

Untitled

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FREE PREVIEW

Opinion

Commentary

By J. Bradford DeLong

Stocks and the long run

BERKELEY – After the second 40% decline in America's Standard & Poor's composite index of common stocks in a decade, global investors are shell-shocked. Funds invested, and reinvested, in the S&P composite from 1998-2008 have yielded

a real return of zero: the dividends earned on the portfolio have been just enough to offset inflation.