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Title: Melamed tells DePaul graduates they're lucky to be starting out in America
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Leo Melamed, financial-market innovator, writer, lecturer and international authority on futures markets, delivered this commencement address at DePaul University on June 12.

BY LEO MELAMED

Congratulations!

You have arrived at a signal turning point in your life's journey. A milestone you have lost sleep over, sweated for, prayed for -- and in some cases beat all the odds.

It's big!

How big? Well, not to get overly metaphysical, it is a moment that more than anything symbolizes the difference between mankind and our counterparts in the animal kingdom. Other animals must learn everything anew from birth; humans have the capacity to record what they have learned, and pass it on.

In other words, today's commencement exercises, in a very real sense, symbolize the moment at which the cumulative knowledge of all preceding human generations has been passed on to you.

That's scary big.

When you think about it in this fashion, graduation is like a giant game of tag. Except now you are it. And you will remain it until you pass it on to the next generation.

But there is this one little hitch in the knowledge-game of tag that I better tell you about. You cannot simply pass on the knowledge you received. We would still be using stone tools if that were the case.

Before you can tag the next generation, you are required to give them more than you received. This may be the reason that these are called commencement exercises. They represent the beginning of your race in Knowledge Tag. Until then you remain it.

The good news is that it is a team effort. You are not alone. To win in Knowledge Tag, you have every member of your graduating class on your team pulling in the same direction. More than that, every member of every graduating class. More than that, every member of your generation.

The bad news is that it is a team effort. Don't look around you now, but some members of your generation will do diddley squat. That means the burden on each of you is to pick up their slack. And there is more bad news: You are late in the game. It would be a cinch if you were starting from scratch; if no one had yet invented, say, fire, or the wheel.

But no such luck.

I mean, you will get no credit for discovering what Aristotle already taught us or what Galileo observed or Darwin defined or Newton uncovered or the zillion ways Einstein enlightened the world.

And you will also not be given credit for those things in life which are the hallmark of today's civilization. According to Dave Barry, beer is the greatest invention in history -- but beer has been around since 6000 B.C. By the way, Barry concedes, the wheel was a fine invention too, but as he points out, "the wheel does not go nearly as well with pizza."

Soap to bicycles to Post-It notes

Anyway, we've had soap since the time of the Phoenicians, dentures since 700 B.C., and the button about the same time -- although I question that fact since there is no record of a button-hole until the 13th century.

What I am trying to say: You are very late in this game. Good old Conrad Gesner gave us a pencil way back in 1565, shoe laces have been around since 1790, we had toilet paper since 1857, chewing gum since 1870 and, by the way, the movie, "There's Something About Mary" would never have been made if the zipper hadn't been invented back in 1893. And if you are thinking of a two-wheeler, forget about it, the bicycle is 200 years old. Even food stuff like the potato chips or Jell-O are over 100 years old.

And I must tell you that the century we just left took a lot of stuff off the table. I mean some nifty stuff like the teddy bear, born in 1902 and crayons the very next year and cellophane in 1911. Then 1913 gave us two blockbusters: the crossword puzzle and the brassiere -- though I fail to see the connection. This led directly to the discovery of lipstick in 1915, Kleenex in 1924 and the really big one: Scotch tape in 1930.

And even though your generation was close to some really cool stuff, unlike in horseshoes, close doesn't count in Knowledge Tag.

I know you represent the College of Commerce and the Kelstadt Graduate School of Business, but if you're into transportation, too late, Carl Magee unveiled the parking meter in 1932. Or if your calling is real estate, Charles Darrow beat you by inventing Monopoly in 1934. If fashion is your fancy, you are also very late, the bikini was exposed in 1946, which led directly to disposable diapers four years later. If sports are your pleasure, fuhgeddaboudit, Astro Turf was created in 1965. If it's information technology, sorry, Post-It notes appeared in the mid-1970s.

Oh yes, if finance is your bag, sorry again, some immigrant kid invented financial derivatives back in 1972. And if your specialty is human relations, I hate to break it to you, but you missed out on Prozac and Viagra.

You also missed all the easy stuff like the alphabet, the airplane, air conditioning, the atomic bomb, the combustion engine, the credit card, gun powder, the light bulb, the locomotive, the personal computer, the radio, the reaper, the steamboat, the telephone, television, and we all know that Al Gore beat everyone to the invention of the Internet.

Two-pronged American miracle

Still, I do have some good news. For one thing, the Commissioner of U.S. Patents, Charles H. Duell, was just a wee bit off the mark when in 1899 he declared, "Everything that can be invented has been invented."

Ever say something really, really stupid?

But most important, you are in America.

According to the Encyclopedia Britannica's classification of the 321 world's great ideas and inventions, better than 50 percent were conceived in the U.S. In other words, while Americans may be losing jobs in manufacturing, and may be outsourcing services to foreign domiciles, we remain No. 1 in ideas, inventions and innovations. Bet that really frosts the French.

In other words, we Americans are way ahead in Knowledge Tag. And that is your edge.

More than any other nation on this globe, Americans are free to think, to experiment, to innovate. It is no accident. In his book *Free to Choose*, Milton Friedman asserts that the story of the United States is a story of two interdependent miracles: an economic miracle and a political miracle. Each miracle resulted from a separate set of revolutionary ideas -- both sets of ideas, by a curious coincidence, were formulated in the same year, 1776.

Authored by Smith & Jefferson

One set of ideas was embodied in Adam Smith's *The Wealth of Nations*, which established that an economic system could succeed only in an environment which allowed the freedom of individuals to pursue their own objectives.

The second set of ideas, drafted by Thomas Jefferson, was embodied in the Declaration of Independence. It proclaimed the entitlement of some self-evident truths, among which are life, liberty and the pursuit of happiness.

During the two centuries following their introduction, when these two ideals were applied to a people with an immigrant ancestry, of a multicultural heritage and a multi-racial composition, they produced an unimaginable result. They became a lightning rod for ideas. They created a crucible for innovation. They combined to become the decisive driver of progress in science, technology and economic development.

Is not this diversity the essence of DePaul University as well? Our fundamental ideals, our way of life, our pluralistic society -- one of a kind on the face of the Earth and unique to the history of mankind -- produces an environment that invites thought.

It is the winning formula in Knowledge Tag.

Aren't you the lucky ones. To be here in this country, at the start of a new century, at the start of a new millennium, and commencing the knowledge-game of tag.

Ladies and gentlemen, start your engines.

Leo Melamed is recognized as the founder of financial futures and currently serves as chairman Emeritus and senior policy adviser to the Chicago Mercantile Exchange. He can be reached at lmelamed@cmex.com