

The other day I noticed a way that any one of us could easily become rich quite quickly... that is, if we believe the advertisements. If you will pick up almost any financial magazine, you will find a number of ads which will tell you that for merely \$200 or \$300 a year you can get a service which will tell you which stocks to buy and which stocks to sell, and if you buy and sell as recommended you are supposed to soon become very rich. One wonders why the man spends his time telling other people what to do to become rich, why he doesn't do it himself. But these ads sound very alluring when they say, "If you had bought a certain stock when we recommended at 34 and sold it when we recommended at 110, you would have tripled or quadrupled your capital. And if you had sold such and such a stock at 80 as we recommended you would not now be holding it at 20." They sound very alluring, the ads. But I read about a group that decided to investigate these ads; this was about 20 years ago they decided to make an investigation. And so they got, not merely a few of the recommendations made by one of these services, but they got all of them over a period. Over a period of five years they got all of the recommendations that had been made by about ten of these different services, and they said, "Now let us suppose that we start in with \$10,000, and whenever they said to buy we bought, and whenever they said to sell we sold, and we took a certain number of shares that we would buy and sell each time, following not only the recommendations that they said five years later would have made us rich, but every recommendation they made. They took one of these systems and went right straight through, saying when they said to buy, they'd buy, then they watched the course of prices, and when they said to sell, they sold, and so on. They found that within a few years instead of having multiplied their \$10,000 to a million, they would have lost every cent of it. They took up a second service and took their recommendations and they found that this one was better. Instead of losing all their money in four years it would have taken six to lose all their money. They found that every one of these services, if they had followed all of its recommendations, they would have lost every cent they had.

Then, just for the interest of it they took some dice, and they said, "Now let us pick the name of a stock at random, and let us say that on a certain day we make up a service following these dice and we make a recommendation to buy or sell according to whether the dice come odd or even." So they flipped and they said, "We recommend to buy on this day." Then on another day they said, "What shall we do, buy or sell?" and they flipped the dice again. They made up a new system simply by flipping dice that way, and they found that that way they'd also lose all their money, but it would have taken two years longer to lose it than through the earlier system, and it would have saved the cost of the service.

I don't think many of you remember, as I do, the days of 1929, 30, 31, when we had the great stock market crash of '29, when things began economically to get worse and worse in this country until they hit bottom along in '32. But I remember very vividly how there was not a month that went by during that period that you did not read in the papers that some prominent banker or leading captain of industry declared that as a result of his careful study of all the factors involved, he saw that now we had hit bottom and were just about to start up, and every month somebody made such a recommendation for about three years until finally we did hit the bottom. It is very hard to recommend the future in economic matters.

Now when you come to scientific matters, we have weather stations all over the country. We have weather stations observing the movements of clouds and the changes of weather, and we can read in our papers what their recommendations are or we can hear them on the TV. I like to get my rest by going for a day's walk. A few years ago I used therefore to follow these forecasts of the future very closely in order to decide what day to go. I remember a time about 30 years ago when I had four days with no classes to teach. I had four days that were free, and I had three days of hard study that I wanted to get done. But I could do it any three of the four days, it didn't matter which. I wanted to take one of the days