YOUNG MONEY

INSIDE THE HIDDEN WORLD OF WALL STREET'S POST-CRASH RECRUITS

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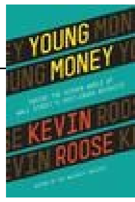

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To my parents, who taught me
about money and its limits.

Author's Note

The eight young financial workers profiled in this book allowed me into their lives to an astoundin (and, frankly, ill-advised) degree over the course of the more than three years I spent interviewin them. Despite Wall Street's tradition of tight-lipped secrecy, they told me everything. They spok candidly about their struggles and shortcomings, made me privy to confidential information abo their work, and, in some cases, turned over their private diaries, photographs, and e-mails.

In doing so, they took a massive risk. All of them violated rules set by their employers that forb them from speaking to the media without permission, and most breached boundaries of person comfort as well. If they had been caught talking to me, they could easily have been fired— possibility that escaped none of them.

In exchange for their openness, these young financiers made only one request: that I keep the anonymous. As a result, most names in this book have been changed, many personal details have bee altered or obscured, and a few events have been reordered chronologically or given minor tweaks make them less recognizable to the people involved. In some cases, the description of a person's jo function has been changed to that of a related job, and the names of some financial firms have bee replaced with the names of similar firms. (I've left in place the names of prominent executives, well as people who allowed me to use their real names.)

With these necessary exceptions, the stories in this book are true.

Introduction

IF YOU WANT to succeed as a young banker on Wall Street, there are some fairly strict precondition You have to be pleasant, polite, and attentive to detail. You have to be able to work three consecutiv twenty-hour days without having a nervous breakdown or falling asleep on your keyboard. You hav to know how to calculate the net present value of future cash flows, how to make small talk about th Yankees, and, ideally, how to write a coherent memo to your boss after your third Jäger Bomb.

But most important, you have to be handy with an Excel spreadsheet. Not just handy, actually. Yo must be an Excel wizard—a grandmaster of the XLS file format. Which was why, on a weekda afternoon in 2010, I found myself sitting in a cramped conference room on Broad Street while statuesque Russian woman named Valentina pitted me against thirty brand-new Wall Street recruits i a spreadsheet-formatting competition.

"*On your mark, get set…go!*" she cried.

All at once, the room filled with the machine-gun *cli-cli-cli-click* sound of fingers flying ov laptop keys. I looked down at my unformatted spreadsheet—it was a mess. Rows 14 and 18 shou have been bolded but weren't. There was an empty row between row 11 and row 12, and the years row 5 were formatted to the first decimal place, so instead of saying 2007, 2008, 2009, and so on, th said 2007.0, 2008.0, and 2009.0. In all, there were about fifteen errors standing between me and th kind of pristine, organized Excel spreadsheet that would make a senior banker swoon. The all-tim record for total beautification was thirty-five seconds, set by a freakish junior analyst from a investment bank called Moelis and Company. I'd be lucky if I was done in ten minutes.

I looked up at the other students in the room—a crew of eager young finance cadets who had bee sent to a five-day boot camp, run by a company called Training the Street, to learn elementar accounting, basic financial analysis, and other skills they'd need at their new jobs on Wall Stree Most of them were in their early twenties, the ink still drying on their college diplomas. Some we lifelong bankers-in-training. Others were liberal arts majors who didn't know bonds from banana And in a matter of days, all of them would be let loose on the markets. Armed with Bloombe terminals and can-do attitudes, they'd get to work selling stocks, building models for billion-doll mergers, and giving business advice to corporate executives old enough to be their parents. They we just entry-level analysts—the lowest of the low in Wall Street's pecking order—but the fact that the had managed to get hired by some of the world's most powerful investment firms meant that the were on the rise. Soon, they would officially become card-carrying financiers, and they would b invited to take part in a giant, globe-spanning moneymaking operation that controls the fates companies, governments, and millions of ordinary people around the world.

I, too, was a twentysomething living in New York, but that was about where the similarities wit my fellow Excel grunts ended. I studied English in college, took a grand total of zero business economics courses, and paid no mind to the corporate recruiting circus that came to campus eve year. Neither my upbringing in small-town Ohio nor my schooling had helped me understand

sympathize with what went on inside Wall Street banks. And during the economic collapse of 2008
~~every story I read about the financial sector's implosion seemed to be describing a cartoonish fiction~~
universe—one that seemed as distant from my everyday life as reading about Scientology or the mob

But when I moved to New York after college, I started getting curious. The economy was still i shambles, and the world's anger toward Wall Street banks was still burning blue-hot. Politicians ar pundits fulminated on the greed of bailed-out bankers, and many called for them to be prosecuted ar jailed. HBO talk show host Bill Maher quipped about executing Wall Street higher-ups; one onlir clothing vendor sold "I Hate Investment Banking" T-shirts for $18.99 apiece; and a new arcade gam called "Whack-a-Banker" was introduced in the United Kingdom, in which players used mallets take their aggression out on pinstriped financiers. (The game became so popular in its first locatio the BBC reported, that the worn-out mallets had to be replaced.)

Watching Wall Street incur the world's wrath, I often found myself wondering how the financia crisis was affecting young bankers and traders—the people my age who started their jobs in 2009 ar 2010. They had nothing to do with the crash, of course. They had been in college while banks like Be Stearns were loading up their books with mortgage-backed securities and increasing their leverage dangerous levels. Still, as a result of the work they'd chosen, they were experiencing the financi industry's pariah status right along with their elders.

Being young on Wall Street has always been a bizarre combination of glamour and masochism. C one hand, you're a budding Master of the Universe—an apprentice at the feet of some of the world most talented moneymakers. You earn significantly more than your peers in other industries, get t witness billion-dollar deals unfold, and have a prestigious launching pad for the rest of your caree On the other hand, the work itself is often repetitive and boring, and the long hours and hellis lifestyle associated with the job can wear down even the brightest and most ambitious recruits. Aft the crisis, Wall Street recruits also had to cope with their industry's new stigmatization. Many of th young people who came to Wall Street expecting champagne and caviar got dirty looks and ignomir instead.

I first realized how far the financial sector had fallen during a dinner party held at the home of friend's parents in Manhattan, shortly after my graduation. During dinner, an acquaintance mentione that she'd just gotten a job in finance.

"Where?" a parent asked.

"Downtown," the acquaintance replied.

"At a bank?" the parent prodded.

"Yeah," she said.

"Which one?"

The young woman blushed, cast her eyes downward, and sheepishly croaked out: "Gold…man. Sachs?" The topic of conversation changed quickly, and for the rest of the night, she looked ill, as she'd spilled wine on the host or hip-checked a family heirloom.

If one bank recruit felt this way, there were doubtless others. For years, thousands of graduates the world's most prestigious colleges and universities have gone to Wall Street, most only halfwa knowing what they're getting themselves into. At Harvard in 2008, 28 percent of seniors who had jol at graduation were headed into the financial services sector. At Princeton in 2006, it was a staggerir 46 percent. At Brown, my alma mater, about one in eight employed graduates typically went to Wa Street immediately after graduation—not as many as at some schools, but still a larger chunk tha went directly to law school or medical school combined.

These numbers struck me as being incredibly important. After all, the junior bankers who flock t

Wall Street every year are some of the nation's most credentialed young people—the kinds of peopl ~~who will make up the financial and political elite for decades to come. They are the next generation~~ American capitalists, and they're coming of age in an era of tremendous shock and upheaval. realized that if I wanted to understand what Wall Street, and America, would look like in the future, had to figure out who these people were, and how the crash was changing their initiation process.

So, in 2010, I began embedding myself with the young finance world. I read a waist-high stack books and articles on investment banking. I signed up for workshops to learn how to do the work of a entry-level banking analyst. I spent time at banker bars, got myself invited to parties and networki events, and snuck into the ones that wouldn't invite me.

I considered applying to become a banker myself, but I'd written a book in college that involv going undercover at an evangelical Christian university, and I worried that Google would blow m cover if I tried a second infiltration. Instead, I tried to find as many entry-level Wall Street workers a possible who were willing to talk to me. Over drinks, at charity galas and quiet dinners in restaura backrooms, and on sofas in their apartments, I asked them to teach me the secrets of the young finan life, and show me inside their cloistered world.

Over the course of the next three years, I interviewed dozens of Wall Street workers in ever conceivable function—bankers, traders, salespeople, risk managers, executive assistants, and ma more. Of those multitudes, I singled out eight young financiers to follow closely. The hours I spe with those eight—Arjun, Chelsea, Derrick, Jeremy, Samson, Ricardo, Soo-jin, and J. P.—were m clearest window into the day-to-day realities of working in finance as a young person. Their stories a the primary focus of this book.

When I wasn't shadowing young financiers, I reported on the financial industry for the *New Yor Times* and *New York* magazine. In the process, I learned about the deal makers who plotted a executed huge transactions, the relationship between big banks and the broader economy, and wh makes Stock X safer or more risky than Bond Y or Credit Derivative Z. But I also learned that despi its forbidding structure and impenetrable jargon, Wall Street is and always has been a huma endeavor. People, not machines, run the financial sector. And that basic humanity is more pronounce in young financiers, who haven't fully made the cutthroat, technocratic ethos of Wall Street their ow yet.

"There's a generation gap in finance," one middle-aged hedge fund manager told me at the outset my investigation. "Young people have their own risk models. They look at their place in the worl completely differently than we do."

I wanted to learn to see the world in the same way they did, even if it meant spending five da plugging formulas into Excel under the supervision of a Russian drill instructor.

"Okay, time's up!" Valentina said, when the clock had run out on our formatting competition. H announcement provoked a mass of groans from the students, including me, who hadn't yet finishe "Congratulations to the winner," she said, pointing to an incoming Credit Suisse analyst in the seco row. "And congratulations to the rest of you, too. I've seen some very impressive work this week, a you're all on your way to becoming excellent financial analysts."

Or in my case, close enough.

Chapter One

ARJUN KHAN STRAIGHTENED his tie, brushed a lint ball off the charcoal gray suit he'd bought for $179 Lord and Taylor to wear to his high school graduation, gave his hair a final pat, inspected his teeth f food in the bathroom mirror, and bounded out the door of his apartment and into the elevator of h downtown high-rise.

A confident, bright-eyed twenty-two-year-old with an aquiline nose and a slight belly paunch, Arj was on his way to his first day of work as a mergers and acquisitions analyst at Citigroup. His ne muscles were tense and his stomach was turning over, but those were just surface nerves. Mostly, h was filled with the flinty resolve of the newly emboldened. After thousands of hours of preparatio dozens of interviews and expertly crafted e-mails, and one extremely lucky break, he had final become a junior investment banker at a major Wall Street firm—the job he'd been chasing for years.

Nine months earlier, Arjun's plans had been derailed by the financial crisis. The Queens-born so of a data engineer father and a social worker mother who had both emigrated from India to New Yo as young professionals, he headed into the fall of his senior year with a prestigious job offer at one the best banks on Wall Street: Lehman Brothers.

Arjun felt lucky to have gotten Lehman's attention in the first place. He attended Fordha University, a Jesuit school in the Bronx that, while strong academically, wasn't among Wall Street so-called target schools, a group that generally included the Ivies, plus schools like Stanford, Ne York University, Duke, and the University of Chicago. That meant he had to work harder to get h foot in the door—joining the Finance Society at Fordham, attending lectures at Columbia Busine School, spending his free time watching CNBC to pick up the cadence of the investor class. And h strategy worked. He secured a junior-year internship at Lehman, and he did well enough that at the e of the summer, he was offered a full-time job beginning after his graduation. His recruiter told hi sotto voce, that he had been the only Fordham student to get an offer from Lehman that year.

During Arjun's internship, things began to go south. Ever since the Bear Stearns collapse earli that year, industry watchers had been speculating that Lehman would be the next bank to fail. T firm's stock price had tumbled, thousands of workers had gotten laid off, and one well-regarded hed fund manager jolted Wall Street that summer by proclaiming that Lehman wasn't properly accounti for its real estate investments. Still, Arjun assumed that Lehman would be fine.

He was wrong, of course. In September 2008, while Arjun was starting his senior year at Fordha Lehman filed for bankruptcy. (Most of its U.S. operations were bought several weeks later by Barcla Capital, the investment banking arm of the large British firm.) The same day, Merrill Lynch, whic had also been pummeled by the housing collapse, announced it was selling itself to Bank of Ameri for $50 billion. AIG, an insurer weighed down by towering piles of credit default swaps, had to given a massive $182 billion bailout, and Goldman Sachs and Morgan Stanley, the last freestandi American investment banks, turned themselves into bank holding companies in order to gi themselves better access to the Federal Reserve's emergency lending window. Congress passed a $7 billion bailout package that gave a lifeline to banks and kept the markets afloat, and the entire count sunk into a recession that would cost millions of jobs, engulf every sector of the economy, and…we you can probably fill in the rest.

From the Fordham campus, Arjun watched reports about Lehman's bankruptcy with a knot in h stomach, knowing that it would probably cost him his job. And several weeks after the bank's sudde death, he was in chemistry class when he got a call from an unfamiliar number with a 212 area cod He let the call go to voice mail, then checked it in the hall after class.

"Hi Arjun, this is John from Barclays Capital," the voice on the message said. "Obviously, yo know why I'm calling. I just wanted to let you know that I'm very sorry, but we're not going to have seat for you next summer."

After the bankruptcy, Barclays Capital's human resources department tried to help Lehman spurned analysts find new jobs. But that just salted the wound. One human resources staffer pointe Arjun to a job at a small private wealth management firm in Miami—the financial sector equivale of being cut from the Yankees' starting lineup and offered a benchwarmer spot with the Toledo Mu Hens.

"I'm just interested in investment banking," Arjun told the staffer. "I don't care what city it's in."

Arjun knew that Wall Street operated on a strict power hierarchy. Within every firm, there were so called back-office workers who cleared trades, maintained the firm's computer systems, ar performed all other kinds of technical and administrative work. One step up was the middle offic which comprised lots of disparate jobs that were important to the functioning of the bank but were n revenue-generating in their own right: legal, compliance, internal risk management. And then the was the promised land: the front office. The front office was what everyone pictured when the thought of Wall Street—pinstripe-clad deal makers and red-faced traders, making millions and gettin their work on the front page of the *Wall Street Journal*. And when he decided to pursue a job finance, Arjun decided he would accept nothing less.

But now, everything had changed. With the failures of Bear Stearns and Lehman Brothers and th sale of Merrill Lynch, the so-called bulge bracket of top-tier American banks was whittled down just five firms: Goldman Sachs, Morgan Stanley, Citigroup, Bank of America Merrill Lynch, ar JPMorgan Chase. And even those firms looked to be in jeopardy. All around the financial sector, th markers of success and failure were shifting. Tiny boutique firms were weathering the changes bett than global financial conglomerates. In some cases front-office bankers were being laid off whi back-office IT workers were being promoted. Up was down. Down was up.

That year, as the crisis unfolded, the message boards at Wall Street Oasis, a popular finance industry website, filled with posts from confused young finance aspirants, wondering what th industry's changes would mean for them:

Reconsidering Wall Street?

Will banking recover? How long?

Are banks really not hiring for the fall?

In September, one poster summarized many of the fears about what would happen to the financi industry: "I think it'll be a long time, if ever, before the swagger returns to Wall Street. The 'Master of the Universe' image has been shattered."

Newly jobless, Arjun spent the rest of his senior year looking for work. He applied to financi internships on Craigslist, sent out dozens of résumés and cover letters, and pressed on every financ industry connection he had. But nothing materialized—nobody was hiring. Finally, in late spring c his senior year, Citigroup contacted him about a last-minute opening in the bank's mergers ar acquisitions division, where they needed another analyst to help with a bigger-than-expected worklo going into the summer. Citigroup, like most banks, had been battered by the financial crisis, losin ~~billions of dollars and being saved only by a massive government bailout. But the bank was alive~~, ar it was doing deals again. Arjun knew that with the year’s recruiting cycle already over, it was likely t be the only front-office offer he would get. So a few weeks before his college graduation, he accepted

Throughout college, Arjun had drawn inspiration from the lives of people who had made it big o Wall Street despite not having the advantages of privilege or pedigree. The most famous example wa Sidney Weinberg, a working-class Jewish kid from the slums of Brooklyn who started as a janitor assistant at Goldman Sachs in 1907 and eventually worked his way up to become the senior partner the firm. But there were more recent role models, too. Arjun knew, for instance, that there had been Lebanese-American executive who had gone to Pace University—not exactly a finance feeder scho —yet had become the vice chairman of Bear Stearns and one of the most powerful deal makers o Wall Street. Even Citigroup’s CEO, Vikram Pandit, was an Indian-born outsider who had trained as a electrical engineer before breaking into finance. On Wall Street, he thought, it didn’t matter wheth you were a blue-blooded WASP with degrees from Exeter and Harvard or, like him, an Indian ki from Queens with no family connections. If you were talented, if you could make money, and if yo were willing to kick down every obstacle in your path, you could qualify as what is known in certa parts of the financial world as a “PHD”—a “poor, hungry, and driven” worker—and, eventually, yo could make it to the inner circle.

But now, as he surveyed the wreckage of the crisis, Arjun felt even less sure than ever that the ol social compact still held. After all, who knew what would happen to Wall Street in a year? More ban could go under. Entire lines of business could be wiped out by new regulations. There was no tellin whether New Wall Street would look anything like Old Wall Street, or whether the traits that ha mattered in American finance for the better part of three hundred years—hard work, hustle, an commercial instinct—would still be rewarded in the future.

As he got ready for work on his first day, though, Arjun’s anxiety was trumped by excitement. I the worst Wall Street hiring climate in a generation, he’d finally gotten a seat at the table. He wa proud of how far he’d come. He knew he’d made his parents proud, too, by getting a job at prestigious bank they recognized by name and reputation. And he was determined to prove to his ne colleagues that he could work every bit as hard as they did, even if he didn’t have an Ivy Leagu degree behind him or a trust fund lying in wait.

As he walked out into the brightly lit Manhattan streets that morning, Arjun gave his building front desk attendant a smile and a wave. Then, he walked through the open door, pointed his cap-to shoes toward the bank, and started to strut.

Chapter Two

AS THE SUN shone down on her, Chelsea Ball lifted her red Solo cup, chugged the six or seven ounces of beer inside, then placed it on the picnic table, with the bottom hanging an inch off the edge. She hit the cup from below, flipped it so it landed upside down on the table on the first try, and shouted "Go!" to the next teammate in line, who also happened to be the oldest managing director in her group.

Chelsea, a freckle-faced redhead who grew up in a middle-class Connecticut suburb, was intimately familiar with this game—"flip cup," it was called—from the dozens of nights she'd spent playing it in college, mostly with the other members of the Georgetown women's soccer team. Flip cup was a favored pastime in her group of friends, and over time she'd developed the light touch required to land the cup properly on the first or second try. But she'd never imagined playing it in a setting like this—at the annual field day of the public finance division of Bank of America Merrill Lynch.

The field day, which was held at a posh New Jersey country club, was a corporate outing the likes of which Chelsea had never seen. There was tennis, softball, volleyball, and a giant tug-of-war pit. A cornucopia of food—burgers, wings, hot dogs, chips—and a keg of beer at each activity station rounded out the scene.

Chelsea drank it all in, more figuratively than literally. It was her first week as a full-time analyst, and she was still stepping cautiously to maintain peace with her new colleagues. She'd spent her summer internship the previous year in Bank of America's structured credit department, and she had barely understood any of what was going on. She was determined to get her mind around this new assignment.

A lot had changed since Chelsea's internship. The previous fall, while she was starting her senior year at Georgetown, Bank of America had acquired Merrill Lynch as Merrill—one of the oldest and most venerated banks on Wall Street—flirted with death. The government had stepped in with $45 billion in bailout money, but even that hadn't been able to keep the new Bank of America Merrill Lynch's stock price from sliding to historic lows. There were shareholder lawsuits, congressional hearings, and unexpected losses. To make matters worse, Merrill CEO John Thain was revealed to have spent a Croesus-like $1.2 million renovating his office while his firm was dying, buying antique items including an area rug costing $87,783 and a "commode on legs" costing $35,115. All told, the plots and subplots surrounding the merger looked bad enough that the *Wall Street Journal* had christened it "a $50 billion deal from hell."

Chelsea had felt sure that she would get screwed out of a job. She'd accepted Bank of America's offer in early September, just a few days before the Merrill acquisition, and she and her fellow interns had been e-mailing each other with panicked queries about whether their offers were still valid in the wake of the news. Luckily for Chelsea, Bank of America and Merrill Lynch eventually agreed on a deal that would allow all the new hires from the class of 2009 at both firms to keep their jobs. The combined firm would have more first-year analysts than it needed, but it would save the bank from having to rescind offers.

Chelsea arrived at the Crowne Plaza in Manhattan in June for her first day of training. There, for the first time, she saw how slapdash and hastily assembled the new Bank of America Merrill Lynch reall was. ~~There were hundreds of analysts, startlingly few managers, and an obvious shortage~~ supervision. There was also a culture clash that was unmistakable. Bank of America, the country largest commercial bank, employed more than two hundred thousand people, and had retail branch and ATMs spread out across the country. Merrill Lynch, on the other hand, was a white-shoe firm wit a proud history of elitism. Its investment bank was blue-blooded in temperament and compositio recruited primarily from Ivy League schools, and did only the more lucrative work of advisir corporations, issuing securities, and managing money for ultra-wealthy individuals. In fact, many Merrill Lynch considered commercial banking—the business of taking deposits, issuing mortgage and giving loans to regular people—a lower form of commerce.

Chelsea quickly found she could scan the room and pick out the Merrill kids. They had expensiv ties, jutting jaws, and looks of mild disgust on their faces. They had been recruited to work for one the most prestigious firms on Wall Street, but now found themselves working for what the considered a lesser enterprise. To them, it was as if Tiffany had merged with Costco, and now the were stuck selling pristine jewels next to freezers of chicken cutlets.

The new analysts spent four weeks in the ballroom of the Crowne Plaza, being put through the paces in a Finance 101 course that taught them the basics of equities, fixed income, corpora valuation, and other skills they would need for their jobs. Most of the job openings in the high sought-after groups had been filled by Merrill kids. For the people who had originally been hired b Bank of America there were a few positions open in mortgage sales, a rate sales job or two, and handful of openings in something called public finance.

Of the open groups, Chelsea decided she liked mortgage sales the best. She'd worked in marketir before, and she figured that once she learned about mortgage derivatives, selling them would be lil selling anything else. She listed the group first on her preference card, and waited until the last day training, when an HR representative gathered the thirty-odd first-years in sales and trading in conference room and gave out assignments.

"Chelsea, you'll be in public finance," the HR woman said.

Chelsea blinked back tears. She had wanted to find an assignment she could sink her teeth into, in division where she might eventually prove her worth. And now, in a matter of days, she would b doing something she barely understood yet again. That night, she went out to a bar with friends ar drank until the world blurred.

"They made a mistake hiring me," she told me a few days later. "I'm the dumbest person here, don't understand any of this, and I'm just so overwhelmed by the lingo and everything else."

Now, three days later, things were looking a little brighter. A boozy corporate field day was hardl the worst way to start a job, and as Chelsea looked around the country club grounds at the men in h group—and they were mostly men, with a sprinkling of female analysts and support staff—she foun her mind opening. They looked happy enough. A little worn out, maybe, and way too excited to b outdoors during the daytime, but at least they weren't moping.

When she returned from field day, Chelsea settled into her cubicle on the ninth floor of the Worl Financial Center, in a windowless bullpen with ugly neon lighting, and went to work. She quickl learned that her new group paid much more attention to detail than the group she'd interned in th previous summer. Her first few projects came back marked up with changes from her boss, who woul do things like cross off her *2*s and write in the word *two*, and realign her cells so that all the first digi lined up instead of the last digits. For Chelsea, who had always gotten by on her charisma, the ne detail orientation required of her was maddening. But she'd devoted herself to being a good studen and she’d told her boss early on: “I just want to work hard and learn.” True to form, she rarely left th office before midnight.

Chelsea was still dating her college boyfriend, a Georgetown sophomore named Anton. They’d m the previous year, when Chelsea was a senior and Anton was a freshman. And even though the three year age gap had seemed crazy at the outset, it worked. Anton was kind, thoughtful, and mature, an he didn’t seem to mind her long hours at the bank. He was still in school, so the actual contact he an Chelsea had was limited. They Skyped late at night, and every third or fourth weekend, she wou board a Megabus for the four-hour trip to Washington, D.C. There, she would work remotely and, onc in a while, pry herself away from her BlackBerry in order to spend time with him.

As summer turned into fall, though, Chelsea became deeply lonely. Her roommate was a accountant and worked the same long hours she did. Their schedules meant that they rarely saw eac other, and even more rarely saw their other friends. Her relationship with Anton was becoming mor distant and detached, and her long hours made it hard to keep up her normal gym routine. She started out with a half-hour morning commute, but eventually, Bank of America Merrill Lynch move her group to the giant office tower it had purchased at One Bryant Park. Soon, the extent of her dai exercise was walking the three avenues and six blocks from her Forty-Eighth Street high-rise to th tower and back.

Chelsea didn’t mind working hard. She had come to Wall Street for the money, and she knew tha long weeks and grueling projects were part of the deal. College had left her with more than $100,00 in student loans, and she hoped to save most of her $70,000 base salary and all of her bonus in order begin paying them down as quickly as possible. Still, she missed the intellectual stimulation college, when she’d taken quirky classes, read stacks of good books, and written long papers on topi that actually interested her.

During the darkest moments, when Chelsea felt herself spiraling into work-fueled depression, sh thought about her older brother, Josh. He had graduated from Tufts in 2008, with a degree economics and a cushy job offer at a boutique investment bank. Just as he was scheduled to begin, th financial crisis struck and the bank rescinded its offer. He’d spent the next six months jobless an depressed before getting an equity research job at a second-tier firm that paid him a fraction of wh he’d expected to make.

At least she had avoided Josh’s fate, Chelsea thought. She had a prestigious, high-paying fron office job in an industry that was shedding them left and right. And even though the job wasn’t th perfect fit for her, she felt comforted by the fact that it existed at all. In 2009, a bit of stability was a a twenty-two-year-old on Wall Street could reasonably ask for.

Chapter Three

AFTER MY EXCEL boot camp was over, I decided to back up a bit and try to answer a more basic questio about young financiers: namely, how do they get to Wall Street in the first place? So I booked a ticke to a place where the vast majority of financial careers are born—the campus of an elite university- and went to see the finance recruiting machine in action.

I wound up in Philadelphia, on the campus of the University of Pennsylvania. On the day I arrive it was raining buckets, but a biblical flood wouldn't have kept a small army of students from makin their way to Houston Hall. There, in their ill-fitting suits, their leather padfolios clutched tightly their sides, hundreds of eager Penn sophomores, juniors, and seniors filed into a recruiting session f Morgan Stanley, where they would hear a one-hour pitch for the bank's virtues and, hopefully, score business card or two.

When most of the seats were filled, the lights inside the room dimmed, and a Morgan Stanle recruiter pressed Play to begin a promotional video. Upbeat pop-rock music played as the screen fille with text banners:

in the finance world, every day is a new day.

some days, fortunes will be made. other days, history will.

the story of a new generation of leaders.

from the firm that brought you google, ups, and jetblue comes the opportunity of a lifetime.

boundaries will be shattered.

every voice will be heard.

and the future will be bright.

When looking at schools to visit, I singled out Penn for a reason. Like all Ivy League schools, Pen sends a chunk of its graduating class into the financial services industry every year—about 30 perce in 2009. But Penn's link with Wall Street is particularly tight because its Wharton School, a busines program that contains both graduate students and undergrads, is considered America's primo far team for budding young financiers—a sort of West Point for Wall Street. More than half of Wharton' six-hundred-person undergraduate class typically heads to banks, hedge funds, private equity firm and other financial services companies after graduation. Among the celebrity financiers the school ha churned out are SAC Capital billionaire Steven A. Cohen, the junk-bond impresario Michael Milke and real estate megagoon Donald Trump. Wharton's list of famous alumni, and the fact that i graduates emerge armed with advanced finance training, has made it a place where recruiters a prone to drooling.

"Penn, and especially Wharton, is in a league of its own," one hiring manager at a top Wall Stre firm told me. "It's the only place where you go to campus and it's already done and dusted—it's matter of *which* financial services firm students want to go to, not *whether* they want to go in finance." (Patricia Rose, the head of Penn's career services department, gave a slightly mild diagnosis: “To come to Penn is to, at some point in your undergraduate years, ask yourself th question, ‘Should I think about investment banking?’”)

These days, financial firms—as well as top-tier management consulting firms like Bain an McKinsey—court Wharton students in a manner reminiscent of very polite stalking. They barrag students with information sessions, interview workshops, lavish restaurant meals, “sell days” in Ne York City, follow-up calls, and follow-up calls to the follow-up calls. At Wharton, these firms behav less like faceless corporate entities than like insecure middle schoolers, desperately fishing for clu about whether their favorite students like them back.

Getting a job at a top firm on Wall Street, even with a Penn degree in hand, is never easy. But it especially hard when the financial industry is in turmoil, since a similar crowd of applicants compet for fewer spots. (In one recent year, Morgan Stanley received 90,000 applications for 1,200 full-tim analyst positions—an acceptance rate of 1.3 percent.) And most banks draw between 50 and 9 percent of their full-time hires from the previous year’s pool of summer interns, meaning th competition for the best offers is often all but locked up by junior year.

The race for Wall Street jobs is so cutthroat that an entire cottage industry has sprung up to giv aspiring bankers a boost. You can now buy the “Investment Banking Interview Prep Pack” for $79.9 from Wall Street Oasis; the “Ace the Technical Investment Banking Interview” webcast and PD guide for $99 from Wall Street Prep; or, if you’re really playing catch-up and don’t mind shelling ou a four-day “Intern Core Skills” workshop from Adkins Matchett and Toy for $3,000.

Wharton students generally don’t need these study aids, since they already learn advanced financi skills in their classes. Still, in an attempt to garner offers from their financial firms of choice, the spend months burnishing their résumés, practicing their interview skills and elevator pitches, an poring over the Money and Investing section of the *Wall Street Journal* in order to arm themselv with sufficient knowledge to impress the recruiters. And then, every year, they head off to informatio sessions to begin closing the deal.

It wasn’t always such an ordeal. For many years, Wall Street banks recruited like any othe corporation—hiring a handful of graduates from top colleges to fill their junior ranks and employin them indefinitely. But in the early 1980s, banks began instituting what became the modern Wall Stree recruiting program, in which college seniors are hired for two-year stints as analysts. After their tw years are up, analysts are expected to find work at a hedge fund or private equity firm, or, in a fe cases, get an offer to stay on for a third year of banking. The ones who don’t are gently shown th door.

This new plan, nicknamed “two and out,” was a brilliant tactical move. Selling Wall Street jobs t undergraduates as a temporary commitment rather than a lifelong career enabled banks to attract whole different breed of recruit—smart, ambitious college seniors who weren’t sure they wanted to b bankers but could be convinced to spend two years at a bank, gaining general business skills an adding a prestigious name to their résumés in preparation for their next moves. The strategy als created a generation of accidental financiers—people who had graduated from elite colleges wi philosophy or history degrees, had no specific interest in or talent for high finance, yet foun themselves still collecting paychecks from a big bank three decades later.

At Penn, though, most of the enthusiasm was genuine.

“Finance is a great industry filled with great people,” one revved-up student told me.

“Traders are probably the coolest people you’ll ever meet!” raved another.

Morgan Stanley’s actual recruiting pitch was a fairly unremarkable collection of corpora banalities (“culture of excellence,” “world-class mentoring opportunities”) and promises prestigious “exit opps” once the analyst years were over. But few words were given to describing th ~~actual, day-to-day work of being a first-year analyst. And nobody from the bank mentioned the bigge~~ reason a college senior might be attracted to Wall Street—namely, the fact that first-year analyst job pay a starting salary of around $70,000, with a year-end bonus that can be upwards of $50,000.

The lack of overt focus on money surprised me, though perhaps it shouldn’t have. As strange as sounds, a big paycheck may not in fact be central to Wall Street’s allure for a certain cohort of youn people. This possibility was explained to me several weeks before my Penn trip by a second-ye Goldman Sachs analyst, who stopped me short when I posited that college students flock to Wa Street in order to cash in.

“Money is part of it,” he said. “But mostly, they do it because it’s easy.”

He proceeded to explain that by coming onto campus to recruit, by blitzing students wi information and making the application process as simple as dropping a résumé into a box, b following up relentlessly and promising to inform applicants about job offers in the fall of their seni year—months before firms in most other industries—Wall Street banks had made themselves th obvious destinations for students at top-tier colleges who are confused about their careers, don’t wa to lock themselves in to a narrow preprofessional track by going to law or medical school, and a looking to put off the big decisions for two years while they figure things out. Banks, in other word have become extremely skilled at appealing to the anxieties of overachieving young people an inserting themselves as the solution to those worries. And the irony is that although we think of Wa Street as a risk-loving business, the recruiting process often appeals most to the terrified and insecure

“It’s incredibly risk averse,” the Goldman analyst told me. “Think about it: if you go to a bank, yo make as much money as anything except hedge funds, private equity, or possibly a tech startup. Thos things are wildly more risky and a lot harder to do. So if a bank comes to me with an opportunity lock down a good, high-paying job in September of my senior year without working too hard for I’m going to privilege that over anything else I might be thinking about doing.”

After watching Penn students line up to nab precious seconds of face time with Morgan Stanle recruiters that night, I couldn’t help feeling like not much had changed since the financial crisi Whether because of the structured, well-timed nature of recruiting or simply Penn’s finance-centr campus culture, the fact remained that these jobs were still objects of intense desire. Even a financi near-Armageddon, it seemed, hadn’t been able to dislodge Wall Street from its pedestal. And wondered: if students at Penn couldn’t be swayed from their synchronized march to big banks by th worst economic crisis since the Great Depression, was the financial sector’s allure simply irresistible

Chapter Four

DERRICK HAVENS LOOKED down at his cell phone, suspecting and fearing what was coming. "I can't d this anymore," the text message read. "You have to choose what's more important to you—this job o me."

Derrick winced—not only was he still at work after midnight on a Sunday, but he had just bee given an ultimatum by Erica, his girlfriend of four years, in a text message. "*Fuuuuuuuuck*," h groaned, rubbing his forehead and leaning his desk chair as far back as it went.

Erica had spent that weekend in Chicago, where Derrick lived and worked as a first-year analyst Wells Fargo. She was a senior at the University of Wisconsin—Madison, where they'd met and starte dating, and it took her two and a half hours to get from Madison to Chicago, driving along the col desolate stretches of Interstate 90.

In the beginning, going long-distance had been a no-brainer. Derrick and Erica had similar value similar left-of-center politics, a similar sarcastic sense of humor. They even looked good togethe Erica, a shapely brunette with a toothpaste-commercial smile and the innocent look of a teen catalo model, was exactly the kind of girl you'd expect to fall for Derrick, a tall, lean high school basketba player with a tousled head of dark brown hair and the cocksure charisma of a onetime homecomin king. They'd fallen deeply in love, and they had been talking about getting married after Derrick two-year stint at the bank was up.

That weekend, Derrick knew he would have to work. He always did. Life was brutal as a first-ye analyst at an investment bank. He knew that the same qualities that make first- and second-ye analysts successful at their jobs—willingness to work long hours, obsess over small details, and b constantly on call—also make them bad romantic partners. And he'd heard other analysts refer to th "seven-week itch," since seven weeks of interrupted dinners and last-minute cancellations was abo all most bankers' significant others could handle before threatening to break up with them. B Derrick had counted on making his relationship work.

On Erica and Derrick's weekends together, they typically spent late Friday night and early Saturda morning together, and played Sunday by ear. Erica usually spent the rest of the time doing homewor or watching DVDs in Derrick's empty apartment.

Derrick could tell that Erica was getting impatient with the routine, and so on this visit, he ha floated the idea of a Sunday night dinner. One dinner, with no interruptions, and no emergency trip back to work. That much, he said, he could promise.

His plans were stymied on Sunday morning, when he arrived for what he thought would be a quic check-in at work. He had planned to meet an intern at the office to work on a "buyer ID," memorandum that was used to pitch a company on several other companies that might be interested an acquisition. Derrick had offered to help with the project, but when he got to the office, the inte was nowhere to be found. Eventually, the intern e-mailed Derrick apologetically, claiming that he ha food poisoning and wouldn't be able to make it into the office. (Derrick knew that "food poisonin was code for a hangover.) So Derrick e-mailed his associate—the slightly older, business-schoo

educated banker who was his direct supervisor—and told him that without the intern, he wouldn't b
able to finish the project. The associate called back immediately.

"Listen," he said. "I've been pretty amenable to your schedule, and I've been flexible with all t
things you wanted to do this weekend. But we have a client needing this information, and I'm sorry h
didn't show up, but this is your responsibility."

Derrick sighed. "Got it. I'll get it done."

Then, with a heavy heart, he called Erica. "Hey, I've got to deal with something. I should be done i
an hour or two. I love you."

Erica had heard this tune before, and she offered to leave.

"No, no, this should be quick," he said. "Just hang out, and I'll be there as soon as I can."

But Derrick had overpromised, and the buyer ID quickly got entangled with problems. After tw
hours, he called Erica again to ask for another hour. Two hours after that, at around 10:00 p.m., h
called to deliver the news she had been fearing.

"Look," he said. "I'm so, so sorry, but I'm going to be here for a while. I don't think I can c
dinner."

Erica burst out crying. She knew that bankers worked hard, and she'd done her best to accept th
for the next two years, Derrick would only be partially hers. She'd shrugged off God knows how man
interruptions in the middle of movies, weekend brunches, football games. But the grace period ha
elapsed. After months of playing second fiddle to Derrick's job, she couldn't take it anymore.

"This always happens to me," she said through her tears. "And it hurts."

She drove home from Chicago in a rage, and stopped midway through to text him with th
ultimatum. After receiving it, Derrick sat at his desk, head throbbing. This wasn't how things we
supposed to go. Investment banking was supposed to be tough, but it wasn't supposed to jeopardiz
the things that mattered most to him.

Derrick knew that if aired anywhere outside the banking world, his complaints would set off
symphony of the world's most minuscule violins. He understood that, objectively speaking, he was n
pity case; that he was *insanely* lucky to have such a stable, high-paying job in a time when man
people he knew were struggling to pay the bills. Still, it felt at times like he was being tugged in tw
irreconcilable directions—between the girl he loved and the career he wanted to build.

Derrick didn't consider himself a banker at heart. He was born and raised in Waupaca, Wisconsin,
town of six thousand that was famous mostly for its annual strawberry festival. His father, who owne
a small grocery store chain, had convinced Derrick to study economics in the hopes of someda
recruiting him to take over the business. While in college, Derrick had been inspired by watchin
Barack Obama run for president. He had always believed in free markets, but he also believed that th
government should help lift up the least privileged. Obama's pragmatic progressivism struck a chor
with Derrick, and so, as a sophomore, he'd decided to follow in the president's footsteps and go to la
school.

His plans changed during senior year, when he was invited to interview for an investment bankin
job at the Chicago office of Wells Fargo, the giant San Francisco–based bank. Derrick knew a fe
things about entry-level banking jobs. One, they paid well. Two, they were good preparation for law o
business school. Three, the jobs were highly desired by the BBAs, students who were getting the
bachelor of business administration degrees at Wisconsin's undergraduate business program, many o
whom were self-serious protofinanciers who walked around campus in bad suits and patent leath
shoes, hauling copies of the *Financial Times* and holding investor committee meetings. And lastly,
he got one of these jobs and the BBAs didn't, it would absolutely kill them. He cherished the thoug

of waving an offer letter in front of them, watching their faces redden as they veered into apoplexy.

~~Derrick had always been tempted by money. His family was either middle- or upper-middle~~-clas depending on how his dad's grocery business was doing. His mom was a nurse, and he'd been raise with the values of Waupaca, a town where people prized hard work and thumbed their noses at bi city millionaires. But, for some reason, he still dreamed of being rich, of owning a sports car and summer home, and never having to look at price tags when he went shopping for clothes.

When he was fifteen, Derrick watched *John Q.*, a Denzel Washington movie about a father whos son is diagnosed with a fatal heart disease. In the movie, the father goes postal when he finds out h insurance won't cover a transplant, and he takes the entire hospital hostage in a last-ditch attempt save the son from certain death. The movie is supposed to be a sort of liberal caricature about t moral turpitude of insurance companies, but it hit another note with Derrick. At the dinner table th next night, he shared with his parents the lesson he'd learned: "It just, like, makes it pretty obvio how important money is."

At this, Derrick's mom stopped chewing and narrowed her eyes.

"Listen to me, Derrick, this is important," she said. "Money shouldn't define who you are. It ju makes certain things easier."

Her lesson stuck with him. And it kept him grounded even during his senior year—when he applie to Wells Fargo on a whim, got a second-round interview, then went to Chicago for a SuperDay (th all-day sessions at which banks grill their final-round recruits) that culminated in a job offer, an decided on taking it. Along the way, Derrick had convinced himself that making money wasn't th goal of going into finance. The goal was to build the skills he'd need to take over and expand his dad grocery business someday, and to send a message to the people who had doubted his ability to make in a prestigious, high-pressure industry.

"I want to make my dad proud," he told me. "And I want all those people in high school wh thought I was stupid to fucking suck it."

Derrick moved to Chicago and started at Wells Fargo a month after his college graduation. He ha now been working for several months, and he had built a reliable if unexciting routine. Most day he'd wake up at 7:30, be in his cubicle by 8:30, spend the next sixteen or seventeen hours hard work, then head home for a beer and an episode of *The Wire* before bed. It was a lonely life, b Derrick liked being productive. And he was getting real experience. He'd already earned several "de toys"—clear Lucite hunks, roughly the size of a tea saucer, that were given to the entire team th worked on any major transaction, as recognition of their work. He kept his deal toys lined up on th desk in his bedroom, and he liked looking at them before bed. There was always a little line on the set in etched type, that made him smile: "Advised by Wells Fargo," it read.

In the regional offices of Wells Fargo, the work was largely the same as it was in New York or Sa Francisco. But the environment felt different. The young bankers in Chicago weren't blue bloods wi Ivy League degrees. They were kids who had gone to Indiana, Michigan, Notre Dame. And while mo of them were highly accomplished, they didn't flaunt it. They drank domestic beer, talked about ca and girls, and spent late nights tossing a football around in the "bullpen," as their cubicle farm w called.

Derrick had been to New York once before for a trip during college, and he'd fallen in love with th city. He had flirted with good-looking girls at the W hotel bar, looked over the water in Battery Par seen the giant bull statue on Wall Street, and gone dancing at a club on the Lower East Sid Manhattan, he saw, had an energetic hum to it that Chicago could never match. It was the city whe power was forged, where social and economic capital accumulated, and where, in the course of a average day, you could see dozens of cross-sections of humanity.

~~But he knew Erica would never agree to move to the East Coast. She was planted in Wisconsin~~, wi friends and family and ambitions all centered within a fifty-mile radius of her hometown. Aside fro good food and shopping, the big city had little to offer her.

“Why do you need to go to New York?” she said, when he’d brought up the possibility. “I’m here Our families are here.”

At the time, Derrick had consoled himself with the fact that being with Erica was more importa than living in New York. But part of him had been disappointed. He didn’t know quite what coul happen to him in the big city, but he dreamed of throwing himself in and finding out.

Maybe, he thought, a breakup could be the spur he needed.

Chapter Five

OVER THE NEXT year, as I spent more time interviewing young Wall Street workers, I felt th mysterious nature of their work coming into sharper focus.

Investment banks, I learned, are vast collections of different money-related functions, all jamme somewhat haphazardly under one roof. There are, of course, the true investment bankers—men an women who tour the country helping large companies raise money, acquire smaller firms, and in a other ways serving as paid advisors to the corporate elite. And there are the junior analysts an associates who do the grunt work for those bankers. But there are lots of other people at investme banks whose work has nothing to do with investment banking. There are traders, who buy and se stocks, bonds, futures, options, and other financial products. There are salespeople, who work tandem with the traders, and match up buyers and sellers of those financial products. There a "quants" or "strats," a bank's math geeks, who build complex computer programs that analyze an trade on market data. There are research analysts, who churn out detailed reports on various topics an companies. There are prime brokers, who provide basic services for hedge funds and other investme firms, and structured finance divisions that devise and package complicated derivatives. There a media relations people, political lobbyists, HR managers, and private wealth bankers. And there a lawyers and compliance officers, who help keep everyone else out of trouble.

Most of the young Wall Street workers I was shadowing were first-year analysts in the investmen banking divisions, or IBD, of major banks. IBD analyst jobs are typically considered some of the mo prestigious positions for new bank hires, but they also have the longest hours. Today, as before th financial crisis, it's not uncommon for a first-year IBD analyst to work one hundred hours a week- the equivalent of sixteen hours a day during the week, then a mere ten hours on each weekend day.

Which is not to say that these twenty-two-year-olds are actively doing one hundred hours' worth work every week. In fact, many sit around idly for hours a day, listening to music or reading the favorite blogs while they wait for a more senior banker to assign them work. (These drop-offs a never pleasant, but they're worst when they happen at 6:30 or 7:00 p.m. as the senior banker is leavi for the day, giving the analyst a graveyard shift's worth of work before he or she can go home an sleep.)

Most of a first-year IBD analyst's work revolves around gathering, organizing, and presentin financial data. If a bank is trying to convince one of its clients (say, Apple) that it should buy anoth company (say, Microsoft), the bank's analysts first have to gather every available nugget of financi information about Apple, Microsoft, all of Apple's and Microsoft's competitors, and the entir consumer electronics sector. Revenues, expenditures, margins, buybacks, dividends, secular trend ratings changes, large buyers and sellers of stock—all of this information, and much more, must pulled from subscription services like FactSet, Bloomberg, and S&P Capital IQ. Once the data pulled, it gets corralled into a "model," a big Excel spreadsheet that is used to calculate the specifi of the deal being proposed. For an Apple-Microsoft deal, the model would be able to come up with reasonable estimate of Microsoft's present and future worth, as well as helping show how best acquire it, what the risks are, and what the benefits to Apple's long-term finances and product line ~~might be. Once the model is made, the most important information in it is put into tidy, organize~~ charts and graphs, inserted into a template, and turned into a "pitch book"—a professionally boun attractive-looking book that, over the course of several hundred pages, tells Apple a detailed stor about why, exactly, it should buy Microsoft and how much it should pay.

Investment banks are ruthless about making sure models and pitch books—both calle "deliverables," since they get delivered to clients—are perfect, down to the last comma and decim point. And that's where the analysts come in. Every day, a Wall Street analyst works at the mercy o the associates, vice presidents, and managing directors above him or her, any of whom can reque changes to any deliverable at any time. An MD wants a bar graph instead of a line graph on page 63 o a pitch book, and it's 3:00 a.m.? A good analyst will wake up and snap into action. A VP finds broken cell reference in cell L57 of an Excel model on Christmas Day? The analyst had better wait open presents.

"Until you get older, you're not setting your own pace," one Wall Street executive told me. "You'r on call. It's much more like a doctor's life in that regard."

At-will scheduling is the bane of the young analyst's existence. It means that every evening activi is subject to last-minute cancellations, that stress-free vacations and personal trips out of town a impossible, and that work-issued phones function as permanent third limbs.

"It's not the hours that kill you—it's the lack of control of the hours," one first-year analyst tol me. "My life doesn't belong to me anymore."

Unflagging loyalty is taught to analysts early. In the *Vault Guide to Finance Interviews*, a sho book used by many analysts to prepare for Wall Street work during college, would-be bankers are tol to answer this question:

> It is Friday afternoon. Tomorrow morning you have to catch a flight to Boston for your be friend's marriage, and you are in the wedding. You have informed your deal team well in advanc and they know that you will be gone. Just when you are about to leave, you find out that a clie wants to meet with the banking team tomorrow. What will you do?

The correct way to answer, according to the Vault guide, is to "express the fact that you understan the hardships that an I-banking career would involve, and that you have endured such sacrifi situations previously." In other words, you are expected to say: "Yes, sir, I will absolutely miss m best friend's wedding to sit silently in this half-hour meeting, where I will say nothing and have n discernible impact on anything."

Banks try to mitigate the effects of the nonstop lifestyle they force on their analysts by giving the some institutionalized perks. Many banks have gyms inside their buildings, and all firms provi dinner allowances for analysts who stay at the office past a certain time. Analysts at many firms a given vouchers for luxury town cars, which they are allowed to take home after a late night at th office. But often, these perks function more as incentives to work more and later.

Karen Ho, an anthropologist at the University of Minnesota who has studied the culture of financ writes that young bankers are "oriented into a culture of instability and competition where they mu hit the ground running." Part of that orientation, she writes, is learning to conceive of their wo differently from the work done by nine-to-five employees in the "real" economy, who clock in an out, who can leave work at the door, and who don't live in constant fear of being called in on an urge project. This sanctified status, which Ho calls the "cultural geography of segregation," is bequeath to analysts during the training process as a point of pride, and a rite of passage to which all analys ~~must subject themselves. And it works. In bullpens across the Street, young analysts play games o~~ "misery poker," in which they proudly—and often, with some exaggerated details—complain to eac other about how overworked they are. ("I'm staffed on three deals, and haven't left the office befo 1:00 a.m. in a month." "Oh, yeah? Well, I'm staffed on *four* deals, and I pulled three all-nighters la week.")

Young Wall Street analysts aren't victims, of course; they all choose this path voluntarily, and the are well compensated for it. But as I heard more of them describe the everyday frustrations an boredom associated with their jobs, it occurred to me more than once that some right-thinking peop would be unwilling to do this work for *any* amount of money. Wall Street, more than most industrie makes its workers feel expendable; many entry-level bankers conceive of themselves as lumps body mass who perform uncreative and menial work, and whose time can be exchanged for labor any moment. The banks themselves reinforce this people-as-assets view, referring to their flesh-and blood employees in purely transactional terms. (At Goldman Sachs, for example, what used to be th human resources department is now known as "Human Capital Management.")

For first-year financiers—who just months earlier were happy, autonomous college students—th process of becoming human grist for Wall Street's labor mill can be a blunt trauma. Among the youn bankers I interviewed, I saw disillusionment, depression, and feelings of worthlessness that we deeper and more foundational than simple work frustrations. And at times, while listening to analys nearly in tears describing how much they despised the mindlessness of making Excel models, meeting a banker at a bar at 11:00 p.m. on a Sunday because it was the only free time he had availab for an entire month—my thoughts drifted. I recalled those statistics about how many graduates of to colleges end up working in finance, and the massive allocation of the nation's social and econom resources toward the functions of Wall Street banks. And I thought, with more melancholy than ange *We're giving all that to* this*?*

After one analyst spent most of a late-night interview describing his anxiety and ennui, I reflecte on a passage from *The Financiers*, an early book about Wall Street investment banks. The passage wa written in 1976, a decade before Tom Wolfe coined the term *Masters of the Universe*, and it spoke investment bankers as if they were a newly discovered superhuman species:

> Their offices are furnished with expensive antiques and original works of art. They dress conservatively cut $500 suits, and are as quick to place a telephone call to Rome or Zurich Frankfurt as most Americans are to call their next-door neighbor.…They engineer multi-million dollar transactions and, although they render middleman services only, enough money remains their hands to make them the richest wage earners in the world. They are the investment bankers Wall Street; the men who raise billions in cash for America's giant corporations.

That passage may have been true of senior bankers in 1976, but it bore no resemblance to the li I'd heard so many young bank analysts describe in the post-crash era. Today, a more accurate versio would read:

> Their offices are covered in moldy takeout containers and pit-stained undershirts. They dress whatever is left in the clean laundry bag from last week, and haven't seen sunlight in two month They make pitch books for clients who will never read them, and get yelled at for improper aligning cells in Excel, all in hopes of a year-end bonus number that won't make them want