

## **DIRECTOR MAGAZINE – Editorial (April Issue)**



There was at least one group that was relieved by the mid-March ultimatum to Saddam Hussein. As an invasion of Iraq grew in certainty, the stockmarkets rose accordingly, buoyed on the hope of a quick victory by US and UK troops. It's what one economist has called the "relief rally", when an end to uncertainty triggers a brief return of confidence on Wall Street and in the City.

The investment community is probably better placed than most cope with uncertainty, given that markets thrive on change.

But businesses themselves aim for stability; they are counselled in long-term planning and risk mitigation. For many companies, the coming months will bring no relief rally. Perhaps it's worth remembering that a bit of caution is no bad thing, as James Ledbetter's tale on page 64 makes clear. In an essay based on his recently published book, *Starving to Death on \$200Million*, he charts the spectacular rise and fall of *The Industry Standard*, a magazine that proved a truer bellwether of the internet economy than anyone could have guessed.

The hype that surrounded the dotcom boom should have taught us some lessons about investing. But how the investment system works remains unpredictable and, to many, inexplicable. It is largely for this reason that think tank Tomorrow's Company is undertaking an inquiry into UK investment, led by ex-Glaxo SmithKline CEO Sir Richard Sykes. The aim is to make the process of investment more efficient and transparent. The inquiry is currently gathering information from all along the investment chain and is calling for evidence and input from individual investors ([www.tomorrowscompany.com](http://www.tomorrowscompany.com) for details). Over to you.

**Joanna Higgins**, Editor