

Decision Making In Life A Calculus

[Lifetime Learning Institute of NOVA](#)

Thursday – June 6, 2024

Decisions = Time

*Time is the most
valuable thing a man
can spend.*

THEOPHRASTUS

Introduction – Why Calculus? Δ

Delta Δ

Decision Making In Life

...A Calculus for Living...The Life You Want...

Δy

Δx

Mental – Moral/Spiritual – Physical – Financial

over Time (T) and Dimension (3D)

Who – What – Where – When – Why – How

Wisdom – ~~Despair~~ and Hope

- “Life is a sum of all your choices.” A. Camus



- “You cannot go back and change the beginning, but you can start where you are and change the ending.” C S Lewis



A Few Things First (FTF)

Do You Know Where the Edge Is

- Ownership vs Stewardship
- TCOO (Total Cost Of Ownership)
- Important//Trivial
- Reversible//Irreversible
- Urgent//Non-urgent
- Novel//Common
- Certainty//Uncertainty
- Age of Rage//Rage Cage
- Inflection Points

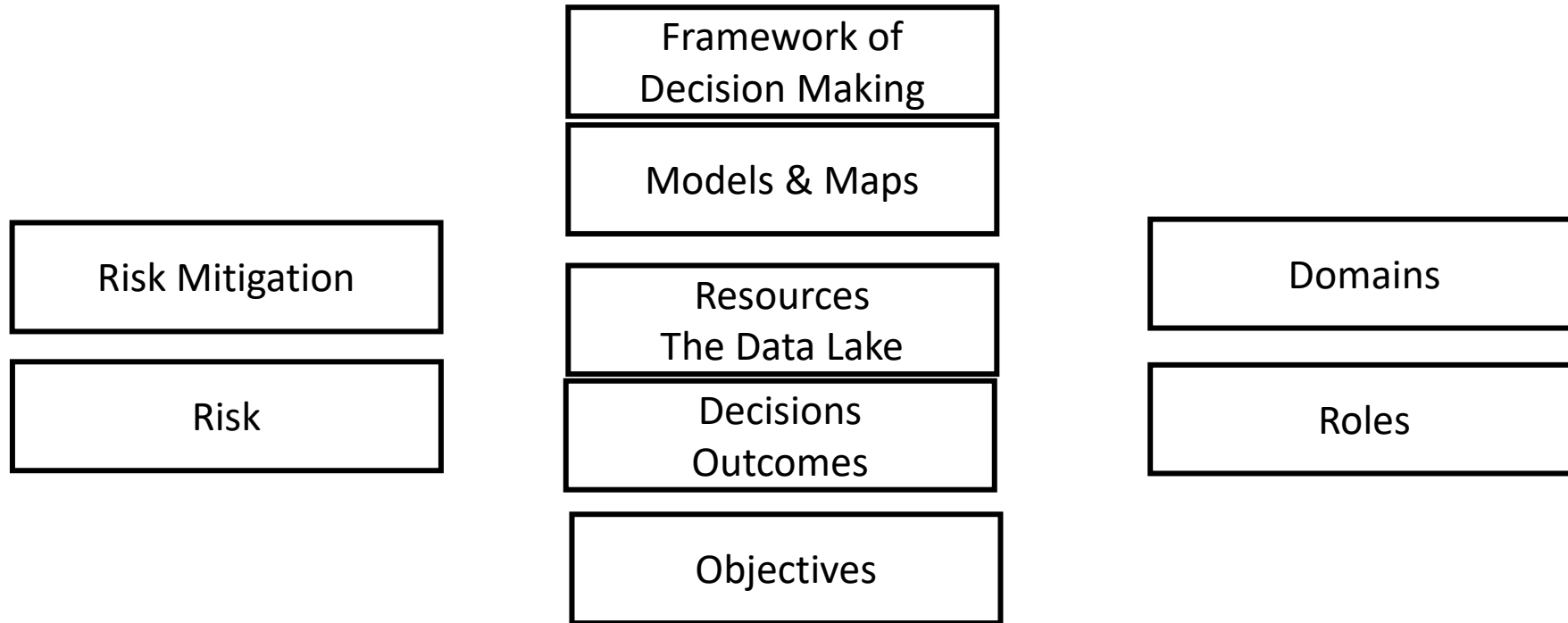
Bottom Line Up Front (BLUF)

A Quick Take Away on Common Biases

- Confirmation Bias
- Survivorship Bias
- Anchoring Bias
- Recency Bias
- Social Proof Bias (?Mimetic?)
https://en.wikipedia.org/wiki/Mimetic_theory

Decision Making In Life – A Calculus

The Father Sarducci Version



All choices involve tradeoffs

Scenario: Widow – 65 years of age

- Widow (65 years of age)
- Husband Passed 2 yrs ago, bed-ridden for previous 5 yrs
- 2 Grown Daughters – 1 in town, 1 an 8-hour drive away
- 3 vehicles: Porsche; SUV; Jeep
- 3 Dogs; 1 Large Bird
- 1 Shotgun Set – High End Skeet Set
- Large 4 Bedroom home w/ Swimming Pool & Cabana
- 3 Bedroom TH – originally for Daughter 2
- Mother's Home as Rental – Collecting Rent sporadically

Scenario: Cognitive Ease – Strain & Effort

Problem

A bat and ball cost \$1.10.

The bat costs one dollar more than the ball.

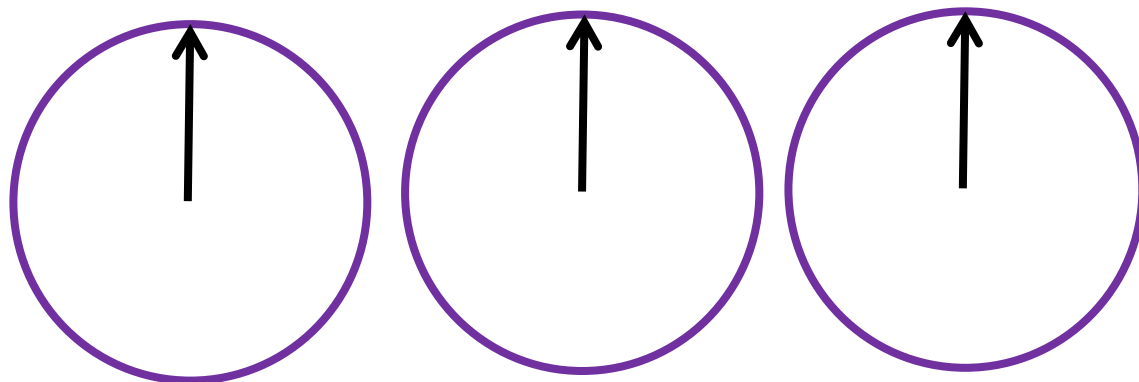
How much does the ball cost?

Scenario: Cognitive Ease – Strain & Effort

Problem

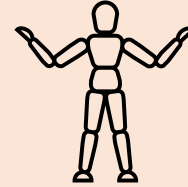
If it takes 5 machines 5 minutes to make 5 widgets, how long would it take 100 machines to make 100 widgets?

A Model to Reduce Cognitive Load



Models

Models



- Religion – Spirituality

- Family

- Language

- Culture

- Organized Crime

- Time

- Governance

- Local/Local²⁻ⁿ/State/National
- Business

- Legal

- “I, Pencil”

- WFH/Hybrid/Office

- Personality

- MBTI; FFI; Narcissism/Dark Triad

- Healthcare

- Management; Delivery; Dr-Patient
- MD; OD; Specialties

- Financial

- Literature/Poetry

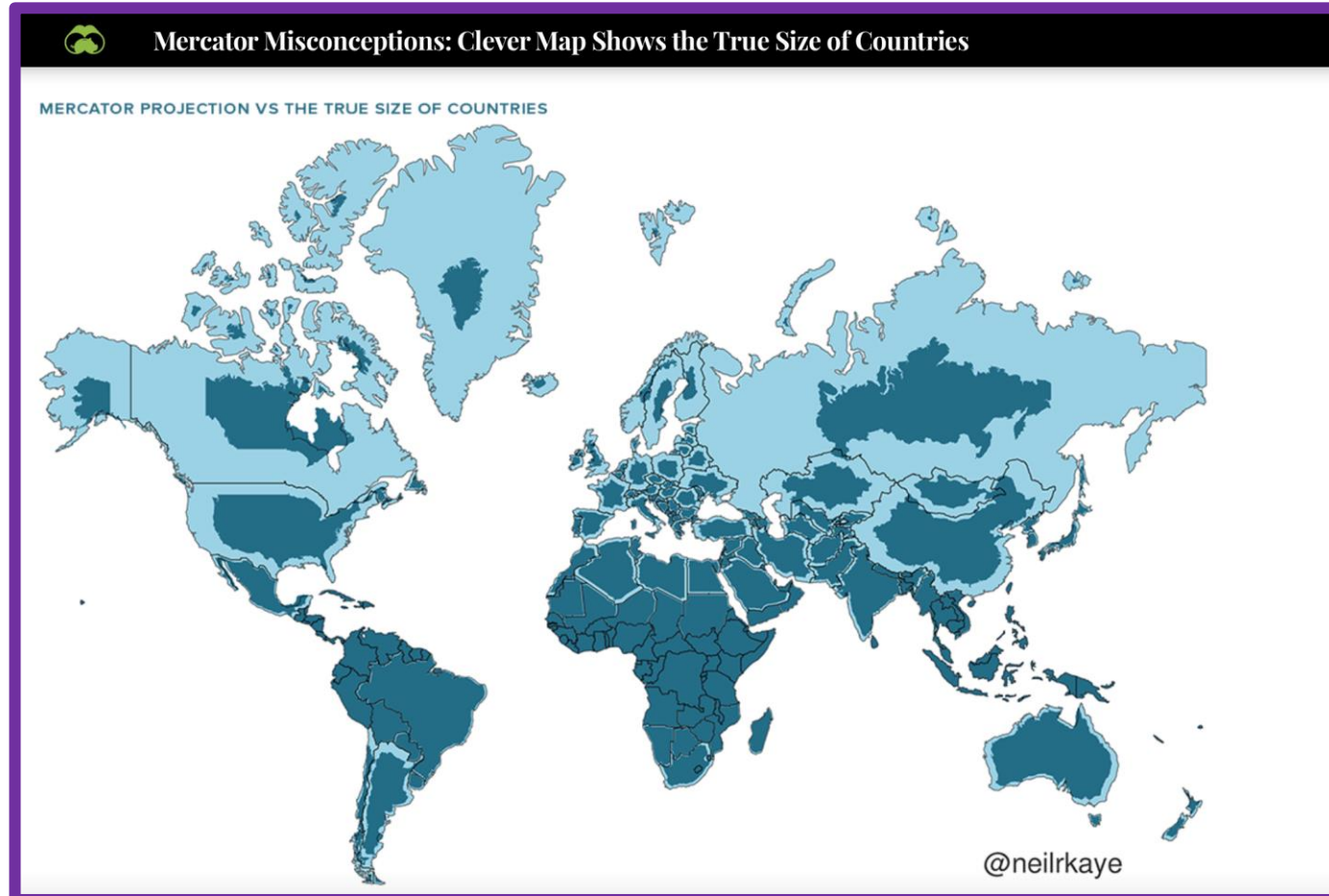
- Political

- Trust & Trust Mechanisms

- Terrain Maps

The Map Is Not The Terrain





<https://www.visualcapitalist.com/mercator-map-true-size-of-countries/>



Domains

Domains



- Physical 
- Mental 
- Spiritual 
- Financial 

Roles In Life

Roles

All the world's a stage,



And all the men and women merely Players;
They have their exits and their entrances,
And one man in his time plays many parts,
His Acts being seven ages.

from [William Shakespeare](#)'s pastoral comedy [As You Like It](#), spoken by
the [melancholy Jaques](#) in Act II Scene VII Line 139

Mike's Roles

- Spouse
- Citizen
 - US
 - TN (but recent)
 - Sullivan County
 - Kingsport/Fairacres
- Parent/Father/Father-In-Law
- Grandparent (Mostly solvent)
- Semi-retiree
- Retired Soldier/Veteran

- Only Son
- Sibling
 - x5
 - Uncle
- Homeowner/steward
- Investor
 - Conservative today! But not always
- Volunteer Member IRS TAP
- Story weaver: DST, DMIL; LE

Good Process Can End
In a Bad Outcome

Decision Making Framework

Bad Process Can End
In a Good Outcome

<u>Role Stack</u>	<u>Filter Stack</u>	<u>Domain Stack</u>	<u>Maker Stack</u>	<u>Cognitive Bias Stack</u> **	<u>Risk Mitigation Stack</u>
Son/1stBorn RC Brother Student Trap Boy M&S Bank Teller Bar Tender Steward Man Soldier Husband Father BankofPop	Visual Audio Touch Olfactory Taste Personality Objectives Company Place Time Emotion	Physical Mental Spiritual <u>Financial</u> Political Cultural	Individual Family Friends Social Group HOA City County State National	Anchors Framing Availability Recency Confirmation Regression2Mean FOMO FOBO Loss Aversion 7 Cardinal Sins	37% Heuristic 5W+H Back2Basics Family/Friends Goals/Objectives TCOO Trust Mechanisms Patience 7 Cardinal Virtues

"Life is a sum of all your choices." Albert Camus

"You cannot go back and change the beginning, but you can start where you are and change the ending." C S Lewis

**Wikipedia: 188 listed
AKA Risk

Responsibility – Authority – Accountability – Risk

Short Term

Long Term

Scenario II: Widow – 85 years of age

- Widow (85 years of age)
- Currently in great health
- Husband Passed 38 yrs ago
- 6 Grown Children – all over the country
- Owns a 2 Bedrm Home (Debt free) in SW US (40+ yrs)
 - Near a large sports field complex
 - On a very busy thoroughfare
 - Long drive to medical provider
 - Increasingly concerned about upkeep costs

Objectives

Objectives

Needs vs Wants

? Happiness – Sufficiency ?

Objectives – A Balanced & Happy Life

Gratitude – Mercy – Forgiveness – Peace of Mind – The Golden Rule

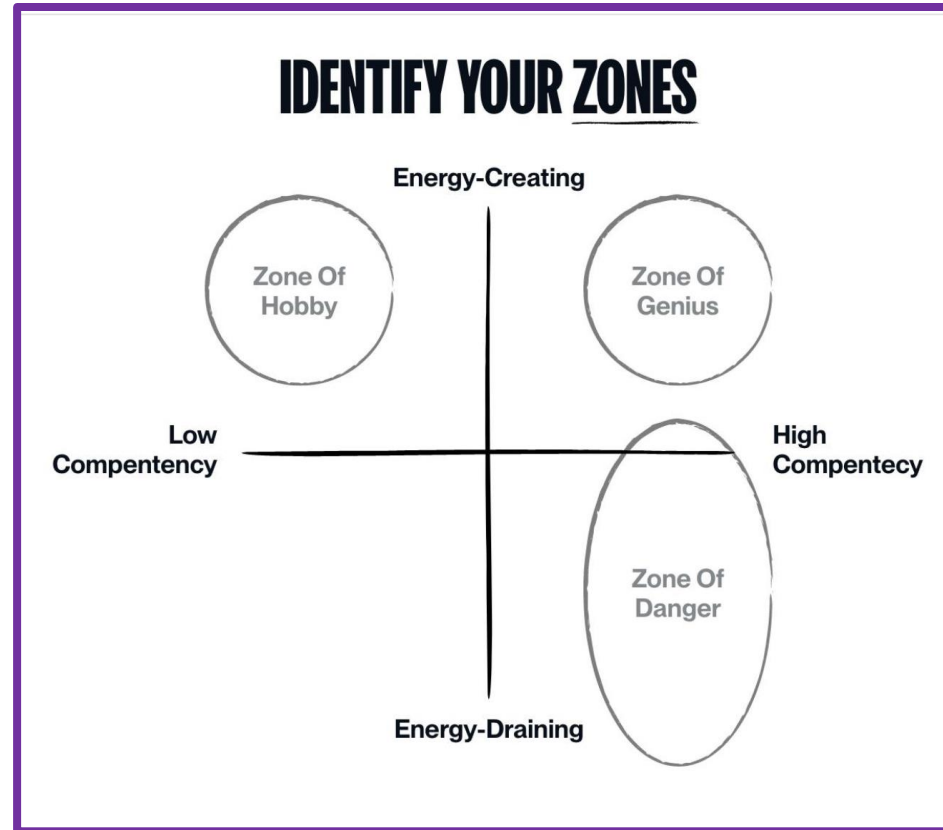


- Physical A donut, two glasses of beer, and a person lifting a barbell.
- Mental A sad face emoji and a brain inside a head silhouette.
- Spiritual A mountain, a church, and a cactus.
- Financial A dollar sign and a piggy bank.

This is the most challenging aspect of Life imho
We trade off near-term gratification at the
expense of the long-term

Objectives

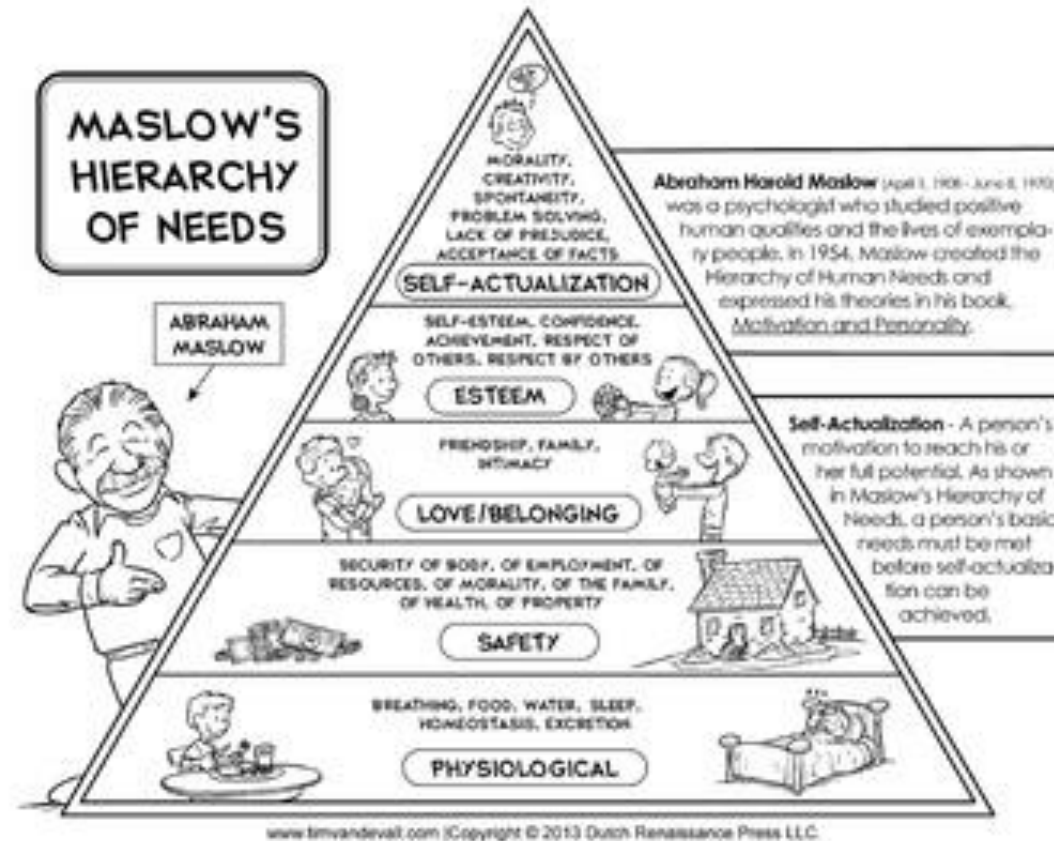
An Approach – Sahil Bloom



Objectives – or Purpose

<https://www.sahilbloom.com/newsletter/5-lessons-on-life-purpose-from-a-legendary-letter>

Maslow's Hierarchy

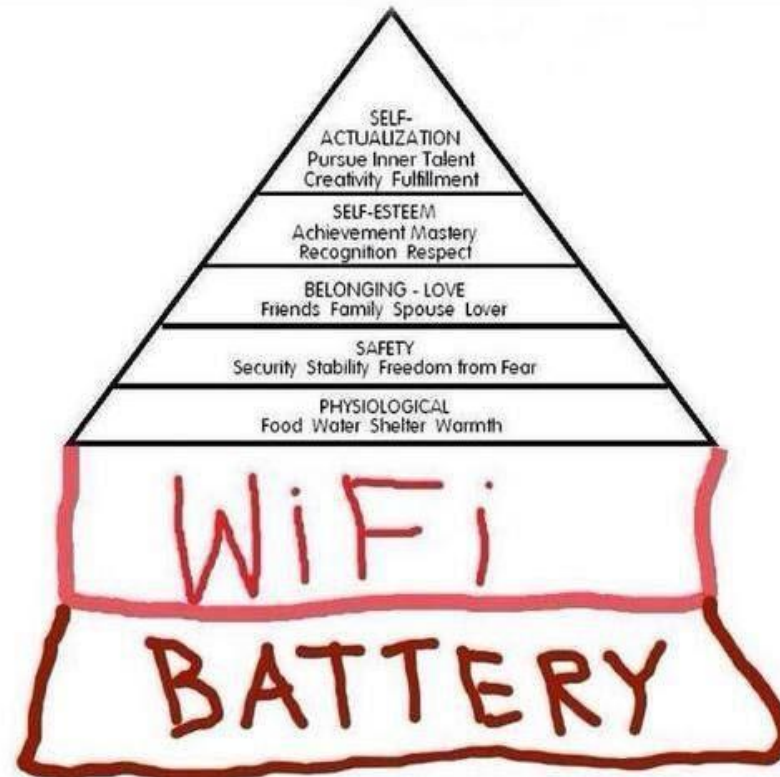


Maslow's Hierarchy - Restated



<https://www.pinterest.com/pin/167899892341988513/> Accessed 20190602 0950ET

Maslow's Hierarchy – Restatement Restated



Risk

Risk

- Sans Critical Thinking
 - Obesity
 - Too Much:
 - Alcohol
 - Debt
 - Weather/Physical Phenomena
 - Tornado/Hurricane/
 - Earthquake/Sink Hole/
 - Crime/Violence
- Too Much Convenience
 - Amazon/Online Accounts
 - US/State Programs
 - War/Conflict
 - 7 Cardinal Sins//7 Virtues
 - Smoking – Vaping
 - Heuristics – sometimes
 - Risk – Sometimes Challenging to Identify – Unknown Unknowns

Risk – Bias & Influence

<https://www.visualcapitalist.com/five-cognitive-biases-hurt-investors/>
<https://www.visualcapitalist.com/29-psychological-tricks-to-make-you-buy-more/>

- Anchoring
- Recency
- Loss Aversion
- Confirmation
- Bandwagon (FOMO)

- Grocer – Staples @ Back
- Ikea – Maze Design
 - Gruen Transfer
- Exclusivity
- Social Proof
 - The Influencer Era
- Music & Color

Risk – Approach

<https://www.visualcapitalist.com/50-cognitive-biases-in-the-modern-world/>

- The number of biases & heuristics are overwhelming
- Spend some time reviewing
- Identify a short list that seem most applicable
- Keep the shortlist posted to review periodically
- Choose a longer period of time to review the fuller list
- Goal: Account for your most relevant biases

Keep It Simple!

Risks – Geo-Political (1999) 1 of 3

- Senior Intelligence Officer for EUSA S. Korea
- Commanding General Representative Travel for Mil2Mil Contacts in PRC
- CG Spouse To Accompany
- Intelligence Assessment:
 - Assume recorded at all times
 - Heightened CounterIntelligence Risk
 - No Physical Risk
- Spouse Accompanied Based on Assessment

Risks – Geo-Political (1999) 2 of 3

- Travel Commences O/A 5 or 6 May
- Chinese Embassy – Belgrade, Yugoslavia 7-8 May, 1999



- NATO Operations Mistakenly Strike Embassy

Risks – Geo-Political (1999) 3 of 3

- CG & Spouse Subjected to (Controlled) Mass Protest While Transiting from Hotel to Meeting Venue – As I recall, the Meeting Was Cancelled Upon Arrival
- CG Took It In Stride As I Explained I Couldn't Predict Blue Actions In Another Theater
- Spouse Not So Understanding



Risks

- Smoking
- Motorcycles
- Credit Score
- Sink Holes
- 737MAX
- Daily Life
- Moral Hazard



Risks



Young Hwan Choi

HT: Jonathan Turley 2019-02-02

[Women Go To Barber For Cosmetic Surgery . . . Well You Know The Rest](#)

Barbershop owner Young Hwan Choi, 72, allegedly had a side business of doing cosmetic surgery and the results were as predictable as their were criminal. Various women suffered facial scars from the laser surgery. What is striking is that the [police released images of his barbershop](#), suggesting that the women may have actually gone to the barbershop for the surgery as opposed to some fraudulent surgery center. If true, the bizarre decision of these victims could factor into any tort damages as plaintiff's conduct questions.

Choi faces [charges of aggravated assault and practicing medicine without a license](#). A woman came forward to the Palisades Park Police Department earlier this month to report scarring on her face and chin after a procedure with Choi, 72. The [Bergen County Prosecutor's Office statement](#) does not allege any location was used other than the barbershop.

Risk – Experience – An Observation

“Good judgment comes from experience;
experience comes from bad judgment”.

If you live that is....

Risk – Smart Phone Dependence

What if you were traveling by plane?

And lost your Smart Phone?

And then someone accessed your PayPal?

And then you had to freeze your Bank?

Risk – A Further Observation

Perception and Awareness of Risk Change
over time

Risk – Social Media

1. Negativity Drives Engagement
2. Extremism Commands Attention
3. Out-Group Animosity Captures Clicks
4. Moral Emotional Language Magnifies Messages

Risk – Comic Books!!

Censorship, the Comic Book, and Seduction of the Innocent at 70: A Roundtable Discussion

In 1954, psychiatrist Fredric Wertham published *Seduction of the Innocent: The Influence of Comic Books on Today's Youth*, a book that cemented his role as America's most prominent critic of comic books. At the time, comic books were near the peak of their popularity, with titles like Batman, Superman, and Captain Marvel selling as many as 1.5 million copies per month. The content of those comics was also entirely unregulated. Writing amid a moral panic that Wertham himself helped create, *Seduction of the Innocent* almost immediately helped spur the formation of the Comics Code Authority, which dramatically reshaped the nation's comic book industry.

Risk – Experience – Another Observation

A Word of Good Advice

**Remember, always learn from
the mistakes of the people who
took your advice.**



One More Scenario On Risk....

CARLISLE, MA—Planning for his family's Saturday evening flight to Florida, local dad Walter Holbrook suggested arriving at the airport at least 14 hours early, sources confirmed.

"The [plane](#) leaves at **6:45 at night**, and it takes a little while to park the car and get through security, so we should plan to **get there no later than 4:45 a.m.**," said Holbrook, adding that it would probably be smart to **add an extra "eight to nine hours"** to the car commute in case of traffic.

"That should give us more than enough time to print our boarding passes, check in luggage, and get settled at the gate. Then we'll have 10 hours to get food if anyone's hungry."

At press time, Holbrook had reportedly **revised the arrival time to 3:45 a.m.** "just to be safe."

Risk Mitigation

Risk Mitigation

- Allow Plenty of Time!
- Insurance
 - Life; Auto; Home; Health; Umbrella
 - Cancer; Extended Warranty
 - Long Term Care
- Previous Experience
- Use of Critical Thinking
- Sports – Instant Replay – But!
- Diet & Nutrition

- Take Your Time – Avoid Urgent
- Decision Journal Maintenance
- Risk Assessment
- Pre-mortem
- Chesterton's Fence
- Moderation
- Trust Mechanisms
 - Credit Card; Institutions
- The Arts: Music

Things they should teach in school but don't...
brought to you by... LOGIC

.. <https://twitter.com/realpeteyb123/status/1624771766701678593?s=51&t=R-SiVpm0z268Ixpodeu6Hg>

1. Real Nutrition
2. First Aid
3. Mastery of Negotiations
4. Block Manipulation & Influence
5. Basic home repairs
6. Calisthenics
7. Learn another language
8. Communication Skills
9. How to cook

Trust

<https://www.wsj.com/articles/what-gets-lost-when-you-rescue-markets-d5e4bc32>

Last Word

The only element that kept people from being terrified of each other was trust -- the moment it was lost, people became nightmares to each other.

—R.K. Narayan

Edge - Examples

- Holmes & Watson
- Holmes and Moriarty
- A.C. Doyle & Copy-Cats
- Time Zones
- Night/Day
- Husband/Wife
- Rational/Irrational Numbers
- Weather Front

- Political
 - Election Day
 - Jan 20, every 4 years
 - Jan 3, every 2 years
- Physician/Patient
- Neighbors
- Calendar
 - New Years' Eve/Day
 - Preceding/Gregorian

Outcomes

Outcome

Bad Process –
Good Outcome

Bad Process –
Bad Outcome

Good Process –
Good Outcome

Good Process –
Bad Outcome

Outcome – Journal

- Financial
- Mental/Cognitive
 - Exercise; Continued Learning; Nutritional
- Spiritual
- Physical
 - Medical PCP; Exercise; Hearing; Nutritional
- Travel -
 - Locations; Restaurants; Attractions

Tools & Resources

A Few Tools

- Planning Calendar – WORD Table or Excel Table over Decades
- Journals – By Domain? Other?
- Life Objectives Inventory (A Bucket List?)
- Back/Forward Azimuth
- Decluttering!
- Estate Planning Documents

An (Interesting) Observation

<https://betterletter.substack.com/p/dont-be-stupid?>

In loser's games, like investing,
not being stupid matters more than being smart.
Smart gets neutralized by other smart people.
Stupid does not.

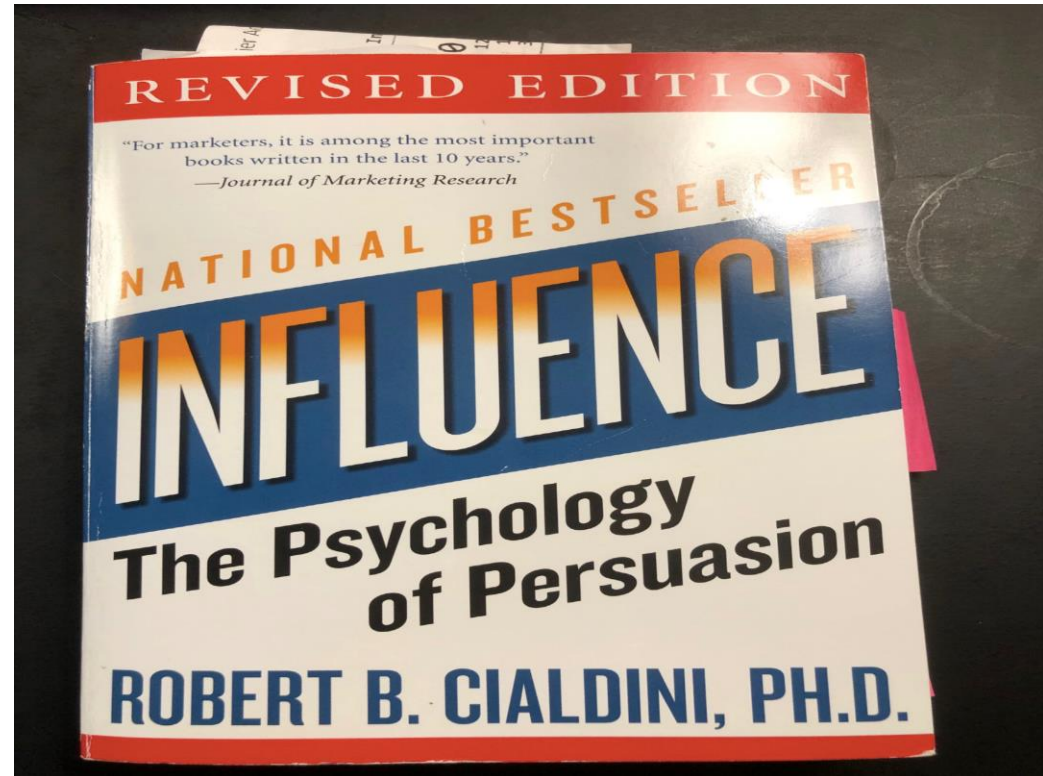
Bob Seawright Newsletter
Thursday March 30, 2023

Physical – Nutrition, Hydration, Exercise

- Mobility
- Balance
- Dexterity
- Strength
- Vision
- Dental
- Avoid the Rage Cage
- Avoid Smoking (More during our Risk discussions)

Mental – Influence (Cialdini 1984, 1994, 2007)

- Reciprocation
- Commitment & Consistency
- Social Proof
- Liking
- Authority
- Scarcity



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In a **Bad** Outcome

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The Limiting Factor – Time

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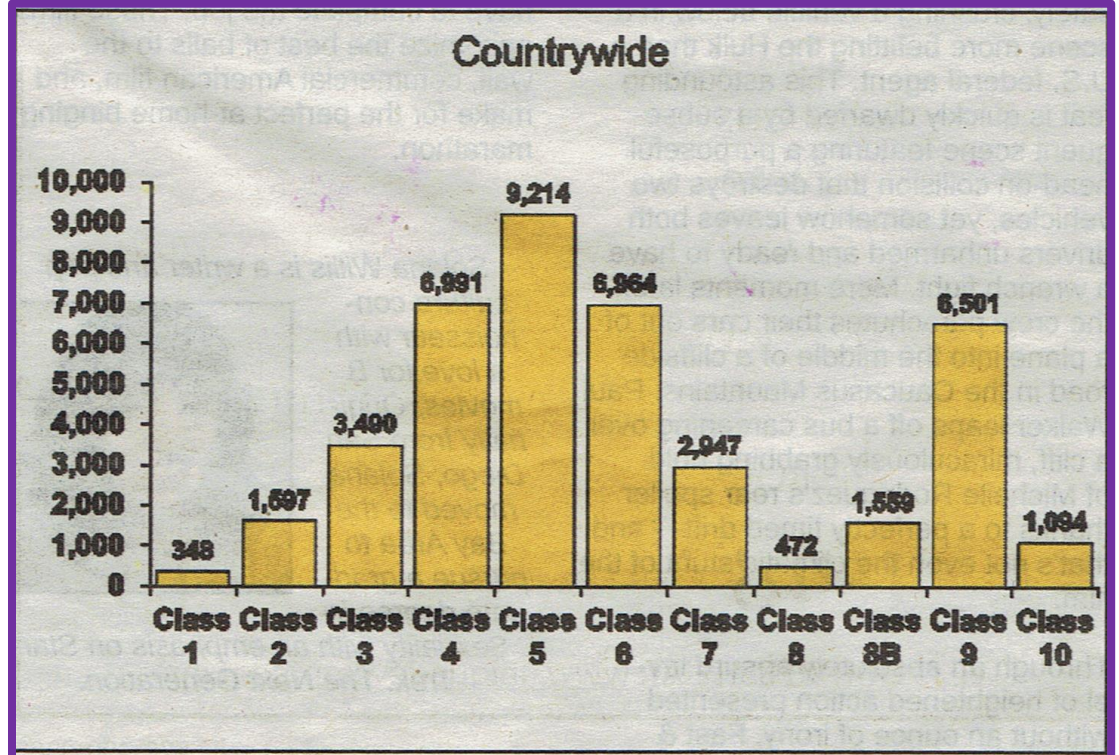
Responsibility – Authority – Accountability – Risk

Short Term

Long Term

Concept Introduction – Rating Scale, Risk, Risk Mitigation, Trust Mechanism

- Rincon Valley Fire Department
 - Achieved Class 2 Rating Recently
 - Provided by Insurance Services Office (ISO) for Ins Co's (FSRS)
 - Ins Co's leverage for Home Rates
 - Follow Natl Fire Prot Assn Stnds
- Risk: Home Fires
- Mitigation: Fire Dept & Home Insurance
- Trust Mechanism: ISO & NFPA



Concept Introduction – Rating Scale

Rating	"Lewis Class"	Objective Criteria
5		
4		
3		
2		
1		
0		

Rating Scale – Evaluation Tool

Rating	Outside Expert	Me
5		
4		
3		
2		
1		
0		

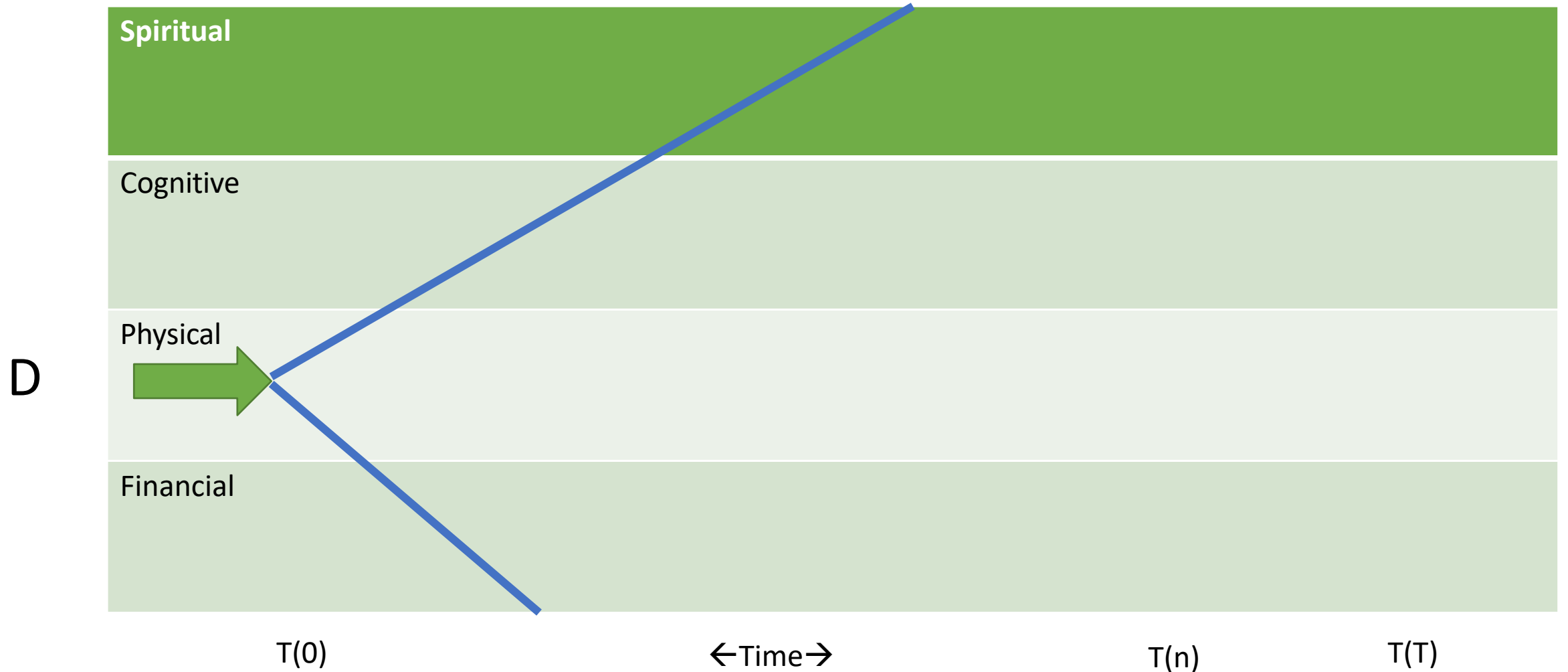
Planning Tool – Preparation/Transition Phase

Sub System Degradation and/or Failure

Loss of	Action	Support
Sight		
Hearing		
Touch		
Smell		
Taste		
Mobility: Pedestrian; Auto		
Strength		
Cognitive: Legal; Health; Financial		
Daily Functions x6 Balance		

Decision Architecture Over Time

Decision Architecture – Domains/Time



Decision Architecture Hierarchy–Role

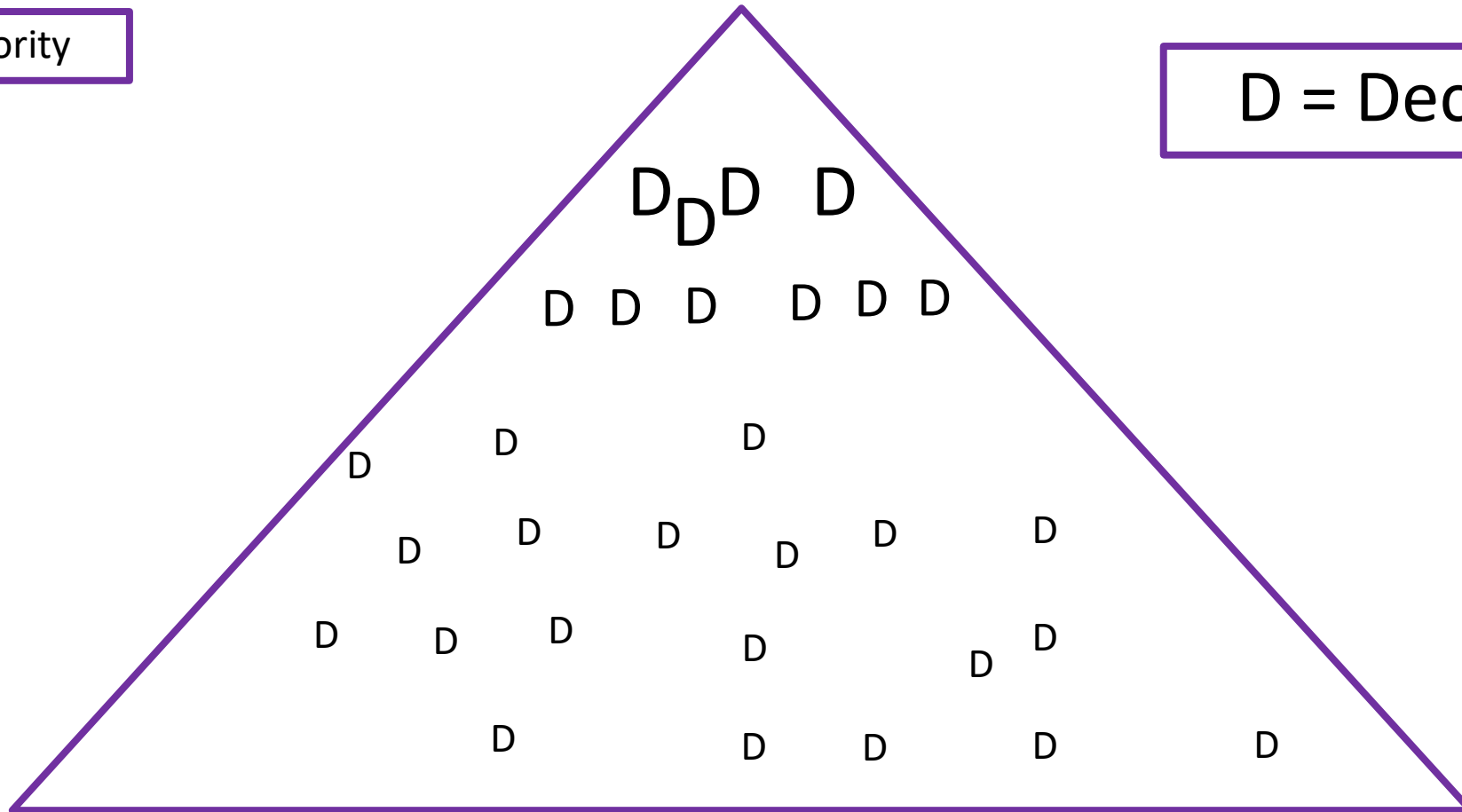
Decision Architecture – Hierarchy–Role

Level of Authority

D = Decision

Senior

Junior



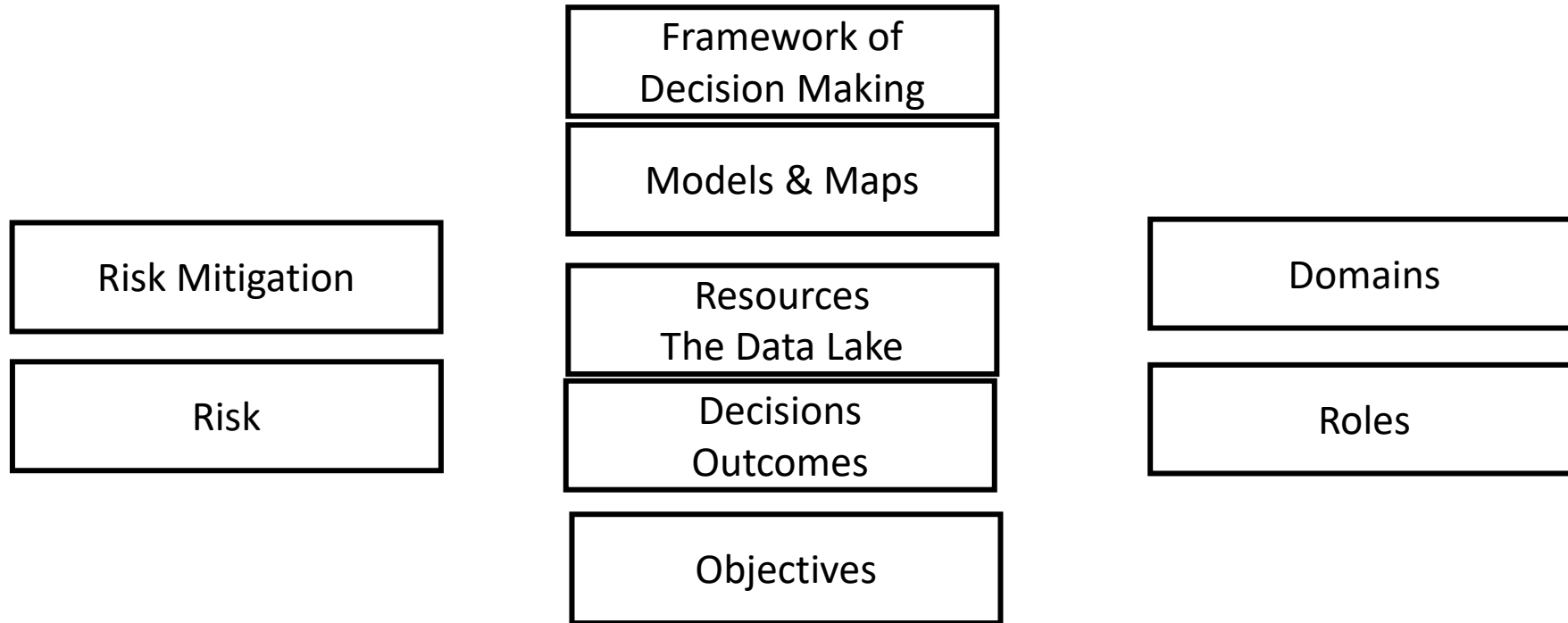
← Functional Stacks →

Some Resources

- Daniel Kahneman: Thinking, Fast & Slow
- Richard Thaler & Cass Sunstein: Nudge
- Robert B Cialdini, Ph.D.: Influence – The Psychology of Persuasion
- Annie Duke: Thinking In Bets
- Hans Rosling: Factfulness
- Jean Paul Zogby: The Power of Time
- Karen Kingston: Clear Your Clutter with Feng Shui
- Michael LeGault: Th!nk
- Daniel Pink: When *
- Ben Heirs: Professional Decision Thinker
- John Wooden: They Call Me Coach
- Richard E. Neustadt: Thinking In Time
- Barry Schwartz: The Paradox of Choice *
- Mikael Krogerus: The Decision Book (50 Models)
- Dan Ariely: Predictably Irrational
- Patrick Lencioni: Series
- Movie: Other Peoples Money *
- Movie: Dead Poets Society *

Decision Making In Life – A Calculus

The Father Sarducci Version



All choices involve tradeoffs

... Last Scene of All ...

Sans Teeth
Sans Eyes
Sans Taste
Sans Everything

Thank you all!