

Judge People By
Their Actions, Not By
What They Say



100 self-help books
will tell little compared to observing your
own actions and the actions of others.



The natural consequence of you acting in your self-interest is that **your true preferences are revealed through your actions**. Recognize that other people will observe your preferences through your actions.

Moreover, you should observe other people's actions, not their words, as a guide toward their intentions. Be aware that most people tend to act consistently over time.

Example: 100 self-help books will tell little compared to observing your own actions and the actions of others.

P.S.

Have you ever been duped by someone more than once? If your answer is "yes," ask yourself if you were surprised. Your answer is probably, NO. Be reminded of the old saying, "Fool me once, shame on you. Fool me twice, shame on me."

“Actions speak louder than words.”

Confucius



“Thunder is impressive, but it is lightning that does the work.”

Mark Twain



“The superior man is modest in his speech,
but exceeds in his actions.”

Confucius



People often state their intentions, yet for all their good intentions fail to act on them. What can one derive from merely intending? None, and for that reason, economists have learned that a person's actions are more important than a person's intentions.



“The road to hell is paved with good intentions.”

Old English proverb.



Talk is cheap.



Put your money where your mouth is.

Sorry, Willie Nelson and Julio Iglesias, but
“You were always on my mind” doesn’t cut it.
It is the knock on the door that counts.



The disconnect between words and actions plagues business, too.
In the late 1980s an oil company, ARCO, set out to make
clean gasoline. Their surveys said customers would
pay three cents per gallon more for cleaner gasoline.
In 1989, they introduced a reformulated gasoline (EC-1)
to replace leaded regular gasoline. They soon encountered
the divergence between words and actions. Purchasers of leaded
gasoline revolted against the higher priced clean gasoline until
the company lowered EC-1 to the old price.



Don’t spend time trying to understand why a person “likes” something.



Be a role model for your children through your actions.



When dealing with your children, avoid the common
parental saying, “Do as I say, not as I do.”



People reveal their preferences through action.

One of the biggest riddles for economists, or for any of us for that matter, is a way of accounting for people's tastes.

There is no way. A person's preference for pasta versus rice, Chevrolets versus Fords, a pink versus a yellow blouse, are the result of every experience, every stimulus, every event that a person has undergone since birth, and by some social scientists' way of thinking, before birth.



De gustibus non est disputandum.

There is no accounting for taste.



Have you ever asked, “why does so-and-so have bad taste?”

What you actually mean is that the person has “different taste.”

We can learn a lot about a person through the choices they make
or by observing their “revealed preference.”

