



## Buffett's Most Counterculture Habit Could Be the Secret to Building Wealth

### Description

Who doesn't like a good Warren Buffett quote, right? The Oracle of Omaha often stuns us not with poetic utterances, but with simple, almost rural-like, sayings — ones that's perfectly encapsulate the wisdom he's gathered from his 70 years of active investing.

While digging through some of Buffett's most memorable quotes, I came across this gem:

I insist on a lot of time being spent, almost every day, to just sit and think. That is very uncommon in American business. I read and think. So, I do more reading and thinking, and make less impulse decisions than most people in business. I do it because I like this kind of life.

Sit and think. Easier said than done, right? Aside from perhaps a 10-minute meditation app, or yoga classes, most of us don't stop, sit, and think. As a culture still heavily influenced by business and commerce, we look up to leaders who can make decisions on the fly, who don't vacillate often, and who don't look insecure or act indecisive.

*Sit and think.* Try it. But not when you're feeling impassive. Try it when you're actively seeking something, when you're absorbed in a new pursuit, or when you have a goal that you're obsessed with. In moments like those, your emotions can easily overpower your thinking. And that's when you make *impulsive* decisions.

## How sitting and thinking can help you build wealth

One of the best pieces of advice my father gave me was this: before you buy something, big or small, sleep on it.

He didn't mean essentials, like groceries or gas. He meant impulsive purchases — those things that I didn't really need but wanted in the moment.

Buffett's habit of sitting and thinking reminds me of this advice. When you're shopping for essentials, and you spot something that you don't need but want, stop and *think* — will I want this tomorrow morning? Then sleep on it. Give it a few days, if you have to. If you decide that the purchase is a necessity, then go back and buy it. More likely than not, your mind will have already moved on, and you'll save yourself some money (or a trip to the return counter).

Stopping and thinking can also translate into delayed gratification. Most of us are so accustomed to instant gratification, spurred by social media, that we never stop to question an impulsive buying decision. Too many budgets are broken, and too much money is spent on purchases we could have delayed. When you stop and think about what you're buying, rather than just buying it, you can develop the fortitude to say *no*.

Then, of course, there's the implication for investors. Impulsion has long been the bane of investors seeking short-term gains. That's because many of us don't just invest our dollars in stocks and funds. We invest our emotions, too. And when we see prices falling — or going up — we feel an irresistible urge to act.

Don't react to the stock market. In fact, if you want to build wealth over the long term, I'd say practice divesting emotions from your portfolio. Learn to recognize when panic or greed steers your decisions more than your own intellect. Then stop and think for yourself.

Sitting and thinking can go the other way, too. You might impulsively pass up a good offer or a good stock. But with a little thinking, you'll see the offer actually makes sense. I'd throw "valuation" techniques — that is, those ratios that help us evaluate stocks — under the axiom of stopping and thinking. You may find a stock that people aren't buying. But when you stop and think, evaluating it correctly, you might find the stock is worth your investment.

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