



## Bad Investments, Closed Minds, and Holding On to the Wrong Person's Nuts

### Description

**Monkeys are cute, fun, intelligent,** and a little ridiculous. I only mention this because I required an opening statement for what is to follow.

In many towns and villages in India, monkeys co-exist quite happily with humans – stealing food, providing entertainment, being religious idols, and generally monkeying around. Once in a while, however, a need arises to capture a monkey and that is what this post is about. There is a traditional way of capturing these creatures that reflects a frequent and typical human behaviour, and one that we have to be vigilant to curtail.



Monkeys are very [intelligent creatures](#) and are even known to [use tools](#) and communicate effectively. Like us however, they can be rather silly at times – even when it endangers their freedom or survival. So, should you ever have a good reason to capture a monkey, here’s how you go about it:

1. **First, you need a box or container with a small opening just large enough for a monkey’s hand.**
2. **Then get some monkey nuts. (On a side note, I love the phrase, “monkey nuts” and am trying to increase its usage along with the terms “naoshadism” and “naoshadification”).**
3. **Secure the container where monkeys tend to visit/pass/congregate.**

Monkeys love a good nut.

In time one will come along and stick his hand in your container. At this point, the monkey grabs the nuts and tries to remove them. As the monkey has now made a fist, he can’t remove his hand. So, he tries again. And again. And again. Until captured. Never thinking to just open his/her fist and let go of the nut.

So here is my question for you:

*Are you a monkey?*

Or to put it another way:

*What is the cost of grabbing your nuts?*

Have you ever invested in something, made a bet, or chosen a course of action only to notice a short time later that it was obviously going downhill? And at that stage did you let it go, or did you say, "It'll get better," or the ever-present and worrying, "I'll wait 'til I break even," instead of cutting your losses?

The other time we act like monkeys holding on to our nuts is when we allow our prejudices and preconceptions to colour how we feel about new ideas. The bad news is that [many of these cognitive biases](#) are hardwired into us. The good news is that being aware of them allows us to mitigate some of their effect. So just because you had a terrible experience in the stock market once, it doesn't mean that you shouldn't invest there. (At the same time, just because you've always made money and got lucky on those one or two tech stocks it doesn't mean you *should* be investing solely in tech stocks or just the stock market). Sometimes, regardless of what people say, we just don't listen. Don't be this monkey.



**So, the next time youâ??re presented with something you arenâ??t too sure about or you find yourself holding what you believe to be the wrong course, ask yourself:**

**Whose nuts are you grabbing on to? And should you let go?**

**CATEGORY**

1. Financial Planning

## POST TAG

1. estate planning
2. financial philosophy
3. financial planning
4. investing
5. investments
6. psychology
7. risk
8. risk management
9. risk of ruin
10. wealth creation

## Category

1. Financial Planning

## Tags

1. estate planning
2. financial philosophy
3. financial planning
4. investing
5. investments
6. psychology
7. risk
8. risk management
9. risk of ruin
10. wealth creation

## Date Created

February 4, 2021

## Author

naoshad