

Reason to be Happy

Why logical thinking is the key to a better life

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In writing this book, I have drawn not just on academic writings on game theory, economics and philosophy but also my own experience as an economist, as a policy maker trying to tackle real world problems.

Much of our life is spent seeking happiness and contentment and navigating hurdles and challenges. One of the most powerful and underutilized tools we have the ability to reason

Game theory involves a lot of reasoning, its not enough to be clever, you must put yourself in the shoes of the other clever person and think through what thy might do, two three steps ahead.

Game theory is the art of deductive reasoning in special situations. For that reason, it is of value in war and diplomacy, in corporate strategy and even in our day to day interpersonal relationships.

Game theory has its blind spots, where we have to use our intuition, psychology, politics and philosophy. And we must reconcile to the fact that not every problem has a solution.

The arrival of game theory coincided with the arrival of the atomic bomb and the emergence of global corporations

It is true that philosophy and all pursuits of the mind have an element of escapism. There is no harm in this.

Most of us believe the sun will rise in the east tomorrow because we have seen it rise. This is inductive reasoning.

Deduction on the other hand , entails reaching conclusions from premises based on pure logic. The truth is already contained in the premises.

We spend a disproportionate amount of time on matters that we have no control over.

Loyalty of people we employed as household help in my Kolkata house was in a feudal way

Grandmasters in chess do not get angry when they are losing, they focus their powers of reason

For some people temperament alone can do what others need reason to accomplish

The capacity to reason is the most valued and underutilized of human faculties.

The failure to reason in real life is in a large measure, an emotional failure

Always ask

what are the facts and what is the truth that the facts bear out. Never be diverted by what you wish to believe or by what you think

There is a distinction between truth and telling the truth, we should always do the best to get to the truth, but we might occasionally compromise on telling the truth, for moral reasons

Game theory is about rational behavior when others including your enemies have their own desires and motivations.

Most markets function reasonably smoothly

Game theory is the analysis of interactive rational behavior, being rational while taking into account other people rationality.

You need to know your payoff function before making a choice. This is a simple axiom but worth remembering especially in life when one confronts the difficult decisions and its easy to lose sight of the larger picture.

We owe a lot of our failures in life to our inadequacy in putting ourselves in the shoes of others.

Proof happens when all reasonable people can see this has to be true. Mathematics and game theory are disciplines of rigor and precision, and a vague definition of proof troubles us. There is no escape from intuition

Anger is never worth it, even though the display of anger might be.

Emotions that rob us of our peace of mind like anger, resentment, hatred jealousy, bitterness are part of a human psyche for a reason.

Self esteem is an important source of human happiness. To see that others hold us in high esteem builds self confidence and can be a source of contentment

There is indeed connection between income, wealth, happiness , utility and payoff.
Once you achieve economic security, then the greater the need for human regard and esteem.

It is ironic that autocratic leaders are called strongmen when in fact they do not tolerate dissent.

Inferiority complex is emotionally damaging.

Most of us are better than what we are.
Facebook, Instagram and Twitter have made
this worse.

Self esteem is getting worse in the social media era.

A study of 721 million Facebook users revealed that the average Facebook user has 190 friends. On the other hand friends of Facebook users have 635 friends.

93 pc of Facebook users have friends who have more friends than they do.

We must learn not to have a complex
irrespective of where we stand in social
rankings

Life is full of the unknowns. Being conscious of this is not a matter of modesty but one of intelligence.

A valuable by product of skepticism is that by advocating questioning, it has become a major impetus for science by challenging the assumptions.

Paradoxes are a great way to become aware of our hidden assumptions. Paradoxes come from our inability to think clearly and reason with acuity.

Theories are artificial constructs, we need to use them in conjunction with our common sense and reasoned intuition

There are societies where we can point a finger at the leader, and in some case, the leader is a victim of the system.

Globalization puts individuals and societies against each other like never before.

Hyper nationalism – my country is the best is one of the sad features of our times.

