



The 5 Most Feared Figures In Finance

by Andrew Beattie ([Contact Author](#) | [Biography](#))

Every Halloween there is no shortage of children dressed up as vampires, werewolves and witches. If, however, a child truly wanted to inspire horror in the adults handing out the sweet candy treats, he or she would be better to put on a suit, tie and wing-tipped shoes, and threaten to topple the market. In this article, we'll take a look at the frightening financial figures that caused terror on Wall Street.

No. 5 - Bill Gates

Bill Gates is best known for being one of the richest men on the planet and the founder of tech company giant, Microsoft. The thing that helped him and his company establish a near-perfect dominance over the market was not a superior level of technology, but Gates' business acumen and cutthroat competitiveness. When Microsoft exploded onto the scene with MS-DOS, Excel, Word and then Windows, many investors wondered why the profits weren't being paid out in juicy [dividends](#). It soon became apparent that Bill Gates was building a [war chest](#) of unbelievable size.

Investors who would usually try to sway the [board of directors](#) to disperse the profits were unusually silent as Bill Gates plotted a course for Microsoft that would make it one of the largest companies in the world. Microsoft now has billions of dollars held in reserve that can be used as a weapon or a shield, depending on what the situation calls for. Whether it is facing down [anti-trust](#) lawsuits or carving out new markets for his company, Bill Gates and his [800-pound gorilla](#) are very intimidating.

No. 4 - George Soros

[George Soros](#) has been described as a pirate and is despised in locations as various as Thailand, Britain and Malaysia. This famous currency [speculator](#) has made a fortune breaking [currencies](#). In breaking the Bank of England, Soros became a figure to be feared by countries trying to protect fragile currencies. Soros is far from a numbers-only speculator. He looks in-depth at a country and tries to spot errors in valuation; political policies in particular draw his interest. Active in philanthropy focused on bringing about political change, Soros also uses his currency positions to "punish" countries whose policies are ignored in favor of positive economic data by most speculators. By pressuring these governments financially, Soros can force political changes that might never come about otherwise. Governments may fear him, but the citizens of these countries may ultimately thank him. (Though feared on Wall Street, charities and nonprofits adored both Soros and Gates. Find out more about their giving in [The Christmas Saints Of Wall Street](#).)

No. 3 - Carl Icahn

Carl Icahn is a one-time [raider](#) who can be credited with prompting more [Securities and Exchanges Commission](#) regulation than any other individual.

Icahn was the creator of [greenmailing](#) and one of the primary reasons that [disclosure rules](#) are so strict

once stock holdings creep to the level of a [toehold purchase](#). Icahn did everything from stripping assets and forcing stock buybacks, to personally dressing down CEOs and board members.

Now, hemmed out of raiding by the SEC, Icahn buys [controlling](#) or even [minority interests](#) in companies that he considers to be undervalued. He then outlines his plan for creating value - ranging from [spinning off](#) profitable units, buying back stock, or simply cutting down excess overhead costs - and threatens a [proxy war](#) if his "advice" is not followed. With his reputation, a company may even see a jump in price just by calling down the wrath of Icahn on its slumping stock. Carl Icahn works to create value for the shareholders now, rather than stealing it from them, but a meeting with Icahn is still enough to give underperforming and overpaid CEOs the shakes.

No. 2 - John D. Rockefeller

John D. Rockefeller may be the most terrifying figure in finance. He was the richest man in the world and still ranks as the richest man in modern history. His company, Standard Oil, controlled 90% of the American oil industry and was infamous for forcing competitors to bankruptcy and then buying their assets from their creditors. But the thing that made him truly terrifying was his absolute belief in what he was doing. Rockefeller saw cutthroat competition as a ruinous practice that benefited the consumers much less than it ultimately hurt business. Rockefeller saw greater profits and greater benefits could be achieved by the practice of "combination", now called "[economies of scale](#)". (Keep reading on this subject in [What Are Economies Of Scale?](#))

Rockefeller is remembered for his hard ball practices of using the immense wealth of Standard Oil to cause train and barrel shortages that ruined his competitors and forced them to come to his side, but he should also be remembered for emphasizing [research and development](#), reducing harmful waste and passing savings onto consumers. There is no doubt that his driving sense of purpose and the means he employed to achieve his ends were not all good, but there is as much to admire about Rockefeller as there is to fear.

No. 1 - J.P. Morgan

J.P. Morgan was a wealthy man, but not near the scale of a Rockefeller or even a Gates. What J.P. Morgan had more of than any other person on this list was pure power. During his lifetime it was said that God owned men's souls and J.P. Morgan owned the rest. The power that Morgan wielded owes as much to timing as to his personal attributes. Morgan was the primary banker for Wall Street, [underwriting](#) companies like General Electric and International Harvester at time when the American economy was getting ready to explode. At the time, a bank's reputation decided whether an issue would sell rather than the strength of the company's financials, and Morgan's reputation was gold.

The moment when Morgan was at his most powerful and terrifying, however, came during the Bank Panic of 1907. Morgan personally gathered all the financial and political movers at his mansion and forced them into locked-door negotiations to resolve the crises. The idea that the entire American economy relied on one aging banker to keep it afloat scared the government so badly that the [Federal Reserve Bank](#) was created to prevent a similar situation in the future.

Conclusion

The word terrifying is apt for these men. The names Gates, Soros, Icahn, Rockefeller and Morgan all

embody enough power (financial, mental and political), to inspire awe, respect and, consequently, fear. It is unlikely that they will ever inspire their own costume line, but they will forever cause chills down the spines of bankers, investors and financial figures alike.

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