

ACKNOWLEDGMENTS

For decades I have been fascinated with financial ignorance. It started with my own, and only gradually expanded to embrace others'. Fortunately some knowledgeable people hired me anyway. I thank Larry Brainard, Andrew Ipkendanz, and Mike Novogratz for providing window seats on the world.

Among theorists, I am considered a practitioner. Among practitioners I am considered a theoretician. These terms are partly insults in each of the circles they're used in. I apologize for having deserved them. Tom Bar- ket, Aaron Brown, Paul Glasserman, Tilmann Gneiting, Henry Milligan, Deborah Pastor, Ken Posner, Stefan Reichelstein, Paul Wilmott, David Wilson, and Gary Witt have in various ways encouraged me to persevere.

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This book was originally intended to be Part 3 of *Iceberg Risk*, but that book grew too long and my window for writing too short. In hindsight the ideas needed longer gestation. Paul Wilmott and editor Dan Tudball

provided an incubator in *Wilmott* magazine. They also infected me with their vision of making quantitative finance clear and user friendly.

I made another false start on the book in 2005. Brian Lee helped me sift through a lot of literature but I couldn't bring it together. The drafts sat for years in my computer, gathering electronic dust.

The spark that finally caught fire came from Myles Thompson. A cofounder of Texere, which had published *Iceberg Risk*, he had joined Columbia to build its Business School press, CBSP. In May 2008 we sat discussing the gathering storms in finance theory and practice. After Hurricane Lehman slammed ashore, I realized a calling had found me. Myles realized it too and shepherded the manuscript to approval.

Preparing the manuscript for publication became an unexpected joy. Bridget Flannery-McCoy of CBSP helped keep me on track. Copy editor Carrie Nelkin helped scrub and polish drafts. Designer Milenda Lee created an inviting layout and production editor Michael Haggett set high standards throughout. I am responsible for any roughness that remains.

Special thanks go to an old friend and mentor, Barbara Stein. She has long encouraged me to explore the realm where spirit meets science and right brain meets left. Our conversations sparked most of the mythological allusions and at least one of the mathematical models. I hear in her the voice of Pandora.