

Munger is multidisciplinary. The idea that you can just train yourself using the best models from diverse fields is simple and works well. His lattice of mental models framework is just like my how to think framework, with a few differences. I make a split between frameworks and concepts, view the purpose as being to get them into system 1 (instead of using a checklist, though this is great too) and Munger splits ideas into their fields and enumerates them (something I should try).

His confidence that daily growth in wisdom is key is so validating to my caring about growth. I consistently go to bed smarter than when I woke up. I've actually lost the sense that people fail to do this. I understand their lives intellectually, I can't project. The growth that I get comes from books, from reading online, and from social. If anything, I'm weighted too heavily on growth.

There are so many great frames and concepts (Models) I picked up to officially add to my own thinking model, which I can curate after I see how well things generalize:

Ideas to add from Munger

1. Specialization/Comparative Advantage
2. Law of Large Numbers / Poker-style optimal play, long term tends to theoretical values
3. Invert! Invert the question or the situation, try reversing everything.
4. Mean Regression - On par with Marginal Value for invalidating what looked to be great evidence, tied to the idea that noise is ignored and a narrative is told.
5. Backup System - All critical systems have a backup, avoid downside exposure
6. Simplicity. Make as few decisions as possible, have few dependencies.
7. Equilibrium
8. Critical Mass
9. Think at the Margin
10. Scarcity
11. Social Proof
12. Consistency
13. Reciprocation
14. Risk/Loss/Uncertainty Aversion
15. Positive Feedback
16. Catalyst
17. Compound Interest
18. Tight/Aggressive approach to decisions
19. Pareto Principle (80/20 rule)
20. Man with a hammer syndrome
21. Tragedy of the Commons
22. No-Brainer / Do the obvious thing

I can imagine building this out and letting it focus itself in particular places. There are so many models, knowing which ones are important and consistently cutting down to the ones with the

most explanatory power will be important. The reason that Munger has the best 30 second mind is that he's made great progress on making information available to him when it's needed - he's trained his intuition very well. Reading case studies and applying the frames on a habitual basis is key to getting insight into what good intuition looks like. And dealing with empirical evidence lets you separate the models that sound right from the models that are right.

The illusion of knowledge is framed by Munger in these terms: there are only a few important disciplines, and they each only have a few big ideas.

Relevant domains:

1. Math
2. Physics
3. Chemistry
4. Biology
5. Engineering
6. Psychology
7. Philosophy
8. History
9. Statistics
10. Economics

The illusion of knowledge is the idea that a particular field can be understood without looking at all of the information - there's a core of information behind a lot of writing that is the source, and if you understand the source then you can get 90%+ of the value of the field to your models and decisions.

This also gives us a framework for understanding failures in thinking. The criticism of the man with a hammer is true and scary - specialization without paying attention to important relevant domains is rampant. The lawyers who work without understanding psychology/behavioral econ do huge amounts of damage through naive intervention. There are complexities in the world that can't be grasped, but many of them can be, and some people have insight into dealing with uncertainty and complexity.

The fact that value investors and Berkshire take very few, very certain bets is the same powerful frame that allows tight/aggressive poker players to be successful. Being extremely selective and going all in on good odds has a lot of empirical support. It's just like the focus on the core of a product in Rework.

The view of the market in the short run as a voting machine is also true for a lot of social systems. Success isn't usually about empirical success - it's about social success. And that success is real! Sometimes resources and social proof are actually the goal for a person, and so they've achieved their goal when that happens.

The great thing about building things is that there is real world change, it's not just in people's heads. SpaceX wants to actually move humanity to Mars - that's a difference that's not just in people's minds. A different type of success. Marketing can make people believe that a product improves their lives, but maybe the world is just worse off for some products existing. Manufacturing value in people's minds seems importantly different from making a qualitative change in the capacity of humanity.