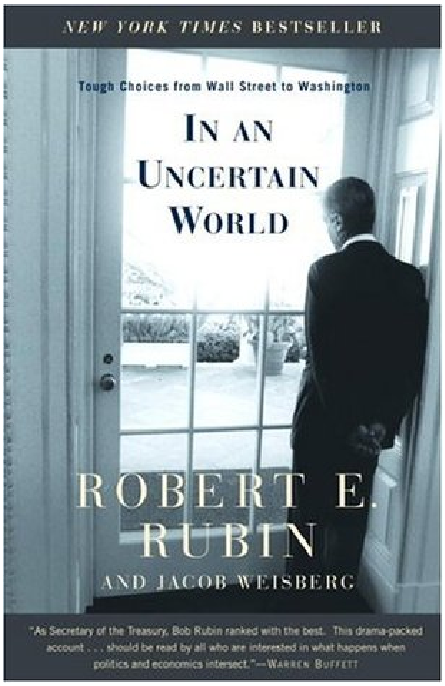

In an Uncertain World: Tough Choices from Wall Street to Washington

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Robert Rubin was sworn in as the seventieth U.S. Secretary of the Treasury in January 1995 in a brisk ceremony attended only by his wife and a few colleagues. As soon as the ceremony was over, he began an emergency meeting with President Bill Clinton on the financial crisis in Mexico. This was not only a harbinger of things to come during what would prove to be a rocky period in the global economy; it also captured the essence of Rubin himself--short on formality, quick to get into the nitty-gritty.

From his early years in the storied arbitrage department at Goldman Sachs to his current position as chairman of the executive committee of Citigroup, Robert Rubin has been a major figure at the center of the American financial system. He was a key player in the longest economic expansion in U.S. history. With **In an Uncertain World**, Rubin offers a shrewd, keen analysis of some of the most important events in recent American history and presents a clear, consistent approach to thinking about markets and dealing with the new risks of the global economy.

Rubin's fundamental philosophy is that nothing is provably certain. Probabilistic thinking has guided his career in both business and government. We see that discipline at work in meetings with President Clinton and Hillary Clinton, Chinese premier Zhu Rongji, Alan Greenspan, Lawrence Summers, Newt Gingrich, Sanford Weill, and the late Daniel Patrick Moynihan. We see Rubin apply it time and again while facing financial crises in Asia, Russia, and Brazil; the federal government shutdown; the rise and fall of the stock market; the challenges of the post-September 11 world; the ongoing struggle over fiscal policy; and many other momentous economic and political events.

With a compelling and candid voice and a sharp eye for detail, Rubin portrays the daily life of the White House-confronting matters both mighty and mundane--as astutely as he examines the challenges that lie ahead for the nation. Part political memoir, part prescriptive economic analysis, and part personal look at business problems, **In an Uncertain World** is a deep examination of Washington and Wall Street by a figure who for three decades has been at the center of both worlds.

From the Hardcover edition.

In an Uncertain World: Tough Choices from Wall Street to Washington Details

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From Reader Review In an Uncertain World: Tough Choices from Wall Street to Washington for online ebook

Sylv C says

There is a NY Times article that discusses Rubin's probabilistic approach to thinking - if pressed for time, the article is a good summary of this book.

Max Lapin says

Insightful book on the Treasury work.

Helen says

Changed how I look at econ and also at the Clinton presidency. One of the first books on politics I read. Awesome first experience!!!

Andrea James says

I appear to have quite a different opinion of this book to most of the other reviewers on Goodreads. As much as Robert Rubin may have accomplished both in the private and public sector, he is simply not good at writing or storytelling or indeed at providing insights into how he solves problems and makes decisions, the emotional and intellectual conflicts one faces or any astute observations of what other people might be going through.

The book reads like "I applied to Harvard and then I went there and then I met president Clinton, and he was nice and smart, and then I met my amazing wife and she told me that...and so I...". Much in the style of a speech a 6-year-old might give when under pressure to give a summary of their life (except that Rubin has met high powered people and worked in influential positions).

On the other hand, I thought that the descriptions of economic scenarios were actually plainly written and not hard to follow at all. Boring, like the rest of the book, but easy to follow.

It could have been so much more had he just given a glimpse into thought processes, the political manoeuvring, any personal interests and jostling that may have impacted decisions, irrationalities in assessing situations...anything really that might show the greater depth of analysis that he is very likely to be capable of.

G166188 says

A book about Rubin's upbringing and professional experience in banking and politics.

Takeaway
Nothing is for sure. Life is more about odds, choices, and trade-offs. There is no definitive answer. One would be better off focusing on building good process for decision making than judging solely on the outcome because bad decisions can produce good result due to randomness or luck. Conversely, good decisions can produce bad result and one should expect losses as part of the business. Risk taking is unavoidable in life. Think analytically and probabilistically in a mental decision tree. And the only way to refine our odds is through better knowledge and deeper understanding.

Things I enjoyed
o The Powell Doctrine: use overwhelming force in military intervention to secure certainty of result
o Write things down: Rubin often carried a legal pad to keep notes and wrote his analysis down. This is a good practice to keep track of things and hone one's thinking. He said often when a point of clarity is reached, a correct answer would present itself.
o A Way of Life by William Osler: deal with fear of failure by living life in "day-tight compartments"
o Rubin also handled stress and uncertainty by thinking of a failsafe fallback position.
o He also tried to adopt the right frame of mind by focusing on the job in hand instead of worry about the outcome. i.e. mindfulness of present moment
o His philosophy teacher Demos taught: not only to understand the logic of an analysis, but to find the point at which the edifica rested on hypothesis, assumption, or belief.
o Always be skeptical. Never take propositions at face value.
o Find fulfillment within oneself instead of searching outside
o The importance of being sincere: Gus vs. Clinton
o Clinton has unusual listening skill: he made the person not just heard but understood with great sincerity
o Alan Greenspan a master in Q&A
o Even a trader as good as Rubin has no ability in knowing where the market will go short term. The only rational way to profit is to invest based on long term prospect. Example: he felt the market was too high years before the Internet Bubble.
o Company performance is judged by short-term result. This is not ideal but net benefit still over downside because it can avoid longterm cheaters. (I think just like democracy not ideal but can avoid dictators)
o Free trades forces America to become more competitive.
o Overreaction is part of human nature.
o Take profit while the market is good because market sentiment can change very quickly.

Alan Eyre says

Good book, liked his outlook

Forsythbb says

Rubin has the most humble and sincere narrative. As an introvert myself, I immensely resonate with a lot of his view points and decisions. The first three chapters of this book offer a lot of genuine advice to intellectually driven yet professionally aspiring people. However, while that kind of narrative is refreshing for the first 100 pages, it gets tiring as one reads on. After all, most people buy this book to gain insights of what happened in the boom and bust of the 90s to 00s, not a prolonged self-analysis on strengths and weaknesses. I actually could not finish the book, as it drags on and on about who did this and who said that, but it always misses the key points of the stories. I think this book should not be read as a history recount, but an unrefined diary that aims at an audience comprised of only Rubin himself.

Brian Fisher says

Great book and a unique perspective (a wall streets risk arbitrager and secretary of the treasury - Robert Rubin). He applies his free market mentality to some of the most pressing international and domestic economic issues. Similar to the World is Flat or the Lexus and the Olive Tree (with a stronger economic bend), but told by someone with more expertise and experience

"The best social program is a strong economy"
-Bill Clinton

" A change-oriented culture has been central to America success and will be critical to its future economic progress"

Charles says

This book is a bit of a curiosity: released between the dot com bust and the housing crisis, some of the centrist policies advocated here sound positively antiquated, judging by the current dialogue playing out in the editorial pages and network news chairs.

Rubin is incredibly smart and accomplished, but so much of the book comes across as reactive to whatever the crisis of the day was. He has so many friends among the global elite that he doesn't want to offend, so most issues are reduced to the anodyne, "I worked with X, who was incredibly smart and capable, about issue Y. It's too complex to discuss here, but it needs more of your (the reader) focus and attention."

Of positive note: the 10 point approach (later expanded to 12) approach to Treasury policy.

Greg Talbot says

With the snappy title, you'd think this was a much more interesting book. The sad reality is that Robert Rubin's biography does not live up in style, content or IQ level of the writer. Having obtained kingmaker status as CEO of Goldman Sachs, and treasurer of Bill Clinton, it's obvious that Robert has stories and strong opinions about events. At times he approaches topics with nuance like a good storyteller - one example is with the Tequila crisis in the 90s where he brings how Mexico's currency valuation can have a huge impact in the rest of the world. When he does start talking about economics, Robert can swing and hit pretty well. Maybe it's just his self-assured easy going personality, but the book could not be more empty. Reminds me of an aloof uncle telling his niece about his big suit job and those crazy highs and lows of the working world. Platitudes, general conflicts, and some farm wisdom.

Nicholas says

It took me a while to slog through this book; the fault was partly mine, and partly Rubin's. While the subject matter is fascinating for me--a remarkable career in both finance and public service--Rubin's prose was passionless. Moreover, his writing was not crisp or energetic.

There were great parts of the book: an insider's look at Goldman Sachs, the Clinton administration, and some of the crucial dilemmas that Rubin faced as Secretary of the Treasury. While I generally concurred with his view of the world--that decisions are difficult and involve estimating a range of uncertain outcomes--he presented it in a rather uninteresting way. As a side point, his decision-making process and underlying philsophy contrasted sharply with that espoused by GWB in Decision Points.

If you're interested in this man's career, it's probably worth the read, but I wouldn't spend time otherwise.

Brian says

I liked his insight into events I knew about and others that I didn't know about, especially the private sides of public figures.

Ann says

A must read if you want to understand the current position of "too big to fail". Rubin was at the place where this trend started and now, knowing how things turned out, this is the place to go for insight into our times and the history of how we got here.

Will Byrnes says

I found it boring. It might be of considerable interest to those who are adept at macroeconomics, but while I found some interest in his descriptions of the several international monetary crises with which he has been involved, there was little here that held my interest. He does laud Clinton for his intelligence, quick grasp of facts and his willingness to spend personal political capital to take risks and to do the right thing.

May Ling says

This is an interesting book in which many people glean different gems given their background.While a lot of people enjoyed Chapter 2 about risk, I get a little upset when they quote this book as a risk management book. Indeed, what is discussed here shows most clearly why merger arb is one of the single riskiest strategies. The hedge that is taken will actually magnify the lost in the way that options do. Those often engaging find themselves in really bad circumstances when deals break. Rubin does not speak this flawed understanding. Instead, the point that I gleaned was that even a seasoned, professional will underestimate the risk of something that seems a "tail" event, i.e. the deal breaking. Hence, one should have some flexibility with what one believes to be absolute.

I do however like the idea that one should "maintain optionality". The way that Rubin has implemented through his career and life are remarkable. Moreover, you get a real sense for the type of moral fiber this person has, regardless of whether you agree or disagree. You get the sense that this was a man who wanted to learn from everyone, younger, older, etc...

I greatly enjoyed hearing about the differences between politics and business environments. It was fascinating how one delivers messages. It was also interesting to hear insights into the many amazing characters that he met during the Clinton administration.

Sadly, you also get a sense for the changes in the market place. The shorter term orientation, which is a sign of the times of computational improvements, have with it certain types of flaws as discussed in Chapter 13-15. While he defends Citi as properly implementing the orientation toward short term (addressing the immediate needs of the business) it's hard to know the degree to which that got extended post Weill's leadership.

I also found his commentary on corporate leadership fascinating. In light of the manner in which corporations have grown and the need for succession plans, 2 CEOs which Goldman has historically been able to maintain, seems ideal. One would think the very nature of CEO is teamwork and a certain ability to work with others. I would love to know more thoughts on that.