Example 1 Find the r^{th} term in the expansion of $\left(x + \frac{1}{x}\right)^{2r}$.

Solution We have
$$T_r = {}^{2r}C_{r-1} (x)^{2r-r+1} \left(\frac{1}{x}\right)^{r-1}$$
$$= \frac{\left|\frac{2r}{|r-1|} x^{r+1-r+1}\right|}{\left|\frac{2r}{|r-1|} x^{r+1}\right|} x^2$$