

Ben bernanke



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Ban Bernanke is a chairman of the Federal Reserve of the United States of America. He also is a chairman of the board of economic experts at the white house. He was many times criticized for his work and ideas. He obtained a nickname “ Helicopter Ben” for his idea to defeat deflation and inflation by introducing extra money to the economy of the country. Despite of this, he took the position of the chairman of the Federal Reserve in 2006, and holds this position until now. In 2009, he was named by Time Magazine the Person of the Year. The U. S. economy is tightly related with the global economy. As a main economic expert in the country and the head of the Federal Reserve System, Ben Bernanke is a very influential man. By making his decisions, he could make the impact not only on ordinary Americans, but also change the position of the economy in different countries of the world.

Ben Bernanke

Ben Bernanke was born in Augusta, Georgia. In his early years, he had a mathematical talent and won the orthographic state competition. Bernanke studied at Harvard University where he received a bachelor’s degree with honours. In 1979, he received his Ph. D. in economics from the Massachusetts Institute of Technology. Since 1979, he taught at the Stanford Graduate School of business. After 1985, he was a professor at the Princeton University in the Department of Economics. In 2002, Bernanke became a member of the Board of Governors of the Federal Reserve System. For a short period of time, he won a respect of the Council. He had the biggest impact on the U. S. markets after Greenspan. In 2006, George W. Bush proposed Bernanke the position of the chairman in the Federal Reserve. The choice of the former American president was approved alost unanimously. In

2009, Barack Obama has proposed Ben Bernanke the appointment of the chairman of the Federal Reserve for a second term. His candidacy was approved by the majority. Today, he is a current chairman of the Federal Reserve.

By the beginning of the 2000s, Bernanke is widely known in academic and business circles. He became a respected analyst for his many publications that were devoted to the problems of macroeconomics and monetary policy. Before taking the position of the chairman, Bernanke assured that he is going to continue the policy of his forerunner. However, he took the other direction. Ben Bernanke has other views on the economy than Greenspan. Bernanke is guided by the mathematical skills. He makes his decisions according to the facts and not to his predilections. A new Treasurer of the United States has repeatedly stated that he sees the main threat to the economy of the country in deflation and advocates for inflation targeting. In November 2002, his speech on monetary policy gained prominence. In this speech, he pointed out the danger of deflation. On the position of the chairman, he created some innovative tools, which helped to escape depression during the credit crisis. Previous to his career as chairman, Ben Bernanke was a member of the Board of Governors. During that time, he proposed his doctrine and held the discussion of “ the Great Moderation”. He was sure that the Federal Reserve has all necessary tools to escape deflation. They also can control and change the money supply. It would provide a control over interest rate. In this way, the country could escape both deflation and inflation. In order to prevent deflation, Ben Bernanke indentified next measures to escape deflation: increase the money supply;

ensure liquidity, lower interest rates; control yield on corporate bonds; depreciate the U. S. dollar, etc.

Currently, Ben Bernanke is still a chairman of the Federal Reserve of the U. S. He is responsible for maintaining monetary policy of the economy of the U. S. As a representative of the Federal Reserve, Ben Bernanke is very important for the economy of the country. His decisions make the direct impact on it. He does not have political pressure as elected official and can take a long-term view. During the financial Crisis, he prevented the recession by lowering the funds rate 10 times. Definitely, it was not enough. He provided extra measures for keeping the economy in stable position. It made the period of the global crisis softer for common Americans. Bernanke believes that the Federal Reserve should not attempt to deal with the “bubble economy”, but just simply focus on such standard goals as full employment and lower inflation. He was criticized for this position, because some experts thought that if the Federal Reserve would fight against prices on the property, the U. S. could have avoided the economic crisis. He was also criticized for entering trillions of dollars into the U. S. economy. In 2012, Ben Bernanke is not very satisfied with the position of the economy in the country. Especially, he is not satisfied with the unemployment rate. He is going to take some measures to bring it down as soon as possible. He thinks that without decisive actions it could last for years. He supported the intervention of the central bank in order to boost the recovery of the U. S. economy.

As an economic expert, he can make the impact on the stock market and the value of the dollar. That is why he could take actions that will entail the

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changes not only in the U. S., but also affect the structure and position of the global economy.