Twitter Thread by The Scorpion Philosopher



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Life lessons from Charlie Munger

Mega thread

1. Know the big ideas in the big disciplines and use them routinely - all of them, not just a few.

2. The best way to get a good spouse is to deserve a good spouse.

3. Spend each day trying to be a little wiser than you were when you woke up. Discharge your duties faithfully and well. Slug it out one inch at a time, day by day. At the end of the day - if you live long enough - most people get what they deserve.

4. Three rules for a career: (1) Don't sell anything you wouldn't buy yourself; (2) Don't work for anyone you don't respect and admire; and (3) Work only with people you enjoy.

5. I try to get rid of people who always confidently answer questions about which they don't have any real knowledge.

6. A big percentage of Caltech grads are going into finance. They'll make a lot of money by clobbering customers who aren't as smart as them. It's a mistake. I look at this in terms of losses from the diversion of our best talent going into some money-grubbing exercise.

7. I like people admitting they were complete stupid horses' asses. I know I'll perform better if I rub my nose in my mistakes. This is a wonderful trick to learn.

8. There's no way that you can live an adequate life without many mistakes. In fact, one trick in life is to get so you can handle mistakes. Failure to handle psychological denial is a common way for people to go broke.

9. Extreme specialization is the way to succeed. Most people are way better off specializing than trying to understand the world.
10. It's been my experience in life, if you just keep thinking and reading, you don't have to work.

11. Mozart is a good example of a life ruined by nuttiness. His achievement wasn't diminished - he may well have had the best innate musical talent ever - but from the start, he was pretty miserable. He overspent his income his entire life - that will make you miserable.

12. Any year that passes in which you don't destroy one of your best loved ideas is a wasted year.
13. Being rational is a moral imperative. You should never be stupider than you need to be.

14. I have never succeeded very much in anything in which I was not very interested. If you can't somehow find yourself very interested in something, I don't think you'll succeed very much, even if you're fairly smart.

15. One of the great defenses - if you're worried about inflation - is not to have a lot of silly needs in your life - if you don't need a lot of material goods.
16. Another thing I think should be avoided is extremely intense ideology because it cabbages up one's mind.

17. We all are learning, modifying, or destroying ideas all the time. Rapid destruction of your ideas when the time is right is one of the most valuable qualities you can acquire. You must force yourself to consider arguments on the other side.

18. Oh, it's just so useful dealing with people you can trust and getting all the others the hell out of your life. It ought to be taught as a catechism. But wise people want to avoid other people who are just total rat poison, and there are a lot of them.

19. 'One solution fits all' is not the way to go. The right culture for the Mayo Clinic is different from the right culture at a Hollywood movie studio. You can't run all these places with a cookie-cutter solution.

20. Warren is one of the best learning machines on this earth. Warren's investing skills have markedly increased since he turned 65. Having watched the whole process with him, I can report that if he had stopped with what he knew, the record would be a pale shadow of what it is.

21. Look at this generation, with all of its electronic devices and multitasking. I will confidently predict less success than Warren, who just focused on reading. If you want wisdom, you'll get it sitting on your ass. That's the way it comes.

22. The best legal experience I ever got was when I was very young. I asked my father why he did so much work for a big blowhard, an overreaching jerk. He said, 'That man you call a blowhard is a walking bonanza of legal troubles.'

23. I'm getting more experienced at aging. I'm like the man who jumped off the skyscraper and at the 5th floor on the way down says, 'So far this is not a bad ride.'

24. All human beings work better when they get what psychologists call reinforcement. If you get constant rewards, even if you're Warren Buffett, you'll respond. Learn from this and find out how to prosper by reinforcing the people who are close to you.

25. You must have the confidence to override people with more credentials whose cognition is impaired by incentive-caused bias or some psychological force. But there are also cases where you have no wisdom to add - your best course is to trust some expert.

26. Most people are trained in one model - economics, for example—and try to solve all problems in one way. You know the saying: ‘To the man with a hammer, the world looks like a nail.’ This is a dumb way of handling problems.

27. The best armor of old age is a well-spent life preceding it.
28. In marriage, you shouldn’t look for someone with good looks and character. You look for someone with low expectations.

29. If you get Warren Buffett for 40 years and the bastard finally dies on you, you don’t really have a right to complain.

30. Coke for many decades has been a basic product full of sugar, and it grew every year. Full-sugar Coke is now declining. Fortunately, the Coca-Cola Company has a vast infrastructure. Coca-Cola is declining some, but the rest of the businesses are rising.

31. Well, envy & jealousy made, what, two out of the Ten Commandments? Those of you who have raised children know about envy, or tried to run a law firm or investment bank or even a faculty? I’ve heard Warren say a dozen times, ‘It’s not greed that drives the world, but envy.’

32. In my whole life, I have known no wise people who didn’t read all the time - none, zero. You’d be amazed at how much Warren reads - and how much I read. My children laugh at me. They think I’m a book with a couple of legs sticking out.

33. Life is always going to hurt some people in some ways and help others. There should be more willingness to take the blows of life as they fall. That’s what manhood is, taking life as it falls. Not whining all the time and trying to fix it by whining.

34. I don’t think it’s terribly constructive to spend your time worrying about things you can’t fix. As long as when you are managing your money you recognize that a terrible thing is going to happen, in the rest of your life you can be a foolish optimist.

35. I constantly see people rise in life who are not the smartest, not even the most diligent, but they are learning machines. They go to bed every night a little wiser than they were when they got up, and boy, does that help, particularly when you have a long run ahead of you.

36. You should never, when faced with one unbelievable tragedy, let one tragedy increase into two or three because of a failure of will.
37. I think people who multitask pay a huge price.

38. They once asked me what one person accounted for most of my personal felicity in life, and I said, ‘That’s easy - that would be my wife’s first husband.’

39. I eat whatever I want to eat. I never paid any attention to my health. I’ve never done any exercise I didn’t want to do. If success has come to me, it came because I think things through. All these people who think they are going to get ahead by jogging, more power to them.

40. The highest form that civilization can reach is a seamless web of deserved trust - not much procedure, just totally reliable people trusting one another. What you want is a seamless web of deserved trust. And if your proposed marriage

contract has 47 pages, do not enter.

41. The attitude of Epictetus is the best. He thought that every missed chance in life was an opportunity to behave well, an opportunity to learn something, and that your duty was not to be submerged in self-pity, but to utilize the terrible blow in constructive fashion.

42. Dean Kendall once told me a story: ‘When I was a little boy, I was put in charge of a little retail operation. My father saw me take a piece of candy and eat it. I said, “Don’t worry. I intend to replace it.” My father said, “That sort of thinking will ruin your mind."

43. Remember Louis Vincenti’s rule: ‘Tell the truth, and you won’t have to remember your lies.’
44. It’s bad to have an opinion you’re proud of if you can’t state the arguments for the other side better than your opponents. This is a great mental discipline.

45. If you have enough sense to become a mental adult yourself, you can run rings around people smarter than you. Just pick up key ideas from all the disciplines, not just a few, and you’re immensely wiser than they are.

46. Over the long term, the eclipse rate of great civilizations being overtaken is 100%. So you know how it’s going to end.
47. I like you all because you remind me of myself. Who doesn’t like his own image staring back at him?