

Touch My Rock, King Midas!

When Goldman performs kindergarten-level due diligence and sells it to your financial advisors for millions of dollars as “expertise,” you don’t just circulate a satirical economics dissertation...

You publish a children’s book, and you send it to every member of Congress.

I wrote “A Losing Bet Regardless of Outcome” in four months and gave it away for free. I plan to hire a quality illustrator and get the children’s version, “Touch My Rock, King Midas!” into bookstores by mid-to-late 2027. If you are interested in illustrating the commercial version, please contact inbound@beatingthepath.com with your portfolio ahead of Anthropic’s IPO.

“King Midas” is a fictional character I invented when I exposed CapEx fraud at a tech company several years ago — and he is now a recurring favorite! If you’re interested in purchasing a book when they become available, I’ll post updates on my newsletter, beatingthepath.substack.com. Keep an eye out for a Kickstarter campaign and an option to “pledge” or donate copies to local libraries, schools, and financial institutions. I will post a read-aloud on Youtube for Goldman.

This is the passion project within the passion project. I won’t sell AI-generated artwork as my own, but please enjoy these concept sketches below, courtesy of ChatGPT!



For all the Mommies and Daddies, Abuelas and Pop-pops,
Who have to explain why life got so much harder at bedtime.



Once upon a time, there was a medieval village in the hills.



One day, a man from a faraway land rode a camel into town and proclaimed himself “King Midas.”



"I have the Midas touch," claimed King Midas.

"Everything I touch will turn to gold!"



His entourage, bejeweled and clad in the finest clothes of their time sing praises of King Midas and his miracles. They tell dazzling tales of the miracles King Midas has performed in villages just like theirs, far and wide. They have the gold around their own necks to prove it.



King Midas climbs onto his stage.

Touch, touch, touch — he goes.

Gold, gold, gold — the crowd goes wild.



The villagers — blinded by grandiose promises and spectacular demonstrations — line up to hand King Midas their gold hand over fist.



The skeptics and the believers shout past each other while the village economy quietly begins to restructure around expectations of subsidized gold.



Some businesses cut jobs for “productivity gains,” some collapse entirely, while other entrepreneurs build businesses that depend on the assumption of permanently subsidized gold. They hire employees who take less gold now — with the promise of future gold later.

Investors trade the gold in their pockets for shares of paper gold in businesses — built around the potential of more future gold later.

The village financial establishment — the “best and brightest” — shuffle the village’s retirement savings to King Midas and his entourage, take fees out of every transaction, and sell their “expert gold analysis reports” to anyone who will buy them. In gold.

“A one-stage DDM, assuming an equity risk premium (ERP) of 4.5%, implies an 8% per annum nominal perpetual growth for the US Technology, Media, and Telecom (TMT) sector. This is high compared to recent years (4-5%) but lower than the 10% implied in 1999/2000. We find similar results using a threestage model,” says the financial analyst from Goldmembers of Sachs — shrouding his analysis in jargon and complexity to justify his gold fees and gold expertise.

The village political establishment takes bribes — sorry, “campaign contributions” — from King Midas to not look too closely or ask hard questions about his gold operation.



"Fools!" cry the believers. "King Midas is our future and our savior! Those of you who don't pay him your gold — so he will touch your things, and turn them to gold — will be left behind and impoverished. With no gold!



Finally, one villager — not the brightest nor the dimmest, not the tallest nor the shortest, not the poorest nor the richest, not the left-est nor the right-est, not a Gold-optimist nor a Loser-McDoomer — steps up and does the obvious thing.

The obvious thing that thousands all thought privately but no one stepped up to do themselves.

The obvious thing that the villager was embarrassed that no one else did in the first place.

He holds out a rock.



“Prove it,” he says to King Midas.

“Touch it. Right now. In front of everyone. No — I don’t care about your benchmarks. You invented them. Stop pointing at China and whining about the gold-pocalypse. Put the glitter away — I don’t want to see another staged demonstration. Turn the music off and stop dancing.”

“Use my rock this time.”

On November 30, 2022, a team of researchers launched a revolutionary technology and proclaimed themselves as champions of civilizational progress. That revolutionary technology is artificial intelligence — technology that reasons. Technology that solves logic puzzles. Technology that will bring wealth to everyone — only if we pay them trillions of dollars up front.

I am holding out the rock.

I built a logic puzzle for them to solve publicly, in front of everyone.

I built a logic puzzle.
For them to solve.
With their trillion-dollar machines.
That solve logic puzzles.

6 weeks, 6 days, 1 hour, 30 minutes. One guy, one laptop, 100 pages, 100 citations, and an undergraduate research assistant who was too scared to put his name on the paper. A small team volunteering time, peer review, or **paid for by my retirement savings** and a methodology invented by Aristotle 2400 years ago.

4 years. The most credentialed experts from the most prestigious universities and institutions. Billions of dollars in collective research budgets. Trillions in market cap. Trillions in CapEx commitments. Intelligence machines that are specifically designed to solve logic puzzles — **paid for by your retirement savings**.

Clown. Show.

This is the largest collective failure of due diligence in financial history.

Every financial professional with a fiduciary duty in America now has a legal obligation to either solve the logic puzzle — falsify a premise of the structured deductive argument — or disclose to their investors that the investment in AI is a losing bet regardless of outcome as a material fact.

Falsify. Disclose. Defraud.

I hope everyone got their money's worth for the logic puzzle machines.

Because if not?

God Bless America.