**THE KNOWLEDGE PROJECT**

Naval Ravikant



The Farnam Street Learning Community

Hey. It’s Shane Parrish and welcome to a new episode of The Knowledge Project where we deconstruct actionable strategies that you can use to make better decisions, learn new things, and live a better life. This time around we have the amazing Naval Ravikant. Naval is the CEO and co-founder of AngelList. He’s invested in more than 100 companies, including Uber, Twitter, Yammer, and so many others. Don’t worry, we’re not going to talk about early stage investing. Naval’s an incredibly deep thinker who challenges the status quo on so many things. He’s thought deeply about stuff that’s near and dear to us, like reading, habits, decision-making, and life. Just a heads up, this is the longest podcast I’ve ever done. Our conversation lasted over two hours. If you’re like me, you’re going to take a lot of notes.

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**Naval, welcome to the show. I am so excited to get to talk to you today and ask you a whole bunch of questions that I have on my mind.**

Thank you for having me. I’m excited to be here. I’ve been a long time fan of your work.

**Thank you. Let’s get started with something simple. Can you tell me a little bit about what you do?**

It’s actually not that simple. I have a hard time saying what I do. My day job is that I am CEO of AngelList, which is a company that I started almost seven years ago now. AngelList is sort of this platform for startups in the tech industry and we help entrepreneurs raise money. We help entrepreneurs recruit talent into their startups and we also help people find jobs into

startups. Now recently we acquired Product Hunt, so we also help companies launch to customers.

It’s basically a one-stop shop for the early stage tech ecosystem. Whether you are raising money or you’re investing money, we’re the largest online platform for that. Whether you’re recruiting talent or whether you’re being recruited, we’re the largest online platform for startup recruiting. Whether you’re looking for a new product to try out or whether you’re looking for customers for your product, we’re also the largest online product platform for launching that.

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**“Basically the library was my after school center.”**

It’s sort of become this bigger thing and that’s my day job. I’m also involved in a bunch of other things. I’m an investor, personally in about 200 companies. Advisor to a bunch. I’m on a bunch of boards. I occasionally blog and tweet. I’m also a small partner in a cryptocurrency fund because I’m really into these coins, like Bitcoin, Ethereum, and Zcash, and so forth. I’m always cooking up something new. I always have a bunch of side projects that I bring in.

**How do you keep track of that all? What does your typical day look like?**

That’s the good part. I don’t have a typical day, nor do I want a typical day. If there is a typical day, I’m usually inside my office at AngelList, but I’m basically just operating mostly on email or phone or meetings or squirreled up at home. There are days where I just work completely from home. There are days that I don’t work. I’m actually even trying to get rid of this concept of having to be in a specific place at a specific time. All I care about is am I doing what I want to do and am I being productive and am I happy. I really

want to break away from this idea of 40 hour weeks, or 60 hour weeks, or 80 hour weeks, or 9-to-5, or roles, or jobs, or identities. It just all feels like a straitjacket.

**You’re one of the most voracious readers I know. You’ve called yourself a conscious bookworm, and you’ve read a ton. How did you first get interested in reading?**

Reading was my first love. I know that in my childhood, when I was around nine, ten, eleven years old, I was a latchkey kid. My mom was working multiple jobs and then she was going to school at night. We were raised by a single mother, my brother and I were, in New York City. We were in a part of New York City that isn’t very safe.

Basically the library was my after school center. After I’d come back from school, I’d just go straight to the library and I’d hang out there until they closed. Then I’d come home. That was my daily routine. I think even by that point in time I’d already loved books. I was reading books as a child.

I remember my grandparent’s house in India, I’d be a little kid on the floor going through all of my grandfather’s Reader’s Digests, which is all he had to read there. I mean, now, of course, there’s a smorgasbord of information out there. Anybody could read anything all the time, but back then it was much more limited so I would read comic books, I would read Reader’s Digest, I would read story books, whatever I could my hands on. Mysteries. I was big into mysteries. I think I just always loved to read because I’m actually an antisocial introvert. I was just lost in the world of words and ideas from an early age. I think some of it comes from the happy circumstance that when I was young nobody forced me on what to read.

I think there’s a tendency among parents and teachers to say, “Oh, you should read this, but don’t read that.” The reality is I just read a lot that, by today’s standards, would be considered mental junk food.

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**“I always spent money on books. I never viewed that as an**

**expense. That’s an investment to me.”**

Eventually you just get to, like reading, you run out of junk food and then you start eating the healthy food or your tastes graduate. I think to some

extent that’s what happened with me because I started comic books and then went from that into mysteries and went from that into fantasies and then to sci-fi. Then from sci-fi went into science and then mathematics and then philosophy. It just kind of kept climbing up the stack. I was lucky that there was no one around when I was seven years old or six years old saying, “You shouldn’t read that. You should read this instead.”

**Is most of what you read today physical or on a computer or Kindle?**

For convenience, it’s mostly Kindle. It’s not the Kindle device itself. It’s an iPad. For books that I really, really like, I will also buy a physical copy so I have both. There’s no excuse not to read it. A really good book costs $10 or $20 and can change your life in a meaningful way. It’s not something I believe in saving money on. This was even back when I was broke and I had

no money. I always spent money on books. I never viewed that as an expense. That’s an investment to me. I probably spend 10 times as much money on books as I actually get through. In other words, for every $200 worth of books I buy, I actually end up making it through 10%. I’ll read $20 worth of books, but it’s still absolutely worth it.

**You and I have that in common.**

Yeah. Anything that’s one of the greats, if I read a book and that I know it’s amazing, I’ll buy multiple copies, partially to give away, partially because I have them lying around the house. These days I find myself rereading as much or more as I do reading. I think this was a tweet from an account on

Twitter that I saw, this guy @illacertus, and he basically said, “I don’t want to read everything. I just want to read the 100 great books over and over again.” I think there’s a lot to that. It’s really more about identifying what are the great books to you, because different books speak to different people, and then really absorbing those.

I don’t know about you, but I have very poor attention. I skim. I speed read. I jump around. I could not tell you specific passages or quotes from books. At some deep level, you do absorb them and they become part of the threads of the tapestry of your psyche. They do kind of weave in there. There are books that I’m sure you’ve had this feeling where you pick up a book and you start reading it, and you’re like, “This is pretty interesting. This is pretty good.” You’re getting this increasing sense of deja vu, and then about 2/3 or halfway through the book you realize, “I’ve read this book before.” That’s perfectly fine. It means you’re ready to reread it.

**What are the books you’re rereading now?**

That’s a good question. I’ll pull up my Kindle app as we talk. Usually I’m always rereading some books in science.

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**“I read when I’m bored of everything else.”**

I read [Seven Brief Lessons On Physics](http://geni.us/b9dtwp). I think that was the name of it. I’ve read that one at least twice. I’m rereading [Sapiens](http://geni.us/81PuvGu) again, because I love that book so much. I’m pretty much always rereading something by either [J. Krishnamurti](http://geni.us/uCwP) or Osho. Those are my favorite philosophers. I’m reading a

book on [René Girard’s mimetic theory](http://geni.us/0nZ9). It’s more of an overview book because I couldn’t make it through his actual writings. I’m reading [Tools of Titans](http://geni.us/cfEkAgz), Tim Ferriss’ book of what he learned from a lot of great performers.

I’m rereading [Stories of Your Life and Others](http://geni.us/NFLR6wN) by Ted Chiang. It’s one of my favorite sci-fi novels. I’m reading a book, [Thermoinfocomplexity](http://geni.us/N5YOBfs). It’s actually by a friend of mine. It’s not published yet. I just finished reading [Pre-Suasion](http://geni.us/NKrLp), or I should say I just finished skimming Pre-Suasion by Robert Cialdini. I don’t think I needed to read the entire book to get the point, but it was still good to read what I did. I recently reread [The Lessons of History](http://geni.us/zmXCD3M) by Will and Ariel Durant. It’s a great little history book.

**I love that book.**

I’m currently reading [The Story of Philosophy](http://geni.us/7AHb), also by Will Durant. I have a young kid now so I’ve got a lot of child-rearing books I use more as

reference material than anything else. I recently read some Emerson, some Chesterfield. I’ve got a Leo Tolstoy book here. I’ve got another Osho book. I’ve got Delusion Damage, which is this blog I used to love. I’ve got pieces of it saved up. Alan Watts. Scott Adams. I reread [God’s Debris](http://geni.us/nWS8Asx), recently. [Tao Te](http://geni.us/7Vi4dS) [Ching](http://geni.us/7Vi4dS), a friend of mine, is rereading it, so I picked it up again. There’s tons. I mean, I could go on and on. There’s Nietzsche’s book here. There’s [The](http://geni.us/V5iNhT) [Undercover Economist](http://geni.us/V5iNhT). The Richard Bach book. There’s some Jed McKenna books. I was recently trying to reread Moby Dick and Hamlet, just to try and get back into fiction, but I didn’t make it through either one.

**Do you set aside time in your day to reread or to read at all? Is it like a consistent thing or do you fit it in when you have time?**

I read when I’m bored of everything else. The good news is I get bored very easily. There is always a book to capture the imagination. Usually at night time before I go to bed I’ll read, but it’s not a flawless thing. When I’m on vacation I’ll read. If I’m sitting in a Lyft or an Uber, I’ll read.

Sometimes in the morning at home, after I’ve worked out, I’ll just read. Sometimes when I wake up, I’ll just grab my phone and read. I’m not a very disciplined person. I don’t really set these hard and fast rules for myself. The good news is I just love to read. Because I love to read, whenever I’m bored and I have time, I just do it. Thanks to the iPhone or the Kindle and the iPad, they just make it really easy.

I’ve got two books here: [Feynman, Perfectly Reasonable Deviations](http://geni.us/HlKGzkm), by him, and then Genius, which is a James [Gleick](http://geni.us/Y7vX5C) book about Feynman. Just as we’re talking, I’m clicking through and looking more.

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[The Evolution of Everything](http://geni.us/etsd4) by Matt Ridley, one of my favorite authors. I’ve read everything of his, and reread everything of his. A little Dale Carnegie in here. [The Three-Body Problem](http://geni.us/dFIePNr). [Man’s Search for Meaning](http://geni.us/io2f). There’s lots. [Sex](http://geni.us/FKU2) [at Dawn](http://geni.us/FKU2). There’s a lot of books out there.

**Your Kindle sounds like my wet dream.**

I’m going through it right now. It’s hundreds and hundreds and hundreds of books are downloaded. We could sit here the entire podcast and go through them.

**You’ve said before you think of books as throwaways. How did you come to think about books like that and what impact has that had on what you read?**

That’s really an impact of the Internet. Once the Internet came along, I think it destroyed everyone’s attention span. Now all of humanity’s works are available to you at any given time and you’re being interrupted constantly. Our attention span goes down, our ability to focus goes down. At the same time, we just become more judicious. We want the meat. The problem with books is that, to write a book, to publish a physical, dead tree book, takes a lot of work and effort and money. Sometimes people start wrapping long books around simple ideas. Those are probably my least favorite books. That’s why I avoid the whole business and self-help category because you generally have one good idea and it’s buried in hundreds or thousands of pages and lots of anecdotes.

What happened was I just noticed that some time in the late 90s, I stopped reading as much as I used to and I started reading more blogs. I started reading less books and more blogs. Great blogs, like [Farnam Street](https://www.farnamstreetblog.com/) or Kevin Simler’s blog, [Melting Asphalt](http://www.meltingasphalt.com/), and so on, you get incredibly smart people digestifying, simplifying, and writing these great things, but it’s only a page or two or three pages. I got really into blogs, but then I’d stopped reading books. A lot of the oldest wisdom is actually in books. With books, you’re now talking about the combined works of all of humanity as opposed to just who happens to be blogging right now. I realized I missed that.

Then with the Kindle and the iBooks coming along, that allowed me to start treating books like I treat blogs. When I go to blog, I’ll actually skim through lots of articles until I find one that looks really interesting and then I’ll read that whole article all the way through and maybe take notes. Now I treat books the same way. I’ll skim through a large number of books. I’ll put them down. I’ll jump around, back, forward, middle, until I find a part that’s interesting. Then I’ll just consume that piece. I won’t feeling guilty about having to finish the entire book.

I just view it as a blog archive. A blog might have 300 posts on it and you could read just the two, three, five that you need right now. I think you can think of a book the same way. Then that opens the world wide web of books back open to us instead of it being buried somewhere. Like many people, I know of a lot of friends who are currently stuck on a book somewhere.

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**“The reality is very few people actually read and actually finish books ... I think that alone accounts for any material success that I’ve had in**

**my life and any intelligence that I might have.”**

If you ask people if they read, everybody says they read. Everybody says they’re reading a book. They can answer which book they’re reading. The reality is very few people actually read and actually finish books.

**Yes.**

I think that’s probably because of all of these societal and personal rules that we’ve put up, like you must finish a book and you must read books that are good for you, and you can’t read junk food books. This is a hot book right now and so on. The reality is I don’t actually read that much compared to what people think. I probably read one to two hours a day. That puts me in the top

.00001%. I think that alone accounts for any material success that I’ve had in my life and any intelligence that I might have. Real people don’t read an hour a day. Real people, I think, read a minute a day or less. Making it an actual habit is the most important thing.

How you make it a habit doesn’t matter. It’s very much like exercise or working out. Do something every day. It almost doesn’t matter what you do. The people who are obsessing over should I be weight training or should I be doing tennis or should I be doing Pilates or should I be doing the high-intensity training method versus the happy body versus whatever, they’re

missing the point. The important thing is to do something every day. It doesn’t matter what it is. I would argue the important thing is to read every day.

It almost doesn’t matter what you read. Eventually you will read enough things, and your interests will lead your there, that it will dramatically improve your life. Just like the best workout for you is the one that you’re excited enough to do every day, the same way I would say the books or blogs or Twitter or whatever, anything with ideas and information and learning, the best ones to read are the ones that you’re excited about reading all the time.

**Most of the people that I know that read quite a bit, they have a reading habit like you. You’re described as a very habitual person, where did that come from?**

That might have come from the Tim Ferriss podcast. I don’t think I’m more habitual than anybody else. I think human beings are entirely creatures of habit. Young children are born with no habit loops. They’re essentially born as blank slates. Then they habituate themselves to things and they learn patterns and they get conditioned and they use that to get through everyday life. Habits are good. Habits can allow you to background process certain things so that your neocortex, your frontal lobe, stays available to solve brand new problems.

We also unconsciously pick up habits in the background and we keep them for decades. We may not realize that they’re bad for us until we’re ready to move on them. To some extent, our attitude in life, our mood, our happiness levels, depression levels, these are also habits. Do we judge people? How often do we eat? What kind of food do we eat? Do we walk or do we sit? Do we move? Do we exercise? Do we read? These are habits as well.

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**“I think you can uncondition yourself. You can untrain yourself. It’s just hard.”**

You absolutely need habits to function. You cannot solve every problem in life as if it is the first time it’s thrown at you. What we do is we accumulate all these habits. We put them in the bundle of identity, ego, ourselves, and then we get attached to that. I’m Shane. This is the way I am. I’m Naval. This is the way I am. It’s really important to be able to uncondition yourself, to be able to take your habits apart and say, “Oh, okay, that’s a habit that I probably picked up from when I was a toddler and I was trying to get my parents attention. Now I’ve just reinforced it and reinforced it and reinforced it and I call it a part of my identity.

Is it serving me anymore? Is it making me happier? Is it making me healthier? Is it making me accomplish whatever I want to set out to accomplish right now?” In fact, I would argue, I’m less habitual than most people. I don’t like to structure my day. To the extent that I do have habits, I’m trying to make them more deliberate rather than accidents of history.

**What’s a habit that you’re trying to change right now? What are you working on?**

I did a lot of habit changes over the last few years. I’ve now got a daily workout that I do, which is a great habit. I cut down heavily on drinking. It’s not totally eliminated, but it’s mostly gone. I dropped caffeine. I’m not on the paleo diet, although I’d like to be, so I’m on a variation on it that I call the faileo diet. I try to be paleo, but I fail at it constantly. I don’t beat myself up over it because I feel that even approximating toward it is better than where I’ve been historically. Like that, I tried to build a meditation habit but I failed. I have made a habit of being “meditative.” I’ve gone through lots of habits. Probably the one that I currently would like to cultivate is doing yoga more regularly. I haven’t formulated a plan around that.

By the way, I reject a lot of the stuff that’s being peddled around today about how you perform and break habits. I know there’s this very popular book, one that I even recommended, which talks about the science behind habits. One of its depressing conclusions, I think this came of Stanford, was that you can’t break habits, you can only replace them. That’s BS. I’ve definitely broken habits completely. I think you can uncondition yourself. You can untrain yourself. It’s just hard. It takes work. It takes effort. Usually the big habit changes comes when there’s strong desire-motivators attached to them.

The yoga one I’m going to work on. I don’t yet have a great plan on that one. I haven’t tackled that one properly yet.

A big habit the I’m working on, which is going to be really hard to explain in any way that any normal human being will understand this, but I’m trying to turn off my monkey mind. I think, when we’re born as children, we’re pretty blank slates. We’re living very much in the moment. We’re essentially just reacting to our environment through our instincts. We’re living in, what I would call the “real world.” When puberty comes along, that’s the onset

of desire, it’s the first time you really, really want something and you start long-range planning for it. Because of that, you start thinking a lot and start building an identity and an ego to go and get what you want.

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This is all normal and healthy. It’s part of being the human animal. I think at some point it gets out of control and then we are constantly talking to ourselves in our head. We’re playing little movies in our heads, walking down the street, but no one’s actually there. Of course, if we started voicing this thought in your head that you’re always having, you’d be a madman and they’d lock you up.

The reality is if you walk down the street and there are a thousand people in the street, I think all thousand are talking to themselves in their head at any given point. They’re constantly judging everything that they see. They’re

playing back movies of things that happened to them yesterday. They’re living in fantasy worlds of what’s going to happen tomorrow. They’re just pulled out of base reality.

That could be good when you’re doing long-range planning. It can be good when you’re solving problems. It’s good for the survival and replication machines that we are. I think it’s actually very bad for your happiness. In my mind, the mind should be a servant and a tool, not a master. It’s not something that should be controlling me and driving me 24/7.

I’ve taken on this idea that I want to break the habit of uncontrolled thinking, which is hard. If I say to you, “Don’t think of a pink elephant”, I just put a pink elephant in your head. It’s an almost impossible problem. It’s more something that has to be guided by feel, than guided by actual thinking or thought process. I’m deliberately cultivating experiences, states of mind, locations, activities, that will help me get out of my mind.

All of society does that to some extent. In some sense, the people chasing thrills in action sports or flow states or orgasm or any of these states that people really strive to get to, a lot of these are basically just trying to get out of your own head. They’re trying to get away from that voice in your head and this overdeveloped sense of self. At the very least, I do not want my sense of self to continue to develop and become stronger as I get older. I want it to be weaker and more muted so that I can live much more in present every day reality and accept nature and the world for what it is and appreciate it very much as a child would. Then not have to seek happiness through external circumstances, chasing the fits of preconceived notion that I have.

**Wow. There’s a lot there I want to ask questions on.**

That’s a tough one. That will take years. That’s not a six-month habit. That’s a ten-year habit.

**Do you think there’s a difference between turning off versus suppressing your monkey mind?**

Absolutely. Suppression doesn’t work. When you try to suppress, that’s the mind suppressing the mind. That’s just you playing games with yourself. I think it’s a very hard problem.

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**“Only associate with people where you don’t have to drink to be around them.”**

**I want to go back to kind of unconditioning. You basically stopped drinking alcohol. How did you work on deprogramming yourself from the social settings and environments that you’re in where alcohol is probably available all the time and what benefits have you seen as a result? I mean, are you isolating these habits when you’re changing them so you know, “Oh I sleep better because I’m not ...”**

The alcohol one is an interesting case study because the alcohol habit came from two things. One was availability. Just being in situations where alcohol is available and accepted and something you’re supposed to do. The second is the desire. You want to do it because you’re trying to accomplish something else. When I unpacked that, I realized a couple of things. The availability came from, if I’m out at night in an environment where alcohol is being served, that’s the availability. If you want to avoid that, stay in. Staying in is not fun, so what do you do?

I started this daily workout regimen in the mornings. If you’re working out in the mornings, you can’t stay up too late at night. If you can’t stay up too late at night, you can’t be drinking too much. If you screw up a few times, then your morning workout is terrible. You have a headache. You feel bad.

When you’re working out every day, you can checkpoint yourself very easily. This exact thing that I do every single morning is suddenly harder, so therefore I’m weakened for the alcohol from last night. The morning workout checkpoint really helped me understand the consequences of consuming alcohol before.

The more interesting question is why am I doing it? That basically boils down to: I was doing it to survive longer in a social environment that I wasn’t particularly happy in. I essentially had to stun my brain into submission. There are better ways to do that. One of those is only associate with people where you don’t have to drink to be around them. That really narrowed my friend circle and it narrowed the kind of events that I go to. There’s a little bit of a substitution effect. Some of what the substitution effect was I was drinking so that I wouldn’t be thinking. What I went back to is, can I cultivate

these states of not thinking too much? If I can get there another way then that will take away some of the urge to drink.

Then there’s some substitution. For example, I switched from hard alcohol to red wine. Red wine is inherently self-limiting. You have two cocktails, the next thing you want is another cocktail. You have two glasses of red wine, at least for me, I usually have a headache. I’m done at that point. It’s very self-limiting.

Some of it is just a function of age. I’m 43 now. I don’t think I can make it through a single glass of wine without having some negative consequence build up. I still drink. I don’t believe in the words like never and always. I think that’s a way of limiting yourself and self-disciplining yourself. It makes me less free and less happy at some level. I just want to be naturally in a position where I don’t need it and I don’t desire it. That’s kind of what I’ve been working more on.

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**“I don’t have time is just another way of saying, it’s not a priority.”**

**What habit would you say most positively impacts your life?**

I think it’s the daily morning workout. That has been a complete game-changer. It’s made me feel healthier, younger. It’s made me not go out late. It came from one simple thing, which is everybody says, “I don’t have time.” Basically whenever you throw any so-called good habit at somebody, they’ll have an excuse for themselves. Usually the most common is, I don’t have time. I don’t have time is just another way of saying, it’s not a priority. What you really have to do is say is it a priority or not. If something is your number one priority then you will get it. That’s just the way life works. If you’ve got

a fuzzy basket of 10 or 15 different priorities, you’re going to end up getting none of them.

What I did there was I basically just said, “My number one priority in life, above my happiness, above my family, above my work, is my own health. It starts with my physical health.” Second, it’s my mental health. Third, it’s my spiritual health. Then it’s my family’s health. Then it’s my family’s wellbeing. After that, I can go out and do whatever I need to do with the rest of the world.

There’s a series of concentric circles starting out from me. Because my physical health became my number one priority, then I could never say I don’t have time. In the morning, I work out and however long it takes is how long

it takes. I do not start my day, and I don’t care if the world is imploding and melting down, it can wait another 30 minutes until I’m done working out.

**Do you take any breaks from that or is that every day?**

It’s pretty much every day. There are a few days where I’ve had to take a break because I’m traveling or I’m injured or sick or something. I can count on one hand the number of breaks I take every year.

**You mentioned happiness being one of your top priorities. What is happiness to you? What does that mean? What does that word mean? Can you unpack that?**

It’s a very evolving thing, I think, like all the great questions. When you’re a little kid and you go to your mom and you say, “What happens when we

die? Is there a Santa Claus? Is there a God? Should be I happy? Who should I marry?” Those kinds of things. There are no glib answers to that because

there are no answers that apply to everybody. These questions, the search for truth, these kind of questions, they ultimately do have answers, but they have personal answers. The answer that works for me is going to be nonsense to you and vice versa. Whatever happiness means to me, it means something different to you and it means something different to the listener. I think it’s very important to explore what it is.

For some people, I know it’s a flow state. For some people, it’s satisfaction. For some people, it’s a feeling of contentment. My definition keeps evolving. The answer I would have given you a year ago will be different than what I tell you now.

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**“(Happiness) is what’s there**

**when you remove the sense that something is missing in your life.”**

Today, I believe that happiness is, it’s really a default state. It’s what’s there when you remove the sense that something is missing in your life. We are highly judgmental, survival, and replication machines. We are constantly walking around thinking I need this, I need that, trapped in the web of desires. Happiness is that state when nothing is missing. When nothing is missing, your mind shuts down and your mind stops running into the future or running into the past to regret something or to plan something.

In that absence for a moment, you have internal silence. When you have internal silence, then you are content and you are happy. Feel free to disagree, again, it’s different for everybody, but people believe mistakenly that happiness is about positive thoughts and positive actions.

The more I’ve read, the more I’ve learned, the more I’ve experienced, because I verify this for myself, every positive thought essentially holds within it a negative thought. It is a contrast to something negative. The Tao Te Ching says this more articulately than I ever could, but it’s all duality and polarity.

If I say I’m happy, that means that I was sad at some point. If I say he’s attractive, then that means that somebody else is unattractive. Every positive thought even has a seed of a negative thought within it and vice versa, which is why a lot of greatness in life comes out suffering. You have to view the negative before you can aspire to and then appreciate the positive.

All of that said, long winded, to me happiness is not about positive thoughts. It’s not about negative thoughts. It’s about the absence of desire, especially the absence of desire for external things. The fewer desires I can have, the more I can accept the current state of things, the less my mind is moving because the mind really exists in motion towards the future or the past. The more present I am, the happier and more content I will be. If I latch onto that, if I say, “Oh, I’m happy now”, and I want to stay happy, then I’m going to drop out of that happiness. Now, suddenly, the mind is moving. It’s trying to attach to something. It’s trying to create a permanent situation out of a temporary situation.

Happiness to me is mainly not suffering, not desiring, not thinking too much about the future or the past, really embracing the present moment and

the reality of what is, the way it is. Nature has no concept of happiness or unhappiness. To a tree, there is no right or wrong. There is no good or bad.

Nature follows unbroken mathematical laws and a chain of cause and effect from the big bang to now. Everything is perfect exactly the way it is. It is only in our particular minds that we’re unhappy or not happy and things are perfect or imperfect because of what we desire.

I’ve also come to believe in the complete and utter insignificance of the self, and I think that helps a lot. For example, if you thought you were the most important thing in the universe, then you would have to bend the entire universe to your will. If you’re the most important thing in the universe, then how could it not conform to your desires. If it doesn’t conform to your desires, something is wrong.

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**“I try to run my brain in debugging mode as much as possible.”**

However, if you view yourself as a bacteria or an amoeba or if you view all of your works as writing on water or building castles in the sand, then you have no expectation from how life should actually be. Life is just the way it is. Then you accept that and you have no cause to be happy or unhappy. Those things almost don’t apply.

What you’re left with in that neutral state is not neutrality. I think people think, “Oh, that would be a very bland existence.” No, this is the existence that little children live. If you look at little children, on balance, they’re generally pretty happy because they are really immersed into the environment and the moment without any thought of how it should be given their personal preferences and desires. I think the neutral state is actually a perfection state. One can be very happy as long as one isn’t too caught up in their own heads.

**What does your internal monologue go like when you find yourself trying to attach to something by default?**

I try to keep an eye on my internal monologue. It doesn’t always work. In the computer programming sense, I try to run my brain in debugging mode as much as possible. When I’m talking to someone, like I’m talking to you right now, or when I’m engaged in a group activity, it’s almost impossible because your brain has too many things to handle. If I’m by myself, like just this morning, I’m brushing my teeth and I start thinking forward to the podcast. I started going through this little fantasy where I imagined you asking me a

bunch of questions and I was fantasy answering them. Then I caught myself. I put my brain in debug mode and just watched every little instruction go by.

I said, “Why am I fantasy future planning? Why can’t I just stand here and brush my teeth?” It’s the awareness that my brain was running off in the future and planning some fantasy scenario out of ego. I was like, “Well, do I really care if I embarrass myself on Shane’s podcast? Who cares? I’m going to die anyway. This is all going to go to zero and I won’t remember anything, so this is pointless.”

At that point, I shut down and I went back to brushing my teeth. Then I was noticing how good the toothbrush was and how good it felt. Then the next moment I’m off to thinking something else. I have to look at my brain again and say, “Do I really need to solve this problem right now?”

The reality is that 95% of what my brain runs off and tries to do, I don’t need to tackle at that exact moment. In fact, if it’s like a muscle, then I’ll be better off resting it and being at peace and then when a particular problem arises, immerse myself in it. What I would rather dedicate myself to is, for example, right now as we’re talking, to be completely lost in the conversation and to be 100% focused on this as opposed to thinking about, “Oh, when I brushed my teeth, did I do it the right way?” or planning something else in my mind. I think the ability is to singularly focus is related to the ability to lose yourself and be present, happy, and actually, ironically, more effective.

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**That’s fascinating. It’s almost like a relativity issue where you’re taking yourself out of a certain frame and you’re just moving it over to another frame and watching things from a different perspective, even though you’re in your own mind.**

I think a lot of, for example, like Buddhists talk about, is awareness versus the ego. What they’re really talking about is you can think of your brain, your consciousness, as a multi-layered mechanism. There’s kind of a core base kernel level OS that’s running. Then there’s applications that are running on top. I like to think of it as computer and geek speak.

I’m actually going back to my awareness level of OS, which is always calm, always peaceful, and generally happy and content. I’m trying to stay in that mode and not activate the monkey mind, which is always worried and frightened and anxious, but serves incredible purpose. I’m trying not to activate that program until I need it. When I need it, I want to just focus on that program. If I’m running it 24/7, all the time, I’m wasting energy and it becomes me. I am more than that.

I think another thing that spirituality or religion or Buddhism or anything you follow will teach you over time is that you are more than just your mind. You are more than just your habits. You are more than just your preferences. You’re a level of awareness. You’re a body. Modern humans, we don’t live enough in our body. We don’t live enough in our awareness. We live too much in this internal monologue in our heads. All of which, by the way, is just programmed into you by society and by the environment from when you were younger.

You are basically a bunch of hardware DNA written, that then reacted to environmental effects when you were younger. Then you recorded the things that were good and bad and you use that to prejudge everything that’s going to be thrown against you. Then you’re using that to constantly try and predict and change the future.

As you get older and older, the sum of these preferences that you’ve accumulated is very, very large. Some of these reactions, habitual reactions, that you’ve accumulated is very, very large, and then they end up as runaway freight trains that control your mood. We should control our own moods. Why don’t we study how to control our moods? What a masterful thing that would be if you could say, “Well, right now I would like to be in the curious state”, and then you can genuinely set yourself into the curious state. Or you say, “I want to be in a mourning state. I’m mourning a loved one and I want to grieve for them, but I really want to grieve. I really want to feel that. I don’t want to be distracted right by computer programming problem that’s due tomorrow.”

I think that the mind itself is a muscle and it can be trained and it can be conditioned. It has just been haphazardly conditioned by society out of our control. If you look at it with awareness and intent, and it’s a 24/7 job, you’re working at it every moment of every day, I think you can unpack your own mind and your emotions and your thoughts and your reactions and you can start re-configuring. You can start rewriting this program to what you want.

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**“I never want to be in an environment or around people where I have to watch what I say.”**

**You mentioned before in one of your interviews that you have foundational values, but you didn’t elaborate. I’m curious. What are those?**

It’s a good question. I’ve never actually listed them or articulated them. I would define values, first of all, as a set of things that you will not

compromise on. Foundational values to me are things that I’ve looked at very, very carefully about myself and I’ve deliberately chosen and said, “You know what, this is a habit. This is a way of life. I’m not going to compromise on it. I’m going to stay this way forever. I don’t want to live life any other way.”

I’ve never fully enumerated them, but examples of them, I think honesty is a core, core, core value. To give you examples of what I mean by honesty is I

want to be able to just be me. I never want to be in an environment or around people where I have to watch what I say.

If I disconnect what I’m thinking from what I’m saying, that creates multiple threads in my mind, that means that I’m no longer in the moment, and that means that I now have to be future-planning or past-regretting every time I’m talking to somebody. Anyone around whom I can’t be fully honest, I don’t want to be around.

Another example of a foundational value is I don’t believe in any short-term thinking or dealing. Let’s say I’m doing business with somebody and they think in a short-term manner with somebody else, then I don’t want to do business with that person anymore. I think all the benefits in life come from compound interest, whether in money or in relationships or love or health or activities or habits. I only want to be around people that I know I’m going to be around with for the rest of my life. I only want to work on things that I know have long-term payout.

Another one is I only believe in peer relationships. I don’t believe in hierarchical relationships. I don’t want to be above anybody and I don’t want to be below anybody. If I can’t treat someone like a peer and if they can’t treat me like peer, then I just don’t want to interact with that human. Another one is I don’t believe in anger anymore. That was something that was good when I was young and full of testosterone, but now I always like the Buddhist saying that anger is a hot coal that you hold in your hand while waiting to throw it

at somebody. I don’t want to be angry and I don’t want to be around angry people. I just cut them out of my life. I’m not judging them. I went through a lot of anger, too, and they have to work through it on their own. Go be angry at someone else somewhere else.

I don’t know if that necessarily falls into the classical definition of values, but it’s a set of things that I won’t compromise on and that I just live my entire life by. I think everybody has values and a lot of finding great relationships, great coworkers, great lovers, wives, husbands, is finding other people where your values line up and then the little things don’t matter.

Generally I find that if people are fighting or quarreling about something, it’s because their values don’t line up. If their values lined up, the little things wouldn’t matter.

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**“The moment you tell somebody else something that’s not honest, you’ve lied to yourself. Then you’ll start believing your own lie. Then that will disconnect you from reality and take you down the wrong road.”**

**How is radical honesty? How radical is your honesty and how has that kind of impacted your life?**

I mean, it’s pretty honest. I’m not like, I think Ray Dalio from Bridgewater is shamelessly radically honest. I’m not going to go and call somebody ugly to their face. I’m not trying to make a big show of it. I’m not trying to say, “Hey, I’m so honest that I’m going to shock you.” What radical honesty just means that I want to be free. Part of being free means that I can say what I think and think what I say. They’re highly congruent and integrated. Richard Feynman famously said, “You should never, ever fool anybody and you are the easiest person to fool.” The moment you tell somebody else something that’s not honest, you’ve lied to yourself. Then you’ll start believing your own lie. Then that will disconnect you from reality and take you down the wrong road.

It’s really important for me to be honest. I don’t go out of my way volunteering negative or nasty things. I would combine radical honesty with an old rule that Warren Buffet has, which is praise specifically, criticize generally. I try to follow this. I don’t always follow it, but I think I follow it enough that it made a difference in my life. If you have a criticism of someone, then don’t criticize the person, criticize the general approach or criticize that class of activities. If you have to praise somebody, then always try and find the person who is the best example of what you’re praising and then that praise that person, specifically. That way people’s egos and identities, which we all have, don’t work against you, they work for you.

**Have your values changed at all or have you given more thought to them since becoming married and becoming a parent? How has that changed you?**

Values, almost by definition, don’t change that much over time. It takes some time for you to figure out your own foundational values. I think everybody has them, it’s just that maybe we’re not that aware of them until later. Mine have changed a little bit, but not a lot.

My wife is an incredibly lovely and family-oriented person, and so am I. That was one of the foundational values that brought us together. The moment you have a child, it’s this really weird thing, but it answers the built-in meaning of life, purpose of life, question. All of a sudden, the most important thing in the universe moves from being in your body into moving into the child’s body. That changes you. Your values inherently become a lot less selfish.

I would say that the biggest such change was when I was younger, I really, really valued freedom. Freedom was one of my core, core values. Ironically, it still is. It’s probably one of my top three values, but it’s a different definition of freedom. My old definition was freedom to, freedom to do anything I want. Freedom to do whatever I feel like, whenever I feel like. Now I would say that the freedom that I’m looking for is internal freedom. It’s freedom from. It’s freedom from reaction. It’s freedom from feeling angry. It’s freedom from being sad. It’s freedom from being forced to do things. I’m looking for freedom from internally and externally, whereas before I was looking for freedom to.

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**“I wish I had done all of the same things but with less emotion and less anger.”**

**I like that a lot. What’s the biggest mistake you’ve ever made in your life and how did you recover?**

I’ve made a class of mistakes that I would summarize in the same way. I made the class of mistakes and it was obvious some of the mistakes were only in hindsight through one exercise, which is you’ve probably heard when you’re 30, what advice would you give your 20-year-old self? When you’re 40, what advice would you give your 30-year-old self? If you do that exercise decade by decade or, maybe if you’re younger, you can do it in fives. Really sit down and say, “Okay, 2007, what was I doing? How was I feeling? 2008, what was I doing? How was I feeling? 2009, what was I doing? How was I feeling?

At least for me, this remarkable consistency emerged. That consistency was that everything that I was doing, I should have still done, but with less emotion, and especially less anger.

I used to be very angry when I was younger, but especially with less emotion. Life is going to play out the way it’s going to play out. Some good, some bad. Most of it is actually just up to your interpretation. You’re born, you have a set of sensory experiences, and then you die. How you choose to interpret those sensory inputs is up to you, and different people interpret them in different ways.

Really, I wish I had done all of the same things but with less emotion and less anger. The most celebrated example would be when I was younger I started a company and this company did well, but I didn’t do well, so I sued some of the people involved. It was a good outcome for me in the end and everything worked out okay, but there was a lot of angst and a lot of anger.

Today, what I would do is I wouldn’t go down the angst and the anger. I would have just walked up to the people and said, “Look, this is what happened. This is what I’m going to do. This is how I’m going to do it. This is what’s fair. This is what’s not.”

I would have realized that the anger and the emotion themselves are this huge consequence is just completely unnecessary. Now I’m just trying to learn from that and to do the same things that I think are the right thing to do, but to do them without anger and to do them with a very long-term point of view.

I think if you take a very long-term point of view and if you take the emotion out of it, then I wouldn’t consider those things mistakes anymore. Other than that, the perspective I like to adopt is that everything that I did and everything that was done to me, and there’s some impossible inseparable combination, brought me to this exact moment here today, talking to you. This is a good moment.

**It’s a great moment.**

Whatever set of circumstances conspired to bring us here were good because here I am.

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**“The advantage of meditation is not that you’re suddenly going to gain the superpower to control your internal state, it’s that you will**

**recognize just how out of control your mind is.”**

**Was there a moment you would say when you realized that you could control how you interpreted? I think one of the problems that a lot of people have is they don’t recognize that they can control, not what happens to them per se, but how they respond and how they interpret a situation.**

I think everyone knows it’s possible. The reason they know it’s possible is, there’s a great Osho lecture, that’s titled [The Attraction of Drugs is](https://o-meditation.com/2012/06/12/the-attraction-for-drugs-is-spiritual-osho/)

[Spiritual](https://o-meditation.com/2012/06/12/the-attraction-for-drugs-is-spiritual-osho/). He talks about why do people do drugs, everything from alcohol to psychedelics to cannabis to, you name it, and they’re doing it to control their mental state. They’re doing it to control how they react. Sometimes it’s worse and sometimes it’s better. Some people drink because then they don’t care as much or they’re pot-heads because they can zone out or they do psychedelics so they can feel very present or connected to nature or what have you. The attraction of drugs is spiritual.

To some extent, we already know that we can control our internal state. We just use external bioactive substances to do it. Now, there are a lot more techniques that are out there in the public domain, many of them dug up from older times. These range from cognitive therapy and behavioral psychology, to meditation to taking long walks in nature. You can control your mental state. It’s just we’re used to doing it by hacking our external circumstances to then come back around and control our mental state. For example, there’s a famous line that says that, “All of man’s problems arise because he can’t sit by himself in a room for 30 minutes”.

**Pascal, yeah.**

Obviously this applies to women, too. Exactly. If a man or a woman can sit by themselves on a cushion for 30 minutes, and it’s hard, it’s really hard to do, that’s meditation, you are essentially struggling with and controlling your internal state.

The first thing to realize is that you can actually observe your mental state. The advantage of meditation is not that you’re suddenly going to gain the superpower to control your internal state, it’s that you will recognize just how out of control your mind is. It is like a monkey flinging feces, that’s running around the room, making trouble, shouting, breaking things. It’s completely uncontrollable. It’s an out-of-control mad person.

You have to see this mad creature in operation before you feel a certain distaste towards it and you start separating yourself from it. In that separation is liberation. When you realize that, “Oh, I don’t want to be that person. Why am I so out of control?” Just that awareness alone calms you down. There are many techniques one can use. Another one, for example, that I think a lot of smart people say is, “If you’re angry about something, or if you get an unhappy email and you want to respond, don’t respond for 24 hours.” What does that do? You calm down. The emotions subside, the

hormones go down, and you’re in a better mental state 24 hours later. I think people already know this, but we just don’t act on it because, socially, we’re not conditioned to act on it.

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**“I can give glib answers all day long, but you have to discover your own personal answer.”**

Socially, we’re told, “Go work out. Go look good.” That’s a multi-player competitive game. Other people can see if I’m doing a good job or not. We’re told, “Go make money. Go buy a big house.” Again, external monkey-player competitive game. When it comes to learn to be happy, train yourself to be happy, completely internal, no external progress, no external validation, 100% you’re competing against yourself, single-player game. We are such social creatures, we’re more like bees or ants, that we’re externally programmed and driven, that we just don’t know how to play and win at these single-player games anymore. We compete purely on multi-player games. The reality is life is a single-player game. You’re born alone. You’re going to die alone. All of your interpretations are alone. All your memories are alone. You’re gone in three generations and nobody cares. Before you showed up, nobody cared. It’s all single-player.

**I think Buffet has a great example of that when he gives the, “Do you want to be the world’s best lover and known as the worst, or the world’s worst lover and known as the best?”, in reference to an inner or external score card.**

Exactly right. All the real score cards are internal. The sad thing is we sit there, like jealousy. Jealousy was a very hard emotion for me to overcome. When I was young, I had a lot of jealousy in me. By and by, I learned to get rid of it. It still crops up every now and then. It’s such a poisonous emotion because, at the end of the day, you’re no better off, you’re unhappier, and the person you’re jealous of is still successful or good-looking or whatever they are. The real breakthrough for me, was when I realized, at a personal, fundamental level, the problem with these kinds of podcasts is I can give glib answers all day long, but you have to discover your own personal answer. Your personal answer is going to be different than mine. It’ll speak to you.

The one that I discovered that spoke to me was the day I realized that all these people that I was jealous of, I couldn’t just cherry-pick and choose little aspects of their life. I couldn’t say I want his body, I want her money, I want his personality. You have to be that person. Do you want to actually be that person with all of their reactions, their desires, their family, their happiness level, their outlook on life, their self-image? If you’re not willing to do a wholesale, 24/7, 100% swap with who that person is, then there is no point in being jealous.

**I think that’s a great way to look at it.**

Once I came to that realization, jealousy faded away because I don’t want to be anybody else. I’m perfectly happy being me. By the way, even that is under my control. To be happy being me. It’s just there’s no social rewards for it.

**There’s a lot of internal rewards.**

It’s almost antisocial rewards. When you’re working on your inner stuff, people don’t love that. It’s not that they dislike it, your friends of course support you, but they’re not getting anything out of it.

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**“Nobody reaches enlightenment or internal happiness or does serious internal work in group settings.”**

Even when I look at my own peer group and to the extent that they’re working on themselves, and everyone in their 40s at some level is, most of them are engaged in group activities. Hey, let’s do a group meditation. Hey, let’s go

to this group event. Hey, let’s go to this group lecture. I keep coming back to this one line that I read, like everything I just read, which said, “Only the

individual transcends.” Nobody reaches enlightenment or internal happiness or does serious internal work in group settings. It is a very lonely kind of task. To some extent, I think that people who are constantly looking for social affirmation in their internal work aren’t that serious about it. It’s fine. I’m not judging. They’re craving more social interaction than they are really craving internal work.

**What big ideas have you changed your mind on in the last few years?**

There’s a lot on kind of the life level. There’s a couple, obviously, in the business level. I think on a more practical basis, I’ve just stopped believing in macroeconomics. I studied economics in school and computer science. There was a time when I thought I was going to be a PhD in economics and all of that. The further I get, the more I realize macroeconomics is a combination of voodoo complex systems and politics. You can find macroeconomists that take every side of every argument. I think that discipline, because it doesn’t make falsifiable predictions, which is the hallmark of science, because it doesn’t make falsifiable predictions, it’s become corrupted.

You never have the counterexample on the economy. You can never take the US economy and run two different experiments at the same time. Because there’s so much data, people kind of cherry-pick for whatever political narrative they’re trying to push. To the extent that people spend all their time watching the macroeconomy or the fed forecasts or which way the stocks are going to go the next year, is it going to be a good year or bad year, that’s all junk. It’s no better than astrology. In fact, it’s probably even worse because it’s less entertaining. It’s just more stress-inducing. I think of macroeconomics as a junk science. All apologies to macroeconomists.

That said, microeconomics and game theory are fundamental. I don’t think you can be successful in business or even navigating through most of our modern capital society without an extremely good understanding of supply and demand and labor versus capital and game theory and tit for tat and those kinds of things. Macroeconomics is a religion that I gave up, but there are many others. I’ve changed my mind on death, on the nature of life, on the purpose of life, on marriage. I was originally not someone who wanted to be married and have kids. There have been a lot of fundamental changes. The most practical one is I gave up macro and I embraced micro.

I would say that’s not just true in macroeconomics, that true in everything. I don’t believe in macro-environmentalism, I believe in micro-

environmentalism. I don’t believe in macro-charity. I believe in micro-charity. I don’t believe in macro improving the world. There’s a lot of people out there who get really fired up about I’m going to change the world, I’m going to change this person, I’m going to change the way people think.

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I think it’s all micro. It’s like change yourself, then maybe change your family and your neighbor before you get into abstract concepts about I’m going to change the world.

**What part of your base knowledge that you have today, that you believe, do you consider the least solid or most likely to change over the coming years?**

That’s a good question. I try not to have too much that I’ve pre-decided upon. I think that creating identities and labels locks you in and keeps you from seeing the truth.

I used to identify as libertarian, but then I would have to find myself defending positions that I hadn’t really thought through just because they’re a part of libertarian canon. The reality is that, if all of your beliefs line up into neat little bundles, you should be highly suspicious because they’re prepackaged and put together.

I don’t like to self-identify in almost any level anymore. That keeps me from having too many of these so-called stable beliefs. It’s hard for me to point to something that I think is shaky because if I thought it was really shaky then I wouldn’t stand on it.

I guess the areas where I’m becoming least certain is, I would call it, the grand category of how should we organize society beliefs. Everybody has them. Some people think we should be communists. Some people are capitalists. Some are anarchists. Some say we need a larger welfare state, we need universal healthcare, and basic income. Others say no. I think the entire class of beliefs, they’re unfalsifiable, they’re almost religious. They’re things that people got into when they were young. Nobody actually knows which system is the better one. Nobody actually knows which one maximizes happiness versus output versus whatever.

I know there’s a lot of smart economists and people studying it. There’s a lot of good data in science. At the end of the day, and the more I look into it, the more I’ve come away saying, “Well, maybe I don’t know how best to organize society.”

Maybe society should not have just one organization, but should have multiple organizations so you can choose and you can go into whichever society where you are most bound the thrive. I don’t think there is a single right answer for human culture in society anymore, except to the extent the given the increasingly destructive power of technology. On a long enough time scale, you can create a nuclear weapon. On a long enough time scale, you can create a singularity in your backyard as part of your high school physics project.

I think as a human race, we do have to get past this idea that we’re separate organisms and almost get in some kind of a multicellular organism situation, otherwise we’ll just destroy ourselves. It will just be too easy to blow ourselves up. That obviously runs very, very counter to my libertarian instincts of everyone should be free and do whatever they want, etc. etc.

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**“I think it’s religion for nerds. It’s**

**got all the same all the same characteristics.”**

I just don’t know how to organize society anymore. I think any beliefs that I have, any remnant beliefs that I have from being younger about the optimal way to organize society, would probably be wrong.

The future thriving society that we end up with, that may be a thousand years from now, will probably look like something that I would argue very strongly against today because it will have no room for the individual.

**Maybe you can explain for listeners the singularity and kind of what your thoughts are around that.**

The singularity is this idea that technological change is accelerating and at some point the acceleration gets so great that there’s massive change in our lifetimes. We create things like general AI. We start living forever.

The nature of who we are as humans changes the consequence of that. It’s most associated with the general AI. If we could produce a general purpose artificial intelligence, that artificial intelligence could then hack its own code, make itself smarter, and out evolve us to the point where we are either obsolete or immortal or something in between.

My thoughts on it, I think it’s fanciful to say the least. Nick Bostrom wrote a very famous book called [Superintelligence](http://geni.us/XIloAG), which lays out the paths to this.

There are good rebuttals to superintelligence, so I wouldn’t just read that book breathless and wide-eyed and believe everything. There are people like in The Singularity Institute who are looking forward to this coming.

I think it’s religion for nerds. It’s got all the same characteristics. It’s unfalsifiable until it happens. It basically says the chosen ones will be saved. The world is going to end. We will be immortal.

**Where have we had heard this before?**

Exactly. It’s very hard to tell apart from a biblical kind of story. I find the people who are pushing it the most are what I would call sort of armchair technologists. They might understand a little bit of science, but these are not the PhDs and physicists who are pushing this. It’s not like the Fields Medal winning mathematicians who is pushing this. I was trained in a little bit of science and I consider myself an amateur scientist. I know just enough to know how little we know.

Physics still can’t solve the three-body problem. Collide 3 billard balls together, can’t tell you what happens. We cannot properly model complex systems. We can’t tell the weather next week. We still can’t solve the vast majority of chronic diseases. We’re just starting to connect the gut and the brain and bacteria in our system together.

There is so much complexity in nature and humans have just begun to scratch the surface. To believe that we are going to sort of go into this world of perfection through technology I think is far-fetched.

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**“I think it can literally destroy your happiness if you spend all**

**your time living in delusions of the future.”**

Let’s talk about AI. Everyone is talking about AI. None of these people have written real code. We are no closer to creating a general AI, I think, than we were 20 years ago. There are actual huge advances that have been made in specific AI, but these are data processing problems. Basically if I dump huge amounts of real world images into a neural network, then I can do better image recognition, no question. That is real. That is a data-driven solution. The algorithms haven’t gotten any better. The structure of how the human brain works and how the human body works is still so far advanced beyond our machine capabilities that, certainly, if there’s going to be a singularity, it’s not going to happen in my lifetime.

I think in that sense some things like the singularity are pernicious. They’re pernicious for the same reason that the afterlife is pernicious. It takes you out of the moment. It gives you hope for the future so you stop living for today and you start living for tomorrow. I know that doesn’t sound like much, but it’s actually a big deal.

At any given time, when you’re walking down the streets, a very small percentage of your brain is focused on the present. The rest is future planning or regretting the past. That’s keeping you from an incredible experience. It’s keeping you from seeing the beauty in everything and for being grateful for where you are.

I think it can literally destroy your happiness if you spend all your time living in delusions of the future. I do think the singularity thing is good in the sense that it pushes forward technological advancement. We put more resources on it. We spend more time developing some of the great things as a human race, some of the great technologies, that we can take advantage of. In that sense, anything that pushes science forward is a good thing.

I think it’s delusional to think that you’re somehow going to be saved before you die by some combination of AI and magic science. You just have to live the life you have.

**That’s pretty profound. Even when you’re living backwards, you’re not really living, right? You kind of have to be in the moment to have any sort of happiness.**

There is actually nothing but this moment. No one has ever gone back in time and no one has ever been able to predict the future successfully in any way that matters. Literally, the only thing that exists is this exact point where you are in space at that the exact time that you happen to be. Like all the great profound truths, it’s all paradoxes. Any two points are infinitely different. Any moment is perfectly unique. That moment itself slips by so quickly that you can’t grab it.

**What’s your opinion on the current education system? When I ask people on Twitter what they wanted to ask you, this question came up a couple of**

**times, which was: How would you fix it? What’s your opinion on the education system? What are your thoughts around that?**

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**“The ability to learn, the means of learning, the tools of learning, are abundant and infinite. It’s the desire that’s**

**incredibly scarce.”**

I think there’s no question, it’s completely obsolete. The education system is a path-dependent outcome from the need for daycare, from the need for prisons for college age males who would otherwise overrun society and

cause a lot of havoc. The original medieval universities had guard towers that faced inwards for example.

**I did not know that.**

You have to put a curfew in there and you have to lock up the young 18-year-old males before they go out with swords and daggers and create trouble. College and schools and the way we think about them, they come from a time period when books were rare. Knowledge was rare. Babysitting was rare. Crime was common. Violence was prevalent. There was no such thing as self-guided learning. I think schools are just byproducts of these kinds of institutions. Now we have the Internet, which is the greatest weapon of knowledge ever created, completely interconnected. It’s very easy to learn.

If you actually have the desire to learn, everything is on the Internet. You can go on Khan Academy. You can get MIT and Yale lectures online. You can get all the coursework and get interactivity. You can read blogs by brilliant people. You can read all these great books.

The ability to learn, the means of learning, the tools of learning, are abundant and infinite. It’s the desire that’s incredibly scarce.

I don’t think that schools matter for self-motivated students. What the schools matter for is wanting to keep the kids out of the parents hair while the parents go to work. It creates socialization because kids want to be around their peers and they want to learn how to operate in the society of their peers.

I think if it’s purely learning you’re after, that learning can be done much more either on your own or through the Internet or by uniting through the Internet with like-minded groups. I think that’s one problem with the current educational system.

The second problem is what do you choose to learn? The current educational system has to have a one-size fits all model. It has to say you have to learn X now and then you have to Y.

To give you examples of where this is obsolete, memorization. It being an age of Google and smartphones, memorization is obsolete. Why should you be memorizing the Battle of Trafalgar? Why should you be memorizing what the capital of this or that state is? We still put undue weight on that just because that’s the way it’s always been done and we lived in a pre-Google world.

Another example is how when we’re moving along at a certain pace, not everyone, but I’m sure 90% of your listeners have had this happen to them, which is they were learning mathematics. At some point they were keeping up, they were doing arithmetic, then they were doing geometry, then they did trigonometry, and then they did pre-calc and then they did calc.

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**“I think learning should be about learning the basics in all the fields and learning them**

**really well over and over.”**

Somewhere in there they got lost. Somewhere in there, while building the massive edifice, the logical structure that mathematics is, they missed one lesson, they missed one concept, they missed five classes or their brain couldn’t think a certain way that something was being explained to them. It should have been explained visually, but it was being explained numerically or it should have been explained symbolically and it was being explained in cartography or what have you. They were not able to keep up.

The moment you lose that rung in mathematics, the moment you miss that rung in the ladder, you can’t go to the next one. Now the next one, the teacher’s like, “Okay we’re done with pre-calculus, now we’re moving on to calculus.” You’re saying, “Wait, I didn’t understand pre-calculus. I didn’t understand how pre-calculus leads from trigonometry to calculus. I missed that whole part.” Now you get to calculus, you don’t understand the fundamentals, and now you’re reduced to memorization. Now you’re like, “DX, DY. When I see the symbol, I do this.” Now you’ve lost the actual learning. You’ve lost the connection to the underlying principles.

I think learning should be about learning the basics in all the fields and learning them really well over and over. Life is mostly about applying the basics and only doing the advanced stuff in the things that you truly love and where you understand the basics inside out. That’s not how our system is built.

We teach all these kids calculus and they walk out not understanding calculus at all. Really they would have been better off served doing arithmetic and basic computer programming the entire time. I think there’s a pace of learning issue.

Then there’s finally a what to learn. There’s a whole set of things we don’t even bother trying to teach. We don’t teach nutrition. We don’t teach cooking. We don’t teach how to be in happy, positive relationships. We don’t teach how to keep your body healthy and fit. We just say sports. We don’t teach happiness. We don’t teach meditation. Maybe we shouldn’t teach some of these things because different kids will have different aptitudes, but maybe we should. Maybe we should teach practical construction of technology. Maybe everyone in their science project, instead of building a little chemistry volcano, maybe you should be building a smartphone.

We haven’t kept up. I have to believe that we can change the system, but you never change a system by taking the existing thing and reworking it. I’ve been in Silicon Valley and tech business long enough to know that you’re better

off changing it just by creating something brand new. One fantasy idea I’ve had is, after I’m done with AngelList or if I have more time on my hands, I would like to create a successor to the One Laptop Project. In MIT, Nicholas Negroponte had the one laptop per child project.

Then I saw this fascinating write-up. This was really a long time ago, maybe even five years ago, maybe it was in The Economist or somewhere. It was

a story about how they left a box full of unopened Android tablets in a little village in Pakistan.

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**“I just stay on the basics. Even**

**when I’m learning physics or science, I’m sticking to the basics.”**

When they came back months later, the kids have opened up the box. They’ve all figured out how to boot up the tablets. They’ve hacked them. They’ve gotten past the user administration login. They’ve installed a whole bunch

of apps. They’ve got a little economy set up. The older kids are teaching the younger kids. They’re teaching their grandmothers how to run businesses. They’re surfing the web. They’ve taught themselves English. Kids are learning machines. They just need the tools.

To that end, what I would love to do is create a very low-cost, very rugged, easily powered, cheap Android tablet that’s hard to destroy and basically distribute them around the world with prebuilt learning applications so that you can literally fire one up and it works with you interactively. In 30 seconds, it figures out what language you speak, if any, if speech is symbolic, and what level of aptitude are you at. Are you a second grader, third grader, fifth grader? Of course, it varies by different discipline. Then it lets you dive into and let you learn anything you want that will make your life better.

**Just on the edge of your competency.**

Exactly. It always keeps you on the edge. It always keeps pushing you. Then you can network in all the teachers of the world. Anyone who wants to be a teacher can contribute. It’s not just Salman Khan doing Khan Academy.

Essentially you could network connect all of the teachers of the world and all of the students of the world using tablets and do it at the pace and level where it is essentially customized for each child. They’ll learn the things that have a practical outcome in their life. I know there’s an advantage to liberal arts education of pushing things that people don’t necessarily want to learn on their own, but they have to have some desire for it. It’s better to wait until they think they are ready and then give it all to them. I think that’s the way that learning sticks. That’s the kind of project that I’d like to work on, but I don’t think it’s solvable with the current school system.

**I hope you get a chance to work on that. I think that would be a phenomenal impact to the world.**

I think it would be fun. I’m thinking about this now more because I have a young infant son and honestly I don’t want to send him to school.

**You mentioned a couple of physics books in the start of the interview here, how do you as an adult go about learning new subjects, you specifically?**

Mostly, I just stay on the basics. Even when I’m learning physics or science, I’m sticking to the basics. I’ll read concepts for fun. I’m more likely to do something that has arithmetic in it than calculus. I’m not going to be a great physicist at this point. Maybe in the next lifetime or my kid will do it, but it’s too late for me. I have to stick to what I enjoy. What I love about science is mathematics is the language of nature.

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**“Science is, to me, the study of truth.”**

Science is, to me, the study of truth. It is the only true discipline because it makes falsifiable predictions. It actually changes the world. Applied science becomes technology and technology is what separates us from the animals and allows us to have things like cell phones and houses and cars and heat and electricity.

Science to me is the study of truth and mathematics is the language of science and nature.

In that sense, I’m not religious, but I’m spiritual. To me, that is the most devotional thing that I could do, to study the laws of the universe. The same kick that some guy might get out of being in Mecca or Medina and bowing to the prophet, I get that same feeling of awe and that same small sense of self when I study science. For me, it’s unparalleled and I’d rather stay at the basics. This is the beauty of reading.

By the way, when I view my books on the Kindle, I skip 2/3 of them. The reason I skip 2/3 is because they’re kind of embarrassing. They don’t sound like good books to read. They’ll sound like trivial or silly or whatever. Who cares? I don’t have to tell everybody everything I read. I read all kinds of stuff that other people consider junk or even reprehensible. I read all kinds of stuff that I disagree with because they’re mind bending.

I found myself in some random, dark hole in Twitter the other day where I was reading this guys tweets and was like, “Wow. He’s really smart. He’s really interesting. He’s very clever.” I was like, “Wait a minute, this guy’s a full-blown white supremacist.” He’s not even mildly a white supremacist. He thinks everyone other than the white race should be gone and people like me shouldn’t be allowed on the streets. It was still fascinating, and he’s still really smart. I kept reading it. I read it and read it and read it.

After a while, I built up my own sense of his coherent view of the world and where he was coming from. To do that, I couldn’t have judged too much and I’m certainly not going to go around bragging to my friend, “Hey, I learned this from a white supremacist the other day.” To some level, you almost have to read the stuff you’re reading because you’re into it and that’s it. You don’t need any other reason. There’s no mission here to accomplish. Just read because you enjoy it.

**If you read what everybody else is reading, there’s wisdom that you’re going to think what everybody else is thinking. You need the diversity. Almost like an index fund approach, where you’re going to catch the winners. You can’t really identify a lot of them beforehand that are going to change you as a person because so much about it is contextual.**

I think almost everything that people read these days is designed for social approval. All of the best sellers are about social approval and social

conditioning. If you really wanted to be successful, happy, blah, blah, blah, all those external metrics, you’re looking for a non-average outcome. You can’t be reading the average things, to your point.

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**“I know people who have read 100 regurgitated books on evolution and they’ve never read Darwin.”**

All these things are actually as old as the hills. You can go read Adam Smith and The Wealth of Nations. You can go read Benjamin Franklin and his aphorisms and understand how to live your life. You could read Charlie Munger. You could read Charles Darwin and understand evolution from the

source. You could read Watson and Crick and understand the structure of the double helix in DNA. Instead what we choose to read are whatever is number one at the airport best seller or whatever our friends are reading.

I know people who have read 100 regurgitated books on evolution and they’ve never read Darwin. Think of the number of macroeconomists that are out there. I think that most of them have read tons of treatises in economics, but haven’t read any Adam Smith. At some level, you’re doing it for social approval. You’re doing it to fit in with the other monkeys. You’re fitting in to get along with the herd. That’s not where the returns are in life. The returns in life are being out of the herd.

Social approval is inside the herd. If you want social approval, definitely go read what the herd is reading. It takes a level of contrarianism in saying, “Nope. I’m just going to do my own thing, regardless of the social outcome to learn anything, I think, that’s interesting.”

**Do you think there’s some sort of loss aversion there? Because once you diverge, you’re pushing out, say there’s a Gaussian distribution, you’re pushing it to one of the tails If you feel that you’re going to lose out on that, you’d rather just stay in the middle, if there’s a chance that you’re not going to be in the fat tail for a positive?**

Absolutely. I think that’s why the smartest and the most successful people I know started out as losers. If you view yourself as a loser, as someone who was cast out by society and has no role in normal society, then you will do your own thing and you’re much more likely to find that winning path. It helps to start out by saying, “I’m never going to be popular. I’m never going to be accepted. I’m already a loser. I’m not going to get what all the other kids have. I’ve just got to be happy being me.”

**Yeah. I think that’s true. When you’re reading, do you just read and it sticks in your head or is it more like you take notes? Do you have a system for how you keep track of that or review them?**

I’m both lazy and I’m really focused on being present. I think taking notes is the same as taking photos when you’re on a trip. All it’s doing is taking you out of the moment.

Who really sits there, years later, and goes back and looks at all their trip photos and gets nostalgic? Go take your next trip. I just don’t believe in anything from the past. Anything. No memories. No regrets. No people. No trips. Nothing.

A lot of our unhappiness also comes from comparing things from the past to the present.

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**“I don’t believe in clinging too much to memories.”**

First time you saw a sunset, it was amazing. It was jaw-dropping. You forgot yourself. The second time you saw it, it was cool. The hundredth time you see it, it’s nothing. The thousandth time you’re seeing it, and someone shows you a sunset, you’re like, “Well, actually, I saw this one sunset in Mexico at this time that was really cool.” You’re not even there.

I don’t believe in clinging too much to memories. That includes in reading. I do highlight. I catch myself doing that. I do it more because it’s just kind of a way of rereading and rereading that particular paragraph at that moment in time. Once in a blue moon, for my especially favorite books, I’ll want to reread the book, but I’ll be short on time, so I’ll just reread the highlighted

passages until something catches my eye and then I get sucked back into the book. The reality is that I could stop highlighting tomorrow and it would make no difference. Note taking is even, I think, harder than that, so I do not take notes.

Everyone’s brain works differently. Some people love to take notes. Actually my note taking is Twitter. What I do is I read and read and read. If I have some fundamental “ah ha” insight or concept, then what I like about Twitter is it forces me to distill that into a 140 characters. Then I try and put it out there as an aphorism and then I get attacked by all kinds of random people who point out all kinds of obvious exceptions and jump my throat. I’m like, “Why did I do this again?” Then I go into hiding for a little while.

**You have one of the most thoughtful Twitter feeds that I know of. I hope nobody jumps down your throat too bad there.**

Thank you.

**When you first pick up a book, are you skimming for something interesting? How do you go about reading it? Do you just flip to a random page and start reading? What’s your process for that?**

I’ll start at the beginning, but I’ll move fast. If it’s not interesting, I’ll just start flipping ahead or I’ll just start skimming or speed reading. If it doesn’t grab my attention within the first chapter in a meaningfully positive way, I’ll either drop the book or I’ll skip ahead a few chapters.

I don’t believe in delayed gratification when there are an infinite number of books out there to read. There are so many great books. There are so many of them that are so well written that I just can’t spend my time on these.

One thing I will do though. If I find that early on in the book the author starts making statements that I think are just factually untrue, and one should always be open to new ideas, but if they’re starting to make contradictions where the epistemological load of acknowledging that contradiction - sorry to use that 50 cent- word - I would have to revisit my entire lifetime of learning and undo it and start over.

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**“Someone who makes decisions right 80% of the time instead of 70% of the time will be valued and compensated in the market hundreds of times more.”**

**Yes, gravity does not exist.**

Exactly. I had a conversation recently with a guy who sounded really, really smart and was throwing all kinds of science at me and my head was spinning. Then he basically said, “As we know, thermodynamics isn’t really true.” That was the point at which I was like, “Okay, I’ve got to destroy everything you just said because thermodynamics is fundamental.”

**That’s what the undo button is for.**

Thermodynamics is not even a theory, it’s a law. It comes from the mathematics. If you want to throw that out, then we have no basis for conversation. If I find something like that in a book, where someone says, “Oh yes, I cleared my mind and I watched my thought process and then I was able to levitate”, then I have to put the book down because now I don’t know what in here is true and what in here is false. Basically, what I’m looking for is is the author knowingly lying or completely deluded. If they are, then I can’t fill my brain with that junk because I can’t separate truth from fiction.

Generally, I’ll skim. I’ll fast forward. I’ll try and find a part that catches me. Usually though what happens, in most books though, is most books have one point to make. Obviously, this is nonfiction. I’m not talking about fiction. They have one point to make, they make it, and then they give you example, after example, after example, after example, and they apply it to explain everything in the world. Once I feel like I’ve gotten the gist of it, I feel very comfortable putting the book down. There’s a lot of these, what I would call pseudoscience best sellers, that are all over that everyone’s always reading. People are like, “Oh, did you read this book on duh, duh, duh?” I always says yes, but the reality is I read maybe two chapters of it. But I got the gist.

**I want to switch gears a little bit and talk about decision-making, which is kind of what you get paid to do, both as an investor and the CEO of AngelList. You’re kind of paid to be right when other people are wrong? Do you have a process around how you make decisions?**

Yes. Decision-making is everything. In fact, someone who makes decisions right 80% of the time instead of 70% of the time will be valued and compensated in the market hundreds of times more.

I think people have a hard time understanding that, but that’s a fundamental fact of leverage. If I’m managing $1 billion and I’m right 10% more of the time than somebody else, then that’s $100 million worth of value on a judgment call. With modern technology and large workforces and capital, our decisions are getting leveraged more and more.

If you can be more right, more rational, and that’s one of the reasons why I love your blog because it really focuses on helping you be more right, better decision-making, more rational, then you’re going to get nonlinear returns in your life. Decision-making is everything.

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**“The brain is a memory prediction machine ... What you want is you want principles. You want mental models.”**

Decision-making, what is going on, the brain is a memory prediction machine. It has a memory of things that worked in the past and what it’s read and it’s trying to predict the future.

A lousy way to do memory prediction is X happened in the past, therefore X will happen in the future. It’s too based on specific circumstances. What you want is you want principles. [You want mental models](https://www.farnamstreetblog.com/mental-models/).

The best mental models that I have found have come through evolution, game theory, and Charlie Munger, who I’m sure you quote a lot on your blog. Charlie Munger is Warren Buffett’s partner. Very good investor. He has tons and tons of great mental models. Nassim Taleb has great mental models. Benjamin Franklin had great mental models.

I basically load my head full of mental models. Different ones apply to every situation, so I don’t really want to checklist. For example, I studied a lot of complexity theory when I was younger. It’s a field that I got into. Occasionally, I just get into these things and I just learn a lot about that field.

My most recent one is cryptography. I was really into complexity theory back in the mid-90s. The more I got into it, the more I understand the limits of our knowledge and the limits of our prediction capability. That’s been super helpful to me. That has helped me come to the system that operates in the

face of ignorance. I believe that, fundamentally, we are ignorant and very, very bad at predicting the future.

I don’t believe that I have the ability to say what is going to work. Rather, what I try to do is I try to eliminate what’s not going to work. I think being successful is just about not making mistakes. It’s not about having correct judgment. It’s about avoiding the incorrect judgments.

I have mental models around how do I determine if I can trust somebody, around what are the actual odds that this is going to work, how much margin of safety do I have, if it works out? Angel bets and venture bets are great because they have nonlinear outcomes in the positive, but on the downside you can only use one X. On the upside, you can make 10,000 X. I’ve tried to rig the game.

I don’t believe in specific goals. Scott Adams said, famously also, “Set up systems, not goals.” Use your judgment to figure out what kinds of environments you can thrive in and then build a system to create that

environment around you so that you’re statistically likely to succeed. I’m not going to be the most successful person on the planet, nor do I want to be.

I just want to be the most successful version of me while working the least hard possible. I want to be in 1000 universes, Naval is successful in 999 of them. He’s not a billionaire, but he’s done pretty well in all of them.

Whatever the metric is, or he’s happily married in most of them. He may not have nailed it in every regard, but he set up systems such that he’s failed in very few places.

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**“I try and set up good systems and then the individual decisions don’t matter that matter much.”**

Basically, I try and set up good systems and then the individual decisions don’t matter that matter much. I think our ability to make individual decisions is actually not great. For example, as an investor, my system is I want to see 10,000 companies and I want to pick 500 that have a shot of being huge. Then I want the option to double down on the five winners. I don’t want to just look at 100 companies and pick 10 that I think are winners and go all in on those. I don’t think I have that capability.

I think there’s ex-post facto reasoning and origin stories that people make up about why they were successful. The real separation here is you look at which people are consistently successful, especially in Silicon Valley, there are lots of one-hit wonders, but how many people consistently seem to do something interesting, build something interesting, make money, and do something new.

I’m not in this to make money. Money is just a piece of paper. Every time I see one of these billionaire founders giving away to a hospital or whatever, you know they overshot. They don’t need that much money. There’s huge diminishing returns to money after a certain point, especially now that I’m more into freedom from rather than freedom to.

There’s nothing I want to do that I can’t do. Literally, money in that sense is a boat anchor around my neck. All it is something that I’m then fearful of losing, something I’m getting into jealousy debates about, something that people want from me.

I’m not even in it anymore for the money. It’s like, “Can I do something interesting and new? Can I create something brand new that the world has never seen that it gets value out of, that it uses, that is congruent with my morals, so I never have problems sleeping at night. I never have to worry about selling something that I wouldn’t buy.” I’m much more into that.

I don’t have a checklist system for decision-making. I know that’s a big thing recently. Atul Gawande wrote The Checklist Manifesto and I think that’s good for pilots and surgeons. I don’t think it’s necessarily great for investors or entrepreneurs.

**Oh yeah. I think he totally misses the point with decision-making.**

I agree. By the way, that’s another one of those books where you just read the first chapter and you’re done. It would have been a great blog post. I also don’t think you need to be that hard on yourself.

A lot of what goes on today is a lot of your listeners are right now, beating themselves up and scribbling notes and saying, “I need to do this and I need to do that and I need to do ...” No, you don’t need to do anything. All you should do is what you want to do. If you stop trying to figure out how to do things the way other people want you to do them, then you get to listen to that little voice inside of your head that wants to do things a certain way and then you get to be you.

No one in the world is going to beat you at being you. You’re never going to

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**“No one in the world is going to beat you at being you.”**

be as good at being me as I am. I’m never going to be as good at being you as you are. Certainly listen, absorb, but don’t try and emulate. It’s a fool’s errand. Instead, each person is uniquely qualified at something. They have some specific knowledge, capability, and desire that nobody else in the world does. That’s just purely from the combinatorics of human DNA and development.

Your goal in life is to find out the people who need you the most, to find out the business that needs you the most, to find the project and the art that needs you the most. There is something out there just for you. What you don’t want to do is be building checklists and decision frameworks built on what other people are doing. You’re never going to be that. You’ll never be good at being somebody else.

**You’re inevitably going to miss stuff, too, in checklists. You mentioned kind of how you determined if you can trust somebody and I know you’ve said in the past you kind of Buffet’s criteria for evaluating people, which is the**

**combination of intelligence, energy, and integrity. What predictive signals do you pay attention to for each? How do you determine if you can trust someone? A large part of your job is that, right?**

That’s the hardest one. Integrity is the hardest one. Integrity usually comes out in two ways. One is long-term, which is you’ve known somebody for a while and you kind of know how they think about things.

The more interesting one, there’s a short-term one, which is you just kind of see how they treat other people. There are lots and lots of people who will not screw over, screw over is a strong word, but they will do something that is self-dealing or slightly unethical relative to another business partner. The whole time they’ll say to you, nudge nudge, wink, wink, “I’m taking advantage of that person because they deserve it. You’re my friend and I would never do that to you.”

**Of course they would.**

Exactly. It’s very easy to change your definition of who friends are. I find that the people who really do things out of integrity, they have an internal moral compass. They don’t do unfair, unethical, or bad deals with other people because it would soil their own view of themselves and they wouldn’t be able to sleep themselves at night. Some of the highest integrity people I know, the worst thing you can do is you can say to them is, “I think you’re self-dealing on that one.” They will get so unhappy because they’ll be like, “No, no, no. That’s not who I am. I can’t be that person.” They’ll bend over backwards.

Usually, I find that people that I negotiate with who are high integrity, they’re very easy to negotiate with. They’ll give you things that they don’t need to give you because they think it’s fair and vice versa.

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**“No one in the world is going to beat you at being you.”**

Negotiations with high-integrity people are usually very easy. You’re giving each other things to make sure the other person is happy enough that the deal survives. Unhappy deals get unwound and they become short-term relationships, which don’t have any compounding benefits. Finally, if someone is going around and talking about how honest they are, they’re probably dishonest. That’s just a little telltale indicator I’ve learned. When someone spends too much time talking about their own values or they’re talking themselves up, they’re covering for something.

There’s actually a good book. It’s kind of out of print. I think it’s hard to track down. You maybe you can find online somewhere. It’s not the obvious one. The name of the book is called [The Art of Manipulation](http://geni.us/nCdpMK).

I found it because of a tweet that I followed from @illacertus and it was really good. This guy basically goes undercover and lives with con men. He spends time with them running cons and learning all about cons. Without judgment, he just lays down how con men work. He put down there how to spot them when they’re being dishonest. Some of the telltale signs are they will push the deal a little bit too hard. They’ll sell just a little bit too hard. They’ll talk about how honest they are.

I have great people in my life who are extremely successful, very desirable, like everybody wants to be their friend, very smart. Yet, I’ve seen them do one or two things that are slightly not great to other people. The first time I’ll tell them. I’ll go up and I’ll say, “Hey, I don’t think you should do that to that other person. Not because you won’t get away with it. You will get away with it, but because it will hurt you in the end.”

Not in some cosmic, karma kind of way, but I believe that deep down we all know who we are. You cannot hide anything from yourself. Your own failures are written within your psyche and they are obvious to you. If you have too many of these moral shortcomings, you will not respect yourself. The worst outcome in this world is not having self-esteem. If you don’t love yourself, who will?

I think you just have to be very careful about doing things that you are fundamentally not going to be proud of because they will damage you. The first time around, I will warn them. By the way, nobody changes. Then I just kind of distance myself from them. I sort of cut them out of my life. I just have this saying inside my head, the closer you want to get to me, the better your values have to be.

**I like that a lot.**

When I met my wife, it was a great test because I really wanted to be with her and she wasn’t so sure at the beginning. In the end, we ended up together because she saw my values. I am lucky I had developed them by that point. If I hadn’t, I wouldn’t have gotten her. Not that I own her or anything, there’s no attachment like that. I wouldn’t have deserved her. It’s like, as Charlie Munger says, “To find a worthy mate, be worthy of a worthy mate.”

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**“I think the smartest people can explain things to a child. If you can’t explain it to a child, then you don’t know it.”**

I think working with your values is long-term selfish, although short-term it absolutely involves sacrifices. If being ethical were profitable, everybody would do it. We wouldn’t have to have a separate consent. We wouldn’t need to talk about it. There would be no books on it. No one would ever talk about values because they’d be profitable. It’s not. It’s obviously unprofitable. It

involves sacrifices. Like everything in life, if you are willing to make the short-term sacrifice, you’ll have the long-term benefit.

My physical trainer, Jerzy Gergorek, really wise, brilliant guy. He always says, “Easy choices, hard life. Hard choices, easy life.” Basically if you are making the hard choices right now in what to eat, you’re not eating all the junk food you want and making the hard choice to workout, then your life long-term will be easy. You won’t be sick. You won’t be unhealthy. The same is true of values. The same is true of saving up for a rainy day. The same is true of how your approach your relationships. If you make the easy choices right now, your overall life will be a lot harder.

**I like that. I want to dive into intelligence a little bit there, too. How do you separate the people who know what they’re talking about from these people who pretend they know what they’re doing? I mean, we’re full of a world where it’s so easy to pretend you have knowledge that you don’t actually have.**

Real knowledge is intrinsic and it’s built from the ground up. Going back to my math example earlier, you can’t understand trigonometry without understanding arithmetic or geometry.

Basically, if someone is using a lot of fancy words and a lot of big concepts, they probably don’t know what they’re talking about. I think the smartest people can explain things to a child. If you can’t explain it to a child, then you don’t know it.

I think that’s very true and it’s a common saying. Richard Feynman, very famously if you go into his lectures, Six Easy Pieces, one of his early physics lectures, he has one where he basically explains mathematics in three pages. He starts from number line, counting, and then he goes all the way up to pre-calculus. He just builds it up through an unbroken chain of logic. He doesn’t rely on any definitions.

For example, if somebody says, “Oh, that bird is called this or the rule for this thing is that.” They’re not going to be telling you anything fundamental, they’re telling you about humans. They’re telling you about naming systems. True understanding is about algorithms. It’s about understanding how things connect to each other.

I think it’s the mark of a charlatan to try and explain simple things in complicated ways. It’s the mark of a genius to explain complicated things in simple ways. Really they should be able to do it very, very, very simply.

I have to catch myself on this because I have a big vocabulary because I read a lot. I can sound smarter than I am just by using big words.

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**“The really smart thinkers are clear thinkers and they understand the basics at a very, very fundamental level.”**

In the process, I’m being dishonest with myself. It’s okay to use more precise words. English is a big language with a lot of words and so that allows for a lot of precision. If you’re deliberately using words that your audience doesn’t know or if you even think that you’re using a word that your audience doesn’t know and you don’t catch yourself and correct that, then you are essentially being dishonest. You’re just trying to show off. You’re trying to pull one over their eyes.

There’s [a great book by Randall Munroe](http://geni.us/hH7x) who is the creator of xkcd, that very science-oriented comic, and it’s called Up Goer Five. It’s a reference to the Saturn Five rocket that took the Apollo missions into space. What he is doing in that book is he explains all these very complicated concepts all the way from climate change to physical systems to submarines and so on, but he does it only using the 1000 most common words in the English language. That’s why he called it the Saturn Five rocket Up Goer Five. It’s

called a rocket. You can’t define a rocket as a spaceship or a rocket. It’s self-referential. He says up goer. It’s this thing that goes up. Kids get that right away.

**That’s the Thing Explainer, the book, I think.**

I’m sorry. You’re right. The name of the book is Thing Explainer. Up Goer Five is one of the pages. There’s another great book that’s called Thinking Physics. I open this one all the time and I love on the back cover it has this great little pitch. It says, “The only book that’s used in both grade school and graduate school.” It’s true. It’s all simple, physics puzzles that can

be explained to a 12-year-old child, that they can puzzle over, and can be explained to a 25-year-old grad student in physics. They all kind of have fundamental insights in Physics. They’re all kind of tricky, but anyone can get to the answer through purely logical reasoning.

I love reading the history of how scientists came up with their various breakthroughs. For example, relativity. Relativity is a fascinating thing. It’s a very advanced concept, but in way it’s very simple because Einstein came up with it with what are called Gedanken, fancy word for thought experiments. It means thought experiments in German. He was able to basically just do logical thought experiments in his mind until he came up with relativity and then he formalized it with mathematics and with predictions that he made that were later unfalsified, that were basically shown to be true. A really brilliant physicist like that, they get there by pure reasoning and pure logical reasoning. It’s not like he had to go draw out the complicated diagrams and so on. He just understood things at a very basic, fundamental level.

Again, this goes back to, I think, the really smart thinkers are clear thinkers and they understand the basics at a very, very fundamental level. I would rather understand the basics really well than have memorized all kinds of complicated concepts that I can’t stitch together and I can’t rederive them from the basics. If you can’t rederive them from the basics as you need it, you’re lost. You’re just memorizing.

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**“I think the number one thing that clouds us from being able to see reality is that we have preconceived notions of the way it should be.”**

**It seems like a large part of making effective decisions kind of boils down to dealing with reality. How do you make sure you’re dealing with reality when you’re making decisions?**

By not having a strong sense of self or judgments or mind presence. The monkey mind will always respond with this regurgitated emotional response to what it thinks the world should be. That will cloud your reality. This happens a lot of times when people are mixing politics and business.

For example, in January this year, I wrote a little piece on the election. I kind of predicted that Trump or Bernie was going to win. One of those

two characters was going to win. That’s not what I wanted to have happen necessarily. I’m an elite. My life is pretty good. I’m not looking for rabble rousers to change everything, but I wanted to see a reality the way it was as opposed to the way I wanted it to be.

I think the number one thing that clouds us from being able to see reality is that we have preconceived notions of the way it should be.

There’s one definition of a moment of suffering is that it’s that moment when you see things exactly the way they are. This whole time you’ve been convinced your business is doing great and really you’ve ignored the signs that it’s not doing that well. Then your business fails and you suffer. That’s just because you’ve been putting off reality. You’ve been hiding it from yourself.

The good news is that when you’re suffering, when you’re in pain, that’s a moment of truth. That is a moment where you’re forced to embrace reality actually the way it is. Then you can make meaningful change and progress. You can only do that when you’re starting with the truth.

I think the hard thing here is seeing the truth. To see the truth, you have to get your ego out of the way because your ego doesn’t want to face the truth. The smaller you can make your ego, the less conditioned you can make your reactions, the less desires you can have about the outcome you want, the easier it to see the reality.

The clear example of this is when we’re going through difficult things, like a breakup or a job loss or business failure or a health problem and our

friends are advising us. When we’re advising them, the answer is so obvious. It comes to us in a minute and we tell them exactly, “Oh that girl, get over her, she wasn’t good for you anyway. You’ll be happier. Trust me. You’ll find someone.”

You know what the correct answer is, but that person can’t see it because they’re in that moment of suffering and pain. They’re still wishing that reality was different. The problem isn’t reality. The problem is their desire colliding with reality is preventing them from seeing the truth, no matter how much you say it. The same thing happens when I’m making decisions.

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**“The more of a desire that I have that it work out a certain way, the less likely I am to see the truth.”**

The more of a desire that I have that it work out a certain way, the less likely I am to see the truth. Especially in business, if something isn’t going well, I try to acknowledge that publicly and I try to acknowledge it publicly in front of my co-founders and friends and co-workers. That way then I’m not hiding it from anybody else. If I’m not hiding it from anybody, then I’m not going to basically delude myself from what’s actually going on.

**You once said anything you can think has been thought of and tried. The only way you’re going to find something is if you stick to it at an irrational level and try a whole bunch of things. This kind of makes an idea a commodity, but the judgment and execution incredibly rare. How do you evaluate if someone is picking the right idea and if they have the capacity to execute on that idea?**

The best founders I’ve found are the ones who are very long-term thinkers. Even decisions that maybe they shouldn’t care that much about early on, they fix it because they are not building a house, they’re putting bricks in the foundation of the skyscraper, at least in their minds.

What you’re looking for is looking for someone who knows the space well, who understands how difficult it’s going to be, but doesn’t care because they just love whatever they’re doing, they’re into it, and they commit to it for the long haul. Passion and vision alone are not enough. I think Steve Case said that vision without execution is a hallucination. Execution alone isn’t enough.

Then, unfortunately, at least in the technology business, there’s a lot of luck required. Right place, right time, market forces, timing, regulatory action against or pro. There’s a lot of things that control where the platforms are shifting, what open source efforts show up. You can never predict the outside successes. What you can predict is the failures.

You can say, “This person doesn’t know this field at all. They’re way out of their depth. This person, they’re a short-term thinker. They’re not going to last the game. They’re not going to go as far as needed.”

As I was saying, there are no new ideas. All the ideas have been thought of. It’s about the combination of the idea plus the execution plus the passion. Like Steve Jobs was a visionary and a great designer, not because he came up with the idea to build the smartphone.

Many people had tried to build a smartphone. It’s because he had a very high bar for the design. He understood the manufacturing tolerances and what the technology was capable of and what it wasn’t. He could rally the people and the resources to get it done. He actually didn’t care about the financial outcome. He took a dollar instead of a salary from Apple. He just wanted to see it done. He was willing to do it for as long as it takes until it worked.

It’s kind of this magic ... of factors. Then the timing in the world happened to be right and the technology was around and Jony Ive was there and who knows how many other factors intersected to make it happen.

Just as many factors that intersected on his side, there were ones that

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**“I think the best founders, they have a deep understanding of the space they’re going into, enough to be contrarian.”**

intersected against him. For example, he had to take over Apple, which was a horribly failing company at the time. The poor guy died of pancreatic cancer. He got taken out early. Think about what more he could have created, what more he could have done for the world. He probably wasn’t happy in the whole process. He drove himself to ruin. I think you do have to be irrationally optimistic to succeed and passionate. You also have to really know your stuff.

I meet a lot of entrepreneurs who are either short-term thinkers, in which case, that’s okay. It just means this is not the thing for you. Go find the thing you can commit to for 10 years because that’s how long it’s going to take, minimum, to get a good outcome. You have to enjoy the journey because there’s no guarantee on the outcome.

You have to be really, really good at it, which means that you probably love it so much that you’re willing to put in the time before there’s even any return on it. I think the best founders, they have a deep understanding of the space they’re going into, enough to be contrarian. They have a deep passion for it, so that they’ll just keep working on it. They have execution skills. They just get things done. They solve problems. They’re capable.

**I love that. I don’t get to invest with Angel founders, but we all deal with people with similar, in business or life, if we’re establishing a partnership, whether it’s with a customer, a supplier, a relationship, we have similar concerns about their short-term thinking and will they take advantage of us and how should we go about entering that relationship and is this relationship fragile. I think that’s a good way to think of it.**

One thing I figured out kind of late is that generally, at least in the tech business in Silicon Valley, great people have great outcomes. You just have to be patient. Every person that I met at the beginning of my career 20 years ago, where I looked at them and said, “Wow, that guy or that gal is super capable. They’re so smart and dedicated and blah, blah, blah. Now we’ll just be friends or hang out or whatever”, and then I kind of forgot about them, all of them, almost without exception, became extremely successful. You just had to give them a long enough timescale. It never happens in the timescale you want or they want, but it does happen.

**I want to circle back and ask you a few more questions about life before we wrap up. You’ve kind of called your philosophy rational Buddhism. How does that differ from traditional Buddhism? What type of exploration did you go through to arrive at that?**

The rational part means that I have to reconcile with science and evolution. I have to reject all the pieces that I can’t verify for myself. For example, is

meditation good for you? Yes. Is clearing your mind a good thing? Yes. Is there a base layer of awareness below your monkey mind? Yes. All of these things I’ve verified for myself.

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**“I don’t subscribe to anything fanciful just because it was written down in a book.”**

Some of the beliefs that come out of Buddhism I believe and follow because, again, I’ve verified or reasoned with thought experiments there myself.

What I will not accept is things that are written down as just so, like, “There’s a past life that you’re paying off the karma for.” I haven’t seen it. I don’t remember any past lives. I don’t have any memory. I just have to not believe that.

When people say your third chakra is opening and your second chakra. I don’t know, that’s just fancy nomenclature. I have not been able to verify or confirm any of that on my own. If I can’t verify it on my own or if I cannot get there through science, then it may be true, it may be false, but it’s not falsifiable so I cannot view it as a fundamental truth.

On the other side, I do know that evolution is true. I do know that we are evolved as survival and replication machines. I do know that we have an ego so that we get up off the ground and worms don’t eat us and we actually take action. What rational Buddhism, to me, means understanding the internal work that Buddhism espouses to make yourself happier and better off and more present and more in control of your emotions and being a better human being.

I don’t subscribe to anything fanciful just because it was written down in a book. I don’t think I can levitate. I don’t think that meditation is going to

give me superpowers and those kinds of things. It’s basically try everything, test it for yourself, be skeptical, keep what’s useful and discard what’s not. I would say my philosophy falls down to, on one pole, is evolution as a binding principle, because it explains so much about humans and, on the other side, is Buddhism, which is the oldest, most time tested spiritual philosophy on the internal state of being inside each of us.

I think those are absolutely reconcilable. I actually want to write a blog post at some point about how you can map the tenants of Buddhism, especially the non-fanciful ones, directly into a virtual reality simulation.

What I mean by that is if you believe we’re living in a VR sim, which I know some people are espousing, or if you believe the Buddhist view of the world, with samsara and nirvana and all that, you would actually come to the same conclusions on how to live your life.

**What are the areas of your life right now that you’d like to change the most and why?**

I would like to be less time bound. I’d like to be less greedy about signing up for things. I don’t know how to describe this. You know what it really is — I had a tweet recently where I was going back and forth with somebody and then came up with this concept of there should be a two-factor authentication on your calendar.

**Yeah.**

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**“I want a two-factor against myself.”**

This two-factor authentication when you’re logging into a website that, if your password gets stolen, the thief or hacker doesn’t have your phone, so they can’t login because the phone has to generate a unique code. I wish there was a two-factor code against my calendar because current me, present me, is always making promises for future me. Current me is tired, exhausted, hungry, wants to go home, wants to go to sleep, wants to read a book, wants to hang out with the wife and baby. Future me is this dynamic, high-energy individual who will always show up to every meeting and will have a lot of energy and will want to get a lot of things done.

I commit myself to all these commitments in the future that when the future me arrives, it’s actually this present me that’s back to being lazy and hungry and tired. I want a two-factor against myself. The way I would like to do that is I think every time I make a commitment to anything, I should instead just write it down and then just check back in 48-hours later and then with a clear mind say do I commit to doing this? Even better would be saying, “If I commit to doing something, then I commit to doing it right now.” If I’m not willing to do it right now, then don’t do it. Don’t commit to it.

**That’s the Derek Sivers approach. If you’re not saying, “Hell yes” right now, then you should just be saying no, I think.**

Yeah. I think this is something of every busy person. I just want to be much better at managing my own time because you go through life through an exploration phase and then you switch to an exploitation phase. I’m very much in the exploitation phase. I’m not looking for more exploration. All that said, I have a hard time saying no. If I had one wish, the most important thing to me would be I would constantly be running my mind in debug mode. I would literally be watching every single thought I have and letting no reaction pass without it being stopped, inspected, strip searched, examined, understood, and then let go. The reality is that takes a lot of time and we’re highly conditioned creatures. I do view a lot of my goals over the next few

years of unconditioning previous learned responses or habituated responses, so that I can make decisions more cleanly in the moment without relying on memory or prepackaged heuristics and judgments.

**What’s the most common mistake you see people make over and over?**

It’s a tough question because it’s so contextual. It really depends on the context. I think the most common mistake if I look at how they’re on planet earth, for humanity, is the idea or the belief that you’re going to be made happy because of some external circumstance.

I know that’s not original. That’s not new. That’s fundamental Buddhist wisdom, so I’m not taking credit for it. I think I really just recognize it on the fundamental level, including in myself.

We just bought a new car. We have a baby. We needed a safer car. We were driving a little mini cooper before. Not enough room in there.

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**“The idea that you’re going to change something in the outside world and that**

**is going to bring you the peace and everlasting joy and the happiness that you deserve, that is a fundamental delusion that we all suffer from.”**

We bought a new car. Now I’m waiting for the new car to arrive. Of course, every night, I’m on the forums reading about the car. Why am I doing that? It’s a silly object. It’s a silly car. It’s not going to change my life that much or at all. I know that the instant the car arrives I won’t care about it anymore. What it is is, I’m addicted to the desiring. I’m addicted to the idea that this external thing is going to bring me some kind of happiness and joy and this is completely delusional.

I think just looking outside for anything is the fundamental delusion. Not to say you shouldn’t say do things on the outside. You absolutely should. You’re a living creature. There are things that you do. You locally reverse entropy.

That’s why you’re here.

You’re meant to do something. You’re not just meant to lie there in the sand and meditate all day long. You should self-actualize. You should do what you are meant to do.

The idea that you’re going to change something in the outside world and that is going to bring you the peace and everlasting joy and the happiness that you deserve, that is a fundamental delusion that we all suffer from, including me. The mistake over and over and over is to say, “Oh, I’ll be happy when I get that thing, whatever that is.” That’s the fundamental mistake that we all make, including me, 24/7, all day long.

**I definitely see myself in that answer.**

Because you’re human. All of us do it.

**I want to end with a really unbounded, big question, which is: What is the meaning and purpose of life?**

That’s a big question. Because it’s a big question, I’ll give you three answers. One is it’s personal. You have to find your meaning. Any piece of wisdom that anybody else gives you, whether it’s Buddha or you or me, is going to sound like nonsense. I think fundamentally you just have to find it for yourself, so the important part is not the answer, it’s the question. You just have to sit there and dig with the question. It might take you years or decades. When you find an answer you’re happy with, that will be fundamental to your life.

The second answer I would give is there is no meaning to life. There is no purpose to life. Osho said, “It’s like writing on water or building houses on sand.” The reality is you’ve been dead for the history of the universe, it’s 10 billion years or more. You will be dead for the next 70 billion years or so until the heat death of universe.

Anything you do will fade. It will disappear, just like the human race will disappear and the planet will disappear. Get to Mars, even that group will disappear. No one is going to remember you past a certain number of generations, whether you’re an artist or a poet or a conqueror or a pauper or nothing. There’s no meaning.

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You have to create your own meaning, which is what it boils down to. You have to decide. Is this a play that I’m going to that I’m just watching? Is there a self-actualization dance that I’m doing? Is there a specific thing that I desire just for the heck of it? These are all meanings you are making up.

There is no fundamental intrinsic purposeful meaning to the universe. If there was, then you would just ask the next question. You’d say, “Why is that the meaning?” It would just be, as Richard Feynman said, it would be

turtles all the way down. The whys would just keep accumulating. There is no answer you could give to that question that wouldn’t have another why.

I don’t buy the everlasting afterlife answers because it’s insane to me, with absolutely no evidence, to believe that because of how you live 70 years here on this planet, that you’re going to spend an eternity, which a very long time, in some afterlife. What kind of silly God judges you for eternity based on some small period of time here? I think that after this life, it’s very much like before you were born. Remember that? It’s going to be just like that.

Before you were born, you didn’t care about anything or anyone, including your loved ones, including yourself, including humans, including whether we go to Mars or whether we stay on planet Earth, whether there’s an AI or not. You just don’t care.

I met this entrepreneur who was obsessed with Steve Jobs and he was making all of these sacrifices trying to be like the next Steve Jobs. I said to him, “Do you want to be exactly like Steve Jobs right now?” He said, “Yes.” I said, “Steve Jobs is dead. He doesn’t care about anything. He’s gone. Like zero. He’s not registering at all. If you want to be like Steve Jobs, you don’t

want to be Steve Jobs, just be you, right now. He would trade places with you right now in an instant if he could.” I don’t think there’s any real meaning or purpose to life.

The last answer I’ll give you is a little more complicated than that. From what I’ve been reading in science, friends of mine have written books on this, and I’ve kind of stitched together some theories. Maybe there is a meaning to life, but it’s not a very satisfying purpose.

Basically, in physics, the arrow of time comes from entropy. Second law of thermodynamics says that entropy only goes up, which means disorder in the universe only goes up, which means concentrated free energy only goes down. If you look at what living things are, living systems, humans, plants, civilizations, what have you, these are systems that are locally reversing entropy. Humans locally reverse entropy because we have action.

In the process, we globally accelerate entropy until the heat death of the universe. You could come up with some fanciful theory, which I like, that we’re headed towards the heat death of the universe, where there’s no concentrated energy, where everything is sort of at the same energy level. Therefore, we’re all one thing. We’re essentially indistinguishable.

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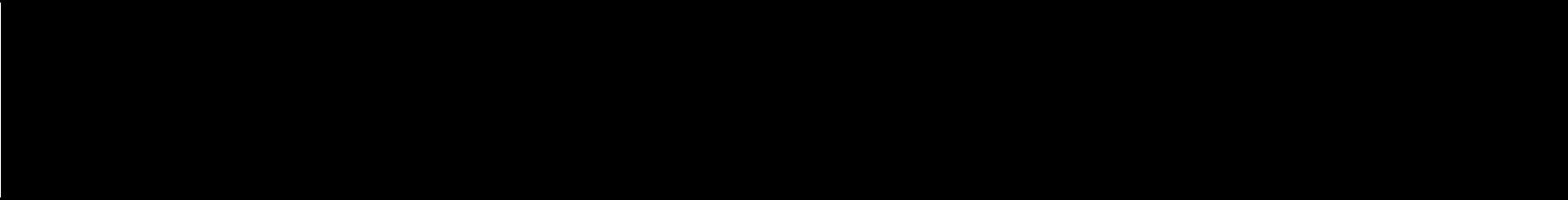
What we are doing, as living systems, is we’re accelerating getting to that state. The more complex of a system you create, whether it’s through computers and civilization or through art or mathematics or just through creating a family, you’re actually accelerating the heat death of the universe. You’re pushing us to towards this point where we end up as one thing. I think that’s kind of an unsatisfying answer if you’re looking for personal meaning today in your life.

**That was phenomenal. Listen, Naval, thank you so much. This was just absolutely mind blowing. I really appreciate it. Where can people find you?**

Twitter @Naval or on my blog at startupboy.com.

**Thank you so much.**

Thank you. It’s been great.



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