

It's not really about hard work. You can work in a restaurant eighty hours a week, and you're not going to get rich. Getting rich is about knowing what to do, who to do it with, and when to do it. It is much more about understanding than purely hard work. Yes, hard work matters, and you can't skimp on it. But it has to be directed in the right way. ([Location 202](#))

Seek wealth, not money or status. Wealth is having assets that earn while you sleep. Money is how we transfer time and wealth. Status is your place in the social hierarchy. ([Location 213](#))

You're not going to get rich renting out your time. You must own equity—a piece of a business—to gain your financial freedom. ([Location 218](#))

You will get rich by giving society what it wants but does not yet know how to get. At scale. ([Location 220](#))

Play iterated games. All the returns in life, whether in wealth, relationships, or knowledge, come from compound interest. ([Location 225](#))

Learn to sell. Learn to build. If you can do both, you will be unstoppable. ([Location 230](#))

Specific knowledge is found by pursuing your genuine curiosity and passion rather than whatever is hot right now. ↓ Building specific knowledge will feel like play to you but will look like work to others. ([Location 234](#))

Code and media are permissionless leverage. They're the leverage behind the newly rich. You can create software and media that works for you while you sleep. ([Location 251](#))

If you can't code, write books and blogs, record videos and podcasts. ([Location 254](#))

There is no skill called "business." Avoid business magazines and business classes. ([Location 258](#))

Study microeconomics, game theory, psychology, persuasion, ethics, mathematics, and computers. ([Location 260](#))

Reading is faster than listening. Doing is faster than watching. ([Location 261](#))

You should be too busy to “do coffee” while still keeping an uncluttered calendar. ([Location 262](#))

Set and enforce an aspirational personal hourly rate. If fixing a problem will save less than your hourly rate, ignore it. If outsourcing a task will cost less than your hourly rate, outsource it. ([Location 264](#))

Become the best in the world at what you do. Keep redefining what you do until this is true. ([Location 268](#))

Your summary says “Productize yourself”—what does that mean? “Productize” and “yourself.” “Yourself” has uniqueness. “Productize” has leverage. “Yourself” has accountability. “Productize” has specific knowledge. “Yourself” also has specific knowledge in there. So all of these pieces, you can combine them into these two words. If you’re looking toward the long-term goal of getting wealthy, you should ask yourself, “Is this authentic to me? Is it myself that I am projecting?” And then, “Am I productizing it? Am I scaling it? Am I scaling with labor or with capital or with code or with media?” So it’s a very handy, simple mnemonic. [78] ([Location 274](#))

Technology democratizes consumption but consolidates production. The best person in the world at anything gets to do it for everyone. ([Location 290](#))

No one can compete with you on being you. Most of life is a search for who and what needs you the most. For example, I love to read, and I love technology. I learn very quickly, and I get bored fast. If I had gone into a profession where I was required to tunnel down for twenty years into the same topic, it wouldn’t have worked. I’m in venture investing, which requires me to come up to speed very, very quickly on new technologies (and I’m rewarded for getting bored because new technologies come along). It matches up pretty well with my specific knowledge and skill sets. [10] ([Location 319](#))

I have some sales skills, which is a form of specific knowledge. I have some analytical skills on how to make money. And I have this ability to absorb data, obsess about it, and break it down—that is a specific skill that I have. I also love tinkering with technology. And all of this

stuff feels like play to me, but it looks like work to others. There are other people to whom these things would be hard, and they say, “Well, how do I get good at being pithy and selling ideas?” Well, if you’re not already good at it or if you’re not really into it, maybe it’s not your thing—focus on the thing that you are really into. ([Location 333](#))

Another tweet I had that is worth weaving in, but didn’t go into the “How to Get Rich” tweetstorm, was very simple: “Escape competition through authenticity.” Basically, when you’re competing with people, it’s because you’re copying them. It’s because you’re trying to do the same thing. But every human is different. Don’t copy. [78] ([Location 351](#))

The best jobs are neither decreed nor degreeed. They are creative expressions of continuous learners in free markets. ([Location 357](#))

The most important skill for getting rich is becoming a perpetual learner. ([Location 358](#))

Knowing how to be persuasive when speaking is far more important than being an expert digital marketer or click optimizer. Foundations are key. It’s much better to be at 9/10 or 10/10 on foundations than to try and get super deep into things. ([Location 368](#))

You said, “All the returns in life, whether in wealth, relationships, or knowledge, come from compound interest.” ([Location 373](#))

Compound interest also happens in your reputation. If you have a sterling reputation and you keep building it for decades upon decades, people will notice. Your reputation will literally end up being thousands or tens of thousands of times more valuable than somebody else who was very talented but is not keeping the compound interest in reputation going. ([Location 379](#))

I love working with Elad because I know when the deal is being done, he will bend over backward to give me extra. He will always round off in my favor if there’s an extra dollar being delivered here or there. If there’s some cost to pay, he will pay it out of his own pocket, and he won’t even mention it to me. Because he goes so far out of his way to treat me so well, I send him every deal I have—I try to include him in everything. Then, I go out of my way to try and pay for him. Compounding in those relationships is very valuable. [10] ([Location 385](#))

The reason I say this is not to make some glib comment about how 99 percent of your life is wasted and only 1 percent is useful. I say this because you should be very thoughtful and

realize in most things (relationships, work, even in learning) what you're trying to do is find the thing you can go all-in on to earn compound interest. ([Location 401](#))

Without ownership, when you're sleeping, you're not earning. When you're retired, you're not earning. When you're on vacation, you're not earning. And you can't earn nonlinearly. ([Location 441](#))

Knowledge only you know or only a small set of people knows is going to come out of your passions and your hobbies, oddly enough. If you have hobbies around your intellectual curiosity, you're more likely to develop these passions. [1] ([Location 459](#))

I only really want to do things for their own sake. That is one definition of art. Whether it's business, exercise, romance, friendship, whatever, I think the meaning of life is to do things for their own sake. Ironically, when you do things for their own sake, you create your best work. Even if you're just trying to make money, you will actually be the most successful. ([Location 461](#))

Follow your intellectual curiosity more than whatever is "hot" right now. If your curiosity ever leads you to a place where society eventually wants to go, you'll get paid extremely well. [3] ([Location 470](#))

You want to know how to do something other people don't know how to do at the time period when those skills are in demand. [1] If they can train you to do it, then eventually they will train a computer to do it. ([Location 473](#))

Tags: blue

Think about what product or service society wants but does not yet know how to get. You want to become the person who delivers it and delivers it at scale. That is really the challenge of how to make money. ([Location 477](#))

It scales very, very well. If you get good at managing capital, you can manage more and more capital much more easily than you can manage more and more people. [78] ([Location 492](#))

The final form of leverage is brand new—the most democratic form. It is: "products with no marginal cost of replication." This includes books, media, movies, and code. Code is probably

the most powerful form of permissionless leverage. All you need is a computer—you don't need anyone's permission. [1] ([Location 494](#))

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Probably the most interesting thing to keep in mind about new forms of leverage is they are permissionless. They don't require somebody else's permission for you to use them or succeed. For labor leverage, somebody has to decide to follow you. For capital leverage, somebody has to give you money to invest or to turn into a product. ([Location 508](#))

A leveraged worker can out-produce a non-leveraged worker by a factor of one thousand or ten thousand. With a leveraged worker, judgment is far more important than how much time they put in or how hard they work. ([Location 519](#))

What you want in life is to be in control of your time. You want to get into a leveraged job where you control your own time and you're tracked on the outputs. If you do something incredible to move the needle on the business, they have to pay you. Especially if they don't know how you did it because it's innate to your obsession or your skill or your innate abilities, they're going to have to keep paying you to do it. ([Location 526](#))

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When you do just the actual work itself, you'll be far more productive, far more efficient. You'll work when you feel like it—when you're high-energy—and you won't be trying to struggle through when you're low energy. You'll gain your time back. ([Location 532](#))

Forty hour work weeks are a relic of the Industrial Age. Knowledge workers function like athletes—train and sprint, then rest and reassess. ([Location 535](#))

You start as a salaried employee. But you want to work your way up to try and get higher leverage, more accountability, and specific knowledge. The combination of those over a long period of time with the magic of compound interest will make you wealthy. [74] ([Location 590](#))

CEOs are highly paid because of their leverage. Small differences in judgment and capability really get amplified. [2] ([Location 605](#))

We waste our time with short-term thinking and busywork. Warren Buffett spends a year deciding and a day acting. That act lasts decades. ([Location 611](#))

Just from being marginally better, like running a quarter mile a fraction of a second faster, some people get paid a lot more—orders of magnitude more. Leverage magnifies those differences even more. Being at the extreme in your art is very important in the age of leverage. [2] ([Location 613](#))

You will never be worth more than you think you're worth. No one is going to value you more than you value yourself. You just have to set a very high personal hourly rate and you have to stick to it. Even when I was young, I just decided I was worth a lot more than the market thought I was worth, and I started treating myself that way. ([Location 625](#))

Wealth creation is an evolutionarily recent positive-sum game. Status is an old zero-sum game. Those attacking wealth creation are often just seeking status. ([Location 662](#))

Spend more time making the big decisions. There are basically three really big decisions you make in your early life: where you live, who you're with, and what you do. ([Location 676](#))

Figure out what you're good at, and start helping other people with it. Give it away. Pay it forward. Karma works because people are consistent. On a long enough timescale, you will attract what you project. But don't measure—your patience will run out if you count. [7] ([Location 686](#))

Retirement is when you stop sacrificing today for an imaginary tomorrow. ([Location 716](#))

I'm always "working." It looks like work to others, but it feels like play to me. And that's how I know no one can compete with me on it. ([Location 740](#))

The winners of any game are the people who are so addicted they continue playing even as the marginal utility from winning declines. ([Location 757](#))

Become the best at what you do. Refine what you do until this is true. Opportunity will seek you out. Luck becomes your destiny. ([Location 793](#))

Apply specific knowledge with leverage and eventually, you will get what you deserve. It takes time—even once you have all of these pieces in place, there is an indeterminate amount of time you have to put in. If you're counting, you'll run out of patience before success actually arrives. ([Location 832](#))

Your real résumé is just a catalog of all your suffering. ([Location 844](#))

There's no shortcut to smart. ([Location 868](#))

Hard work is really overrated. How hard you work matters a lot less in the modern economy. What is underrated? Judgment. Judgment is underrated. [1] Can you define judgment? My definition of wisdom is knowing the long-term consequences of your actions. Wisdom applied to external problems is judgment. They're highly linked; knowing the long-term consequences of your actions and then making the right decision to capitalize on that. [78] ([Location 873](#))

The direction you're heading in matters more than how fast you move, especially with leverage. ([Location 880](#))

If you can't rederive concepts from the basics as you need them, you're lost. You're just memorizing. [4] ([Location 892](#))

What you feel tells you nothing about the facts—it merely tells you something about your estimate of the facts. ([Location 917](#))

It's actually really important to have empty space. If you don't have a day or two every week in your calendar where you're not always in meetings, and you're not always busy, then you're not going to be able to think. ([Location 918](#))

It's only after you're bored you have the great ideas. ([Location 922](#))

Facebook redesigns. Twitter redesigns. Personalities, careers, and teams also need redesigns. There are no permanent solutions in a dynamic system. ([Location 953](#))

If you have a criticism of someone, then don't criticize the person—criticize the general approach or criticize the 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 praise the person, specifically. Then people's egos and identities, which we all have, don't work against you. They work for you. [4] ([Location 969](#))

Decision-making is everything. In fact, someone who makes decisions right 80 percent of the time instead of 70 percent of the time will be valued and compensated in the market hundreds of times more. ([Location 976](#))

Mental models are really just compact ways for you to recall your own knowledge. [78] ([Location 993](#))

I don't believe I have the ability to say what is going to work. Rather, 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 incorrect judgments. [4] ([Location 999](#))

You're biologically not built to realize how many choices there are. Historically, ([Location 1048](#))

Simple heuristic: If you're evenly split on a difficult decision, take the path more painful in the short term. ([Location 1055](#))

By definition, if the two are even and one has short-term pain, that path has long-term gain associated. With the law of compound interest, long-term gain is what you want to go toward. Your brain is overvaluing the side with the short-term happiness and trying to avoid the one with short-term pain. So you have to cancel the tendency out (it's a powerful subconscious tendency) by leaning into the pain. As you know, most of the gains in life come from suffering in the short term so you can get paid in the long term. ([Location 1059](#))

We live in the age of Alexandria, when every book and every piece of knowledge ever written down is a fingertip away. The means of learning are abundant—it's the desire to learn that is scarce. [3] ([Location 1074](#))

Read what you love until you love to read. ([Location 1083](#))

I don't actually read much compared to what people think. I probably read one to two hours a day. That puts me in the top .00001 percent. I think that alone accounts for any material success I've had in my life and any intelligence 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. ([Location 1095](#))

It's not about "educated" vs. "uneducated." It's about "likes to read" and "doesn't like to read." ([Location 1121](#))

Then you can just learn. If you're a perpetual learning machine, you will never be out of options for how to make money. ([Location 1149](#))

You know that song you can't get out of your head? All thoughts work that way. Careful what you read. ([Location 1178](#))

Don't take yourself so seriously. You're just a monkey with a plan. ([Location 1186](#))

The first rule of handling conflict is: Don't hang around people who constantly engage in conflict. I'm not interested in anything unsustainable or even hard to sustain, including difficult relationships. [5] ([Location 1418](#))

Self-discipline is a bridge to a new self-image. ([Location 1460](#))

You always have three options: you can change it, you can accept it, or you can leave it. What is not a good option is to sit around wishing you would change it but not changing it, wishing you could leave it but not leaving it and not accepting it. That struggle or aversion is responsible for most of our misery. The phrase I probably use the most to myself in my head is just one word: "accept." [5] ([Location 1470](#))

You're going to die one day, and none of this is going to matter. So enjoy yourself. Do something positive. Project some love. Make someone happy. Laugh a little bit. Appreciate the moment. And do your work. [8] ([Location 1508](#))

Your goal in life is to find the people, business, project, or art that needs you the most. There is something out there just for you. What you don't want to do is build checklists and decision frameworks built on what other people are doing. You're never going to be them. You'll never be good at being somebody else. [4] ([Location 1525](#))

Ninety-five percent of what my brain runs off and tries to do, I don't need to tackle in that exact moment. If the brain is like a muscle, I'll be better off resting it, being at peace. When a particular problem arises, I'll immerse myself in it. Right now as we're talking, I'd rather dedicate myself to being completely lost in the conversation and to being 100 percent focused on this as opposed to thinking about "Oh, when I brushed my teeth, did I do it the right way?" ([Location 1706](#))

Impatience with actions, patience with results. ([Location 1782](#))

As Nivi said, inspiration is perishable. When you have inspiration, act on it right then and there. [78] ([Location 1788](#))

Scott Adams famously said, "Set up systems, not goals." Use your judgment to figure out what kinds of environments you can thrive in, and then create an environment around you so you're statistically likely to succeed. ([Location 1790](#))

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 myself while working the least hard possible. I want to live in a way that if my life played out 1,000 times, Naval is successful 999 times. He's not a billionaire, but he does pretty well each time. He may not have nailed life in every regard, but he sets up systems so he's failed in very few places. [4] ([Location 1793](#))

Read everything you can. And not just the stuff that society tells you is good or even books that I tell you to read. Just read for its own sake. Develop a love for it. Even if you have to read romance novels or paperbacks or comic books. There's no such thing as junk. Just read it all. Eventually, you'll guide yourself to the things that you should and want to be reading. ([Location 1829](#))

The hardest thing is not doing what you want—it's knowing what you want. ([Location 1841](#))

Holding back means staying in bad relationships and bad jobs for years instead of minutes. ([Location 1850](#))

Value your time. It is all you have. It's more important than your money. It's more important than your friends. It is more important than anything. Your time is all you have. Do not waste your time. ([Location 1859](#))

People who live far below their means enjoy a freedom that people busy upgrading their lifestyles can't fathom. [11] ([Location 1870](#))

A taste of freedom can make you unemployable. ([Location 1873](#))

The real truths are heresies. They cannot be spoken. Only discovered, whispered, and perhaps read. ([Location 1894](#))

Books (Since there are so many links in this section, you may prefer a digital copy. Go to Navalmanack.com to get a digital version of this chapter for your convenience.) ([Location 2002](#))

Reading (learning) is the ultimate meta-skill and can be traded for anything else. ([Location 2220](#))

Earn with your mind, not your time. ([Location 2221](#))

99 percent of all effort is wasted. ([Location 2222](#))