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Fwd: "You can always judge a man by the quality of his enemies." -- Oscar Wilde (though these days I'm never sure about quotes)

1 message

Joseph Weisenthal <jnathan@gmail.com>
To: brad.delong@gmail.com

Wed, Oct 15, 2014 at 9:46 AM

----- Forwarded message -----

From: **Cliff Asness** <Cliff.Asness@aqr.com>

Date: Wed, Oct 15, 2014 at 12:31 PM

Subject: "You can always judge a man by the quality of his enemies." -- Oscar Wilde (though these days I'm never sure about quotes)

To:

Friends (and occasional people who will respond "unsubscribe"),

I don't have a blog, I just write essays and send them to you guys on this list. So I'll just share these thoughts with this same list.

Krugman responded to me. That's kind of fun as he claims never to read libertarians or conservatives (I do read him, it's painful, but I think saying you never read those you disagree with is pretty out there nuts...). I feel special he noticed. But, alas, the good feelings ended there.

<http://krugman.blogs.nytimes.com/2014/10/14/nobody-understands-the-liquidity-trap-cliff-asness-edition/?module=Search&mabReward=relbias%3Aw%2C%7B%22%3A%22RI%3A10%22%7D>

Frankly, I think he's running a little scared as this response is very weak even for him.

I didn't just call him a big meanie. In fact, if he got to the end, I actually admitted some hypocrisy here as I can be a big meanie too (though I don't think I'm in his league - being a meanie and being an unfair cheating out of context meanie are not the same). But, he didn't get to the end, and someone admitting a fault like I did would be confusing to him anyway.

Now, he says I don't get the notion of a liquidity trap. That may be true. But his assumption that because someone doesn't agree with him means they don't get it is rather revealing. Lots of economists don't agree with his version of a liquidity trap, and he either ignores them, or like this, finds some ad hominem way to attack them too. It seems to be working for him career wise I'll admit that.

He also, conveniently, ignores most of my essay. Paul, tell us more about the many failures of Keynesianism I ask you to explain? Tell us more about your understanding of forecasting a "risk" as it feels kind of weak to me. Tell us more about the inequality QE has brought and why that doesn't embarrass you? No? OK, just keep screaming like a baby with a rattle "liquidity trap and only my version of it and only I understand it - how can I live like this!" OK, I admit that would be a complex sentence for a baby.

Paul's position seems to be he always knew QE would be weak. That may be true, and perhaps I missed some of that (again, sorry to confuse Paul with this kind of honesty). But it's hard to tell as he says so many different things you can always find a Krugman quote to support a position. But he was also for QE. So, he was for it before he was against it, or tepid on it, or something like that...

But the best part is that his whole argument, if you can call it that, was something called "reason by authority." You see, his point is that I'm not a macro-economist like him. You got me Paul. Though perusing his columns I do enjoy the range of subjects he feels he can lecture the world on. Seems they are wider than just his chosen field at times. Many times.

He also links to his personal Rottweiler DeLong, you can read his similar rantings ("OMG we told you all it's a liquidity trap!") here, and some of my comments too: <http://delong.typepad.com/sdj/2014/10/no-cliff-asness-still-has-not-done-his-homework-on-what-a-liquidity-trap-is-why-do-you-ask.html> Though I warn you, the comment section is particular scary. They don't seem to like me much (and so much of what they say is just made up). If there's anything worse than Krugman it's his inferior attack dog DeLong, and if there's anything worse than both of them, it's their internet sycophants. My favorite part is where they tell me I'm not funny because nobody on DeLong's comment section thought so. Sorry, "Dams for Clunkers" was hilarious.

Finally, the crowning achievement was DeLong's, who takes my half joking climate change paragraph and goes all Pravda on it. I admit I played to my audience with the humor, but my point was 15 years is NOT enough time to make a conclusion – like we haven't had enough time on inflation. That is an argument defending climate change at least from this one attack and I only said twice I wasn't a "denier" (though we might have very different ideas of how to deal with it). I'm actually saying things some of my readers would not like. I remember when liberals used to respect that kind of thing, even do it. But Krugman and DeLong are not your father's liberals. DeLong was actually outraged I wasn't willing to rewrite my essay now that he's (and they've) added ocean temperatures to the graph that used to show the warming trend flattening. That's not a statement about ocean temperatures or the graph, please! But he actually wanted me (in private emails) to issue an addendum to a joking paragraph DEFENDING climate changers from the accusation it hasn't warmed in 15 years, because he has a graph that says it has. Really. And for not doing so he calls my views (I don't think I even have these views!) "insane." He's that far gone. Read it all here: <http://delong.typepad.com/sdj/2014/10/yes-clifford-asnesss-views-on-global-warming-are-insane-why-do-you-ask.html>

OK, everyone tells me I shouldn't respond to these guys, that they aren't worth it, and everyone is right.

But clearly I'm not good at the whole "don't respond" thing.

■ Cliff

p.s. I have a better beard than him also.

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