Twitter Thread by Sahil Bloom



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Powerful concepts everyone should know (to understand the world):

The Paradox of Advice

Taking more advice leaves you less well-equipped.

Most advice sucks.

It's well-intentioned, but it's dangerous to use someone else's map of reality to navigate yours.

Winners learn to filter and selectively implement—take the signal, skip the noise.

The Feynman Technique

To learn anything:

Step 1: Identify a topic
Step 2: Try to explain it to a 5-year-old
Step 3: Study to fill in knowledge gaps
Step 4: Organize, convey, and review

True genius is the ability to simplify, not complicate.

Simple is beautiful.

Fundamental Attribution Error

Humans tend to:

(1) Attribute someone else's actions to their character—and not to their situation or context.

(2) Attribute our actions to our situation and context—and not to our character.

We cut ourselves a break, but hold others accountable.

Time Billionaire

Time is our most precious asset.

When you're young, you are a "time billionaire”—rich with time.

Too many people fail to realize the value of this asset until it is gone.

Treat time as your ultimate currency—it’s all you have and you can never get it back.

Survivorship Bias

History is written by the victors.

Studying and learning from "survivors”—while systematically ignoring "casualties”—creates material distortions in our conclusions.

We overestimate the odds of success because we only read about successes.

The Paradox of Persuasion

Have you noticed that argumentative people rarely persuade anyone of anything?

Persuasive people don’t argue—they observe, listen, and ask questions.

Argue less, persuade more.

Persuasion is an art that requires a paintbrush, not a sledgehammer.

The 5 Types of Wealth

Money is NOT the only type of wealth.

There are 5 types:
- Financial (money)
- Social (relationships)
- Physical (health)
- Mental (knowledge, health)
- Time (freedom)

The pursuit of financial wealth can rob you of the others.

Don't let that happen.

Naïve Realism

Humans generally think very highly of themselves.

We tend to believe that we see the world with perfect objectivity.

We also assume that people who disagree with us must be ignorant, uninformed, or biased.

This error sits at the core of many societal problems.

The Curse of Knowledge

Experts—or generally intelligent people—make the flawed assumption that others have the same background and knowledge on a topic as they do.

It makes them unable to teach or lead in an effective manner for those still coming up the learning curve.

Intellectual Sparring Partners

Most of us need fewer friends and more intellectual sparring partners.

Friends are easy to come by.

Intellectual sparring partners are harder to find.

They will call you on your BS, question your assumptions, and push you to think deeply.

Spotlight Effect

Humans overestimate the degree to which other people are noticing or observing our appearance or actions.

This keeps people from being themselves due to an irrational fear of judgement.

It's liberating to realize that most people don't really care about you…

Luck Surface Area

Much of what we call "luck" is the macro result of 1,000s of micro actions.

Your habits put you in a position where luck is more likely to strike.

The Luck Razor: When choosing between two paths, choose the path that has a larger luck surface area.

Confirmation Bias

Humans have a tendency to see and interpret information in a manner that supports previously held beliefs.

New data positive? This idea is a winner.

New data negative? Must have been an error in the experiment.

Very common and very dangerous.

The Regret Minimization Framework

The goal is to minimize the number of regrets in life.

When faced with a difficult decision:
(1) Project into the future.
(2) Look back on the decision.
(3) Ask "Will I regret not doing this?"
(4) Act accordingly.

Simple, effective.

Heaven’s Reward Fallacy

Humans tend to have an expectation that they will be be justly rewarded and praised for all of their hard work and sacrifice.

The reality is that a lot of it goes unnoticed—it's thankless.

The pursuit of external affirmation just breeds resentment.

Parkinson's Law

Work expands to fill the time available for its completion.

Work longer, get less done.

When you establish fixed hours, you find unproductive ways to fill it.

If your goal is to do inspired, creative work, work like a lion instead:

Sprint. Eat. Rest. Repeat.

The Dunning-Kruger Effect

Humans are notoriously incapable of objective evaluation of their own competency levels.

People with a low ability at a task are prone to systematically overestimate their ability at that task.

Example: Everyone is a genius in a bull market!

Loss Aversion

Humans tend to prefer avoiding losses vs. achieving gains.

The pain of losing something is more powerful than the pleasure of winning it.

We will typically do more to avoid losses than we will to seek gains.

We systematically overvalue what we already have.

Hanlon's Razor

Never attribute to malice that which can be adequately explained by stupidity.

In assessing someone's actions, we shouldn't assume negative intent if there's a viable alternative explanation—different beliefs, lack of intelligence, incompetence, or ignorance.

Free Time as a Call Option

You've incorrectly been told that free time is bad—hustle culture lied to you.

The reality: Free time is a call option on future interesting opportunities.

When you have free time, you have the headspace and bandwidth to pursue high-upside ideas.

The Paradox of Effort

You have to put in more effort to make something appear effortless.

Effortless, elegant performances are simply the result of a large volume of consistent, effortful, gritty practice.

Small things become big things.

Simple is not simple.

The Arena Razor

When faced with two paths, choose the path that puts you in the arena.

It's easy to throw rocks from the sidelines.

It's scary and lonely in the arena—but it's where growth happens.

Once you're in the arena, never take advice from people on the sidelines.

Those are 20+ powerful concepts everyone should know to understand the world.

Follow me @SahilBloom for more writing on powerful ideas, concepts, and more.

I will write a deep-dive on these concepts in my newsletter. Join 112,000+ others and subscribe! https://t.co/dCiVo9Iv7T

Sunk Cost Fallacy

Sunk costs are economic costs already invested in an activity that cannot be recovered.

We tend to think we should continue with something on the basis of all that we've put in—with no regard for future costs or the likelihood of ultimate success.

Beware!

The Optimist Razor

When choosing who to spend time with, prioritize spending more time with optimists.

Pessimists see closed doors. Optimists see open doors—and probably kick down the closed doors along the way.

Remember: Pessimists sound smart, optimists get rich.

Hitchens' Razor

Anything asserted without evidence can be dismissed without evidence.

Newton's Flaming Laser Sword

If something cannot be settled by reasonable experiment or observation, it's not worth debating.

These will save you from wasting time on pointless arguments!

Darkest Hour Friends

It's easy to be there for people to celebrate their wins. It takes character to show up for them in their darkest hour.

People never forget those who supported them when the chips were down.

Find your "darkest hour friends"—treasure them.

Leverage

"Give me a place to stand and a lever long enough and I shall move the world." - Archimedes

Leverage is anything that multiplies the force of your inputs.

Building systems that provide leverage on your time, money, & energy will allow you to create a life you deserve.

Inversion

"All I want to know is where I'm going to die, so I'll never go there." - Charlie Munger

The best innovators think forward AND backward.

When faced with a challenging problem, reframe it in inverse form—new perspective allows you to solve the problem more creatively.

This is a beautiful visual summary of the content.

