

The Finance Professional as Hero

Nothing speaks more plainly to the public's perception of the finance industry than the fact that only one film on this list depicts a finance professional in a positive light. It should be noted, though, that while the hero of this classic film runs a community savings and loan, his arch-nemesis is a banker.

***[It's a Wonderful Life](#)* (1946; drama; 130 minutes; community banking)**

A classic. Released in 1946, the year after World War II formally ended, it is both the oldest and the only black-and-white film on my list. James Stewart plays George Bailey, an all-around honest and lovable guy who manages a community finance operation, the Bailey Building & Loan Association. While in a heated argument with his powerful business rival Henry F. Potter, Bailey explains the ideas that shape his world view and his business ethics: “You’re right when you say my father was no businessman. I know that. Why he ever started this cheap, penny-ante building and loan, I’ll never know. But neither you nor anyone else can say anything against his character, because his whole life . . . he never once thought of himself. . . . People were human beings to him. But to you, a warped, frustrated old man, they’re cattle. Well, in my book, my father died a much richer man than you’ll ever be!” Despite Bailey’s selflessness and honesty, Bailey Building & Loan has its share of crises — including a [bank run](#) — and Bailey is accused of financial fraud. With his financial institution in ruins and his heart broken, Bailey attempts suicide, and some powerful forces are stirred into action. Interestingly, the popularity of this movie prompted prominent economist Laurence Kotlikoff to name his 2010 book [Jimmy Stewart Is Dead](#). Kotlikoff, arguing for the implementation of [limited-purpose banking](#), writes, “Both the good-guy and the bad-guy bankers are working in a regulatory system designed in the 1930s for Bailey Savings & Loan, not for today’s world of global finance, exotic financial securities, computerized electronic trading, and enormous trade volume that George Bailey could not begin to fathom.”

The Finance Professional as a Gambling Man

“So, in today’s parlance [on Wall Street], gambling is actually innovation, and clients are actually idiots,” Jon Stewart said in a [2010 episode of the American TV news satire *The Daily Show*](#). As much as it may sting when those in the entertainment field compare finance professionals to bookies (see the *Trading Places* clip below), it’s surprising (and unfortunate) how readily some finance professionals draw the same comparison.

[Trading Places](#) (1983; comedy; 116 minutes; commodity futures trading)

Two brothers who run a commodity futures brokerage make a bet to settle their argument over whether heredity or environment is responsible for a person’s character. The brothers arrange for a “scientific experiment” in which they switch the circumstances of a street hustler and their elitist executive. The executive falls apart in his life on the street, while the hustler thrives as a commodities broker. Eventually, the hustler and the executive, who were at the receiving end of the brothers’ bet, decide to exact revenge on them through their bread and butter — futures trading. The brothers, as well as the hustler and the executive, bet on orange juice futures contracts, anticipating the findings of an impending government report about the orange crop. As the brothers go long, the hustler and the executive go short. Here is how the executive explains his trading philosophy to the hustler: “Think big, think positive, never show any sign of weakness. Always go for the throat. Buy low, sell high. Fear? That’s the other guy’s problem.” (If you struggle to understand the frenzied futures trading at the end, the *Planet Money* team got a commodities trader to dissect the film’s finale in a recent podcast, [“What Actually Happens at the End of ‘Trading Places’?”](#)) The film has also prompted the addition of what is known as the [“Eddie Murphy Rule”](#) to the Wall Street Transparency and Accountability Act — that is, a ban on insider trading using nonpublic information misappropriated from a government source.

[Billion Dollar Day](#) (1986; documentary; 30 minutes; forex trading)

This BBC documentary is about a day in the life of three foreign exchange traders based in New York, London, and Hong Kong. On the one hand, the filmmakers seem to be in awe of the high life and relatively young age of the traders. On the other hand, they do not hide that they largely view these traders as gamblers. The documentary shows the traders in action, going long and short, quickly taking and closing large positions to cash in on narrow price movements. These traders are not working from any economic analysis but, rather, mostly their hunches about what other traders are doing. Together, the three dealers trade currencies worth US\$1 billion and make a profit of more than £100,000. Watching this documentary, made less than 30 years ago, you realize how much the physical world and financial markets' infrastructure have moved on since then — but the underlying issue of the social usefulness of finance remains the same. As the documentary concludes: “By dealing so much with each other, they add to the speculative froth on what has become a very wild business. It's the price the world pays for a free market in money.”

[Trillion Dollar Bet](#) (2000; documentary; 48 minutes; option pricing)

This documentary tells the story of the [Black-Scholes-Merton options pricing formula](#), [physics envy](#) in finance, and the collapse of hedge fund [Long-Term Capital Management \(LTCM\)](#). It includes interviews with Robert Merton and Myron Scholes, who won the Nobel Prize in Economics in 1997. (The Nobel Prize could not be given to Fischer Black, who died in 1995.) The effect of the formula on financial markets was far reaching. In the words of the narrator of the documentary, “Capitalism was on the march. The combination of mathematics and money, it seemed, was unstoppable.” The hedge fund LTCM was founded by a bond trader at Salomon, and Merton and Scholes signed on as partners. When LTCM fell, it had losses so large that it became a systemic threat and had to be bailed out, bringing financial losses and lingering embarrassment to its owners. Its fall raised a difficult question: If even Nobel laureates can't understand

the risks in financial markets, who can? The closing line of the documentary: “There is a tempting and fatal fascination with mathematics. Albert Einstein warned against it. . . . Don’t believe in something because it is a beautiful formula.”

***Floored* (2009; documentary; 78 minutes; floor trading)**

Hear it from the Chicago traders themselves — who tell it like it is, with lots of swearing and cigars. This documentary is also a chapter in financial history; it’s about a profession that technology has made largely obsolete — floor trading. It shows how the brutally competitive and in-person floor trading at the Chicago Mercantile Exchange worked. There are a number of surprising quirks to the culture. Floor traders had their cliques, based on which part of the city they lived in or their ethnicity or even their religion. Many traders earned a living by trading on their own account. As one of them says, “I am the hedge fund manager of my own family’s worth.” Others are more frank about what they do. As one puts it, “Whether people like to admit it or not, this is a form of gambling.” The film explains the switch from open-outcry floor trading to electronic trading and its effect on the lives of the floor traders in Chicago. Today’s impersonal and anonymous electronic trading in most financial markets is the opposite of the royal-rumble-style pit trading, and some of those who had great success in the pit struggle with electronic trading. While the film is about floor trading in Chicago, some of its lessons can be safely generalized to markets around the world that underwent the same change.

***Wall Street Warriors* (2006–; documentary series; 30 minutes each; entrepreneurship)**

This documentary series covers the lives of real and ambitious people who are trying to succeed on Wall Street. It features the analyst, the day trader, the options broker, the stockbroker, the fund manager, the dealmaker, and more. Men and women of different ethnicities and from

different countries of origin — they are all on Wall Street to compete and to win. As the title suggests, their work is not just a job. It is so competitive — and the financial and emotional stakes so high — that they feel as if they are fighting a war. These Wall Street warriors have one thing in common: They are all pursuing lots of money and taking on lots of stress.

Rogues, Con Men, and the “Greed Is Good” Set

The bulk of Hollywood dramas depict finance professionals as unscrupulous and money hungry. While some of these films are pure invention, there are a couple of documentaries in this group as well as a couple of films based on real-life scandals.

[Wall Street](#) (1987; drama; 126 minutes; insider trading)

This is the CAPM of finance films: Everyone in finance is supposed to know it, and whether it is any good is no longer the point. The film is about making fast money, and a lot of it, through insider trading. In its depth and intensity, this film towers above the finance films that came soon before or after, like **[Quicksilver](#)** (1986; 99 minutes; options trading) and **[Working Girl](#)** (1988; 115 minutes; mergers and acquisitions). It is hard to find a list of top finance films that does not have this one at or near the top — and the iconic status of the villain, Gordon Gekko, raises troubling questions about the finance industry. These brief lines are strongly associated with the film: “Greed, for lack of a better word, is good. Greed is right. Greed works. Greed clarifies, cuts through, and captures the essence of the evolutionary spirit.” A clip from that very speech was recently used by the FBI in **[an insider-trading public service announcement](#)** that features Michael Douglas, who played Gekko.

[Other People’s Money](#) (1991; comedy; 103 minutes; corporate takeover)

This comedy depicts a clash between the so-called real economy and the financial markets as a corporate raider with his free market ethos takes on a family business with traditional values. A manufacturing unit is facing obsolescence, and the question is whether the unit and the jobs it has created will be liquidated to satisfy the shareholders or whether there is some way to return it to profitability. The film has a number of finance lessons to offer, particularly in company valuation. The *raison d'être* of the principal character, Lawrence “Larry the Liquidator” Garfield, is similar to that of Gordon Gekko in *Wall Street*: “Whoever has the most when he dies, wins.” Garfield also delivers his own speech justifying the single-minded pursuit of money: “I don’t make anything. I’m making you money. And lest we forget, that’s the only reason any of you became stockholders in the first place. You wanna make money! You don’t care if they manufacture wire and cable, fried chicken, or grow tangerines.”

[Barbarians at the Gate](#) (1993; comedy; 107 minutes; leveraged buyout)

This is both a docudrama and a comedy. It is based on [a book about the well-known and then-biggest leveraged buyout of food giant RJR Nabisco](#). It is a story of greed, egos, lust for luxury, high stakes, and treachery. The film offers an insider’s perspective on the brutal competition that surrounds a leveraged buyout (LBO). After the expensive failure of a smokeless cigarette, the CEO of RJR Nabisco draws up plans to buy the company outright. But an influential LBO guru, who initially gave the CEO the idea for the LBO, is unhappy that the CEO is using his idea without involving him, and they end up in a bidding war. As the LBO guru puts it, “It’s not the company. It’s the credibility. My credibility. I can’t just sit on the bench and let other people play the game. Not my game. Not with their rules.” Among other things, the movie also shows that a CEO may have little to do with the success of his company — and much to do with its failings. The movie features many humorous but telling lines, such as: “You know the three rules of Wall Street? Never play by the rules, never tell the truth, and never pay in cash.”

[Rogue Trader](#) (1999; drama; 101 minutes; equity futures trading)

When this film came out, in 1999, it was quite clear whom it was about — **[Nick Leeson](#)**, who brought down Britain's oldest investment bank, Barings. Since then, alas, **[more such traders have followed in Leeson's footsteps](#)**. The film is based on Leeson's own book, **[Rogue Trader: How I Brought Down Barings Bank and Shook the Financial World](#)**. Once the star trader of Barings, he lost more than a billion dollars through unauthorized futures trading on the Singapore exchange. The film shows that his superiors had deluded themselves into believing that Leeson was earning large profits by putting their meaningless management-speak into action. That he was not subjected to the usual checks and balances between the front office and the back office helped Leeson hide what he was doing. The culture at Barings was also part of the problem: While greed was not officially good at Barings, being good was not good enough. Employees like Leeson had to keep swinging for the fences. Early in the film, explaining to his new team what futures trading is, Leeson says, "The truth of the matter is that we are not buying or selling anything real. It's just numbers." A bit later in the film, he says, "That's all the market is, one giant casino."

[Boiler Room](#) (2000; drama; 120 minutes; securities fraud)

This film depicts finance at its absolute worst: A group of lying, cheating, stealing young stockbrokers sell worthless stocks to people they can fool using high-pressure sales calls. "You will make your first million in three years" is the promise made by J.T. Marlin to its batch of young recruits. If *Wall Street* explains insider trading, this one explains the **[pump and dump](#)**. Money is everything for these guys, and they make their money by closing sales. As one of them puts it: "And there is no such thing as a no-sale call. A sale is made on every call you make. Either you sell the client some stock, or he sells you on a reason he can't. Either way, a sale is made. The only question is, Who's gonna close? You or him?!" The film is also the story of a son who finds it hard to live up to his father's standards. He joins the

dodgy brokers and discovers his inner salesman. Interestingly, these stockbrokers act as if they are not practicing fraud but, rather, are performing the art of sales at the highest level.

[The Corporation](#) (2003; documentary; 145 minutes; legal person)

The most destructive sociopath of modern times, according to this hard-hitting documentary, is the corporation itself. The opening line says it well: “One hundred and fifty years ago, the business corporation was a relatively insignificant institution. Today, it is all pervasive.” *The Corporation* is not strictly a finance film, but it deals with the concept of limited liability and externalities. Featuring a number of interviews with prominent thinkers, the documentary digs deep into the ideas underlying corporations, contrasting the natural person (human) with the legal person (the corporation) and exploring why some large, profit-hungry companies seem to have little regard for society and the environment. When I interviewed Bob Monks, a corporate governance pioneer, about his [top learning resources on corporate governance](#), he named this film as “an all-time favorite.” Monks is interviewed in the film. His best line? “A corporation is an externalizing machine in the same way that a shark is a killing machine.” If you are interested in environmental, social, and governance (ESG) issues in finance, this film is one to watch.

[Enron: The Smartest Guys in the Room](#) (2005; documentary; 110 minutes; accounting fraud)

The sudden collapse of Enron in 2001, then one of the largest companies in the United States, is one of the best-known corporate governance disasters. This documentary, based on the book [The Smartest Guys in the Room: The Amazing Rise and Scandalous Fall of Enron](#), analyzes that collapse and shows the underlying greed and arrogance of the company’s executives. It is the story of Enron turning real losses into fictional profits through accounting fraud. How Enron was making its money was a mystery that no one seemed to question.

The documentary features a number of interviews, including those with former Enron executives and employees as well as financial analysts. “Enron is a company that deals with everyone with absolute integrity” was the official line as Enron went about business in quite a different way, such as mercilessly exploiting energy deregulation in California. As the film explains, Enron easily fooled everyone, including the financial analysts on Wall Street. The company ran an effective “campaign to capture the hearts and minds of stock analysts,” and its stock price soared. But accounting fraud can’t last forever, and eventually the excesses of Enron’s executives caught up with them.

***Margin Call* (2011; drama; 107 minutes; financial recklessness)**

This is a relatively slow-paced story of an intense 24 hours in the life of a financial institution that is in deep trouble. The bank has large and leveraged speculative positions that are facing so much volatility that the losses could be greater than its market value. (Despite what the title of the film may suggest, there is in fact no margin call issued to or by the institution.) The risks are complex, and only one risk analyst (with a doctorate in rocket science) can really understand them. Reckless speculation, however, is not the institution’s only defining characteristic. Ruthlessness to its own employees is another. As it fires employees, its message to those remaining is, “Before this is all done, three of every ten guys who were standing between you and your boss’s job are now gone. That is your opportunity.” One of the lead actors who delivers this message to the remaining employees seems to have taken Gordon Gekko’s advice — if you need a friend, get a dog. Indeed, as he goes about firing people around him, he is worried about his sick dog, the only thing in the world to which he seems to have any emotional connection. The top boss at the bank shares a similar disdain for other human beings. When he is reminded that what the institution is considering selling to others is worthless, he makes his position clear: “We are selling to willing buyers at the current fair market price. So that we may survive.”

[Wall Street: Money Never Sleeps](#) (2011; drama; 133 minutes; moral hazard)

Gordon Gekko is back, but this time in a feel-good film. After serving jail time for what happened in the prequel, *Wall Street*, the former insider is now an outsider. But he has not come back without some quotable quotes: “Someone reminded me I once said greed is good. Now it seems it is legal. Because everybody is drinking the same Kool-Aid.” Unlike *Wall Street*, this is a relatively complicated story, and the film devotes a good deal of time to the emotional drama of Gekko’s strained relationship with his daughter, her up-and-down relationship with her partner (played by Shia LaBeouf), and his relationship with his mother, whom he must repeatedly bail out from financial troubles. The film takes place within the context of the financial crisis, in which a young financier, Gekko’s daughter’s partner, a specialist in alternative energy, is trying to live a different kind of life on Wall Street — making money while doing good and avoiding the moral hazard of bailouts. Rather than blatantly violate the law as Gekko did in *Wall Street*, the young financier in this film prefers to work around it. Luck and design pit him against the same billionaire who is the enemy of Gekko. What is driving these people? Is it money, is it love, or is it simply madness? Gekko says, “It’s not about the money. It’s about the game, the game between people.”

Fallout from the Financial Crisis

Media depictions of the finance industry weren’t too flattering to begin with, but the financial crisis of 2008 sparked a flurry of harsh documentaries and docudramas that examined the crisis’s underpinnings, including ethical lapses.

[The Ascent of Money](#) (2008; documentary; 120 minutes; financial history)

In this documentary, based on [a book with the same title](#), Niall Ferguson, author and academic, traces the evolution of money, bond markets, insurance, and [the subprime mortgage debacle](#). A key lesson

from this documentary is the same as that from history in general: This time is not so different; it has happened before — and more than once. We need only read history to find out. Ferguson’s thesis is that the history of money can help explain all human history. “There was one huge possibility created by the emergence of money as a system of mutual trust — a possibility that would revolutionize world history. It was the idea that you could rely on people to borrow money from you and pay it back at some future date.” That’s why, explains Ferguson, the root of *credit* is *credo*, Latin for “I believe.” This fast-paced documentary was filmed in a variety of locations, including the United States, the United Kingdom, Japan, Italy, Russia, and Chile. The two-hour version of this documentary comprises six episodes, starting with the origin of credit and ending with globalization. This is how Ferguson puts it: “Because we take it for granted, we tend to underestimate the extent to which our entire civilization is based on the borrowing and lending of money. No, it doesn’t literally make the world go round. But it does make vast quantities of people, goods, and services go round the world from Babylon to Bolivia.”

[Capitalism: A Love Story](#) (2009; documentary; 127 minutes; capitalism)

This may well be the most provocative film on the list. Made by Michael Moore, who is described in the trailer as “the most feared film director in America,” it hits Wall Street hard, gives voice to some of the views held by ordinary Americans, and goes after the ideology of free market capitalism. It does so in the context of the social cost of the financial crisis in the United States. An early line by Moore provides a good indication of the content: “This is capitalism, a system of taking and giving, mostly taking.” The documentary shows how those being evicted from their homes or laid off from their jobs feel, something that statistics cannot adequately convey. Here is a line from an American being evicted from his home: “There’s gotta be some kind of rebellion between the people that have nothing and the people that’s got it all.” The film openly questions the political power of financial institutions. (It has some shocking scenes, such as one in which the chairman of Merrill Lynch tells US President Ronald Reagan,

who is making a speech, to “speed it up.”) Moore documents the failures of capitalism in the United States, how the regulatory system seems to privatize profits and socialize losses, and how large financial institutions write the rules.

[Why Are We All in Debt?](#) (2009; documentary; 26 minutes; alternative monetary system)

This documentary is the shortest film on my list. As the title suggests, it addresses a fundamental question that puzzles many: How come we are all in debt? The principal writer and presenter in this documentary is the Islamic finance author and former bond-derivatives dealer **[Tarek El Diwany](#)**. He points out that according to conventional wisdom, both the disease and the cure of the financial crisis are the same: “On the one hand, we are told that our financial crisis is the result of too much debt. But then we are told that the solution is that the banks lend more. How can that be?” Made in England, it is probably the only Islamic finance-themed documentary of its kind. Taking a historical perspective, the film explains the origin of paper money, modern-day interest, and fractional reserve banking and its impact on the world around us. The documentary describes paper money as part of the problem: “Paper money is a promise to pay that is never kept. You can’t go to a bank and get your ten pounds’ worth of gold.” The film does not just explain a problem, it also offers a solution — an alternative financial system in which the money supply is controlled by neither the banking establishment nor the government.

[Inside Job](#) (2010; documentary; 105 minutes; financial crisis and regulation)

One of the most insightful documentaries on the 2008 financial crisis, this film, narrated by Matt Damon, makes the case that the crisis could have been avoided if regulation had been adequate. An early line sets the tone: “This crisis was not an accident. It was caused by an out-of-control industry.” It is similar in spirit to *Capitalism: A Love Story* but

strikes a more serious tone and goes about analyzing the crisis, largely through a series of interviews with well-placed individuals — politicians, journalists, and academics. As described by director Charles Ferguson, the documentary is about “the systemic corruption of the United States by the financial services industry and the consequences of that systemic corruption.” Made in the United States, Iceland, England, France, Singapore, and China, the film has its share of powerful scenes and hard-hitting interviews with academics and policymakers alike. In a hearing where representatives of Wall Street are being grilled by US legislators, one legislator passionately says: “You come to us today, telling us, ‘We are sorry, and we won’t do it again. Trust us.’ Well, I have some people in my constituency, and they actually robbed some of your banks. And they say the same thing.”

[Too Big to Fail](#) (2011; drama; 99 minutes; systemic risk)

Based on [the book with the same title](#), this film is about the 2008 financial crisis, the [bankruptcy of Lehman Brothers](#), and the subsequent bank bailouts. Its title is a phrase that has entered into the popular lexicon because of the financial crisis. Like *Wall Street: Money Never Sleeps*, this docudrama covers the subject of moral hazard. The US Treasury Secretary is shown saying, “We are not bailing out Lehman. Wall Street has a gambling problem. If government keeps covering their losses, they never learn anything.” Like many films on my list, this one is highly critical of Wall Street. Still, the film is unusual because it provides a reconstruction of the closed-door meetings of important real-life figures — such as the US Treasury Secretary, the chairman of the Federal Reserve, and heads of investment banks — as they negotiate the [Troubled Asset Relief Program \(TARP\)](#). You have to follow the dialogue closely to know what is going on, which probably makes it more suitable for hard-core finance fans. At the end of the film, viewers are told that the remaining Wall Street institutions are, once again, too big to fail. [Trailer](#)

More Films about Finance

It was hard to decide where to cut off the list, and 20 is a rather arbitrary number. If your taste for finance-themed films isn't sated by my list, here are some others you might enjoy.

Drama/Thriller: [*Rollover*](#) (1981; 116 minutes; currency crisis); [*Quicksilver*](#) (1986; drama; 99 minutes; derivatives trading); [*The Bank*](#) (2001; 104 minutes; foreclosure); [*A Good Year*](#) (2006; 118 minutes; private wealth); [*The Last Day of Lehman Brothers*](#) (2009; 60 minutes; bankruptcy of Lehman Brothers); [*Arbitrage*](#) (2012; 107 minutes; accounting fraud).

Comedy: [*Working Girl*](#) (1988; 115 minutes; mergers and acquisitions).

Documentary: [*Trader*](#) (1987; 56 minutes; futures trading); [*Super Rich: The Greed Game*](#) (2008; 60 minutes; wealth accumulation); [*The Love of Money*](#) (2009; 90 minutes; analysis of financial crisis); [*Goldman Sachs: Power and Peril*](#) (2010; 44 minutes; Goldman Sachs); [*"The Warning,"*](#) on PBS's *Frontline* (2009; 56 minutes; securities regulation); [*Freakonomics*](#) (2010; 93 minutes; applied economics); [*Investment Banking*](#) (2011; 32 minutes; investment banking); [*The Flaw*](#) (2011; 78 minutes; analysis of financial crisis).

There are a lot more finance documentaries than nonfiction movies. If you would like to explore more finance documentaries, you may want to visit [*Finance Documentaries*](#).

Finance Films to Be Made

Watching these films, I realized that there are finance films that are waiting to be made — some with a decidedly more hopeful view of our industry's future. Here are a few ideas that come to mind:

- Laurence Kotlikoff's proposal for [*limited purpose banking*](#), an alternative financial system, would likely make a thought-provoking documentary.

- **Nassim Taleb's book *Black Swan*, together with his other books, could be turned into an interesting and insightful film that challenges conventional wisdom.**
- **Our behavioral anomalies in matters of finance, be it loss aversion or mental accounting, could make an entertaining and enlightening film.**