

Man, Machine and Money: The Rationalizer

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It would be a fantasy fulfilled if a machine could really make money without the user going to prison. Dream on no longer. The future is here. Or, in a nod to transparency, it is almost here.

A new machine that is about to be marketed promises to do the trick. Royal Phillips Electronics, a global company, and an innovative group from the Dutch Bank AMB AMRO, announced the debut of the 'Rationalizer' this fall. It is meant to help serious home investors trade online. Though the instrument is still more of a concept than a store product, the very name suggests an addition of psychological balance for the stock trader, one that is designed to improve investment profits.

The device itself is an ultra modern emotion sensing bracelet worn on the wrist. It mirrors feelings by measuring galvanic skin response. Previous studies demonstrated that the degree of electrical conductance in the skin is directly related to the state of arousal. The 'Rationalizer' records this and feeds it back to the user via a light on the bracelet or a bowl nearby. The beam from the light is color coded from yellow to orange to red, the last being indicative of the most intense emotional state. This feedback gives the user a chance to respond accordingly to what the instrument is telling her—that she is having a powerful sensation. However, it does not advise her whether it is positive or negative. She must determine that herself. Then, she can adjust her trading response as she deems appropriate.

A limitation of the machine is that it might best be used in conjunction with a specialist trained in helping clients achieve investing success. This individual would help assess which 'Rationalizer' responses are positive or negative. At present, this kind of specialist is usually hired only by professional traders due to expense. For home traders, the cost could be prohibitive.

In a nutshell, the 'Rationalizer' is a biofeedback device for individual investors meant to help them better buy and sell stocks and bonds. It is not yet available, but Phillips recent announcement of its development suggests that they are close to marketing it.

In many ways, this machine is like the futuristic intervention used by Jane Fonda in the 1968 film "Barbarella." The movie, directed by Fonda's then husband, Roger Vadim, helped her obtain pleasure, albeit of a different kind than the Phillips/ AMB AMRO project. For an example, please see "[The Excessive Machine from Barbarella](#)" on YouTube if you are willing to risk your good taste. Nevertheless, the 'Rationalizer' holds a similar promise of pleasure, but from money gleaned instead of Fonda's film delights.