

6. Wealth & Poverty

Wealth and Poverty

- Animositities due to disparities of wealth are fundamental to most revolutions of our time
- Part of the problem has to do with failure to democratize finance.
- Popular theory: inequality is because of political power, evil people
- Alternative theory: inequality is due to unmanaged risks

Wealth and Monuments

- One can build a monument to oneself, and this can achieve some kind of immortality. For example, arch capitalist J. P. Morgan built his home at 36th and Madison in New York, and from 1906-10 added to it a library, which further housed his art collection. He died in 1913.



Deal Making Trumps Scientist

Paradox of Value

That is to the ex-ante benefit of the scientist, who is more focused on making the discovery than on spending the vast wealth it might create, about which he or she has no ideas. Moreover, the scientific community has a pattern of sharing of ideas as they come, incrementally, with the work of many different people, and so they do not readily identify major breakthroughs with any one individual.)