

Monday, April 9, 2007

2007.04.09: The Man Who Saw the Futures

I've subscribed to FORTUNE magazine for the past five years and read most of every issue. In fact, spend more time reading FORTUNE than all other photography- and fashion-related periodicals combined. I've fallen behind on my reading and just started flipping through the December 25, 2006 edition of the magazine. I happened across an article titled "The Man Who Saw the Futures". It's about Leo Malamed, the former chairman of the Chicago Mercantile Exchange who, during his time in power, invented the financial derivative. Oliver Ryan interviews Malamed for Fortune. You can read the full article here. It's an insightful article throughout but one part of this interview echoed in my own life. What's made you so interested in markets? It's so hard to psychoanalyze oneself. I lived the early part of my life on the run, from both the Nazis and the KGB. While we were doing this change from country to country, my father, who was a teacher, would always sit me down and explain, "Look, the Lithuanian lit is worth so many rubles." Except he always said remember the official rate isn't really the real rate - you've got to go to the black market to get the real rate. You don't think that had an effect on an 8-year-old as I was traveling and I learned how you transfer one currency to the next? Of course it did. When I was eight, my family moved to Tripoli, Libya in Northern Africa. My father worked as a computer engineer at the time and he was charged with the task of oilfield process automation. At the beginning of my stay, the Libyan dinar traded for about two US dollars via official channels but if you found a money changer or gold smith you could often get 1.2 Libyan dinars for each US dollar. Furthermore, non-sequential Libyan dinar bills were worth less than sequential bills. Nearing the end of my stay, the official exchange rate was three US dollars for every Libyan dinar but the black market rate was completely opposite. My father bring my brother and I, along with my mother, to the gold shops every once in a while and we'd watch the whole process. Counting the money, tying up stacks of it in rubber bands and sealing them into plastic bags. We'd watch the calculations and negotiation process and it fascinated me. The more I look into it, the more I realize that my three years living in Libya have shaped who I am today. I've learned never to settle for the first obvious solution, optimize every process, and from every optimization there is profit to be made whether financial or in other respects. Anyhow, it's a cool, short little article that I think you'll enjoy. I'll be showing my father tomorrow.

Posted by Klyment Tan in Reading at 22:37

Sunday, November 20, 2005

Book: The Dark Side

These details are totally irrelevant for this entry but for those of you that care, this photo was shot with the Nikon D2X through the Micro-Nikkor 60/2.8 at F/8, ISO 100. Light source was a single Power Z head driven by a Balcar Nexus A3200 modified with an FX60 reflector and 20degree spot grid. Leanna and I were supposed to be baking cookies and banana bread today but scheduling got all screwed up. She recently received one of those mystery savings cards in the mail and we decided to take a trip out to Chapters. Savings range from \$5 to \$1000 but the clerk jinxed the card by saying that everyone gets the \$5 discount and he got a \$100 discount. Bastard. On the way, we noticed that Athabasca Books at 105 St. and 82 Ave. was doing their final clearance so we popped in for a look. Everything was 60% off and even the book shelves were for sale. The heartless business person in me scoffed at the closure and screamed "it's about time!" But I could hear the soft sobbing of another voice within me that sympathized with the independent book store owner. It felt her pain. But that didn't stop me from enjoying some nice discounts on some books. I just started reading the pictured book. It's subtitled "The Personal Price of a Political Life" and though I've barely cracked the cover I can already tell that it's going to be an interesting read. It's littered with witty, pessimistic quotes that would make Dr. E. L. Kersten proud. I've gotten through the preface and I'm going to stop here until later considering that I just got to enjoy the sunrise at the END of my day through my studio windows. Other books included a traditionally-bound copy of Emily Bronte's classic work Wuthering Heights in a matching bone board case, an early edition collection of Alexander Pope's minor poems, and Thomas Hobbes' most famous work, Leviathan. Total bill was about \$36 or about as much as what Leanna paid for Jack Welch's book Winning. Leanna got this book for me and I am very happy. Thanks Leanna for driving me out and reuniting me with some fun reading. I'm dedicating the new "Reading" category of my blog to you. During my four year degree program I read no more than 200 pages from the 10,000 or so required pages of text for my classes. So at this same rate, November 19th's purchases should keep me occupied until my 40th birthday. Then again, these books should be far more interesting those those books about supply chain management, performance and quality measurement, and that book that we had to read for that class that was filled with kids waiting for their parents to die so that they could inherit their parents' companies . . . I mean ORG A 488: Managing Family Enterprise. Anyway, there's no measure for the value of a good literary work but the business voice inside of me says it's a good deal. Athabasca Books will be opened until November 26th and at the end of that day it will close its doors forever. Don't miss the sale. The store is at 105th street and 82 Ave. A short walk from the high school that Leanna and I attended that will remain unnamed. While there we saw Justin, Jonathan's friend. I didn't recognize at first because he was wearing sunglasses . . . and it was really dark outside. Yeah, man, Leanna says you're hot. Or something.

Posted by Klyment Tan in Reading at 08:12