

John C. Bogle Opening Remarks

The John C. Bogle Legacy Forum

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I know of no precedent for Wall Street (as it were) honoring one of its own, marking a legacy of 60 years in the investment profession. (Not so many souls hang around that long!) So I'm greatly honored, truly humbled, and profoundly appreciative that so many industry leaders, financial and academic professionals, friends and colleagues, are joining in this wonderful day of celebration.

I've done the best I could to build a better world for investors. Yes, in Philadelphia the press has described me as an entrepreneur, creator, inventor, and citizen, and even compared me—not unfavorably—with Benjamin Franklin . . . But Walter Isaacson, having completed his biography of Franklin some years back, next turned to Albert Einstein, and then, only a few months ago, to Steve Jobs. I'm not hanging by my thumbs awaiting Mr. Isaacson's phone call (nor his note on my iMac).

Yes, I did start the world's first index mutual fund (though lots of people claim to have thought of it long before I did so). It is now the world's largest equity fund . . . But the index fund concept represents the essence of simplicity, the triumph of Occam's Razor. It required no genius, and so I've never won a MacArthur "Genius" grant (and don't deserve one).

Yes, it took determination (and luck, and timing, and the support of a few key directors of the Wellington Fund) to bring into being the first U.S. *mutual* mutual fund organization run, not in the interests of its managers but of its fund shareholders . . . But Vanguard (despite the name I chose) remains a leader with no followers. Even 38 years later, our firm's structure has yet to be copied or even emulated, so low in excitement and acclaim that neither Brad Pitt nor Robert Redford have shown any interest in making a Bogle movie. ("Bogleball"? "Bogle-the Sundance Kid"?)

Yes, I've tried to create a business with character and class, holding human values high. That's a task I've yet to complete . . . But it's not the only task before me, for I've yet to climb all Seven Summits, host the Oscars; nor (despite my Scots' heritage) solve the mystery of Loch Ness; nor been a candidate to manage the Phillies (or even the Red Sox); and it's too late for me to run for President. (Sorry 'bout that!)

Yes, I'm now writing my tenth book, many of which have been best-sellers . . . But only for a little while. After a single week on the *New York Times* best-seller list, *ENOUGH*. was replaced by—I guess it's okay to say it aloud—*Real Sex for Real Women*. “Is this a great country or what!”

Yes, I've been among the strongest advocates in my field for activism in corporate governance . . . But words aren't the same as deeds, and I've yet to see any tangible results whatsoever. “The Silence of the Funds” remains deafening, but I'm not about to give up the mission.

Yes, I've had a few portraits painted . . . But one sits in my office (it's a long story), not in the Louvre nor even the Philadelphia Museum of Art. I confess too that there is a larger-than-life sculpture of me on the Vanguard campus . . . But its only function seems to be to allow fund industry leaders to describe me (cynically, of course) as “a saint with a statue.”

Yes, I think I've played a major role in bringing into the public discourse the importance of long-term investing, of rational expectations for returns in the financial markets, and of the crying need for a fiduciary standard . . . But there's so much I haven't done: Walk on water, leap tall buildings at a single bound, publish poetry in Russian, make the cover of *TIME*, or *Fortune*, or *FORBES*, or *Bloomberg Business Week*.

Despite my infinite failings, however, I'm simply unable to conceal my pride on this great day of celebration. I'm reminded again of Benjamin Franklin, whose character was central to his dedication to the public interest, so easily observable in his entrepreneurship, in the joy he took from his creations, and in his ingenuity, his energy, and his persistence. That trait of character also found its expression in Franklin's ongoing struggle, not unlike my own, to balance pride with humility—a balance that, in this age of bright lights, celebrity, and money, our society seems to have largely ignored. As Franklin wrote in his autobiography:

In reality, there is, perhaps, no one of our natural passions so hard to subdue as pride. Disguise it, struggle with it, beat it down, stifle it, mortify it as much as one pleases, it is still

alive, and will every now and then peep out and show itself; you will see it perhaps often in this history; for even if I could conceive that I had completely overcome it, I should probably be proud of my humility.

In candor, these words serve to remind me that my own pride must be all too evident in the brief history of my career that I've recited here, a career focused on the stewardship of the wealth of our nation's citizens. Too often, I'm sure, my pride has indeed peeped out and shown itself, reminding me that my own humility could doubtless use a little more development.

I must work on that tomorrow . . .

Thank you again.

Note: My focus on what I *haven't* done was inspired by Jason Gay's *Wall Street Journal* column on what Denver Broncos quarterback Tim Tebow hasn't done. December 1, 2011.