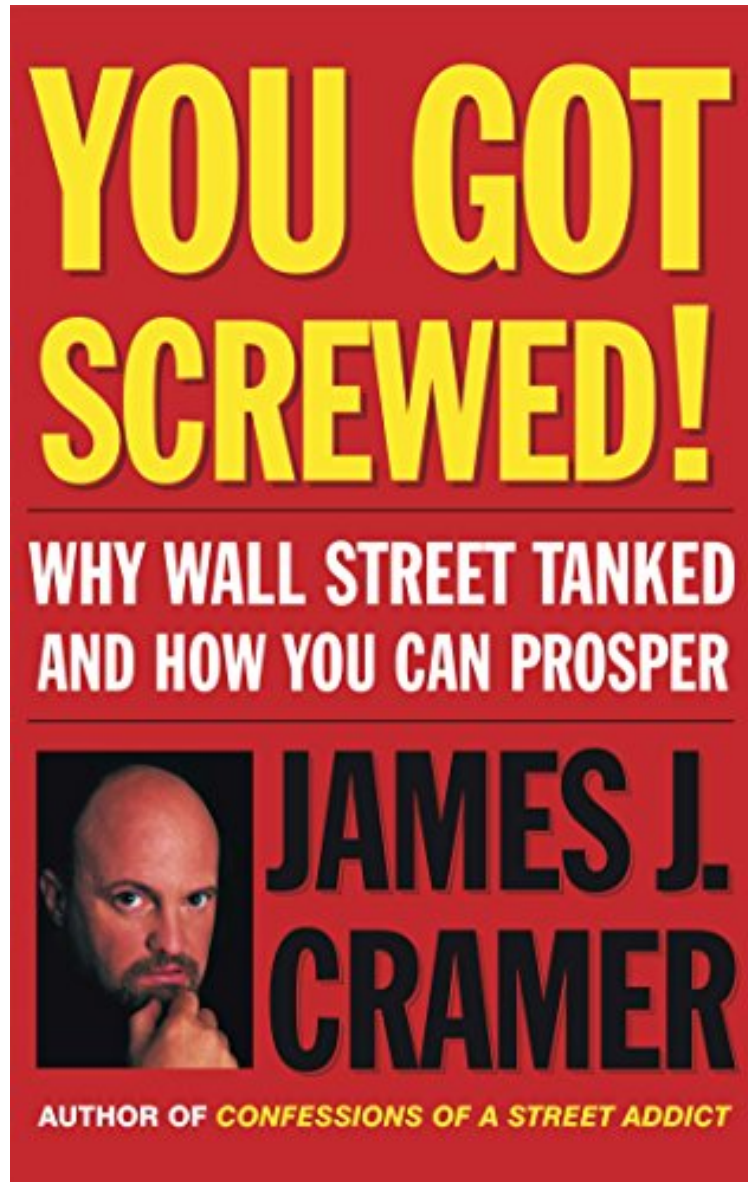


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You Got Screwed!: Why Wall Street Tanked and How You Can Prosper

James J. Cramer

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0 of 0 people found the following review helpful. Detailed History of the Worldcom and Enron Scandals of 2000By

JJohnsThis is a short, easy read in which Cramer describes in detail what happened in 2000, when the Worldcom and Enron companies were caught in scandals that sent the NASDAQ from a high of over 6,000 points down to under 2,000 in a two-year period. The book explains fully what the accountants and management in those companies did and how they got caught, and why so many people lost so much money from it while a few made millions. But that was 17 years ago and it is not why I bought the book. The book also provides some advice on how to look for companies that might be doing the same thing even today and explains how to protect yourself from scandals that might affect so much of the market. I was not disappointed with the information provided here, but I have already read Cramer's book 'Real Money' and it provides the same information and goes much deeper in explaining the principals.If you're looking for a history lesson on the companies that crushed the NASDAQ at the turn of the century, then this is a great book for you. If you want a good book on how to evaluate a company and make smart investment decisions, then I recommend you start with Cramer's 'Real Money' and follow that with another of his books, 'Get Rich Carefully.' I would consider this book a primer for those.0 of 0 people found the following review helpful. Four StarsBy david danelsonResearch for analyzing stocks. Helpful0 of 0 people found the following review helpful. LOVED ITBy Jeanie D. RoyLOVED EVERYTHING I BOUGHT...GREAT CHOICES....AND AM LOOKING FORWARD TO READING THE CIA THRILLER...HAVEN'T STARTED IT YET.THANKS FOR YOUR HELP. OLA

You've been screwed. You've been bludgeoned, skewered, crushed, mutilated by the stock market. Every day you read about another corporate scandal: loans to CEOs that didn't have to be repaid, accounting "irregularities," profits that never existed. You think the stock market must have been rigged. And you're right. You were betrayed by the stock promotion machine -- the mutual fund managers, the brokers, analysts, strategists, and stock gurus who brainwashed you into buying and holding and believing that stocks, like parents, always come through and bail you out in the end. So now what do you do? Where do you put your money? You can't just leave it in the bank or stuff it under the mattress. For fourteen years Jim Cramer ran a hedge fund that compounded money at a rate of 24 percent annually after fees, and then he got out at the end of 2000. He knows that there are ways to make money, smart ways that don't require you to own stocks blindly. There are other investments that won't send you to the poorhouse. This book will tell you what went wrong, who the bad guys were, and what you have to do to restore your financial health. You can't just close your eyes. Ignoring Wall Street isn't the answer. Cash alone isn't the answer. This book has the answers.

From Publishers WeeklyIf you invested money in the last five years, chances are you lost some of it. Or even all of it. Rounds of layoffs at ill-conceived dot-coms may no longer be making headlines, but the toppling of behemoths WorldCom and Enron have alerted investors to the pitfalls of unprincipled accounting. In this little book, the outspoken commentator and cofounder of TheStreet.com breaks down how such widely touted companies got away with blatant fraud and why investors got screwed in the process. Cramer (Confessions of a Street Addict) uses WorldCom's Hindenburg-like plummet to illustrate how unscrupulous analysts hyped stocks they knew were already overvalued in return for hefty compensation. He goes after Jack Grubman, former analyst for Salomon Smith Barney, who "was the chief proselytizer for unrelenting, ineluctable, telecommunications growth." Grubman's success as an industry cheerleader got the better of WorldCom after he hyped its competitors. Turning his gaze to Enron, Cramer dissects this infamous corporate disaster. He examines who was really at fault, considering Ken Lay, Arthur Andersen, the SEC and Congress. He concludes, "maybe it was just everyone because Enron represented... a wholesale breakdown of every aspect of the legal, accounting, governmental and regulatory bulwark meant to keep corporate America honest." Without condescension, this compact volume serves as an easy-to-read manual on prudent investing as well as a deep-if opinionated-analysis of major bumbles in recent business history.Copyright 2002 Reed Business Information, Inc.About the AuthorJames J. Cramer is host of CNBC's Mad Money and cofounder of TheStreet.com. His many books include Confessions of a Street Addict, Jim Cramer's Getting Back to Even, Jim Cramer's Mad Money, Jim Cramer's Real Money, Jim Cramer's Stay Mad for Life.Excerpt. copy; Reprinted by permission. All rights reserved.Chapter One: What Happened?"Stocks for the Long Run...Buy and Hold...Next stop, Dow 36,000...Stocks as the only asset class worth owning...Tech Blue Chips...Stocks always come back...Don't ever sell...Selling's for losers...Why not put Social Security into stocks, after all they are the safest investments..."Ahh, that litany, that rock-solid litany of reassurance about equities. Is there a soul on the planet who didn't suffer from the multiple brainwashings that the media, the academics, the brokerage houses, and the mutual funds mercilessly beat into our heads for a decade? Amazingly, after trillions were lost, we still have no regrets, no apologies, nary a mea culpa from those who heartlessly led us to the financial slaughter that outranks even those of the nightmare generations 1973-1974, and, alas, 1929-1934 -- that's right, the Great Depression. These one-note charlatans would, even after every penny of life savings had been lost, still recite their bogus mantras meant to take our eyes off the ball, and our wallets, even as they suffered not a penny for their admonitions. They haven't learned a thing about the havoc they have wrought. They are still out there shilling their wares, except now they are saying that the stock market is even more undervalued than before. Dow 36,000? You better hope they've perfected cryogenics by then. That's the only way you will live to see it.This book is meant not as an epitaph to your hard-earned savings, but as an

epitaph to their cynical reassurances and pseudo-scientific claptrap. This book should serve as an antidote to their sweet nostrums that have separated you so viciously and silently from your money. In short, they thought that if they got you in, you would never get out, and they would make fortunes off you before you figured out what the heck happened to your nest egg. The charlatans wrote their assurances of ever-higher stock prices when the market skyrocketed daily. Now that it has nosedived, their illogic seems deceitful if not downright larcenous. Oh sure, the temptation to demonize seems far-fetched to some, particularly those who need stocks to go higher to make a living or have a successful venture. But as someone who has worked in the money business for more than three decades, and compounded money in his own fund at 24 percent after all fees, someone who has seen it all and done it all when it comes to stocks, I can tell you that exorcising demons may be the only way to assure you that it doesn't happen to you again. Why were the odds stacked so against the individual investor? Why was the bloodletting so incredibly worse than it would have been if the sole cause of the downturn were the economy? Put simply: money, greed -- there was so much money to be made simply by keeping you in the dark about the practices of Wall Street. There were fees to be taken by managing assets; there were underwriter fees, initial public offering fees, fees from advertisers, mainly mutual funds and brokers; there were fees from lobbyists, accounting fees, lawyer fees, and fees from publishers. There were returns, outsized returns, that no one wanted to give up, including the public itself, and there were those huge gains that insiders generated by selling common stock against their options at the very top of the market and long after, enabling them to take out billions upon billions of dollars in gains, some right before their companies collapsed, leaving workers and pensioners holding nothing, not even a bag. The sums appropriated were so fabulous, and the penalties for abuse so small that the temptation to rig individual stocks and even the market itself, in the name of earnings "management" simply grew too great for all but the most holy of chief executives, which, alas, turned out to be too few to be noticed or to matter to battered 401k's. What started as a few apples turned into the whole orchard, but no one in a responsible position in government wants to admit that harsh but true judgment. The actions taken by the federal government subsequent to the prodding by elected officials such as Eliot Spitzer, the attorney general of New York, who got the ball rolling, certainly helped clarify the conflicts, and even shed harsh light on the most revolting of them. But within weeks of these actions, the complex of interests that kept you in the dark about how the stock market really works was right back in action. Which is why you need this book and need it now, because if you are going to rebuild your nest egg or fix your 401k, you first need to understand which forces destroyed it. Only then, once you understand the subtle means by which you were fooled into coughing up vast sums, will you be in a position to work your way back to where you were, regardless of the overall market's direction. It won't be quick -- after all, those overnight methods were what got us in this mess. Rebuilding your investments may not even be exciting, but we should have left the excitement for the ballpark or the movie houses. I will recommend to you a steady, solid way to make things back that can't be corrupted by the cavalier forces that coalesced into the current brutal bear market for stocks. First, though, let's slay those nasty villains, those bear enablers that allowed the ursine capital destroyers to roam just about anywhere they wanted and take from you with reckless abandon. This will be a difficult task, but I intend to help you make your paycheck and your retirement money grow, not shrink, and I don't want your fees, your commissions, or your capital gains. I just want your losses to stop and the capital appreciation to begin. Copyright copy; 2002 by J. J. Cramer amp; Co.