The History of Financial Advice

THE HISTORY OF FINANCIAL ADVICE

A Finder's Guide to the Collection at the Library of Mistakes

LIBRARY OF MISTAKES
Arts & Humanities Research Council
THE UNIVERSITY OF EDINBURGH
UNIVERSITY OF Southampton
MANCHESTER 1824 The University of Manchester
Lancaster University

Introduction

According to the economic historian Lendol Calder, writing in 2012, "concerns about money—how to get it, how to save it, how to invest, multiply, and spend it—have likely sold more books in the last two hundred years than any other subject after religion." Calder adds, however, that "the print culture that helped people make sense of money … awaits its historian." The History of Financial Advice project, funded by the British Arts and Humanities Research Council, has tried to bring this history to light. This Finder's Guide, produced in collaboration with Edinburgh's pioneering library of financial history, the Library of Mistakes, is one of the key results of this research. Designed to aid students, scholars, financial professionals, and members of the public in navigating the Library's History of Financial Advice collection (which was curated as part of the project), the Guide will also provide any reader with insights into the ingenious (and sometimes eccentric) methods that financial writers have recommended to would-be investors.

The origins of the modern-day financial investment guide lie in eighteenth-century Britain. During the nineteenth century, this genre of writing assumed an increasingly recognizable and widespread form in Britain, and also began to appear in the United States. By the early twentieth century, the US was at the forefront of writing about stocks and other investments, and American dominance of the field has only grown since the Second World War. In tracking the development of the genre, then, this Guide begins by surveying British material, before increasingly pivoting in the direction of writing produced in and about the US—much of which has also been widely read in the UK and beyond.

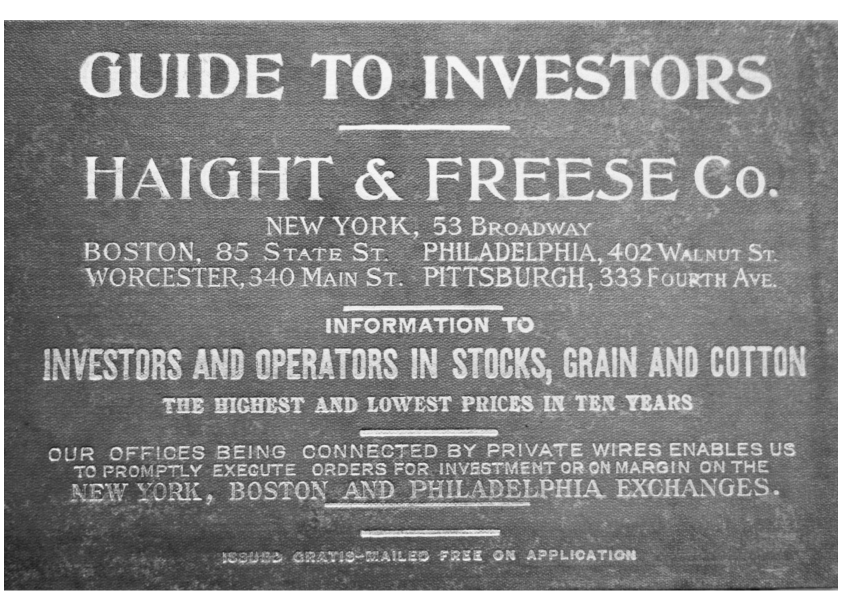
The Guide highlights over 100 of the most influential works of financial advice published over the course of this long history, explaining what made them so important in their time, and why they're still of interest today. The entries focus on the first (or otherwise most significant) edition of each text. A version of every book can be found in the Library of Mistakes' History of Financial Advice collection.

This Guide, and the collection it accompanies, would not have been possible without the support of the Arts and Humanities Research Council and the Library of Mistakes. Additional support came from the universities of Edinburgh, Lancaster, Manchester, and Southampton. It has been a great pleasure to work with the Keeper of the Library of Mistakes, Russell Napier, and the Librarian, Helen Williams, on this project. We're hugely grateful for their enthusiasm, encouragement, and hard work. Thanks also to Anna Girling, the project's Impact and Public Engagement Assistant based at the University of Edinburgh, for her invaluable work on the design and editing of this Guide.

We hope that this Finder's Guide will help readers to understand where many of the ideas that still swirl around the worlds of finance and investment came from—and that it may even help some of them to avoid financial mistakes of their own.

Contents

Eighteenth-Century Britain……………………………….……3
Nineteenth- and Early Twentieth-Century Britain ………..5
The United States in the Gilded Age……………….……..15
Early Twentieth-Century United States …………….……22
Mid-Twentieth- to Early Twenty-First-Century United States…………………………………………………………28



Left: cover of Haight and Freese, *Guide to Investors* (1898)

Eighteenth-Century Britain

The stock market was in its infancy at the beginning of the eighteenth century. Shares were traded in the coffeehouses in and around Exchange Alley in London. Amsterdam had a custom-made building, the Bourse. In Paris, rue Quincampoix was the major trading area. Investors could trade on their own behalf or use intermediaries such as relatives or professional brokers. Initially, the denizens of the stock market learned by doing or by taking the advice of others. Early news-sheets, such as John Castaing's *The Course of the Exchange*, printed share prices. There was little in the way of advice manuals specifically aimed at investors. An exception to this rule is Thomas Mortimer's *Every Man His Own Broker* (1761), which was published in several editions.

The other titles listed are less well known than Mortimer's classic work. Mortimer's book was specialized, but many of his competitors wrote compendia which aimed to serve multiple purposes. This may be why they have received less attention from scholars. We have no way of knowing how widely any of these texts were used, but as they usually went through several editions they seem to have been read by someone. The companies mentioned were usually based in London (or the trading was done there) even though an international financial market was in operation.

Richard Hayes, *The Money'd Man's Guide: or, The Purchaser's Pocket Companion*. London, 1726.
One of several "how to" financial manuals written by Richard Hayes, this guide to the stock market was published in 1726, only a few years after the South Sea Bubble of 1720 had given share trading a bad name. The book was aimed at a general readership and assumed no prior knowledge of financial activity. It explains how business was conducted in Exchange Alley and contains various calculation tables. Hayes was well-known as a writer of advice books for accountants; his *Negociator's Magazine* (an "authentick account … of the monies, weights, and measures of the principal places of trade in the world") went into its tenth edition in 1770, revised by Benjamin Webb. Hayes was here described as "the late Mr Richard Hayes"—his name, much as Mrs Beeton's would be, being used to sell advice manuals long after his death. This volume was aimed at the professional merchant and provides numerous examples of exchange rate calculations and weights of coin.

John Houghton, *Husbandry and Trade Improv'd*. London, 1727.
John Houghton was an apothecary and dealer in luxury goods, such as tea, coffee and chocolate, whose *Collection of Letters for the Improvement of Husbandry & Trade*, was first published between 1681 and 1683. The collection is arranged around a series of letters from correspondents, either posing a query or providing advice, and covers a wide variety of subjects. Many of the letters concern agricultural problems such as "smuttiness in corn," and Houghton is credited with providing one of the first accounts of the introduction of the potato to Ireland. Discussion of the economic policies of various foreign powers are interspersed throughout and there are some items about investments. In 1682, for instance, Houghton included information about the investing process, including extremely detailed information about how investment schemes (such as in the East India Company) work in practice. Like Richard Hayes and Mrs Beeton, Houghton's name became a brand denoting a particular type of "advice book." Richard Bradley, a Professor of Botany at the University of Cambridge, was responsible for the later revised editions. There were a number of reprints in the 1700s.

Richard Hayes, *The Broker's Breviat*. London, 1734.
This was intended to be a practical guide to help readers to understand and manage their investments, and was described as a guide to "stocks, bonds, annuities, any number of shares, and lottery-tickets," amongst other things. Largely comprised of tables for "casting up" and addition, and showing share value and dividends, Hayes also provides information about the major companies of the period (East India Company, Bank of England, etc.). The book explained to a lay audience what various financial terms meant and the practicalities of the payment of dividends or brokerage fees.

***The Liverpool Memorandum-Book*. Liverpool, 1753.**
This pocket book was published as an all-purpose journal. It was aimed at "ALL Sorts of People" and hence covered a wide variety of topics. As the name suggests, it was primarily aimed at the public of Liverpool and its environs and includes "a short description of Liverpool" and lists its mayors "since the year 1696." As well as acting as a "daily pocket-journal" (with a series of tables for keeping track of cash received and paid), it includes information about various European currencies, and lists

the days when dividends were paid and when shares could be transferred. The book also lists Liverpool slave ships with their owners (information which would be cited by abolitionists to demonstrate the extent of the slave trade).

Thomas Mortimer, *Every Man His Own Broker; or, A Guide to Exchange-Alley*. London, 1761.
Mortimer's book is probably the most famous of the early financial advice texts. It ran to fourteen editions over the next forty years. He was the first person to use the terms "bull" and "bear" in print to describe market conditions. He also explains terms such a "stock" and "capital" in a clear manner so that even a beginner may enter the world of investment. His advice in avoiding pitfalls is also up to date. For instance, he warns against the man who wants "you to be continually changing the situation of your money." This man must have some motive of his own. Mortimer's book is not merely an entertaining romp through an imagined Exchange Alley. It defers to readers' prejudices about foreigners and "jobbers." It also gives sage advice about how to avoid being defrauded. By providing details about supposed fraudsters, Mortimer allies himself with the ordinary person rather than the financier. He notes that he was once the dupe of more sophisticated traders. Mortimer flattered his readers, educated them, entertained them, and confirmed their worst prejudices. In doing so, he created a book that would sell and then be reprinted in several editions. It is the blueprint of many later works. It offers the promise that a secret world will be laid out for the reader. All they have to do is to buy the book.

***The Compleat Compting-House Companion*. London, 1763.**
This is an example of a guide to keeping accounts. There were many similar guides with similar titles, and they were aimed at trainee clerks and book-keepers working for merchants. This guide lists dates for transferring shares, as well as rates of brokerage. It gives a number of worked examples, including the calculation of brokerage fees on the sale of £1,500 of Bank stock, and various "examples of transactions between England and Jamaica." It lists the locations, hours of business and holiday closures of various company offices in an easily readable fashion and also reminds users to check what type of shares or other financial instrument they hold before visiting the relevant office.

***The New Complete Guide to All Persons Who Have Any Trade or Concern with the City of London, and Parts Adjacent*. London, 1777.**
This book is a general guide to London and largely comprises a lengthy list of "all the streets, lanes, courts, alleys, &c." in the city, and a similar "list of merchants, principal tradesmen, &c.," with addresses included. There is also information about key public buildings, holiday closures, hours of business, and the rates charged by hackney coachmen, chairmen, porters, and watermen. Postal rates to various parts of the UK are also included. Various pieces of information (such as holiday closures, hours of business) are condensed into one table and the book includes a plan of the Royal Exchange showing where each type of merchant was located. The book went through multiple editions (of which this is the fifteenth).

***The Compleat Modern Conveyancer*. London, 1778.**
This is a guide to drafting legal documents and, like other advice books of the period, is not purely concerned with finance. It covers a wide range of topics, including purchasing real estate, building and letting "house-appartments," and the granting of various licences (including "to travel by water on the Lord's Day," and "to hawk, hunt, and fish"). It includes examples and pro forma documents for assorted eventualities (including a section on warrants, with examples such as an "examination of a person robbed by three men, one of whom he knew"). There are lengthy discussions about how to create marriage settlements which include financial instruments, such as shares. A number of similarly named books effectively cover the same ground.

"A Lady," *The Ladies' Own Memorandum-Book*. London, 1780.
These pocket journals were published annually to assist ladies with "all their transactions of business, as well as Amusement." The title page lists the various delights on offer, such as, in the 1780 edition, "birth days and years of the Royal Family," "Country Dances for the Year," and a "Table of the Roads." This edition prominently features "An Account of the Days and Hours for buying and transferring Stock" as its third item (of twenty-one). Women were able to buy, sell or transfer shares or bonds and receive dividends and interest payments and this book explains the specific days and dates for these activities—"at the Bank, India House, or South Sea House." The book does not provide any advice about investment

A TABLE to cast up Expences, by the Day, Week, Month and Year.

By the Day.		By the Week.			By the Month.			By the Year.			
s.	d.	l.	s	d	l	s.	d.	l.	s.	d.	
0	1	0	0	7	0	2	4	1	10	5	
0	2	0	1	2	0	4	8	3	0	10	
0	3	0	1	9	0	7	0	4	11	3	
0	4	0	2	4	0	9	4	6	1	8	
0	5	0	2	11	0	11	8	7	12	1	
0	6	0	3	6	0	14	0	9	2	6	
0	7	0	4	1	0	16	4	10	12	11	
0	8	0	4	8	0	18	8	12	3	4	
0	9	0	5	3	1	1	0	13	13	9	
0	10	0	5	10	1	3	4	15	4	2	
0	11	0	6	5	1	5	8	16	14	7	
1	0	0	7	0	1	8	0	18	5	0	
2	0	0	14	0	2	16	0	36	10	0	
3	0	1	1	0	4	4	0	54	15	0	
4	0	1	8	0	5	12	0	73	0	0	
5	6	1	15	0	7	0	0	91	5	0	100
6	0	2	2	0	8	8	0	109	10	0	
7	0	2	9	0	9	16	0	127	15	0	
8	0	2	16	0	11	4	0	146	0	0	
9	0	3	3	0	12	12	0	164	5	0	
10	0	3	10	0	14	0	0	182	10	0	
11	0	3	17	0	15	8	0	200	15	0	
12	0	4	4	0	16	16	0	219	0	0	
13	0	4	11	0	18	4	0	237	5	0	
14	0	4	18	0	19	12	0	255	10	0	
15	0	5	5	0	21	0	0	273	15	0	
16	0	5	12	0	22	8	0	292	0	0	
17	0	5	19	0	23	16	0	310	5	0	
18	0	6	6	0	25	4	0	328	10	0	
19	0	6	13	0	26	12	0	346	15	0	
20	0	7	0	0	28	0	0	365	0	0	

*** In this Table, a Month consists but of 28 Days only, reckoning thirteen Months to the Year

"A Table to cast up Expenses, by the Day, Week, Month and Year," *The Liverpool Memorandum-Book* (1753)

strategies, implying an expectation that women were involved in the financial world and knew how to conduct their activities, and that they required only an aide memoire regarding key dates and business hours.

***The Daily Journal; or the Gentleman's, Merchants, and Tradesman's Complete Annual Accompt-Book, for the Pocket or Desk*. London, 1796.**

This edition was published in 1796. However, there are numerous examples from other years with similar titles. They are similar in format to other pocket books and almanacs. As outlined in the title, this book is largely comprised of blank pages of tables for its owner's own monthly "memorandums, observations, and appointments" (with a final section for "resolutions at the end of the year"). The remainder of the text contains a range of "useful" information, including a section "On Commerce" and various calculation tables—such as "the exact Proportion (per Hundred Pound Stock) the Several Public Funds should bear to each other to yield the same Interest," "the Value of Annuities upon One Life, at 3, 4, 5, and 6 per cent," and "Expenses of obtaining Probates of Seamen's Wills."

Nineteenth- and Early Twentieth-Century Britain

The late eighteenth and early nineteenth centuries were critical years in the financial history of Britain, seeing the rapid expansion of the National Debt, the formalization of the London Stock Exchange, the rapid spread of the joint-stock company, and the emergence of financial journalism. Though speculation continued to generate fears, and "stock jobbing" retained negative connotations, slowly changing attitudes, particularly a growing acceptance of passive investment based on limited liability, drew many new investors into the market. These developments drove significant changes in the financial advice landscape. Though financial advice continued to take a wide variety of forms throughout this period, we can trace the emergence by mid-century of the recognizably "modern" financial advice manual: readable, accessible, and aimed at a general audience, not simply presenting information but interpreting it for the reader, and concerned with training the reader to become an independent, self-reliant investor.

Bernard Cohen, *Compendium of* Finance. London, 1822.

After the wars with France, the yield on the National Debt fell from 5% in 1816 to 3.3% in 1824. This drove investors to look for new opportunities, fuelling enthusiasm for foreign loans. Between 1822 and 1825, twenty loans with a nominal value of over £40 million were issued in London. Initially taking place outside the London Stock Exchange, this business was quickly incorporated into the formal market. One of the brokers involved in this business, Bernard Cohen, published the *Compendium of Finance* in 1822 as enthusiasm for foreign loans was on the rise. Tracing the histories of the public debts of European states together with Russia, the United States, and South America, the emphasis of the book was on authenticated information rather than opinion and advice. As such, it was typical of other market guides of the early nineteenth century (cf. Fairman's *Account of the Public Funds*, 1824). Retailing at 27 shillings, the book was intended for a limited audience of specialists. It reached a second edition in 1828.

William Fairman, *An Account of the Public Funds Transferrable at the Bank of England, and of the Stocks of Some of the Principal Companies in London*. London, 1824.

First published in 1795, *An Account of the Public Funds* reached its seventh and final edition in 1824. William Fairman's guide, originally entitled *The Stocks Examined and Compared*, marked something of a departure from Thomas Mortimer's *Every Man His Own Broker*. Whereas Mortimer structured his manual around a series of themed but discursive chapters, laced with acidic observations about "the iniquitous art of stock-jobbing," Fairman's guide adopted a catalogue approach, providing a comprehensive survey of the various securities available to investors, with little in the way of direct opinion or advice. Though the model proved popular, superseding Mortimer's manual which had its last edition in 1807, it did not adapt with the times. Although foreign loans were all the rage by the 1824 edition, it maintained its tight focus on British funds, with just a brief and dated coda on American stocks, a fact which may have contributed to the title's demise.

Henry English, *A General Guide to the Companies Formed for Working Foreign Mines, with Their Prospectuses, Amount of Capital, Number of Shares, Names of Directors, &c.* London, 1825.

The search for new investments which had fuelled enthusiasm for foreign loans in the early 1820s encouraged a boom in joint-stock companies which reached its peak in 1825. The stockbroker Henry English responded to growing demand for information by producing this guide to the foreign mines which were proving a particularly tempting vehicle for many. The pamphlet was divided into two main sections, each following an alphabetical catalogue format. The first section collated the prospectuses of the companies, most of which were for working Latin and South American mines; the second provided observations on the progress of each mine drawn from "the most authentic sources and original information." That English was interested in sustaining the market is suggested by the nature of his remarks in this section: the Imperial Brazilian Mining Association "had already made some valuable discoveries"; the operations of the General South American Mining Association were "of a very favourable nature"; while the Mexican Company had "already possessed themselves of some Mines … which it is presumed will prove highly advantageous to the Company." But share prices were already by this point flagging, and would collapse by the end of 1825. A prolific author on mining matters, English went on to found the *Mining Journal* in 1835.

Benjamin Disraeli, *An Inquiry Into the Plans, Progress, and Policy of the American Mining Companies*. London, 1825.

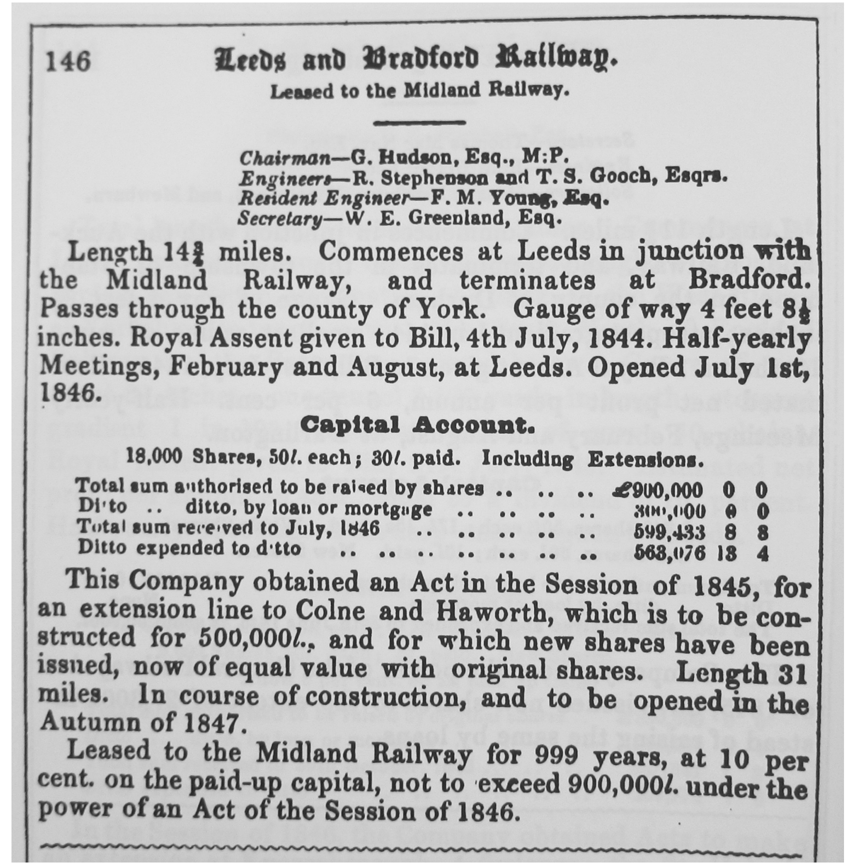
This was one of three guides penned anonymously by future Prime Minister Benjamin Disraeli in 1825 to promote the Latin American mining ventures in which he and his publisher, John Murray, were invested. Something of a cut-and-paste job from company prospectuses, the pamphlet's main contribution was political. Spooked by the prospect of action by lawyers and legislators to curb the trade in the shares of unincorporated companies at a time when the Bubble Act of 1720 was still on the statue books, *An Inquiry* made the case for the export of capital at the expense of domestic investment. Whereas the profits from domestic enterprises merely involved redistribution of profits from one party (e.g. canal owners) to another (railway proprietors), by foreign investment were "the interests and resources of great nations supported and expanded." The pamphlet was a success, rapidly going through three editions, and its arguments may have contributed to the repeal of the Bubble Act later in 1825. But the mining schemes it promoted were less successful, and with prices collapsing, Disraeli and Murray made substantial losses on their speculations.

Charles Fenn, *A Compendium of the English and Foreign Funds and the Principal Joint Stock Companies, Forming an Epitome of the Various Objects of Investment Negotiable in London, Forming an Epitome of the Various Objects of Investment Negotiable in London*. London, 1837.

Though the crash of 1825 had checked the spread of joint-stock enterprise, a boom in the mid-1830s brought them back into view. Focused on railways and banks, though also comprising many other sectors, the boom created new demand for information, which was answered by Charles Fenn. Alphabetical sections on everything from assurance companies to waterworks were complemented by details on US banks, canals, and railways. Reviews welcomed the comprehensiveness of the A-Z coverage, one newspaper praising the manual for containing “all that we could possibly look for in such a work, and a great deal more.” Despite going through three editions by 1840, the continuities between Fenn and earlier such manuals were pronounced. In particular, the emphasis remained on cataloguing information rather than giving opinions or advice. And because Fenn’s coverage of the joint-stock market was so wide-ranging, and because that market had grown so quickly, very little information was given on individual companies—sometimes little more than a date of formation, amount of capital, and the dividends paid. Though useful as a work of reference, such terseness would not equip budding investors with what they needed to begin operations.

Henry Tuck, *The Railway Shareholder's Manual; or Practical Guide to the Railways of Great Britain*. London, 1845.

The enthusiasm for railway investment in the mid-1840s generated demand for information. As well as promoting a vibrant, if in many cases somewhat ephemeral, railway press, the “mania” also inspired many manuals for investors. One of the most successful was Henry Tuck’s *Railway Shareholder’s Manual*, which went through nine editions between 1845 and 1848. Tuck, who published the *Railway Times*, one of the most popular railway papers, aimed with his *Manual* to furnish investors with an ever-growing supply of information (the eighth edition was nearly four times the size of the earlier editions), ranging from abstracts of relevant legislation, lists of railway bills currently in parliament, and tables of passenger traffic, to detailed statistics on each railway in operation. In a lively preface, Tuck took aim at those who questioned railways as an investment—chief among them *The Times*—arguing “that nothing but the most absurd prejudice, the most stupid obstinacy, or the most corrupt venality, can be opposed to the Railway system.” Tuck was keen to keep British capital invested at home. Though this edition also contained a short section on foreign railways, Tuck warned his readers to exercise caution, arguing that “the Prussian, Hanoverian, Dutch, and Belgian lines will never pay a dividend of 2 per cent.”



146 **Leeds and Bradford Railway.**

Leased to the Midland Railway.

Chairman—G. Hudson, Esq., M:P.
Engineers—R. Stephenson and T. S. Gooch, Esqrs.
Resident Engineer—F. M. Young, Esq.
Secretary—W. E. Greenland, Esq.

Length 14¾ miles. Commences at Leeds in junction with the Midland Railway, and terminates at Bradford. Passes through the county of York. Gauge of way 4 feet 8½ inches. Royal Assent given to Bill, 4th July, 1844. Half-yearly Meetings, February and August, at Leeds. Opened July 1st, 1846.

Capital Account.

18,000 Shares, 50*l*. each; 30*l*. paid. Including Extensions.

Total sum authorised to be raised by shares	£900,000	0	0
Ditto .. ditto, by loan or mortgage	300,000	0	0
Total sum received to July, 1846	599,433	8	8
Ditto expended to ditto	563,076	18	4

This Company obtained an Act in the Session of 1845, for an extension line to Colne and Haworth, which is to be constructed for 500,000*l*., and for which new shares have been issued, now of equal value with original shares. Length 31 miles. In course of construction, and to be opened in the Autumn of 1847.

Leased to the Midland Railway for 999 years, at 10 per cent. on the paid-up capital, not to exceed 900,000*l*. under the power of an Act of the Session of 1846.

Information about the Leeds and Bradford Railway, Tuck, *The Railway Shareholder’s Manual* (1845)

John Francis, *Chronicles and Characters of the Stock Exchange*. London, 1849.

John Francis, who had produced a well-received and weighty history of the Bank of England in 1847, followed up with this shorter book, first published in 1849, which he offered as “a popular narrative of the money power of England.” Divided into short chapters, *Chronicles and Characters* took the reader on a chatty and anecdotal tour from the origins of the National Debt in the seventeenth century through to the rapid expansion of the joint-stock economy in the early nineteenth century. With the emphasis on frauds, forgeries, and manias, this is not a rounded history, but reviews praised the volume for providing an accessible guide to the Stock Exchange. Whereas existing volumes on the subject were addressed to specialists, Francis had managed to make the history and functions of the Stock Exchange comprehensible to the layman. The book contributed to the higher profile of the Stock Exchange in the later nineteenth century, increasingly recognized as a culturally significant, if morally ambiguous, element in the economy (cf. David Morier Evans 1859, 1864). Francis’s history was republished in 1851 and 1855, and was translated into French in 1854.

T.S. Harvey, *What Shall I Do With My Money? Or, Thoughts About Safe Investments*. London, 1849.

First published in 1849, *What Shall I Do With My Money?* reached its seventh and final edition in 1858. Along with Ward’s *Treatise on Investments* (1852), it was one of a number of guides produced from the late 1840s which addressed inexperienced investors. Harvey, a stockbroker trading in Pall Mall East, recognized that the rapidly expanding number of available investments was bewildering to the uninitiated, and sought to help them navigate the market. Though not encouraging speculation, Harvey recognized that disappointing yields from the Funds inevitably drove many middle-class investors to seek alternatives, and this guide was designed to help readers discern what type of investment was best for them. Harvey's small book was prescient in anticipating subsequent trends. He briefly discussed the importance of spreading risk across several securities: "let not any rest content with merely one safe investment." He also anticipated later trends by encouraging his readers to approach the subject "as a science." And there was some basic contrarian market advice, suggesting that his readers "invest during times of despondency, and to abstain during times of excitement." Priced at two shillings, this was one of the more affordable guides available to mid-century investors.

LIST OF JOINT STOCK BANKS.

NUMBERS.	SHARE.	JOINT STOCK BANKS.	PAID.
20,000	100	Agra and United Service............	50
22,500	40	Australasia	all
10,000	25	Bank of Egypt	18¾
6,000	100	Bank of London	50
....	40	British Colonial Bank and Loan Comp.	all
20,000	50	British North American	all
32,200	20	Chartered Bank of India, Australia, and China....................	10
3,000	100	City	50
20,000	100	Colonial	25
25,000	100	Commercial of London	20
25,000	20	English, Scottish, & Austral. Chartered	all
80,000	20	General Bank of Switzerland........	16
25,000	20	London Chartered Bank of Australia..	all
10,000	20	Ditto. New	all
20,000	50	London and County................	20
60,000	50	London Joint Stock................	10
50,000	100	London and Westminster	20
10,000	100	National Provincial of England......	35
10,000	20	Ditto. New	10
15,000	20	Ditto. Ditto	5
20,000	50	National Bank....................	25
20,000	20	New South Wales	all
50,400	25	Oriental Bank Corporation..........	all
25,000	20	Ottoman Bank....................	15

"List of Joint Stock Banks," Harvey, *What Shall I Do With My Money?* (1849)

Robert Arthur Ward, *A Treatise on Investments: Being a Popular Exposition of the Advantages and Disadvantages of Each Kind of Investment, and of its Liability to Depreciation and Loss*. London, 1852.

A Treatise on Investments was an example of a new kind of advice manual which began to appear from the late 1840s. Their authors recognized that face-to-face advice was no longer sufficient to meet demand from the growing ranks of investors, and they consequently went into print. Ward, a Maidenhead solicitor, argued that the advice given in guides such as his was potentially more useful than face-to-face advice, for readers could survey the range of investments available, and decide which type suited their individual circumstances best. Whereas earlier manuals had tended to be for market insiders, Ward's manual assumed little prior knowledge, explaining basic precepts of investment, and giving occasional warnings. At a time when the law against usury was still in place, he advised that investments offering more than 5% interest were "to be looked upon with great suspicion." The guide, which covered land and property as well as the stock market, went to a second and much expanded edition later in 1852, and was updated for a third edition in 1871.

John Henry Murchison. *British Mines Considered as a Means of Investment*. London, 1854.

Mines were one of the more speculative sectors of the joint-stock economy, and suffered a poor reputation as a result, the majority of such enterprises not being quoted on the London Stock Exchange because of associations with fraud and manipulation. This meant that mining entrepreneurs often went into print in order to improve the sector's public image. Murchison, a fellow of the Statistical Society, attributed lack of trust in mining in part to the secrecy with which many companies conducted their affairs, and published this guide in order to improve the circulation of information. "The more freely information is given," he argued, the more likely people were to invest in mining. But shareholders were also to blame for mining's poor reputation, for many mining projects were abandoned prematurely because shareholders lost faith in them, expecting unrealistically quick returns. If persevered with, such mines might eventually meet with success, rather than being written off as failures. Murchison's guide, which followed a conventional catalogue format, proved popular, reaching its fourth edition in 1856.

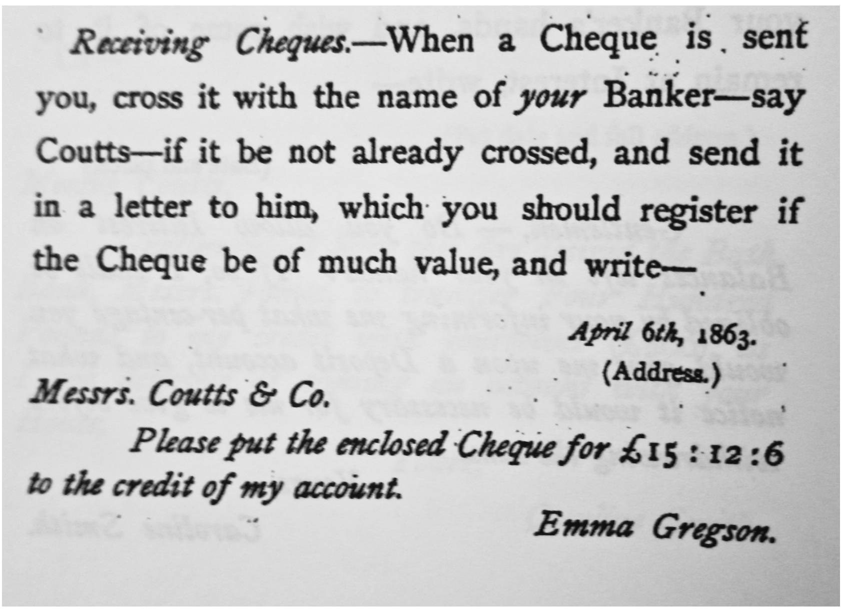
Francis Playford, *Practical Hints for Investing Money: With an Explanation of the Mode of Transacting Business on the Stock Exchange*. London, 1855.
Playford's guide, first published in 1855, was one of several texts appearing from the late 1840s which adopted a more practical approach to financial advice than had previously been the norm. Playford's text proved more successful than most of his rivals, however, reaching a sixth edition by 1869. This success may be because it broke with the traditional, and arguably rather dull, catalogue-like structure of rival guides, opting instead for short themed chapters on practical matters, from the remuneration of brokers to the causes of fluctuations in the price of stocks, explained in simple terms. Playford, a broker on the London Stock Exchange, gave conservative advice. He was opposed to the principle of limited liability, made generally available by an act of 1855, and warned his readers against dabbling in time bargains. Playford's text was revamped for a new generation of investors by his son Walter in 1882, under the new title *Hints for Investors*.

"A Late MP," *How to Make Money in the Stock Exchange, Bank and Mining Shares, Land Lots, &c.: or, Hints to Speculators*. Birmingham, 1857.
Purporting to come from the pen of "A Late MP," this unconventional guide was addressed to "the active, the intelligent, the far-seeing man of the world, of quick eye and energetic grasp of mind." The pamphlet targeted not investors but speculators looking to make profits from short-term fluctuations in the prices of stocks and shares. Each security was assessed according to the possibilities each presented for speculation. For example, the Funds were recommended, not on the grounds of security, but because there was "no description of property liable to greater vicissitudes of fluctuation as stock, it is constantly on the move, and therefore ever feeding the thousands who play upon its surface." Whereas more conservative guides in the 1850s warned against time bargains, the author urged readers to take full advantage of "the various causes which raise or depress the market." The author claimed that speculation was a talent that could be attained through practice, though advised that constant vigilance was needed: speculators had to be prepared to "unceasingly watch the market" in order to identify opportunities.

Gresham Omnium, *A Handy Guide to Safe Investments*. London, 1858.
Though limited liability had been made more generally available in legislation of 1855-56, investment guides were slow to address the new opportunities—and pitfalls—this presented to investors. *A Handy Guide to Safe Investments*, though written in 1858, barely mentioned the change in the law, instead providing surveys of the Funds, foreign loans, railways, banks, and—briefly—mines. There was also a detailed section covering the practicalities of transacting business on the Stock Exchange. "Omnium"—probably the pseudonym of a Stock Exchange broker—did not intend for his guide to supplement face-to-face advice. In his preface, he advised his readers that the first step for anyone wishing to buy or sell securities was to approach "an established and recognized stock and sharebroker," rather than trusting the untrustworthy "outside dealers" who made investment in mines such a perilous business. The guide, which was priced at two shillings and sixpence, reached a second edition in 1860.

David Morier Evans, *Facts, Failures and Frauds: Revelations, Financial, Mercantile, Criminal*. London, 1859.
Serving a long apprenticeship as the assistant city correspondent of *The Times*, Morier Evans progressed to become the City editor of *The Standard* in 1857, where he remained for fifteen years. He authored a wide range of popular books about the City, including accounts of the commercial crises of 1847-48 and 1857-58. This book, still widely cited by scholars of white-collar crime, provides a readable and detailed account of some of the leading business scandals of the 1840s and 1850s, from the career of railway entrepreneur George Hudson, the frauds and forgeries of several company employees, such as William James Robson and Leopold Redpath, and several banking failures of the mid-1850s, including the Tipperary Joint-Stock Bank and the Royal British Bank. For Evans, these were not isolated cases, but evidence of a worsening commercial morality which itself was the result of the widespread desire to get rich in a hurry.

"A Banker's Daughter" (Emma Sophia Galton), *A Guide to the Unprotected in Every-Day Matters Relating to Property and Income*. London, 1863.
Published anonymously, this was the first investment guide specifically for women. Its author, Emma Sophia



Receiving Cheques.—When a Cheque is sent you, cross it with the name of *your* Banker—say Coutts—if it be not already crossed, and send it in a letter to him, which you should register if the Cheque be of much value, and write—

April 6th, 1863.
(Address.)

Messrs. Coutts & Co.
Please put the enclosed Cheque for £15 : 12 : 6 to the credit of my account.
Emma Gregson.

"Receiving Cheques," Galton, *A Guide to the Unprotected* (1863)

Galton (daughter of Birmingham banker Samuel Galton) explains in her preface that she was made to "see how much a little Manual of this kind has been wanted" by the "many young people, especially widows and single ladies [who] frequently call upon me for advice, when they have any business to transact." Galton's *Guide* was written for "those who know nothing" about business, and provides advice about how to use pass books and cheques, how to write to your banker about investing in stocks, and a glossary of "technical terms." The Married Women's Property Acts of 1870 and 1882 increased demand for the book (it went through seven editions up to 1900) and Galton went on to publish F*irst Lessons in Business Matters* (1875).

David Morier Evans, *Speculative Notes and Notes on Speculation, Ideal and Real*. London, 1864.
By the 1860s, Morier Evans was probably the nation's most prominent financial journalist, combining his City editorship at *The Standard* with work for several other papers including the *Bankers' Magazine* and *The Bullionist*. This was his final book, a compendium of previously published and new pieces exploring various aspects of financial London. It displayed his knack for bringing the City vividly to life ("Gaunt panic, with uncertain gait and distorted visage, stalks hurriedly through the land"), allowing readers to feel involved in the financial dramas depicted. Though not a work of financial advice as such, reviewers thought that all would-be investors should read the book: *Temple Bar* thought that it "will clear your vision by giving you a practical insight into the wear and tear, the troubles, anxieties, cares, and disappointments inseparable from all dabbling in the money-market." Evans established his own daily London newspaper *The Hour* in 1873, but the speculation did not come off, leaving him bankrupt and facing liabilities of over £30,000. He died early the following year, aged just 54.

"A City Man" (Malcolm Ronald Laing Meason), T*he Bubbles of Finance: Joint-Stock Companies, Promoting of Companies, Modern Commerce, Money Lending, and Life Insuring*. London, 1865.
As the mid-1860s boom picked up pace, a series of short stories began appearing in Charles Dickens's weekly magazine *All the Year Round,* centred on the fashion for company promotion. These proved popular and were gathered together in this collection. Taken together they present a deeply sceptical view of City morality, providing readers with an insider's view of how companies were "got up" to fleece naïve investors. The stories were written by former army officer Malcolm Ronald Laing Meason, who turned to journalism after returning to the UK in 1851. Though Meason denied that the characters he wrote about were based on real people, he stressed that each story was "a faithful copy of what may be seen passing on around us in the City or the West End day by day." The stories, which gave a detailed account of the methods of company promotion, thus helped blur the boundaries between fact and fiction in popular writing on the City.

"A City Man" (Malcolm Ronald Laing Meason), *The Profits of Panics: Showing How Financial Storms Arise, Who Make Money by Them, Who Are the Losers, and Other Revelations of a City Man*. London, 1866.
This short book was rushed out to capitalize on the panic of 1866 which centred on the collapse of Overend and Gurney in May. A follow-up to the previous year's *Bubbles of Finance* (1865), the volume, consisting of five previously unpublished short stories, continued in a similar vein, weaving narratives around the "rascalities" which had led to the crisis. Realism was key to this kind of writing about the City, Meason describing his stories as "financial photographs." The didactic purpose of the volume was clear, Meason stating in his preface that "if he warns in time even one would-be victim of share dealing dishonesty," then he will not have laboured in vain. Together with David Morier Evans, Meason did much to shape middle-class attitudes to the stock market in mid nineteenth-century Britain.

Charles Fenn, *Fenn's Compendium of the English and Foreign Funds, Debts, and Revenues of All Nations; Banks, Railways, Mines, and the Principal Joint Stock Companies*. London, 1869.

Fenn's Compendium, which first appeared in 1837, reached its tenth edition in 1869. Acquiring the status of an institution, the volume was now under the editorship of the financial journalist Robert Lucas Nash. More than three times the size of the first edition, the *Compendium* collated a vast array of material relating to the financial markets, ranging from the prospectuses of various foreign loans to the rules and regulations of the Stock Exchange. Though the volume contained data on joint-stock companies, its main use was as a guide to colonial and foreign loans. Railway investors were likely to turn to one of the specialist guides available, such as Slaughter's annual *Railway Intelligence*, while newcomers to investment were likely to try one of the more accessible guides such as Playford's *Practical Hints* (1855). The *Compendium* continued to enjoy a significant readership, however, reaching its seventeenth and final edition in 1898.

Arthur Crump, *The Theory of Stock Exchange Speculation*. London, 1874.

Though David Morier Evans looms as an obvious exception, financial journalists had tended not to publish guides to the stock market before the 1870s. A new generation of journalists began to challenge this norm in the late Victorian period, however, among whom Arthur Crump was one of the most prominent. Previously a banker, he had gone on to become City editor of the *Pall Mall Gazette*. His book is notable for its insights into not only the practicalities of speculation but also the mentality of the successful speculator, who was able to "emancipate" himself from the "frailty of human nature" and act with utter indifference towards others. Though the book attempted "to show to persons who may contemplate trying their hand at Stock Exchange Speculation, the improbability of their hopes being realized," in pointing out the many pitfalls that existed, and in sharing the secrets of rich financiers, it could also paradoxically be read as a guide on how to succeed at speculation. Crump went on to a long tenure as City editor of *The Times*.

Arthur Scratchley, *On Average Investment Trusts and Companies Dealing with Stock Exchange Securities*. London, 1875.

From 1868 the British public enjoyed a new type of investment opportunity with the establishment of the Foreign and Colonial Government Trust. Launched with the backing of eminent figures including former Lord Chancellor Lord Westbury, the Foreign and Colonial proved a success, sparking a host of imitators. By 1875, no less than 18 trusts were quoted on the London Stock Exchange. The end of this year saw the publication of Scratchley's guide, the first devoted to investment trusts. Scratchley, a qualified barrister and actuary, and a prolific author on building societies, friendly societies, savings banks, and life assurance, supported the trusts. He argued that people who started "with the intention of purchasing stock for investment" were "too often led on to speculation," whereas their money could be deployed more responsibly and safely if placed in a trust. His guide brings together a large amount of information on the organization and performance of the early trusts, and offers suggestions for improvements in their management.

Robert Giffen, *Stock Exchange Securities: An Essay on the General Causes of Fluctuations in their Price*. London, 1877.

Along with Arthur Crump and Robert Lucas Nash, Robert Giffen was one of a new generation of journalists writing in the 1870s who reached beyond their daily or weekly columns in order to provide the public with financial education. Giffen, who had been Walter Bagehot's assistant editor at *The Economist* between 1868 and 1876, explained that he wrote his book in an attempt to systematize all the opinion on the reasons for changes in the price of securities he had encountered during his time at the paper. While he acknowledged that some might criticise his book for containing little more than common sense, he argued that such basic guides were essential due to "how utterly devoid of common sense the average investor is" when it came to their investments. The book, which one reviewer urged "every provident man in the three kingdoms" to study, was reprinted in 1879. Giffen spent the rest of his career combining journalism with government work, heading up the statistical department at the Board of Trade from 1876, and co-founding the influential financial paper *The Statist* in 1878. He was knighted in 1895.

Charles Castelli, *The Theory of "Options" in Stocks and Shares*. London, 1877.

This pamphlet seeks to popularize options trading, with chapters explaining the various types of operation, chiefly "puts," "calls," and the "put-and-call." The chapters come with worked examples showing balance sheets drawn up for each transaction. Castelli had a practical purpose in writing his guide. He was a stockbroker, operating outside the London Stock Exchange, and in the wake of his pamphlet's publication flooded the press with advertisements encouraging the public to try option trading, promising that it "limits the risk to premium paid and prevents over-speculation." Despite these appeals to prudence, some reviews of the pamphlet took a different line, the City column of the *Morning Post* complaining that the book was written "to initiate outside speculators into the mysteries of this dangerous species of Stock Exchange gambling," and that readers should not be tempted by the "alluring" profits promised by the author. Though the pamphlet was not reprinted, it seemed to answer a significant demand, as it remained on the publisher's lists into the twentieth century.

E. C. Maddison, *On the Stock Exchange: An Explanation of Stocks and Stock-Jobbing, and a Manual of Stock Exchange Practice and Customs*. London, 1877.

By the late 1870s, would-be market operators were faced with a rapidly growing number of guides to the stock exchange. Like Castelli's guide published the same year, E. C. Maddison's *On the Stock Exchange* is authored by an outside broker, and an advertisement for the firm Maddison, Reeves and Co. appears at the end of the volume. This was one of the more substantial guides available at the time, divided into five parts. The most interesting of these cover "Investments" and "Speculation." The former attempts to evaluate yields on various types of stock between 1866 and 1876, while the latter features some detailed reflections on market strategy, including advice to take profits rather than letting them run, and to avoid the extremes of excessive caution and excessive risk-taking. The tolerance of speculation exhibited here was to become an increasingly common feature of market guides in the late nineteenth century.

Robert Lucas Nash, *A Short Inquiry into the Profitable Nature of our Investments*. London, 1881.

On the payroll of *The Economist* since 1864, and editor of *Fenn's Compendium* since 1869, Robert Lucas Nash extended his forays into financial analysis with this short book. Inspired by research by Hyde Clarke published in 1878 which suggested that despite the scandals surrounding many foreign loans in the 1870s, overall returns from them were more profitable than widely assumed, Nash set about gathering data. The results—which fully supported Clarke's tentative argument—astonished Nash, and encouraged him to extend his analysis more widely across the securities market. The book, which Nash assured his readers dealt only in facts, not opinions, covers each category of security in turn, with tables summarizing the data. Well-reviewed, the book swiftly went through three editions. Nash moved to Australia in the 1890s, where he continued his work as a financial journalist until his death in 1920.

Bracebridge Hemyng, *The Stockbroker's Wife, and other Sensational Tales of the Stock Exchange*. London, 1885.

A hack novelist who had achieved some fame in the US as a writer of boys' stories, Bracebridge Heymyng returned to London in the early 1880s and produced this collection of "sensational tales of the Stock Exchange" in conjunction with the outside stockbroker John Shaw. Shaw had built his business on blanket press advertising, and formed this partnership with Hemyng as an innovative form of publicity. The stories give an insight into the culture of stock market speculation in late Victorian London. Most of them revolve around the ticker tape, sending prices from the London Stock Exchange to brokers' offices, which was becoming a defining feature of the speculative landscape of the 1880s. Though the stories generally aim to convey the excitement produced by tape-watching (e.g. "The Hypochondriac"), they also point out the addictive qualities ("Time and Tide Wait for No Man"). Interestingly, some reviews interpreted the stories as a form of warning: in them, "rogues are exposed, schemes laid to embroil the unwary detected, pitfalls besetting even the experienced men of business in regions of finance pointed out." In 1894, Hemyng produced a novel—*A Stock Exchange Romance*—in conjunction with another outside broker, George Gregory.

C. J. Scotter, *Lost in a Bucket-Shop: A Story of Stock Exchange Speculation*. London, 1890.

By the early 1890s concern about 'bucket shops'—the colloquial name given to outside brokers—had reached the level of a moral panic. Bucket shops sought to bring stock market speculation within the reach of smaller operators, but this financial "democratization" was far from unproblematic. Painted by some as encouraging reckless gambling, by others as simply fraudulent, the outside broker was becoming a public enemy, yet their advertisements clearly had widespread appeal judged by the visible success of men like John Shaw and George Gregory, whose businesses were rapidly expanding in the early 1890s. This short novel encapsulates many of the concerns surrounding the bucket shop, and acts as a warning to would-be investors. The protagonist loses his inheritance when he falls in with the bucket shop crowd, and learns his lesson, ultimately reflecting that "the carking cares of the moneygrubber have no attractions for me." The identity of the author is unclear, though he may have been a relation of Frederick Charles Scotter, a member of the Stock Exchange from 1890.

S. F. Van Oss, *American Railroads and British Investors*. London, 1893.

A shorter spin-off publication from the same author's vast work *American Railroads as Investments*, also published in 1893, this book defends these securities against their critics. Van Oss thought it ludicrous that elements in the press were condemning *all* transatlantic railway stock in the light of one or two scandalous examples of mismanagement. He argued that there were many safe and profitable opportunities for investment, provided the reader understood the cardinal rule of avoiding all shares the yield on which depended on the discretion of managers, and sticking instead with protected securities like bonds over which managers did not enjoy the same control. The book was aimed at inexperienced investors, and presents appendices of tables of desirable and safe investments for the guidance of the reader. Van Oss, a Dutchman who was a high-profile figure in journalistic circles in the 1890s, went on to edit the final edition of *Fenn's Compendium* in 1898, before returning to the Netherlands in 1902.

J. D. Walker & Watson, *Investor's and Shareholder's Guide*. Edinburgh, 1894.

Though the London Stock Exchange remained the hub of the British securities market, stock exchanges in other cities in the United Kingdom were becoming increasingly important in the later nineteenth century. And while London continued to dominate the market for financial advice, guides began to be published outside the capital, such as this one from Edinburgh brokers J. D. Walker and Watson, who had been trading since at least the mid-1870s. The aim of the manual is to help train the self-reliant investor, providing "such general information as may be of service in enabling the investor to exercise his own judgment." It is divided into two parts, the first covering trustee investments and the second general investments. Pointers are given on the type of companies to look for, and those to avoid, investment trusts ranking among the latter. Perhaps the most interesting chapter is the final one, on "The Selection of Investments," which, among other topics, gives basic advice on portfolio diversification, and warns readers against following interested advice in the press.

George Gregory, *Gregory's Hints to Speculators and Investors in Stocks and Shares*. London,1895.

Gregory, whose hubristic advertising declared himself to be "the biggest stockbroker on earth," was a prolific author of investment guides and circulars. His *Hints to Speculators and Investors* is presented here in its ninth and longest edition. The guide is something of a mishmash of disparate elements, including stock tips, tables of highest and lowest prices, a reprint of his pamphlet on American Railroads, histories of the world's stock exchanges, and nearly 50 pages of favourable press reviews of his previous publications. The volume is well-illustrated and is notable for a fold-out illustration of Gregory's head office and dealing rooms—a rare (if probably idealized) view inside such offices—together with small photographs of some of the firm's regional branches. Intended as an extended advertisement for his business, the guide was given away free to clients. It subsequently transpired that George Gregory was the pseudonym of Ashley Cronmire, who died of pneumonia in 1897 when facing multiple lawsuits to recover large sums of money.

W. W. Duncan, *Duncan on Investment and Speculation in Stocks and Shares*. London, 1895.

William Wallace Duncan, a one-time stockbroker on the London Stock Exchange, built a reputation as an outside broker on his authorship of yearly manuals on tramways from 1877 and on breweries from 1889. Though he had died by 1894, his business was carried on, under his name, by his associates, Henry Lowenfeld and A. Arnold Hannay. Under their stewardship, Duncans now moved into the financial education market, publishing a series of investment guides, the first of which was *Duncan on Investment and Speculation*. Explicitly targeted at inexperienced investors, it had a democratic message, that successful investment was possible for anyone willing to study the subject. Unlike many guides of the period which were padded out with anodyne and repetitive descriptive matter, this one is both entertaining and useful, with advice on subjects such as portfolio diversification, or "distributing capital in a scientific manner over various investments." Ultimately, however, the guide was designed to encourage readers to speculate with Duncan's. To this end, it contained repeated warnings against the immorality of letting capital lie fallow in the funds, coupled with a subtle blurring of the boundaries between investment and speculation, which were "twin sisters, and so nearly alike that it is almost impossible to discriminate between them."

W. H. S. Aubrey, *Stock Exchange Investments: Their History, Practice, and Results*. London, 1897.

Aubrey is forgotten now, but was a successful author in late nineteenth-century Britain, whose histories of England went through multiple editions. Pitched at novice rather than experienced investors, this book gives detailed advice in themed chapters. The main purpose of the text only becomes clear by chapter 11, "The Ideal Stock Exchange," which is an extended advertisement for The Universal Stock Exchange, Limited, established in 1885. Indeed, the guide is consistent with other "bucket shop" literature of the 1880s and 1890s, such as that of Duncans. Readers were encouraged to become market readers and benefit from fluctuations in prices, training themselves to take "short and quick profits" rather than waiting for big wins which might prove elusive. The guide was characterized by a language of manly self-reliance. Risk could be tamed by knowledge and experience, while chance played little part in business success: "What is often attributed to luck, or chance, or to fate, is really the product of prompt judgment and common sense."

Duncans, *Profits Versus Dividends on Stock Exchange Investments*. London, 1900.

In 1900, Duncans, a prominent firm of outside brokers, produced *Profits versus Dividends*, which like their earlier guides was published by leading business publishers Effingham Wilson. Almost certainly the work of Henry Lowenfeld, who was by now the main mover behind Duncans, the manual develops Lowenfeld's earlier ideas on "speculative investments," aiming to prove to readers that they could make large profits without risk by selling their stocks when high in the market, and repurchasing them when their price had dropped. To this end, the book presented readers with a detailed investment plan, richly illustrated with charts, showing stock fluctuations over the previous four years. Like many bucket shops, Duncans were often in the courts suing or being sued by their customers, and in May 1901, days after one such case went against them in the court of appeal, the company went into liquidation. This did not mark the end of Lowenfeld's career, however. He was soon to find a new vehicle for the dissemination of his ideas on investment in the *Financial Review of Reviews*, established in 1904.

George Clare, *A Money-Market Primer, and Key to the Exchanges*. London, 1900.

This guide aimed to furnish readers with the "rudimentary facts and principles'" needed to understand the daily money article. As with Duguid's *How to Read the Money Article*, the book points to the existence of a growing number of readers who were interested in finance, but wanted help deciphering the jargon and technicalities common in this form of journalism. Unlike Duguid's guide, however, the spotlight here is on the money market rather than the Stock Exchange, with sections on the Bank of England, the foreign exchanges, and the open market, illustrated by copious diagrams. As such, the guide covers similar ground to Walter Bagehot's earlier *Lombard Street*, and though its prose sparkles less than Bagehot's classic, it clearly met a demand, being recommended by the Institute of Bankers, and continuing to a fourth edition in 1936.

Charles Duguid, *The Story of the Stock Exchange: Its History and Position*. London,1901.

Charles Duguid, a member of the newly formed Institute of Journalists, was a key figure in the "new financial journalism" of the late nineteenth century, which sought to enliven the press's coverage of the markets. Having built a profile first at the *Pall Mall Gazette*, then at the *Westminster Gazette*, he was approached to write a history for the *Stock Exchange Souvenir*, a limited circulation commemorative volume, from which this book was adapted. Arranged chronologically, the chapters give a detailed and well-researched history of the securities market from the late seventeenth century to the start of the twentieth. More rigorous and analytical than John Francis's history, now over fifty years old, it nevertheless sought to make the story of the rise of the Stock Exchange readable and accessible to general readers. Though not ignoring scandalous episodes, it presents a celebratory view of the Stock Exchange ("the mart of the world, the nerve-centre of the politics and finances of its nations"), and also seeks to humanize what was still a remote institution, barred to the general public and the object of much suspicion.

Charles Duguid, *How to Read the Money Article*. London, 1901.

By the early twentieth century it was becoming common for financial journalists to supplement their daily or weekly columns with book-length guides to the market, and Charles Duguid, City editor at the *Westminster Gazette*, produced this short but influential manual in 1901. Broken up into short, easily-digestible chapters, it explains the aims, scope, and contents of the City column, giving novice investors practical advice in not only jargon and terminology, but also, crucially, how to read between the lines. Thus, Duguid explains that a notice of a prospectus in the City article was *not* a recommendation to subscribe for its shares, and that most reports of company meetings appearing in the financial press were paid for by the companies involved. He also explains the characteristics of what he dubs "the new financial journalism," which, rather than merely reporting price movements with useful comment, sought to provide "a money article with a heart, written humanely for human beings." Duguid subsequently became one of the leading exponents of the new financial journalism, enjoying a long tenure at the *Daily Mail* under Lord Northcliffe. *How to Read the Money Article* was perhaps his most enduring legacy, outliving its author and remaining in print into the 1930s.

William George Cordingley, *Cordingley's Dictionary of Stock Exchange Terms*. London, 1910.

Cordingley, author of several investment and commercial guides, first produced this *Dictionary* in 1901, and the edition presented here is the second, dating from 1910. One of the barriers to investment was the jargon and slang associated with the stock markets, which could be bewildering to the uninitiated, and investment manuals often contained glossaries of terms to help investors. This guide, intended to be read alongside the same author's *Guide to the Stock Exchange*, decodes the nicknames given to particular stocks (such as "Vestas" for the Deferred Dividend Ordinary Stock of the Railway Investment Company, Limited), as well as standard Stock Exchange terms like "Backwardation," "Contango," and "Jobber's Turn."

The United States in the Gilded Age

Whereas earlier in the nineteenth century reports on stocks and shares had largely been confined to specialist publications for market insiders, in the Gilded Age the market became the object of popular fascination. An outpouring of financial journalism, stock broker memoirs, Wall Street fiction and investment advice manuals fuelled the emergence of a daily culture of market watching, even if most Americans still didn't actually own any shares.

Edwin T. Freedley, *A Practical Treatise on Business; or, How to Get, Save, Spend, Give, Lend, and Bequeath Money; With an Inquiry into the Chances of Success and Causes of Failure in Business*. Philadelphia, 1852.

Edwin T. Freedley wrote a number of surveys of American business and how-to guides from the 1850s to 1880s, including *The Legal Adviser* (1857), and *Home Comforts; or, Things Worth Knowing in Every Household* (1878). His *Practical Treatise on Business* went through numerous editions (boasting 45,000 copies by the 1870s), and an abridged version was widely published in Britain. Like other success manuals that flourished in mid-nineteenth-century America, Freedley's *Practical Treatise* was a rag-bag collection of inspiring quotations and extracts from articles written by other authors, woven together with some of his own platitudes.

Unlike other success manuals from the period, however, Freedley *does* include some more practical advice. He presents business as a way of getting rich comparatively quickly, if the right attitudes can be cultivated (industry, calculation, prudence and perseverance). More unusually, Freedley also includes a chapter on "How to Get Rich By Speculation" (written by a "Merchant of Boston"). This chapter does not condemn speculation out of hand as immoral or sacrilegious, but instead presents it as a legitimate, if risky, way to make money. Freedley observes that "the laws of speculation are not well understood; indeed, they may in part be considered not well established." The chapter is therefore concerned with "laying down the necessary rules which ought to govern this great art." In short, the method proposed is to buy when things are cheap (compared to historical averages), and sell when they are dear.

James K. Medbery, *Men and Mysteries of Wall Street*. Boston, 1870.

Although the title evokes the "City Mysteries" genre of scandalous and gothic revelations of urban corruption popular in the United States in the 1830s and 1840s, James Medbery's *Men and Mysteries of Wall Street* is in fact a sympathetic portrait of the world of high finance (still comparatively unusual in the 1870s). He describes how Wall Street expanded from a parochial affair in the antebellum period to what seemed a prodigious size by 1870. "The [civil] war," Medbery observes, "which made us a great people, made us also a nation in whom speculative ideas are predominant." In Medbery's view, stock market speculation had become normal and respectable. He predicts—correctly, it turns out—that New York will become the world leader of international finance in three decades. The book presents the enigmas of the financial district as something that can be made less mysterious by a knowledgeable guide. Although it includes a reasonably detailed description of the mechanics of investment in its various forms, it functions more as a Baedeker guide to Wall Street for curious outsiders, than a practical how-to manual. This quasi-anthropological primer provided an insider's account of the quirks, customs and japes of brokers, together with dramatic descriptions of activity on the floor of the New York Stock Exchange.

James D. Mills, *The Art of Money Making; or, The Road to Fortune; A Universal Guide for Honest Success*. New York, 1872.

The postbellum genre of success literature for the go-ahead generation of young men offered familiar celebrations of republican manliness and hard work, albeit unwittingly recognizing the importance of luck as much as pluck. James D. Mills's *The Art of Making Money* provides sober introductions to topics such as business ethics and the nature of credit, and promises that the art of making money is in every American's grasp. "Success is not the effect of accident or of chance," Mills claims, "but the result of the intelligent application of certain *fixed principles* to the affairs of every-day life." He therefore proposes to instruct the reader in the "correct application of true business principles to the opportunities which are within the reach of all." Although he recognizes the necessity of putting idle capital to work, he warns against speculation as merely another

"Bulls and Bears," Medbery, *Men and Mysteries of Wall Street* (1870) form of gambling and gives a detailed account of the operations of the Gold Room on Wall Street as if he were an ethnologist reporting on an exotic tribe.

Tumbridge & Co., *Secret of Success in Wall Street*. New York, 1875.

From the 1870s a newer, more practical form of instructional guide began to be published for would-be speculators. These especially appealed to those frequenting the bucket shops (gambling parlours that offered a cheaper semblance of stock market speculation), who craved more detailed advice not only on the mechanics of the stock market, but on what kinds of securities to bet on. Tumbridge & Company's *Secret of Success in Wall Street* is an early and—in comparison with more insistent promotions later in the century—restrained example of a neutral guide to the workings of Wall Street. Tumbridge was a New York brokerage, specializing in the options market. In addition to a brief summary of stock market devices such as puts, calls, spreads, and straddles, the guide helpfully includes satirical newspaper cartoons, along with sketches of the brokerage premises showing not only the solidity of its furnishings but the clubability of its customers' trading room. The overall aim is to make speculation appear normal and business-like. However, like quite a number of this genre, Tumbridge's slim volume turns out to be not all that it seems. The guide in effect constitutes a long advert for the firm (at a time when it was against the rules of the New York Stock Exchange for members to advertise their services), concluding that "we solicit a share of your patronage." It is therefore not surprising that Tumbridge was involved in a legal case in 1881 brought by a widow, who successfully argued that she had been misled by the firm's promise of guaranteed, risk-free profits.

Moses Smith, *Plain Truths About Stock Speculation: How to Avoid Losses in Wall Street, with a Visitors' Directory in and around New York*. Brooklyn, NY, 1887.

Moses Smith's volume aims to provide "a revelation and exposure of the trickery and sharp practices which prevail in the marts of speculation," explaining the "dangers and folly of dealing on margins." In short, it is "a warning to keep out of Wall Street". At the same time, however, it claims that "to the investor it is an invaluable guide," telling "the only true and generally safe way to deal in stocks and make money."

For the most part, Smith's volume styles itself as a shocking exposé of the sins of Wall Street. It brims with Biblical imagery of temptation and idolatry, presenting finance as the false worship of Mammon. Like many other writers, Smith compares the stock market to gambling. By the late 1880s, this kind of blanket condemnation of Wall Street was becoming less common, with writers increasingly striving to make a distinction between (legitimate) investment and (dubious) speculation. Smith combines a comparatively neutral introduction for the uninitiated to the terminology, forms of dealing and varieties of exchanges, with a potted history of some of the more notorious episodes of panics and swindles. Although most of the book is concerned with documenting the shady practices of Wall Street, it also includes information that could be construed as practical. In keeping with the subtitle of the book, most of the advice takes the form of negative warnings: never speculate on margins, never hang around brokerages, and never short the market.

"Hoyle" (William E. Forrest), *The Game in Wall Street, and How to Play It Successfully*. New York, 1898.

Like many other guides targeted at the investor of small means, *The Game in Wall Street, and How to Play It Successfully* combines abstract pontificating on the nature of the stock market and the rationale for price movements with handy rules-of-thumb for would-be speculators, such as: "After prices have been *declining for four or five months* and then come, comparatively speaking, to a standstill … *do not be tempted to take the bear side of the market*." "Hoyle" (the pen name of William E. Forrest) operated a brokerage at 61 Broadway, and distributed a weekly market letter. His slim volume was one of the first to offer something approaching technical analysis, with detailed descriptions of patterns in the fluctuations of prices. The guide promises plain speaking, but hypocritically promises to protect the "lambs" at the very moment that it is trying to fleece them into playing the market.

Its claims are contradictory: on the one hand, Hoyle insists that speculation is a science, albeit because price movements are governed by the reliably predictable human nature of the greedy pools of bulls and bears battling for control of the market. On the other hand, the knowledge to be cultivated by the amateur speculator is like the knowledge of an expert card player, who understands both the rules of the game and the psychological traits of the expert players: "The game in

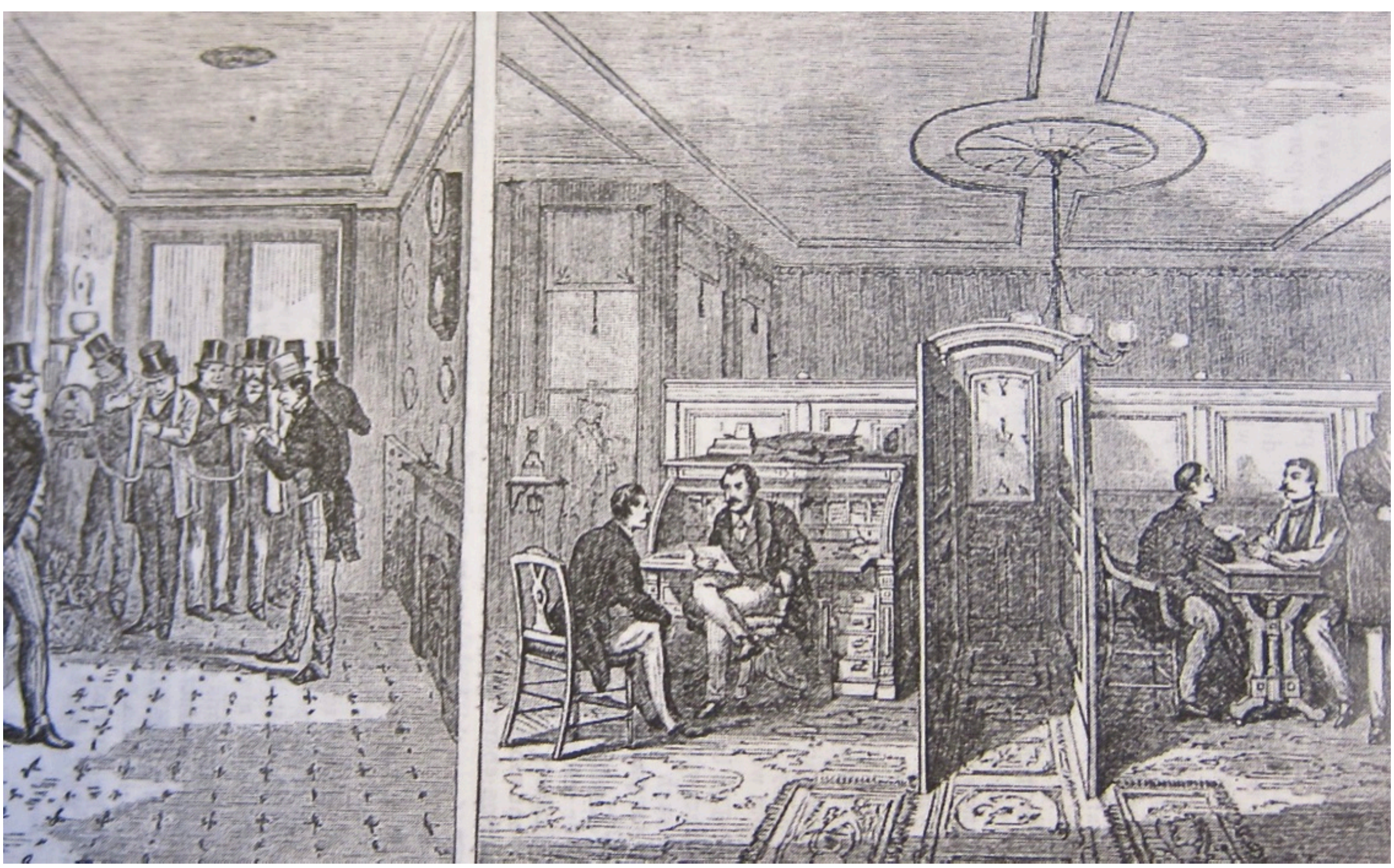
Wall Street is a GAME OF HUMAN NATURE." Although amateurs cannot hope to go head-to-head with the market manipulators, readers are led to believe they can nevertheless use their home-grown knowledge of human nature to turn speculation into a game of skill rather than chance.

Haight & Freese, *Guide to Investors*. New York, 1898.

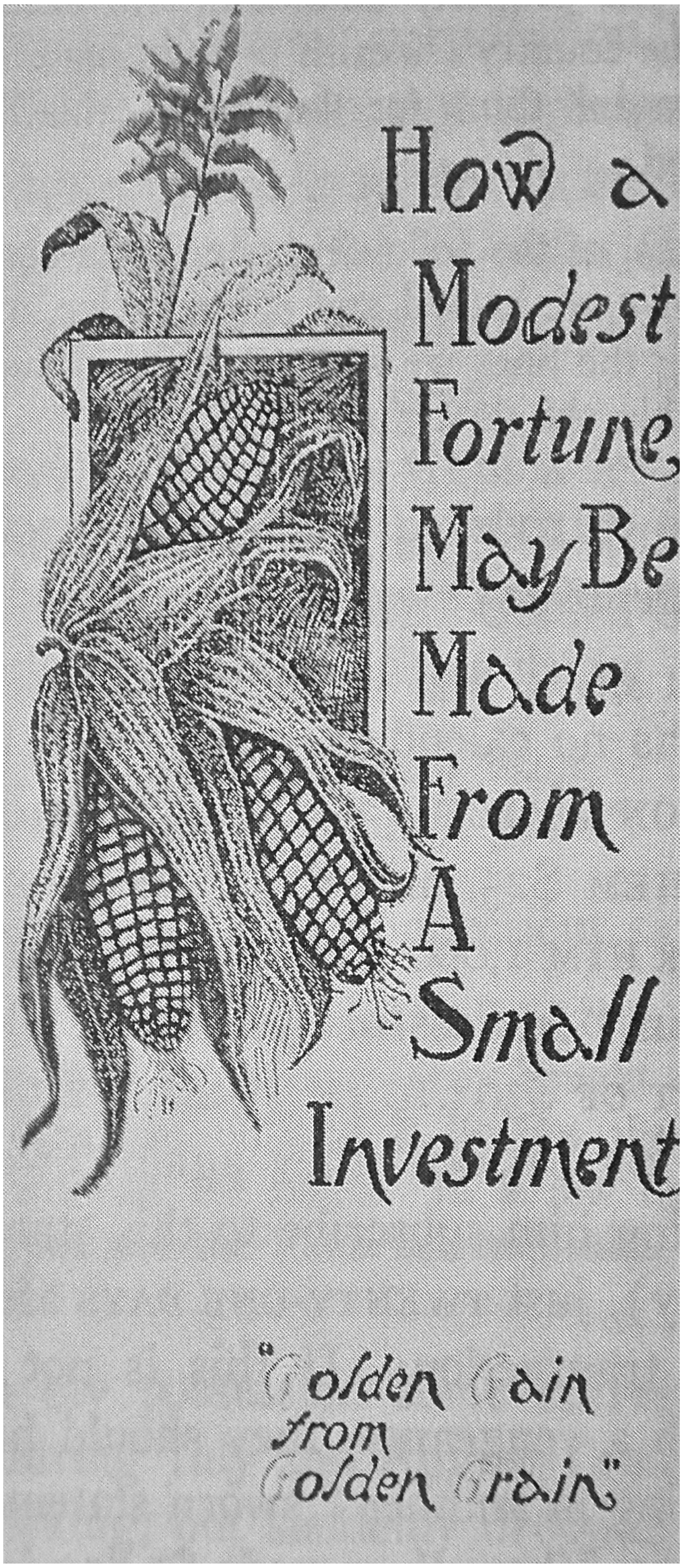
Offering a free guide to the ways of Wall Street as a promotion for a brokerage business became increasingly common. Advertisements placed in the Sunday editions of New York newspapers by "bankers and brokers" promised informative handbooks to potential customers. The most prominent advertisement was often from Haight & Freese, who were by far the largest operators of bucket shops in the United States in the late nineteenth and early twentieth centuries, with branches throughout the nation. In the preface to a revised and expanded 1898 edition of their *Guide to Investors*, they claim that the previous edition of 100,000 had sold out. Haight & Freese's guide presents a muckraking condemnation of the corruption of Wall Street, but at the same time it makes an appeal to ordinary Americans, indicating that they, too, can have a slice of the profits that until now have been confined to the financial elites. Although Haight & Freese suggest that their aim is merely to equip small investors with information about Wall Street's confusing ways, like other guidebooks they acknowledge that some novice investors may welcome "help" in figuring out which securities to buy. Many of the financial-advice booklets offered gratis to potential clients were aimed precisely to entice novice speculators to take out discretionary accounts, often a scam.

Samuel Armstrong Nelson, *The ABC of Stock Speculation*. New York, 1902.

In the first decade of the twentieth century Samuel Armstrong Nelson published several advice books on the stock market in which he developed into a fully fledged investment strategy the ideas that Charles Dow had begun to develop in his editorials in the *Wall Street Journal*. In *The ABC of Wall Street* (1900) the tone was sober and factual, and the volume combined for instance tables of "Lard Fractional Profits" with illustrations of the exterior of the Chicago Board of Trade. In the preface Nelson states that the lay reader merely wants an objective and non-technical account of how Wall Street



"Interior View of the Banking house of Tumbridge & Co," Tumbridge & Co., *Secrets of Success in Wall Street* (1875)



"Cover of the 'Golden Gain from Golden Grain' Booklet," Hill, *Gold Bricks of Speculation* (1904)

works rather than specific trading strategies or market tips, since speculation is best left to professionals.

In contrast, in *ABC of Stock Speculation* Nelson directly addresses the question of whether it is possible to make money by speculative trading, and whether there is after all some value to the "charts" and "systems" he had earlier ridiculed. He offers a whole chapter on the various emerging technical strategies of tape and chart analysis such as the book method, the theory of double tops, the law of averages, and, his own preferred method, Dow's theory of action and reaction in stock prices. Although he agrees with the basic assumption of technical analysis that recent prices are indicators of future ones, he insists that a trading strategy must also develop an understanding of the underlying fundamental value of particular securities and market conditions in general. In his guide the specifics of technical approaches based on chart readings are tempered with pages of more generalizing axioms that distil the collective wisdom of Wall Street, coupled with advice on achieving the right kind of attitude for successful trading.

John Hill, *Gold Bricks of Speculation: A Study of Speculation and Its Counterfeits, and an Exposé of the Methods of Bucketshop and "Get-Rich-Quick" Swindles*. Chicago, 1904.

John Hill, a director of the Chicago Board of Trade, was tasked with combatting bucket shops as part of the CBoT's legal struggle to outlaw the spread of the popular betting parlours that mimicked stock brokerages. *Gold Bricks of Speculation* was the result of his investigations of the panoply of "get-rich-quick swindles." He estimated that $100 million was invested in fraudulent stock promotions, while another $100 million annually was lost by the public in other speculative schemes that were promoted through mass advertising. In his lengthy catalogue of scams, Hill is concerned to make a clear distinction between the unethical or illegal practices he uncovered, and legitimate stock market investment carried out by professionals. Exposés like Hill's and Anthony Comstock's *Frauds Exposed* (1880) aimed to inoculate the public against fraud enabled by the anonymity and vast scale of the stock market, but other more dubious tomes served as inspiration and blueprint for fraudsters on the make.

John. F. Hume, *The Art of Wise Investing: A Series of Short Articles on Investment Values, Pointing Out the Essential Characteristics of Safe Investment Securities, with a Review of the Financial Pitfalls into which Superficial Examination Inevitably Leads.* New York, 1904.

John F. Hume's *The Art of Investing* (1888) was compiled from articles he had originally written for *Popular Science Monthly*. Although he had signed the magazine articles under his own name, they had attracted "considerable correspondence." So for the book version he published under the title "A New York Broker," presumably because, as a member of the New York Stock Exchange, he did not want to risk breaching its rules on advertising. Although an insider, he was critical of speculation when carried to excess. and the book now included a chapter on speculation.

A revised version of Hume's book was later reissued in 1904 by the market analyst John Moody's publishing company, and by now crediting Hume by name. Renamed T*he Art of Wise Investing*, it includes the chapter on speculation from Hume, but also a new first part that sets out general advice on how to exercise caution in choosing securities. Moody's version insists that there is a clear distinction between investment and speculation. The guide aims to teach readers how to choose investments carefully, and is "the concrete result of many years' experience and study of Wall Street conditions and methods." The aim of T*he Art of Wise Investing* is to encourage readers not to rely on stock market authorities but to take responsibility for their own investment decisions, not least by buying Moody's other publications and services.

Thomas Lawson, F*renzied Finance: The Crime of Amalgamated*. New York, 1905.

Thomas W. Lawson was a stock promoter who then turned to muckraking journalism and novel writing. In *Frenzied Finance*, he mounts a lengthy accusation against the stock-underwriting syndicate that had put together the Amalgamated Copper combination in 1899, which then spectacularly failed amid stories of massive corruption. At first sight, it seems as though Lawson argues that the entire system of finance constitutes a conspiracy. In Lawson's case, however, "the System" is merely his designation for a tightly knit cabal involving many of the leading figures of Standard Oil, of which Lawson himself was initially a member.

Lawson's depiction of "the System" has little to do with the discovery of an abstract and impersonal system underpinning the work of Wall Street and is, instead, more a litany of personal grievances and self-justification for his wayward actions. Although Lawson shared with Progressive critics a concern for the systematic corruption of high finance, the plots of both *Frenzied Finance* and his novel, *Friday, the Thirteenth* (New York: Doubleday, 1907), are motivated by a very personal desire for revenge. His repeated warnings about impending market panics often had the effect of bringing about the very thing he seemed to fear; what's more, at times benefitted financially from making bearish bets on the sly.

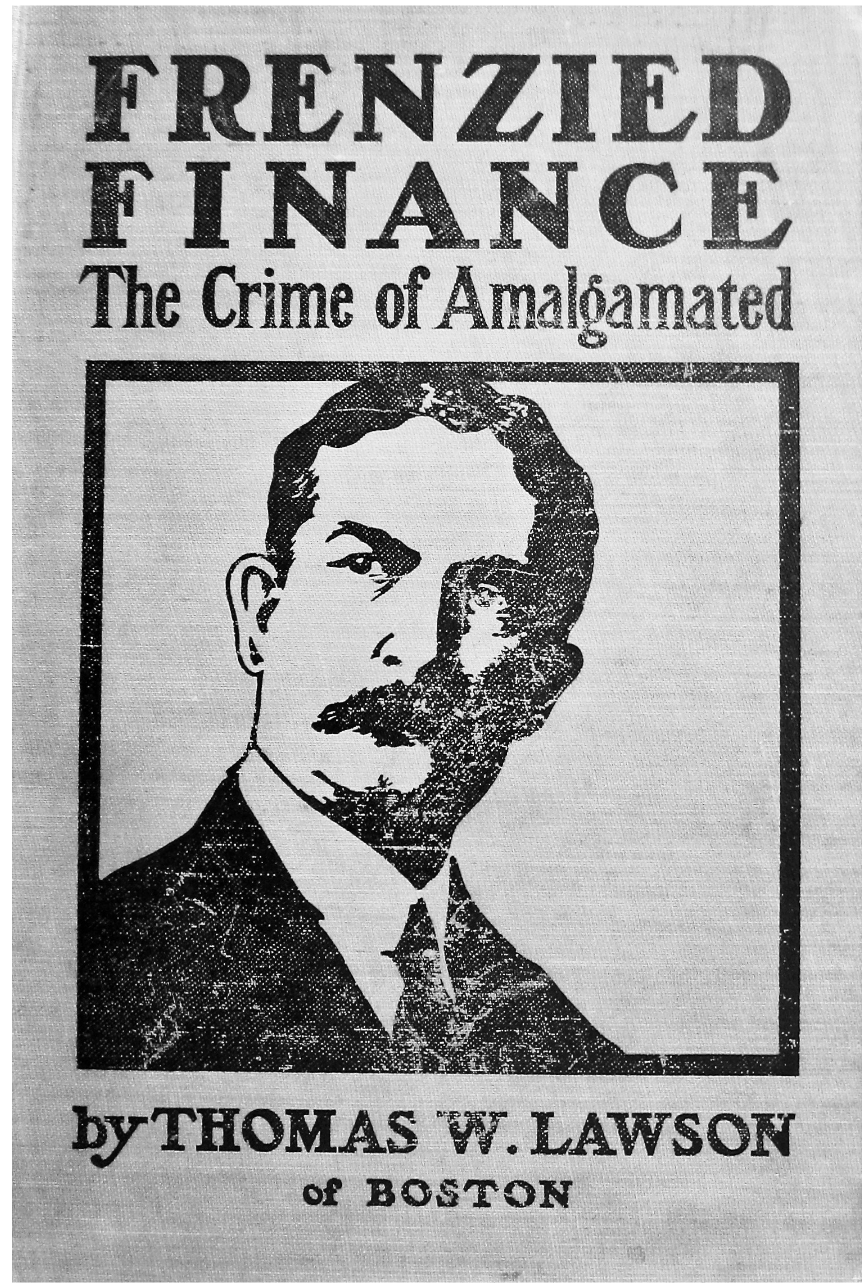
Henry Hall, *How Money Is Made in Security Investments; or, A Fortune at Fifty-Five*. New York, 1906.

First published in 1906, Henry Hall's guide for making a fortune by the age of fifty-five went through four editions by 1909. While Hall recognizes the importance of attaining a steady income through regular dividend payments from safe investments, he argues that speculation is the sensible route for men of modest means to get ahead. The key to successful speculation is paying attention to the "cautionary signals, which are easily recognized by men experienced in finance but are entirely overlooked by others." The signals of when to buy and sell are there to be discovered because "history repeats itself in Wall Street with unfailing regularity." Hall therefore discusses business cycles (five, ten and twenty years), as well as seasonal cycles, in addition to all manner of patterns and periodicities in how the market behaves. His work includes a number of charts of price fluctuations, along with handy tips on the timing of stock market purchases, and many examples of how the great men of Wall Street made their money. The advice he gives in the book sounds sensible and is rich in detail, but ultimately is fairly meaningless: "unless a stock is going to rise in value, within a few months or a year or so, no one should buy it, even as an investment." By the time of the fourth edition, in response to demand from readers Hall was advertising his services as a financial adviser, giving a report on the enquirer's portfolio for a $10 fee: "Correspondence is invited. Send me a list of the securities you are carrying, for my criticisms and comments."

Henry Clews, *Fifty Years in Wall Street*. New York, 1908.

Born in Britain, Clews emigrated to the US in 1853, and by 1859 he had established a firm that specialized in marketing government bonds during the Civil War. He had a long and distinguished career as a financier, although at times he fell foul of the New York Stock Exchange's rule against self-promotion through advertising. One source of popular knowledge about Wall Street was autobiographical writing by stock brokers, such as William Worthington Fowler's *Ten Years on Wall Street* (1870), Matthew Hale Smith's *Twenty Years among the Bulls and Bears of Wall Street* (1871), and Henry Clews's *Twenty-Eight Years on Wall Street* (1887), later expanded to become *Fifty Years on Wall Street* (1908).

These memoirs provided a far less judgmental portrait of Wall Street than earlier accounts. Although they condemned some sharp practices of the "king operators," they indulged their readers' appetites for dramatic tales of the legendary corners and pools organized by the "celebrities of Wall Street." Despite seeming to provide ammunition for those reformers who felt that the protection of vulnerable investors is best achieved by educating the public in the specifics of stock market activity, these compendia of Wall Street lore nonetheless tended—in part by sheer repetition—to legitimize the stock market by lionizing its larger-than-life "characters."



Cover of Lawson, *Frenzied Finance* (1905)

Thomas Gibson, *Thomas Gibson's Weekly Market Letters*. 2 vols. New York, 1908.

Thomas Gibson, *The Elements of Speculation*. New York, 1913.

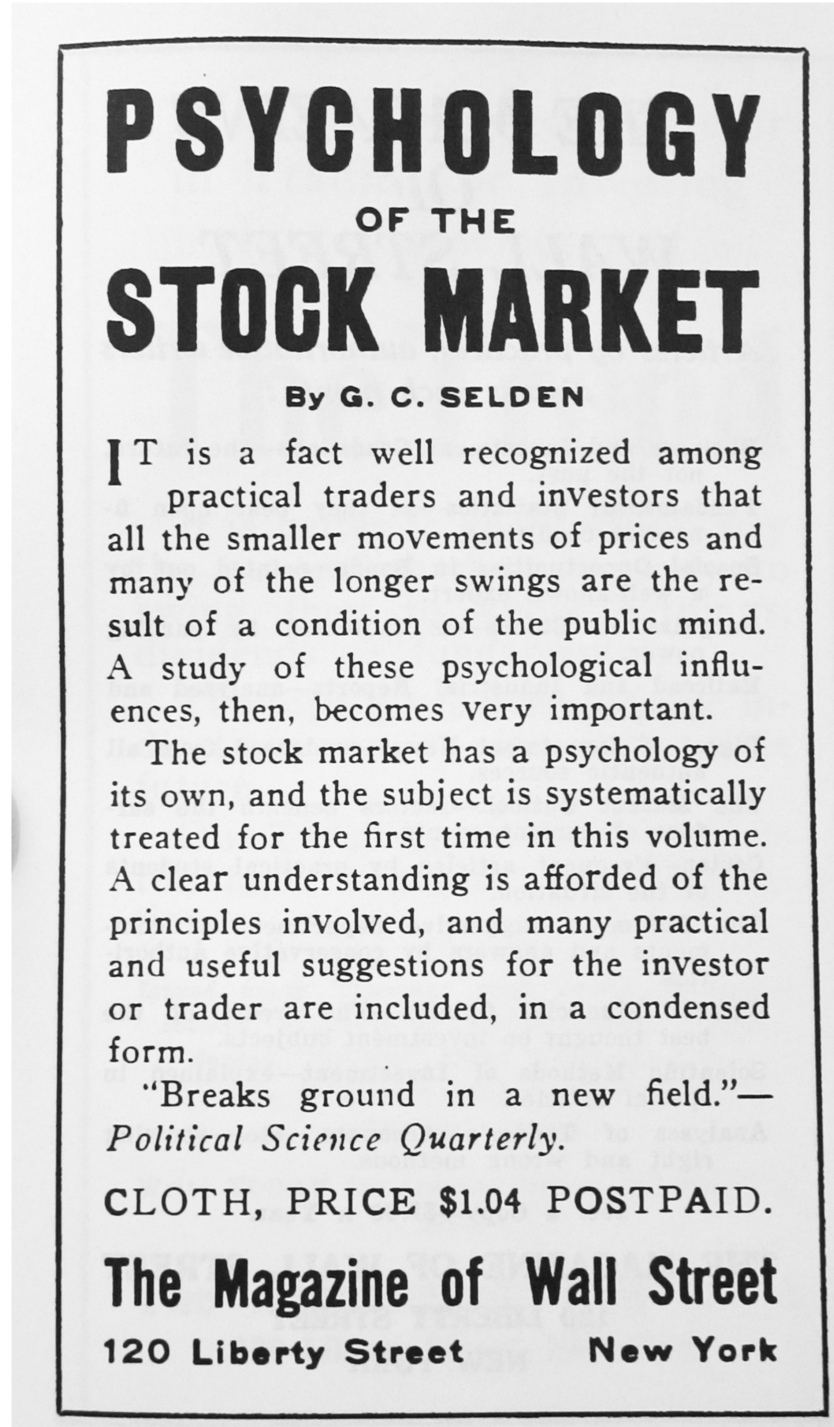
Thomas Gibson was a well-known writer of weekly market reports, as well as author of three companion guides to the stock market: *The Pitfalls of Speculation* (1906), T*he Cycles of Speculation* (1909), and The *Elements of Speculation* (1913), all issued by Moody's publishing house. Gibson did not see a problem with speculation per se, only with speculation conducted in the wrong way. He warned against following mechanical rules or chasing insider tips, unsubstantiated enthusiasms and blind luck. According to Gibson, unexpected swings in the market are not caused by manipulation, but are the result of the vast majority of purchases by the public (the "lambs") being made at the wrong time. In contrast, the "shrewd minority" are able to "foresee" market movements and take advantage of them to accumulate profits. Gibson advocates applying "intelligent" business methods to speculative investments, which in part involve developing "clear thought and sound judgment." Since speculation is safe if the correct methods are applied, the message is that readers would be crazy not to take a plunge. In his third book he focuses less on technical analysis of price fluctuations in the market, than on the fundamental factors governing security price movements, and how they should inform investment decisions.

Richard D. Wyckoff, *Studies in Tape Reading*. New York, 1910.

The *Ticker* magazine was established in 1907 by the financial journalist Richard Wyckoff (writing under the pen name "Rollo Tape"). Wyckoff was closely connected to other early exponents of chart theory, such as Roger Babson and Samuel Nelson, and (like Babson) his techniques continue to be influential among day-traders in the present. *The Ticker* (the forerunner of the *Magazine of Wall Street*) was aimed at the self-taught speculator of modest means and was designed to promote the new discipline of technical analysis, which involved studying the ticker tape and creating charts to detect underlying patterns that might not be visible to the casual observer of price fluctuations in the stock market. In *Studies in Tape Reading*, Wyckoff used choice extracts from the *Ticker* to produce a book-length, composite theory of tape reading and chart analysis, which had been set out piecemeal in the magazine. The book is full of encouraging advice for the amateur speculator, such as the qualities of concentration needed by this new breed of scientific speculator. Speculative finance in the work of Wyckoff and other popularizers of technical analysis is legitimized, because it no longer seems to involve succumbing to animal spirits or to a sinful desire to get something for nothing. Instead, the speculator figures as the epitome of cool, detached manliness, influenced by no one, embodying a rational subjectivity. The ideal speculator delineated by these guides is always a man. Wyckoff's later *How I Trade and Invest in Stocks and Bonds* (1922) is also included below.

Early Twentieth-Century United States

During the twenty-year period culminating in the Wall Street Crash of 1929, ownership of common stocks in the United States increased around thirty-fold, peaking at 15-20% of households. Throughout the period, laypeople keen to try their hands at Wall Street speculation were amply catered for by an array of investment advice guides, which proliferated alongside the expansion of public involvement in the stock market during the 1920s. Throughout the post-World War I period, the field of investment advice literature was defined by an increasingly entrenched standoff between technical analysis-based guides—urging readers to attend to patterns and indicators in financial prices themselves—and forms of "fundamental" analysis geared towards the underlying conditions of individual companies or the economy at large. Over the period, both forms would become increasingly sophisticated, systematic, and codified, and by mid-century would have their own canonized textbooks and established (and sharply distinct) philosophical outlooks on the worlds of investment and speculation. Both, though, would need to put all of their rhetorical resources to work to attempt to re-legitimize their field in the wake of the Great Crash, which left Americans at large deeply disillusioned with Wall Street.



Advertisement for Selden, *Psychology of the Stock Market* (1912)

John Moody, *How to Invest Money Wisely*. New York, 1912.

John Moody built his reputation by establishing Moody's Investor Service, a forerunner of what is now one of the world's leading ratings agencies. In *How To Invest Money Wisely* and other popular books, Moody sought to instil a focus on the sound fundamentals of business in the investing public. He urges readers to commit themselves to "a study of the general trade and commercial cycles, and an intelligent analysis of intrinsic values." Provided a stock has "real intrinsic merit" (i.e. its issuing company is essentially a sound concern), it doesn't matter whether an investor pays slightly too much for it: "in time it will sell up to or above his cost price again." Moody thus offers key early versions of the "fundamental analysis" and "buy-and-hold" strategies that have remained common in investment advice.

G.C. Selden, *Psychology of the Stock Market*. New York, 1912.

G.C. Selden, *Investing for Profit*. New York, 1913.

George Charles Selden, a former Fellow of Political Economy and Finance at Columbia University, was an early popularizer of Charles H. Dow's ideas via articles for *The Magazine of Wall Street* and these two books, which derived from them. Selden acknowledged the long-term influence of "fundamental" factors on stock prices, but stressed the extent to which prices on any given day also reflected the "mood" of the market. As he puts it in *Psychology of the Stock Market*: "smaller intermediate fluctuations represent changes in the state of the public mind, which may or may not coincide with alterations in basic factors." In its emphasis on the role of psychological factors that are not strictly "rational" Selden's ideas have much in common with the recently-popular field of "behavioural economics."

Roger W. Babson, *Bonds and Stocks: The Elements of Successful Investing*. Wellesley Hills, MA, 1913.

Roger Ward Babson was a broker who pioneered chart analysis as a profession in the early twentieth century. Babson and an emerging community of "technical analysts" claimed to identify patterns in charts of historical data, which would then allow them to predict future trends. This was a significant development, from earlier accounts of stock market movements that saw them either as the result of providence, or the effects of market manipulation by powerful insiders. According to Babson's theory, analysts could tell that the market was about to enter a prolonged boom phase, for example, when an "area of depression" was equal to the preceding "area of overexpansion." In *Bonds and Stocks: The Elements of Successful Investing*, Babson offered similar advice to Samuel Armstrong Nelson. He suggested that, more than luck, successful speculation requires education in the laws of the market, which, like other professions, can only be achieved by careful study. The would-be investor should therefore pay attention not only to the surface noise of the stock exchange but to the deeper causes of market movements, which, Babson insists, are not the result of accident or chance. Babson's book, as with his other publications and market analysis services, focuses on the power of the chart to present a clear-eyed overview of the underlying direction of the market, and represents a self-consciously modern approach to speculative investing.

William C. Van Antwerp, *The Stock Exchange from Within*. New York, 1913.

A former journalist, William C. Van Antwerp became a leading member of the New York Stock Exchange's governing committee in the 1910s. The NYSE came under attack from populist critics in the period, culminating in the Hughes Commission (1907) and the Pujo Committee (1913) investigations into dangers for the investing public of stock market speculation. Antwerp and other members of the NYSE's Committee on Library began a public relations campaign to counter calls for increasing government oversight of the stock market, insisting instead that they were championing the rights of the "investor of modest means" by promoting the "free and open market" that was not controlled by the state. Like other guides to the stock exchanges in this period, Antwerp's guide to the NYSE therefore does not offer the kind of practical advice that other how-to manuals were beginning to supply to an eager public. Instead it presents a picture of the miraculous self-regulating nature of the securities market, enabled by the professionalism of its members. However, Van Antwerp fell from grace in 1917 when the opera singer Frances Alda brought a law suit alleging that he offered to make her guaranteed profits based on advanced inside information about a plan to manipulate the stock of International Nickel.

Charles H. Dow, *Scientific Stock Speculation: A Condensed Statement of the Principles Upon Which Successful Stock Speculation Must Be Based*. New York, 1920.

Charles H. Dow, the foundational figure in the technical analysis tradition of stock trading, was co-deviser of the Dow Jones Index of leading stocks and founding editor of *The Wall Street Journal*. *Scientific Stock Speculation* collects fifteen of the more than two hundred "Review and Outlook" columns written by Dow for the *Journal* between 1899 and 1902 (the year of his death). In these pieces, Dow lays out his central theory that the market is subject to three trends: the main or primary movement, which could persist in a generally bullish or bearish direction for as long as several years; the countervailing "medium swing" or secondary reaction running from a couple of weeks to a month or more; and the "narrow movement" of prices' moment-to-moment or day-to-day fluctuations.

R.W. McNeel, *Beating the Stock Market*. Boston, 1921.

R.W. McNeel, the Financial Editor of the *Boston Herald*, walks a fine line in this book. Throughout, he is at pains to caution readers against a "something for nothing" or "get rich quick" attitude in approaching speculation in stocks. He stresses, instead, that speculation is hard work, requiring careful study and long term commitment, and he works methodically through the key techniques and practical skills (such as short selling and dealing with a broker) that the serious speculator should seek to master. At the same time, though, in the way in which it is packaged and marketed, the book clearly aims to tap into the very fantasies of inordinate and improbable success that it ostensibly cautions against. This is evident not only in the book's bullish title, but also in its accompanying advertising campaign, which claimed that one of its users had made profits of $70,000 following its tips.

William Peter Hamilton, *The Stock Market Barometer*. New York, 1922.

Crucial to Dow Theory as it was popularized in the 1920s was the idea that a scientific approach to the stock market entailed viewing it as a "barometer" of wider economic conditions. This idea was the key concern of William Peter Hamilton, a protégé of Dow's, who edited the *Wall Street Journal* from 1908 until his death in 1929. Hamilton's *The Stock Market Barometer* anticipated fully-fledged academic theories of the "efficient market" by several decades in asserting that "the price movement represents the aggregate knowledge of Wall Street and, above all, its aggregate knowledge of coming events." For Hamilton, the stock market was a "barometer" (rather than a mere "recorder") because, in discounting "everything everybody knows, hopes, believes, anticipates," it did not represent "what the condition of business is to-day," but "what that condition will be months ahead"—a "function of prediction" performed with "almost uncanny accuracy."

Richard D. Wyckoff, *How I Trade and Invest in Stocks and Bonds: Being Some Methods Evolved and Adopted During my Thirty-Three Years Experience in Wall Street*. New York, 1922.

Written under the pseudonym "Rollo Tape", Richard D. Wyckoff's *Studies in Tape Reading* (1910, included in the previous section) had done much to popularize the practice of intently watching—and attempting to predict—price changes as they appeared on the ticker tape. By the time of 1925's *How I Trade and Invest in Stocks and Bonds*, however, Wyckoff had come to extol the virtues of charting (plotting price changes on a chart) because of the distance, objectivity, and attention to "the facts" that it encouraged, compared to the stupefied over-proximity to the market displayed by many of "the people who … hang over the ticker." As Leon Wansleben has suggested, a shift away from tape reading (immersive, intuitive, mediumistic) and towards chart reading (detached, reflective, fully analytical) was part of technical analysis' attempt to place itself on a more recognizably "rational" or "scientific" footing in the 1920s and '30s.

Thomas Temple Hoyne, *Speculation: Its Sound Principles and Rules for its Practice*. Chicago, 1922.

Thomas Temple Hoyne's book is both a philosophical disquisition on the centrality of speculation to human endeavour and a practical guide to stock market operations. For Hoyne, "speculative force"—the capacity to gain material reward by projecting the course of events forward into the future—is the defining human attribute, the one that most clearly distinguishes "man … from the brute." It finds its fullest expression, Hoyne argues, in the stock market, and on the basis of his experience in this field he offers three "great general rules for all market speculation": 1. "Do not over-trade"; 2. "Never enter upon any speculation without clearly conceiving precisely what is the amount of profit sought, and what is the amount of the loss that will be submitted to in the effort to secure that profit"; and 3. "Every speculator must learn to think for himself." Hoyne elaborates in detail upon these rules over the book's nearly 300 pages, taking in topics such as the importance of market news, the use of trading charts, and how to detect and exploit organized market manipulation.

W.D. Gann, *Truth of the Stock Tape: A Study of the Stock and Commodity Markets*. New York, 1923.
W.D. Gann, *The Tunnel Thru the Air or Looking Back from 1940*. New York, 1927.

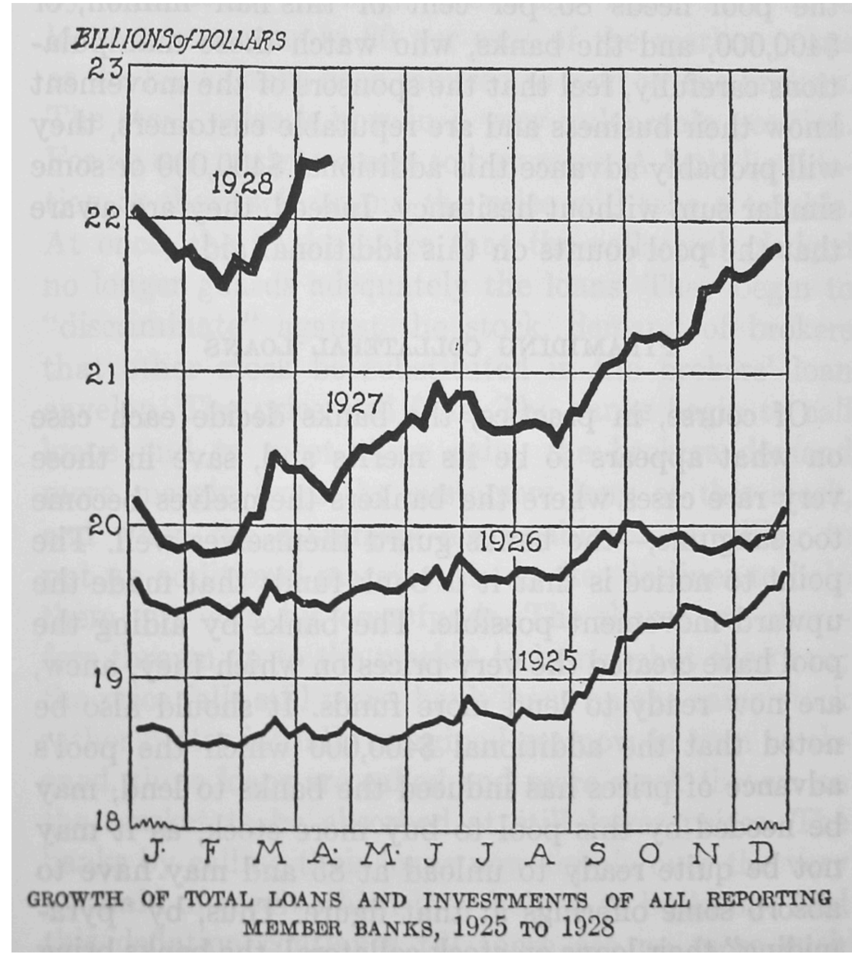
William D. Gann remains one of the most controversial figures in the history of investment advice. Gann's *Truth of the Stock Tape* repeatedly asserts its scientific status, but Gann's is a "science" of a distinctly hermetic or gnostic kind (initiates are urged to "read this book carefully several times; study each chart and subject thoroughly, and a new light and knowledge will come to you every time you read it," while the Bible proves to be Gann's ultimate source of "authority," and he alludes to "secrets" and "causes" that "I could explain to you" but that "many of you would not believe"). This esoteric element of Gann's thinking would become all the more pronounced in subsequent works, including the singular stock market chronicle-cum-futuristic novel *The Tunnel Thru the Air* (1927), in which the basis of his theories in astrology, numerology, and cosmic laws of "vibration" is fully evident.

Edwin Lefèvre, *Reminiscences of a Stock Operator*. Garden City, NY, 1923.

Reminiscences of a Stock Operator is the semi-fictionalized autobiography of the legendary Wall Street trader Jesse Livermore, ghost-written by the financial reporter Edwin Lefèvre. The protagonist, "Larry Livingston," begins to speculate in bucket shops (gambling dens for betting on the stock market) and then graduates to regular brokerages, earning his reputation as the "Boy Plunger." Livermore himself would make and lose several fortunes over the course of his career, eventually committing suicide in 1940 following a third bankruptcy. The book's basic philosophy is that "the market never lies," and *Reminiscences* presents itself as the classic instruction manual for the ordinary American on how to train the self to the discipline required for reading and decoding the endless stream of anonymous and abstract price fluctuations that make up "the market."

Harold J. Aldrich, *The Stock Market Investor*. Boston, 1923.

Harold J. Aldrich, a statistician and insurance underwriter, is another investment advice writer of the 1920s to base his work in the ideas of Charles H. Dow. Aldrich particularly stresses the extent to which events in all parts of the world may impact on the US stock market's long-, medium-, and short-term movements. As he puts it, "a



"Growth of total loans and investments of all reporting banks, 1925 to 1928," from Bond, *Stock Movements and Speculation* (1928)

famine in Russia, a declaration of War among European countries, or the discovery of oil in Argentina" might all "disturb the market severely one way or the other." He therefore advises close (and potentially costly and time-consuming) attention to all available sources of business and political news on both domestic and international fronts—attention that might easily turn investment from a part-time hobby into a full-time occupation.

Frederic Drew Bond, *Stock Movements and Speculation*. New York, 1928.

Frederic Drew Bond's book is a detailed and practical guide to the various facets of trading in stocks, designed to equip the would-be speculator or investor with the know-how necessary to navigate the often bewildering (and potentially unscrupulous) world of brokerage offices and market reports. At a more theoretical level, the book inquires into the "fundamental" basis of the buying and selling of stocks, and argues that it is only on the stock market that the idealized "fiction" of "economic man" or *homo economicus* becomes "a living reality," motivated by two basic motives: "the hope of financial increment and the fear of financial loss." For Bond, then, it is in the drama of stock trading that we see human motivation revealed with a unique purity and clarity.

Robert Rhea, *The Dow Theory: An Explanation of its Development and an Attempt to Define Its Usefulness as an Aid in Speculation*. New York, 1932.

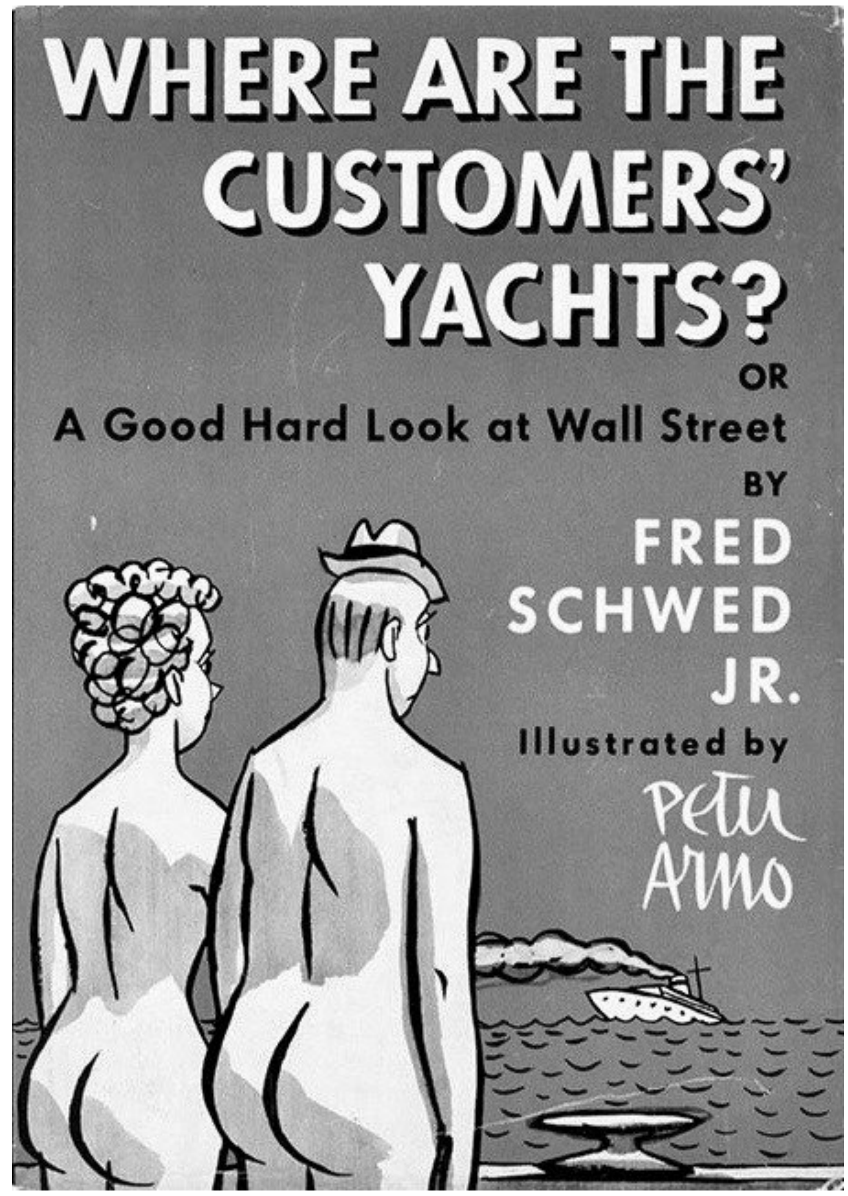
Writers of investment advice faced a challenge to re-establish their credibility (and reassure their readership) following the Wall Street Crash of 1929. The extent and duration of the Great Crash flew in the face of conventional wisdom—especially that of the technical analysts, whose beloved "mechanical," "support," or "resistance" points (previous lows that would in theory tend to check declining prices) had shown no sign of curtailing the selloff in late 1929 and after. Robert Rhea's *The Dow Theory* is both the most systematic and codified elaboration of the ideas of earlier Dow theorists—primarily William Peter Hamilton and of course Charles H. Dow himself—and an attempt to reassert the validity of this tradition of stock analysis in the wake of the recent blow to its reputation.

R.W. Schabacker, *Stock Market Profits*. New York, 1934.

In *Stock Market Profits*, another stock analyst influenced by Dow Theory, *Forbes* financial editor Richard W. Schabacker, reckons with the legacy of the so-called "New Era" of the late 1920s, when it seemed that stock prices had entered into a permanently upward trajectory and the usual rules of economic gravity had been suspended. Schabacker acknowledges that there were profits to be made during the boom years, but suggests that during such once-in-a-generation phases of intense speculative activity it is "much more difficult to make and hold such profits wisely than in a more normal cycle." He therefore welcomes an expected return to "more moderate price swings" (which—not coincidentally—are more consistent with the conventional forms of technical market analysis that Schabacker endorses).

Benjamin Graham and David Dodd, *Security Analysis: Principles and Technique*. New York, 1934.

In *Security Analysis*, Benjamin Graham and David Dodd lay out their core philosophy of "value investing." The book—probably the most influential endorsement of a "fundamental" approach to investment analysis—is clearly presented as an attempt to learn the lessons of the speculative hype and excess of the late 1920s, and to return to the common-sense basics of determining good-



Cover of Schwed, *Where Are the Customers' Yachts?* (1940)

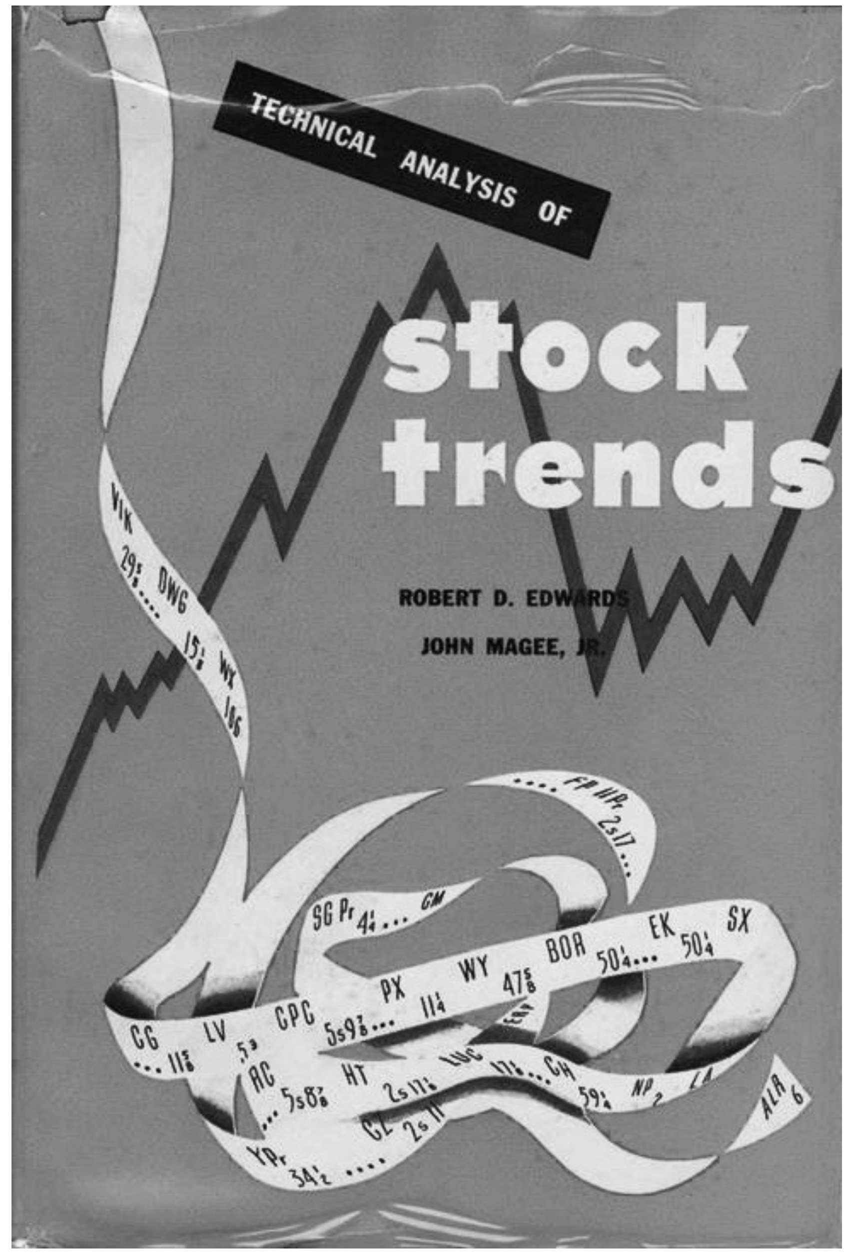
value investments. Central to Graham and Dodd's approach is a company's "earning power," which "must imply a fairly confident expectation of certain future results." From earning power can be derived a measure of "intrinsic value"—Graham and Dodd's mantra, though one that they outline pragmatically: the security analyst "needs only to establish either that the value is *adequate* … or else that the value is considerably higher or considerably lower than the market price. For such purposes, an indefinite and approximate measure of the intrinsic value may be sufficient." In making this estimate, the "intricacies of corporate accounting and financial policies" provide the security analyst with "unbounded opportunities for shrewd detective work."

Ralph Nelson Elliott, *R.N. Elliott's Masterworks*. Gainesville, GA, 2005.

Through the 1930s, Ralph Nelson Elliott developed his distinctive "Wave Principle" of patterns in the stock market. His key text and the centrepiece of this collection of his works—*The Wave Principle*—appeared in 1938. In elaborating the various permutations of the "wave principle" that he sees as underlying stock market movements, Elliott is at once emphatic and obscure. "A complete wave movement," he states, "consists of five waves" (three "in the direction of the movement," and two "in a contrary direction"). "Why this should be five rather than some other number," however, is "one of the secrets of the universe." The remainder of the book is devoted to a detailed taxonomy of the various forms of nested waves and cycles evident, Elliott suggests, in stock market movements stretching back to the mid-nineteenth century—the beginning of a "Grand Super Cycle," whose first wave came to an end in the crisis period of 1928-32. Given to gnomic statements in a way reminiscent of William D. Gann, Elliott (like Gann) is a market guru who remains as influential as he is controversial.

Sylvia Porter. *How to Make Money in Government Bonds*. New York, 1939.
Sylvia Porter would become one of the postwar era's most influential financial advisors, her opinion sought not only by journalists and economists but by successive Democratic and Republican Presidents. *How to Make Money in Government Bonds* was Porter's first book, written early in the war and taken from Porter's own experience as a journalist working on the then very unfashionable and apparently staid arena of the bond market.

Fred Schwed, Jr., *Where Are the Customers' Yachts? or A Good Hard Look at Wall Street.* New York, 1940.
Fred Schwed's *Where Are the Customers' Yachts?* is a text that, like Adam Smith's *The Money Game* (1968) or Andy Borowitz's *The Trillionaire Next Door* (2000), satirizes the genre of financial investment advice by operating from within its terms. Schwed's work was published in 1940, and has been republished almost consistently since. Its satire is reserved for the "ultimate dream" that Wall Street investors find impossible to relinquish and that is at the very heart of the genre: "that there is a secret, meaningful and predictable, in the rise and fall of financial enterprises" and that a "'close study' of this and that will prove something; that it will tell the initiate when there will be a rally or give the speculator a better than even chance of making a killing, or guarantee for an estate a safe four percent for a few generations." However, although the work satirizes the genre it also adheres to some of its most familiar conventions, explaining the difference between technical and fundamental analysis, defining the different types of investment vehicles and exploring the role of the broker.



Cover of Edwards and Magee, *Technical Analysis of Stock Trends* (1948)

Robert D. Edwards and John Magee, Jr., *Technical Analysis of Stock Trends*. Springfield, MA, 1948.
Technical Analysis of Stock Trends is overtly positioned as the culmination and summation of a half-century of investigations of the technical factors affecting the buying and selling of corporate securities. Its authors are also clear in distinguishing between "some of the world's most astute accountants, analysts, and researchers"—on whose shoulders Edwards and Magee are proud to stand—and what they describe as "a motley crew of eccentrics, mystics, and 'hunch players.'" While William D. Gann and Ralph Nelson Elliott are, tellingly, nowhere mentioned in the book, the targeting of this jibe in their direction is clear. The canonical or textbook version of technical

analysis that Edwards and Magee seek to enshrine over their book's more than 400 pages is decidedly Dow-based and studiously excludes anything that might compromise the Dow Theory's longstanding claim to scientific respectability. Edwards and Magee's overt aim of writing the definitive work of technical analysis for their time was undoubtedly successful; indeed, T*echnical Analysis of Stock Trends* has outlived its own period, continuing to appear in new, updated editions up to the present.

Benjamin Graham, *The Intelligent Investor: A Book of Practical Counsel*. New York, 1949.

The Intelligent Investor is the summation of Benjamin Graham's philosophy of "value investing" and builds on his pioneering work with David Dodd in *Security Analysis* (1934). It is notable for its recommendation that investors always build a "margin of safety" into their portfolios (that is, that they invest only in companies that can be expected to meet their obligations to share- and bondholders *comfortably* in the future, and not only by the barest margin). The book's metaphor of "Mr Market"—a temperamental character who invites the reader to buy at a different price every day, and often varies in mood wildly from one day to the next—has also been much discussed as a way of grasping the market's tendency to fluctuate for purely psychological reasons, and the true investor's obligation to buy only when the price represents good value in "fundamental" terms. Graham revised *The Intelligent Investor* multiple times in his later years, and new editions remain popular, the book's reputation aided by the world's most renowned investor, and a former protégé of Graham's, Warren Buffett, praising it as "by far the best book about investing ever written."

Mid-Twentieth- to Early Twenty-First-Century United States

The most obvious narrative for the cultures of personal financial investment in the decades following the Second World War is an American story of overarching growth: an expansion in both the value of investments and the numbers of investors owning them. The value of the Dow Jones index, starting from an historically low base, rose throughout the four decades following 1945, tripling over the course of the fifties and surging in the go-go

Sylvia Porter on the cover of *Time Magazine* (November 28, 1960)

speculative fervour of the early '60s, until it reached an inflation-adjusted peak that was only exceeded, but then some, in the '80s. It is a growth reflected in the numbers of individuals who own stock: the 4% of adults that Steve Fraser suggests held stock at the close of the Second World War steadily grew: by 1962 it was nearly 20%, by 1983 it was 33.2%, and by 2001 it reached a symbolically significant 51%. Yet what this period of apparently sustained growth actually meant for the cultures of personal investment in America was much more uneven than these bald figures suggest. These decades were also shaped by increasingly deep financial crises and by increasingly deep wealth disparities. The development of the genre of financial investment advice in this period—who was investing, how they were investing, what they were investing in, and why they were investing—was deeply shaped by changing political, technological, and social contexts in the wider financial landscape.

Gerald M. Loeb, *The Battle for Investment Survival*. Boston, 1952.

Drawn from Loeb's experience of investing in the tumultuous '30s, but first published in the early '50s and then staying in print for the next five decades, *The Battle for Investment Survival* presents an individualistic and adversarial account of stock market investment. Although Loeb's book adheres to the general principles of fundamental analysis, in that it demands in-depth research into the companies whose stock is being purchased, it also diverges from many other books published in this period in that it advocates an aggressive strategy of short, rather than medium or long term, stock ownership. It also argues against the strategy of diversification or hedging: for Loeb "when an investment is made, its prospects must be so good that placing a rather large proportion of one's total funds in such a situation will not seem excessively risky. At the same time, the potential gain must be so large that only a moderate proportion of total capital need be invested."

Sylvia Porter and J.K. Lasser, *Managing Your Money*. New York, 1953.

How to Live within Your Income (1948) and *Managing Your Money*, both co-written with the tax-advisor J.K. Lasser, were Porter's first serious attempts to write popular books of financial advice and cast the problem of "how to match income to outgo" as one of the "major personal problems of our generation." Porter's approach was innovative because it replaced the "'average' family budgets" of other financial handbooks, that are "inconsistent with the spirit of freedom and independence by which most Americans choose to live" with the "accrual" skills shared by the shopkeeper and giant corporation alike: knowing "what money is coming in tomorrow as well as today" and knowing "also what is to be done with tomorrow's as well as today's cash." Porter is explicit about the gendered nature of the connections between the household and the investment economies. In *Managing Your Money*, a chapter on annuities, bonds and securities, includes an aside ("Private Note for the Female Division") in which Porter crisply asserts that the "women of America control 70% of our nation's wealth" and dismisses those "male pundits" who have chosen to "ridicule the generally respected statistics about the American woman's financial importance." She lists statistics that indicate that "women hold a vast percentage of the savings deposits in our country: in New York, they outnumber the men depositors two to one" and that "women represent more than half the stockholders in many of the nation's greatest corporations."

Louis Engel, *How to Buy Stocks: A Guide to Making Money in the Market*. Boston, 1953.

Louis Engel was responsible for the advertising strategies of Merril Lynch from the 1950s onwards and was key to the development of a form of advertising that drew centrally on the discourses of financial education. His essay-like advert for Merril Lynch, "What Everyone Ought to Know About this Stock and Bond Business," first appeared in 1948 and continued to run for the next twenty years. *How to Buy Stocks: A Guide to Making Money in the Market*, published in 1953, was based on this advert and lasted twice as long. It stayed in print until the early '90s and sold over 4 million copies, leading Engel to be named "the man who brought Wall Street to Main Street" by the *New York Times*. The tone of the book is in keeping with the postwar culture that insisted on the connection between the stock market and the general health of the American economy: it is based "on a very simple premise: that the stock market is going to go up" because the "market is a measure of the vigour of American business, and unless something drastic happens to America, business is going to go on growing." Yet the book differs significantly from conventional financial investment guidebooks in that the art of stock picking, buying, and selling plays a smaller role than the mechanical practicalities of how to go about investing.

Philip Fisher, *Common Stocks and Uncommon Profits*. New York, 1958.

Philip Fisher was the founder of Fisher and Company, an investment counselling service that began in 1931 and *Common Stocks and Uncommon Profits* offered a popular and accessible guide to Fisher's own version of fundamental stock market picking. Fisher focused solely on the stock market, advised shareholders to invest in growth stocks for the long-term and downplayed the importance of portfolio diversification that others were starting to recommend. Both his "Fifteen Points to Look for in a Common Stock" and his "Five Don'ts for Investors" were influential and are frequently quoted. Fisher's style is personal and often anecdotal as he emphasizes the importance of personal networks, the "business grapevine" as a starting point for further investment research.

Raymond Trigger, *How to Run a Successful Investment Club*. New York, 1958.

Raymond Trigger's *How to Run a Successful Investment Club* describes the practical aspects of building an investment club and the way in which financial investment was grounded in America in the '50s in a domestic language, as the clubs combine both social and financial functions. Trigger's model for the technical aspects of investment clubs draws explicitly on the mutual fund market, whose reputation had been dented during the rapid downturn of the '30s, and is also informed by the cultures of small-investment owning being promoted by Merrill Lynch and its relatively short-lived Monthly Investment Plans.

William C. Freund and Murray G. Lee, *Investment Fundamentals*. New York, 1962.

William C. Freund and Murray G. Lee's *Investment Fundamentals* represents an attempt by the central association of American bankers to encourage everyday Americans to enter the stock market just prior to the acceleration of the market in the mid-'60s. It shares the practical, rather than strategic tone, that also characterizes influential texts such as Louis Engel's *How to Buy Stocks: A Guide to Making Money in the Market* (1953) and offers comprehensive definitions and guides to the key aspects of investing culture.

Lin Tso, *The Sensible Investor's Guide to Growth Stocks*. New York, 1962.

Lin Tso was a security analyst and *The Sensible Investor's Guide to Growth Stocks* is a book that demonstrates the importance of fundamental analysis to the "go-go" years of the 1960s, in which new technical developments and a confidently growing American economy led investors to privilege long-term investment in America's own corporate stocks, championing the value of stable innovators, such as Eastman Kodak, above all. One of Tso's central ideas was "the profitable paradox of conservative growth": of identifying growth stocks early and retaining them through the inevitable market cycles.

Adam Smith, *The Money Game*. New York, 1968.

Adam Smith was the financial journalist George Goodman's pseudonym and the name suggests the wry concealed-insider status that typifies the book's style. It was published in 1968 and is very clearly a book of its moment, informed by the excitement of the "go-go" years of the '60s in which the small investor still played a role in the stock market but very prescient about the changes about to come, specifically the ending of the Bretton Woods agreement, the inflationary crisis of the '70s and the speculative cultures of the '80s. The book is important for two reasons. Firstly, it provides a detailed account of the psychology of the successful stock picker and knows that the market is about "image and reality and identity and anxiety and money […] the money which can preoccupy so much of our consciousness is an abstraction and a symbol. The game we play with it is an irrational one, and we play better with it when we realize that, even as we try to bring rationality to it." Secondly, the book is also coded by the speculative genres of science fiction and the thriller, and can be read alongside the work of financial investors, such as Howard Ruff, Paul Erdman and Peter Tanous, who drew on the tropes of popular fiction to understand financial investment.

Eugene F. Fama and Merton H. Miller, *The Theory of Finance*. New York, 1972.

Eugene Fama and Merton Miller were at the forefront of the academic revolution in financial investing and taught and worked together at the University of Chicago in the 1960s, the period in which Harry Markowitz's work on the implications of the efficient market for minimizing risk in portfolio selection was being developed into a set of sophisticated financial models. *The Theory of Finance* was a collaborative work, initially aimed at students studying at the University, and formed the basis for one of the earliest introductions to portfolio theory. It is an important marker in the history of financial advice because it provides one of the first examples of Fama and Miller's attempt to explain what the implications of their theoretical advances, hitherto published only in academic journals, would be for financial investment decisions: as they explained in their introduction the "emphasis throughout is on the microdecision problems of the investor" rather than on the "macroeconomic problems of social policy that are the main concern of economists."

Harry D. Schultz, *Panics & Crashes and How You Can Make Money Out of Them*. New Rochelle, NY, 1972.

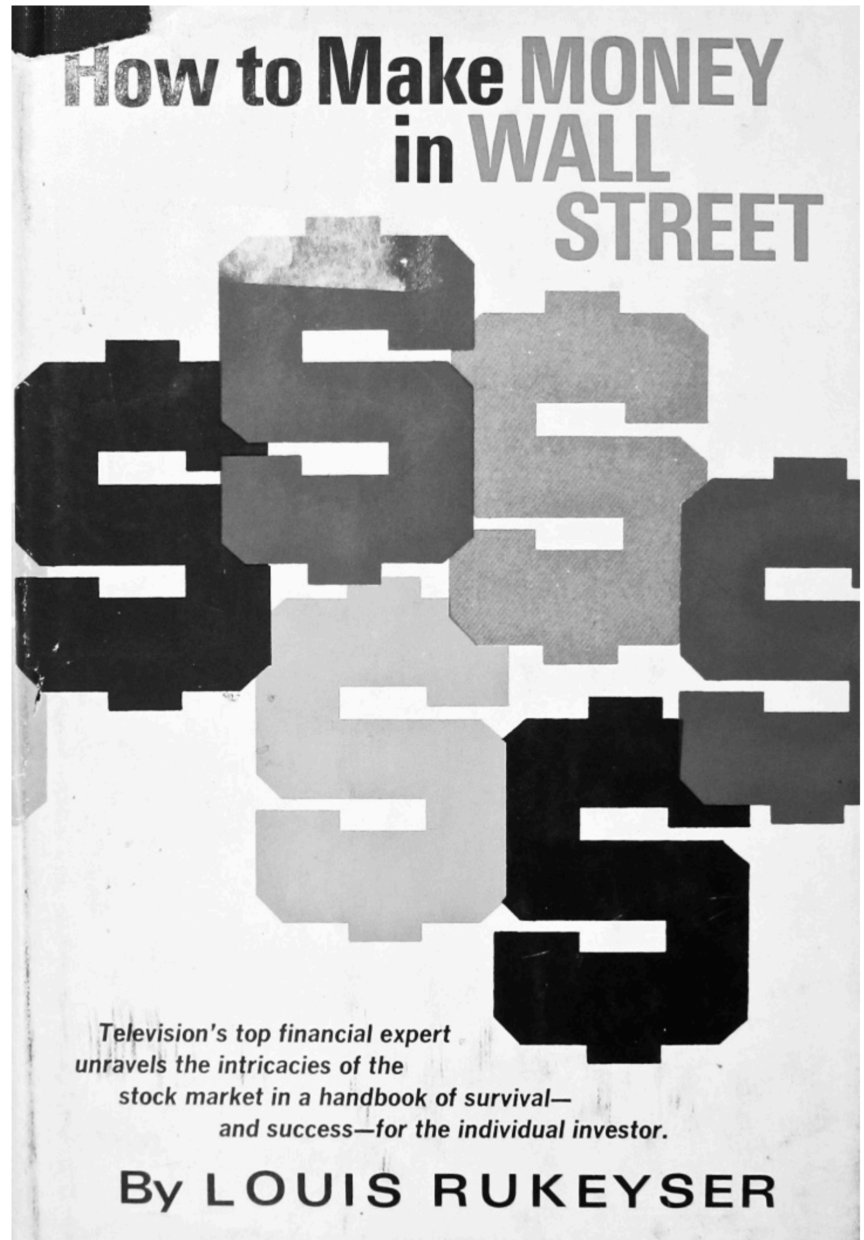
Much like Howard Ruff's *How to Prosper During the Coming Bad Years: A Crash Course in Personal and Financial Survival* (1979) Harry Schultz's book of financial advice is one that responds to the financial crises of the early '70s, especially the fear that growing inflation held, by critiquing the role of government intervention and by advocating the possession of gold, in particular, as a counter to the inflation persistently associated with paper money in the American economic imagination. Schultz's work goes much further than most financial advice, however, in combining his description of the varied options that real estate, commodities, stocks, bonds, and mutual funds offer the investor in a moment of financial crisis with a virulent critique of redistributive and liberal economic theories.

Burton Malkiel, *A Random Walk Down Wall Street*. New York, 1973.

Burton' Malkiel's *A Random Walk Down Wall Street* is one of the most influential books of financial investment advice written in the post-war period and went into eight further editions. Malkiel was the first financial writer to try to popularize the implications of the academic financial theory, which proved the impossibility of second-guessing the efficient market, that had been developed in university economics and finance departments since the late 1950s. The first two parts of the book carefully, but often wittily, explain the limitations of technical and fundamental technical analysis before offering the reader an "instruction manual for taking a random walk down Wall Street," a walk that acknowledges that stock-picking is an essentially pointless activity. The book combines what had become conventional financial advice in the genre by this point (get adequate life and health insurance, keep some money liquid, don't gamble more than you can afford to lose) with practical advice on buying bonds and lowering tax exposure. Malkiel also offers advice on how to pick mutual funds and his recommendation of "buying closed-end funds" was so influential that he had to change it in subsequent editions as the market had responded to the demand that he created by narrowing the opportunities these funds represented. In later editions of the book Malkiel begins to widen the path of the random walk and offers cautious investment advice on buying and choosing individual stocks.

Louis Rukeyser, *How to Make Money in Wall Street*. Garden City, NY, 1974.

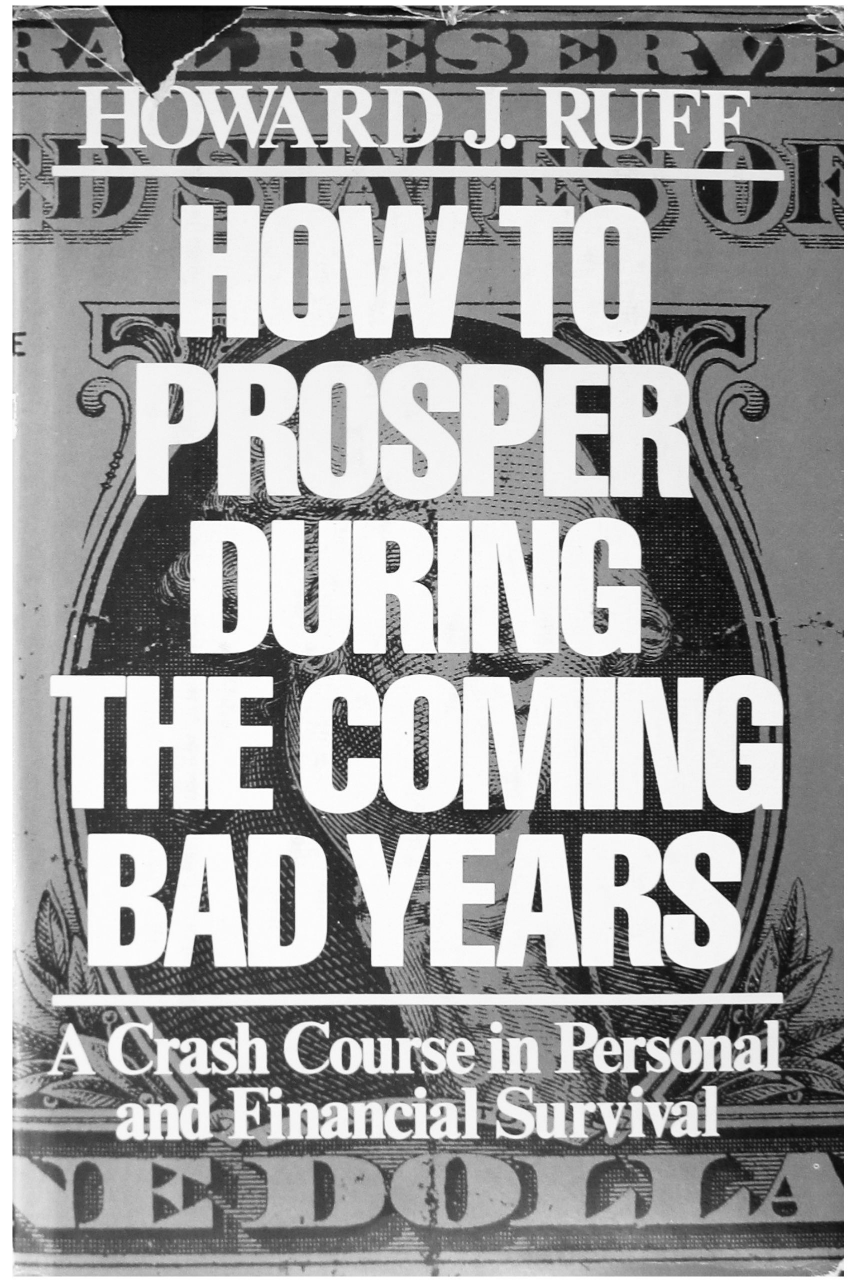
How to Make Money in Wall Street emerged from Rukesyer's long-running and ground-breaking TV series *Wall Street Week*, which was aired every Friday night and became a popular ritual with the domestic investor, who Rukesyer calls "The Little Man" in this book. The programme had an established format, an interview with a leading economist or financier (and everyone appeared on it: Galbraith, Friedman, Samuelson, Greenspan, Engel, Porter, Loeb) followed by a series of stock tips. The programme's investment advice focused on individual stocks and paid attention to the ongoing debates between fundamental and chartist investment strategies. Rukesyer's book follows this format, comparing technical and fundamental analysis, although it spends less time on identifying individual stocks. In addition it also offers more general practical advice for stock market investment, on choosing a broker, understanding the difference between a variety of bonds and stocks, and the benefits of mutual funds. *How to Make Money in Wall Street* also stresses the cultivation of the investing subject, viewing investing as an "internal adventure" and a "testing ground" for the self.



Cover of Rukeyser, *How to Make Money in Wall Street* (1974)

Sylvia Porter, *Sylvia Porter's Money Book*. Garden City, NY, 1975.

The eleven hundred pages of *Sylvia Porter's Money Book* remained in print for several decades and were profoundly influential on the American public. The work was a best seller, followed by dozens of similar titles, and came to shape the ways in which personal financial investment would be written about by women writers such as Jane Bryant Quin, Suze Orman, and Elizabeth Warren right up until the end of the twentieth century. The claim on the book's back cover, made by Betty Furness of NBC's *Today Show*, that it "should be on every family's book shelf, along with the Bible and the dictionary", provides a neat description of the work's proselytizing and encyclopaedic character. The book begins with the practicalities of budget planning (and very Porter-like homilies, such as the "broken sugar bowl" method of saving) but it is far more comprehensive in its details, providing advice on how and when to buy everything, from the cradle (and obstetrician) to the grave (and mortician) and all that comes in between—day care, schools, colleges, clothes, homes, cars, vacations, doctors, weddings, divorces as well as stocks, bonds and annuities. Indeed, the sheer weight of these details, which include strategies for making sure that there is sufficient credit in your "blood bank account" (one can save on "costs of blood" by asking "friends and relatives to donate blood in advance" of planned surgery) provides its own testimony to the financialization of every aspect of American life in the early '70s.



Cover of Ruff, *How to Prosper During the Coming Bad Years* (1979)

Joseph E. Granville, *Granville's New Strategy of Daily Stock Market Timing for Maximum Profit*. Englewood Cliffs, NJ, 1976.

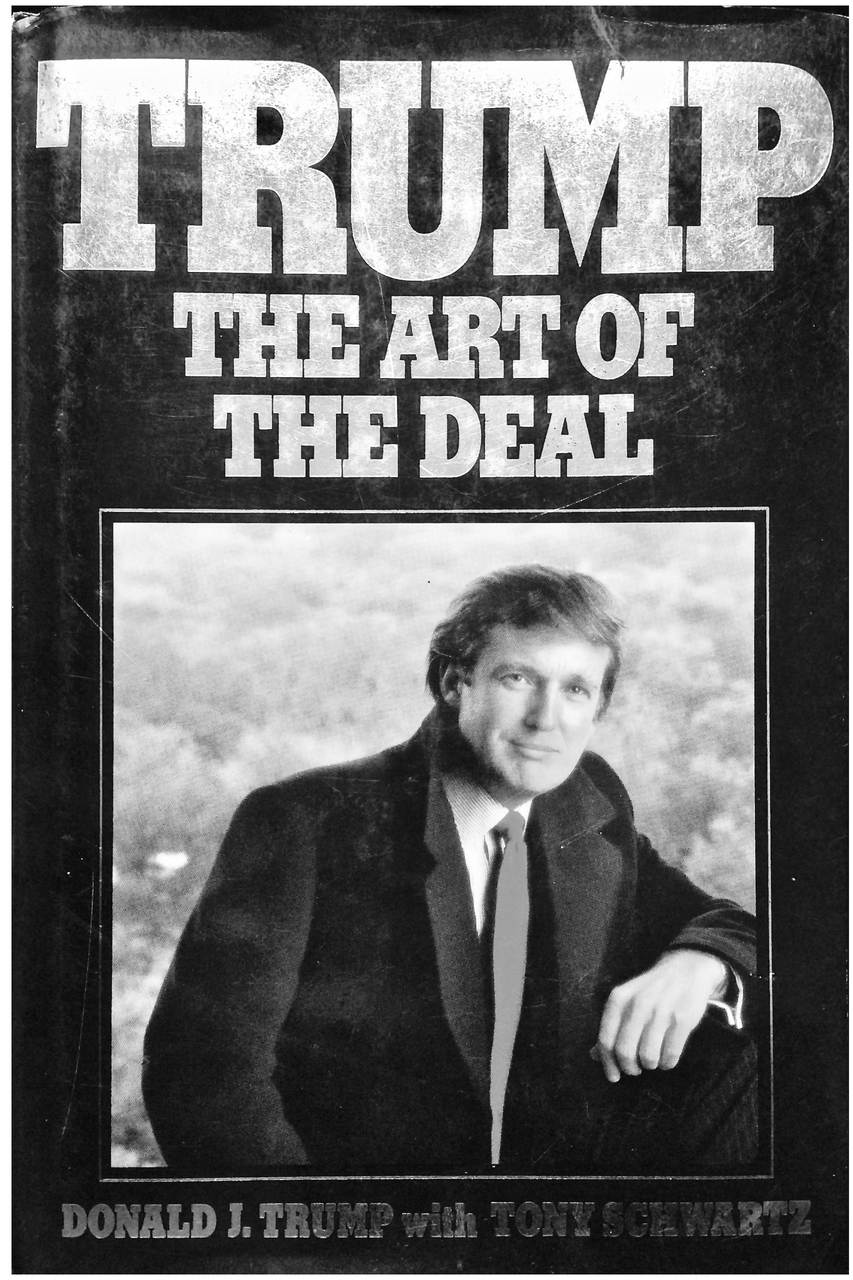
Granville's *New Strategy of Daily Stock Market Timing for Maximum Profit* is a work which testifies to the continuing influence of technical analysis in the postwar period. Granville seeks to place the "market in a tight cyclic mould", arguing that "the eternal struggle between the bulls and the bears" provides "easily defined patterns" that allow investors to "better understand the modus operandi of the market game." For Granville investment decisions are divided between technical and fundamental analysis—he entirely dismisses the "random walk" as "one of the silliest notions to come along in recent years"—and claims that the former is superior because it alone can predict the future. Granville's work is perhaps most notorious, especially amongst his more acerbic critics, for proposing the "climax indicator," a "dynamic volume indicator" that will "tell you more about the true technical state of the 30 Dow Industrial stocks than will the Dow-Jones industrial average itself."

Howard Ruff, *How to Prosper During the Coming Bad Years: A Crash Course in Personal and Financial Survival*. New York, 1979.

Howard Ruff was an engaging, if rather apocalyptically-minded, entrepreneur who had careers as a publisher, singer, and broadcaster as well as a stockbroker and writer. Ruff was, like Paul Erdman and George Goodman, concerned to try and offer ways that investors might negotiate the financial crises that were occurring in America in the '70s and was especially concerned to defray what he saw as the drastically damaging effects of inflation. Ruff's sense of impending crisis was often articulated through a conservative political agenda and his fears of "exploding inflation, price controls, erosion of savings" was linked to both "more government regulation" and a future "international monetary holocaust which will sweep all paper currencies down the drain and turn the world upside down. Paper fortunes based on lending will be destroyed and a new kind of investment and planning morality will put some very unlikely people on top of the heap." Amongst Ruff's unorthodox financial advice was to "invest in inflation," by taking on more debt and investing it, and to hedge against crisis, by purchasing silver, gold, and (the right kind of) real estate.

Donald Trump and Tony Schwartz, *Trump: The Art of the Deal*. New York, 1987.

Before his sensational ascent to the presidency in 2016, Donald Trump's public reputation rested in large part on this bestseller. Although not strictly a book of financial advice, Trump and Schwartz's *Art of the Deal* deserves its place in this history both because it has become one of the most iconic texts of the popular business genre and because it offers an anecdotal guide to the money that can be made in real estate investing in particular. The book combines an "11-step formula for business success" (inspired by Norman Vincent Peale's *The Power of Positive Thinking*, 1952) with a "truthful hyperbole" that details Trump's own successes and strategies in financial negotiations.



Cover of Trump and Schwartz, *Trump: The Art of the Deal* (1987)

Peter Lynch and John Rothchild, *One Up on Wall Street: How to Use What You Already Know to Make Money in the Market*. New York, 1989.

Peter Lynch managed the investments at the Fidelity Magellan Fund, a mutual fund that consistently and effectively outperformed the market throughout the 1970s and 1980s. Although he draws on his personal experience as a fund manager in *One Up on Wall Street: How to Use What You Already Know to Make Money in the Market* he emphasizes the qualities of the individual thinker over those of the professional strategist. At the core of the book is his assertion that everyday observations about the changing patterns in the economy and consumer interests, combined with the flexibility and speed of the individual investor, gives them an edge that large fund managers do not always have. "If you invest like an institution," Lynch warns, then "you're doomed to perform like one, which in most cases isn't very well. Nor do you have to force yourself to think like an amateur if you already are one. If you're a surfer, a trucker, a high-school drop-out, or an eccentric retiree then you've got an edge already."

Jeremy Siegel, *Stocks for the Long Run: The Definitive Guide to Financial Market Returns and Long-Term Investment Strategies*. New York, 1994.

Jeremy Siegel's work is unusual in the genre in that it begins as an academic historical treatise regarding the historical stability of stocks' performance in America across the past two centuries, concluding that "the compound real return on a diversified portfolio of common stock is nearly 7 percent" and has "displayed a remarkable constancy over time" and reads this as evidence of the triumph of market-orientated economics. Siegel then reads this historical defence of stock buying, which was especially influential upon those seeking to sell stocks, against a range of other investment practices and theories, including contemporary portfolio analysis (reading the diversified performance of stocks and bonds through the "efficient frontier" that a financial portfolio requires), stock indexes (highlighting the blind spots indexes miss), value investing (identifying growth stocks for the long term), the new digital economy of the '90s ,and the move to global investing.

John Train, *The Craft of Investing*. London, 1994.
John Train was a financial advisor and journalist whose other books on popular investing included *The Money Masters* (1980) and *The Midas Touch* (1987), both of which offered a survey of the most influential financial advisors of the twentieth century, and he is especially influenced by the value investing strategies of Warren Buffet and Peter Lynch. In *The Craft of Investing* Train distills his own investment experience and advises investors to "be a contrarian," to learn to identify growth stocks through fundamental analysis before the market has priced this growth in, and to keep hold of them. Train advises the reader to become a specialist in a specific market and to buy investment stocks in this market whilst they are cheap whilst also balancing his portfolio with "conventional companies" that are temporarily under-valued because of external factors (rumours, political uncertainty, war, poor market conditions). Train is clearly writing in the longer tradition of fundamental analysis. He dismisses both modern portfolio theory and technical analysis as he tells his readers to "buy a share of a company the way you buy a share of a house: because you know all about it and want to own it for a long time at that price. In fact, you should only buy what you would be happy to own in the absence of any market."

Suze Orman, *The 9 Steps to Financial Freedom*. New York, 1997.
Suze Orman was especially influential in creating the "practical and spiritual" genre of financial advice that emerged in the 1990s. Her work combines advice about personal financial management, advice on insurance, retirement and 401k plans, credit cards and debts with advice on financial investments, on how to choose mutual funds, on the differences between load and no-load mutual funds and, finally, how to invest directly in the stock market. The book prioritizes the cultivation of the inner self as a financial agent above all: using the language of popular psychology as it promises to show the reader "not just how to confront [their] fears" about money but how to "replace them with new positive truths." Orman, like Porter before her, was implicitly aimed at the female domestic investor and her books themselves became a big, if often criticized, business.

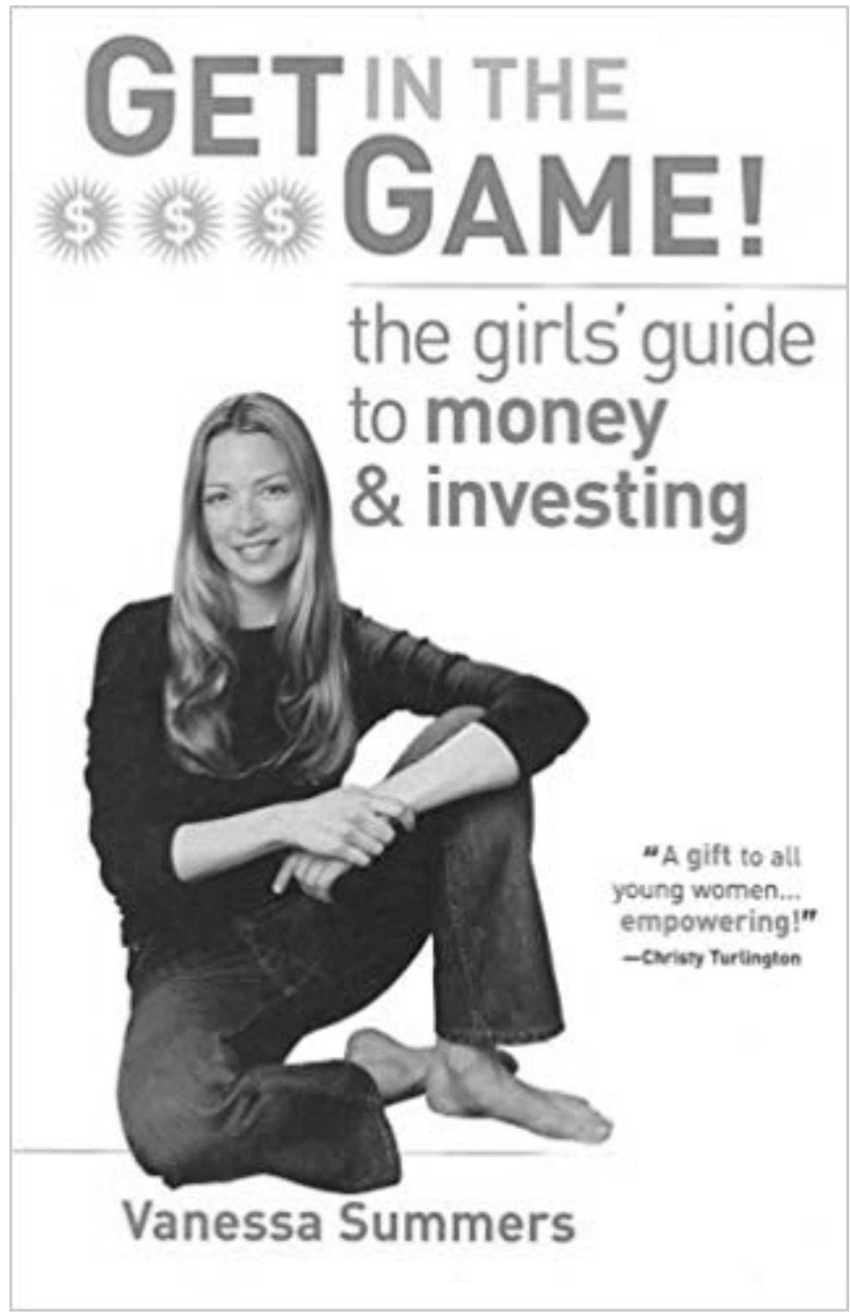
David Dreman, *The Contrarian Investment Strategies: The Next Generation, Beat the Market by Going Against the Crowd*. New York: 1998.
David Dreman was the manager of the Kemper-Dreman High Return Fund and his *Contrarian Investment Strategy*, that counselled its readers to move against the market and to buy good companies when they are temporarily out of favour, has now gone into multiple editions. Dreman's psychological reading of investors, as overreacting to bad market news in moments of crisis and panic, has been bolstered by the recent developments in behavioural economics and this is one of the first books of popular financial investment advice that draws seriously on this academic field. As he would suggest in the introduction to the 2011 edition, "appreciating the fundamental flaws in the investment strategies based on EMH (Efficient Market Hypothesis) will demand that we take a close look at one of the major sources of investment errors—the person you see in the mirror every morning."

Janet Bamford, *Street Wise: A Guide for Teen Investors*. Princeton, NJ, 2000.
Bamford's *Street Wise* seeks to address the 2.5 million American teenagers who hold stocks. The book goes far beyond promoting basic financial literacy as it actively encourages all young adults to enter the stock market as a path to being in the world, because "investing is exciting. Stock prices change throughout every trading day, in response to world events (a plane crash or a hurricane can affect dozens of stocks)." The first six chapters of the work are dedicated to the practicalities and strategies of selecting individual stocks, advocating a version of fundamental analysis, whereas the latter half of the book offers guides to alternative investment vehicles, including mutual funds, and activities and games that can train the young investor.

Andy Borowitz, *The Trillionaire Next Door: The Greedy Investor's Guide to Day Trading*. New York, 2000.
Andy Borowitz is an American comic and his satirical column of alternative news, "The Borowitz Report," has been published in *The New Yorker* since 2012. Borowitz's books effectively satirize the genre of self-help managerial and financial advice manuals (they include *Who Moved My Soap?*, for example) and in *The*

Trillionaire Next Door he satirizes both the tone and the claims that were being made by financial advice guides aimed at Day Traders in the dot com boom of the late '90s. His glossary of key economic terms, for example, includes words such as "mousepad" and "click," and the book can be read as a modern, albeit rather slapstick, version of Adam Smith's *The Money Game* or Fred Schwed's *Where are the Customer's Yachts?* in that it uses satire as a cautionary warning against the heady rhetoric and promises that can characterize the genre of financial investment advice.

Vanessa Summers, *Get in the Game!: The Girls' Guide to Money & Investing*. Princeton, NJ, 2001.
Vanessa Summers, an ex-model and tennis player turned stock broker and financial adviser, continues the long tradition of writing financial advice specifically aimed at the single woman. The book narrates its fairly conventional financial and investment advice through the language of the hike, teaching its readers how to pack different kinds of "adventure backpacks: one for emergencies, another for retirement and a third for dreams" and guiding them through a series of "hikes" that will allow them to reach the "financial summit." The book counsels its readers to begin investing young—using the comparison with purchasing a latte that frequently appears in writing aimed at twenty- or thirty-year-olds—but privileges bonds, mutual funds and employee pension packages over direct individual stock-picking.

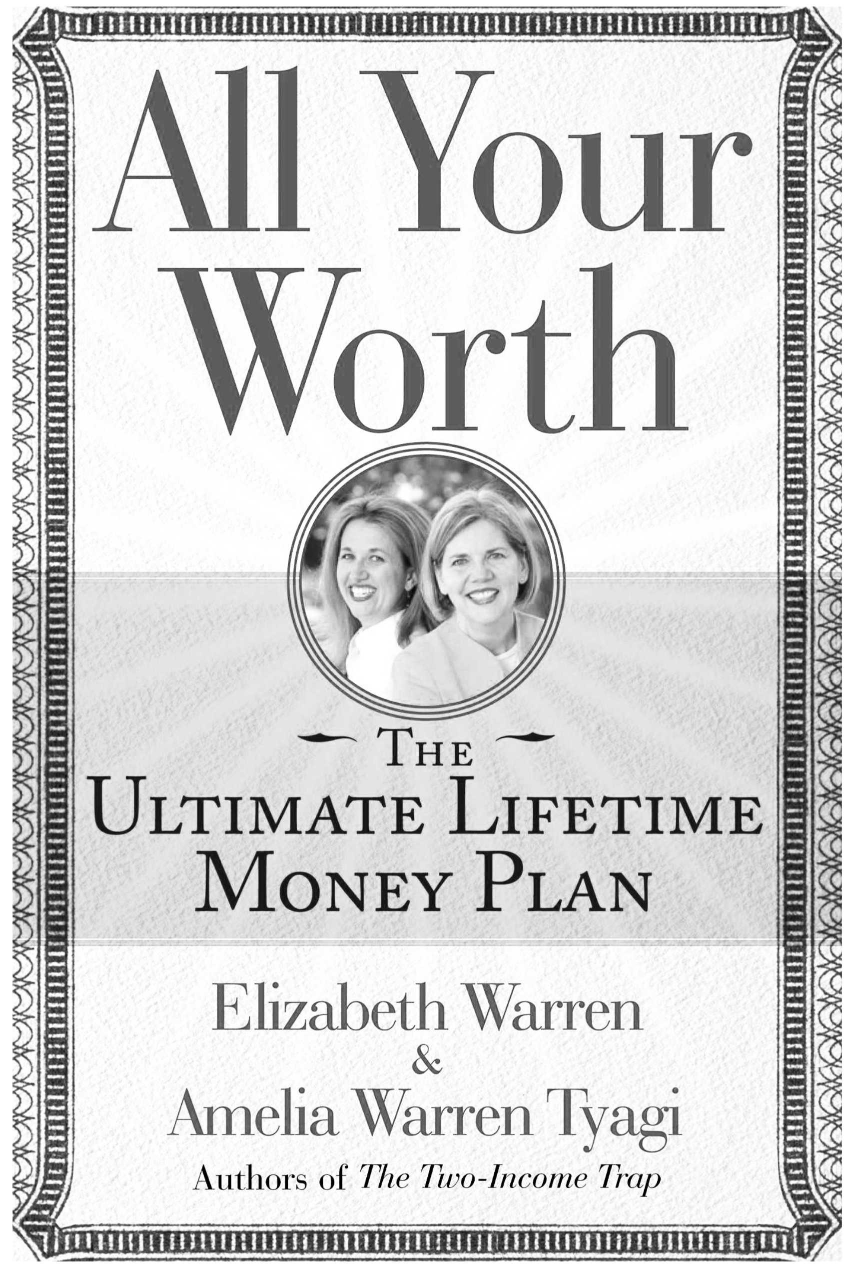


Cover of Summers, *Get in the Game!* (2001)

Elizabeth Warren and Amelia Warren Tyagi, *The Two Income Trap: Why Middle-Class Mothers & Fathers are Going Broke*. New York, 2003.
Elizabeth Warren and Amelia Warren Tyagi, *All Your Worth: The Ultimate Lifetime Money Plan*. New York, 2005.
The Two Income Trap, written by mother (who later became a renowned campaigning Democratic senator) and daughter, was the first popular book to comprehensively reveal what rising house and medical costs combined with stagnant wages and increasing job insecurity had heralded for the formerly secure American domestic middle class. The book offered numerous case studies of households quickly bankrupted by temporary job loss or illness and debunked the myths that attended these crises, specifically of over-consumption and of immoral spending. In *All Your Worth: The Ultimate Lifetime Money Plan* Warren and Tyagi formulate practical financial advice that can help middle class families protect themselves against these crises: including minimizing debt and reducing housing or transport costs in order to learn to save.

John C. Bogle, *The Little Book of Common Sense Investing: The Only Way to Guarantee Your Fair Share of Stock Market Returns*. Hoboken, NJ, 2007.
John Bogle is the head of the low-cost mutual fund group Vanguard, one of the earliest and most successful of the mutual funds. Unlike the financial advice given by other fund managers, notably Peter Lynch of the Fidelity Magellan Fund in *One Up on Wall Street* (1989), Bogle is explicitly and engagingly proselytizing about the role that index funds have in the personal financial investment landscape. The aim of his book, he is clear, is to bring about the "index revolution": to convince American shareholders that low-cost mutual funds are the only

efficient, fair and honest way to ensure a steady return on stock market investments. Bogle's argument in his introduction is underpinned by three assertions. Firstly, he stresses the importance of the "value investing" models advocated by Benjamin Graham and Warren Buffet, for whom the underlying performance of a company is taken as evidence of its real and future value. Secondly, he distinguishes between this "real market" of value and the "speculative market" of investors' emotions and perceptions and suggests that the discrepancy between the two produces a volatility that amounts only to a zero-sum game: "for each percentage of extra return above market that one of us earns, another of our fellow investors suffers a return shortfall of precisely the same dimension." Finally, he makes clear that the costs of buying and selling stocks means that the benefits that do accrue from this churn go only to brokers: in the "casino the house always wins. In horse racing the track always wins" and in the "game of investing, the financial croupiers always win." The alternative that Bogle offers, the low-cost mutual index fund is, he asserts, "the only investment that essentially guarantees that you will capture your fair share of the returns that business earns." The book itself goes on to guide the reader through the process of understanding index funds as he explains their role and their relation to taxation and cost structures, defines different kinds of funds (Stock Funds, Bond funds, Exchange Traded Funds), and gives advice on selecting between funds.



Cover of Warren and Tyagi, *All Your Worth* (2005)

Credits:

Text: Paul Crosthwaite, Peter Knight, Nicky Marsh, Helen Paul, and James Taylor

Design and copyediting: Anna Girling

Library advice, acquisitions, and cataloguing: Russell Napier and Helen Williams

Printing: University of Edinburgh Printing Services

The project team gratefully acknowledges the support of the Arts and Humanities Research Council, the Library of Mistakes, and the universities of Edinburgh, Lancaster, Manchester, and Southampton in the production of this Guide.

Front cover shows detail from Joseph Fell & Co.'s *Investor's Guide*, London, February 1872.

Back cover shows books in the Library of Mistakes.