



Union Atlantic
By **Adam Haslett**
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The havoc wreaked by the Great Recession has inspired a desperate scramble for answers. Like investigators sifting through tangled wreckage at a crash site, financial world experts have labored to piece together a convincing and complete story about what went wrong and who ought to be held responsible. Although economists, journalists, politicians, bankers, regulators and innumerable others have all generated theories (ranging from the studiously rational to the apoplectically partisan) on the nature and causes of the disaster, no overarching consensus has yet emerged.

Into this melee of conflicting narratives enters a bold and perhaps foolhardy new challenger: Adam

Haslett, a fiction writer of modest renown, whose audacious novel *Union Atlantic* takes a swinging stab at penetrating the mysteries of a financial world in crisis. At first glance, Haslett would seem unlikely to measure up to the task. Although his sole previous book, the 2003 story collection *You Are Not a Stranger Here*, received critical plaudits including nominations for the Pulitzer Prize and the National Book Award, Haslett's work is not well-known outside literary circles. More significantly, Haslett, who attended the Iowa Writers Workshop and earned a law degree from Yale, possesses no obvious background qualifying him to slice convincingly through the Gordian knot of questions presented by the crisis.

It's perhaps surprising, then, that when Haslett loses his footing in *Union Atlantic*, his stumbles do not stem from flaws in his understanding of economics and finance, but instead from faults in literary technique. He favors broad caricatures over realistic characters, and his prose quavers uncomfortably between the functional ("A rabid Bruins fan, his conversation didn't extend much beyond hockey and derivatives") and the florid ("Anywhere people lived memory collected like sediment on the bed of a river, dropping from the flow of time to become fixed in the places time ran over"). Fortunately, such problems don't overwhelm, and Haslett displays a knack for bringing the financial world to life on the page. He stages several entirely credible scenes within the bowels of a big bank teetering on the edge of collapse and succeeds equally in bringing off passages set in the august interiors of the Federal Reserve Bank of New York.

No detail related to the inner workings of the financial system is too trivial to escape his attention: At one point, he pauses to note that all of the paintings hanging in the New York Fed building were produced by artists who lived in the Second District and then cites the precise terms on which they're borrowed from the Metropolitan Museum of Art. In another passage, he offers a lyrical paean to the importance of payments systems—a miraculous feat for any author. Clearly this is a writer who has done his homework.

That Haslett actually completed the book not long before the recent crisis took place offers further testament to the quality of his research. Indeed, Haslett turned in his manuscript the same week that

Lehman Brothers went under. In light of that fact, some sequences in the book are uncannily prescient—such as when his fictional New York Fed president deliberates over whether to prevent the imminent collapse of a too-big-to-fail megabank.

No doubt professionals will be able to spot the occasional error, and *Union Atlantic* won't stand as the definitive diagnosis of the ailing global financial system. Regardless, Haslett offers a highly plausible account, and has succeeded in producing a substantial and engrossing first novel.

“Special plans”

The fictional bank in the eye of the storm is called Union Atlantic, and many of its troubles stem from a series of risky but lucrative operations engineered by a brash, amoral investment banker named Doug Fanning. At 37, Doug reigns over Union Atlantic's ominously named “Division of Special Plans,” a shadowy unit dedicated to pumping up the bank's size and strength. Before his arrival, Union Atlantic was a conservative and well-behaved regional institution, one that “took in deposits, offered checking accounts to the public, and made loans to businesses.” But then Doug went on a spree of acquisitions, and the bank quickly bulked up to mammoth proportions, like a veteran slugger on steroids. Although the numbers he posted were suspiciously stratospheric, nobody saw fit to object—at least not while his team continued to knock everything out of the park.

After taking it on the chin in the post-9/11 bear market and the Argentine debt crisis, Doug decided to engage in proprietary trading—investing the bank's own money and with the bank's profits alone in mind. Although this would not have earned Paul Volcker's approval, it succeeded marvelously at boosting Union Atlantic's short-term bottom line. Unwilling to stop there, Doug soon expanded into extremely risky and unambiguously illegal activities. When a subordinate with his hand in the till incurs an enormous loss in a fraudulent deal, Doug's superiors finally start asking questions, and the bank's enormous exposure comes to light. With Union Atlantic on the verge of implosion, Doug's boss has little choice but to beg the Fed for mercy.

“Truth lay in the aggregate numbers”

Thus we meet levelheaded Henry Graves, president of the New York Fed, who reacts to Union Atlantic's troubles swiftly and pragmatically in the hope of forestalling the collapse of the global financial system.

Henry's father, “a scourge to penny-stock fraudsters and pyramid schemers,” worked for Roosevelt's SEC, and from him Henry inherited a trust in “the government as the good leveler of the field.” But unlike his father, a zealous true believer, Henry favors moderation and holds that there is no better way to look out for the little guy than to promote stability and safety on a broad systemic level. “Truth lay in the aggregate numbers,” he concludes during the thick of the Union Atlantic crisis, “not in the images of citizens the media alighted upon for a minute or two and then quickly left behind.”

Then there's Charlotte Graves, Henry's decidedly immoderate older sister, a teacher who believes that the small-town New England of her youth has lately become overrun by ignoramus-es who favor short-term profit over history, nature and culture. In Henry's eyes, Charlotte is “the classic mid-century Democratic idealist, who'd lived long enough to see hope's repeated death,” and for Haslett, she serves as the foil to Doug's rapacious brand of free-market fundamentalism.

Haslett develops this parallel without subtlety: As much as Doug is a caricature of a greedy banker, Charlotte too neatly represents the soft-hearted and muddle-headed opposite. But the fact that he portrays Doug as little short of a sociopath does not mean he holds all bankers in low esteem—and indeed, another Union Atlantic employee acts selflessly and courageously during the bank's darkest days. The heroes and villains of the novel are distributed widely and without prejudice among bankers, regulators and ordinary citizens. Ultimately, Haslett's aim is not to advocate for any one point of view, but instead to demonstrate strengths and weaknesses of each and to warn that the clash of ideologies can transform a bad situation into a catastrophe. Like Henry Graves, Haslett aims for the middle path.