

Stock Market Wisdom From Children's Stories - The Princess and the Pea

Once upon a time, a prince was looking for a real princess. He traveled about the world searching for a real princess but returned home disappointed. One evening, a young woman claiming to be a real princess seeks shelter from a storm in the prince's castle. The prince's mother decides to test the validity of her claim by placing a single pea on a bedstead and piling twenty mattresses and twenty feather beds atop it. There, the young woman spends the night.

In the morning they asked her how she slept.

'Oh terribly bad!' she said. 'I have hardly closed my eyes the whole night! Heaven knows what was in the bed. I seemed to be lying upon some hard thing, and my whole body is black and blue this morning. It is terrible!'

There is a modern-day story that is very, very similar to the "Princess and the Pea."

Once upon a time there was a prince who was searching for an investment adviser to help him preserve, protect, and possibly grow his fortune. He hoped that the money would help him in his old age and then after he and his wife were gone, he wanted to make sure that he could also provide for his children.

He searched high, and he searched low, and after a long while found someone who would surely be the right advisor.

Over the next few years, the financial advisor did all of the things that the prince required of him. He diversified the Prince's portfolio among cash, bonds, and stocks. He even invested some of the Prince's money in foreign lands.

The prince's fortune grew at a relatively stable rate. Best of all, the investment duties required very little of the Prince's time. Overall, the Prince was quite pleased with his choice of adviser.

Every so often the Prince would summon his adviser to the palace in order to complain that part of his portfolio wasn't growing as fast as the rest. He would also complain in strong voice and at great length when any one of his investments declined in value.

His trusted advisor, over and over again, would try to explain that he wasn't perfect and never would be. Due to the nature of the world, it is only during very rare times had everything is doing well or that everything is doing poorly. Most of the time, some things will be doing well while others are not.

The adviser tried to explain that in the Prince's forest, not every tree grew at the same rate. Some trees even died due to circumstances such as drought, fire, and for various other reasons. On balance, though, the forest continued to grow over many, many years. The adviser asked the Prince if under those circumstances, did he also summon his head forester in order to complain about those few trees?

The Prince, in all his Princely wisdom finally understood that it was more important for him to see his entire forest rather than to look at each one of his trees.

The moral of this story: Stop whining. You ain't no princess. Don't be such a pain in the ass.

About the Author

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