To those who left their mark on the '80s

Writing from Washington

People and money.

Any short list of Americans who left their mark on economic and financial events during the 1980s is open to debate.

But a few names can't be forgotten:

Ronald Reagan. Many point to his firm stand against striking air traffic controllers as a trigger that led to weakening of unions accompanied by the rise in power of business leaders.

But his biggest impact on the economic scene was his constant, often solo push for lower individual tax rates and decoupling the rates from inflation.

Jerome Idaszak

That starved federal domestic programs of the cash needed to fuel their continued growth. Although the size of government didn't shrink, its New Deal expansion stopped—to the dismay of Democrats who couldn't figure out how to pass a big tax increase and remain popular.

It also left states with the tough task of picking up more of the tab for programs launched by Uncle Sam during the 1960s and '70s.

Paul Volcker. While he came to his job as chairman of the Federal Reserve Board shortly before the '80s began, he stayed on for almost seven years.

His single-minded insistence on erasing the double-digit inflation that dominated the economy in 1980 led to the steepest recession since the Depression of the 1930s. It ended a binge of buying art, land and other goods and shifted the focus of investment back to the traditional products of stocks and bonds.

So powerful is Volcker's anti-inflation legacy that current Fed Chairman Alan Greenspan is able to push the lever of monetary policy close to a recession because few want to go through the cycle again.

Leo Melamed. At the start of the decade, no one would have bet that the Chicago Mercantile Exchange by 1989 would be mentioned alongside the New York Stock Exchange in discussions about heavyweight financial markets.

Ronald Reagan

Leo Melamed

Gerald Marks

Paul Volcker

But efforts by Melamed—one-time chairman of the Merc and still its main leader—to expand into stock index futures and other products that seemed quirky at the time and also leading the charge to forge links with futures exchanges oversees forever changed the global trading landscape.

When futures trading came under fire—in 1987 from critics who said it helped fuel the stock market collapse and in early 1989 when a massive federal undercover probe led to charges of defrauding customers—Melamed found himself defending and explaining his life's work before audiences that just a few years earlier didn't care about futures and didn't think it mattered.

Gerald Marks. A Chicagoan who went to London for the U.S. Commerce Department in the mid-1980s to boost trade, Marks would make few lists of those who made an impact during the decade.

But like many who don't capture headlines, he wove his work into his life with a sincere desire to do the best he could. Ironically, while free-marketer Marks could applaud many policies of the Reagan administration, it was Reagan who helped make "federal bureaucrat" a term of scorn. Marks—who died before the end of the decade—served his city and his government with more energy than either appreciated.

There should be a place on the list for a national business leader.

Some might cite **Frank Lorenzo**, who bought airline companies until his Waterloo at Eastern. Or **William Agee**, who bought companies for their size until his own was taken over—but whose multibillion-dollar payout helped make everyone familiar with the idea of the "golden parachute." Or **Mary Cunningham**—an Agee aide who became a household word herself for rising to power and marrying the boss and then lashing back at critics with a best-selling book.

But the businessman's place on the list must go Chrysler chairman **Lee Iacocca**. In resurrecting his auto company—with a big helping hand from Uncle Sam—he made Americans for a while think that U.S. business would thrash the Japanese and that a helping hand from the federal government wasn't such a bad idea.

He also persuaded some business executives that it was a good idea to write books about their lives and to make commercials touting their company's products.

Finally, in a decade when amassing money became a cause, there should be a spot for famous fortunes lost.

That could go to Texas politician-turned-businessman **John Connally**, who lost millions when the state's real estate market collapsed and who sold most of his personal art objects and gifts of a lifetime at a public auction to meet some of his debts.

Or perhaps **Ivan Boesky**, who made millions in stock trading before he was sent to prison for using inside information to get the profits.

Or **Michael Milken**, who turned junk bonds into a financial Everest and saw his own mountains crumble when he became the target of a federal investigation into market manipulation.

All good contenders, but the spot must go to someone who stayed in the headlines for virtually the entire 10 years—**Nelson Bunker Hunt.** He and his brother rode a soaring silver futures market to a peak of $50 an ounce in 1980 only to watch it crash below $5.

That cost them an estimated $2 billion of their $6 billion fortune. In the aftermath, they sued and were sued by private individuals and the federal government. By the end of 1989, a federal judge ordered Nelson and his brother, Herbert, to liquidate the bulk of their estates to pay creditors.

Lastly, there is the anonymous **tipster** whose false rumor in 1984 was carried by a Japanese wire service about Continental Bank being in serious trouble over a futures trading default. It helped trigger a huge and rapid withdrawal of deposits that threatened the bank and led to a $4 billion federal bailout.

Careers ended. And a once global giant saw talk about dealings in Abu Dhabi and London replaced by Arizona and Lombard as the bank shrank in order to return to the black.