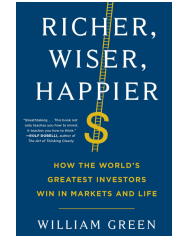


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## Transcript from Author interview: William Green, “Richer, Wiser, Happier”

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William Green is the author of *Richer, Wiser, Happier: How the World's Greatest Investors Win in Markets and Life* (Scribner/Simon & Schuster). Over the last quarter of a century, he has interviewed many of the world's best investors, exploring in depth the question of what qualities and insights enable them to achieve enduring success. He's written extensively about investing for many publications and has been interviewed about the greatest investors for magazines, newspapers, podcasts, radio, and television. He has also given many talks about the lessons we can learn from the most successful investors, not only about how to invest but about how to improve our thinking.

Green has written for many leading publications in the US and Europe, including *The New Yorker*, *Time*, *Fortune*, *Forbes*, *Barron's*, *Fast Company*, *Money*, *Worth*, *Bloomberg Markets*, *The Los Angeles Times*, *The New York Observer Magazine*, and *The Economist*. He has reported in places as diverse as China, India, Japan, the Philippines, Bangladesh, Saudi Arabia, South Africa, the US, Mexico, England, France, Monaco, Poland, Italy, and Russia. He has interviewed presidents and prime ministers, inventors, criminals, prize-winning authors, the CEOs of some of the world's largest companies, and countless billionaires.

While living in London, Green edited the European, Middle Eastern, and African editions of *Time*. Before that, he lived in Hong Kong, where he edited the Asian edition of *Time* during a period in which it won many awards.

Green has collaborated on several books as a ghostwriter, co-author, or editor. One of them became a #1 *New York Times* and #1 *Wall Street Journal* bestseller in 2017. He also worked closely with a renowned hedge fund manager, Guy Spier, helping him to write his much-praised 2014 memoir, *The Education of a Value Investor: My Transformative Quest for Wealth, Wisdom, and Enlightenment*. Green also wrote and edited *The Great Minds of Investing*, which features short profiles of 33 renowned investors, along with stunning portraits created by Michael O'Brien, one of America's preeminent photographers.

Born and raised in London, Green was educated at Eton College, studied English literature at Oxford University, and received a Master's degree from Columbia University's Graduate School of Journalism. He lives in New York with his wife, Lauren, and their children, Henry and Madeleine.

**For more information, please check out William's website or social media profiles**

<https://www.williamgreenwrites.com>

Twitter @williamgreen72

LinkedIn @ William Green

*[This transcript has been slightly edited for more enjoyable reading:*

**Henrik Andersson:** So, it's a great pleasure to welcome you, William to, to this second interaction. First time we sort of met was through a written interview you did after you published your book, "Great Minds of Investing".

**William Green:** Thank you Henrik I'm really delighted to be with you, again, appreciate the opportunity.

**Henrik Andersson:** So, can we just start on that end what has happened in the life of William Green since that book came out?

**William Green:** Well, it's been a good five years. And so, what I ended up doing is I decided that I wanted to go much deeper on certain themes that have fascinated me for many years, I've been obsessed with investing really, for the last 25 years. And my interest in investing has evolved over that period, I write about this in my new book, Richer, Wiser, Happier that when I started to be obsessed with investing, it was really mainly about the money, it was this sort of smart game, where I thought this will be great if I could make a bit of money without having to work just by basically placing a few bets. That's spectacular. And then I got this opportunity over the years, because I was writing for places like Forbes and Fortune and Money and Barrons and Time, I had this opportunity to interview all of these great investors. And so, over the years, as I met all of these remarkable people, my interest in investing deepened. And I started to think, well, these are really remarkable people. And there's a lot that I can learn from them, not just about how to get rich, but actually about how to think that I had to live more wisely. And that is something that I would say I wrote about, in the Great Minds of Investing in an oblique way. I wrote about some people I really admired. And I tried in each of these short portraits of these people to include a little bit of insight about how to live, a little bit of insight about how to invest, and a little bit of insight into their personalities. But those were almost like haikus, the longest was about 150 words. And so, this time around in richer ways, and happier. I took a very different approach. And I thought, okay, if I double down or quadruple down, or quintuple down on the most important, most interesting, most fascinating, most impressive investors I've ever met. And I really focus on what they can teach. That's going to be really interesting, really valuable. So, there were people like Howard Marks who I'd interviewed a couple of times before, who I thought, well, if I could really spend time with Howard and figure out, for example, how this concept of mujo which is a Japanese term for impermanence, how that's really shaped his approach to investing and life. That would be really fascinating. What are the deep implications of that? And if everything is changing, and the world is impermanent, and the future is unknowable? What are the profound implications of that for us both in investing and life? And so, what I've really been doing over the last five years since we spoke last, is going deep on those big questions like that, and returning to these people that I find most insightful and most impressive that I've either interviewed in the past or read about in the past and for this new book, I was drawing on some of the most important interviews that I've done in the past with people like Sir John Templeton and Bill Miller in the light. Jack Bogle, Peter Lynch, these extraordinary people, Bill Ruane, but I also spent hundreds of hours literally interviewing more than 40 people just for this book and in some cases, I would spend five days with them or two days with them or with multiple investors. So, it was in some ways a mad venture that I was going to go so deep on these big questions and on these big authors, and it's been both incredibly difficult, and testing, and really, I would say the most fulfilling thing that I've ever done in my professional life.

**Henrik Andersson:** I mean, I wish I had a copy here of *The Great Minds of Investing*, it's a beautiful book physically and the content of it, but it's in my "work-office" and not in my "home-office" here. Unfortunately, that's the way it is. But you actually mentioned that you, even four or five years ago, that you were on to this line of thinking. I think you said in our written interview, and I'm quoting, "I was trying to figure out at some level, not just how to invest and accumulate wealth, but how to live a fulfilling, happy and successful life." That was about your on-going conversation with Guy Spier. So, this is really what you then did for the next five years? Quite literally?

**William Green:** Yeah, yeah. And it's an ongoing quest and search, right? There's a very small subset of truly great investors, led, I think, really, by Charlie Munger, that regard investing as a form of worldly wisdom, which is a phrase that Ben Franklin used. And so, what we're talking about here, is not just about making money, money was clearly important to people like Charlie Munger and Warren Buffett. It was partly for Munger, it was about being answerable to nobody, and having true independence, so that he could live and think and work the way that he chose to work. That's clearly important. But there's also an aspect of investing that I don't think is just about the money, it's an intellectual inquiry, you're searching for the truth. And if there is such a thing as the truth, and it's also a very pragmatic pursuit. Because if, for example, you have a lot of ego, or a lot of hubris, or you're self-deluding. You have a lot of biases and blind spots and prejudices; it's going to catch up with you. And so, I think, because the stakes are very high, it requires a certain type of thinking, that's very, very powerful, not only for investing, but for life. And so, I really came to regard the greatest investors as practical philosophers, because they are engaged in a quest for truth. And so, for me, this has become investing. Yes, it's a great game. And yes, it's a great way to make money. But I think there's this way of approaching it as a microcosm for how to think better and how to live more wisely. And so, what I ended up doing with this new book, richer, wiser happier is I focused on this tiny subset of investors, who I think are not only extraordinary moneymakers, but actually have a lot to teach us about how to think and how to live. And there was a time where I started to write about someone who was a multi billionaire who had an incredible reputation for making money. And I would write a few paragraphs or maybe a page. And then I just stopped, it felt dead to me. It was kind of inert and lifeless, and the analogy that I've used is that it felt as if the body rejected the organ. And I think what I ended up doing is focusing really intensely on people that I admired. And I'm not saying that everyone I've written about is an exemplary human being, I'm sure there are times where they behaved terribly like the rest of us. You know, we're all deeply flawed. But I think for the most part, or almost entirely that people who I admire and like, I think we can learn a great deal from them about how to live. And in some sense, I see, a lot of the people that I write about is an embodiment of what I would call enlightened capitalism. Because I think they love the game of making money. And I think they're naturally really good at it. But I think they represent something more. And they understand that if it's just about lining their pockets as much as possible and building the biggest mansions and buying the biggest jet, there's something about it, that creates a kind of short circuit in your life. And I remember going once to Omaha, to the Berkshire Hathaway meeting with Guy Spier and Mohnish Pabrai. And we were sitting together, and Buffett said something to the effect of, "if I had six to eight houses, it would actually make my life worse." He said, "there's no correlation between that sort of expenditure and luxury and the quality of my life." And it's funny because I don't remember a single thing that Warren said about investing that year. But that line, that insight, has stuck with me and I suspect that's why 40-45,000 people go each year to Omaha to hear Warren and Charlie talk. It's not because they will be the richest guys on Earth, it's because they actually embodied this kind of enlightened capitalism. I think all of us are a little bit yearning for it, maybe you're in Sweden are a little closer to it, than we are here in the US.

**Henrik Andersson:** Well, it depends which Swede you ask, I think! But in terms of the title, let me ask you, which you allude to yourself just now: I mean “richer and wiser” makes a lot of sense in that they have some connection. But is it your opinion that they’re “happier” due to the success itself? Or is it due to the ability and their opportunity to actually work with something that they love creatively, or that they love like as a craftsmanship? And that's why the happiness comes out? Because some people do like to have their “four houses”, but then that becomes the new normal very quickly, right?

**William Green:** Yeah, there's this wonderful phrase that I don't use in the book, the hedonic treadmill, where you can get on this kind of treadmill of hedonism, where, whatever you do, it's not enough. And I talk about this a lot in the epilogue of the book, which is called Beyond Rich, where I thought, well, here are these people who in some sense has hit the jackpot in life, they've got everything, everything that everyone else fantasize about, so what does the money actually do for them? And I didn't want to just do the reflective thing of saying, well, money doesn't matter, what matters is love, and relationships and the like, because, we know, to a great extent that that's true, we know that there are limitations to what money will do for you. But I wanted to do something a little more nuanced about it. And one of the things that fascinated me, for example, is someone like Ed Thorpe, who I described as the greatest player in the history of investing is actually the guy who figured out how to how to beat the casino of blackjack. You know, he was the inventor of card counting, I believe, then figured out how to beat the casino roulette. Then created this hedge fund that basically didn't have a losing quarter in 20 years. It was absolutely extraordinary. And when I met him in New York City, we met at this beautiful hotel. And I'd say he was 84. At the time, he looked about 60 and he was this handsome rugged looking guy, wearing black leather jacket, very happy, like just exuding joie de vivre. And so, it felt like here's, here's a guy who won in life. And I said to him, you know, what has the money actually done for you? And he said, well, there are certain things that money really has done like I love the fact that I get to live in this beautiful place. And I think it was Laguna Beach at the time. Now he lives about four miles away at another beautiful place overlooking the water. So, the environment matters. He said, look, I would hate to live in a really crowded city where, you know, there's smog, and there's traffic. And here I can work out outside, I can go sailing. I can do all sorts of lovely things, with a beautiful view of the sunset every night over the ocean. And I said, are there any of your possessions that you really value, he really sorts of grinned. And he said, well, I really love my Tesla. He's like, it's just a great car. And so, there were things that he enjoyed. But then what I pointed out is that he never fell to the illusion that if he had more homes, more cars more Tesla's, more money, more everything that that would make him happier. And there were certain things that he did, for example, with a pay strap with a fee structure is fun, where, for example, he just said, Well, if I were to invert this and to say, if I were the shareholder in the fund, what would I regard as fair, and let me do that, that'll be a really helpful guide. So, he could easily have gouged his partners, and instead decided to treat them really honorably and fairly and then later close the fund and retired and stopped managing money for people so he was never driven by the money. So, in a way, there's a nice nuance there that it gave him tremendous independence. It gave him an appealing lifestyle. But it wasn't everything. It didn't control him. It didn't work. He didn't worship the money. And it made me think that one of the things that all of us have to ask is to say, well, what am I prepared to sacrifice for the money. Will I sacrifice my time, my energy, my creativity, my relationships, my family, and he said to me "the single most important contributor to happiness is who you spend your time with." And so I think, when you look at some of the great investors, it's very striking to me how many of their lives end in divorce, because they became so absorbed in their work, it was so intense, and some of them are not very emotionally developed, I would say, you know, there are a lot of great investors who have sort of Asperger's type symptoms without wanting to make amateur diagnosis, they tend to be very unemotional, which allows them to make extremely good analytical decisions under pressure. But



that doesn't necessarily make for great marriage material. And so, I think someone like, Ed Thorpe was really interesting, because he'd had a very, very happy marriage for over 50 years, although his wife died, and he was just about to remarry when I met him. So, he was very, he was very balanced in the way that he lived, he took great care of his health, he was very fit. He was very broad, in his interests, I would say, had good family relationships. And so, it's not that the money doesn't matter. But I think like anything, when you start to worship, it takes control of everything. And so, I think just that basic question of what I am prepared to sacrifice for money is an important filter. And then, I wrote a lot about the importance of your inner state of mind, that if you have money but you don't have control over your emotions, over your inner landscape, you're in deep trouble. And so that's a big subject of exploration in this book.

**Henrik Andersson:** And it's fascinating when you read about the different people you've met in the book, and obviously, that they're very different in their inner scorecard and how they reach it, and what measurements they have. So, it's a diverse set of, I was going to say investors, but a diverse set of personalities really.

**William Green:** I think when you talk about the inner scorecard, which is a phrase that Buffett often uses, you're bringing up a very important issue. I think one of the most important things that the money allows these guys to do and unfortunately, there aren't most of these guys in this industry is it allows them to live in deep alignment with who they are, in all of its peculiarity. So, I write for example, about Khan, who died at the age of 109. And I interviewed him when he was 108, a few months before he died. And, you know, here's a guy who, once he turned 100, still continue to get a bus or a subway to the office in Manhattan. And only after I think he fell in the subway did he allow his son and grandson to get him to take a chauffeur driven car there. But for most of us, the idea of commuting to a skyscraper in midtown Manhattan to work at the age of 108 or 109 is not really our fantasy of a life well lived. But I think for Irving Kahn, it was a kind of... My subtitle, to that section of the book is, I think, "the freedom to work till you're 109." And here was a guy who didn't care about wealth, he cared about books. And so, he had 1000s of books. He didn't really want to go to a good restaurant, he used to talk about how, during the 30s, I think, he and his wife used to go to their favorite Chinese restaurant in downtown New York, and he said, it cost 75 cents. And then he would pause and say, for two. And so, he was the guy who just didn't care about going to fancy restaurants. He didn't want to go on vacation. He didn't like traveling. He didn't like staying in hotels. He just wanted to read and think and study and learn and make good decisions. And he got great pride out of the fact that he created this very good family business that is still run by his son. And his grandson has done a great job for its shareholders. And so, he created something and when I asked him what he was proud of. And what gave him great pleasure as he looks back on this 109-year life. It was what he had created in terms of his business that served his shareholders well, the clients of the company well, is the fact it was it was his children, his busload of grandchildren and great grandchildren. And so, I think maybe one of the reasons why I've been so fascinated by the great investors is that a lot of them have been able to construct their life in alignment with who they are because of that financial freedom but also because to some degree, they're loners, anyway. So, I write in a chapter about Sir John Templeton, who I spent a day with in the Bahamas, once. I call it the willingness to be lonely, this ability to diverge from the crowd. And I think for me, as a writer, and as an individual, there's something a little bit so divisive and independent and outsiderish about me, I think I found I've found a lot of guidance and wisdom in these people who had diverged from the crowd and kind of constructed their own life. And so, I think for all of us, however much money you have, this idea of trying to construct a life that's true to who you are, is profoundly important. And it's something that I learned from Guy Spier when I helped him with his book, *The Education of a Value Investor*, because I could see how he had constructed his physical environment in a way that supported him having a calm life. I moved to America; at about that

time I'd been living in London. And I thought very consciously about how to reboot and restructure my life just in the way that he had thought about when he moved from New York to Zurich after the Financial Crisis.

**Henrik Andersson:** We'll get more into to that later! But it's funny, it reminded me when I read about the scene in Nomad's offices in terms of the Bloomberg terminal sitting at a sideboard without a chair, that's almost like Guy Spier had it in the Zurich office.

**William Green:** I think Guy was inspired by Nick Sleep doing that, at Nomad, I think Guy is a friend of Nick Sleep. And I think, for listeners who don't know, I wrote a chapter about Nick Sleep and his partner Qais Zakaria who he refers to as "Zack" who's remarkable as well. And they beat the market by something like 800 percentage points, 804 percentage points over 13 years - an incredible thing. And part of what they did is they structured this physical environment in a way that was totally counter to what everyone else does on Wall Street. And Nick Sleep said to me, that he regarded Nomad this fund as a kind of high-minded intellectual experiment that was rejecting what he called the sin and folly of Wall Street. And so, one of the things that they did is they said, well, everyone on Wall Street seems to be so obsessed with their femoral information that to use his phrase has a very short shelf life. So, they're constantly thinking about, is this company going to be earnings estimates by one penny? Or, you know what are the earnings estimates for the next 12 weeks? And that's information that just has an incredibly short shelf life. And so, if you're sitting in front of your Bloomberg, then you're bombarded with all of this ephemeral information. It's not that that information isn't very useful or isn't relevant, if you're investing in that way. But it tends not to be a very good way to invest and I think on the whole, Wall Street is incentivized for pushing you to act, so that they get bigger fees. You know, there's a tremendous advantage financially to Wall Street when schmoes like us actually do stuff. And I think what someone like Nick Sleep figured out is that what you really want to do, both in markets and in life, is to construct a calm environment where you have real control over your information diet. And so, one of the things that I think is emblematic of that is that they, as you said, put a Bloomberg terminal, a single Bloomberg terminal, it's small, I visited them in their office on Kings Road in London. It's a small single Bloomberg terminal, not the four screens, and it's on this low side table. And what Zack said to me is Nick consciously put it on that table because after about five minutes, you'd be crouching down, leaning down on the floor, and you'd say oh, my back's killing me, and you'd have to get up. And what Guy Spier said to me many years ago, which I thought was a very profound insight is, is that you can't use the mind on the mind. And so simply becoming aware of your weird mental glitches, like the fact that you're super distractible, or that you're biased, or something doesn't just, for example, studying Charlie Munger, his list of psychological glitches that we're all prone to, doesn't necessarily protect you from those virtues from those flaws. And so, if you can't use the mind on the mind, you have to actually find some very tangible workarounds. And one of them, which paradoxically, Guy doesn't use anymore, he does now use his Bloomberg much more. But maybe in a more limited way. One of them is actually physically to make it difficult for yourself to behave in this kind of impetuous way where you're constantly guzzling and ingesting ephemeral information. And what Nick Sleep said is, what really matters is what he calls destination analysis. So, you're saying, What's a good destination in life for me, for this business, for this investment? So, he would look at a company like Costco, for example, or Amazon, which were massive, massive positions that he's owned for, I think, 18 years and 16 years, respectively? And he would say, what's the ultimate destination? Is it a great destination? And is the company doing what it needs in terms of the inputs to reach that ultimate destination of greatness? So, for example, how are they treating their customers? Are they treating them with respect? Are they giving them great value? Are they making the product more and more efficient, more and more easy to use? Better and better value? Are they mistreating anybody in their ecosystem, whether it's their shareholders, their

suppliers, their customers? Is there some sort of short circuit that's going to cause them not to reach that eventual greatness? So that sort of information actually has a very, very long shelf life. And so, this idea of shelf life became a really important filter for them, not just in how to invest, but how to think. And so, I think that's something that for all of us, whether you're a writer, you're an investor, whether you're running a business, creating a startup, whatever, that focus, on shelf life, on the destination, or on the inputs that will get you there is profoundly important. And you can apply it to any area of your life. So, you can say, well, the ultimate destination, is I'm going to be dead. And so, people are going to come to my funeral, what are they going to say about me? Will I have left a good legacy. And so, one of the things that Nick Sleep said to me is, when I'm 80, I don't want to look back and say, well, I had a jet, and I had four houses. And you know, I want to look back and say, Well, I treated my shareholders equitably. I treated my partner really decently, I created something worthwhile. And then I gave away the money in a way that was really thoughtful and long term and created the maximum amount of benefit in the world. And that's totally different than the kind of short-term focus that most of us have, and that most people on Wall Street have. And so, I think we're all on a kind of spectrum here. But the more we can move towards that kind of long termism towards the deferral of gratification, instead of falling for this kind of constant craving for instant gratification, the better and happier our lives will be. And it struck me as very interesting that this is a kind of master principle that goes through investing business and life, that if you can defer gratification and focus on the long term, instead of yeah, yeah, this donut looks really great. Or, yeah, I'd really like to trade this Game Stop thing for the next 12 seconds. Or, you know, I'd like to, as Nick Sleep would say I'd like to go to this girly bar, or nick sweets from this candy store, you know, those are things that he said they all give a little bit of a thrill in the short term, but they're borrowing from the long term. And so, in some way, there's a kind of superpower to the ability to defer gratification. And in a world where everyone else is becoming extremely short term. Your ability to focus on the long term becomes extraordinarily powerful and I would argue that something that Buffett has done Munger has done. Jeff Bezos has done Nick Sleep has done. It's an extraordinarily powerful idea. And I would argue that it's one of the master principles that we ought to be cloning from the greatest investors.

**Henrik Andersson:** Wonderful. I learn a lot just listening to you now, just the summaries of it all! I was going to ask you what the goal was with this book, and then I read the first profile, when you spend time with Mohnish Pabrai. And then I think I understood what the goal was. It's such a great way to start a book. What was it like to hang out with him?

**William Green:** Mohnish is remarkable. And one of the things that I decided right as I was hatching, my plans for the book is, okay, who, who am I going to spend a lot of time with? Well, I really want to spend time with Mohnish. I really want to spend time with Arnold Van Den Berg. And the book starts with Mohnish and ends with Arnold. And that's by design. Those were the first two interviews that I planned. And even before I think I had sold the book to Scrivener, which then printed Simon Schuster. I went for five days to India with Mohnish. And so Mohnish has spent an enormous amount of time with me over the years. And I had written about him before in the Great Minds of Investing because I'm close friends with Guy Spier who is close friends with Mohnish. I met Mohnish a bunch of times, and Mohnish is a scary figure, right? He's already fearsomely clever, but he is as Guy would put it, there's a kind of sniff test, where he decides whether you pass the sniff test. One of the things that Mohnish said to me is that when he has lunch with someone, for example, he'll, he'll say to himself, did I enjoy that lunch or not? He said, If I didn't enjoy that, there will never be another lunch again. And we just kind of...

**Henrik Andersson:** ...puts a bit of pressure on a person!

**William Green:** Exactly. And then he said, when I meet someone, I'll say is this person going to make me better or worse, if they're going to make me worse, I won't, I won't see them again. And so, there's something very intimidating about that, be very aligned with his own personality and his desire to make himself a better person and to internalize what Warren Buffett said to him, which is, if you hang out with people who are better than you, you can't help but improve. And so, he's kind of weaponized that insight from Warren. And I think part of what's really fascinating about Mohnish is he lives his life by cloning great ideas and insights and habits and practices from other people. Whether it's a Charlie Munger, who he is very close to, or Warren, or even just looking at the portfolio to give like a Seth Klarman, or David Einhorn, people he admires as investors. But he does it with a kind of ferocity and an intensity that I think very few people can appreciate. But this is one of the things that had a profound effect on me writing the book and spending time with Mohnish is there's a beautiful line from Charlie Munger, where he said, take a simple idea and take it seriously. And what Mohnish has done is he'll take a simple idea like the importance of long-term compounding, the magic of long-term compounding, or the power of cloning the best insights and practices that other people have had, or the importance of simply being truthful, ruthlessly truthful, and he'll take those ideas to the nth degree. And this is one of the things that I think distinguishes the greatest investors from most people there is a kind of intensity and a ferocity to them. And this is something that Guy Spier mentioned after reading the manuscript, I added in a footnote, where he said that when you use a phrase, like Mohnish, being a shameless Cloner, which is a phrase that Mohnish uses of himself, he says, that really understates the ferocity and intensity with which he is cloning the best ideas. And he said, underneath the calm, placid exterior of all of the great investors in my book, there's this ferocity. And I thought it was a very profound insight from Guy who's a very, very clever and perceptive jack, that you... It's not that their ideas are necessarily better than our ideas it's the ferocity with which they pursue them. So, I think one way that I'd like people to read my book is almost as a, to mix a metaphor, it's almost a buffet, where there are so many ideas in it, that I'm sharing from these extraordinary investors really powerful ideas that they live by. And I think you want to take a handful of ideas that really resonate for you deeply. And that suit your character and your temperament. And then as Mohnish would say, you do them 1,000% he said it just doesn't work. He said, you know, Mohnish is always full of expletive. So, he said, yeah, these people, they say, yeah, this is a great idea. And then they don't do it is that you know, and there's this idea that they take a good idea, they dabble in it a little bit, they take it for a ride around the block, and then they forget about it. And I'm sure you see it in your own life where you say something like, Okay, I'm going to start to meditate because I can see that's really important. You know, you meditate for three days or three weeks, and then you stop. And, you know, okay, I'm going to, I'm going to start to exercise because it's going to be good for my peace of mind. And then you know, you buy the kettlebells. And you use them once. And I think one of the things that distinguishes great investors from most of us is this fervency, this intensity, to take a simple idea and take it seriously. So, there are a few ideas that I took from the great investors that I decided I'm going to go big on that. That has to become a core of my life. And so, I would hope that the readers will do the same that this isn't just an entertaining read about these remarkable people and how they've done what they've done. But that you actually kind of internalize and weaponize a few of the really key ideas that resonate for you. So that it actually changes your life.

**Henrik Andersson:** So, I have actually taken a lot of notes, with a pencil of course, in the book. One of those notes is actually to re-read it again and again, not in the same order necessarily. But actually, start with the few profiles I've found were the most fascinating. You got to go back again, because you write in a such an enjoyable way, so it's easy to just turn the pages in the book, almost like it's a novel, or drama or whatever and then you forget about the insights. So, one has to go back, I think, and take one chapter at a time...



**William Green:** Well, it's funny, essentially, I sent an early draft of the chapter about Nick Sleep and Zack to Guy Spier and Guy said, I need to keep this by my bed and read it again, again, to internalize certain ideas. And then Mohnish said to me, that that chapter has changed the way he invests. So here you have someone who's one of the great investors, the folks of the first chapter, and he's actually totally changed the way that he views the world. In fact, based on what he learned from Nick in that chapter, but also Zack and I have a feeling that Mohnish has an ability to clone a good idea in a way that almost none of us can. And he said, there's an idea in that chapter that he's going to clone. And as I said to Mohnish, I think he's going to end up making hundreds of millions of dollars off that chapter. And then he's going to give all the money away to educate incredibly smart kids in India through his foundation Dakshana that sends kids to the Indian equivalent of MIT or to medical school, kids with very, very high IQs from typically extremely poor families. And so, I kind of love the idea that in the right hands, the book can actually do a tremendous amount of good, because there are going to be future billionaires who read the book, who figure out they'll listen to certain things and I don't have a particularly great gift for investing or making money. So, an insight from Nick Sleep is not going to enable me to make a fortune, but it's going to enable Mohnish to. I mention it in the notes at the back of the book that a friend of mine read Joel Greenblatt's first book, I write a lot about Joel Greenblatt. And he said that one book, made me \$10 million. And I mentioned that my wife pointed out that I'd read the book, but it didn't make me \$10 million. You know, but in the right hands these insights are very, very powerful, I think. I say that not in self-congratulation, because they're not really my insights. I'm synthesizing the best of what these extraordinary investors have told me. So, I'm using what they've told me to help me in my own life, but I'm really trying to share the best of what they've learned with other people. And one of the joys of writing this book is that there are people who are dead, who I'm writing about, who have passed on extraordinary wisdom in interviews that I did with them maybe 20 years ago. So, I'm sharing things that Sir John Templeton told me 20 years ago about things that he did in the 1930s and 1940s, that he learned during World War Two, another extraordinarily trying period for the world. And sharing things that Bill Ruane, who died many years ago, was an extraordinary investor that learned from a guy called Albert Hettinger who was a great a great investor, who had lost everything in the crash of 1929. And so, I'm literally sharing lessons that the late Bill Ruane learned from the late Albert Hettinger, a century ago. And then I'm sharing lessons that Jack Bogle, the founder of Vanguard, which now manages something like \$6.3 trillion, has learned from his mentor, who was a guy called Walter Morgan. And there's a thing, this story I mention in the notes on additional sources and resources in the book. When I was interviewing Jack Bogle, 20 years ago over the phone, the phone suddenly went dead. And I thought, oh my God I've lost him. And I then realized that he was crying. Because as he talked about his mentor, he became so choked up and he said, I'm sorry, it's putting tears in my eyes. And he said, "Sorry, I realize how much he did for me, and how much I loved him." And that's an extraordinary privilege for me to be able to share the wisdom that someone as extraordinary as Jack Bogle, who Buffett regards as probably the person most worthy of having a statue built for him in the investment world. For me to be able to share the wisdom that Bogle got from his hero, years after Bogle died, that's a great privilege. So, I'm trying to, in some sense, to preserve the best of what these people figured out.

**Henrik Andersson:** I need to ask you one thing: people tend to be attracted to different aspects of investing? Right? It could be the detective work of putting the pieces of the puzzle together? Or it could be the competitive edge of it all, "to be winning", or it could be the mathematical aspects of it. And you obviously see the different traces from the different people you meet in the book, but what do you personally find most fascinating about by investing?

**William Green:** I think for me, one of the great joys with it goes back to my original fantasy of it 25 years ago, which is, it's a game in which if you think well, there are tremendous rewards. Just

by doing a few basic things right. The difference over many years is extraordinarily profound. So, for example, during the worst of the COVID meltdown, where the market had been really crashing, and I think it went down what 34% in a matter of weeks, less than a month. So just during that period, for example, I had been talking to like Howard Marks and Bill Miller and the like. And so, I think, I was temperamentally and intellectually in this position to know this disruption, this threat, uncomfortable as it is personally, as terrible as it is, in human terms, it's an incredible opportunity for investment. And so, I'm not holding myself up as a particularly wise smart investor by any means. But you know, I used that period to buy Berkshire Hathaway several times, because I know that I'm happy to own it for many, many years. And so, it kept falling, and kept falling, and I kept buying kept buying, didn't buy an enormous amount, but I added to my position, because it's like buying a house during a depression, and you just feel like in one day, we'll be happy to have a house in central London, all the heart of Manhattan. So, I took advantage of it to do that. And then I cloned something that Mohnish Pabrai did. So, the last thing that you wanted to do was invest in malls at a time when all the malls around the world had suddenly been forced to close. And nobody wanted to shop. Nobody wanted to be in public. And nobody was able to pay their rent, there were company retailers going bankrupt. And so Mohnish who hadn't bought a single stock in the US, in a couple of years, out of 3700 stocks, couldn't find one stock cheap enough to buy. Suddenly move extremely boldly in buying 13% of Seritage, which is a big mall operator. Since then, for Mohnish, it's gone up, I guess it's at least double. And it's an incredible, incredible example of how to make these very bold, decisive bets. You make you make a few infrequent but bold bets in a concentrated manner. And this is what a lot of the greatest investors do, whether it's Munger or Buffett or Mohnish, or Howard Marks. And so, I cloned that, and I bought Seritage not as cheap as he bought it, but still very cheap. And it's still quite volatile. But there are times where it's been up 70% or 100% or 120%. I'm expecting to own that for many years. And we'll see if I have the temperament and the patience to do it. But there's a great joy to the fact that just by thinking well, I made a decent amount of money off it. And it gives you a sort of, it's helpful financially, but I'm not planning to sell it at any point. So, there is a kind of psychic joy, I think, to thinking well. And I think because I'm a slightly subversive human being, and a bit of an outsider, I always liked the idea of how I do well, just by thinking, and instead of having to do what everybody else does to get their hands dirty. And I was also pretty lazy, I think. And when I interviewed people like Joe Greenblatt, who are one of the greatest investors of all time. I wrote a long chapter about him. He clearly has that same characteristic where he had these professors at Wharton who kept saying, well, the market is efficient, there's no way you can beat the market. And I think he has this kind of subversive glee in showing those professors again, and again, how wrong they were. And, you know, he averaged 40% a year for 20 years. And at that rate, you turn a million dollars into \$837 million. That's the most incredibly emphatic way of telling your professors that they were wrong. And you were right. And I remember him telling me that he came bottom in some class in Business School. And then I think he went to Stanford gets to delay having to get a proper job and dropped out of Stanford Law School. So, it wasn't like he was a model student, but he said he didn't want a job where you work 100 hours a week at a bank or something like that. He said, I wanted a job where you didn't have to punch the clock, and you were paid for good ideas. And I think that's part of the beauty of investing that you'll get paid for good ideas and it doesn't have to be such a good idea like Bogle emphasized to me. His phrase that's really lived in my mind is you don't have to be great. I mean to be successful as an investor. If you just buy an index fund, I mean, even if you just buy one balanced index fund that owns US stocks, US bonds, international stocks and international bonds, which is something that Bogle recommended to me. That's the simplest strategy on Earth, you just have that one fund, and you keep adding to it. When you own it for the long run, you're putting the odds tremendously in your favor, as Ed Thorpe said to me as well, you're kind of playing the rising tide of the market. So that one idea of reducing expenses, riding the market over many years and then if you use a tax advantaged vehicle, so

you're buying an IRA, or 401k, or a 529, or whatever the plan is in your country, so that you're deferring the taxes, and you're reducing expenses. Just the benefit of that piece of good thinking over decades, is so profound. And now that I'm in my early 50s, I have to emphasize early, I started to see some of the benefits of things that I did when I first became obsessed with investing in my 20s, around 24 to 25, that sort of thing. And I had very, very little money then. So, there were things that I did, where I put \$3,000, in a fund that, you know, didn't make a huge amount of difference. But actually, there are things that I did when I first started to put as much money as I could in my 401k, for example, where that like really adds up over time. And I think part of the difficulty is that we're not really wired to appreciate the profound benefits of long-term compounding. So, you know, I have a 22-year-old son, and a 19-year-old daughter and my son doesn't, it's really hard for him to say, well, look, if I have if I have \$1,000 in the world, and I'm working hard to you know, make money by teaching guitar or teaching English I really don't want to put \$100 in a fund, because it'll benefit me in 30-40 years' time. And so, I think it's very difficult to think this way. But there's a kind of beauty to the fact that by mastering a few basic principles and thinking well, you outwit the crowd, and you make a tangible difference to your own life, to your ability to send your kids to college, to the college of their choice to live in a nice home, and to have a little less fear about the uncertainty of the world because, to have to have a little bit of a financial cushion. It's not a guarantee of happiness by any means. But it's definitely a cushion. I mean, in a time like this, like a COVID era or a global financial crisis. What Ervin Khan's son said to me, is that when other people are on the ledge, to think, well, yeah, I'm happy, I wish my life got better. But at least I'm not on the ledge, at least I'm okay. And so, I love the fact that a little bit of thinking well, gives you that degree of independence and security and comfort, and the ability to help other people. So instead of having to go to the food kitchen at a time like this, maybe you have the opportunity actually, to give money to people who are going to the food kitchen. And so that's an Arnold Van Den Berg. So, to me, that's the great gift of the money that he's made is actually that he's able to help other people.

**Henrik Andersson:** I love that one. I don't have as many books as you do behind me...

**William Green:** Yes, but there's a lot more downstairs!

**Henrik Andersson:** ...but I loved this one. [showing the book *Timeless Thoughts*, compiled by Arnold van der Bergh]. So, it's, that's another great one. Listen, time flies. There is obviously so much more in this book to talk about but that'll be up to the readers to discover for themselves. But, one thing makes a lot of difference, which is when you describe your meetings with these different investors and personalities. Which is you don't really just interview them; you actually spend time with them! And that's a big difference. As a reader, I also felt like I was hanging out and spending time with them, learning from them. And that's extremely enjoyable of course.

**William Green:** Thank you. I am trying to take people inside the minds of these people but also inside their lives. And that's a big ask in a way, you know, you're spending in some case with someone like Arnold Van Den Berg. I spent two and a half days with him in Texas, and I'm guessing that we've had at least 20 conversations on the phone. In addition, with Mohnish I traveled all over the place with Tom Gaynor, who's the co-CEO of Markel, a remarkable investor who's a central character. I spent two days with him in Virginia, and not only hung out with him at his office for a day and a half, but when I had dinner with him and his wife in his home, and so you're going with him as he's going in his, in his very inexpensive electric car, because he's a very modest, humble guy, despite his extreme wealth, he's going to the supermarket and shopping for the salmon that he's going to cook for you for dinner at night. And, you know, we had dinner together, and he and his wife, who runs part of the business of Markel, she runs one of the companies that they own. They reach over and hold your hands as they do grace before meal.

And there's something very intimate about that experience, you really see the person at home. And so, I could talk to him about things like what the financial crisis was like, and have his wife say, that was that period, and the 1999-2000 tech bubble, with dark nights of the soul for Tom. And so, Thomas said, once when I had lunch with him in New York City, he said, look, I lost all my hair during the financial crisis. Alright, he's got a lovely sense of humor, and it's very self-mocking instead of being serious, and he said, "no, no, I lost all of my hair." So, I think that's part of what I'm trying to do in the book is take you in a really intimate way into the lives of these people so you're seeing not only how they think but how they deal with difficult times, how they bounce back from these challenges, and what keeps them going. And so, during this recent period of COVID, I talked to Tom Gaynor again, about how he was dealing with it, and he said, "I'm doing what I've always done, which is to put one foot in front of the other to keep going and to keep trying to behave in the right way. And to be to be a model to the people in the company and to treat our customers, right and our shareholders, right." So, there's something about that ability to keep coming back and interviewing someone like Tom Gayner, or someone like Bill Miller who I've interviewed over the last 20 years, and I'm interviewing him again this afternoon. There's something about that intimacy and trust that you build over many years, that I think is very precious. And so, what I'm trying to do is take advantage of the gift that I have, and having that kind of access, which I don't take for granted, it's an amazing thing. And share that with the readers of the book. And so, I really hope it has a tremendous benefit for them, and that they actually learn things that help them financially and professionally, but also help them personally because I think when you read about these remarkable people, you see how they handle things like adversity and setbacks. And what the money does for them and what habits help them and how they balance family and work and things. It's, inspiring. And it's actually enlightening because it actually gives you a sense of all this works. And it's been time tested. So that's my goal for the book. So, I hope it does help your readers and I hope they'll keep in touch with me. If they want to contact me. I'm on Twitter, I think my I think it's Williamgreen72. I'm on LinkedIn, you can email me let me know what resonates with you and what helps you, but I hope it helps you in your life.

**Henrik Andersson:** That's great. Thank you. Ok, last question, and I'd be remiss if I didn't ask you about this! Because Investingbythebooks.com is obviously a site only dedicated financial literature and closely adjacent areas. So - what are you reading now?

**William Green:** Literally in front of me, I have two books on my desk here. And the one that I have right in front of me, which I don't know. It's pretty super. It's called "Beloved of My Soul: Letters of Our Master & Teacher - Rav Yehuda Tzvi Brandwein whose beloved student catalyst scrapbook. And the reason I'm reading it is because today is the death anniversary of Brandwein who a very extraordinary spiritual figure was. And there's this slightly mystical idea that I despite the fact that I try to be a rational human being and to learn from people like Howard Marks and trying to think. I have this sort of slightly more illogical, irrational kind of mystical side, so I'm always very interested in these great spiritual teachers, particularly from two traditions - the Kaballah tradition which I think is very, very profound form of ancient mysticism probably about 4500 years old, and then also Tibetan Buddhism. So, here's another stash of books that I can show you on a similar topic. So, I spend a lot of time when I'm not reading about investing, I'm reading about the stuff that these guys figured out. And it's very profound, because part of what happens is you see these parallels between what they've figured out and what the great investors figured out. And so, there's a beautiful phrase from Josh Waitzkin wrote this wonderful book, *The Art of Learning*, who talks about thematic interconnectedness. And I think what part of what you're trying to do is find ideas from one discipline that also run through another discipline. And so, I write in the book about deferred gratification and how it really runs through the Old Testament. And through business, and through investing and through life. Or the principle of



simplicity, one, which I write about at great length, in a chapter about Joel Greenblatt that runs through investing, it runs through businesses like Apple and Google, it runs through science with Occam's Razor and the principle that you tend to want to find the simplest principle. And so, the stuff that seems kind of tangential that I'm reading, actually, is both delightful in its own right but I think it's also very helpful because, for example, one of the things of Jabatan Buddhism, that they talk about is how to gain control of your mind and emotions, which obviously, these meditation masters like back here, his father and his brother have thought about, to an extraordinary extent and for an investor, having that type of equanimity is enormously powerful. And so this might seem like some mad foray into something obscure, but actually, I think it's interesting that people like Ray Dalio have been doing Transcendental Meditation for decades, I think, one of the lessons of my book, I think, it's that you have to focus on your internal landscape, on, on, on peace of mind, because it affects everything, whether it's how you deal with your family, how you write, how you invest, how you manage your company. And so, so this is, this is how I read really, I am just sort of foraging directions, looking for ideas. And I feel slightly guilty about it, because I'm like, on what possible basis should I be reading about Brandwein, you know, one dead master to another dead master writing letters, but I read them last night, and I read a bit again this morning, because it's very, very powerful. It centers you; I think it brings you back to what matters most in life. So, I think, yeah, I want to I want to learn about how to invest better and how to live better and better habits and the like. But I think it's really helpful to be reading, philosophy, spirituality, literature, I have a book group that just is great fiction, but it's with other writers like Jason Zweig the columnist at the Wall Street Journal is part of it and there's a great screenwriter, who just got nominated for an Oscar for a screenplay that he wrote. And John Gardner who wrote the Idea Factory is in the group and Nina Monk who wrote several great books, and a former editor of Barron's unit, so they're all writers and editors. And so that again, at the moment, we're reading A Sentimental Education by Flaubert. Which has a lot about the stock market and about money and business and corruption and greed in it. So, I think I'm constantly trying to gather ideas from everywhere without any real sense of whether it'll pay off just because it's interesting. And then paradoxically, it ends up kind of paying off because you do find this dramatic interconnectedness. And it's often the ability to draw insights from different disciplines that someone like Charlie Munger did with his latticework of different mental models. I think that's very helpful and ability to broaden your mind, instead of just sticking with one with one discipline,

**Henrik Andersson:** Wonderful stuff. I think all four or five of us that are working with this site are in some sense striving for Charlie Munger's ambition of being a book with two legs sticking out...!

**William Green:** Charlie doesn't read fiction, which I've discussed a lot with Guy Spier. And I think this is one of the few areas where Charlie may be wrong. But for him, it served him well. And he reads so broadly, but I think life without reading great fiction is not as good a life as one in which you read great fiction. And there are things that the great novelists figured out about human nature that is so profound and so beautiful. That I think just to read nonfiction, I think is a mistake. Because, also you want to expose yourself to what the best of humankind has done, and that means listening to great music, seeing great art, visiting beautiful places, great buildings, reading great literature. So, it's possible that even Charlie is sometimes wrong. But probably not, I put my money on Charlie not me.

**Henrik Andersson:** Yes. Well, again William, I very much appreciate your time. I'll let you have some time off before your virtual meeting with Mr. Miller this afternoon. So, thank you so much it's been a real pleasure. We'll stay in touch. Goodbye.



SHARING OF FINANCIAL WISDOM

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