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Better Decisions

A bulletin devoted to helping you make better and better financial decisions

Journey into the Vortex of the Unknown

by

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Praise and blame, gain and loss, pleasure and sorrow --- all come and go like the wind. To be happy, rest like a giant tree in the midst of them all.

- The Buddha

Nice advice, but where do you pick up the definitive guide to resting like a giant tree???

I'll tell you. The closest might be: *Bonds: The Unbeaten Path to Secure Investment Growth*, authored by Hildy and Stan Richelson along with John Brynjolfsson.

The nub of their wisdom is you invest 100% in actual bonds and you never sell. You let your bonds mature, at which time you get all your money back. (Some bonds are callable, which means the bond issuer can give you back your money sooner than expected usually to issue new bonds at a lower rate than what you were being paid.)

Another master in resting like a giant tree might be, of course, that old giant tree himself, Warren Buffet. He loves owning stocks of companies he understands which he buys only when priced cheap. He is to stocks what the Richelsons are to bonds.

Of course, the problem with hitching your star to these wagons is you need self-discipline in spades and total faith in your approach. No distractions. No following the crowd. No impulse buying. No panic selling.

No selling because you need cash. No deviation from plan. Ever.

To get another window into resting like a giant tree consider revisiting that gem of a classic on simple living: *The Good Life* by Scott and Helen Nearing. Written fifty years ago, they share their saga of fleeing New York for Vermont in the Great Depression. In the book, Scott and Helen retell their daily assault on mastering simple living while turning their backs on the hassles of fast-paced metropolitan living. I'm not saying to chuck it all; but reduce the need for out-sized returns on your investments, and temper personal consumption.

Let's close with a view brimming with optimism. In an article he wrote awhile ago for Forbes.com 5-24-07, Nassim Nicholas Taleb, author of *The Black Swan*, recommended: "We need to make our own luck. We can be scared and worried about the future, or we can look at it as a collection of happy surprises that lie outside the path of our imagination."

Of course, it is tempting to succumb to the twin curse of greed or fear. Don't. Instead, stay present. Don't quit. Keep showing up.