

PSYCHOLOGY OF INVESTMENT

Poetry and Its Relation to the Rush to Put Dollars Into Strange Hands

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[The following dissertation in psychology, showing the bearing of mental conditions upon investment actions, is specially contributed to *The Monetary Times* and may be useful to those who are contemplating the Calgary oil flutter. It gives some reasons why poetic immanence does not make for investment safety and discusses the fetish of make-believe.]

When David said that all men were liars he revealed himself as an artist in humanity, and he should have allowed the judgment to stand in all its nakedness for the children of men to read. But being a creature of impulse he retracted and accused himself of haste which showed a defect in his art. If ever there were a poet, David was he; proved in the merit of his singing and the riot of his life. Without a poet's mind he could never have pursued Bathsheba (having a seraglio of wives), nor have had the passion to murder Uriah. A whimsical despot, he was not above vulgar intrigue, and although it was by an unfortunate incident that he became enamoured of her, he was verily in love, and *ipso facto*, a poet. He called men liars from true poetic divination, which is another name for introspection. He knew men because he knew himself—as far as himself was knowable—and had he pondered more he would, doubtless, have been in no hurry to charge himself with haste on the historic occasion in question.

Lying and Poetry.

In a sense, all men *are* liars, or, to employ a euphemism, poetic licensees. And a liar is essentially a poet, the difference between lying and poetry being merely one of degree. But, it must be understood that all poets are not liars in the meaning of wickedness, although falsehood may burden the privy conscience of an occasional individual. I dare say many of my readers lack the lyric gift, but if they go into the May woods, among the wild hyacinths that shine like colored wax, and the livid sprays of green on the black branches, feeling the spirit of such beauty, they are poets, just as much as are they who warm to the sweetness of a child's face or are flooded with emotion at a sonata or sunset.

Who has never built a castle in the air and ravelled his hours in a stupor, dreaming blisses the sweeter for their vanity? We all stand impeached, for surely all of us, at some instant, have thus evaded cold facts and felt the spirit of poetry, even if, deserving well of our friends, we have not put it forth in verse. The greedy miser, whom we scorn so heartily, is pre-eminently a poet: he revels not so much in the substance of his hoard as in the power and beauty it represents, power and beauty that would do him good service would he more of a materialist and less of a poet.

Also the Promoter.

From the countryman who starts at a shadow in the hedgerows to the promoter who sees gold in iron pyrites, men are born poets. The first is innocuous, and no matter how keen his imagination may be, there is small mischief in his story if his friends share his superstitions. His ghost may have been the arm of a willow waving in the wind, but admitting that, he is still justified in his fright, because he has been brought up on eerie things. Moreover, his devil or hobgoblin, however he describes it, does good rather than harm in making him and his companions more careful livers for the future. But the promoter, being much more subtle, with wider knowledge and a nimbler head, promptly turns the pyrites into potential cash.

Introspection opens the minds of his fellows. He knows their cupidity, or rather, poetic optimism, and begins to work at once with his stock in trade, humbug. He sees them looking around curiously on the world of finance with wide, wondering, child-like eyes, so he gives them a metaphorical box of paints, the tint yellow, and encourages them to make great saffron daubs.

He tells them that it is gold, and they believe him, while he waxes so enthusiastic in the telling that, after a time, he comes to believe it himself. Enthusiasm irradiates from him

as heat from a stove, and so insidiously warms up those about him that they beam with the same poetic fire, and cherish happy visions of success against the day the subscription lists open, when the shekels pour in and they may pocket their various commissions.

Twist for Figures.

Often he is as childlike as his victims, maybe a little older in the ways of the world, with perhaps a sophisticated twist for figures. He need not be deliberately wicked, but just an optimist with a shade too much of poetry in his make-up. Mr. H. G. Wells gives us an inimitable portrait of the genial, fundamentally simple, but none the less for that parasitic, promoter in the character of Ponderevo in Tono-Bungay. Safely insulated from the public and its money-grubbing activities in the quiet English country-town, dreaming his dreams and fretting away for many wistful moons in his little chemist's shop, nursing his one passionate, poetic idea of fortune, he is harmless and loveable; but once in contact with the outer world he floats his idea and gets sordid.

The human optimist becomes the innocent octopus, and we imagine him, without so much as a fleck of evil in his heart, climbing his mountain of gold in loud check trousers and mopping his face at the top, quite oblivious of the harm he is doing and has done. He died breathing of innocence, even as Whitaker Wright declared his innocence just before his trial and tragic death; and there was a great deal of truth in what Wright said of himself and those gilded aristocrats who pretended to have been his dupes.

Many Kinds of Promoters.

I have met many kinds of promoters: Some rigorously honest, but all full of inspired hope and buoyant fancy. In itself this is brave, but it leads to overmuch indulgence in colorable imitation and counterfeit. There is, indeed, too high a percentage of counterfeit and palpable coloring in finance, and the danger to the investor, whether an expert or otherwise, lies in his measure of poetic immanence and his tendency to add his own hues to whatever is in the picture. Too often imagination is given full rein, and the idea of fortune, playing on the intelligence like summer lightning, in a sequence of startling flashes which give vivid impressions, leaves the pilgrim blind to grope along the devious, pit-set paths of finance as best he can. What wonder then that all stumble and so few find the way?

Many Things to Trust.

The possession of a poetic soul inclines us to accept a good many things on trust. Tender himself, the poet takes an altruistic view of all things. Nature, the hard, the blood-thirsty, the violent, is his tender mother; he tells the rose of her soft fragrance with a poisonous thorn deep in his thumb; he hails the bleak winds of March that bite him to the marrow as merely boisterous playfellows, harbingers of spring; and he beams on the gutter whelp who smiths a window under his very nose as an obedient boy who is doing as nature bids him in being a boy and breaking things, which is the privilege of healthy boyhood. This is, indeed, taking it kindly, like Saint Aloys, that Bishop of Blois of whom Ingoldsby sung, who was incapable of hurting anything that God made and suffered the vermin to swarm in the seams of his cassock.

In this age of rough competition and feverish commercial antagonism, when the spirit seems to be, Each for himself and the Devil for the Lot, altruism of this sort isn't much practised, excepting by people out of their spheres; people who, knowing nothing of the science of money or the art of its investment, swallow avidly all they are told by interested counsellors and rush to put their dollars into strange hands, the while living in ecstasies of poetic optimism until the tide ebbs and their dollars and dreams are borne away.

Optimism is a great gift, but it must not be licensed when making investments (not speculations, mark you), for investment deals only in figures and fact. The expert, of course, may please himself, but the occasion may arise when he will need to restrain his poetic immanence. Anyhow, now he knows what a gift he has, it is to his own behoof to learn to bridle it.

(To be concluded.)

The city of Kamloops, B.C., has opened a public market.