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News Release

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Books on wealth creation tap into our aspirations, study shows

Books that offer financial advice have enduring appeal because they speak to readers' emotions in a way that get-rich-quick schemes cannot, research suggests.

The researchers found that while there is little evidence that systems for beating the stock market really work, guidebooks offering such advice have been popular for centuries.

A survey of key texts – dating back to the mid-1700s – reveals the books have been successful because they help readers to feel in control of their lives, the study found.

Researchers found that regardless of the period, content tended to appeal to readers' entrepreneurial fantasies, and help them imagine a different life for themselves.

Financial advice books and guides since the 18th century have amassed a huge readership.

Researchers from the Universities of Southampton, Edinburgh, Manchester and Lancaster pored over 1000 titles to chart the history of personal finance literature, as it has developed in Britain and the US.

They examined literature published over three centuries to assess the language used and what kind of reading experience they give.

The titles included the forerunner of modern-day advice manuals, *Every Man His Own Broker* by Thomas Mortimer, published in the 1760s.

Titles surveyed included books published during the US boom of the 1920s, the volatile 1980s and the ill-fated dot-com bubble of the late 1990s.

The study team will showcase their findings at a public event at the University of Edinburgh.

The researchers say the project will improve understanding of the historical and present-day functions of financial advice on wealth creation, which could help people become more discerning investors.

Dr Paul Crosthwaite, of the University of Edinburgh's School of Literatures, Languages and Cultures, said: "Books purporting to make their readers wealthy – often through investments

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in stocks or other financial assets – are perennially popular, but the history of this genre is only now being uncovered.”

Lead researcher Professor Nicky Marsh of the University of Southampton, said: “Financial advice is an aspect of economic culture that needs to be more systematically researched and better understood, and the History of Financial Advice project helps meet this demand. We’re discovering that this writing actively shaped people’s lives according to the language of the market and that this was often far from objective.”

The showcase event is supported by the Library of Mistakes in Edinburgh – operated by Didasko the financial education charity – which has published a guide to many of the most influential works of financial advice.

The guide helps readers to explore a new collection of financial advice literature at the Library. Members of the public can apply to join the Library and access is free.

The research is part of the three-year Arts and Humanities Research Council-funded project, The History of Financial Advice.

The project team has worked with representatives of the financial services industry, as well as financial educators and charities, to share ideas in workshops, provide training sessions and work on the development of initiatives in financial literacy.

For further information on the event and project go to: <https://www.ed.ac.uk/literatures-languages-cultures/events/lessons-from-three-centuries-of-financial-advice>

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