

## **On the Brink: Inside the Race to Stop the Collapse of the Global Financial System**

*Henry M. Paulson Jr.*

[Download now](#)

[Read Online](#) 

# On the Brink: Inside the Race to Stop the Collapse of the Global Financial System

*Henry M. Paulson Jr.*

**On the Brink: Inside the Race to Stop the Collapse of the Global Financial System** Henry M. Paulson Jr. When Hank Paulson, the former CEO of Goldman Sachs, was appointed in 2006 to become the nation's next Secretary of the Treasury, he knew that his move from Wall Street to Washington would be daunting and challenging.

But Paulson had no idea that a year later, he would find himself at the very epicenter of the world's most cataclysmic financial crisis since the Great Depression. Major institutions including Bear Stearns, Fannie Mae, Freddie Mac, Lehman Brothers, AIG, Merrill Lynch, and Citigroup, among others—all steeped in rich, longstanding tradition—literally teetered at the edge of collapse. Panic ensnared international markets. Worst of all, the credit crisis spread to all parts of the U.S. economy and grew more ominous with each passing day, destroying jobs across America and undermining the financial security millions of families had spent their lifetimes building.

This was truly a once-in-a-lifetime economic nightmare. Events no one had thought possible were happening in quick succession, and people all over the globe were terrified that the continuing downward spiral would bring unprecedented chaos. All eyes turned to the United States Treasury Secretary to avert the disaster.

This, then, is Hank Paulson's first-person account. From the man who was in the very middle of this perfect economic storm, *ON THE BRINK* is Paulson's fast-paced retelling of the key decisions that had to be made with lightning speed. Paulson puts the reader in the room for all the intense moments as he addressed urgent market conditions, weighed critical decisions, and debated policy and economic considerations with all the notable players—including the CEOs of top Wall Street firms as well as Ben Bernanke, Timothy Geithner, Sheila Bair, Nancy Pelosi, Barney Frank, presidential candidates Barack Obama and John McCain, and then-President George W. Bush.

More than an account about numbers and credit risks gone bad, *ON THE BRINK* is an extraordinary story about people and politics—all brought together during the world's impending financial Armageddon.

## On the Brink: Inside the Race to Stop the Collapse of the Global Financial System

### Details

Date : Published February 1st 2010 by Business Plus


ISBN : 9780446561938

Author : Henry M. Paulson Jr.

Format : Hardcover 496 pages

Genre : Economics, Finance, Nonfiction, Business, History, Biography, Politics, Autobiography

 [Download On the Brink: Inside the Race to Stop the Collapse of t ...pdf](#)

 [Read Online On the Brink: Inside the Race to Stop the Collapse of ...pdf](#)

**Read and Download Ebook On the Brink: Inside the Race to Stop the Collapse of the Global Financial System...**

---



**Download and Read Free Online On the Brink: Inside the Race to Stop the Collapse of the Global Financial System Henry M. Paulson Jr.**

---

## From Reader Review On the Brink: Inside the Race to Stop the Collapse of the Global Financial System for online ebook

### Nathaniel says

Leaving aside whether Paulson did the right thing or not, my major issue with this book is it almost exclusively based on Paulson's memory, and the memory of "others." There is no bibliography. There are no sources. No datebook. No call sheets. For a non-fiction book about an important event with a massive paper trail, this book stands as an unbelievable, astonishing feat of memory.

While I put some stock in the whole idea of he lived through it, he'll remember a lot, not to the extent it would fill a 500-page book. I'd let Paulson off the hook a little on this point, if the book wasn't structured as a day-by-day. Even if Paulson does remember everything accurately in this entire book, I don't know that I'm willing to believe he didn't consult documents to verify information.

I would think it would be important to corroborate more facts, dates and times against other sources, during an important time in US and global financial markets. While I don't believe Paulson is knowingly lying in the book, a reader has to read it as he is an unreliable narrator. That makes this book a strange document.

(I didn't read this in a day, like I've lied to GR. I don't note the days I start books. I put this down for months on end. I can't even guess how long it took me.)

---

### evan pon says

It took a long time to read this book. The material was interesting - it was great to see what was happening behind closed doors during the financial crisis. It definitely gave me a new perspective on a variety of events and people - the Lehman Brothers failure and George W. Bush to name a couple. I generally felt that Paulson was being straightforward and honest throughout the book, and that he did a decent job avoiding some of the financial jargon that could really trip readers up.

A small problem I had was just trying to keep track of the full cast of characters. Some of the main ones are listed in the front of the book, but there were plenty of times where I ended up googling someone to find out who they were.

The bigger gripe I had was that despite the underlying story being a huge crisis with drama everywhere you look, the book came across as very dry and somewhat tedious. It could be argued that this is a benefit - after all, there's enough drama in the true story, and this is an accounting of the facts behind the scene. However, it felt like I was reading an itinerary, or the minutes of a meeting, rather than a story.

It's too bad Michael Lewis didn't collaborate with Paulson on the book. As it is, I'll be checking out The Big Short to see how Lewis dealt with the crisis (albeit from a much different viewpoint).

---

### John says

I resisted the impulse to shell out 30 bucks and buy the hardcover when it first came out. As a bargain bin

special for \$8 one year later, I am satisfied that I received my money's worth. Books like this have a tendency towards self-justification with limited admissions of error or bad judgement. The value of this book is its portrayal of the sheer panic and confusion that racked global financial markets. While Paulson confidently traces his career from Dartmouth to Harvard Biz to Wall Street amassing massive personal wealth and leapfrogging John Corzine to take over Goldman Sachs, he confesses that the financial crisis humbled him. He comes across as a frantic, hyperactive fireman trying to extinguish a forest fire with a garden hose. His perspectives on the political infighting, finger pointing and fragile egos along the New York/Washington DC corridor are quite engaging. Despite his treatment in the press and the looming judgement of history (i.e. the growing consensus that he should have bailed out Lehman Brothers before AIG), Paulson shows a very human side. The Christian Scientist who needs 8 hours of sleep every night and loves to view wild birds in natural habitats can steamroll his way through the Federal Bureaucracy, Congress and Wall Street to get things done. It is troubling to think what might have happened if Bush had appointed a more cautious Treasury Secretary who could not forge alliances with the likes of Ben Bernanke, Tim Geithner, Nancy Pelosi and Barney Frank. History will judge Paulson somewhat harshly but it becomes easier to forget how panicked we all felt back in the fall of 2008 as the world stared into a financial abyss. This guy jumped into the ring and gave it his best shot.

---

### **Kim Scripture says**

Written with his mother's advice in mind..."if you don't have anything nice to say about anybody, don't say anything at all"...so in this book, all the bureaucrats are strong, all the politicians are good looking and all the bankers are above average.

Ok, so he can write a book that deftly avoids being critical of anyone. And as such, all book really does is document, on a broad scale, the major events of the Great Recession from the view at the top. No great insight here.

But I did like his afterward where he summed up what he thought the next steps should be to address the situation to avoid such a severe problem again. Unfortunately, it doesn't seem that any of his suggestions are taking deep root.

---

### **Richard Wagaman says**

I can't help but consider Paulson to be a protected elite. America is not supposed to have "protected elites". Since the market crash of 2007-2009 if Paulson did what several people have said he--lied to Congress--and then said the key Wall Street Insiders the truth, he should be in Jail!

---

### **Tom says**

This was an excellent complement to Tim Geithner's "Stress Test". Paulson, Geithner and Bernanke were the key players in mitigating the impact of the 2008-09 financial crisis, and the dedication, teamwork and diligence they and their staffs applied to the enormous issues we faced were nothing short of remarkable. Even just six years later, it's impossible to imagine their being able to get Congress to do what it did to supplement their herculean efforts, it's become that much more dysfunctional in Washington. I won't attempt to hide my bias: these men kept our financial system from going down and causing untold pain in the broader

economy. I'm as much a free-market capitalist as the next economic conservative; but, working in the investment business before, then and now, I recognized the risks we faced that went largely unperceived by the general public and media. As unpalatable as many of the solutions appeared on the surface to be, we had no good alternatives and no time to keep looking for more of them. On the narration: great choice of narrators - he didn't sound much different from Paulson himself, and he read with great pace. Nice forward read by and interview of Paulson included.

---

## **Martin says**

The bailouts were complicated. Even reading the WSJ, I couldn't follow everything that was happening. This book does a great job of spelling it out in a way that one can follow.

The writing is honest, with praise for both Bush II and Obama, and criticism of several members of Congress. Paulson doesn't hide the physical effects of the stress he was under. Most authors would.

Paulson has some tremendous blind spots. Some bank activities are really just gambling. That should be stopped. The only mention of the speculative element is in a question from Bush II. The big banks need to be broken up, probably based on geography.

Great narrator.

---

## **karl says**

Reading this book I became aware how naïve I must have been back especially in 2008 as the financial system in the US lurched from crisis to crisis realizing now that there was so much work going on behind the scenes by collaborative teams from Treasury-Fed-Comptroller-SEC-FDIC and House and Senate. Paulson's book reads almost like a day by day blow of events from 2007 through the handoff January 20, 2009 to the Obama team. Surprisingly, reading it often got me excited – like a good novel.

My only critique is Paulson is too nice to too many folks. Possibly Senator Dodd or Governor Palin got itsy bitsy slights, but he had nothing but good things to say about a huge cast of characters – from Bush to Bernanke.

I finished the book reflecting that maybe I was too partisan during that time period sitting from so far away from the action and relying mostly on WSJ and CNBC for tid bits. I think it is too easy (at least for me it was) to get sucked in to believing laissez faire has to be followed at all costs (good bye AIG, good bye ML, good bye Fannie, good by GM, good bye Citi) or that folks like Barney Frank and Nancy Pelosi are evil (and then you read Paulson talking about good were the intentions and how hard they worked to get legislation through that was important).

My biggest surprise was how many telephone calls Paulson had to make daily (one page shows his call log for one day), how often he worked (and well) with Tim and Ben, and how “good” the big bank CEO's were in letting the Fed-Treasury cram down Government money on them. You wonder if anyone other than Paulson could have pulled it off?

I do believe there were systemic risks in the system. I think the crisis would have been worse had the Fed and Treasury not pushed as hard. I am glad that crisis is behind us, and we can back to shrinking the role of

the government, and shrinking the leverage and risk taking of not just financial institutions, but also of individuals who borrow.

---

## William Breakstone says

### BOOK REVIEW

ON THE BRINK: Inside the Race to Stop the Collapse of the Global Financial System  
by Henry M. Paulson, Jr., Business Plus, Hachette Book Group, 2010

Reviewed by Bill Breakstone, Somers, NY, May 22, 2010

This is more or less the 12th book I've read about the Financial Crisis of 2007—2009. It's no doubt the last I'll undertake, but it will have to do for now. I need a break, and have a half-dozen volumes of fiction, biographies and historical prize-winners that I'm looking forward to reading in the interim.

There have been many accounts of the financial crisis written over the past two or three years, most authored by financial writers and economists, and all both interesting and authoritative. The major decision-makers who dealt with the pending collapse of our financial system have yet to be heard from, as most are still in policy-making positions in government. [I discount Alan Greenspan's book, as he had departed from decision-making at the Fed well before the crisis developed.] The singular exception to date is Henry Paulson's book, "On the Brink."

The former Secretary of the Treasury was at the center of the financial storm, along with Fed Chair Ben Bernanke and New York Fed President Tim Geithner, who would succeed Paulson as the new Treasury Secretary in the Obama Administration. All of the other accounts of the crisis refer to Paulson's role to one extent or another, so this book offers the reader to hear in the first person singular a retelling of the events. Much is repetitive, but the perspective here is the point, and the reader is afforded the opportunity to gain a glimpse of an extraordinary leader, acting in a time of extreme crisis, as few have had to face in public office.

What I found most interesting in Paulson's book was the picture that emerges of the man himself. His background as a giant in the finance industry is well-known to anyone familiar with Wall Street, and his public service record has been widely written about in print and discussed in the media. His personal life has received far less attention, lacking as yet a biography. Paulson quite openly describes himself in these pages— his early family life; his spiritual beliefs; his love of, and shared interests with, his wife Wendy and their children; his interest in nature and wildlife; and his and Wendy's total dedication to the conservation movement. These are all qualities right there for the reader to discover through the author's own words.

Yet there are other personal traits that become accessible from reading how Paulson dealt with the challenges that he and his associates faced—his relationships with President Bush and the two Presidential candidates McCain and Obama; his relentless work with Congressional leaders in bringing various remedies into effect; and his over-riding dedication to national interests above partisan politics. [At no point in reading the book do his political leanings stand out. That he was a fiscal conservative by nature there is no doubt. But he was not locked into an ideological straightjacket.] The picture that emerges is that of an intensely dedicated public servant; a highly sensitive and feeling human being; a person of immense energy and stamina, though at times the workload had direct and negative physical consequences; and a complete team player whose

consultations and problem solving coordination with Ben Bernanke and Tim Geithner were essential in avoiding financial Armageddon.

Paulson was widely criticized for changing directions in midstream on many occasions, especially regarding his position on "moral hazard." Those criticisms were well founded, and Paulson does not argue that mistakes were not made; rather, to his credit, he admits them.

One particular mistake was in overlooking or downplaying the emerging public disgust with Wall Street compensation. Perhaps this is far easier to see in hindsight than it was for Paulson and other policy makers to focus in on in real time. But he does hint that he should have had more insight into what was becoming more and more evident as the crisis deepened. In formulating the TARP Program, congressional leaders pressed Paulson, Bernanke and Geithner for limits on executive compensation for employees of participating institutions. The compromise that was eventually reached banned "golden parachutes" for executives of failed companies. But nothing was included in the provisions regarding bonus compensation, and eventual revelations of multi-million dollar payouts to executives at AIG, BofA, Merrill Lynch and other TARP participants, resulted in a public outcry that continues to this day, with ramifications that have turned a great portion of American society against banking interests and Wall Street in general.

Now, if one looks back to those bleak days in September of 2008, it would seem that with the continued survival of Morgan Stanley and Goldman Sachs very much at stake, Paulson et. al. had the cards in their deck! Yet they opposed restrictions on executive compensation on the grounds that limiting such would dissuade institutions from participating in the Program, and they deemed maximum participation as essential. With these two giant financial institutions dying on the vine, why did Paulson not think that the bargaining chips were not on his side of the table?

So, mistakes were made. Nonetheless, the success that Paulson, Bernanke and Geithner achieved in avoiding a world financial meltdown is surely deserving of thanks from every American, regardless of their political persuasions. This is the main thread that emerges from "On the Brink."

---

## **Pavlo Illashenko says**

There are three types of crisis-history-books: macro stories (why it had happened in terms of macroeconomics); third-party-for-broad-public-storytelling (usually written by journalists for non-economists) and first-hand-remiscences (story by real actors, usually for the broad public).

If your interest in topic is superficial, you should read something from second category. Probably, "The End of Wall Street" by Roger Lowenstein.

If you'd like to dig deeper, then it is better to make it through "macro" first and "first-hand-experience" later (and "On the Brink" is the best sample of this second step).

## Mehrsa says

I just re-read this one because I am trying to find the best post-crisis memoir to assign to my class and this may be one (the contenders are Sheila Bair and Tim Geithner). I think I may like this one the best (especially after the re-reading) because Paulson was such a banking industry insider before and had so much power as a regulator that the perspective is a good one. He feels so bad for the bankers. And he just does not at all seem to feel bad for the mortgage holders that are getting foreclosed on. Yet he's such a down to earth guy. You like him by the end, but 10 years after the crisis I really wonder what it would have looked like to have another man or woman at the helm--maybe a Liz Warren or a Sheila Bair or any old reformer who while looking at a banking collapse would have thought first about the people and not the banks.

---

## Drew Johnson says

Part Biography, Part Analysis of the financial crises. Due to the crises, he was forced to do things he didn't believe in (government intervention) to save something he did believe in (our free market financial system). He didn't create the problem but worked diligently to rescue our financial system. It could have been much worse but for his efforts. He made mistakes but as I consider the totality of what he did against the backdrop of the breadth and depth of the problems we faced, I am grateful for his work as Treasury Secretary. I believe his motives were genuine and his work ethic and dedication are beyond reproach. Writing was a bit hokey and awkward at times and there were times I wanted more depth on arcane financial information but for the most part I thought he struck a good balance. I'd recommend to anyone. Obama and Bush came off looking better than I would have thought. McCain and Palin look like the buffons I suspected they are.

---

## Yaboimazz says

ya boi read dis book right afta mah man tim geithners epic stress test. dis dont hold watah ta geitners tour da force, but paulson does manage ta give is own unique viewpoint of da avents of da 2008 economic meltdown , nom sayin? ya may not digg was hes all about, but mah boi hank lays it down on da line n manages ta put da bush administration in a brand new light. check it out. . .

---

## George says

a great book describing the financial crisis, even though I lived through it, it helped me understand the why.

I did watch Too big to Fail, and even though what was in there is covered in the book, many of the things in the movie were compressed to fit.

---

## Dana says

Near the end of former Treasury Secretary Henry Paulson's memoir about his role during the greatest financial disaster to hit the U.S. since the Great Depression he writes, "[T:]he crisis did not shake my faith in the free-market system." Along with regularly placed confessions by Paulson letting the reader know that he hated what he had to do and that it went against everything he believed, this is about all the reflection and analysis we get from him, the man at the center of averting, if he is to be believed, a financial catastrophe.

The who, what, where, and how are all here. Unfortunately, there is no why. He tells us that the needed regulatory control didn't exist, but he doesn't tell you that he, as CEO of Goldman Sachs, was involved in lobbying the government for easing that regulatory control. He writes that letting these Wall Street firms go under would be devastating for the nation, but he never explains to us how letting Bear Stearns or AIG fail would affect the everyday life of the average American. And most importantly, he never explains why the free-market system that he still puts his faith in needed the biggest government bailout and intervention in our history.

As a result, Paulson's book is a disappointment and those looking for an understanding and in-depth analysis of the financial crisis should look elsewhere.

---