

BOOK

The Algebra of Happiness: Notes on the Pursuit of Success, Love, and Meaning

AUTHOR

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PUBLISHER

Penguin Group

PUBLICATION DATE

May 2019

SYNOPSIS [from the publisher]

The Algebra of Happiness: Notes on the Pursuit of Success, Love, and Meaning draws on Professor Galloway's mix of anecdotes and no-BS insight to share hard-won wisdom about life's challenges, along with poignant personal stories.

Whether it's advice on if you should drop out of school to be an entrepreneur (it might have worked for Steve Jobs, but you're probably not Steve Jobs), ideas on how to position yourself in a crowded job market (do something "boring" and move to a city; passion is for people who are already rich), discovering what the most important decision in your life is (it's not your job, your car, OR your zip code), or arguing that our relationships to others are ultimately all that matter, Galloway entertains, inspires, and provokes.

"[Discussion] frequently veers from brand strategy to life strategies: What career should I choose? How can I set myself up for success? How do I reconcile ambition with personal growth? What can I do now so that I don't have regrets when I'm forty, fifty, or eighty?"

"From your mid-twenties through your mid-forties, though, sh*t gets real – work, stress, and the realization that, despite what your teachers and your mom told you, you likely won't be a senator or have a fragrance named after you. As you age, the stress of building the life you've been told you deserve, and are capable of, takes a toll. Also, somebody you love gets sick and dies, and the harshness of life comes into full view."

"'Struggle porn' will tell you that you must be miserable before you can be successful. This isn't true: you can experience a lot of reward along the way to success. But if balance is your priority in your youth, then you need to accept that, unless you are a genius, you may not reach the upper rungs of economic security."

"The slope of the trajectory for your career is (unfairly) set in the first five years post-graduation. If you want the trajectory to be steep, you'll need to burn a lot of fuel. The world is not yours for the taking, but for the trying. Try hard, really hard."

“The world does not belong to the big, but to the fast. You want to cover more ground in less time than your peers.”

“The ratio of time you spend sweating to watching others sweat is a forward-looking indicator of your success. Show me a guy who watches ESPN every night, spends all day Sunday watching football, and doesn’t work out, and I’ll show you a future of anger and failed relationships. Show me someone who sweats every day and spends as much time playing sports as watching them on TV, and I’ll show you someone who is good at life.”

“The most important decision you’ll make is not where you work or who you party with, but who you choose to partner with for the rest of your life. Having a spouse whom you not only care for and want to have sex with, but who’s also a good teammate, softens the rough edges, and magnifies the shine of life.”

“We have a caste system in the United States: higher education. In addition, economic growth is increasingly clustering around a handful of supercities. Two-thirds of economic growth over the next fifty years will be in supercities. Opportunity is a function of density. Get to a place that’s crowded with success. Big cities are Wimbledon – even if you aren’t Rafael Nadal, your game will improve by being on the court with him. And you’ll either get in better shape or learn you shouldn’t be at Wimbledon.”

“While you’re young, get credentialed and get to a city. Both get difficult, if not impossible, as you get older.”

“I found writing only several years ago, and it’s now one of the most rewarding parts of my life. Writing is my therapy. It’s a way for this sh*t banging around in my head to find an escape route. It’s a chance to immortalize how much I love my kids, miss my mom, and love Chipotle. Writing has reconnected me with people I care about and introduced me to new, interesting people. I hope that, after I’m gone, my kids will read this stuff and feel they know me better. I wish I’d started writing thirty years ago.”

“Most of us understand how compound interest works with money, but don’t recognize its power in other parts of our lives. The app 1 Second Everyday reminds you to take a second of video each day, a small daily nuisance/investment . . . Take a ton of pictures, text your friends stupid things, check in with old friends as often as possible, express admiration to coworkers, and every day, tell as many people as you can that you love them. A couple of minutes every day – the payoff is small at first, and then it’s immense.”

“Always be in the stock market, because you aren’t smart enough to predict when to jump in and out on your own. Try not to have more than one-third of your assets in any one asset class when you’re younger than forty, and lower that to 15 percent when you’re older than forty.”

“The definition of “rich” is having passive income greater than your burn.”

“By the time you’re thirty, you should have a feel for what your burn is. Young people are 100 percent focused on their earnings. Adults also focus on their burn.”

“The Harvard Medical School Grant Study was the largest study on happiness, tracking three hundred nineteen-year-old men for seventy-five years and looking at what factors made them less or more happy. The presence of one thing in a man’s life predicted unhappiness better than any other factor: alcohol. It led to failed marriages, careers coming off the tracks, and bad health.”

“Studies show that people overestimate the amount of happiness things will bring them and underestimate the long-term positive effect of experiences. Invest in experiences over things. Drive a Hyundai, and take your wife to St. Barts.”

“Providing comfort for someone you love at the end of their life is also deeply satisfying. If you’re in a position – and many aren’t – to make a loved one’s exit more graceful, do it – you’ll cherish the experience for the rest of your life.”

“I think a lot about success and its underpinnings. Talent is key, but it will only gain you entrance to a crowded VIP room. Kind of like Platinum Medallion on Delta: you think you’re special, but at LaGuardia, you realize there are a lot of you.”

“The chaser that takes talent over the top into success is hunger.”

“It didn’t take long to realize that the secret is to find something you’re good at. The rewards and recognition that stem from being great at something will make you passionate about whatever that something is.”

“Lately I feel my hunger changing complexion. More a pursuit of relevance, versus money. I’m spending more time with people and projects I care about, at the expense of earning money.”

“Don’t Follow Your Passion People who speak at universities, especially at commencement, who tell you to follow your passion – or my favorite, to “never give up” – are already rich. And most got there by starting waste treatment plants after failing at five other ventures – that is, they knew when to give up. Your job is to find something you’re good at, and after ten thousand hours of practice, get great at it.”

“Nobody starts their career passionate about tax law. But great tax lawyers are passionate about colleagues who admire them, creating economic security for their families, and marrying someone more impressive than they are.”

“It shocks me how many people are the adults in the room until they get around their parents and regress into whiny children expecting their parents to solve their problems. The most rewarding things in life are rooted in instinct. We give a lot of airtime to how rewarding it is to raise kids. What gets less attention is how rewarding it is to help take care of your parents. Start now.”

“The lesson here . . . get the easy stuff right. Show up early. Have good manners. Follow up.”

“To hone their craft, comedians do stand-up at clubs. For me, stand-up is class, where I hone the craft of speaking every Tuesday night for three hours in front of 170 second-year MBAs. I’m much more focused, and put more effort into the class, than in front of any board or gathering of gold-circle commercial real estate brokers. I make much less, about \$1,000, per podium hour. (Note: This sounds like more than it is, as you spend several hours outside of class prepping or meeting with students for each podium hour.) In addition, the amount of bullsh*t you endure to get to this platform – advanced degrees, department politics – is substantial.”

“My relationship with NYU, generally speaking: I teach a mess of kids and speak at events. In exchange, they put up with me. Every three or four years a new department chair or administrator asks me to teach more, changes my status, or does something to piss me off. I threaten to go to Wharton or Cornell Tech, and I mostly get what I want. If I sound like a diva or a pain in the ass, trust your instincts. I don’t act like an employee at Stern, but a free agent, and it frustrates them. My star is burning bright right now – I’m good at teaching and I strengthen the Stern brand, so they tolerate me. But when my value begins to wane (and it’s only a matter of time), they’ll drop me like second-period French. I would.”

“The traits of successful entrepreneurs haven’t changed much in the digital age: you need more builders than branders, and it’s key to have a technologist as part of, or near, the founding team. But there are four tests or questions: Can you sign the front, not the back, of checks? Are you comfortable with public failure? Do you like to sell? How risk aggressive are you?”

“The word “entrepreneur” is a synonym for “salesperson.” Selling people to join your firm, selling them to stay at your firm, selling investors, and (oh yeah) selling customers. It doesn’t matter if you’re running the corner store or Pinterest – you’d better be damn good at selling if you plan to start a business. Selling is calling people who don’t want to hear from you, pretending to like them, getting treated poorly, and then calling them again.”

“Google has an algorithm that can answer anything and identify people who have explicitly declared an interest in buying your product, then advertise to those people at that exact moment. Yet Google still has to hire thousands of attractive people with average IQs and exceptional EQ to sell the sh*t out of . . . Google. Entrepreneurship is a sales job with negative commissions until you raise capital, are profitable, or go out of business – whichever comes first.”

“The good news: If you like to sell and are good at it, you’ll always make more money, relative to how hard you work, than any of your colleagues, and . . . they’ll hate you for it.”

“Jamie Dimon, CEO of JPMorgan Chase, defines a financial crisis as ‘something that happens every five to seven years.’”

“When nations and firms start erecting big buildings, look out. The Pan Am Building, Sears Tower, and any number of giant penises plunging into Mother Earth in emerging markets are little more than multibillion-dollar dick pics and may seem like a good idea at the time, but are just tacky.”

“A CEO’s fashion can also be telling. When he or she starts showing up onstage wearing a black turtleneck (“I’m the next Steve Jobs”), it likely means not that Jobs has reincarnated, but that the company’s stock is about to crash (Jack Dorsey) and/or that the FDA is going to ban you from your own labs (Elizabeth Holmes).”

“When times are bad, people look to gray hair for leadership. When times are good/frothy, people look for youth.”

“We now worship at the altar of innovation and youth, versus character or kindness.”

“The successful firms were launched as we were coming out of recessions (1992 and 2009). People, real estate, and services are all much less expensive. My chief strategy officer at L2 joined us in 2009, and she has been the secret sauce of our success, as her offer from a consulting firm was delayed (see: recession), and my offer of \$10 per hour was her best option. (Note: She makes substantially more now.)”

“Cheap capital served as a hallucinogen for the viability of our products and services in the marketplace.”

“Business school has become the domain of the elite and the aimless, or a place to take refuge from a recession. If you’re doing well at a good firm during a boom time, stay put.”

“Pursue one of the truisms of investing and accreting wealth: diversification. If you’re fortunate to have one asset, be it a stock or a house, run up so dramatically that it represents the vast majority of your wealth, get as much of that asset liquid as possible. If there is pressure not to sell, ask yourself if the people (board, investors, market, media) pressuring you are already rich, and if they are, ignore them.”

“Every wealthy person I’ve known measures their net worth in frightening detail, and measures it often. You have to stay nimble, or you stand to lose a lot. We live in a capitalist society, and the amount of money you have is a forward-looking indicator of the effectiveness of your healthcare, the comfort of your home, the harmony of your relationships, and the quality of your children’s education.”

“I’ve started nine companies: three were wins, four were failures, and two were somewhere in between. I don’t believe any culture or country, other than the United States, would have given me this many chances.”

“Benchmarks, metrics, and milestones range from the meaningless to the profound. Accountability and insight are the by-products of math. Numbers yield insights about

markets, how value is created, and how we want to live our lives. A review of the metrics in your life is a healthy exercise. In sum, I need to visit my dad."

"We ended up in similar places professionally (I'm being generous to me). My ascent was fueled by the University of California, hard work, and a tolerance for risk. David's rise was a function of the University of California, hard work, and character."

"I tell my students that nothing wonderful, I'm talking really fantastic, will happen without taking a risk and subjecting yourself to rejection. Serendipity is a function of courage."

"The most rewarding part of my job is when young people who trust me seek counsel from me about their next move or other work matters. At this age, some of the kids, as I call them, become your adult kids, and you become concerned about their well-being. It's rewarding, as it scratches a maternal/paternal itch we have as we get older. I'm Joe Namath dropping in on a Jets practice. Everyone is respectful of what I've built and wants to meet or speak to me. However, I'm worried I'll soon be Drunk Joe Namath, where everyone is trying to figure out the polite (and least awkward) way of telling me to leave the building. It's coming. Until then, I'm in their employ."

"Building a life with someone who loves you, and who you love, near guarantees a life of reward interrupted by moments of pure joy. Sharing your life with someone who's unstable or has contempt for you is never being able to catch your breath long enough to relax and enjoy your blessings."

"My dog, Zoe, picks the person who loves her the most. She's the Oprah of relationships. Zoe, and all of us, reach contentment when we recognize a shortcut to happiness: finding someone who chooses you over everything, and everyone, else."

"Studies show that marriage is advantageous economically. Having a partnership, sharing expenses and responsibilities, being able to focus on your careers, and utilizing the wisdom of crowds (couples) generally leads to better decisions ("No, we're not buying a boat"). There is a streamlining of choices, which lets you allocate your attention capital to things that grow, instead of decline, in value (your career vs. your attractiveness to others or being seen at the right places)."

"Once married, your household worth grows at an average of 14 percent a year. Married couples, by their fifties, on average have 3x the assets of their single peers. The key? Taking the whole "till death do us part" thing seriously, as divorce seriously eats into the 3x. From an evolutionary perspective, monogamous relationships improve survival odds for offspring, benefiting our species overall."

LETTER TO A STUDENT

Dear xxxx, let me be more serious for a moment. I do not know you, will not know you, and have no real affinity or animosity for you. You are an anonymous student who is now regretting the send button on his laptop. It's within this context that I hope you register pause . . . REAL pause, xxxx, and take to heart what I am about to tell you: xxxx, get your sh*t together. Getting a good job, working long hours, keeping your skills

relevant, navigating the politics of an organization, finding a work-life balance . . . these are all really hard, xxxx. In contrast, respecting institutions, having manners, demonstrating a level of humility . . . these are all (relatively) easy. Get the easy stuff right, xxxx. In and of themselves, they will not make you successful. However, not possessing them will hold you back, and you will not achieve your potential, which, by virtue of you being admitted to Stern, you must have in spades. It's not too late, xxxx . . . Again, thanks for the feedback. Professor Galloway