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The Age of Turbulence: Adventures in a New World
by Alan Greenspan

Reviewed by W. Ronald Focht

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Alan Greenspan has been an influence in many aspects of business and government. The book deals with his experiences growing up, business relationships and government service. Alan Greenspan has had a significant impact on the Federal Reserve System's role in our economy. His credibility as chairman of the board of governors served as an example for future chairmen and central bankers and influenced the governing style of central bankers in Europe and Asia.

In this book, the author expresses great concern for the direction our economy and government are headed, "The Age of Turbulence".

Most of his life has been spent in New York City; he was born in the Washington Heights neighborhood. His parents separated when he was very young and his mother raised him. Growing up in New York City offered many cultural advantages and opportunities. Music and mathematics were his early interests, but he introduced to economics through his interest in Keynes's "mathematical innovations and structural analyses". His interest in data and calculations led to his research career in evaluating the economy and becoming an economist.

Greenspan first got involved in public life in 1967, working with Nixon's campaign for president. After the election he saw the "two faces" of Nixon, extremely smart man who was prone to anger and profanity. Greenspan became chairman of the Council of Economic Advisors the day Nixon resigned. He found President Ford was a "secure man with fewer psychological hang-ups than



almost anyone and was articulate on the subject of economics” and enjoyed working with him. He spent the Carter years in private business. When Reagan ran for president, Greenspan again got involved. Greenspan served as an economic advisor until he became chairman of the Federal Reserve Board under Reagan. He kept this position under Presidents Clinton and Bush as well.

Greenspan writes about his relationships and rates the presidents he was associated with during his career. Greenspan wrote “Bill Clinton was on a par with Richard Nixon, who, despite his obvious flaws, was the smartest president I’d met to that point”. Clinton and Greenspan shared many views on economics, “Clinton was the cleverest chameleon I’d ever encountered”. Clinton publicly referred to their relationship as the “odd couple”.

The sections of the book dealing with the FOMC were interesting because of Greenspan’s actual hands-off way of working with the other governors and bank presidents. He used the knowledge and experience available to him to make rational economic decisions. His relationships with the Treasury Secretaries and Secretaries of State explain a lot about the way Greenspan moved in the different administrations.

His relationships with foreign leaders, central bankers, and economists are very interesting. The stories of economic meetings in Russia with Leonid Abalkin, the deputy prime minister, regarding their economy in 1989, are intriguing.

Overall, the book is informative and points out some concerns we should all keep in mind. The book is lengthy, but easy to read. The information presented could influence your perception of future economic outcomes and directions.