Financial research to be hocus-pocus

The financial research at universities is a sham - a matter of luck than science. This statement provoked an American professor.

Ironically, a finance professor criticized the financial research: Campbell Harvey. (Image: twitter.com)

one from i you try a lot, anything works by chance: even scientists are left in the field of academic finance research on this probability statement. According to Campbell Harvey, professor of finance at the American Duke University in Durham, namely most research articles on financial market issues are erroneous, he says the "Frankfurter Allgemeine Zeitung". Many of the alleged in the research relationships are purely randomly come into being. This also explains why some of these results because created and glorified financial products do not meet the expectations at the end.

Unfounded leaves the US Professor not his assertion. From 296 findings from the Public Finance since 1964 have more than three-quarters, rather only half stock. Give one namely 10,000 investors an index forecast, would one half rising prices prophesy that others are falling. Those who have finally said the right thing, would quickly be regarded as all-knowing guru - without that they only have the slightest idea as well.

Even medical researches based on luck

But not only in the financial sector all familiar with such problems. In physics or biomedicine has - in order to be supported more no coincidence results have - increases the test barriers significantly. In the financial research this is currently not the case. Would it go to Professor Harvey, the barriers would also be raised here: "There is no reason to suppose that there is a difference between the natural and the financial research", Harvey is quoted.

How can you still trust the scientific articles now? Harvey, who is not only a professor, but also a hedge fund provider advises Man Groun in the investment strategy, advice has prepared. Professor
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**Logicians** on 18/07/2015 15:20 via

**Question**
Requires financial researchers not all be multimillionaires when they know so well?

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**TenioLatev** on 18/07/2015 15:34 via

**Finally**
Finally one that speaks from what is known as insider since jahrzehten.

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**Albert** on 07/18/2015 15:15 via

**Gambling principle**
Do I even so, financial research is to be regarded more as a confirmation for Chaos Theory!

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**Unknown** on 20.07.2015 12:18 via

**He’s right!**
I'm also sorry, but the good man is right. Financial research is the clown-discipline among the sciences. Nothing is more abstract and involuntarily as this industry. I have for many years developed IT systems for financial markets, and knows of what I write. Everything hoax.

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**Tina** on 19/07/2015 23:38 via

**Schrödinger's cat**
It is known that stops just short in the financial community a thesis or idea, because if successful, immediately copied and changed as the starting position and success. therefore he's right and wrong, and everybody knows that professional investor. That does not mean that research does not help, but only that the behavior of scenarios would need to be better integrated.

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**Georgos** on 07/19/2015 22:04 via

**oups?!?**
Has anyone been alleged that economic processes were scientifically detected. Adam Smith has since just been shipwrecked like Karl Marx. Only the BWler still believe.

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**Peter (TOO)** on 07/19/2015 20:34

**Fulfilling prophecy ...**
There are on the market two problems: 1. An attempt can not in principle be repeated. If I, for example, stock A watch, I can not put everything back to the beginning and see if it runs right the 2nd time. 2. If any guru claiming that share will rise B, this also increases! Not for factual reasons, but simply because his
followers then buy this stock....

Tim X. on 07/19/2015 15:19

*All financial researcher*
coming from Greece. That may indeed be no coincidence??

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