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LETTER TO THE EDITOR

"The Financial System Red in Tooth and Claw: 75 Years of Co-Evolving Markets and Technology": A Correction

In Andrew Lo's article, "The Financial System Red in Tooth and Claw: 75 Years of Co-Evolving Markets and Technology" (2021), he thoughtfully identified and explored eight distinct financial eras during the first 75 years of CFA Institute's *Financial Analysts Journal* (*FAJ*), with the objective of determining the most prolific contributors and the most significant ideas and innovations in each era. To do so, Lo ranked the most prolific authors and the most frequent words in *FAJ* titles in each era (see Lo 2021, Exhibit 2).

Lo's ambitious analysis was stymied on two fronts. First, he was unaware that the *FAJ* database on which he relied was missing a large number of contributions. The *FAJ* database that Lo used is a spreadsheet containing 4,748 contributions, spanning the period from the journal's inception in 1945 (volume 1, number 1) through the first quarter of 2021 (volume 77, number 1).[1]

Each contribution in the database appears as a separate record; if a piece is coauthored, all authors appear in the same row. Authors' names are as they appeared in print, meaning that variations in their names across their contributions are not reconciled. Authors who used pseudonyms are not identified. Contributions are not categorized by type except for reviews of articles and books, which are denoted with the parenthetical statement "(a review)." The database also contains contributions other than scholarly ones, including administrative messages from society presidents and reprints, which sometimes appeared earlier in the *FAJ*. Lo included in his rankings all these contributions, including educational ones. As a result, no distinction was made between contributions with greater or lesser potential to introduce new ideas and innovations.

Second, apart from the limitations of the *FAJ* database on which Lo relied, his analysis was compromised by several methodological shortcomings. Most importantly, he did not identify individual authors. Instead, he identified top contributors by surname only, and he combined multiple authors with the same surname for ranking purposes. Hence, the ranking methodology favored the most popular surnames of contributors in each era, not necessarily the most prolific authors.

This flawed approach had significant practical consequences. In the rankings for the Alpha Beta Era, for example, the surname Smith was credited with 11 contributions. However, these 11 contributions represented the work of seven different authors who happened to share the same surname—none of whom would have made the top rankings individually. Because first names were not considered, many contributors, especially those with common surnames, were not individually recognized.

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The top surnames in each era were ranked first by number of contributions, then alphabetically for surnames that were tied (though that methodology was not followed consistently). Lo's tables were cut off at 20 names for each era. As a result, the rankings excluded several authors who were tied with the same number of contributions but whose surnames happened to fall later in the alphabet.

Lo's methodology also did not account for the use of pseudonyms. This, too, had practical consequences. For instance, in the Classical Financial Era, the surname Graham ranked third with five contributions, as shown in Lo's Exhibit 2. "Cogitator" ranked 13th with three contributions. But "Cogitator" was the pseudonym used by the eminent Benjamin Graham; hence, Graham had eight contributions and should have ranked second.

Additionally, when ranking the most prolific authors in each era, Lo included all entries in the *FAJ* database, including reviews, which were unlikely to have provided innovations. Again, this had significant consequences. With reviews excluded, Graham ranks first in the Classical Financial Era as the most prolific contributor.

As a result of these methodological shortcomings, Lo was unable to accurately identify the top *FAJ* authors and top words in *FAJ* titles—both essential steps to identifying the seminal ideas and innovations introduced in the *FAJ* in each financial era.

We would like to recognize Lo for his graciousness in acknowledging the drawbacks of his methodology and for his suggestion that we verify the *FAJ* database by comparing it to a full set of *FAJ* volumes. Using the improved database and methodology, we achieve Lo's original, ambitious goals.

Database and Methodological Improvements

We created an expanded and corrected database for the first 75 years of the journal by manually cross-checking the 4,748 contributions in the *FAJ* database against our own full set of hard-copy *FAJ* issues; validating or correcting the contributions in the database; identifying and entering by publication year, volume, issue, and corresponding financial era the contributions that had been omitted from the *FAJ* database; and categorizing each contribution according to type—Articles, Editorials, Educational, Letters to the Editor, Technical Notes, Reprints, Reviews, Talks, and Other.[2] Contributions that we identified as administrative, including some that appeared as Editorials or Letters to the Editor, were omitted from our database, as were two duplicate entries from the original *FAJ* database. Our expanded and corrected database allowed us to identify 2,191 contributions for the first 75 years that were omitted from the original *FAJ* database on which Lo relied.

In five AELNT categories (Articles, Editorials, Letters, Technical Notes, and Talks) for the first 75 years, we found that the *FAJ* database had omitted 7 Articles, 213 Editorials, 381 Letters to the Editor, and 259 Talks (all Technical Notes were included).[3] The Educational contributions and Reviews were excluded from our overall rankings.[4] In these two categories, we found that the *FAJ* database had omitted 267 and 1,062 contributions, respectively. The category of Reprint was also excluded from the rankings; we found that the *FAJ* database had omitted 2 such contributions.

In addition to categorizing each contribution according to type, we corrected significant flaws in Lo's methodology by distinguishing among contributors with identical surnames, reconciling variations in authors' names across their contributions, identifying several persons behind pseudonyms, and accounting for ties.

Finally, we extended our database to 2024, marking the journal's 80th year. We recognized the beginning of a new era in 2020, which we have termed the "Digital Transformation Era," and conducted an analysis for each of the nine financial eras (Jacobs and Levy 2025). Our analysis here spans the original eight eras identified by Lo.

Top Authors, Frequent Words, and Important Ideas

For the AELNT contributor rankings for the eight eras, replacing surnames that no longer made the top 20 lists with individual contributors who did resulted in the addition of 30 names. Recognizing ties added another 89 names. As a result, 119 names were added across the eight eras, representing 109 unique authors (some authors appear in more than one era).

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Notably, the revised AELNT and Articles rankings now include several distinguished contributors previously omitted from certain eras, including Nobel laureate Franco Modigliani in the Derivatives Era, Nobel laureate William F. Sharpe in the Automation Era, and Vanguard founder John C. Bogle in the Algorithmic Trading Era.

We also used our augmented database and refined methodology to determine and rank the word counts in *FAJ* titles in each financial era. Our rankings for the AELNT categories drop 16 words from Lo's rankings across the eight eras and add 23 words, including 7 due to our recognition of ties.

Recognizing contributions by type made some important differences in our word counts. The word "forum" appears in Lo's Exhibit 2 in the Classical Financial Era, but that word comes from the titles of remarks given at various industry forums, such as the automotive forum, so the word itself doesn't have substantive meaning. Also, for the Financial Globalization Era, Exhibit 2 ranked "know" 15th, "need" 17th, and "practitioner" 19th, but these words stemmed predominantly from the educational series "What Practitioners Need to Know." We excluded the educational category from our rankings, as it is less likely to contribute to innovations.

The improved database and methodology yield meaningful differences between our author and word rankings and those reflected in Lo's Exhibit 2. We also analyze the topics associated with the most frequent words within and across the eras and provide in Jacobs and Levy (2025) a discussion of the evolution of ideas and innovations introduced in the *FAJ* over the first 80 years.

We commend Lo for initiating the analysis to recognize those who have contributed to the success of the *FAJ* and, by extension, the profession. Our reassessment of Lo's work ensures the accuracy of the scholarly record by giving due credit to the most prolific authors who filled the pages of the *Financial Analysts Journal* with interesting and insightful content and helped to make the journal what it is today.

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Notes

1. Lo's analysis extended from 1945 to the first quarter of 2021 for a period of 76 years plus one quarter.
2. For more details on these types, see Jacobs and Levy (2025).
3. For the motivation underlying the group AELNT, see Jacobs and Levy (2025).
4. Nonetheless, we report the top contributors in these categories in the endnotes in Jacobs and Levy (2025).

References

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