The Tim Ferriss Show Transcripts
Episode 38: Tony Robbins, Part 2
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Tim Ferriss: Well, hello there my dear little munchkins. This is Tim Ferris. I've had some caffeine since you last heard from me. What you're about to hear is part two of a multi part conversation with Tony Robbins. To put it briefly, Tony Robins is a performance strategist with clients including Presidents like Bill Clinton, Mother Theresa – not making this up – Andre Agassi, Leonardo DiCaprio, and Oprah Winfrey, who calls him superhuman. This guy is a force of nature. If you didn't catch the first part, you might want to do that before venturing in.

But really, we jump around a lot, cover a lot of different topics, so if you don't mind your stories as more of a jigsaw puzzle, then by all means, keep on listening from this point on.

And now, without further ado, please enjoy Part 2, the final part of the Tim Ferris Show with Tony Robbins.

Tim Ferriss: To touch on a few things that you mentioned, for those people asking themselves, as I'm sure a lot of people would. How can I apply what this guys do to what I do? And I think that you present a number of observations articulated very, very well that most people will never be exposed to.

For instance, No. 1, asset allocation does not mean choosing if you are going to be a stock picker or invest in index fund for the S&P 500 because those are both – you're in one bucket right now. You're in a –

Tony Robbins: That's right. You're still –

Tim Ferris: You're in a correlated class.

Tony Robbins: That's right. There's no diversification in that.

Tim Ferris: Right. There's more to it –

Tony Robbins: Well, there's some. [Inaudible] there's going to be more companies, but it's all within the same asset class.

Tim Ferris: Yeah, and the other thing is that there are ways to look at the problem that are not obvious right off the bat. For instance, you mentioned something that's so simple, but a lot of people miss. If you invest, and you lost 50 percent, you have to now have 100 percent gain to get back to break even. Put another way, and this is also straight from the book, let's just say – I think it was investing over – it was either five or ten years. The exact number is in the book.

You had invested in the stock market through a – let's just call it off the shelf mutual fund that charges typical fees, and the market moves up and down, up and down, up and down. At the end of that period of time, you're back at the same market levels. You would think if you put in $100,000.00 you'd have $100,000.00 at the end of that period of time, and it ends up that you're, what, 47 percent down?

Tony Robbins: Yeah.

Tim Ferris: Something obscene.

Tony Robbins: It's the idea average rates of return. A lot of people look at what they've invested, and their broker or whoever represents them will show them the portfolio and go, "Look, you started here. You went up 50 percent, you down 50, but you went up 50, and you went down 50, so your average rate of return is zero. But if I put real dollars in there, $100,000.00, and you go up 50 or 150, you go down 50, you're at 75. You go up 50, oops, and then you go down, and you end up at $37,000.00 instead of $100,000.00 because your principle is moving up and down. There are all these ways we could do it. The biggest one – the biggest lie – in the book, I walk you through seven steps.

One of those steps is, frankly, you got to do what most of us guys that probably do the listing on your team already do, and that is, you've got to become and investor – you've got to be an owner, not a consumer, right? The way to do that, frankly, we all know, but very few people do, and that's you take a percentage, you lock it down, and you never see it. It's automated, and you put it aside for investment, and that just occurs. I've showed the people some of the tools that Nobel Prize winners have come up with. If you say, "I have no money," you could invest more for tomorrow by committing when you get a raise or when your company gets to the next level. You automatically have that percentage go there, so it's money you've never seen. It's taking away money from you, so you're willing to commit to it, right?

Tim Ferris: And there are ways to automate that.

Tony Robbins: Totally automated, which is fantastic. They took a group of blue collar workers who couldn't save more than three percent, and they showed in 12 years they had them up to 16 percent with absolutely no sense of loss because once – they show this with example. A behaviorist showed me that if you give that monkey an apple, they go crazy, and if you give them two apples, and they go crazy. If you take one of two apples back, they're angry as hell. They still have the same first apple.

What happens is if you don't give them that second apple, but it gets invested for them that changes your world. You don't feel a sense of loss, there's no drop, and yet, you set yourself up saving 15, 16, and 17 percent in a totally different world than 3 or nothing, obviously. Second piece that I brought this up for is you've got to – it's great to get in the game, but oh, my god, don't get in the game until you understand the rules, until you're and insider, and so I go through the nine biggest lies. They're investment lies. They're Wall Street lies – however you want to call them, but they're marketed lies. There's a reason you believe them.

Tim Ferris: Very heavily marketed lies.

Tony Robbins: Very heavily marketed, to the advantage, right? One of those is this idea that they're going to beat the market. Here are the real facts: 96 percent – check it out – 96 percent of all mutual funds, in a ten year period, will never even match the market. Now, you're paying a premium. You could've owned an index that costed you 20 basis points at Vanguard or 14 basis points depending what index you're doing. Instead, you're paying, they say, one percent. You ask people [inaudible] one percent. In reality, if you go through –

Forbes has shown the average mutual fund when you put all fees in – if you read the perspectives, and there's all these 21 B trading – all these things that don't – they don't call for these very often, but they are money out of your pocket. The average is 3.1 percent. Now, when you do that, here's the problem. No. 1, only four percent – what's your chance of picking the four percent of mutual funds that are going to be succeed. If you go for Morningstar, you're screwed because I can show you statistically. Morningstar's own statistics have shown a ten year period of 250 people that made it to five star Morningstar, four are left. Doesn't work that way, right?

If you could pick the four percent, if you were magically able to do that, you could do all right, but the four percent's always changing. Your chances of picking the right mutual fund are 96 percent against you, and the average person's 401k at work – they don't know how to evaluate this. They try and pick it, so they're screwed. And then you get poor performance, and you pay somewhere between 10 and 30 times more for the same investment you could've got for 10 to 30 times less. It's like the ultimate insult to injury, and go, "Why does that mater?"

Well, first, let me give you this. So people understand what 96 percent means, they're getting a 4 percent possible success rate. If you and I played Black Jack – most people know how to play, right? Twenty-one. I get two face cards that are worth 20 points. If you're inner idiot says hit me when you've got two face cards to go to 21, you have an 8 percent chance of success. You have a greater chance of success there than you did if you're going to find the right mutual fund.

Now, what's your chance of success in getting financially free when – here's what's unbelievable. If I said to you, "Here's an investment I want you to try, Tim. Here's how it works. You put up all the money, you put up all the risk, and I will put up no money, and I will put up no risk, and if you win, I get up to 60 percent of your entire growth of what you have over the lifetime of your investing. You put all money [inaudible], I take no risk, I put no money. And if you lose, you lose, but I don't lose anything. That's a deal that most people would say, "I'd never take in a million years." That's the average mutual fund.

For every one percent you pay, it's 20 percent over the lifetime of your investments of growth because just like there's compounded growth, there are compounded fees. Vogel showed me, 60 percent – I'm saying, "Jack, how's this possible? How could people be doing this?" He goes, "Tony, it's the $13 trillion lie, and it's called one thing, marketing." I've been in the business 64 years. It makes me crazy, and people still do it. The vast majority of people put their money in a mutual fund. They [inaudible]. Now, he's come to be the largest mutual fund in the world with an index fund now with $2.5 trillion. Jack has been modified, but most of the smart money is there.

It's not the average person's money that's in the index today. I go through these lies, and what you don't know in the financial world will hurt you, and the one you're talking about is just the average rate of return. You want to be seduced. When you look at the rate of return – Vogel said to me, he said, "Tony, whatever you see what the rate of return was and you're trying to evaluate that mutual fund based on its past performance, just to know that number's not accurate." Dalbar did a great study – 20 year study. They found the average mutual fund owner of a 20 year period of time made 2.5 percent in that.

The at market was 9.7 percent. That ought to give you sense. I went to go do this book – and I won't mention the person's name. I got all these incredible endorsements from everybody – Nobel Prize winners, self-paid billionaires – all these guys. There's a particular person that I'm – a really good friend. I won't mention his name, but it was ironic. He wrote me back and said, "Well, me team's read it, and they don't think it's really that special." I thought, well, I'm not insulted by that, but it doesn't make sense to me. Then, I found out this person has six mutual funds [inaudible], so it's like, "Okay, I get it, dude."

Tim Ferris: Yeah, don't ask a barber if you need a haircut.

Tony Robbins: That's my fault. I'm so sorry. Never should've asked that question.

Tim Ferris: Sorry about that one, yeah.

Tony Robbins: He should've told me.

Tim Ferris: I should point out to folks, also – some people are very math phobic. Part of the reason I went to Princeton – it's funny, I was reading Carl Icahn's story and how he was told he would never get into any Ivy League schools, and he chose Princeton. Same thing happened to me. I was told I would never get into a whole host of schools because – and this is kind of like your mutual fund guy – humans respond to incentives.

Tony Robbins: Yes.

Tim Ferris: And this particular guidance counselor is incentivized for what? To optimize, to be able to say X percentage of students got into their first choice school. So how do you do that most easily –

Tony Robbins: Lower their expectations.

Tim Ferris: Lower their expectations. I am intrinsically not someone with a lot of math background. Part of the reason I chose Princeton over other schools is because they didn't have a math requirement, and I think for a lot of people listening, they may be like, "Oh, my god, percentages and compounding odds, it's very overwhelming."

I think that part of the reason your book had to be as long as it is – and a book should be as long as it needs to be – is that if you were to try to compress it into a 100 pages, it would be like watching a 3 hour action movie, but getting a frame every 5 minutes. It would be too much in too little space. But when people read the book – when I read the book – you're leading people in a logical progression from building block to building block to building block so that, by the end, people are very, very savvy.

So people who might be thinking, "Oh, my god, this is really a lot for me to absorb –,"

Tony Robbins: I'm probably talking 100 miles an hour. In the book, I'm telling you stories, too, and I think the stories take it away so it's not numberage. You go, "Holy shit, if me and three of my friends all put aside the same amount of money, and we both get a seven percent return, but my buddy's getting fees of three percent, my other buddy's two, and I'm one, and all three of us put $1 million in or $100,000.00," however you want to do it, the person with three percent of fees ends up with 65 percent less money, and they got the same rate of return, they start with the same amount of money over the same period of time.

I think when you see that with real people's lives, you start to go, "I don't have to know the math. I just know one thing. Fees matter, and I'm going to cut those babies to absolute base."

Tim Ferris: Definitely. I'd love to talk – you brought it up a little bit earlier, Ray Dalio and asset allocation because this is something I've been thinking about a lot considering that due to paper gains, I'd say I have a very, very, very high double digits of my entire network in tech.

It's hard, unfortunately, to rebalance when you have a lot of private stock that can't be traded.

Tony Robbins: Of course, been there.

Tim Ferris: You know how it is. Dalio is someone I've been fascinated by for so long. Maybe you could talk about the all seasons and some of the stuff that you chatted with him about as it relates to asset allocation.

Tony Robbins: It might be helpful for people to take a second and give people his background. Ray is not the guy you would think of as master of the universe. He comes from Queens. His dad was a jazz musician. His mom was a homemaker, a really lovely lady. We went from a very lower middle class family and decided that he wanted to go work at a golf course. He bumped into – one of the things I talk about is proximity effects your life, who you're in proximity with, and he's around and in proximity with very wealthy people, and they're talking about stalks, and he got fascinated by it and got hooked on the process, and then got involved in stock business. He got involved in a time period when the world was incredibly volatile, the 1970s.

We're all shaped by our time periods, right? You can imagine, that's a time we have this massive inflation where Nixon goes on television and says, "We're going off the gold standard that money, as you know it called the U.S. dollar, we're not going to back up with anything," and he thought for sure the markets would just be destroyed. The American dollar's going to be worthless. Instead, they had what was called the Nixon rally, and it shook him to his core that as much you think you know, you don't know, and it gave him a lifelong focus that says, "I always want to be asking, what do I not know, and how do I understand the system as a whole, not just my perspective on the system."

He started Bridgewater, and, in fact, my friend, Paul Tudor Jones gave him some of his initial capital to do this and wishing he didn't loan it to him, but would've kept it as an investment, I think, at this stage because Bridgewater is so gigantic. What happened was, he's the guy the U.S. government went to when they're trying' to figure out how to design tips. This is the level of design. He's the guy that when McDonald's is trying' to come out with McNuggets, and they're trying to figure out, "How can we make sure we have enough supply of chicken," he's the one that figure out the math of futures and what to do so McDonald's could even do that.

That's the way this man's brain works. Over the years, he's built this alpha fund, and it's very intensive, and he's lost money in 23 years three times on that fund, and the fund is returned 21 percent compounded for 23 years, just mindboggling – before fees – and then turn around and – after all these years, he said, "Everybody talks about at different stages of your life, you want to protect yourself so you do a balanced portfolio, 50 percent, 60 percent in stocks, maybe, and 40 or 50 percent here in bonds because when the stocks [inaudible] till the bonds are going to balance you out.

He says, “You know, it didn’t look that way in 2000. It didn’t look that way in 2000,” – it all went down in 2008, right? Over the years he said, “This is a story of everybody buys, but it’s not reality in whole segments of time. So he began to pursue what he said – “What if I wasn’t around? I need an almost passive form of investment.

“I need something that wouldn’t take 1,500 people, that my kids could use, that would support all my philanthropic efforts if I wasn’t here.” He questioned everything about asset allocation, that everything everybody’s ever been taught, and came up with a different way of looking at it where he basically said, “There are four things that move the price of any investment. It’s inflation and deflation, and whether the economy is growing or shrinking, and that creates four different seasons in which – every type of investment, stocks, commodities, gold, real estate, it has an ideal environment in which it grows and has environments in which it will absolutely slam.

He figured out, what’s the right combination of these things so that I can reduce the risk to the lowest level of loss possibly, which if you know Warren Buffet’s rules, – everybody talks about the rule, right? It isn’t Warren buffet’s rule. It actually comes from his teacher, which was, rule No. 1 to investing, don’t lose money, rule No. 2, and see rule No. 1, right? So how do I make that happen, but also maximize the amount – the upside, as much upside as possible.

He called this all-weather fund because it works in all weather, and he did all his own investing for ten years, and he back tested it all the way to 1925, and said, “Oh, my god, I have discovered something unbelievable.” So the only people that got to use this are he and then, finally, his clients, the $5 billion net worth, the governments, the pension funds. I’ve read about it, and Ray does very few interviews, as I’m sure you know. You go online, and you won’t find a whole lot – in front of the congress, maybe at Dabos every now and then. He avoids any publicity and so forth. I did all my homework on him.

Paul Tudor’s one of his dearest friends, arranged to go see him, laid it all out, and I was prepared, and then I go into this meeting, and I start asking him – I asked him the question I ask everybody, which was if you couldn’t pass on any of your money to your children – none – all you could pass on was a set of principles, an investment strategy, and a portfolio, what would it be – for your kids because they don't have your skill? Everybody gave me a different answer, but his answer was, "Well, It'd be my all weather approach." I said, "Explain to me how it works." He explained it. [Inaudible] just like me telling it to you right now real fast.

People are probably going, "I don't have a clue what he just said. It seems logical." The one thing he said is, "Tony, when people think they've got a balanced portfolio, stocks is three times more volatile than bonds. So when you're 50/50, you're really 90/10. You really are massively at risk, and that's why when the markets go down, you get eaten alive." So he has this portfolio and describes his principles. I said, "You know what, Ray, this is spectacular. I understand it," but I said, "The only way you really get the result from this is if you know the exact percentages." If you've got somebody's recipe and you put in a gallon when they put in a teaspoon of a particular ingredient, you're messed up.

I said, "I need the secret sauce," and he looks at me and laughs. He goes, "Tony, that's my business," and that's when he gave me the whole $5 billion net worth and got to have $100 million. I said, "Yeah, Ray, but you just got done telling me you haven't taken anybody's money for ten years, and you're not going to take anybody's money." He goes, "Yeah, but it's really complex." I said, "I know it is, but give me a simple version." He said, "No. It's always changing." I said, "Give me a version with no leverage that the average person can do.

"You just got done telling me that going to the broker, going to the wealth manager, going to a mutual fund's not going to work, so help a little guy out. I know you can." I started teasing him. "Come on. Give me the juice." He started laughing, and he goes, "Well, I can give you something. It wouldn't be perfect." I said, "I don't want perfect. Your worst design will be the best design anybody else will ever come up with." I got him going, and he said, "Well, we might do –," and he lays out this simple strategy. I was vibrating. I was like vibrating. I knew what he generosity level was. It was unbelievable. He's never revealed it to anyone in history, and I ran as fast as I could. I got in the helicopter, flew back, went to the guys at Hightower, went to guys at two other firms, and I said, "I want you to run these numbers. Show me the modern period. Show me the last 30 years. What really happened with this formula every single year for 30 years, and what's the overall for the 30 years," because that's – I look at 30 years, 1984, that's when we finally had cell phones even, right? That's when the world started to shift. "Show me 40 years, and shoe me 75 years. Take me back right before the depression even."

The guy texted me in the middle of the night – and he never texts me – and he says, "Have you seen the number?" I'll never forget it. I get up. I call him on the phone. I said, "What? No, I haven't seen them." he e-mails them to me, and Ray was right. Eighty-five to 86 percent of the time, every time period we look at between '85 and '86, 30 years, 40 years, 75 years – and by the way, that's being liberal because the 15 percent where he lost money – the most he ever lost was 3.95 percent in 75 years, and that was 2008 when the market's peaked trough was down 51 percent.

The average loss, including that, was 1.9 percent. For example, one of his losses was 0.03. Really, it was break even, but we called it a loss because, technically, it's a loss. If you could go to Vegas, and you knew that for 75 years the strategy you used had been successful 85 percent of the time, and that when you lose, the most you lost was 1.9 percent, how much would you bet, how long would you continue to gamble?

You still have to figure it out. I mismatched, and I took it to some very large institutions until – "I've never seen anything like this." A couple people said to me, "Don't put this in the book. This is a business, man. This is a business. This'll give you the lowest low volatility with the highest level of return. It averages just under ten percent return with that little volatility. It's mindboggling. I said, "You know what, that's not the spirit it was shared in. We can do this for people if they want to do it. We have that option, but I'm putting it in the book so anybody can do it," and it's in the book, right, then, and there. It's not the only one. There are strategies for everybody.

[Crosstalk]

Tony Robbins: But it's one of the more exciting ones that you'll see.

Tim Ferris: Is there anything – totally up to you – is there anything you can share from what he told you about the all-weather? I will just say as a preface, look, there's so much in this book. No. 1, I've had, also, people say to me, for instance – I'm not going to name any of my close friends, but they're like, "Yeah, [inaudible]. It's fine. Give me the index card."

Tony Robbins: I know, I know.

Tim Ferris: I give them the index card, and there's context missing, and it's not just because they can't, in some cases, do it because they're missing the details.

They won't do it. Get the book. Do yourself a favor.

Tony Robbins: I'm not holding back on that. [Inaudible]. The reason I wouldn't share that is because it'll be out of context. Even in the book, I tell people in the first chapter, I tell them this result. I give them one example, and I say, "I know the first thing you're going to want to do is turn back to that section of the book," and I said, "you can do it, but I caution you." there's a syntax. There's a sequence. The dog [inaudible] with the dog, and if you will go through this sequence, it's going to be more.

If you know that portfolio, but you don't know, truthfully, what your risk tolerance is, you don't know truly what your personal goals are, you don't know what you need to avoid on the fee structure and the tax structures, then that return won't be very great for you. More importantly, you won't go through the psychology it'll actually make you follow through for a while. But if people want to do it – by the way, I then went to Hightower, which is the fifth largest risk investment advisory in the United States, $30 billion in assets, 13th fastest Inc. Magazine Company – fastest growing company – amazing. Elliot is the CEO.

Blown away by this man. I did an interview with him, and I left there going, "This man is committed to total transparency. This man blows out all those fees, all the –," to say it in the nicest way possible, "screwing over that happens to most clients." he eliminates that. He's a former litigator. He's got a moral code that's pretty intense. I loved him. I came back, and I called him up, and I said, "Let's meet again." Met again, and said, "You know, I've got a challenge for you. How about you do this for everybody else?" He said, "What are you talking about?" I said, "How about for the average man that really needs it?"

He says, "What are you talking about?" I said, "Bring that ultra-wealthy advice to them. Show them on a small scale how they can do what your ultra-wealthy client does." He goes, "Tony, you can't make money doing that." I said, "You don't need to make money doing it. I'm doing a book. I'm not making any money doing it. A part of our life has to be for something more. I know that's what you're about, but I'm talking about putting your business at risk. Let's use technology, technology with live people – the balance."

And so we built, together, a site – I put him together with this group called stronghold, which is brilliant. They've been managing my money for me for the past seven years. Ajay Gupta, he's actually the person that Charles Schwab put on the cover of most magazines over the last year as the face of the 10,000 rich investment advisory fiduciaries around the world and around the country.

The two of them got together, came to the site – it's kind of like check your broker. Now, you can go online, and you can put in all your accounts. It'll aggregate them. It's a patented technology. You get to see, A, what your real costs are and everything all in one picture.

There's no BS – versus what you could have the same investments for. It's like, why would I pay more. Second thing it does is it shows you what your real returns have been combined versus what you think they are, and third, it shows you what you what your volatility levels have been, the amount of risk you're taking so you know, and then fourthly, it does a comparison to that versus other portfolios, including the one designed by Ray Dalio, and you can go, "Wow do I want to do this?" If you're a person like half the U.S., less than $25,000 of investable assets, you get to do the whole thing for free. It's given to you. Go do it. If you are not, you have more, you can still do it for free. You can do it yourself, or you can push a button and say, "I'd like you to become my registered investment advisory," and somebody can do it. [Inaudible].

Most of these people you're never going to see anything from, but wealthy people started not wealthy, right? So it's really cool. It's one of those few – as corny as it sounds – win-wins, right? These guys are adding value. I got them to do it, and now, they're proud of it and excited about it. It's a cool thing. To answer your question—

Tim Ferris: What is the URL?

Tony Robbins: The URL is – what is it? Strongholdfinancial.com. I have to double check, but I'm pretty sure that's it.

Tim Ferris: Okay, we'll double-check that and also go into show notes.

Tony Robbins: Got it.

Tim Ferris: You were saying, "To answer your question." I didn't want to cut you off.

Tony Robbins: Oh, which one? I'm sorry.

Tim Ferris: I've had a lot of questions.

Tony Robbins: Which one?

Tim Ferris: Let me highlight a couple things –

Tony Robbins: Oh, yeah, answer your question. I said, I don't want to come in here because even in the book I don't do it until you get there. It won't mean anything to you. I'm not holding anything back. You go to the bookstore, open it up, and not pay anything, I don't give a shit, but I think you'd be doing yourself a disservice. What you really want to do is take yourself through the process so that when you get to that point, you can decide, "Do I want that value to be 20 percent of what I do, 5 percent, 10 percent, none, 50," because there are many different strategies in the book, including, as you said, David Swensen. David Swensen is the most successful institutional investor of all time from Yale.
He took their amount of money from $1 billion to $23.9 billion – $24 billion now – in two decades. He's a rock star, nicest human being you'll ever meet in your life, and doesn't get paid one-tenth the rest of these guys. It's his dedication to Yale is why he's there. He could leave there and be in a totally different place. When he had cancer, the man said, "Listen, I'm not going anywhere. This is my bucket list is to be here and to continue to serve at Yale."

A man of such unbelievable integrity, and he gave me his exact portfolio – it's in the book also – and he actually gets a higher return, to give you an idea, than Ray does, but you have to go through a hell of a lot more volatility, obviously. So that's why your risk – you see why you've got to know what your real – what you think risk reward is and your mindset versus what it really is, you'll know when you go through the book.

Tim Ferris: If I can make a request. I would love for you to interview the guy who hired Swensen for Yale because talk about the best hire of all time.

Tony Robbins: No kidding, no kidding.

Tim Ferris: Just the psychological profile on the guy is so unique. A couple of things I'd just like to underscore for folks.

The first is – and again, this is pulling stuff from the book. I'm going to paraphrase some of it. I think it was Dalio who said something along the lines of loser reacts, winders anticipate.

Tony Robbins: That's actually me, but that's okay.

Tim Ferris: It was you.

Tony Robbins: I'll give it to Ray Dalio.

Tim Ferris: Well—

[Crosstalk]

Tim Ferris: As a compliment. The point being that the – and I guess mark Twain quote is also in there, which was what? History doesn't repeat itself, but it rhymes. There are going to be crashes. There are going to be Black Swan events.

Tony Robbins: For sure.

Tim Ferris: You want to have a plan in place for when that happens. The more you can automate many of your financial decisions, know when to hold them and know when to fold them, and actually have a plan going – so if you buy something and have no plan for selling it, you're going to be subject to impulse reactions that will cause you to do what the vast majority of people do. They buy high, and they sell low.

Tim Ferris: What we're talking about when we talk about asset allocation among other things, just to try distill it for people as a concept is that you have uncorrelated or inversely correlated bucket so that if one portion of your investments goes down because of inflation, deflation – fill in the blank – there are others that go up, which mitigate your risk.

Tony Robbins: That's correct.

Tim Ferris: What you notice – and I live in Silicon Valley. I'm very involved with tech. that's been my sandbox for the last, close to ten years I guess, and what you notice about the – okay, 95 percent. So talk about – venture capital is very similar to mutual funds, so the vast majority are horrible. As a class, they're terrible. However, if you pick the unicorns – and you used the same term –

Tony Robbins: Reid Hoffman or something –

Tim Ferris: Yeah, yeah. There are handfuls that are very, very consistent. So what I've tried to do – just like you tried to do with a lot of these hedge fund managers is look at what separates them.

Tim Ferris: What separates them is you have the vast majority if tech investors who think, "High risk, high return. I've got to swing for the fences. I'll be okay as long as a third of my startups lose money, a third break even, and a third makes money."

Tony Robbins: Wouldn't it be nice if life worked that way?

Tim Ferris: Doesn't it work that way?

Tony Robbins: No, it does not.

Tim Ferris: Whereas the guys who are really good realize that there is a power law distribution. One or two of their investments are going to make up for all of the losses, and they very top of the top – even though they don't talk about it publicly – if they have a lot of their personal money at play – have thought a lot about asset allocation. If they're heavily vested in tech, and it might have an IPO – blah, blah, blah – they have an entire basket of shorts on the NASDAQ or whatever it might be so that, by the way, it's not always high risk, high reward. If their tech goes to hell, they have enough money that is betting it's going to go to hell that they don't lose a lot of money – if at all – or maybe they even make money.

Tony Robbins: That's absolutely true.

Tim Ferris: So I think the –

Tony Robbins: A way of it doing it that you mentioned – I think you're a brave man. I've been going this direction. Maybe I'm wrong, but Ray Dalio actually said something in there that stuck with me brutally. He said, "I don't care what it is that you think you're great at investing in or you like –," most people invest in what they like – real estate or stocks or bonds or what they think they're good at or what they were raised with.

He said, "Whatever asset class you invest in, I promise you, in your lifetime, it will drop no less than 50 and more likely 70 percent at some point. That is why you absolutely must diversify." Because you're saying, "But I can make so much more on this side." I've had people throughout the years – I teach this bucket theory, this idea that [inaudible] asset allocation simple. It sounds like such a big word. It's just buckets. Some of my money is going to go in a secure bucket. That bucket is like a church steeple. It's not going away. It's very secure type investments. Its upside is not gigantic in terms of speed, but you know what, the compounding process, if you give it enough time, those low returns are giant returns still, but you're not going to lose.

And then there's this bucket called – what most people call a growth bucket, I call it risk growth because it's really risk first. On that, I'm taking bigger risks for potentially greater rewards. Now, the question is, how do I balance these? Am I 60/40, 50/50, 80/20, and that's designed, really, by three things, No. 1, what's your real risk tolerance, not what you think it is?

Tim Ferris: Yeah, and they're never the same.

Tony Robbins: They're never the same. I do these wealth mastering programs through the years, and invariably, I do some crazy thing like I'll say, "Everybody stand up, make change." They look at me and go, "Make change," and they start reaching in their pockets and making change. Somebody will pull out $5.00 and $10.00. Somebody pulled out $100.00, and someone will come up and they'll take it and give them $5.00. They're like – they don't know how to react.

This goes on for three or four music. The music's going on. I go, "Okay, stop, sit down," and I go on like I'm talking about something else. Invariable, somebody's like, "hey, wait a second. I want my $100.00 back." I said, "Well, what are you talking about?" They said, "I want my $100.00 back. The game's over. I said, "Why'd you think the game is over?" Didn't think the game had ever gone over.

And who said it was your $100.00. It takes a while before they finally get, "I'm stressed about $100.00." What do you think's going to happen when you lose $1 million or a half a million or $100,000.00 or $10,000.00? Your risk tolerance is not what you think it is. So when you find out what your risk tolerance is – and we've got great ways to do that in the book – and then you figure out, really, how much time do you have? When you're younger, you got more time to make mistakes, and so you can take bigger risks. You've got timeline on your [inaudible]. And then the next piece is, how much is your cash flow? What's going to be the – if you look at those three things, now you can decide how much goes in my secure bucket and how much goes in my growth, and if you don't make that decision, it's the most important investment decision of your life, according to everybody I interviewed.

Like, what percentage is secure? What percentage is growth and risk? Then, when things come up, you're always going to go for the growth risks. It looks so sexy and exciting, and I can't tell you how many people over the years have done this. They're telling me, "Why would I put money over here when I've got this real estate, and I'm making 120 percent." I have a friend that built some of the first big condos in Vegas back in the boom time, and he actually went to my programs, sold the business.

He had made $200 million, invested in these condos, started building the Panorama Towers and places of that nature, and he was up to like three quarters of a billion. I kept saying to him, "Dude, take some of your growth money and put it in the secure bucket. How many times have I told you this?" He goes, "Tony, I love you. I made $200 million [inaudible], but now what I touch goes to gold."

I'm listening to this and I'm going, "I love you brother, but do you know how many times I've had this conversation," and then guess what happens in 2008? How much do you think he lost? He was worth three quarters of a billion dollars. He had grown that rapidly in those short years. What do you think happened to his net worth?

Tim Ferris: Oh, I'm guessing it went down, according to the Ray Dalio prediction.

Tony Robbins: How about minus $400 million. He didn't just lose what he had. He lost everything out and beyond. So then he's trying to negotiate –

[Crosstalk]

Tim Ferris: He was leveraged –

Tony Robbins: He was leveraged out. He wiped himself out. Most people don't put enough in the security bucket is the lesson, and a guy like Dalio provides you a strategy that's got great sustainability, but there are many approaches in the book.

But you do have to decide how much is secure, how much is growth, and I show you how to do that in the book.

Tim Ferris: I would emphasize at least – I would be curious to hear your thoughts, Tony, but for me, it took me a long time to realize what investing represents for me, and it's not maximizing return. It's maximizing quality of life, and there's a big difference.

Tony Robbins: Yes.

Tim Ferris: For me, at least, I have a very kind of barbell strategy where I have super, super safe stuff and then the startup stuff, but I need to modify that. I want to modify that because it's not currently all seasons at all. For people out there, I think, who might say, "Oh, I don't want to think about it," I would just emphasize that you're making decisions every day about where you allocate your time, your money, your resources, so whether or not you want to call yourself and investor, you are an investor.

Tony Robbins: Totally true.

Tim Ferris: If you make no decision, that's also a decision. It's important to become literate, I think, with a lot of these basic concepts, which is not difficult.

Tony Robbins: [Inaudible] about that. People need to remember that everybody's a financial trader, but most people are making a bad trade because they're trading time for money. Worst trade of your life because you can't get more time. We all know it. What this book will do, if you're willing to just give yourself a chapter a day for month or go crazy on a weekend, you'll go from maybe not even knowing what these terms sound so complex to being juiced because you'll be an insider. You will look at the world in a totally different way. You'll go, "That is the biggest rip off on earth. That won't ever happen to me. That is where I want to go." Make some decisions, and then it's not an everyday thing. Literally, you might do your rebalancing once a year for 15 minutes, unless you're going to be a trader every day.

This shouldn't dominate your life. When did you give yourself the initial education about one of the most important areas of your life? There's only few areas that really impact the quality of your life – your body, your emotions, your relationships, your finances, your career or your business, the spiritual side of your life, and how you use your time – about a half or dozen, maybe seven areas that really affect you, but most people major in minor things.

They know so much more about shit that doesn't matter. I'm saying to people, give yourself a gift of just a short burst of time so that you can truly look at life and be good at this area, and then if you want somebody to do it for you, you can, but at least then you lead them. You're not being led by them.

Tim Ferris: No, definitely, and I think that just like – one of the things that changed my world in startup investing was any company you invest in should be able to return the fund, just as a general – the amount of money that you're investing however X number of years. Just like the $1.00 to $5.00 principle with Tudor Jones, and there are a couple of pithy heuristics, like rules of thumb that I think will change how you view not just money or stocks, but the world in general, such as, assume in the Dalio case that your favorite area, your pet investment bucket is going to decrease by at least 50 percent in the next X period of –

Tony Robbins: 50 to 70 –

[Crosstalk]

Tim Ferris: Even better.

Tony Robbins: 70 will get your attention even more.

Tim Ferris: Yeah, that'll get your attention – and plan accordingly. I think that – yeah, it's been a very fun process to read this and also to connect with you over it. Let me ask, if I could, because I know you've got a lot planned, and I also want to finish up the last few interviews in the book, reading the ones that you did. I'm curious if there are any particular funny stories, or what was the funniest story or interaction you had while researching and writing this book that comes to mind?

Tony Robbins: Well, I think I shared one of them already, I think, is the – funny now. it wasn't funny in the moment is walking in Carl Icahn's office so excited, so prepared, ready to rip open – because this guy, he's got the greatest returns of anybody out there. Very few people know that. I kept going over to the first review that really shoed all the numbers. If you would've invested in him in 1968, you'd have a 31 percent compounded return within his firm versus at Buffet's firm, you'd have a 20 percent return.

People think of Buffet as the ultimate guy. I got all the facts, figures, I'm excited, and to have him literally throwing my video crew out the door and then telling me now audio, I'm like, "How the hell am I going to keep up with this guy? [Inaudible] notes, so that'll be one." A fun moment was introducing Carl Icahn to Jack

Vogel. They didn't know each other, and they're fans of each other. I came from being an outside to now introducing them. Most of the time with these guys, it wasn't as much funny as it was fascinating. It was just seeing the level of the – they play the game.

It's like with a great poker player. They know the psychology. They know the numbers. They know the probability, and you just realize why most people are never going to win because they're not going to win gold medals against these guys that are playing this game day and night, night and day. Some of that isn't new to me just because Paul's been my dearest friend for 21 years now. But it's fascinating to see that in every industry and every sport, there are a few players that play at the highest level, and they have one thing in common above all else – hunger.

It's an unquenchable hunger. You have that hunger. I see that in you. That's why I'm a fan of your work. You're going to keep finding the answer. It doesn't matter what answer you got. I want to know more. Every one of these people has that, and it's fun to be around them because there's energy in every one of these people. They have different styles, but there's an energy, and that energy is driven by that desire, that hunger to know more.

Tim Ferris: The other observation that was reinforced by reading the book was that they also have principles.

Tony Robbins: No doubt.

Tim Ferris: They have operating systems –

Tim Ferris: Without a doubt.

Tim Ferris: That they use, and whether you are trying to lose weight, trying to quit smoking, trying to improve your investment returns, you can ensure against your lesser instincts by having a system –

Tony Robbins: That's right.

Tim Ferris: And putting systems in place so that when you have the impulses that are going to lead to your destruction or eating a cupcake when you shouldn't eat it, that you can mitigate against that, and it's possible you can set these things up in advance. I would love to, before we wrap up, just ask a couple of rapid-fire questions.

Tony Robbins: Sure, go for it.

Tim Ferris: Okay. When you think of the word successful, who's the first person that comes to mind?

Tony Robbins: Gosh, I like Richard Branson. I know why that's the first thing that popped in my head when you said that, only because I think he lives so passionately. He lives life on his terms. There's no bullshit with him. He's having a good time. He's close to his family. Lives on an island like I do [inaudible], but extraordinarily leverage and very conscious man about society and what to do. His [inaudible] program and things like that. He's very social conscious, and yet, still has a great time. He'd be one of the first people I'd think of probably.

Tim Ferris: What have you changed your mind about over the years, any positions you've taken that you've reversed since?

Tony Robbins: You don't have to be perfect in everything you do, including not eating anything enjoyable. That'd probably be a big one my wife would tell you. Gosh, you know, over the years, you're always updating. I don't look at it as changing as much as updating and informing myself. If you thought of it as changing, I'd think you'd find resistance within your own conscientious or your own identity.

Identity plays such a strong wall, the need to be consistent with what you believe, and that's why the political system's so messed up. Somebody can actually grow, and they're seen as inconsistent.

Tim Ferris: Yeah. Oh, it's a mess.

Tony Robbins: It makes the political system not grow. It makes the system locked in place. I don't think there's anything that comes to mind just real directly, but I think there's a constant upgrading, and sometimes it's those two millimeter upgrades that provide the biggest impact.

Tim Ferris: Side note for folks, it's also common among the top venture capitalists and investors, Mark Andreson, who created the graphical web browser, one of his mottos for [inaudible] is strong opinions weakly held. He's ready to be corrected or updated, as you mentioned. What would people be surprised to know about you?

Tony Robbins: Oh, gosh. You should ask my wife that question. I don't know. Some people would not be surprised at all. People in my events – I'm a love bug.

I'm the kind of guy that I can be brought to tears by seeing someone do the right thing, and yet I'll run through that wall, shake the building with 10,000 people in it. I'm a softie really, truly underneath it all. That's what drives all this in me. I love to see people lit up. I love to see people happy. I love to see people freed.

Tim Ferris: I'm going to ask an unusual one, given that answer. What's the first face that comes to mind when you think punchable?

Tony Robbins: Punchable, oh, my gosh. Well, I had an interesting meeting with President Obama. It was actually interesting. I was invited by Mark Benioff to come. It was for 15 billionaires there in Silicon Valley. I was in San Jose, and it was for the President. It was before the second election – his re-election. I voted for the President, so I'm a fan of the President, but I was getting more and more frustrated by watching the style of politics, which was creating a greater and greater division, and it seemed to me a great level inaccuracy, and the promises being made that are very hard not to see.

At that time, it was the whole thing, we're going to raise taxes on the rich, and that's going to balance the budget. I've done the numbers. I did a whole video on it. It shows you can kill every risk person in the United States and take all their money and take all the corporations and all the advertising from the Super Bowl – I do this whole long gig that came from some statistics another man put together for me, but I did it together, and you can't cover the budget for one year, and then what do you do next year? I said to Mark, I said, "Listen, I've supported the President, but honestly, I don't know if I can support the other side, but I don't know that I'm a guy to be there. I don't know if I'm a fan."

I said, "Mark, you and I are so aligned on so much, but the way in which," – how Simpson Bowles was this close, and he let it pass. We had both sides willing to make some tough decisions is beyond me. It lacks the leadership that, fundamentally, the President of the United States, in my mind has to have it. That's my judgement. I'm just a person, but it's like, I don't understand. Taking the easy route is not something that's going to sustain or grow this economy long terms.

And using the political capitol, even though I'm supportive of healthcare, using that healthcare where half the country is upset about it and pushing it down their throat and trying to say it's going to cost less money is just like – there's certain things that – so Mark says, "I agree with you. I agree with you," and Mark is the second largest fundraiser for the President. I said, “Well, then how the hell do you raise all that money?” He goes, “Well, because I feel stronger about him than the other guy, and you and I are aligned with him on so many other things about the environment and people’s right to marriage regardless of sexual preference.” I said, “Of course we are.” he said, “Come. Come and be there.” I said, “You know me. I’m totally respectful, but I’m honest.”

He goes, “Come. I’ll sit you right next the President, and we’ll have a great conversation.” So I went to this meeting, and it was crazy. I’ve worked with so many Presidents over the year, but I have not with Obama, and it’s downtown San Jose. They locked everybody in their buildings and literally, it looked like in one of those movies, you know everybody’s died, and there’s nothing left but the buildings. It was the wildest thing for several blocks.

Took us up in this room. There’s nobody else [inaudible]. There’s these 16 people, many of which you know from Silicon Valley, and I listened, and the President came in and was really wonderful, and he shared some comments and said, “I’m not here to give a speech. You guys have built the biggest companies in the world,” and I’m thinking, “Not me. I don’t’ fit that category.” And so I wasn’t going to say anything, and he said, “But I really want to hear from you guys.” So Mark turns to him and says, “Well, are you ready for some real give and take, Mr. President?” He says, “Yeah.” And he goes, “Okay, who wants to go first?” And he points straight at me.

Tim Ferris: That’s what friends are for. I said, “Mr. President,” I paused – I literally paused. I thought, I shouldn’t do this. I’m not here. They both paid a quarter million bucks to be here.” I actually remember doing this before – I went, “Thousand one, thousand—,” trying to see if somebody else is going to say something.

[Inaudible] he said, “Okay, so, well, Mr. President. I really want you to know I voted for you. I know you’re man of tremendous integrity. I share the same values you do, I believe, but I’m really confused about two things. No. 1, how you think you’ll be able to have a second four year run and get anything done when you have taken the underside and demonized them to a point that they’re never going to work with you.

And my second questions, if I ever get one would be, why didn’t you support Simpson Bowles? I said, “It was right there. It needed to be done.” Long pause, and he said, “Well, those are fair questions,” and he said, “First of all, I don’t think I’ve ever demonized the other party, ever." And I just sat there, and I watched him say it, and it was like, "Are you kidding me? I'm not republican, but come on.

"Both sides have demonized –," and he goes, "They've been really unfair to me," and he went through this piece, and I said, "Mr. President, that's happened with every president, to be fair. That's what they both do, and it's gotten worse throughout the years, for sure. What about Simpson Bowels?" And he says, "Well, Tony," and he [inaudible] about who's in the room, the President knew, and he goes, "Well, Tony, you know, your hedge fund friends, they wouldn't like it if we got rid of the 15 percent tax [inaudible]."

And he goes, "You know, most Americans wouldn't like it if they got rid of their mortgage deduction and all those things. I got a better plan." And I said, "The better plan is you're going to raise taxes back to Bush, on the wealthy, and it takes $4 billion a day to run this country, and you know as well as I do the estimates have all got money in, won't even cover three months of this government's spending, so it won't solve anything. You're going to have to raise taxes on everyone to cover this. How do you deal with that?"

And so he and I went back and forth, and to be fair, I'm telling my version of the story. I'm sure he'd give a different version of the story. But there was a point where I felt I'm losing rapport with every person in this room, but I had to be honest. Finally, at one point, [inaudible] came over and grab my wrist, and he said, "I think that's enough." And the President's – I didn't raise my voice. The President's – honor him. He said, "No, Tony's created some creative tension here. I'm not used to that in these rooms, but it's a fair question." I said, "You know, President, I just want to know because I voted for you, and a lot of people I know voted for you, and I don't know if they will again.

I don't know if they need to. You're going to win anyway. But I'd really love to know what to tell them about how you're going to govern with this level of division." At the end, I just said, "Well, thank you for your time," and then everybody else got up and asked the questions like, "Will you give a shout to the Jews," and things like that. There were no hardballs in there at all, but you know, it's a political environment.

Afterwards, I thought, "Oh, my god, everybody's going to hate me," and then Reid Hoffman walks up to me from LinkedIn and says, "I can't believe you asked him that question. I can't believe you asked him about it. I've been wanting to ask him that question forever. [Inaudible] on you," and I got all these people coming up to me giving me – and then the President came around, and when he came back around, he went to shake everybody's hand.

He shakes my hand. I shook his hand, and I grabbed him with both hands, and I pulled him close to me, and I said, "Mr. President, I'm not some stupid republican who's just looking for some tax break. This week, I fed had a quarter of a million people in San Jose, and I don't live here. I came here to do an event. This is what I do wherever I go. I came from nothing, and I don't forget where I've come from. I care as much as you care, but I'm really concerned about your ability to get your agenda done in the next season of your career if you don't find a way to bridge your communication style with these people.

"Intelligence is not enough. You've got to build relationship," and he stared at me, and he said, "How about you [inaudible] chief of staff and you come visit me at the White House, you and I, one on one for an hour." I was blown away. I thought I didn't reach him at all. It was mindboggling. Mark was right there.

He goes, "That was unbelievable. That was [inaudible]. I loved that. I loved seeing that. That energy back and forth, and you can [inaudible]." So then about a week later, they were getting ready for these debates, and the other side called me and asked me if I work with their particular candidate privately, and I'm not one sided or the other. I want to see a debate that's real. So I worked with Mr. Romney, and that's the first debate they went in, and he did pretty well, and my invitation was no longer extended. I wouldn't say punch in the mouth, but I'd say frustrated because here's a man who has such integrity – President of the United States – and I think a classic human being who cares deeply, smart as a whip, but the failure to find a way to bridge compromise is both sides' responsibility.

But in my mind, as a citizen, the President of the United States has got to make that happen, and there are Presidents who have done that and Presidents that haven't, and I think that's not his fault, but we're at an impasse, politically, that is not allowing us to do the things that I think are necessary for – put our house in order in this country, and easy for an outside to see it, but as a citizen, we all have our right to our opinions. So I don't know if I'd say punch, but shake him.

Tim Ferris: Metaphorically – yeah, right.

Tony Robbins: I think that might be more of a better one.

Tim Ferris: Wow, that's a hell of a story. One last question, and I think people are really going to enjoy this, and I can't wait to see the comments and questions also. I have my moments of doubt – dark moments. I don't know if you have those moments of doubt in yourself anymore –

Tony Robbins: No, never.

Tim Ferris: Never?

Tony Robbins: I'm human.

Tim Ferris: What do you do when you have those dips, when you have those down moments and doubts?

Tony Robbins: Those moments, I've experienced primarily when I've found an inner conflict that's hard to resolve, and that has been in the past when I'm traveling around the world, I feel like I'm made to do what I do as a human being – I'm certainly not the only human being that can help people, but I'm able to help a lot of people, and I feel it's a privilege, and it's a gift, and it's something that's earned and something that is part of grace. Yet, the greatest thing in my life outside of my work and my family is my wife. Ironically, when I met her, she had extreme motion sickness since birth, and I spent almost a decade going everywhere because she would throw up on – we never wanted to be a part, and she would throw up on the flight up and on the flight down, and she literally lost – I don't know – it was 19 pounds, which she couldn't lose.

She was a size zero. I took her to every type of physician. I took her to every kind of natural healer, acupuncturist. I took her to NASA – the expert there – nobody's able to help her. I took her to the guy who works with the Top Gun pilots because if they lose their vestibular system, they're dead.

So he had this system, and he was the only one that could help her maybe 10 percent of the time not throw up, but the process she did – this tightening of her body – created constriction in her lymph fluid, and she developed a tumor. The darkest days when I think I'm made here to do, and it's hurting the person I love most, or I've got to be apart. As corny as it sounds, I just believe that there was a larger lesson that I need to find a way to breakthrough, and we finally did, and she doesn't love motion, but she no longer throws up on any flight.

It was ironically an experience in India, which sounds so bogus to me, but I experienced. She's never thrown up since that time. It's mindboggling. It's this man who really doesn't – he's not of any particular faith. It's called oneness, and he does this form of meditation work where it basically primes your brain to a certain way of being, and it balanced her body out. It's just amazing. The point of the matter is I went through all this pain, all this questioning, all this doubt, but I kept asking, "What's right, what's really," and I trusted my gut even when it was painful to trust my gut.

I've found that that's probably the most useful thing. The other thing you've got to do is – it sounds stupid. Hydrate your ass off. Make sure you rest because in a lowered state of energy, you'll doubt everything, and the worst thing can happen. If you are what I call energy rich, if you are physiologically at a peak, you can slam anything against you, and you'll know. That's not to say you won't have those downs, but that's what I try to do. Put my body back in the strongest place. That'll put your mind back there. Your heart is always there, and then ask, what's right, and live it.

You're still going to make mistakes, and when you do, I think it's forgiving yourself and learning from it and moving the hell on to what's next as quickly as you can so that that experience allows you to help other people. For me, the worst events I've ever gone through in my life have always been the best events because I've figured if I'm experiencing this, someone else is too, and if I figure out, I can help millions of people. That's given me sanity so I don't have to deal with my pain or bullshit or whatever the case may be.

That's a big part of my life, which is ending suffering, which is impossible, but ending it in areas of people's life is possible. It's like they always say – it's corny – suffering is optional pain. Everybody's got pain in their life, but suffering is optional, and I really believe I can help people get out of that, and more importantly than get out of the suffering is to give them an experience of more of the joy that's already inside them, and I live to see that light in their eyes, I'm going to look forward to seeing you at some point at an event because you'll have an have experience of it.

It won't be this discussion. Discussion is wonderful. Experience is ten times better. I always tell people a belief is a poor substitute for an experience. You can believe all you want about what you think is or investing is or what China's like. Go to China. Get in the experience. Go to the event. Then you'll know. I'm a big guy. I put people in the experience as they quick as they can, and I let their spirit and their heart and their soul take over, and that's what my life is about.

Tim Ferris: That's a good mission. That's an amazing mission. Where can people learn more about the book, more about you?

Where would you like them to visit you?

Tony Robbins: I'll give you an address, but they can go to tonyrobbins.com. That's the easiest way, and the book, again, is called *Money Master the Game*, seven simple steps to financial freedom, and what'll I do is I'll give you a site. If people decide to do this, and they go to Amazon, if they'll send me their receipt, I will give them something I did for people during the prepublication period, which is I made three videos that are a fast track – so if somebody's going like, "Six hundred pages seems like a lot to me," well, this will get you going.

I think for a lot of people, the audio video approach is a god approach for them, and it'll take them deeper in the book, but I do want you to know that most people – I don't know if you experienced this – but most people who read the book are entertained because it isn't just some heavy factual piece.

It takes you on a journey, and it's a journey through the financial world, which is wild, weird, crazy stuff happening. It's a journey into the lives of people that started with nothing that are the wealthiest people in the world and how they did it, and it's your own journey about where you're going to take yourself from this point on and how you want to live that life and experiences that you want to not only have for yourself, but what you really want to give.

That's the greatest thing. I look back, and I think about money. Money is nothing but a tool that you either use for a life of service and to increase the quality of life for yourself and the people you love, or it's used on you as a weapon. I'm big on saying, "Time for it to no longer be a weapon used against you," and the only way to do that is educate yourself, and you can do it in a way that's really fun, and that's what this is.

Tim Ferris: Oh, absolutely. Guys, check out the book. Check out Tony. Tony, you've had a huge impact on my life, and just to the entertainment aspect of the book, I have tons of books sent to me – dozens a week – as I'm sure you do – huge stack. A lot of the questions that I asked did not require me to read the book, and I ended up pushing off probably a half dozen important projects of mine because I got pulled into the book. I remember I e-mailed you and I said, "You know, in 20 years, you still have it. Hot damn," that feeling, the Tony Robbins response that I had reading your material back in high school.

I remember you e-mailed me, and you're like, "High school? How old are you? It's a really fascinating read, and I know some of you listening are my friends who are deep in the world of finance. You will find things, whether it's in the interviews at the back, the profiles from the top performers over the last several decades, or within. It's a really fascinating romp with lots of good stories. So Tony, thank you so much for taking the time.

Tony Robbins: Thanks for coming down. Great to meet you in person, finally.

Tim Ferris: Definitely. Hope it's not the last. Thanks.

Tony Robbins: All right, [inaudible] brother. Thank you.