Review of: "[Commentary] The Paradox of Wealth: A Satirical Exploration of Intelligence and Financial Success"

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The article provides an engaging examination of wealth creation, echoing themes from works like Charles Mackay's "Extraordinary Popular Delusions and the Madness of Crowds." While the author explores the folly of pursuing wealth, he adopts a narrow perspective, focusing solely on the financial markets. This review critiques the article and offers suggestions for improvement.

In the introduction, the author presents his thesis and argument. However, his opinion and subjectivity dominate the narrative, lacking sufficient supporting evidence. The frequent use of hyperbole, such as describing "silly stories" as boring and dangerous, weakens his argument. These assertions are made without empirical evidence or an explanation of causality. Incorporating historical examples to support his thesis would strengthen the argument. Additionally, the absence of an analytical framework or methodology confines the paper to the realm of speculation.

In the section on "How to Get Really Rich," the author claims that stupidity is a necessary condition for becoming rich and questions how one achieves wealth. Unfortunately, his explanation is devoid of empirical evidence, such as historical examples, and fails to consider the role of luck in wealth creation. The result is an oversimplified axiom: rich = stupid. Furthermore, the introduction of the CAPN model restricts the discussion of wealth creation to financial markets. A broader analysis, encompassing various avenues of wealth creation such as entrepreneurship, intellectual property, trade, ownership, and licensing, would provide a more comprehensive view. Notable examples like Gates, Tesla, Rockefeller, and Carnegie amassed their fortunes not through financial instruments but by developing and marketing products. This raises the question: is stupidity confined to those who gained wealth from financial markets, or does it also include company builders? The author does not explore these scenarios, leaving us with a one-dimensional perspective on stupidity.

The author may also err in his stupidity hypothesis regarding the financial markets. He fails to consider the possibility that intelligent individuals might profit by betting against the irrational actions of others, such as shorting an overvalued stock. This strategy exploits the gap between their financial position and the physical financial reality of the world. Works like "The Big Short" or "The Black Swan" provide valuable insights into this type of epistemic thinking.

In conclusion, the author could benefit from investigating various examples of wealth production, comparing them, and developing a hypothesis that addresses different scenarios of stupidity. Additionally, the roles of luck and ruthlessness in wealth creation warrant exploration. The author could also examine how social mood influences financial markets, potentially playing a more significant role than mere stupidity in determining financial winners and losers.