

**Jacob Morgan** 00:00

Do you have any questions that I can answer for you before we?

00:05

I think good, there was something to help me get on. So no questions?

**Jacob Morgan** 00:12

Okay. Let me just put in a new memory card in here. And then do you have a hard stop after 75 minutes?

00:23

Pretty much. I have a appointment.

**Jacob Morgan** 00:31

Okay. So I'll make sure we stop. Since eliminate my time. So 1215 I'll make sure we go ahead and stop. And then have you ever used Riverside before? No. Okay. So when we're done, just don't hang up right away. It's going to upload your audio and video, it'll take maybe just a couple of seconds. And then then you'll be able to exit out. Okay, go back. Okay. All right. And then I'll do a much longer in official intro and all that sort of stuff before the episode actually goes live. So for now, we're just

01:05

all audio or is there a video?

**Jacob Morgan** 01:08

I like to use audio and video? Okay. Yeah, we do a lot of stuff with it. We can do clips from it. We do a lot of fun stuff with the video too. So we record both.

01:16

Okay, is my framing appropriate?

**Jacob Morgan** 01:19

Yeah, no, you look great. sound great. Everything's perfect.

01:24

Okay, good. Let's go.

**Jacob Morgan** 01:26

Alright, so I'll just jump into the questions. Like I said, I'll do a much longer intro later. So in case the few people who are listening, don't know who you are, but I wanted to actually just jump right into some of the tough conversations that I wanted to explore with you today. Because I've been listening to a lot of interviews that you've been doing over the years. And you can ask a lot about investment advice and strategy and the economy. But it seems like, especially over the past few months, and dare even say years, there's been some pretty interesting trends going on, especially in the United States. And one of them. And I know you talked about this as part of your principles, this idea of being very transparent

and telling the truth. But we're also living in the emergence of this kind of a canceled culture world. So how do you balance this notion of telling the truth, while at the same time, being fearful or worried about getting canceled, and this is a very real, I believe, challenging fear for a lot of leaders and people out there.

02:26

You've, you've put your finger on an important issue. And it is a fear that a lot of people have that stands in the way of telling the truth and speaking truth. And it's simple, really. It's a choice. Yeah, what is your choice? So when I look at it? I think for me, it's kind of a moral issue, you know, it's okay, I recognize that I can be shot that I can be hungry. Okay. But how would I feel? If I was cornered in the corner, cowering in the corner thinking, I will be fearful of telling the truth, particularly at this stage of my life? So, yes, I mean, the question, like, all difficult decisions, is that there is the one way or there's the other way, and do it in the best possible way. So my hope is that I do it in the best possible way, that conversations like this, help people understand what is the truth, but recognizing, exactly as you say, that Australians call it the tall poppy syndrome.

**Jacob Morgan** 03:56

I was actually born in Melbourne some very familiar with that.

03:59

Okay, well, you could tell them what it is.

**Jacob Morgan** 04:02

Well, it's this idea of, you know, when you get to a certain point, usually of success, what happens is you get kind of chopped and brought down to your level. And it's, it's it's an interesting syndrome coffee

04:15

is the one that grows and stands out, and it's the one that's most likely to get whacked by the rider to knock it off. Yes, so it's certainly the case. And so my view is Life is about a lot of difficult choices, and it's simply what do you value most? And then how do you do it?

**Jacob Morgan** 04:37

Is that easier said than done, though? So I remember when we had our prep call, I was telling you the story of how I went to go see Jordan Peterson you know, very controversial figure and he was performing here in LA. And I went to go see one of the lectures that he was given just because you know, I'm interested in a lot of different viewpoints and different perspectives and Jordan Peterson I think is a good Speaker in some ways, obviously, I don't agree with everything he says. But he's, he's an interesting person to listen to. And we one of the group of people, and a lot of some of the people we were with, were even saying, you know, don't tell anybody we're here, don't put up pictures. I don't want my employer to know, I don't want anybody to know, you know, to keep it quiet. I don't want my kids to know even. And I was sitting there thinking, like, how the hell did this happen, where you can't even share that you are going to see a lecture from someone, you can't even go see an author, because people will get so mad at you and say these negative things about you that you can't even say that you're going to something like this. I mean, it's insane to me.

05:39

So Well, I think you asked us two questions. The first was, it isn't a difficult. Yes. And then you went on, and you described that it's insane. Okay, so let me take them individually. The thing that I think everybody has to understand is that life is difficult. And there's only one way to do that. And that is to be stronger. And and so yes. Like, do you want, you know, an easier life, you can pick an easier life, you can go pick whatever path you want. And that is simply that and the second part of it is, that's simply a reality. Okay? So we may bemoan the fact that right now we have a society in which disagreement, or correctness or cancel exists. And I think that you and I agree that that's, that's a shame in being able to have that. But I find it more interesting than that. I think the question is, why? How does that evolve? And I understand the history of how it evolves, we can delve into the history of why it evolves, because everything that happens, happens because of reasons. And so there were things today, yes, I regret that that's the case. But let's accept that reality. You have to recognize it, and then say, how do you deal with it? All of these circumstances prompt me to think about principles, I have a principle pain, plus reflection equals progress. And the way that I look at that is, okay, that's a reality. Okay, now, accept it. I am what is that reality? Tell me? How did it come about? And then most importantly, how do I deal with that reality? And that approach? is the important thing I think in life. Yes. So yes, you might have a difficulty, that's a difficult choice. Well, life is filled with difficult choices. What do you value more, one or the other? Or what impact can you have? Maybe in our conversation here, we bring to people some things that they might say, isn't that a shame? Yes, it's a shame. There are no heroes. There are no heroes today, no role models, because everyone is brought down in terms of that. And I think about so many great people who are not necessarily even big, accomplished people. But people who have done simple things that are heroism, and pulling together and those admiring those things. And, and it's a sign of our times, and it will have consequences on how we are. So it's interesting to just be analytical about it. And then to make one's choices about it.

**Jacob Morgan** 09:02

I have friends who work at various organizations, and oftentimes inside of their companies, they, you know, they're scared to speak up on certain issues, because they don't want to get fired. And this is a very real concern that a lot of people have, right? And so somebody might say, well, you know, Ray, it's easy for you, you're a billionaire, you're very successful. You could say whatever you want. You're in a different boat. But I have a full time job. I have a mortgage wife, kids, I can't just speak up at work, because I may lose my job. So I have to, you know, just shut up. What do you say to people like that, who are scared to speak up inside their organizations because of some sort of repercussions that they might be faced with?

09:41

Well, the first thing I want to say is this idea that it's easy for me to say because I'm a billionaire who does this now is it has it backwards. The question is, how did I go from a guy who didn't have anything I'm used to not having anything and moving forward. And so and then when we deal with that, I would say, again, these are matter of important choices. And I watched so many people stay in jobs in which they can't ask the questions and make those. And I think, what a terrible cost that has, yeah, I mean, so you judge yourself, each individual should, what is the cost of not being able to speak up exchange thoughts, be able to evolve in that way, relative to the benefit? And I think so many people probably

have more choices than they realize. For me, it wouldn't be almost impossible to not be able to have good exchanges, let's say with my boss. That doesn't mean I'm, I know better. I'm not trying to say I know better. But if something doesn't make sense to me, or I have a view, and they would not let me ask the question of how does that make sense? Why is it that way? And so on, that that would be terrible for both of us. It would be terrible for me in terms of my own development, am I going to be suffocated? And and held back that way? And I think it's terrible for them. Because do they want to develop people that way or not, aren't not have that exchange. So I go look for another job. And I'm not saying it's always easy to go look for another job. But it may be also similar to looking for another marriage that doesn't work out, or something else that doesn't work out, you probably have more choices than you realize. And so think about the costs of that.

**Jacob Morgan 11:55**

Has that ever happened to you? By the way? Has anybody ever tried to come after you? And, you know, obviously, you're a very public figure. Has anybody ever tried to cancel Ray Dalio or insult you or come after you in a very aggressive and public way?

12:10

I'm sure. I mean, I think that the media, particularly some people in the media, like the dramatic, grand and distorted story, I mean, I could see an example. Even for sort of clickbait This isn't being attacked, but it's such a good example. Headline comes out, Bridgewater, underwater. You know, what happened? It rained a lot in our parking lot was water. But anyway, there have been, of course, there are those cases in which, particularly now, distortions, you're talking about that, you know, the distortions. But what are you doing? Do you go hide? Do I go hide at 73 years old, and I've got a mission? And how would I feel about those types of things? So yes, I've experienced that.

**Jacob Morgan 13:18**

I'm curious how we even got to this point, because I have Russian Well, Georgia and immigrant parents, they came from the Republic of Georgia. And when they came to the United States, I was very young, they didn't speak any English. They had no money. You know, my dad, I always tell the story on the show that he had to learn to speak English by watching the Johnny Carson Show with a Russian to English or English to Russian translation dictionary, he would stand in front of the mirror for five, six hours a day trying them out out words. And your dad. Yeah, I mean, he works. And to this day, right? He's a hero. He's 73 years old, he still drives every now and then to go play soccer an hour and a half to go play with his former coworkers. And, you know, I remember when I was growing up, there was no trophy for second place. Always try to be your best. Don't be a victim. Don't share your problems and look for pity or sympathy for mothers always work as hard as you possibly can. And that was kind of the mentality that I that was instilled in me growing up. And it feels I don't know, if you would agree with this. Part of me feels like that mentality is missing today. I guess it doesn't quite feel the same. As far as our approach to work, our approach to I don't know, solving problems, being owners being problems. I mean, would you agree, are we kind of shifting towards a different direction where it's almost more of a victimhood mentality?

14:48

Yeah. I think we are and I think the most important thing is to for your audience, to make very, very clear how that differs. wrenchy ation exists and to reflect on themselves and to reflect on others, to own your life, to own your outcomes. And to even the things you can control. There have been things in my life, I've lost a son, oh my god, it's the worst possible thing that could possibly happen to me. And each one of us encounters reality. And reality is reality, and to accept reality, and to think it's your responsibility to deal with reality, in the best possible way, will bring you a better life. When you sit there, and you have opinions, particularly critical opinions of others, and you're not in their shoes, it's not good. And also, even in yourself, when you have to own your outcomes. Sometimes there's a group of people, and they all exchange opinions. And there's no owner of the outcome, the outcome, you know, and it's all then theoretical. Yes, you have to be on the field, and you on the field, and you are struggling, okay, and then you own your outcomes. If you realize that that approach to life is the most important thing, you can have any type of life you want. Maybe you don't want to struggle in that way. But the struggles will find themselves their way to you. You can't get around. So the only thing you could do is Struggle well and own your life. And all these critical opinions, there are many different choices in life, you know, so these judgments about what this person should do and other things is dividing us, is fragmenting us, is harming us. And yet we're where's the rulebook? There are laws, we follow the laws, but where is the rulebook of this person should be this way. And that person should be that way. And worse, that we're willing to fight and win at all cost. The political system is becoming like this. Other words, the fight and win at all cost is is dangerous to us and our society. So yes, I think you're putting your finger on that notion of owning it. Like I think about your dad. And he came over and he did that. And wow, he had to overcome many things. And he had to struggle, and learn the language in front of the Johnny Carson, and so on. And he owned his life. And that's leading to you to ask these questions. And that's right. And so yes, you have a choice. And the better choice is to own your life, and accept what reality is, and deal with it. Well, not wishing something were different.

**Jacob Morgan 18:10**

And my dad never saw himself as a victim, never asked for anything, doesn't even like to talk about his problems. I mean, to this day, he, you know, he went through a very hard time in the former USSR, and to this day, he doesn't even want to talk about it. And no, I don't I say data, why? Why don't you want to share kind of what you went through? He says, they're my problems. Why? Why should anybody else care about my problems? It's, you know, I had to deal with it. And

18:37

if ever you want to be that way, and stronger, and that's why we go back to the concept of heroes. Yeah. I wish we could see more heroes, like your dad is a role model. And so many people of the role models are not the richest people or, you know, there's, there are people of character, and strain. And that's what makes a greater country. That's what we need more clarity about.

**Jacob Morgan 19:11**

You mentioned something which I think is actually quite sad. And you said, we don't have heroes anymore. So kind of two part question for you. When you talk about heroes. What, what do you mean there? And you kind of touched on a little bit. And second part of that is what happened. Like, was there Did something happen? Was there a pivotal point when society shifted when heroes disappear? Like how, how did we get to the point that we're in now?

19:42

Okay, your first question. I think, a hero is a person of great character, who evolves learns, and as on a path has an ability to To have self control, to do the difficult things, and to contribute with others to the well being of the society. I think I think we've, we've changed a great deal. I know when I was growing up, that I could see heroes, and they were being painted as heroes. And you'd go out to a movie, and and it wasn't the superhero, as we're seeing the, you know, the, the comic figure who gets to fly and blow up things and so on. No, no, it was, you know, great people who are, as I described, those kinds of heroes, and you look at that, and you say, That's admirable, that's good. And, you know, how did we get that way? I'm not sure that I know how we got that way. But I think that self interest, and everybody can have an opinion is become everybody can have a judgment. And the cynicism that has come through, and maybe there's something in human nature, and the media, that combination, you know, it's almost like people like the scandalous story. They like that, rather, that there's a certain maybe cynicism, maybe it's because, you know, the truth is, we all have faults, we all have weaknesses. And this idea of a hero, may be could be mischaracterized, as somebody who doesn't have weaknesses and faults, we all have weaknesses and faults. But in any case, there's a cynicism that has come into that, and that, you know, the tearing it down, and I'm not sure exactly why that is, but it certainly has worsened over that period of time. And I think every hero, every human being, should highlight and their flaws should be part of that picture.

**Jacob Morgan** 22:23

Yeah, I mean, it's actually quite scary to hear that we're not talking as much about those types of heroes, people who've just, you know, worked hard, and have been able to achieve some level of success. And it's, it's, it's a little sad to see that. But a question

22:41

of what is success? Yeah. I think that that's, that's an important question. I think that so much of what the society has come to define as success is money, status power. Okay. Um, that's a distortion. That's, you know, okay. Is that what it's about? I mean, think about money. Money has no intrinsic value. And what I mean is, money will only get you to buy something. And what are you going to buy? I mean, don't get me wrong, I'm not against money. You know, when I've acquired a lot of money, but think about it. Now goal wasn't, by the way to acquire a lot of money, it just have to play a game I love but anyway, I'm happy I did. But my point is that there is no intrinsic value in money. It's only the thing you're going to buy. And some people get obsessed with that. I think like, for example, relationships are much more important than money. What I sell a relationship for money. And so sometimes we can lose sight of that. Maybe it is that money is easier to count or something, but it's almost a distorted picture of what is success, and what should you be going after, I think some reflection on what is it that you're going after, you know, and think about that, you know, there's a, there's a curse of having too little money, and there's a curse of having too much money. The Curse of having too little money is that you don't have the opportunity. You may not have the health care. Okay, but what do you need, you know, you need a good bed to sleep and you need food to eat, you need to go to a school that you can learn and you need to come out in a world of equal opportunity, as you did. Okay. That is what I think is needs do you need how many cars do you need? Do you need fancy cars? Do you need these other things? So I think that sometimes we might lose sight of that, like Did your father have everything thing

that he needed, he struggled Well, you know, it's he raised you. And so you have these things. I think emphasizing these things would be good. We're like reflecting on it would be good.

**Jacob Morgan 25:14**

Yeah. And it's funny because I was reading some of your your bio, and I think you started working, what was it? You were you were carrying, you know, a golf club at age 12. It was like, for most of your life, I mean, you, you worked hard as did a lot of people. It seemed like back in the days, right. You know, it's,

25:32

it's it's a it's a blessing. I have a friend who wrote a book, the gift of adversity. And it's a gift. And so when I was a kid, I'm not no, I'm, by the way, I was very lucky. I had two parents who loved me. I grew up in, you know, having everything I needed in terms of being able to the food, the place and go to a public high school. That was a good public high school. So I had everything I needed. I'm not complaining. But at an early age, yes, I would. When I was very young, I had a newspaper route, I had a I shoveled and mowed lawns, I shoveled driveways. And I did those things. And those things of being able to struggle and even learn about money, then I was very lucky to have. For me, I fell in love with a game of playing for that money. But I found that has been true for young people, many successful people, I won't rattle off their names in their stories, but somewhere around 12. They, whether it's a work, or it was a passion about computers, or whether it was something in art, there's something pre puberty, that there's a way of thinking and so on, that has an impact early in your young life. And knowing how to struggle is a good thing to learn early in life.

**Jacob Morgan 27:08**

Yeah, I couldn't agree more. Would you say that our work ethic has changed over the years, have we? And I've asked this question to a couple of CEOs did we, for lack of a better word get get soft? When we think about work? It seems like it used to be different. And I am not saying good or bad. But I would say different. But if when you compare when you were, you know, in your 20s 30s 40s versus what work is like now, do you see a very palpable difference? Well,

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first of all, I think I don't want to make generalizations. I think there's a wide range. I think that there are people who get passionately into the things that they're doing. And they work hard for passion. And I don't think you have to work as hard to have an acceptable living standard. And I'm not saying that people should work hard. Okay, I think that they should follow their passion, if their passion was surfing. Okay, great. That I think the real question is, are you self sufficient plus? And what I mean by self sufficient plus, can you take care of yourself, once you can take care of yourself financially, you can have whatever life you want to have, I don't think that there's a better path one or the other, self sufficient plus then starts to mean, you could start to take care of some others. Maybe that's your family, maybe you go beyond that. Okay, and then pick whatever path you want to. So I'm not. I was just exposed to it. I do think it's easier to get to self sufficient plus than in the beginning than it was before. Because what do you really need? And freedom, by the way, is that thing to have? Yeah. Well, I think a lot has to do with what's your passion? And and are you pursuing your passion?

**Jacob Morgan 29:07**

How do you balance the passion? What kind of like the realism though, because there are a lot of, for example, I am passionate about chess, right? I'm not going to become a professional chess player. There are a lot of people who are passionate about basketball yet they're not going to become professional NBA players. So how do you balance the passion with the realism that you will succeed or be able to make a career you know, we see lots of people, for example, who go on America's Got Talent or American Idol, passionate about singing and doing all those different types of things. But sometimes the passion isn't enough to turn that into a career or sustainable business. So how does the passion balance with the competence or the realism of turning it into something?

29:51

I have a principle which is make your work and passion the same thing and don't forget about the money part. Okay, and so Oh, it would appear to me that your passion and your work are the same thing. And then you're getting enough money to be self sufficient plus. Okay. So I think that there's the optimization of those things. And I think if people give more thought to them, yes, you won't be a professional chess player. Okay, that won't work, because but you have found your work and your passion, pretty much the same, and you're becoming self sufficient plus. So I think if people approach that, I think a lot of people make the mistake of thinking, a, it's just their passion. And they'll pursue it. And then they can really get themselves in trouble. I encourage people to take a look at the careers that they're thinking about, and seeing what people in the mid or late part of their careers, what their lives are, like. Are you going to be a doctor, you're going to do this? Are you going to be a poet? What is it? And then just go look at? Let's say, what the top quartile or the top 50%? What is their life like, so that you can take a look at what it is actually like and make a you know, a practical choice. So yes, pragmatism is part of it. But pragmatism means also joy in life, because money is not just the measure of the joy in life.

**Jacob Morgan 31:42**

Yeah, and for me, it's hard, like I wasn't, I didn't start off kind of passionate about leadership, and podcasting, I originally started off doing online marketing and search engine optimization, which was, you know, a big thing back in the day. And I kind of had this idea of, you know, bring your passion with you. Like, I wasn't necessarily passionate about the field when I started. But I was passionate about talking to people, I was passionate about creating content. So part of me feels like, even if I would have ended up in a different space, I could have still brought my passion with me to that space. Instead of focusing on the passion of the of the field, so it's kind of is it the question,

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I think you're differentiating two things. And I want to make it very clear in the, in your mind that in the audience's mind that there is something in you that creates a certain type of necessity. And careers, are just things that may or may not fill that necessity, you can never look at a career. As a thing, like you could say you're a lawyer, well, a lawyer can be any kind of lawyer, and it may not sad, it's not the it's only the job that you have to go beneath the job. Is it dealing with people is itself there are lots of ways of being lawyer. Yeah. And lots of different manifestations. There's something deeply inside of you that if that career didn't even exist, there would be a manifestation that would be a path, that would be your underlying path. So you have to know yourself and have a discovery of what is your pull? What



are the types of things that you're pulled out, you can't just look at that thing as career and get it you have to understand what that pull is. It's one of the reasons I did principles you is a free test that anybody can take online, to understand themselves and understands other it's a personality profile test, I put out, I did it, put it out three principles, you go to it free, you'll discover probably about yourself, and you'll when others do it, you'll discover that others because there's a pull, there's an intrinsic, you have a nature, your own nature, and your nature is looking for the path. And there is a path and it's never that exact path. But it is that hunger, that certain type of hunger, I have a hunger for curiosity. I have a hunger for adventure. I have that hunger. Now that can be manifest in many different types of jobs. But I know that I have that hunger, somebody might in a sense, have a different hunger, my sense of adventure might be their source of fear. And so they have a different nature and so to know their nature, and then to follow that, okay, what is the path that is appropriate for you? nature so that you will evolve along that. And it's not exactly like an exact career exact type of thing. And so you have to feel that pole, you have to know your nature and feel that pole.

**Jacob Morgan 35:13**

Yeah, no, that's a much clearer way to think about it. Going back to one of the things that we talked about earlier, which I think is a very, very important theme on how to own your outcome. How do you own your outcome in a world where a lot of people either say they are victims or believe they are victims? How do you kind of take more ownership and control over your life and say, You know what, I'm not a victim, I'm going to take control, I'm going to build the life that I want. It seems like especially in the world of social media, where anybody can just kind of go online, and tweet at you or write something about you. It's very hard to have that sense of ownership in life. And I think a lot of people

35:59

and that I honestly don't understand that. I I think I think it's like saying, you know, as I was hearing you describe it, and others don't have that sense of ownership. And they're, they're a victim. And unless you're describing and I said, Okay, I feel sorry for them. I feel sorry for them, because they will feel victimized, victimize they will feel bad, they will feel others are doing it to them. There won't feel in control. And that's what they're doing. And I almost wish I could help them. And, and then you say it's hard. No, it's not hard. I mean, if you know that, and you feel that, that? I don't know, like you feel that it, it seems like I feel it. It's, it's not hard for me to not, you know, to be wanting to do the other. So it's, I think it's, you know, in you, it may be hard to change. You know, it's hard to change. But the best way to change it is to encounter your outcomes. And you'll feel, you know, life as a teacher. And so you know, encounter your outcomes. And the more you can get away from people blame, like sometimes this is when there's collective decision making. everybody blames the others. You shouldn't do they all pick the part that thing when when you just realize it's you but in one way or another? I don't I think it's difficult to imagine. Is it hard for me not to feel that I'm the victim? No, no, no. I mean, it's, it's in my mindset. You know, I can feel I wish things didn't happen. But converting a wish. Something didn't happen to an injustice. Is that's a bad thing. You know, life happens.

**Jacob Morgan 38:26**

Now. It's funny, I was talking to CEO and Mukherjee she's the CEO, Pino Ricard in Northern California. I think she's running around 2000 people. And she was born in India. And she was telling me this very tragic story, how she lost her mom, when she was younger due to drunk driving. incident. She was

sexually assaulted when she was younger. And again, she came from India ended up moving in Chicago. And that was one of the things I asked her I said, you know, a lot of people could look at that. And it's very easy. You she obviously went through a lot of tragedies. She went through a lot of, you know, coming from India, going to Chicago, a very big culture change, it's very easy in that kind of a mentality in that kind of an environment, to focus on all the things that went wrong in your life, and why, why didn't things go better for me, and instead, she was able to really take that sense of ownership and turn things around. And she actually went to go work for an alcohol company, even though she had two tragedies with alcohol, to try to turn things around. And she viewed those strategies, those tragedies as kind of fuel and energy, for empowerment for growth for making an impact. And part of me feels like if everybody had that if everybody could make that mental shift, we would be able to do all sorts of amazing things. But for some people, it's hard. Do you have any suggestions on how, I mean, is there something that you can do to move away from that mentality of victimhood to focusing more on ownership?

39:56

Well, I think at two different ages I think if you can let your children struggle with independence and learn, it's hard

**Jacob Morgan** 40:06

for a lot of parents,

40:09

you know, you keep bringing up heart. Well, that's a good reason. Yeah. Okay. I don't know why you keep bringing up hard as you know what's hard. Not doing that. Yeah, the consequences of not doing that. That's hard.

**Jacob Morgan** 40:25

Not hard for me. I'm practicing.

40:28

I'm talking about you said, that's hard.

**Jacob Morgan** 40:31

Yeah. A lot of people that I mean, that's what I mean, even I have parents and I say, you know,

40:35

let me tell you, I think that just I want to answer your question as the two part age thing to let me go back before that. And answer the question about, about hard. There's a trick in life, that the second order consequences are often opposite than the first order consequences. And they're more important. And what I mean by that, is, maybe the best food the most tasty food is the worst food to eat. Maybe exercising, which is painful, is you know, don't don't exercise and, and then you get painful results, the second order consequences or do exercise, have the pain, and then you get good order, then you get good results. So much of life, the second order consequences, so I apply that to difficult, okay, difficult, is, is going to be less difficult. Because difficult, is the thing that if you can get off for over, we'll give you

a better life. So when you keep looking at difficult, and you keep saying, oh, that's difficult. I say to myself, Okay, you know, what's difficult not doing those things, because that's going to give you a difficult life. So back to your question. I think that if you look at, let's say, early in your life, teach them to struggle, the key to life is struggling well. And so if you can find the environment, where it's you alone, or you, or just even catch yourself, blaming others, but you have to have the outcomes attributable to you. It's fundamental.

**Jacob Morgan** 42:44

Yeah, no, I agree. And I'm, I'm a big believer in doing hard things. I mean, that's the mentality that was instilled in me growing up by my by my dad. So I'm completely with you on that. Another related theme to this is, you know, over the past few years, we've seen, I think, a very clear separation between work and life, right, you used to be working nine to five, everything before nine and after five was considered personal time. And over the past few years, we've been talking about this concept of work life integration, like you bring your personal life with you to work, you bring your work home with you to your personal life. And there's no longer a clear separation or distinction between the two. And one of the challenges I think that brought is, it's very hard to separate and this is, it's kind of a complicated thing. But we're bringing in a lot of personal views and perspective, politics is coming into work, government's getting involved, like everything is kind of meshed in together, which I think is causing a lot of challenges for organizations. And we see this for example in like the woke movement, and whether people are supportive of it or not. It's irrelevant, but the point is that we're seeing this big blending of everything coming together. Do you think that's a good thing or a bad thing? Or is it a challenge for organizations?

44:06

Well, you know, most things bring both good and bad, I think that it's a good thing to know what you want, and not to be scattered all over the place. And not, you know, not to know your domains, and to have all different opinions on every different thing, even though you don't know anything about it. So I think distractions and from the achieving what you want, and getting caught up with all the stuff that's coming with you and not organizing it well and we're prioritizing it and focusing properly. can mean it's like could be like, you know, eating potato chips or something. It could be you it'll just appealing and you just keep doing it. And it may not have its its consequences. So the question is, I think more first is, is it intentional? Is it the thing you want? Does it get you the outcomes that you want? I do think that people are struggling with those things. Yes. So, how does it work? Can you put your phone aside? Can you put your other habit is a controller of us, if you want to know what the best thing you can do, to change your life is know how to develop a habit that you want, because the subliminal mind is controlling, and the habits that you build. And so I think that people look at these actions. And so step back, am I getting to go what I want out of life? Is this the path Am I prioritizing? Am I organizing it? So I don't want to say it's intrinsically wrong to blow them together, or it's intrinsically right. If it's bringing you the things that you want, then do that, but do reflect on it. And then, you know, so much of reflecting this whole idea of reflecting and doing the things that is best for you, for you overlooks the fact that it's habit, and your subliminal is going to drive you. So it's not easy to just say, I'm going to make this decision. And now I'm going to do this thing, I'm going to stop eating the potato chips, I'm going to start doing that. You have to set out how you're going to build that habit to do the things you want to do, I think

**Jacob Morgan 47:08**

makes sense. kind of building on that there's this theme of meritocracy, right. And one of the big debates that I think has been emerging from a lot of people, is the distinction between Equal Opportunity versus equal outcome. Where do you stand on that side of the debate, and I know it's something people like Jordan Peterson have talked about for quite some time.

47:32

I believe that every human being should have a level of set of circumstances below which they shouldn't fall. And it has to do with both opportunity, but also circumstances. I think it is terrible. That in poverty areas, children grow up, where they don't have an adequate school budget, and adequate food and under circumstances. So I think everyone has a certain basic that they must, that the society must provide them. And I don't think we're doing a good job in that I can digress into some personal experiences that I've had that, you know, exemplify that. And then beyond that, then I think it's it's really opportunity. But I even think below that. It's opportunity. Like I said, you know, I'm lucky, you're lucky, I think we almost had it perfect. Because we had parents who cared about us, we had a bed to sleep in, we had food, we had nutrition, we could go to a school, and we could come out and have opportunity. That is fundamental for opportunity. And it's fundamental of what must be as an outcome, you must have that. Then as you go above that. I think it's really up to you, except if you have an important impediment. In other words, if you're handicapped in some way, physically or mentally ill, or something along those lines. I think that the society has a responsibility to provide a community of something you can't expect somebody with a handicap to, you know, suffer so greatly. Because of that handicap we have to have as we have to work well as a society. And then it's Then opportunity. So to me, equal opportunity, for the most part is more important than equal outcome. Okay. And again, it goes back to my basic notion of necessity, there's a certain necessity. But what are we going to do? Are we, because everybody's going to be given two cars and a, and that what is that about? I don't think it's good for people. And I don't think it's good for this society. And it'll stand in the way of the productivity. You know, by and large, you're responsible, you've got to go out there, earn it, that earning, it means contributing, and then exchanging what you contribute for what others give you. And that whole process, I think, is so important to the fundamental well being of a society as well as the individual.

**Jacob Morgan 50:56**

So in other words, meritocracy still reigned supreme, you should be rewarded based on your merit, your contributions, the impact that you have the things that you've done.

51:07

Yes, without a equivocations that I'm saying, okay. I don't I want to make sure you heard the first part of my state. Yeah, in terms of that, you know, that there's no level below with. And particularly if you had nothing to do with it, there's a cycle, there's a terrible cycle that's going on, in which people were not raised as you were raised. Now, okay, or AVS I was raised, that they're then in a circumstance, and then they become the problems, the the, they become criminals or they become, they have their own problems, they become their, the addicts or the or whatever. But that germinated from their origins from their childhood, and so on. Everybody is a function of either their genetics, or their environment. Yeah.

So almost, you almost can't hold anybody responsible. They have to get there. So you got to go down at the root cause? And you've got to deal with that. And then okay, yeah. And it's not fair. If somebody is, and it's, it's not successful for a society, if people are not, you know, working hard and, and operating, that does not mean decadence, although like it's the freedom. But I would say that we have a problem now, in which there's such a polarity, between what I might call almost wealthy decadence, and dis enablement, unfair treatment, that polarity is harmful.

**Jacob Morgan 53:08**

What's the solution?

53:12

I think that this anomic, all of my answers are mechanical. In other words, I'm not an ideologue. I'm a mechanic. And what I mean by that, I mean, is there a cause effect relationships? And how does reality work? And I think that capitalism is a wonderful system. But it needs to be reformed in a way where some of the things that generate a profit, do not necessarily achieve the income goal, let like profit can't achieve everything. For example, education, maybe the money that goes to education will not be achieved by the right by the system, the profit making system and in fact, the disparity in education, you earn more money, your send your getting to a better school, and that and that disparity takes place. Or there's there's various ways that in the society, that's not the case the pollution impacts of these various things. I think they have to be incorporated in the system that you modify it. That doesn't mean give out welfare. It means invest well for the society to be in a be more productive, both individually and others. So I think like investing in education, investing in infrastructure so that you know there's a common you know who's going to pay for the subway, a good subway who's going to, okay Don't Starve the good subway or the good roads, so they can't use the good roads. There are common goods there that are necessary Common Education, these types of things are essential for the well being of a society and also make them fair. So invest in those, look at the total return on those. I'm in Connecticut, I give you an example. My wife works in the to help the poorest students in the worst performing school districts a Connecticut is one of the three richest states one, two or three, usually, in Connecticut 22% of the high school students have either dropped out of high school, or a failing High School with absentee rates of greater than 25% and failing classes one and five, because there's a very big wealth difference. I live in Greenwich, Connecticut, in Bridgeport, Connecticut, right up the road bridge wells. The last number I saw in Britain's Connecticut school budget \$24,000, in student in Bridgeport, Connecticut, it's \$14,000 per student. And then that family that's living in Bridgewater, the Bridgeport, Connecticut also doesn't have other money for food for other things, gangs form, crime forms, addiction forms in those environments. This, so then we have the state budget for incarceration is \$600 million a year. So those children who grow up to be what's their community, a community as a gang? What's their income, their income is for them selling drugs or crime. Okay, it's an understandable evolution. So that's a problem. When you see around you, when you go out to the city, whatever city you're in New York, Chicago, San Francisco, and so on. And you see that that becomes a pervasive thing, while also everybody's fighting with each other. Yeah, this is a problem. So in order to do it, I think there has to be a proper reallocation of what is a good investment. So it's an investment on the society and the ways that I'm giving you the example.

**Jacob Morgan 57:36**

Okay, now, that makes sense. Last few minutes, and we have around 15 minutes or so I wanted to focus on specific action items that people might be able to apply in the careers and their lives. Starting off with if you were to look at the course of your career, is there a particular and I don't like to use the word leadership hack, but it's a tip or strategies or something that you have applied in your career that you think is unique to you, that helped make you more successful. A ritual, a tactic, a strategy, something that is, it's mine, and it helped me become successful.

58:16

Well, three things, three things that come to mind, and I'm gonna broaden, broaden them from the experience. First of all, I learned to meditate when I was 19 years old.

**Jacob Morgan** 58:28

Oh, let's see me doing it for a long time.

58:31

Yeah, so meditation has helped me a lot. Okay, it gives me the balance the clarity to accept life and to deal with it in that way. Like I say, pain plus reflection equals progress, that kind of what kind

**Jacob Morgan** 58:45

of meditation do you do? Can you share a little bit about your practice? How long? What kind?

58:49

Well, yes, but I don't want to digress. So if your question. So Transcendental Meditation, but let me complete your question. And I can go explain it afterwards. The second thing that I did was I would reflect, and I would write down my reflections, my principles, this changed my life. In other words, I have this encounter. This is why I did a journal, there's a journal out there that's called my principles, which gives people a guided ability to do this, to write down their principles, and to follow. So what I did is I, I reflected, as I'm encountering things, I would reflect what does that tell me about how things work and one of my principles for dealing with it, and I wrote it down. And by writing it down, I got a clarity of mind and I was able to communicate with other people. And I was able to see that the same things happen over and over again, you know, and then how do you deal with it? You're not the first. Otherwise, you have this blizzard of stuff that comes at you and you're making that up? You have a principles and you're guiding with and they're realistic principles that's contagious. And then the, the next thing is painful failure. This has been very beneficial to me. Painful failure, I can remember I can tell you stories of incidents. And what they did is they gave me the humility for being able to understand something that what what people don't understand is that whatever success I've had in life is more due to mine. No, knowing how to deal with what I don't know, than anything I know, to take in the open mindedness to take in well, to not come with everything with conclusions and opinions. But with that curiosity, like if two people disagree on something, I'm curious. I'm not angry. I'm curious why. And does it make sense? Because if two people disagree, one of them must be wrong. And how do I know that I'm not the wrong one. But I want to disagree with with smart people. I mean, that doesn't mean, you know, I sort out who I'm going to spend my time sorting with. It's not every birth with those types of things. But so the stakes, I'll just put a.on that the making of mistakes and the painful mistakes, and the

curiosity and accepting life like it's working like a machine, and how do I deal with it? Well, those three things I would say are the biggest ones. Now, if we can go back to your other question, yeah. So

**Jacob Morgan** 1:01:39

building on that really quick, because you mentioned humility. And so selfishly, I have a book that's coming out later this year in October, around vulnerability and leadership. And I interviewed 100 CEOs asking them about vulnerability. And so since you mentioned humility, which is very much related to that his vulnerability been a part of your approach to leadership as far as putting yourself out

1:02:04

there. Yes, yes. And when I say vulnerability, if you go into vulnerability, you won't feel vulnerable. Okay. In other words, I opened myself up, open yourself up. And then and then but you have to have a process by being saying, I might be wrong, how does it work? How do we get a truth? This is all written in this book in my book, Principles life and work. There's a mechanics to it. Okay. But yes, yes, to be to be. But But when I say that makes you not vulnerable? What are you vulnerable? Is your ego defensive? Is that the thing you're trying to protect? Okay, that won't get you to the best place. Yeah. Okay, get rid of that, as I say, in the book of this book, Principles, life and work, which has sold 5 million copies around the world. More than that, there are two big barriers, your ego barrier, and your blind spot barrier, that stand in the way of taking that ego barrier is why I think what you're talking about the vulnerability, because you say I feel invulnerable, I might make a mistake, or whatever I might be weak at this thing. I wished that schools taught children differently. In other words, we all make mistakes. We all have things that we're not good at. We all that I don't feel vulnerable, I feel benefited by trying to find out what those things are, and then to deal with them well, and then there's blind spot. We all see things differently. Some people see the big picture, some people see the details. If you know, you ask people to describe things, and many people looking at the exact same things will describe them, even almost the opposite. And so to be get around those barriers, to be able to then see things clearly including what do other people know better than I know. So that I can learn and operate better is a more effective way to live. So that vulnerability, I asked, What are you feeling vulnerable about?

**Jacob Morgan** 1:04:29

I did a survey of 14,000 employees around the world. I don't think I've actually shared this with anybody yet. And we asked a lot of these employees we said what what's the number one reason keeping you from being vulnerable at work? And the number one response we got back from everybody was I don't want to be perceived as being weak or incompetent. I don't want to ask for help or share something because people are going to think

1:04:53

but what if you are weak or incompetent? We are all weak and incompetent and Some ways, yeah. Okay. And we're all weak and we're incompetent in some ways, you know, you can't be good at everything. And so to know, okay, the answer is be weakened. And let's be clear as a group of what our strengths and weaknesses are, and have those who are strong, where we are weak, be able to work together, and we contribute what we're strong at. Because it's a match. Like, I think the big picture thinker and the detail thinker are two different ways of thinking. And you need both. And so, okay, isn't it

better? To find out that, you know, you're weak and incompetent that certain things than to hide it for everybody, for you and everything else discovered discover how to get past it?

**Jacob Morgan** 1:05:51

Yeah, like that approach of, yes, you are weak and incompetent in some areas, as is every other human being in the world. If you weren't, you would be some sort of a mythical superhero that would be able to do everything. But even just the fact of saying, well, I might not be good at that seems to be very uncomfortable for a lot of people, especially in a work setting. Because when you think about promotions, and who gets the leadership role, the kind of stereotype of leadership has always been, don't show emotion, don't ask for help. Don't admit to making mistakes, you got to know how to do everything. And that's who gets promoted. Wrong.

1:06:29

It's a myth. And I've hired many people, my company, 1500 people, we probably have 10,000 people gone through and whatever. And I'm and take the best leaders, there are very, there are many smart people who go to a certain level of success. And they're smart, and they kind of do it all along, but they don't make it, nobody makes it to add until they go beyond that. And that going beyond that. So that they go to a whole lot higher level is what I described, it is the ability to take in, and then decide, okay, to know that you don't start with an opinion. But you then tap in, and you said, Let me gather those thoughts. And let me make it so the best opinions went out. And then there's a level of learning. And there's a level of rising. People who think they know, are not able to learn. Because they're too close minded. And if they're not able to learn, they're not able to evolve, evolve. And it's a terrible handicap.

**Jacob Morgan** 1:07:52

Yeah, I couldn't agree more. Well, why don't we quickly go through these three things that you touch on before we wrap up? So one was your meditation practice? I'm really curious to hear. I started meditating maybe a year or so ago. I tried to do 10 minutes every morning, I use the peloton app. And sometimes I struggle with it because my mind wanders and I kind of drift off somewhere. What's What's your meditation practice your routine? And what what does that actually look like?

1:08:22

I've done transcendental meditation. You know, for most of my life, the way it works is, there is a mantra they call it, which is something, it's a sound, it's a word that doesn't have meaning. Let's use for example, home as an example. And you close your eyes when sits there and repeats that in the mind. So just imagine in your mind your ongoing

1:08:56

Okay, when on one one does that, that clears thoughts away. Because you're in that own, and it doesn't clear them away quickly or easily, necessarily. It's a practice, that when you do that, you might slip back into the thoughts and then you notice it and you slip, then you go back to that mantra, with practice, and persistence. The thoughts go away. And then the mantra goes away, and there's nothing there's a void. And what you're going into is your subconscious state, you you transcend into a subconscious state. So you're not conscious really and you're not unconscious. It's, it's different. And in your subconscious, so much of what you're driven by is really in your subconscious. It's your



subconscious that's controlling you and so it connects your conscious and your subconscious and gives a peace fullness. So like, I think when I have that connection, I have an emotion that I'm feeling. And then I, I sort of compare it to what I'm thinking. And I try to align them, they'll align. And so it becomes easier. And it gives me that peaceful equanimity. So that's how it works.

**Jacob Morgan** 1:10:27

You do this for like 20 minutes every morning, or how often what's what's your routine with it?

1:10:32

I'll do it typically 20 minutes in length. I'll typically do it in the morning before breakfast, and sort of in the evening before dinner, but not always, like, there's some times like I figure, I just need to go meditate. And I'll just go there, and I'll meditate and I'll feel everything just wash off me. It's almost like going on vacation. Yeah. Okay, I feel and I feel good. And I can approach things better.

**Jacob Morgan** 1:11:03

Okay. Let's talk about the last two things. One, you mentioned, reflection, writing down your principles. How do you recommend people do that? I know you provided some resources, you have a book, you have journals? How has this been impactful for you? Is it something that you do on a daily basis where you sit in journal and kind of write down your thoughts?

1:11:23

It's more like something's happening. And I'm making a decision, or something happens to me? And then I sort of I'd say, I think, okay, at the right moment, I'm just going to pause and reflect. And sometimes I just dictated into my iPhone, you know, here's my thought I want to capture it quickly and easily without it, then I might edge IQ. But everything is another one of those. You know, what I mean by that is, you know, I look at everything as almost everything that's happened before. At who hasn't? You have children, you are there of sage, you have a job, you have this thing? Or you have that thing? Okay, how does that thing work? And how do I deal with it? And so when you do that generalizing what is the job? What is the trade off? Like an earlier part of our conversation? You know, you make a choice? Am I going to not speak up and and be smothered? Or how am I going to do that? Well, let's just reflect on that a bit. And when you reflect, and you write it down, and I think more deeply, and I think better about it, and then I capture that reflection, and I don't even worry about filing it, I just put it someplace, and then eventually, I file it. And I've organized it. So you know, that's where all my almost all my life principles are written on that book principles life and work, you can get almost every one of them. But that comes from now. So so it's like, it's like that, that reflection, here's reality, how does it work? And how do I deal with it in the best possible? It's a wonderful way from communication? Like if if we were to talk about, I don't know, your employer, and you're firing somebody, how do you do that? You're hiring somebody? How do you do that? A relationship? What is important to you in a relationship? Well, by expressing those things, it helps people understand each other helps people understand me, I even think I'm not going to be around when my grandkids are a certain age. I'm glad I have this because I want to pass along those things I've learned in much the same way. Maybe your father would like to pass those things along.

**Jacob Morgan** 1:13:48

Yeah. Do you think about that a lot? I think about I mean, I asked a couple of people dying. Yeah, death and dying and

1:14:00

yadda yadda. It's, of course, there's a life arc in that journal. By the way, I create a life arc exercise that shows you what your life arc is like quite in quite detail. And you have to know where you are on your life arc. Okay, that's, that's the reality where you are. And then you start to think, also, where are the other people that you care about on their life arcs? And how will it be different in 10 years? This is an exercise. I encouraged, where will I be in 10 years? Yeah. And you pretty much kind of know roughly, where will your children be in 10 years? Where will your parents be in 10 years? Okay. And you start to think about that, and what do you want in that intervening period? What are you going to encounter? And what do you want? Yes, I know I'm 73 years old, I know where I am about, right. It's not exactly precise. But yes, I know I'm coming to my end. Okay. It could be that quick. Or it could be, you know, a little bit longer. I don't know. But I know it's not far. And I know there's an ark. And I know that I love my children and I love my grandchildren. And yes, so yes, I of course.

**Jacob Morgan** 1:15:26

Yeah, I guess he just tried to stay present and grounded in the moment and appreciate what time you have reality.

1:15:32

Reality is beautiful. You know, the thing about a perspective of reality, I think, I think that there's so many people who judge whether it's something's beautiful or not, based on whether they want it to be that way. And nature doesn't work that way. Nature's not coming to you and saying, okay, Jacob, what exactly do you want, and then we shouldn't be upset. Because nature, it's optimizing for the whole, and it evolves, and we're all part of that hole, and we all evolve. And that's just the way it is. And so to enjoy the beauty of it not be hung up with, it's not the way I want it to be.

**Jacob Morgan** 1:16:22

And love it. Right. I feel like I could talk to you for another hour or two hours. But unfortunately, we reached the end of our time. Where can people go to learn more about you? Your books? I know you put a lot of quotes on Twitter, I follow you on Twitter, and you share a lot of great insights there. But for people who are interested in learning more, where should they go?

1:16:48

principles.org Anything where you go Ray Dalio principles you'll you'll search. That's where as I am on social media, I've also done three animated videos that kind of integrate,

**Jacob Morgan** 1:17:04

I've seen that there are

1:17:07

three that I would recommend. One is principles for success. It's a half hour video, and it kind of tells you everything I've got and is still like. Another one is how the economic machine works. And another

one is called the changing world otter. I tried to communicate clearly they're very popular together there. They've been watched more than 200 million times. So Wow. I would recommend those nice and easy.

**Jacob Morgan** 1:17:45

Perfect. Well, Ray, it's been an absolute pleasure. I really appreciate all of your insights and words of wisdom. I learned a lot. I hope people also enjoyed the conversation. So again, thank you for taking time out of your day.

1:17:57

Well, it's been an exchange and so thank you very much. I appreciate it. It's been a delight. Thank you. All right.