

Warren Buffett is Bullish on America's Future, but Says That a Full Economic Recovery Will Take a While

Release Date:

Thursday, October 29, 2009 1:56 pm EDT

Terms:

Company

Dateline City:

SAN DIEGO

Final Segment of Business Wire's Exclusive Interview with Warren Buffett Now Available

SAN DIEGO--(BUSINESS WIRE)--Although the U.S. economy is no longer in the "emergency room," a full recovery isn't imminent, noted Warren Buffett, CEO of Berkshire Hathaway Inc., in a recent Business Wire interview to promote the launch of PYMNTS.com, a portal for the global payment industry.

Buffett's remarks came in a wide-ranging video interview with Cathy Baron Tamraz, Business Wire's president and CEO. PYMNTS.com is a joint venture of Business Wire and Market Platform Dynamics. The interview was conducted on Sept. 16, 2009.

Acknowledging that the financial markets were gripped in a "real panic" during the height of the economic crisis, Buffett praised government authorities for taking the appropriate measures to quell the fear, and to prevent the economy from "going over the cliff." Buffett warned that while we are out of immediate danger, remedial action is still needed to cure broader systemic issues.

Consumer and investor confidence were casualties of the panic mentality in late 2008, Buffett continued, and it will take a while for confidence to be restored. Buffett reiterated his firm belief that the American economic system is sound and works extremely well, and that the long-term prognosis for the U.S. standard of living remains very favorable.

Unemployment will continue to be an issue, as companies are extremely cautious in adding to their payrolls. Buffett was optimistic that three years from now many of his own companies will have more employees than they do currently as the economy continues to rebound.

A greater reliance on government regulation will not eliminate future bubbles or free falls, Buffett warned, noting that human behavior is the unmanageable variable in the economic cycle. Although reforms may mitigate future economic gyrations, human emotion is a wild card that defies regulation.

Criticizing Wall Street's current compensation model, Buffett argued for a more balanced system that included "sticks" as well as "carrots." Buffett called for the creation of a "downside" for individuals who have walked away rich from the messes they've created, not only for their own financial institutions, but for society. "There have to be incentives," Buffett said, "not only to get rich, but to behave well."

Reflecting on the painful lessons of the past year, Buffett observed that it has reaffirmed that the customer is king, and that companies that are committed to client service will do well in the long term.

Business Wire video interview: <http://client.dssimon.com/bw1>

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[PYMNTS.com](#) is an online media channel that captures user-generated and expert-driven commentary, information, news and analysis on "what's next" in the payments sector worldwide. The site provides a platform for industry professionals to share content related to their latest company and product developments, to tap into the collective commentary and analysis from experts, bloggers and industry pundits, and to interact with industry thought leaders and other influentials on topics of critical importance to the future of the sector.

PYMNTS.com. provides an innovative new platform for emerging players to "pitch" their venture and companies in the sector to launch new products. The PYMNTS.com [wiki](#) provides a first-ever country-specific payment information repository, created and maintained by professionals in those countries with access to and knowledge of their local payments environment. Breaking news is provided by a direct feed to the site from Business Wire.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=6086563&lang=en>

Language:

English

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Source URL: <https://newsroom.businesswire.com/press-release/warren-buffett-bullish-americas-future-says-full-economic-recovery-will-take-while>