



People

## Do The Richest Make Money Fastest?

Matthew Herper, [Forbes.com](#), 09.27.01, 6:00 PM ET

In 1996, two incorrigible and entirely fictional gamblers were locked in a room with only that year's *Forbes* list of America's richest people. They each picked a name from the list and agreed to meet in 2001 to see whose mogul got the best return on his investments. The winner would get everything the loser owned.



One gambler picked the tried-and-true, **William H. Gates III**, then and now the richest man in America. The other decided to choose someone near the bottom of the list, who he reasoned would stand a better chance of making more money. He selected **Louis L. Gonda**, who sold his **International Lease Finance** to **AIG** (nyse: [AIG](#) - [news](#) - [people](#)) for stock in 1990. Gonda's wealth increased 274%, while Gates' fortune increased by a considerably smaller amount--193%.

### Rich Rabbits

In the world of making money, there are tortoises and hares. Those in the following table are not the tortoises--they saw their wealth increase the most, on a percentage basis, since 1996.

Name	2001 Rank	2001 Assets (\$mil)	Increase In Assets Since 1996 (%)
Dell, Michael	15	9,800	791
Kroenke, Ann Walton	56	3,200	493
Icahn, Carl Celian	31	5,000	426
Broad, Eli	26	5,500	400
Anschutz, Philip Frederick	16	9,600	336

Gates' \$54 billion fortune, which is down 14% from last year, still dwarfs the \$2 billion Gonda has amassed. But Gonda did better at turning \$1 into \$2--or \$1 million into \$2 million, as the case may be. The size of a person's fortune does not predict how fast that fortune will grow.

Neither gambler made a bad bet: The odds were even. There seems to be no relationship between how rich a person was in 1996 and how much their wealth increased on a percentage basis. Some, like Gates and fellow **Microsoft** (nyse: [MSFT](#) - [news](#) - [people](#)) billionaire **Steve Ballmer**, saw their assets double or triple in value. Others saw their wealth increase by less. A few lost money.

"To turn \$100 into \$110 is work. To turn \$100 million into \$110 million is inevitable," **Edgar Bronfman Sr.**, who ranks 97th on this year's list, is said to have quipped. You'd think he would know. But one would expect that turning \$1 billion into \$1.1 billion would be even more inevitable--and that doesn't seem to be true. **John Werner Kluge** was the world's fifth-richest man in 1996, with a fortune of \$7.2 billion; but, that fortune grew only 47% over six years. In the meantime, he dropped to the 11th spot in the Forbes 500s.

One might think it's easier for Bill Gates to make a buck than it is for the average Joe--he could just put money in the bank and take the interest. But turning \$100 million into \$110 million is still work. On average, the 220 people we tracked, all of whom were on our list in both 1996 and 2001, saw their wealth increase 94%.

That encompasses a wide range of growth, from **Dell Computer** (nasdaq: [DELL](#) - news - people) founder **Michael Dell**, whose wealth increased 791%, to \$9.8 billion, to **Amway** co-founder **Jay Van Andel**, whose wealth decreased 53%, to \$1.5 billion.

The top 110 on the list saw their wealth increase by 99% since 1996--only slightly more than those on the bottom. Like mutual funds or stocks, a billionaire's future growth has to do with a lot more than the current size of his wallet.

So it happens that our fictional gamblers settled their bets. Martin "Short Horse" MacCallen, who bet on Gates, today gave all of his worldly possessions to Jacob "Bull Face" George. George will receive a chewed cigar, an old pair of wing tips, a bottle of fortified wine and a porkpie hat.