hemingway was living in Chicago and attempting to readjust to civilian life after experiencing the horrors of service as an ambulance driver for the Italian Army in World War I. F. Scott Fitzgerald was drinking excessively and wooing his future wife Zelda while attempting to transition from an unsuccessful career in advertising to a lucrative one in writing novels and short stories. And the United States, as a nation, was struggling to recover from its loss of human life during the Spanish Flu pandemic, its failure to permanently “make the world safe for democracy” in World War I, and its inability to prevent the economic collapse of the 1920s Depression.

Hemingway’s and Fitzgerald’s subsequent tales illustrated the plight of The Lost Generation, the demographic cohort that came of age at a time when national leaders and the general public were asking serious questions about the sustainability of American society and its capitalist economy. Although the 1920s are now remembered as a time of prosperity, the decade also represented a time of escalating income inequality, debt-fueled business transactions, racial and religious bigotry, and political turmoil.

Today, much praise is bestowed on America’s Greatest Generation, the demographic group that came of age during the Great Depression and World War II. Much less attention is paid to the Lost Generation, though, the preceding generation that (according to Hemingway) believed that “if you have a success you have it for the wrong reasons. If you become popular it is always because of the worst aspects of your work.”

What caused such a pessimistic, fatalistic, and almost nihilistic perception of American business and society to be adopted by an entire generation? It could not have been a mere single catastrophic event; after all, many American generations experience such events. Perhaps, instead, it was the impact of a wide variety of catastrophic events that generated such cynicism, catastrophes that affected many different types of institutions that supported American society.

And what of today’s youthful generation? What of Gen Z, the demographic cohort that was born after 1996 and is now entering the work force? Their collective memories encompass the national security failure of 9/11, the military quagmire of the Middle

Eastern wars, the economic collapse of the Great Recession, the radicalization of contemporary political movements, and the social and medical convulsions of the coronavirus pandemic.

Today, some citizens are calling for dramatic new investments in national programs, arguing that the failure to make such investments will result in severe economic losses. Others reply that massive increases in federal debt will be required to finance such investments, and that excessive spending will impose even more severe economic losses in the long term.

But neither side is factoring the risk of the emergence of a new Lost Generation into its Return On Investment analyses. If we believe that the potential cost of a climate collapse must be factored into analyses of proposed environmental sustainability investments, perhaps we should likewise conclude that the potential cost of producing another Lost Generation must be factored into analyses of proposed social sustainability investments.

After all, a century ago, the Spanish Flu pandemic helped to produce a group of “Lost” authors who shaped the generation that stumbled into the Great Depression. What will the Coronavirus pandemic do today?