

6th February 2009

Books to Read!

In Difficult Times!

Last week's blog contained a few clichés, which I think is quite normal in times of boom and bust where, quite simply, 'the same old thing' happens again.

There is much written about recession, depression, etc, all of it much too gloomy being focused on the downside. The writing comes in the press, on the bookshelves and on the internet (and that's the key element at the moment, we have had a major economic recession before when the majority of the UK population had access to the internet.

The problem with the internet and the popular media that use it, is that bad news and analysis spread like wildfire and, as my father used to say, 'make a mountain out of a molehill'.

So instead for this week's blog can I heartily recommend a three good reads which examine the boom and bust cycle (but looking at both sides, they are far more than just doom and gloom).

1. Mr Micawber - Charles Dickens.

An amazing lesson in how to make a life out of the principle - 'that something will turn up'

2. Extraordinary Popular Delusions and the Madness of Crowds - Charles Mackay

Written over 200 years ago but it's entertaining and shows how our herd instincts cause us untold mischief and lead to boom and bust cycles.

3. Crashes - Robert Beckman

This edition published in 1988 I acquired whilst at Manchester University and needed to study market crashes. It covers property and stock market bubbles particularly well. Take the dates away from the text and you would think Beckman had written the book this year not twenty years ago (crashes carry similar underlying themes time after time).

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