

Recession-Proof- How to Survive and Thrive in an Economic Downturn Jason Schenker

Especially useful for students and early-career people in the face of a looming recession

This is an extremely timely book targeted more at people who are in the first decade or so of their career or about to graduate from college than at us older folk.

The tone is conversational. It is easy to read, and Jason Schenker comes across as a guy who would be easy to like. The language is simple and the book itself reasonably short. It took me three hours cover to cover.

The premise of the book is that we are entering a recession. How do you know? Schenker tells you the things economists look at, starting with the Institute of Supply Management or ISM index. He also gives credence to the unemployment numbers and other government statistics. These leading indicators of a recession, particularly the ISM, are flashing trouble as of January 2016 when the book went to press. Other indicators such as the GNP are trailing indicators: so long after the fact, and so subject to revision that they do not provide as much actionable information.

Schenker describes the business cycle, alternating boom and bust, as a natural phenomenon. A person owes it to himself to know where in the cycle we are. In a recession it is probably a good idea to cling tight to the job you have, stay in college instead of fighting it out with millions of other graduates for the future available jobs, and ironically, travel, take time off if you want because the out-of-pocket and opportunity costs are lower. It is a good time to start a business. Resources, especially talented people, are more available and cost less money.

Schenker's own two-decade career has included 20 moves and job changes. He knows where of he speaks. He gives good advice for timing one's exit from a feeling company, region, or industry. His top pieces of advice can be summed up as "keep your eyes open." Make as many contacts as you can, retain the contacts you have built, keep your resume up-to-date, and recognize that you have to continually sell yourself.

He advises that everybody make ongoing education a priority. He continues to collect degrees in one thing or another. Most importantly, continuing your education as a way of keeping your brain functioning. It keeps you alert, and it signals to potential employers that you are a heads up sort of a person. I write this from some experience: my project for my eighth decade is learning my eighth language, Ukrainian. My seventh, Russian, is serviceable, and my four-year-old son pushes me hard to continue learning. I will also second his point that you are never too old to go to school. I entered a PhD program in statistics upon discovering that the University of Maryland allows free tuition to people over 60. There is always an angle.

His writing on education calls to mind Dale Stephen's book "Hacking Your Education." Dale Stephens' point is that a young person should be building the skills that employers seek during their college years, and that rather than building up a large debt acquiring a degree of dubious value, can often make better use of the time by earning money and building skills and contacts. That said, Schenker offers a plethora of good advice on how to acquire an education inexpensively. In this he echoes Charles Hughes Smith's "The Nearly Free University."

Schenker has a very keen appreciation of the way technology is changing the job market. More and more jobs are being automated out of existence. Typists are a thing of the past. Check out clerks are on borrowed time. Taxi drivers and even long-haul truck drivers should be concerned. He does not connect the dotted lines to the proposition that the coming recession may be an extremely long one as the implications of technology work themselves out.

Another brilliant part of the book concerns the absolute unsustainability of Social Security, Medicare and other government programs. He writes primarily about the United States, but the problem is even more acute in most of Europe. A young person today and plan for a longer career than his parents. In a wonderful and rare piece of advice,

Schenker observes that security in old age may come once again from one's children. Government promises will simply come to nothing, and people who grow old without children to take care of them will be in a very perilous position.

As good as Schenker's advice is, he has to recognize that it is beyond the reach of many potential readers. The things he has done, notably work for McKinsey and Company consultants, are the kind of career moves that are only available to people in the upper couple of percentage of the intelligence distribution. My bet is that readers who get this deep into this review are mostly in the upper 5%. The other demand, perhaps even more restricting, is the motivation, the commitment to do what it takes. The reader will have to look inward and assess his own willingness to do the work and take the risks that Schenker talks about.

Churchill apologized once for giving a long speech saying "I did not have time to prepare a short one." Schenker has done a wonderful job of editing this book down to a very manageable length and yet packing it with valuable information. It is truly a five-star effort.