

Convenient price to avoid meltdown

From Mr Nicola Ricolfi.

Sir, Referring to the new bank capital requirements agreed in Basel, you report that “investors bid up bank shares on relief that the standards were not more rigorous” (September 14), highlighting an inverse relationship between fund managers’ confidence and capital structure discipline.

A copy of Benjamin Graham’s widely acclaimed *The Intelligent Investor* would prove a very convenient price to pay to avoid an otherwise looming repeat of the recent financial meltdown.

While the reading could prove a challenging one to most of them, it could leave these “investors” with less time to spend “pushing the best capitalised banks . . . to consider share buy-backs and higher dividends”, at least for a while, with positive consequences for society.

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