

Suppose you decide to sell your old VW bus. What do you start doing? Even before you've put a FOR SALE sign in the window, you begin to recall trips you took. You were much younger, of course; the kids hadn't sprouted into teenagers. A warm glow of remembrance washes over you and the car. This applies not only to VW buses, of course, but to everything else. And it can happen fast.

For instance, two of my friends adopted a child from China and told me this remarkable story. They went to China with 12 other couples. When they reached the orphanage, the director took each of the couples separately into a room and presented them with a daughter. When the couples reconvened the following morning, they all commented on the director's wisdom: Somehow she knew exactly which little girl to give to each couple. The matches were perfect. My friends felt the same way, but they also realized that the matches had been random. What made each match seem perfect was not the Chinese woman's talent, but nature's ability to make us instantly attached to what we have.

The second quirk is that we focus on what we may lose, rather than what we may gain. When we price our beloved VW, therefore, we think more about what we will lose (the use of the bus) than what we will gain (money to buy something else). Likewise, the ticket holder focuses on losing the basketball experience, rather than imagining the enjoyment of obtaining money or on what can be purchased with it. Our aversion to loss is a strong emotion, and as I will explain later in the book, one that sometimes causes us to make bad decisions. Do you wonder why we often refuse to sell some of our cherished clutter, and if somebody offers to buy it, we attach an exorbitant price tag to it? As soon as we begin thinking about giving up our valued possessions, we are already mourning the loss.