BENJAMIN GRAHAM,
SEcurities EXPERT

Author and Financier Dead at 82
in France—Pioneered Modern
Analysis of Investments

By DOUGLAS W. CRAY

Benjamin Graham, widely regarded as the
founding father of modern securities
analysis, died Tuesday at his home in Aix-
en-Provence, France. He was 82 years old.

An author and financier, whose invest-
ment insights made him a millionaire be-
fore he was 35, Mr. Graham influenced a
whole generation of security analysts with
his pioneering book “Security Analysis,”
which he wrote with David L. Dodd. Origi-
nally published in 1934 by the McGraw-
Hill Publishing Company, the volume,
which presents a detailed recital of pro-
cedural steps for an analyst in evaluating
the securities of a company, has been
through four editions.

A standard text, in use at business
schools and universities, “Security Anal-
ysis” has sold more than 100,000 copies.

Book Value a Key to Decisions

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tions of what has come to be regarded as
“technical” analysis of stock market
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dividends and that the book value—the
physical assets of a given company—was
the key figure in investment decisions.

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It then introduces factors—chiefly the
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In 1949 Harper & Brothers published
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There are no sure and easy paths to riches
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Analyst Born in London

Born in London on May 9, 1894, Mr.
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one of what has come to be regarded as "technical" analysis of stock market movements, Mr. Graham felt strongly that stock prices followed earnings and dividends and that the book value—the physical assets of a given company—was the key figure in investment decisions. As he told an interviewer several years ago in La Jolla, Calif., where he also maintained a home: "To the extent that Wall Street gets away from book value, it is hedging into potentially dangerous areas of thinking. It then introduces factors—chiefly the notion of increasing future earnings—which are very difficult to measure and which therefore may be badly measured."

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**Analyst Born in London**

Born in London on May 9, 1894, Mr. Graham had his own path to Wall Street and a successful career in the world of investments first charted by a dean at Columbia University, where he received a Bachelor of Science degree in 1914. His parents had moved to New York when Mr. Graham was an infant and his early education had been at Boys High in Brooklyn. His father had been in the bric-a-brac business.

A reader and translator of Greek and on English, mathematics and philosophy, dropping out of his only economics course after a few weeks. He graduated as a member of Phi Beta Kappa and was offered teaching positions in the English, mathematics and philosophy departments.

A reader and translator of Greek and Latin and student of music, Mr. Graham was nonetheless urged by the Columbia dean to consider a career in business. He started out on Wall Street at $12 a week, putting prices of stocks and bonds on a blackboard at a brokerage house. By 1926, he had established, with Jerome Newman, an investment fund known as the Graham-Newman Corporation and an investment partnership known as Newman & Graham.

The two partners discontinued their business operations in the late 1930's but before realizing impressive returns on investments. One of their most successful investments, amounting to $750,000, was in the then-small Government Employees Insurance Company. GECO has since become a severe financial pressure in the last year, but Mr. Graham and his former partner have not been associated with it for some time.

In addition to his own investments, Mr. Graham was long active as a financial consultant to corporations and individual clients. He was also a guest lecturer in finance at Columbia University and from 1955 to 1965 was an adjunct professor in finance at the University of California at Los Angeles.

Surviving are his wife, Estelle, and four children: Mrs. Irving Janis, New Haven; Mrs. Elaine Sofer, Cambridge, England; Mrs. Mildred Dowse, Etna, N.H., and Dr. Benjamin Graham Jr., Berkeley, Calif., and 10 grandchildren.