

Our hope is that encapsulating and consolidating the wisdom of many seasoned investors and fine thinkers into one place can help continue the conversations that take place in the Darden classroom, at Mayo Center functions and seminars, and touch on the exchanges that run through the journals of academia and inside investment committee meetings around the world. In an attempt to present the themes on investors' minds, we wanted to initiate the Mayo Center reading list.

Firm in the belief that, as Benjamin Graham said, "Investing is most intelligent when it is most business-like," and the thematically similar words of Graham's protégé Warren Buffet who said that "Being a CEO has made me a better investor and vice versa," the themes summarized below tie together the schools of psychology, liberal arts, general management and investing in a way that emphasizes the relevance of the Mayo Center, Darden, business school and education.

"I sound like a psychologist."

-Portfolio Manager, Guest Faculty Member during the Master Seminar in Investment Analysis

In first launching a reading seminar on the investing classics, the discussion delved, most every class, into the psychological processes that govern human brains and how intuition can trick people....*even when they are acutely aware* of the likely bias working against them. Books like ***Thinking Fast and Slow* by Daniel Kahneman, *David and Goliath* by Malcolm Gladwell** come up often in conversations about 'what investors are reading.' One of the most prominent investors in the country recommended a Michael Mauboussin book entitled ***The Success Equation: Untangling Skill and Luck in Business, Sports and Investing*** and then lauded a more analytical book, ***Superforecasting* by Daniel Gardner and Philip Tetlock**. Other books in the 'psychology' bucket of recommended reading include books like ***Influence: The Psychology of Persuasion* by Robert Cialdini** and ***Investment Psychology Explained: Classic Strategies to Beat the Market* by Martin Pring**.

In addition to psychology, a major theme emerged in class around the importance of *process*; CIO's, portfolio managers, manager selection teams – they all emphasize the importance of a solid, rational process. The logic undergirding the focus on process represents an attempt to provide a structure that guards against human psychology and all its inherent biases against the long-term, unavoidable heuristics and subconscious manipulations.

***The Checklist Manifesto* by Atul Gawande** presents a forceful argument about the importance of checklists (both in aviation and with transformative effects in healthcare), and the idea manifests itself in a relatively recent favorite book about CEOs who are effective capital allocators, effectively circling back to the Graham-Buffet idea that good CEOs are good investors. The book is entitled ***The Outsiders* by William Thorndike**.

We expand on broad themes with the inception of a 'recommended reading' list culled from the lists of numerous investors and readers – in no particular order. We hope you enjoy.

Books read in Mayo Center courses:

1. [*Reminiscences of A Stock Operator* by Edwin Lefevre](#)
2. [*When Genius Failed* by Roger Lowenstein](#)
3. [*Flash Boys* by Michael Lewis](#)

4. [*Latticework: The New Investing* by Robert Hagstrom](#)
5. [*Red Notice* by Bill Browder](#)
6. [*The Most Important Thing* by Howard Marks](#)
7. [*Value Investing: From Graham to Buffett and Beyond* by Bruce Greenwald*](#)
8. [*The Ascent of Money: A Financial History of the World* by Niall Ferguson*](#)
9. [*The Essays of Warren Buffett: Lessons for Corporate America* by Warren Buffett and Lawrence Cunningham*](#)
10. [*Against the Gods* by Peter Bernstein*](#)
11. [*A Demon of Our Own Design* by Richard Bookstaber*](#)
12. [*The Quants: How a New Breed of Math Whizzes Conquered Wall Street and Nearly Destroyed It* by Scott Patterson*](#)

* New to this year's list

Other Books Recommended:

13. [*The Money Masters* by John Train](#)
14. [*Poor Charlie's Almanac: The Wit and Wisdom of Charles T. Munger* by Charles Munger and Peter Kaufman](#)
15. [*The Intelligent Investor* by Benjamin Graham, Jason Zweig, and Warren Buffett](#)
16. [*Common Stocks And Uncommon Profits* by Philip Fisher](#)
17. [*Stocks for the Long Run* by Jeremy Siegel](#)
18. [*Quality of Earnings* by Thornton O'Glove](#)
19. [*The Theory of Investment Value* by John Burr Williams](#)
20. [*Berkshire Hathaway Shareholder Letters* by Warren Buffett](#)
21. [*The Snowball: Warren Buffett and the Business of Life* by Alice Schroeder](#)
22. [*Margin of Safety* by Seth Klarman](#)
23. [*Extraordinary Popular Delusions and the Madness of Crowds* by Charles Mackay](#)
24. [*Devil Take the Hindmost* by Edward Chancellor](#)
25. [*Only The Paranoid Survive: How to Exploit the Crisis Points That Challenge Every Company* by Andrew Grove](#)
26. [*Winning the Losers Game* by Charlie Ellis](#)
27. [*Common Sense on Mutual Funds* by John Bogle](#)
28. [*Creating Shareholder Value* by Alfred Rappaport](#)
29. [*Competitive Strategy: Techniques for Analyzing Industries and Competitors* by Michael Porter](#)
30. [*One Up On Wall Street: How to Use What You Already Know To Make Money In The Market* by Peter Lynch](#)
31. [*Competition Demystified: A Radically Simplified Approach to Business Strategy* by Bruce Greenwald](#)
32. [*Talent is Overrated: What Really Separates World-Class Performers from Everybody Else* by Geoff Colvin](#)



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33. *The Art of Learning: An Inner Journey to Optimal Performance* by Josh Waitzkin
34. *Pioneering Portfolio Management: An Unconventional Approach to Institutional Investment* by David Swensen
35. *Market Wizards* by Jack Schwager