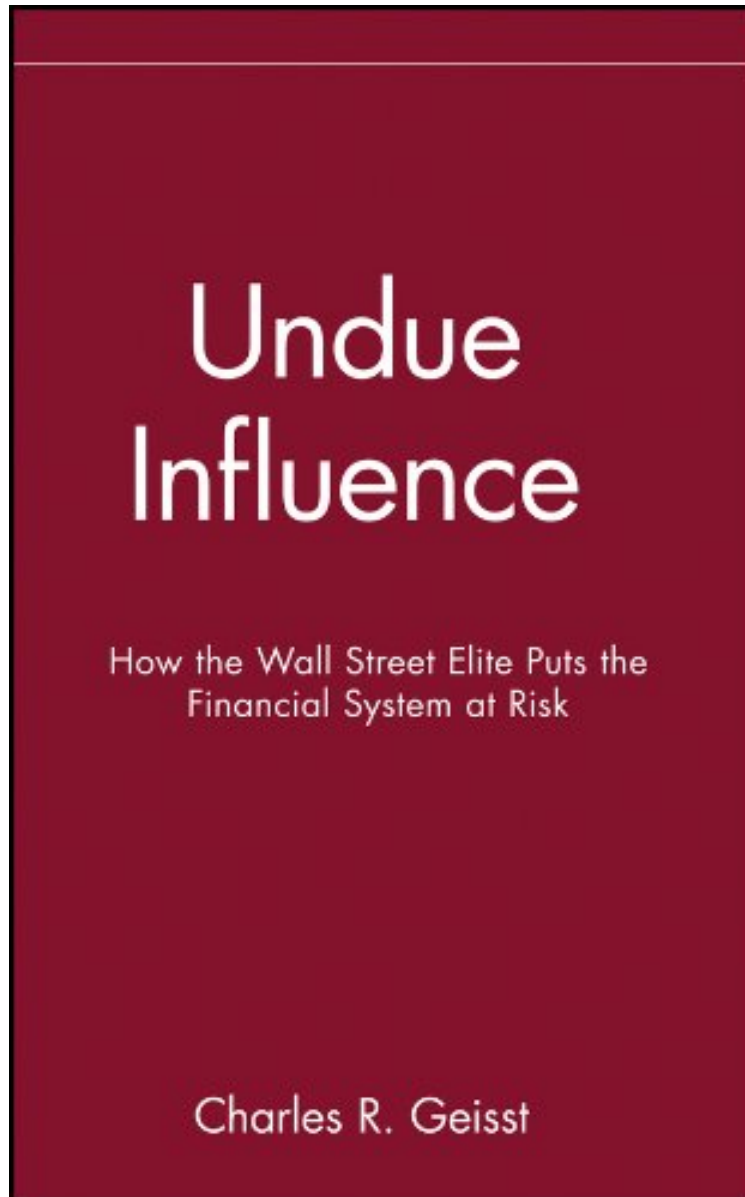


[Get free] Undue Influence: How the Wall Street Elite Puts the Financial System at Risk

# Undue Influence: How the Wall Street Elite Puts the Financial System at Risk

*Charles R. Geisst*

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**Charles R. Geisst : Undue Influence: How the Wall Street Elite Puts the Financial System at Risk** before purchasing it in order to gage whether or not it would be worth my time, and all praised Undue Influence: How the Wall Street Elite Puts the Financial System at Risk:

6 of 10 people found the following review helpful. SketchyBy Steve StanleyUndue Influence would seem to have a

couple things going for it: the book jacket claims that Charles Geisst is a best selling author of fifteen books. It covers an important and timely topic: the history of securities regulation, from the Crash of the 20s to the dot-bomb implosion of 2000. But it appears to have been rushed to print. There are parts of the book that are clear and informative, but there's also a lot of bloated and murky prose that should have been edited out. The Introduction illustrates the faults of the whole book: the first sentence is strong and vivid, but in the following paragraphs, the writing breaks into clichés, mixed metaphors (a cornerstone of the safety net?), vague generalizations, and outright typos and grammatical mistakes. The index is likewise sketchy. The term 'bucket shop' appears early, without explanation. The index lists only one occurrence, on page 155, well after the term first appears, and the term is not defined there, either. I looked for the Acknowledgements to learn who edited this (or failed to), but there are no Acknowledgements - maybe no one wants to be associated with this rush job. If you aren't already familiar with the history of securities regulation, look elsewhere for a good book on this topic.

5 of 8 people found the following review helpful. Great background for regulation/deregulation. By William K. Professor Geisst has done a great job of making all of the confusion about the regulation and deregulation of Wall Street and the banks clearer. His account of the trend toward freeing the banks from the 1930's laws is very valuable because it shows the behind the scenes working of the different interested parties. The whole debate is part of the larger movement toward reinterpreting the past in a more conservative fashion and I found the book interesting for that reason alone. Reading this, I get the impression that conservatives reacted toward deregulation in the 1980s as strongly as the radicals did for regulation in the 1930s but the major difference was that the old regulations at least responded to a crisis, trying to fix it. The same cannot be said of the free market movement of the recent period. I found this book very valuable.

A critical look at over 80 years of conflict, collusion, and corruption between financiers and politicians. *Undue Influence* paints a vivid portrait of the dealings between "the few", in this case members of Congress, the banking community, and the Fed, and sheds light on how radical new deregulatory measures could be introduced by unelected officials and then foisted upon Congress in the name of progress. In the process, the background of the new financial elite is examined because they are markedly different than their predecessors of the 1920s and 1930s. *Undue Influence* also brings readers up to speed on other important issues, including how the financial elite has been able to perpetuate itself, how the markets lend themselves to these special interest groups, and how it is possible that after 80 years of financial regulation and regulatory bodies the same problems of financial malfeasance and fraud still plague the markets. Charles R. Geisst (Oradell, NJ) is the author of 15 books, including *Wheels of Fortune* (0-471-47973-X), *Deals of the Century* (0-471-26397-4) and the bestsellers *Wall Street: A History* and *100 Years of Wall Street*. Geisst has taught both political science and finance, worked in banking and finance on Wall Street and in London, as well as consulted. His articles have been published in the *International Herald Tribune*, *Neue Zürcher Zeitung*, *Newsday*, *Wall Street Journal*, and *Euromoney*.

From *Publishers Weekly*: The Glass-Steagall Act, separating commercial banks from investment banks, was passed in 1933 to prevent banks from risking depositors' funds on the still-shaky stock market. It was repealed in 1999, when gambling other people's money on the stock market was considered the height of financial probity. In this engaging history of Glass-Steagall, Geisst (*Wall Street: A History*) surveys the 70 years leading to this ideological sea change, as the widespread Depression-era populist suspicion of Wall Street subsided, to be replaced with the pro-business dogma of the Reagan era and the New Economy bubble. Formal repeal, Geisst shows, was preceded by decades during which big commercial banks, hungry for a slice of the lucrative investment banking business, increasingly flouted Glass-Steagall restrictions with the connivance of ideologically sympathetic Federal Reserve regulators. The vast sums banks have spent on lobbying and campaign contributions, and the cushy Wall Street jobs awaiting government officials who switch sides, make Geisst wonder whether "the gamekeepers and the poachers had all joined the same club." Geisst provides a lucid guide to the financial issues involved and a colorful account of decades-long political debates and legislative wranglings, while raising troubling questions about the direction of public policy. Copyright copy; Reed Business Information, a division of Reed Elsevier Inc. All rights reserved. "hellip; incisive explanation of various conspiracy theories" (*Gulf Business*, May 2005) The Glass-Steagall Act, separating commercial banks from investment banks, was passed in 1933 to prevent banks from risking depositors' funds on the still-shaky stock market. It was repealed in 1999, when gambling other people's money on the stock market was considered the height of financial probity. In this engaging history of Glass-Steagall, Geisst (*Wall Street: A History*) surveys the 70 years leading to this ideological sea change, as the widespread Depression-era populist suspicion of Wall Street subsided, to be replaced with the pro-business dogma of the Reagan era and the New Economy bubble. Formal repeal, Geisst shows, was preceded by decades during which big commercial banks, hungry for a slice of the lucrative investment banking business, increasingly flouted Glass-Steagall restrictions with the connivance of ideologically sympathetic Federal Reserve regulators. The vast sums banks have spent on lobbying and campaign contributions, and the cushy Wall Street jobs awaiting government officials who switch sides, make Geisst wonder whether "the gamekeepers and the poachers had all joined the same club." Geisst provides a lucid guide to the financial issues

involved and a colorful account of decades-long political debates and legislative wranglings, while raising troubling questions about the direction of public policy. (Dec.) (Publishers Weekly, November 15, 2004)From the Inside FlapThe financial system of the United States is far from perfect, and over the years, politicians and financial professionals have engaged in fierce debates as to how the system should be run and regulated—if at all. *Undue Influence* paints a vivid portrait of this longstanding battle by taking an in-depth look at the individuals and events that have shaped our financial system—for better or for worse—over the last eighty-five years. Beginning with the rise of the Wall Street elite in the early twentieth century, business historian and bestselling author Charles Geisst takes you on a fascinating journey that mixes money, power, and politics like never before. Decade by decade, you'll be introduced to the financial institutions and individuals who've fought for an environment that suits their specific needs. You'll also become familiar with the political institutions and individuals who've attempted to balance the financial safety of trusting Americans with the ambitions of the financial elite. You'll be there to watch how laws passed in the early part of the twentieth century—the Glass-Steagall Act and the Securities Act of 1933—created a safety net to protect America's financial system against undue influence by Wall Street and its constituents. You'll also learn how advances in financial innovation, along with the determination of some to ignore the law, created a situation where existing regulations proved too general in the face of an onslaught of new financial products. Spanning the decades, Geisst skillfully reveals how during the bull market of the 1920s, investment banks such as J.P. Morgan offered new issues of stock to preferred customers and friends at a favorable price, and how during the bull run of the late 1990s, financial institutions such as Citicorp took advantage of loopholes in certain laws to expand their operations beyond the existing legal limits. With a historical perspective that only Geisst could provide, *Undue Influence* moves swiftly through the world of finance and investment—from the New Deal to the New Economy—to recount the power plays and political pressures that have shaped our financial world. Filled with in-depth insights and practical lessons, *Undue Influence* explains why, in the brave new world of financial services, the risks may be greater than ever before.