Annie Duke - Thinking in bets

2. Wanna Bet?

- Thirty days in Des Moines
  - A story about a bet made by a high-stakes poker player: move to the wilderness for one month to win $30,000, otherwise lose $30,000
    - 🙂 A few days later he decided to lose and come back
  - We've all been to "Des Moines"
    - We've all made similar bets when we accepted a job offer or decided to hire an employee.
- ⚠️ All decisions are bets!
  - Most bets are bets against ourselves
    - we are betting against all the future versions of ourselves that we are not choosing
- Our bets are only as good as our beliefs
  - 👍 We are constantly learning / update our beliefs to more accurately represent the world
- There are common misconceptions
  - 👎 By default, we believe that what we hear and read is true
    - 1. Experience it
    - 2. Believe it to be true
    - 3. Maybe, and rarely, question it later
  - Examples
    - suited connectors are profitable
      - ❓ Isn't it true???
    - dog's age in human years is * 7
    - we use 10% of out brain
    - low-fat food is healthy
  - 👍 TODO: read these books
    - Dan Gilbert's Stumbling on Happiness
    - Gary Marcus's Kluge
    - Dan Kahneman's Thinking, Fast and Slow
- 👎 Our pre-existing beliefs influence the way we experience the world
  - Different people (with different beliefs) will see the same event differently
- Motivated reasoning
  - 👎 Information that contradicts our beliefs is discredited
  - 👎 Information that supports our beliefs strengthens them
    - 👎 +many websites show us more of what we like
- 🚨 Being smart makes it worse (WOW!!!)
  - 👎 the smarter you are, the better you are at constructing a narrative that supports your beliefs, rationalizing and framing the data to fit your argument or point of view
    - the better you are with numbers, the better you are at spinning those numbers to conform to and support your beliefs
  - ⚠️ we all have a blind spot about recognizing our biases
    - 👎 blind-spot bias is greater the smarter you are
- Wanna bet?
  - 👍 "Wanna bet?" triggers us to question the information we have
    - it jumps to the third step that we only sometimes get to
    - Answer these questions:
      - How do I know this?
      - Where did I get this information?
      - Who did I get it from?
      - What is the quality of my sources?
      - How much do I trust them?
      - How up to date is my information?
      - How much information do I have that is relevant to the belief?
      - What other things like this have I been confident about that turned out not to be true?
      - What are the other plausible alternatives?
      - What do I know about the person challenging my belief?
      - What is their view of how credible my opinion is?
      - What do they know that I don't know?
      - What is their level of expertise?
      - What am I missing?
  - 🙂👎 However if you went around challenging everyone with "Wanna bet?" it would be difficult to make friends and you'd lose the ones you have.
    - 👍 But we can train ourselves to view the world through the lens of "Wanna bet?"
- Think how confident you are
  - 👎 Don't use all-or-nothing ("I'm confident" or "I"m not confident")
  - 👍 Rate your level of confidence on a scale of zero to ten, or as percentage!
  - 👍 Declaring our uncertainty in our beliefs to others makes us more credible communicators
    - We assume that if we don't come off as 100% confident, others will value our opinions less
      - The opposite is usually true!
    - ❓ Hmm. I disagree. I see that people who express 100% confidence often get more resources. Such people are more likely to be followed as leaders (they are often delegated to form the picture of the world)
  - 👍 Expressing our level of confidence also invites people to be our collaborators