The Mathematics of Ion Saliu's Paradox

$$1 - \frac{1}{e} = .632120558828558...$$

By Ion Saliu

We start with one of the steps leading to the *Fundamental Formula of Gambling (FFG)*:

$$1 - \mathrm{DC} = (1 - \mathrm{p})^{\mathrm{N}}$$

DC represents the *degree of certainty*, **p** represents the *probability*, and **N** represents the *number of trials*.

We can express the probability as $\mathbf{p} = \frac{1}{N}$; e.g. the probability of getting one point face when rolling a die is *1 in 6* or $\mathbf{p} = \frac{1}{6}$

It is common sense that if we repeat the event N times we expect one success. That might be true for an extraordinarily large number of trials. If we repeat the event N times, we are NOT guaranteed to win. If we play roulette 38 consecutive spins, the chance to win is significantly less than 1!

$$1 - \mathrm{DC} = (1 - \frac{1}{\mathrm{N}})^{\mathrm{N}}$$

I noticed that $(1 - \frac{1}{N})^N$ has a limit: $\frac{1}{e}$, (**e** is the base of the *natural logarithm* (*ln*).

$$1 - DC = \frac{1}{e}$$

Thusly:

$$DC = \lim \left(1 - \frac{1}{e}\right) = .632120558828558...$$

Soon after I published my *glorious* page on theory of probability (in 2004), the adverse reactions were instantaneous. I even received multiple hostile emails from the same individual! Basically, they considered my $\frac{1}{e}$ discovery as idiocy! "You are mathematically challenged", they were cursing! Guess, what? I saw in 2012 an edited page of Wikipedia (*e constant*) where my $\frac{1}{e}$ discovery is considered correct mathematics. Of course, they do not give me credit for that. Nor do they demonstrate mathematically the $\frac{1}{e}$ relation — because they don't know the demonstration (as of March 21, 2012)!

You see the mathematical proof right here, for the first time.

$$\mathbf{e} = (1 + \frac{1}{N})^{\mathbf{N}}$$

Let's demonstrate that:

$$(1-\frac{1}{N})^{N} = \frac{1}{e} = \frac{1}{(1+\frac{1}{N})N}$$

If 2 relations are equal, then their *Nth roots* are also equal:

$$(1 - \frac{1}{N}) = \frac{1}{(1 + \frac{1}{N})}$$
$$\lim(1 - \frac{1}{N} + \frac{1}{N} - \frac{1}{N^2}) = \lim(1 - \frac{1}{N^2}) = 1$$

when N tends to Infinity. Therefore:

$$(1-\frac{1}{N})^{N}=\frac{1}{e}$$

QED.

Theory of Probability: Introduction, Formulas, Software, Algorithms Mathematics, Probability, Logarithms of Fundamental Gambling Formula