

Vanguard Founder, John C. (Jack) Bogle, 1929-2019
Investing Public Speaks Out in FOJ Survey:
Comments on Jack Bogle and the Survey Research

There are hundreds of industry and academic leaders and observers who have watched for decades the rise of Vanguard and indexing and the journey of Jack Bogle. The journey that began as a contrarian idea that some called “Un-American” culminated in the dominance of indexing and their principles. Here are but a few individuals who offer comments on Jack Bogle and the survey research.

Comments on Jack Bogle

**Alan Blinder, Gordon S. Rentschler Memorial Professor
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“Bogle’s relentless voice, sharp pen, and indefatigable energy have been prodding the mutual fund industry in particular, and the financial industry more generally, to embrace higher business, fiduciary and ethical standards for decades.” May, 2010, Forward to, *Don’t Count on It*

**Tamar Frankel
Professor of Law Emerita
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“People affect family, friends and business associates through life. Some people affect society as a whole. Jack Bogle was one such person. He created an investment management company that benefited investors. Similar organizations have existed but Jack Bogle offered a unique structure, in which the shareholders owned the company and received quality service at lower cost.

For the Vanguard “crew members”, this meant a great deal more. Jack Bogle cared for them. Visiting Vanguard’s dining room one felt the “family relationship” atmosphere. In a meeting, more than 40 years ago, I was overwhelmed when he suddenly approached me (an unknown Israeli woman), noting my book on fiduciary law. Jack Bogle was a unique person, who combined principles with humanity, and honesty with financial stewardship. He continues to lead us today.”

**Phyllis Borzi, Former Assistant Secretary, Department of Labor
2009-2017**

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Jack's vision and leadership created a new investor class. He never ceased to speak out forcefully when market behavior strayed from putting investors' interest first. Jack will always be our North Star!

**Leo E. Strine, Jr., Austin Wakeman Scott lecturer on Law, Fall 2019
Harvard Law School**
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"I was lucky to get to know Jack because I have been writing about his key topic for the entire century and especially about the important role index funds could play in making our corporate governance system more rational, if they used their voice responsibly."

On February 28, 2014, Leo E. Strine, Jr., became the 8th Chief Justice of the Delaware Supreme Court. Previously, Chief Justice Strine had served on the Delaware Court of Chancery as Chancellor since June 22, 2011, and as a Vice Chancellor since November 9, 1998. While serving on the Court of Chancery, Chief Justice Strine wrote numerous opinions addressing issues of corporate law and authored many articles about the effect of corporations in society.

**Richard Sylla, Professor Emeritus of Economics
Stern School of Business, New York University
Chairman, Museum of American Finance**
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"We've had a lot of talk about fiduciary responsibility today. In this pantheon from Hamilton to Bogle ... each made America a better place for everyone. Jack is one of the six key figures in American history who extended the advantages of financial investment to a wide and wider range of Americans."

Comments on the FOJ Survey

Jeffrey Rosen
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"Jack Bogle was revered by so many who followed or worked with him. It's wonderful to see how brightly his legacy shines among the millions of investors who also knew him. "Made investing understandable" and "the best friend a small investor ever had" are just two phrases that grateful Americans associate with Jack, whose calm and steady wisdom will continue to guide investors for generations to come."

Charles ("Chip") Roame
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"Jack Bogle will have many lasting legacies, and this survey suggest some of the most important impacts he has left on investors. The investing public learned and understood the principles that Jack espoused, ranking the tenants of investing for the long-term, minimizing costs, and diversifying portfolios all very highly. I was particularly struck by the increased focus of 40% of general investors who recognize the value of minimizing costs as the number one driver of long-term performance. Among investors who knew Jack, it's 67%. This is legacy impact. Jack's favorite product, index mutual funds, was also widely seen as very positive, with investors noting that index funds offer lower costs, eliminate certain risks, improve returns, and enhance transparency. For the investing public, Jack's legacy will continue to be best described as, investing in the entire market with low cost index funds being better than stock picking. This survey definitively summarizes Jack Bogle's positive legacy on millions of investors."

Russ Wermers, Professor of Finance
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"John C. (Jack) Bogle was a uniquely influential man. John Bogle was also eternally humble, willing to serve as the "ghost in the machine" in the efficient application of Modern Portfolio Theory to benefit the hundreds of millions of average investors. Over several decades, Bogle was a major driving force in the democratization of mutual funds for the ordinary investor on the street who did not understand the primary role of investment fees on the well-being of such an investor over the long-run. This survey shows that Bogle, while not well-known by individual investors, was very highly regarded by those who knew of him. At the end of his life, he was--by proxy--recognized through the ultimate realization by investors that the "house that Bogle built," Vanguard, is a well-respected fund management company that has delivered diversification, low costs, and investing for the long-term for small-scale investors."

Bogle did not disregard the possibility that a very few active fund managers (4-6%) can deliver market-beating returns over long time periods. From my personal interactions with him, he acknowledged the research --reinforcing that his main driving force was intellectual honesty. The challenge is knowing in advance which fund managers will do so when. Bogle cautioned individual and institutional investors that identifying such active managers was extremely difficult, and that they should default to index funds.”

Deborah S. Bosley, Ph.D.
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*“The survey shows how Jack Bogle’s principles and index funds are fixed in the American investors’ mind along with a high regard for Vanguard and Jack Bogle. Bogle’s reputation compares with giants Warren Buffett and Bill Gates. Why this rock star status? One hint is in how investors describe Bogle, and their belief he “Made investing understandable.” In an industry known for legal jargon and sales talk, Bogle was plain talk and blunt candor. The messages could not be more different:
Industry: ‘Investing is complicated. We understand the markets. We know better.’
Bogle: ‘Indexing isn’t complicated. You can do it. I’m with you. I believe in you.’”*

Derek Horstmeyer
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“The survey numbers show the impact that Bogle has had not only on Vanguard investors but on the general investing public. Bogle’s legacy extends far beyond Vanguard. Vanguard was the first mover in index funds but this caused all other mutual fund families to follow suit. Now all major mutual fund families offer index funds with costs that are approaching 0% a year in expense ratios and because of the index fund revolution that Bogle started, the average actively managed fund has had to reduce their fees by 50% over the past 20 years. Not only has this index fund revolution affected the costs to investors, but academic research suggests that index funds also yield better governance at firms, better CEO pay practices and better board oversight. So not only has Bogle’s vision helped lower costs but it has also lead to better run firms in our markets.”