



FINANCIAL PREPAREDNESS

"One of life's most painful moments comes when we must admit that we didn't do our homework, that we are not prepared." ~ Merlin Olsen

Issue #134
September 1, 2023

Building a Second Brain

If you're a Gen Xer or older, during your lifetime, information has gone from being fairly scarce and difficult to obtain to being a deluge. It has also gone from being mostly analog to being overwhelmingly digital.

As we go through life—especially if you're a voracious reader and/or lifelong learner—we come across content that we want to save because it's useful/helpful (either now or maybe at some point in the future), it strikes a chord with us, we want to be able to reference it in the future, etc. For centuries, readers and thinkers recorded such content in [commonplace books](#), a brilliant idea that I had never even heard of until about a year ago.

If you're a middle-aged adult like me, in the years that you started to come across content that you realized you wanted to save, not only did the volume of it start to pick up like the storm surge from a hurricane, but the medium began to change as well. Over the years, we came across lots of great content, but much of it was trapped in analog form (newspapers and magazines, physical books and photos, fleeting TV and radio shows, notes from classes, home movies, etc.). Then the Digital Revolution added email, text messages, websites, blogs, videos, ebooks, podcasts, digital photos, videos and music, an explosion of TV channels and radio stations, etc.

So at the same time that we were encountering great information, we were struggling with how to save it all. For example, after my mom turned me on to Henry David Thoreau, I started collecting quotations, but more than three decades later, I still don't have a formal, systematic way to capture them (even though I'm very organized).

In the future, the most attractive jobs (as well as the most rewarding relationships) will be those that involve curating, distilling, synthesizing and sharing valuable information. In a sea of data that is so ubiquitous that it threatens to drown us, we must become fishers of knowledge, insight and wisdom. Those who can create treasure maps for others to the most useful information will reap the greatest rewards. As Tiago Forte (see below) writes, "So many of us...are surrounded by knowledge, yet starving for wisdom."

The problem is that our paleolithic brain is quite limited. First, for millennia, the amount of new information that it encountered and had to remember was minuscule, so it is simply not equipped to handle the amount of what we expect it to remember today (not to mention what it *should* or theoretically *could* remember). Besides, human memory is imperfect, unreliable and faulty, especially as we age.

Second, remembering things is not the best, highest use of your brainpower, especially today when that can be outsourced to a computer hard drive that is relatively dirt cheap. Clearing the RAM of your brain will free up processing power for higher level thinking. As David Allen, author of *Getting Things Done* wrote, "Your mind is for having ideas, not holding them."

Further, most content today (such as videos, photos, websites, podcasts, etc.) simply cannot be shared merely by remembering it, even if your brain could recall it completely. What we need is a way to easily (and faithfully) store, search and share such content. This has led to the new field of Personal Knowledge Management (PKM).

A sidebar: I think a big part of PKM is just digital organization and hygiene. After decades of using various applications on different computers and operating systems, our digital records are a mess, strewn all over, lacking consistent taxonomy, and difficult to search. One of the most interesting recommendations in [The Last Lecture](#) is to have a good filing system. I'm currently reading Marie Kondo's [Joy at Work: Organizing Your Professional Life](#), and she has a whole chapter on tidying your computer, which I had never really thought about.

I just finished reading [Building a Second Brain: A Proven Method to Organize Your Digital Life and Unlock Your Creative Potential](#) (5 stars, a Should Read, and a candidate for your Read Again list) by Tiago Forte, which was published in 2022. It is obvious that [Forte is the PKM guru](#), having spent years thinking about it, starting when he was a kid, when he was thinking about the best way to organize and categorize his Lego blocks.

Forte argues that today most workers are knowledge workers and asks, "Where does your knowledge live?" He says that a note is a "knowledge building block" and a form of human capital. Your "personal collection of notes [is] a knowledge asset that [can] grow and compound over time." So you need to have that mindset and a systematic way to

capture and save them for future use.

Forte recommends that you save notes in digital form, “Because once made digital, notes [are] no longer limited to short, handwritten scribbles—they [can] take any form, including images, links and files of any shape and size. In the digital realm, information [can] be molded and shaped and directed to any purpose....[Digital notes] can be searched, organized and synced across all our devices, and backed up to the cloud for safekeeping,” and easily shared.

Forte notes that once you digitize your notes, “Your brain is no longer the bottleneck on your potential, which means you have all the bandwidth you need to pursue any endeavor....Every bit of energy we spend straining to recall things is energy not spent doing the thinking that only humans can do....”

Forte points out the paradox of the Information Age: “We spend hours every day interacting with social media updates that will be forgotten in minutes....We create documents that are used once and then get abandoned in the abyss of our email or file systems....Resurrecting the commonplace book allows us to...[shift] our relationship with information toward the *timeless*....”

Forte says a Second Brain has four superpowers: (1) “Only when we declutter our brain of complex ideas can we think clearly....” (2) “By keeping diverse kinds of material in one place, [we can] reveal new associations between ideas.” (3) A “slow burn incubates our ideas over time....bits of thought matter [can] slowly simmer....It is a calmer, more sustainable approach to creativity that relies on the gradual accumulation of ideas....Having a Second Brain where lots of ideas can be permanently saved for the long term turns the passage of time into your friend....” (4) “Our careers and businesses depend more than ever on our ability to advance a particular point of view and persuade others to adopt it as well.” Doing so “takes supporting material.”

Forte introduces the CODE Method: the four steps to remembering what matters. CODE stands for:

- Capture – keep what resonates
- Organize – save for actionability
- Distill – find the essence
- Express – show your work

Forte says that you should keep only the content that strikes a chord or that resonates with you (you'll feel it when you see it). You want to keep some content, but the more you keep, the less usable it becomes because the stack in which you have to search becomes larger. Forte writes that the content you save is really only useful if you can use it for a future project, so you want to save it in a way that is easy to find and useful to your future self. And he says that “Information becomes *knowledge*...only when we put it to use,” so you should create something with the content you save.

When you start working on a project, your saved content can serve as an archipelago over

which you can string a series of bridges, which is the same technique Ernest Hemingway used in his writing. As you accumulate more content, your need to reinvent the wheel will diminish with every new project. Your creativity will involve less original content and more synthesizing and repackaging existing disparate content.

Forte also details his PARA organizing system, which organizes information based on *how actionable it is*, not what kind of information it is. PARA stands for:

- Projects – short-term efforts in your work or life that you're working on now
- Areas – long-term responsibilities you want to manage over time
- Resources – topics or interests that may be useful in the future
- Archives – inactive items from the other three categories

There isn't one single software program that can serve as a Second Brain, but a notes app is the heart of it. Ideally, you want to use a notes app that is intuitive and easy to use, versatile (i.e., it can handle a lot of different types of content and files), has a robust set of features, is interoperable with other apps, and (most importantly) will be around (and supported) for the long haul.

Another important consideration that you probably won't hear mentioned much is privacy. Most software or websites that could comprise part of your Second Brain are not secure/encrypted, so employees of the company, hackers, or the government may be able to see your notes. I've been trying out [Joplin](#), which is secure and open source, but has significantly fewer features than an app such as [Notion](#).

Forte has [a lot of videos](#) where you can do a deeper dive into various topics. I watched [this video](#) from 2022, in which Forte covers 68 different notes apps. He recommends choosing an app based on how you take notes, for which there are four archetypes (Librarian, Architect, Gardener and Student).

I could go into a lot more detail, but I would be stealing Forte's thunder. He came out with a new book a couple of weeks ago called [The PARA Method: Simplify, Organize and Master Your Digital Life](#). He is someone to follow.

In closing, I know I probably created a lot of homework for you by telling you about something that you didn't even realize you needed. If you're patient and would prefer for me to do some of the heavy lifting for you, I plan to do a deep dive into the Personal Knowledge Management field in the months ahead.

News You Can Use

[U.S. Intelligence Has Been Manipulating Wikipedia for Over a Decade](#)

[The Coming Storm for Household Finance](#)

[Americans Are Binging on Whatever They Can Get Their Hands On](#)

[The AirBnB Bubble Will Pop the Housing Bubble](#)

[Where's the Recession?](#)

[Deepfake Fraud Surges](#)

[Newsletter Archive](#)

[Recommended Books](#)

(I receive a commission if you buy a book via this link.)

I would love to hear from you! If you have any comments, suggestions, insight/wisdom, or you'd like to share a great article, please leave a comment.

Disclaimer

The content of this newsletter is intended to be and should be used for informational/ educational purposes only. You should not assume that it is accurate or that following my recommendations will produce a positive result for you. You should either do your own research and analysis, or hire a qualified professional who is aware of the facts and circumstances of your individual situation.

Financial Preparedness LLC is not a registered investment advisor. I am not an attorney, accountant, doctor, nutritionist or psychologist. I am not YOUR financial planner or investment advisor, and you are not my client.

Investments carry risk, are not guaranteed, and do fluctuate in value, and you can lose your entire investment. Past performance is not indicative of future performance. You should not invest in something you don't understand, or put all of your eggs in one basket.

Before starting a new diet or exercise regimen, you should consult with a doctor, nutritionist, dietician, or personal trainer.