

The following books are either written by academics who study finance for a living or are about their work. All are worth reading.

***The Four Pillars of Investing*** and ***The Investors Manifesto*** are both excellent, very readable books. Author Bill Bernstein summarizes the major breakthroughs in investment theory and management and shows you how to incorporate these ideas into your own portfolio. The first few chapters of each are available free on his website [efficientfrontier.com](http://efficientfrontier.com).

***Winning the Loser's Game*** (Ellis) and ***A Random Walk Down Wall Street*** (Malkiel) were both written in the 1970's when the argument that trying to beat the market doesn't work was gaining momentum.

***Stocks for the Long Run*** (Siegel) is a history of stock market returns coupled with the argument that stocks are a better bet than bonds over long stretches.

***Irrational Exuberance*** by Nobel Prize winning economist Robert Shiller can be thought as a counterweight to the arguments put forth in *Stocks for the Long Run*. Written at the height of the dot com bubble, Shiller argued (correctly, as it turned out) that the market was being driven higher by viral stories and irrationality instead of real economic growth. His new book ***Narrative Economics*** also argues that widely disseminated public stories can impact economic outcomes and must be considered in economic forecasting.

***Capital Ideas*** (P. Bernstein) is a biography of the Nobel Prize winning economists and others that have greatly influenced or outright changed how we invest. This one might be boring unless you're really interested in the subject.