Why I joined UKSA

I first began to save serious money, and learn how to handle it, when I worked in the US and earned a US salary while still retaining thrifty UK spending habits. My US friends regarded investment in the stock market, or some other risk-based enterprise, as the only sensible use of long-term money. My first wife listened to her friends and stuck money in a Vanguard 60:40 account (total expense ratio 0.2%). I learned from both approaches.

In the mid-90s I returned to the UK, a reduced income, and a social environment where conversation about money was not considered chic. However I became familiar with the work of a corporate head office; I experienced the amount of time senior executives had to spend schmoozing the City instead of doing their jobs; I dealt with the regulator on matters of corporate observance; and eventually I retired.

Soon after that my eye was caught by a flier from a major bank. It advertised an investment product which I later learned was called a structured bond. There was something a bit odd about it. It was equity-based with a loss limit, but with a number of unattractive features: capital appreciation capped, no dividend, a fixed 6-year term with no right of early withdrawal and a strange counterparty. Intrigued, I did the maths. It took me about half-an-hour. I determined that it would be impossible to find an investor who would not be better off with a suitable mixture of cash and shares. Therefore any independent financial adviser would not be recommending the bond: any IFA who *was* needed to be disciplined. I wrote to the regulator.

The rest of the story you can guess for yourself: my case went nowhere. But I learned about commission-based 'advice'; I learned about the size of the financial product market; I learned about the relationship between the regulator and the regulated; I learned about the conflict of interest inherent in financial institutions selling services to businesses they controlled; and I learned about the generally woeful ignorance of a population brainwashed to buy products instead of being taught how to invest.

I became angry. So I looked for an organisation with its heart in the right place, and found UKSA. Through UKSA I have worked for change for the last 12 years. It's a serious business but I've had some fun while doing it.

John Hunter