

Capital Group

Demographics & Culture

10 book ideas from Capital's investment team

Matt Miller

Political Economist

Alan Wilson

Equity Portfolio Manager

Cheryl Frank

Equity Portfolio Manager

January 11, 2023

Stephen King once said: "Books are a uniquely portable magic."

Many of our readers must agree because we've received numerous requests to publish a list of favorite books selected by Capital Group investment professionals during [our monthly webinars](#).

So, here you have it, 10 titles borrowed directly from the bookshelves of our portfolio managers, analysts and economists:

1. *Chip War*

Political economist Matt Miller calls *Chip War: The Fight for the World's Most Critical Technology*, "A fascinating read that delves deep into the history of the computer chip, while also providing a sober view into the geopolitical struggle to control the strategically vital semiconductor industry. It's a very timely book, particularly with all the concerns around China and Taiwan, and the way the U.S. is trying to bring semiconductor manufacturing back home."

Not coincidentally, *Chip War* author Chris Miller (no relation to Matt) was recently featured on the Capital Ideas podcast. You can find the episode [here](#).

Capital Ideas™ webinars

[WATCH](#)

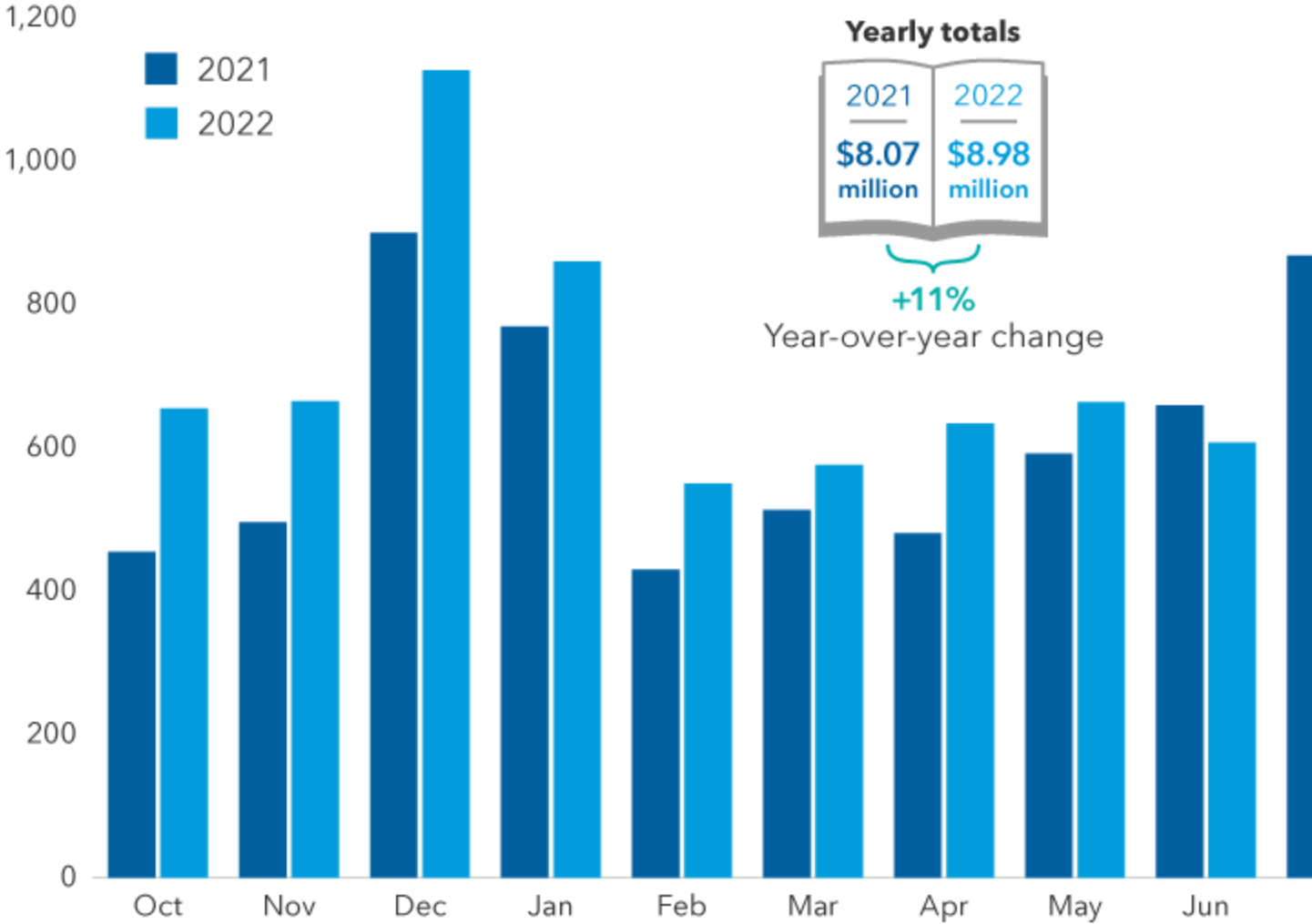
2. The Art of Learning

Even if you haven't read this book, you may be familiar with author Josh Waitzkin as the basis for the child chess prodigy in the movie *Searching for Bobby Fischer*. In *The Art of Learning: An Inner Journey to Optimal Performance*, Waitzkin shares with readers how he became one of the top chess players in the world as well as a martial arts champion — succeeding at two seemingly opposite endeavors.

Portfolio manager Alan Wilson says this is one of the few books that he enjoys re-reading. “It turns out, the author is really good at learning,” Wilson explains. “The way he atomizes learning, breaking things down into constituent parts, is something I want to regularly remind myself and others to do. If you ever get a gift from me, it will be this book.”

Literary love: Book sales are on the rise

Monthly retail sales of U.S. bookstores (USD, millions)



Sources: Capital Group, U.S. Census Bureau Monthly Retail Trade Survey. The figures above reflect total retail sales for U.S. bookstores on a trailing 12-month basis. The periods on the x-axis refer to October 2020 to September 2021, and October 2021 to September 2022. Latest available data as of September 2022.

3. *Thinking in Bets*

Portfolio manager Cheryl Frank enjoyed *Thinking in Bets* by Annie Duke. The book is subtitled *Making Smarter Decisions When You Don't Have All the Facts*. If that sounds a lot like investing, that's because it is. The author focuses on getting comfortable with uncertainty and making decisions with the highest odds of success.

“Annie Duke was a poker champion, but she gives a lot of great advice about scenario analysis and understanding the difference between outcomes and decisions,” Frank says. “For all of us in the investment industry, I think there are huge lessons in her way of thinking.”

An avid reader, Frank also lauded *Ready Player One* — a science fiction novel by Ernest Cline that does a remarkable job of describing what the [metaverse](#) might look like sometime in the future.

4. *Red Notice*

Portfolio manager Jody Jonsson was talking to colleagues about *Red Notice* long before Russia invaded Ukraine in February 2022. She attended Stanford business school at the same time as the author, Bill Browder, so she’s been following his career for years.

Red Notice is a true story about Browder’s experience investing in Russia and a subsequent deadly conflict with Russian President Vladimir Putin. When one of Browder’s colleagues was arrested and tortured to death, he embarked on a crusade to expose the crimes and corruption of Putin’s regime.

The book has gained renewed attention since the outbreak of the war, given the insight it provides into Russia’s political, financial and cultural environment.

“It’s interesting from both a business perspective and a geopolitical perspective,” Jonsson explains. “And it’s very timely given what’s going on in the world right now.”

5. *How the World Really Works*

Portfolio manager Paul Benjamin closely follows the energy sector, so it may not be surprising to hear that his book choice is *How the World Really Works* by Vaclav Smil. The author and

scientist has written dozens of books about energy and climate change, often sparking controversy with his views on fossil fuels and the limits of alternative energy sources.

“He’s basically trying to explain to everyone, ‘You’ve got to understand how things really work and the pace at which it is realistic to change the world,’” Benjamin says. In one example, Smil famously explains how each greenhouse grown tomato requires the equivalent of five tablespoons of diesel fuel to facilitate its production and delivery to market.

“The book is incredibly detailed and scientific, and it dispels a lot of myths,” Benjamin says. “As a general rule, I would say it makes one think that fossil fuels will have to be a required part of the energy mix for a long time, regardless of how much you might prefer to get rid of them.”

6. 21st Century Monetary Policy

Tongue in cheek, bond manager Pramod Atluri says, “I’m reading a real thriller. It’s a page turner. It’ll make you laugh, and it’ll make you cry. It’s called, *21st Century Monetary Policy* by Ben Bernanke.”

Bernanke, former chairman of the Federal Reserve, penned this scholarly tome about the evolution of the Fed over the past 70 years, including a detailed assessment of the central bank’s unprecedented monetary stimulus measures launched during the COVID-19 pandemic.

“For anyone who’s been active in the markets, this might give you PTSD,” Atluri warns. “But I think it’s important to look back on some of the crises that we’ve been through and how the Fed has navigated them. Looking ahead, Bernanke also writes about how the world has changed and how the Fed might have to change with it.”

7. Make Your Bed

Portfolio manager Caroline Randall selected *Make Your Bed: Little Things That Can Change Your Life ... And Maybe the World* by retired Navy Admiral William McRaven. The book, inspired by his 2014 commencement address at the University of Texas, outlines 10 principles he learned during Navy SEAL training. The title comes from his most famous line, “If you want to change the world, start by making your bed” — a small accomplishment that can help set the stage for more challenging achievements.

“I think his message is particularly relevant when it comes to navigating difficult financial markets,” Randall notes. “He explains that you must be your very best in the darkest moments, and that’s certainly true in our business as well.”

8. *The Premonition*

Author Michael Lewis is a popular choice among investment professionals, given his focus on the financial industry in *The Big Short* and *Liar’s Poker*, which was inspired by his experiences as a bond trader at Salomon Brothers in the 1980s.

In addition to those titles, portfolio manager Jason Smith enjoyed Lewis’ latest book, *The Premonition*, an unflinchingly critical look at the U.S. response to the COVID-19 pandemic.

“I like anything by Michael Lewis,” Smith says. “If I need to get a suntan or just relax on the beach, I’ll usually pick up one of his books.”

9. *The Anomaly*

Looking for a bit of escapism after a brutal year in the financial markets? Part crime thriller, part sci-fi fantasy, *The Anomaly* tells the tale of a group of passengers on a mysterious flight from Paris to New York, exploring what their lives might have been if they had made different choices. Is it fate or free will that has led them to this pivotal point in time?

Often compared to TV classics such as *The Twilight Zone* and *Black Mirror*, *The Anomaly* by Hervé Le Tellier “provides a wonderful departure from reality,” says economist Jared Franz.

“I can’t take credit for finding it,” he admits. “Our macro research group has a book club, and it was given to me by a colleague. But I can say it’s a fantastic read, and a welcome respite from turbulent markets.”

10. *Winterdance*

To wrap it up, economist and dog lover Darrell Spence selected *Winterdance: The Fine Madness of Running the Iditarod* by Gary Paulsen. This outdoor adventure tells the true story of Paulsen’s 17-day run with his sled dogs in the legendary 1,000-mile race across the Alaskan wilderness.

“I read for pure enjoyment, so it tends to be books that have absolutely nothing to do with economics or investing,” Spence explains. “I figure we get enough of that each day working here. *Winterdance* is one of my favorite books because I love dogs, and it also really makes you wonder why anyone in their right mind would run that race. It’s a fascinating read. And, best of all, it’s not related to investing.”

Matt Miller is a political economist at Capital Group. He has 37 years of industry experience and has been with Capital for eight years (as of 12/31/2022). He holds a law degree from Columbia Law School and a bachelor's from Brown University.

Alan J. Wilson is a portfolio manager with 38 years of investment experience, 32 of them at Capital (as of 12/32/2022). He holds an MBA from Harvard Business School and a bachelor’s degree in civil engineering from Massachusetts Institute of Technology.

Cheryl Frank is an equity portfolio manager with 24 years of investment experience, 21 of them at Capital (as of 12/31/2022). She holds an MBA from Stanford and a bachelor’s degree from Harvard.