

7 secret's of Warren's Buffet for living a happy and simple life

Are you sold on the fake notion that owning possessions is the touchstone of your self-worth? Have you felt jealous and self-pity when a neighbor bought a new Mercedes or a new Yacht that you always wanted to possess? We all have.

If your paycheck is not keeping up the pace with your cravings for the new iphone, why not learn the secrets of simplicity from the richest man on the earth who still lives without a cell phone? Before you sink your money for the latest gadget what if you were to know that the Oracle of Omaha still has no desk computer in his modest office?

In this world full of the rich and famous, Warren Buffett remains the greatest investor ever born not due to his acumen for the wise investments that he has made during his life but more for exemplifying the greatness with simplicity. He's full of wit and happiness and this is at the core of everything that he does. **07** Secret's after the break...

Secret # 1 : Happiness comes from within.

In my adult business life I have never had to make a choice of trading between professional and personal. I tap-dance to work, and when I get there it's tremendous fun.- Warren Buffett

This is the man who truly does what he loves. The battle between Productivity and anti-productivity blogs stems from their convoluted chains of frequently twisted rational to substantiate their claim that productivity is a force of an external demand – from an employer or a competitor. In reality, productivity comes from within. It comes from doing what we love and loving what we do. When we start trading time between our professional and personal life, we wage war in our own mind to justify our passion in terms of a personal benefit. In my business I have felt more stress and angst when I haven't given all of my talent, hard work and passion to help others on a given day. The myth of working hard to make more money to buy more things throws us in the vicious circle of hallucination. Our happiness always remains imprisoned when we do work that we abhor yet justify doing it to pay bills for those things that we don't need. I used to work even after buying my first hotel for many years to justify the fake notion that I needed additional income to pay bills. What I needed was to change my lifestyle to free myself from this never-ending rut chase.

Secret # 2 Find happiness in simple pleasures.

I have simple pleasures. I play bridge online for 12 hours a week. Bill and I play, he's "challengr" and I'm "tbone". – Warren Buffett

If the man richer than God can find happiness in the simple pleasure of playing bridge online with another billionaire, I have to learn to be happy with the simple pleasures of playing cards with friends or playing with my children or taking a walk in the wilderness. All of these simple

pleasures do not need extravagant spending. I used to go play golf with other businessmen when the local chamber of commerce sponsored an event. I never found happiness in those events as they were centered on generating more business and exchanging business cards than on truly enjoying the moment. I was allowing myself to be run ragged by trading business cards after hours in a vain hope of making more money whereas that time deserved a dinner with my family.

Secret # 3 Live a simple life.

I just naturally want to do things that make sense. In my personal life too, I don't care what other rich people are doing. I don't want a 405 foot boat just because someone else has a 400 foot boat. – Warren Buffett

The sad truth is that our ever-sophisticated advertising industry has conditioned our mind to find happiness from consumption by spending our hard earned money on the possessions that never bring us lasting happiness. We spend our life-energy on those possessions that we seldom use. We worry about making payments for a luxury car that sits in our garage collecting dust only for the right to brag about it in an occasional social gathering. Keeping up with the Joneses is the worst epidemic among those who should never contemplate that notion in the first place. If a man who can possibly buy a nation with his cash never espouses the mantra of “more the better”, I need to learn not to spread my legs beyond the reach of the blanket. We are conditioned to spend money before we earn it. We are sold on the fake happiness of “Buy now, pay later dearly” - It's nothing more than buying possessions that we cannot afford. I have my share of insanity when it comes to mindless spending, but lately I try to pay for most of my purchases with cash. It creates awareness towards the impulse buy when I pay by cash. I have also started red lining items on the credit card statement that I consider useless spending. All of these efforts have built my awareness towards my impulse purchases. I have been using mantra of – “less is more” to simplify every aspect of my life. It's a work in progress but the results are astounding.

Secret # 4 Think Simply.

“I want to be able to explain my mistakes. This means I do only the things I completely understand.” – Warren Buffett

There lies one of the greatest secrets of simplicity. Warren Buffett invests only in the businesses that he understands. If you ever read research reports from an accomplished Wall Street guru, you'll find a plethora of details that make you dizzy. The success of Warren Buffett as the greatest investor ever lies in his ability to think simply.

I used to invest in the stock market in the mid 90's when everyone wanted to make over night millions in an exuberant market. I used to read “Investor's Business Daily” only to look at the movers and shakers. These were the stocks that made a significant upward move a day before. A few days before Christmas, I made \$52,000 in one stock in a matter of a few days. I knew nothing about the company. I created a new reality for my thoughts that I had figured out how the Wall Street works. I was on my way to the riches. I applied the same thought model on the next several stocks. Needless to say, I lost all that I made and much more. I was lacking in a basic human quality that Warren Buffett has mastered well – common sense. It says a great deal about the character of a man who invested a measly amount in Microsoft despite the fact that Bill Gates is one of his closest friends. I learned a valuable lesson of life from this experience – “Not losing hard earned money is far more important than making more money”.

If I apply this rule in my life, I can develop clarity and sanity in my thoughts. Clarity is the mother of simplicity. Life is not a roulette; life is about simple yet profound choices.

Secret # 5 Invest Simply.

The best way to own common stocks is through an index fund. – Warren Buffett

It is astounding to know that the greatest investor in the world is not bragging about intricate financial maneuvering to impress the rest of the world with his financial genius. Instead, Warren Buffett shows us the most simplistic approach to our financial freedom – “Flow with the market rather than pretending to be smarter than God.”

In this world full of so-called financial experts, Warren stands tall by showing us the simplest way to the riches. The stock market has moved upward for the last hundred years despite numerous setbacks. He is using a long historical view to back his argument rather than making a futile effort to predict how we can make a quick fortune. After losing most of my capital in the late 90's, I have precisely followed the simple advice of investing in the no-load index funds. I'm happier than ever and while my assets have not skyrocketed, they haven't dwindled either.

Secret # 6 Have a mentor in life.

I was lucky to have the right heroes. Tell me who your heroes are and I'll tell you how you'll turn out to be. The qualities of the one you admire are the traits that you, with a little practice, can make your own, and that, if practiced, will become habit-forming. – Warren Buffett

We are worshipers of celebrity demi-gods. All of us have this acute desire to look and live like these celebrities. However, are they truly the ones with character and moral compass to lead us? Having a mentor is as important as having a purpose in our life but having a wrong mentor is as devastating as having a wrong purpose in our life. The mentor has to be someone whom we can trust and have an unwavering faith in his/her guidance. The mentor has to be the one who has made outstanding strides in advancing the greater and guiding purpose of happiness in his/her own life. You'll find that person in your inner circle if you think hard enough. Write down why you admire them. Try to emulate their traits and as Warren has shown by his exemplary life, with a little practice, you can form a habit to clone the life that you admire the most.

Secret # 7 Making money isn't the backbone of our guiding purpose; making money is the by-product of our guiding purpose.

If you're doing something you love, you're more likely to put your all into it, and that generally equates to making money. – Warren Buffett

How do you rationalize the richest man on the earth still living in a small 3-bedroom house that he purchased fifty years ago? Warren Buffett never travels in a private jet despite the fact that he owns the largest private jet company. His character and way of life speak volume about his greatness. This is the man who spent his personal time investigating a \$4 line item on his tax return to hunt down the specifics of it while giving away billions of dollars to Bill Gates foundation. It is rare to find the richest man on the earth living without luxuries that we want to possess even by mortgaging our future. He has demonstrated that while valuing the worth of money is vital for our ingenuity and success, money shall never become the object and end all of our motivation.