RYAN HOLIDAY is one of the world's bestselling living philosophers. His books, including *The Obstacle Is the Way*, *Ego Is the Enemy*, *The Daily Stoic*, and the #1 *New York Times* bestseller *Stillness Is the Key*, appear in more than forty languages and have sold more than ten million copies. He lives outside Austin with his wife and two boys … and a small herd of cows, donkeys and goats. His bookstore, The Painted Porch, sits on historic Main Street in Bastrop, Texas.

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Since its first publication in 2014, *The Obstacle Is the Way* has sold millions of copies and turned the simple but powerful philosophy of Stoicism into a global phenomenon. From professional athletes and world leaders to entrepreneurs and creatives just starting out, this book has been an invaluable source of wisdom for anyone who wants to become more successful at what they do. Now, Holiday has updated and expanded this modern classic with a new introduction and new chapters featuring a diverse set of inspiring characters.

First articulated by the Roman emperor Marcus Aurelius, this formula for success has been followed by icons across the world and throughout time. From Amelia Earhart to Ulysses S. Grant to Steve Jobs, success for the world's greatest men and women has often come in their moments of toughest adversity – this book shows how we can all turn our own obstacles into opportunities.

THE OBSTACLE *IS THE* WAY

EXPANDED 10TH ANNIVERSARY EDITION

THE TIMELESS ART OF
TURNING TRIALS INTO TRIUMPH

Ryan Holiday

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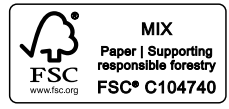

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REFLECTIONS, TEN YEARS LATER

It's not that the last decade—ten years and counting since the publication of this book—was hard for me.

It'd probably be bad form to admit that in a book about overcoming obstacles.

But I think I'm safe to say it was a *lot*.

There were natural disasters, floods and fires, a freeze that broke the power grid and most of our pipes. There was a long drought that was murder on our livestock and land. There was a devastating, tragic pandemic that stretched on for years, dashing so many plans to dust (nearly killing the independent bookstore we opened in the teeth of that virus). There were disputes with business partners, an employee caught embezzling. There were funerals and late-night phone calls with news you never want to get. The company where I made my bones went bankrupt, taking with it not just much of my résumé but what was supposed to be several years' salary worth of stock options.

May you live in interesting times . . . goes the ancient curse.

Well, it's been interesting.

There was a global logistics and supply chain crisis. A paper and printer shortage in publishing. There was a falling out with family. Hundreds of thousands of miles on the road. There was getting skunked on the bestseller lists, creative differences, daily battles with procrastination. There was the steady drift toward fascism, unrest in the streets, the failure of institutions.

It was a lot in a much more welcome direction, too. Ten years of marriage. Having kids. Running businesses. Sunsets and sunrises, beautiful sights and new discoveries. Friendships rekindled, breakthroughs in therapy. Word that this book had made its way into the locker rooms of professional sports teams and the offices of heads of state. Signs that it and my other books had started to sell, like, *really* sell. There was the flood of attention and offers, the financial rewards, the fame, the platform, the expectations that followed . . .

Listening back to the audiobook now (which I've had to re-record for this edition), I hardly recognize the voice of that younger person, that person who had been through so much less, who knew so much less.

Because what's happened in those intervening years is life. Modern life, yes, but also life as it's always been, life not altogether unrecognizable from someone on Zeno's *stoa* back in the third century BCE or nearly five hundred years later in the Rome of Marcus Aurelius.

The simplest idea at the center of this book is that there are hidden advantages in every situation, that businesses and teams and people can take seemingly impossible situations and find ways to triumph over them. "Hard times can be softened," Seneca writes in one of his essays, "tight squeezes

widened, and heavy loads made lighter for those who can apply the right pressure."

While this is true and more essential than ever in difficult times, in experiencing life and all its interestingness in the intervening years, I have come to more fully understand what the Stoics were getting at. The suffering and struggle of centuries of existence taught them something more profound than the fact that every downside has an upside.

How glib it is to talk of silver linings to someone with a cancer diagnosis, someone who has buried a child, someone in the grips of a crippling addiction, someone who has been bombed, someone who has lost their livelihood?

What I understand today is that when the Stoics said that there was an opportunity in every obstacle, what they meant was *the opportunity to practice virtue.* To be a good person despite the bad things that have happened. To do good in the world despite the bad that has befallen you. They were speaking of the idea of *arete.* Excellence—in all forms.

Finding professional advantage? Possibly, but this was not their primary concern. What they meant when they said that the obstacle is the way is that the hardest, most heartbreaking moments of life can be transformed by endurance, by selflessness, by courage, by kindness, by decency.

And they also had more in mind than just adversity. Success, too, is an opportunity to practice virtue. Indeed, it demands it. Because with success comes temptations, comes distractions, comes stress, comes responsibility and obligations and obstacles. How great it is, then, in the face of abundance to be humble, to be disciplined, to be decent, to be generous, to hold true to your values.

Great, but challenging.

One of the great gifts of my life was discovering Stoicism, which I came to at the end of my teens, purely by chance. I desperately needed guidance, some sort of compass for life. Around the same time, I began to hear the first soft sounds of my calling to be a writer and, eventually, I was able to combine these two loves into my career.

When I first approached what is now Penguin Random House with the idea for *The Obstacle is the Way* in the summer of 2012, I can't say they were exactly ecstatic. I was slightly offended, but in retrospect, it was an act of extreme open-mindedness and trust that they were interested in a book about an obscure school of ancient philosophy at all (let alone from a twenty-five-year-old college dropout!). This open-mindedness had its limits, naturally, and their offer was less than half of what I had received for my first book, which was then on the bestseller lists and generating headlines.

My editor, long after the book had found its audience, would tell me that her hope was that I'd get this philosophy stuff out of my system and go back to marketing and business books. She was probably right—the idea was crazy, and I am grateful they let me try. Someone else that I thought was a friend and patron was privately telling people that the book would sell no more than five thousand copies.

Being underestimated is usually an advantage—however frustrating it can feel in the moment. The expectations from everyone were low. The concept was so absurd as a business book that it effectively worked as counterprogramming and generated a bit of attention. *The Obstacle is the Way* did okay its first week, and then sales quickly tapered off . . . but they

never went to zero. Amazon discounted the ebook as some kind of loss leader and the algorithm blessed me. A year and a half or so later, after news that the New England Patriots had read the book on the way to Super Bowl XLIX (and the Seahawks read it after their gut-wrenching loss), suddenly the publisher couldn't keep it in stock. Here we are, a decade later, and *The Obstacle is the Way* has been published in forty languages and has sold over two million copies in English alone.

Sales are great, but what's far more exciting to me is that the "obscure" school of ancient philosophy is no longer quite so obscure. In 2012 there were a few thousand people interested in Epictetus, Seneca, or Marcus Aurelius spread out across the internet. Today, the *Daily Stoic*, which I started in 2016, reaches a million people before nine a.m. each morning. There are more Stoics walking the earth today than ever before in history!

You'll notice that in the text of this book and in the *Daily Stoic* emails, I do not talk about myself. The word "I" appeared in the body text of the first edition of *Obstacle* only once or twice and even then only by accident (it's been corrected in the version you're about to read). But that doesn't mean that my own experiences have not informed my writing and understanding of Stoicism. Of course they have.

In fact, that is itself yet another confirmation of how the obstacle can always be the way.

"A writer—and, I believe, generally all persons—must think that whatever happens to him or her is a resource," the great Jorge Luis Borges once explained. "All things have been given to us for a purpose, and an artist must feel this more intensely. All that happens to us, including our humiliations,

our misfortunes, our embarrassments, all is given to us as raw material, as clay, so that we may shape our art."

Our experiences become the fuel for what we create; the crucible of experience informs and instructs. It doesn't matter how awful, how unfair, how expensive an experience is, I've come to understand that I have the greatest job in the world in that I can take what happens to me, even heartbreak, and turn it into material. In this way, nothing is ever truly a waste; nothing is totally, irredeemably bad. There is always some cold comfort in every experience, some way to move forward from it and use it productively.

I am not alone in this. The same is true for leaders, for comedians, for athletes, for military officers and for parents alike. It doesn't matter what happens to us; it can be for the best if we use it to be better for ourselves and others.

So the pages before you, rooted as they are in history and philosophy, are also the product of my own history—successes and failures, high points and low ones, failures and breakthroughs.

Would I write the book differently if I was starting over? Of course. (Certainly there are changes and corrections I have made in this new anniversary edition). If I were updating it again ten years from now, I would hope I would make changes still, that I would be wiser and understand philosophy more deeply.

But everything in here was something that I needed to hear when I wrote it, a lesson I myself needed to learn most of all. That they have been of value to readers around the world is, as Marcus Aurelius would say, a bit of "nature's inadvertence," a pleasing by-product of a timeless process.

For that's what Stoicism is—a great conversation that

stretches back thousands of years. Men and women talking to themselves, talking themselves through obstacles and opportunities, big moments and small ones, reminding themselves to be excellent, to follow virtue, to do what is demanded of them.

It's my honor to invite you to join it.

The Painted Porch
Bastrop, TX
2024

PREFACE

In the year 170, at night in his tent on the front lines of the war in Germania, Marcus Aurelius, the emperor of Rome, sat down to write. Or perhaps it was before dawn at the palace on the Palatine. Or he stole a few seconds to himself during the games, ignoring the carnage on the floor of the Colosseum below. The exact location is not important. What matters is that this man, known today as the last of the Five Good Emperors, sat down to write.

Not to an audience or for publication but to himself, *for* himself. And what he wrote is undoubtedly one of history's most effective formulas for overcoming every negative situation we may encounter in life. A formula for thriving not just in spite of whatever happens but *because of it*.

At that moment, he wrote only a paragraph. Only a little of it was original. Almost every thought could, in some form or another, be found in the writings of his mentors and idols. But in a scant eighty-five words Marcus Aurelius so clearly defined and articulated a timeless idea that he eclipses the great names of those who came before him: Chrysippus,

Zeno, Cleanthes, Aristo, Junius Rusticus, Epictetus, Seneca, Musonius Rufus.

It is more than enough for us.

> *Our actions may be impeded . . . but there can be no impeding our intentions or dispositions. Because we can accommodate and adapt. The mind adapts and converts to its own purposes the obstacle to our acting.*

And then he concluded with powerful words destined for maxim.

> *The impediment to action advances action.*
> *What stands in the way becomes the way.*

In Marcus's words is the secret to an art known as *turning obstacles upside down*. To act with "a reverse clause" so there is always a way out or another route to get to where you need to go. So that setbacks or problems are always expected and never permanent. Making certain that what impedes us can empower us.

Coming from this particular man, these were not idle words. In his own reign of some nineteen years, he would experience nearly constant war, a horrific plague, possible infidelity, an attempt at the throne by one of his closest allies, repeated and arduous travel across the empire—from Asia Minor to Syria, Egypt, Greece, and Austria—a rapidly depleting treasury, an incompetent and greedy stepbrother as co-emperor, and on and on and on.

And from what we know, he truly saw each and every one of these obstacles as an opportunity to practice some virtue:

patience, courage, humility, resourcefulness, reason, justice, and creativity. The power he held never seemed to go to his head—neither did the stress or burden. He rarely rose to excess or anger, and never to hatred or bitterness. As Matthew Arnold, the essayist, remarked in 1863, in Marcus we find a man who held the highest and most powerful station in the world—and the universal verdict of the people around him was that he proved himself worthy of it.

It turns out that the wisdom of that short passage from Marcus Aurelius can be found in others as well, men and women who followed it like he did. In fact, it is a remarkable constant down through the ages.

One can trace the thread from those days in the decline and fall of the Roman Empire to the creative outpouring of the Renaissance to the breakthroughs of the Enlightenment. It's seen starkly in the pioneer spirit of the American West, the perseverance of the Union cause during the Civil War, and in the bustle of the Industrial Revolution. It appeared again in the bravery of the leaders of the civil rights movement and stood tall in the prison camps of Vietnam. And today it has made its way into the locker rooms of Super Bowl–winning teams, and into the hands of Olympic gold medalists who rely on it just as much as the leaders of cutting-edge businesses, hospitals, and world-changing organizations. It's a tool kit for Special Forces operators and activists alike.

This philosophic approach is the driving force of self-made men and women and the succor to those in positions with great responsibility or great trouble. On the battlefield or in the boardroom, across oceans and many centuries, members of every group, gender, class, cause, and business

have had to confront obstacles and struggle to overcome them—learning to turn those obstacles upside down.

That struggle is the one constant in all of their lives. Knowingly or not, each individual was a part of an ancient tradition, employing it to navigate the timeless terrain of opportunities and difficulties, trial and triumph.

We are the rightful heirs to this tradition. It's our birthright. Whatever we face, we have a choice: Will we be blocked by obstacles, or will we advance through and over them?

We might not be emperors, but the world is still constantly testing us. It asks: Are you worthy? Can you get past the things that inevitably fall in your way? Will you stand up and show us what you're made of?

Plenty of people have answered this question in the affirmative. And a rarer breed still has shown that they not only have what it takes, but they thrive and rally at every such challenge. That the challenge makes them better than if they'd never faced the adversity at all.

Now it's your turn to see if you're one of them, if you'll join their company.

This book will show you the way.

THE OBSTACLE *IS THE* WAY

INTRODUCTION

This thing in front of you. This issue. This obstacle—this frustrating, unfortunate, problematic, unexpected problem preventing you from doing what you want to do. That thing you dread or secretly hope will never happen. What if it wasn't so bad?

What if embedded inside it or inherent in it were certain benefits—benefits only for you? What would you do? What do you think most people would do?

Probably what they've always done, and what you are doing right now: nothing.

Let's be honest: Most of us are paralyzed. Whatever our individual goals, most of us sit frozen before the many obstacles that lie ahead of us.

We wish it weren't true, but it is.

What blocks us is clear. Systemic: decaying institutions, rising unemployment, skyrocketing costs of education, and technological disruption. Individual: too short, too old, too scared, too poor, too stressed, no access, no backers, no confidence. How skilled we are at cataloging what holds us back!

Every obstacle is unique to each of us. But the responses they elicit are the same: Fear. Frustration. Anxiety. Confusion. Resentment. Depression. Anger. Despair.

You know what you want to do but it feels like some invisible enemy has you boxed in, holding you down, holding you back. You try to get somewhere, but something invariably blocks the path, following and thwarting each move you make. You have just enough freedom to feel like you can move, just enough to feel like it's your fault when you can't seem to follow through or build momentum.

We're dissatisfied with our jobs, our relationships, our place in the world. We're trying to get somewhere, but something stands in the way.

So we do nothing.

We blame our bosses, the economy, our politicians, other people, or we write ourselves off as failures or our goals as impossible. When really only one thing is at fault: our attitude and approach.

There have been countless lessons (and books) about achieving success, but no one ever taught us how to overcome failure, how to think about obstacles, how to treat and triumph over them, and so we are stuck. Beset on all sides, many of us are disoriented, reactive, and torn. We have no idea what to do.

On the other hand, not everyone is paralyzed. We watch in awe as some seem to turn those very obstacles, which stymie us, into launching pads for themselves. How do they do that? What's the secret?

Even more perplexing, earlier generations faced worse problems with fewer safety nets and fewer tools. They dealt with the same obstacles we have today *plus* the ones they worked so hard to try to eliminate for their children and others. And yet . . . we're still stuck.

What do these figures have that we lack? What are we missing? It's simple: a method and a framework for understanding, appreciating, and acting upon the obstacles life throws at us.

John D. Rockefeller had it—for him it was coolheadedness and self-discipline. Demosthenes, the great Athenian orator, had it—for him it was a relentless drive to improve himself through action and practice. Abraham Lincoln had it—for him it was humility, endurance, and compassionate will.

There are other names you'll see again and again in this book: Ulysses S. Grant. Thomas Edison. Queen Elizabeth II. Samuel Zemurray. Amelia Earhart. Dwight D. Eisenhower. Richard Wright. Jack Johnson. Theodore Roosevelt. Steve Jobs. James Stockdale. Laura Ingalls Wilder.

Some of these men and women faced unimaginable horrors, from imprisonment to debilitating illnesses, in addition to day-to-day frustrations that were no different from ours. They dealt with the same rivalries, political headwinds, drama, resistance, conservatism, breakups, stresses, and economic calamities. Or worse.

Subjected to those pressures, these individuals were transformed. They were transformed along the lines that Andy Grove, former CEO of Intel, outlined when he described what happens to businesses in tumultuous times: "Bad companies are destroyed by crisis. Good companies survive them. Great companies are improved by them."

Great individuals, like great companies, find a way to transform weakness into strength. It's a rather amazing and even touching feat. They took what should have held them

back—what in fact might be holding you back right this very second—and used it to move forward.

As it turns out, this is one thing all great men and women of history have in common. Like oxygen to a fire, obstacles became fuel for the blaze that was their ambition. Nothing could stop them, and they were (and continue to be) impossible to discourage or contain. Every impediment only served to make the inferno within them burn with greater ferocity.

These were people who flipped their obstacles upside down. Who lived the words of Marcus Aurelius and followed a group that Cicero called the only "real philosophers"—the ancient Stoics—even if they'd never read them. They had the ability to see obstacles for what they were, the ingenuity to tackle them, and the will to endure a world mostly beyond their comprehension and control.

Let's be honest. Most of the time we don't find ourselves in horrible situations we must simply endure. Rather, we face some minor disadvantage or get stuck with some less-than-favorable conditions. Or we're trying to do something really hard and find ourselves outmatched, overstretched, or out of ideas. Well, the same logic applies. Turn it around. Find some benefit. Use it as fuel.

It's simple. Simple but, of course, not easy.

This is not a book of gushing, hazy optimism. This is not a book that tells you to deny when stuff sucks or to turn the other cheek when you've been completely screwed over. There will be no folksy sayings or cute but utterly ineffectual proverbs.

This is also not an academic study or history of Stoicism.

There is plenty written about Stoicism out there, much of it by some of the wisest and greatest thinkers who ever lived. There is no need to rewrite what they have written—go read the originals. No philosophic writing is more accessible. It feels like it was written last year, not last millennium.

But here we will take their collective wisdom—as it was passed down in books, diaries, songs, poems, and stories, refined in the crucible of human experience over thousands of years—and help you apply it to the very specific and increasingly urgent goal we all share: overcoming obstacles. Mental obstacles. Physical obstacles. Emotional obstacles. Perceived obstacles.

We face them every day. Getting a little better at facing and dismantling such stumbling blocks is an important first step. But here's a bigger promise: What if you could turn every obstacle into an *advantage*? *What if you could use each one to become who you were meant to become in that moment?*

So this will be a book of ruthless pragmatism and stories from history that illustrate the arts of relentless persistence and indefatigable ingenuity. It teaches you how to get unstuck, unfucked, and unleashed. How to turn the many negative situations we encounter in our lives into positive ones—or at least to snatch whatever benefit we can from them. To steal good fortune from misfortune.

It's not just: *How can I think this is not so bad?* No, it is how to will yourself to see that this must be good—an opportunity to gain a new foothold, move forward, or go in a better direction. Not "be positive" but learn to be ceaselessly creative and opportunistic.

Not: *This is not so bad.*

But: *I can make this good.*

Because it can be done. In fact, it has and *is* being done. Every day. That's the power we will unlock in this book.

The Obstacles That Lie Before Us

There is an old Zen story about a king whose people had grown soft and entitled. Dissatisfied with this state of affairs, he hoped to teach them a lesson. His plan was simple: He would place a large boulder in the middle of the main road, completely blocking entry into the city. He would then hide nearby and observe their reactions.

How would they respond? Would they band together to remove it? Or would they get discouraged, quit, and return home?

With growing disappointment, the king watched as subject after subject came to this impediment and turned away. Or, at best, tried halfheartedly before giving up. Many openly complained or cursed the king or fortune or bemoaned the inconvenience, but none managed to do anything about it.

After several days, a lone peasant came along on his way into town. He did not turn away. Instead he strained and strained, trying to push it out of the way. Then an idea came to him: He scrambled into the nearby woods to find something he could use for leverage. Finally, he returned with a large branch he had crafted into a lever and deployed it to dislodge the massive rock from the road.

Beneath the rock were a purse of gold coins and a note from the king, which said:

The obstacle in the path becomes the path. Never forget, within every obstacle is an opportunity to improve our condition.

What holds you back?

The Physical? Size. Race. Distance. Disability. Money.

The Mental? Fear. Uncertainty. Inexperience. Prejudice.

Perhaps people don't take you seriously. Or you think you're too old. Or you lack support or enough resources. Maybe laws or regulations restrict your options. Or your obligations do. Or false goals and self-doubt.

Whatever it is, here you are. Here we all are.

And . . .

These are obstacles. I get it. No one is denying that.

But run down the list of those who came before you. Athletes who were too small. Pilots whose eyesight wasn't good enough. Dreamers ahead of their time. Members of this race or that. Dropouts and dyslexics. Bastards, immigrants, nouveaux riches, sticklers, believers, and weirdos. Or those who came from nothing or worse, from places where their very existence was threatened on a daily basis. What happened to them?

Well, far too many gave up. But a few didn't. They took "twice as good" as a challenge. They practiced harder. Looked for shortcuts and weak spots. Discerned allies among strange faces. Got kicked around a bit. *Everything* was an obstacle they had to flip.

And so?

Within those obstacles was an opportunity. They seized it. They did something special because of it. We can learn from them.

Whether we're having trouble getting a job, fighting

against discrimination, running low on funds, stuck in a bad relationship, locking horns with some aggressive opponent, have an employee or student we just can't seem to reach, or are in the middle of a creative block, we need to know that there is a way. When we meet with adversity, we can turn it to advantage, based on their example.

All great victories, be they in politics, business, art, or seduction, involved resolving vexing problems with a potent cocktail of creativity, focus, and daring. When you have a goal, obstacles are actually teaching you how to get where you want to go—carving you a path. "The Things which hurt," Benjamin Franklin wrote, "*instruct*."

Today, most of our obstacles are internal, not external. Since World War II we have lived in some of the most prosperous times in history. There are fewer armies to face, fewer fatal diseases, and far more safety nets. But the world still rarely does exactly what we want.

Instead of opposing enemies, we have internal tension. We have professional frustration. We have unmet expectations. We have learned helplessness. And we still have the same overwhelming emotions humans have always had: grief, pain, loss.

Many of our problems come from having too much: rapid technological disruption, junk food, traditions that tell us the way we're supposed to live our lives. We're soft, entitled, and scared of conflict. Great times are great softeners. Abundance can be its own obstacle, as many people can attest.

Our generation needs an approach for overcoming obstacles and thriving amid chaos more than ever. One that will help turn our problems on their heads, using them as canvases on which to paint masterworks. This flexible approach is fit for an entrepreneur or an artist, a conqueror or

a coach, whether you're a struggling writer or a sage or a hardworking soccer mom.

The Way Through Them

> Objective judgment, now at this very moment.
> Unselfish action, now at this very moment.
> Willing acceptance—now at this very moment—of all external events.
> That's all you need.
>
> —MARCUS AURELIUS

Overcoming obstacles is a discipline of three critical steps.

It begins with how we look at our specific problems, our attitude or approach; then the energy and creativity with which we actively break them down and turn them into opportunities; finally, the cultivation and maintenance of an inner will that allows us to handle defeat and difficulty.

It's three interdependent, interconnected, and fluidly contingent disciplines: *Perception*, *Action*, and the *Will*.

It's a simple process (but again, never easy).

We will trace the use of this process by its practitioners throughout history, business, and literature. As we look at specific examples of each step from every angle, we'll learn to inculcate this attitude and capture its ingenuity—and by doing so discover how to create new openings wherever a door is shut.

From the stories of the practitioners we'll learn how to handle common obstacles—whether we're locked out or hemmed in, the kind of obstacles that have impeded people for all time—and how to apply their general approach to

our lives. Because obstacles are not only to be expected but embraced.

Embraced?

Yes, because these obstacles are actually opportunities to test ourselves, to try new things, and, ultimately, to triumph.

The Obstacle is the Way.

PART I

Perception

WHAT IS PERCEPTION? It's how we see and understand what occurs around us—and what we decide those events will mean. Our perceptions can be a source of strength or of great weakness. If we are emotional, subjective, and shortsighted, we only add to our troubles. To prevent becoming overwhelmed by the world around us, we must, as the ancients practiced, learn how to limit our passions and their control over our lives. It takes skill and discipline to bat away the pests of bad perceptions, to separate reliable signals from deceptive ones, to filter out prejudice, expectation, and fear. But it's worth it, for what's left is *truth*. While others are excited or afraid, we will remain calm and imperturbable. We will see things simply and straightforwardly, as they truly are—neither good nor bad. This will be an incredible advantage for us in the fight against obstacles.

THE DISCIPLINE OF PERCEPTION

Before he was an oilman, John D. Rockefeller was a bookkeeper and an aspiring investor—a small-time financier in Cleveland, Ohio. The son of a criminal who'd abandoned his family, the young Rockefeller took his first job in 1855 at the age of sixteen (a day he celebrated as "Job Day" for the rest of his life). All was well enough at fifty cents a day.

Then the panic struck. Specifically, the Panic of 1857, a massive national financial crisis that originated in Ohio and hit Cleveland particularly hard. As businesses failed and the price of grain plummeted across the country, westward expansion quickly came to a halt. The result was a crippling depression that lasted for several years.

Rockefeller could have gotten scared. Here was the greatest market depression in history and it hit him just as he was finally getting the hang of things. He could have pulled out and run like his father. He could have quit finance altogether for a different career with less risk. But even as a young man, Rockefeller had sangfroid: unflappable coolness under pressure. He could keep his head while he was losing his shirt. Better yet, he kept his head while everyone else lost theirs.

And so instead of bemoaning this economic upheaval, Rockefeller eagerly observed the momentous events. Almost

perversely, he chose to look at it all as an opportunity to learn, a baptism in the market. He quietly saved his money and watched what others did wrong. He saw the weaknesses in the economy that many took for granted and how this left them all unprepared for change or shocks.

He internalized an important lesson that would stay with him forever: The market was inherently unpredictable and often vicious—only the rational and disciplined mind could hope to profit from it. Speculation led to disaster, he realized, and he needed to always ignore the "mad crowd" and its inclinations.

Rockefeller immediately put those insights to use. At twenty-five, a group of investors offered to put approximately $500,000 at his disposal if he could find the right oil wells in which to deploy the money. Grateful for the opportunity, Rockefeller set out to tour the nearby oil fields. A few days later, he shocked his backers by returning to Cleveland empty-handed, not having spent or invested a dollar of the funds. The opportunity didn't feel right to him at the time, no matter how excited the rest of the market was—so he refunded the money and stayed away from drilling.

It was this intense self-discipline and objectivity that allowed Rockefeller to seize advantage from obstacle after obstacle in his life, during the Civil War, and the panics of 1873, 1907, and 1929. As he once put it: He was inclined to see the opportunity in every disaster. To that we could add: He had the strength to resist temptation or excitement, no matter how seductive, no matter the situation.

Within twenty years of that first crisis, Rockefeller alone would control 90 percent of the oil market. His greedy competitors had perished. His nervous colleagues had sold their

shares and left the business. His weakhearted doubters had missed out.

For the rest of his life, the greater the chaos, the calmer Rockefeller would become, particularly when others around him were either panicked or mad with greed. He would make much of his fortune during these market fluctuations—because he could see while others could not. This insight lives on today in Warren Buffett's famous adage to "be fearful when others are greedy and greedy when others are fearful." Rockefeller, like all great investors, could resist impulse in favor of cold, hard common sense.

One activist described the Standard Oil trust as a "mythical protean creature" capable of metamorphosing with every attempt by competitors or the government to dismantle it. They meant it as a criticism (and they had a point), but even this critique, and his clearly illegal monopoly, tell us something of Rockefeller's personality. He was resilient, adaptable, calm, always growing, hard to pin down. He could not be rattled—not by economic crisis, not by a glittery mirage of false opportunities, not by aggressive, bullying enemies, not even by federal prosecutors (for whom he was a notoriously difficult witness to cross-examine, never rising to take the bait or defend himself or get upset). This is what great investors cultivate, a rational self-command that allows them to see what others can't, to size up situations and anticipate what's coming next . . . and then to take advantage of it.

Was Rockefeller born this way? No. This was learned behavior. And Rockefeller got this lesson in discipline somewhere. It began in that crisis of 1857 in what he called "the school of adversity and stress."

"Oh, how blessed young men are who have to struggle for a foundation and beginning in life," he once said. "I shall never cease to be grateful for the three and a half years of apprenticeship and the difficulties to be overcome, all along the way."

Of course, many people experienced the same perilous times as Rockefeller—they all attended the same school of bad times. But few reacted as he did. Not many had trained themselves to see opportunity inside this obstacle, that what befell them was not unsalvageable misfortune but the gift of education—a chance to *learn* from a rare moment in economic history.

You will come across obstacles in life—fair and unfair. And you will discover, time and time again, that what matters most is not what these obstacles are but how we see them, how we react to them, and whether we keep our composure. You will learn that this reaction determines how successful we will be in overcoming—or possibly thriving because of—them.

Where one person sees a crisis, another can see opportunity. Where one is blinded by success, another sees reality with ruthless objectivity. Where one loses control of emotions, another can remain calm. Desperation, despair, fear, powerlessness—these reactions are functions of our perceptions. You must realize: Nothing *makes* us feel this way; we *choose* to give in to such feelings. Or, like Rockefeller, choose *not* to.

And it is precisely at this divergence—between how Rockefeller perceived his environment and how the rest of the world typically does—that his nearly incomprehensible success was born. His careful, cautious self-confidence was an

incredible form of power. To perceive what others see as negative, as something to be approached rationally, clearly, and, most important, as an opportunity—not as something to fear or bemoan.

Rockefeller is more than just an analogy.

We live in our own Gilded Age. In a few short decades, we've experienced major economic bubbles, a devastating global pandemic, civil unrest, and technological disruption. Entire industries are crumbling, people feel unmoored. What feels like unfairness abounds. Adversity is everywhere. It's frustrating. It's unfair. It's all awful.

Not necessarily.

Outward appearances are deceptive. What's contained within a circumstance, what we can turn it into, is what matters.

We can learn to perceive things differently, to cut through the illusions that others believe or fear. We can stop seeing the "problems" in front of us as problems. We can learn to focus on what things really are.

Too often we react emotionally, get despondent, and lose our perspective. All that does is turn bad things into really bad things. Unhelpful perceptions can invade our minds—that sacred place of reason, action, and will—and throw off our compass.

Our brains evolved for an environment very different from the one we currently inhabit. As a result, we carry all kinds of biological baggage. Humans are still primed to detect threats and dangers that no longer exist—think of the cold sweat when you're stressed about money, or the fight-or-flight response that kicks in when your boss yells at you. Our safety is not truly at risk here—there is little danger

that we will starve or that violence will break out—though it certainly feels that way sometimes.

We have a choice about how we respond to this situation (or any situation, for that matter). We can be blindly led by these primal feelings or we can understand them and learn to filter them. Discipline in perception lets you clearly see the advantage and the proper course of action in every situation—without the pestilence of panic or fear.

Rockefeller understood this well and threw off the fetters of bad, destructive perceptions. He honed the ability to control and channel and understand these signals. It was like a superpower; because most people can't access this part of themselves, they are slaves to impulses and instincts they have never questioned.

Was Rockefeller perfect? No. He was a rapacious tycoon who amassed more money than any person could use in their lifetime. It's good that he gave a lot of it away, that his fortune still has an impact long after his death. But the damage he left in his wake as he destroyed every competitor (and the environment) lingers on as well. We don't have to hold him up as the perfect model of the perfect life—we can simply learn from his ability to perceive and feel his way through panics and bubbles, challenges and crises.

And yes, Rockefeller became obscenely wealthy but that's not the kind of wealth the Stoics were after. "The greatest empire," Seneca—an adviser to emperors and a wealthy man himself—would say, "is command of yourself." Rockefeller ruled over an enormous business empire, but first and foremost, at least when it comes to the art of the market, he ruled over himself.

Each of us has this power. We can learn to see all things

rationally. Or better, like Rockefeller, we can see *opportunity* everywhere, including in disaster, and transform negative situations into an education, a skill set, or a fortune. Seen properly, everything that happens—be it an economic crash or a personal tragedy—is a chance to move forward. Even if it is on a bearing that we did not anticipate.

There are a few things to keep in mind when faced with a seemingly insurmountable obstacle. We must try:

To be objective
To control emotions and keep an even keel
To choose to see the good in a situation
To steady our nerves
To ignore what disturbs or limits others
To place things in perspective
To revert to the present moment
To focus on what can be controlled

This is how you see the opportunity within the obstacle. It does not happen on its own. It is a process—one that results from self-discipline and logic.

And that logic is available to you. You just need to deploy it.

RECOGNIZE YOUR POWER

A podium and a prison is each a place, one high and the other low, but in either place your freedom of choice can be maintained if you so wish.

—EPICTETUS

Rubin "Hurricane" Carter, a top contender for the middleweight title at the height of his boxing career in the mid-1960s, was wrongly accused of a horrific crime he did not commit: triple homicide. He went on trial, and a biased, bogus verdict followed: three life sentences.

It was a dizzying fall from the heights of success and fame. Carter reported to prison in an expensive, tailored suit, wearing a $5,000 diamond ring and a gold watch. And so, waiting in line to be entered into the general inmate population, he asked to speak to someone in charge.

Looking the warden in the eye, Carter proceeded to inform him and the guards that he was not giving up the last thing he controlled: himself. He knew that the guards had nothing to do with the injustice that brought him to the jail, and he accepted that he would have to remain there for some time. He was clear from the beginning: he would not be treated like a prisoner—because he was not *powerless*.

Instead of breaking down—as many would have done in such a bleak situation—Carter declined to surrender the freedoms that were innately his: his attitude, his beliefs, his choices. Whether they threw him in prison or threw him in solitary confinement for weeks on end, Carter maintained that he still had choices, choices that could not be taken from him even though his physical freedom had been.

Was he angry about what happened? Of course. He was furious. But understanding that anger was not constructive, he refused to rage. He refused to break or grovel or despair. He would not wear a uniform, eat prison food, accept visitors, attend parole hearings, or work in the commissary to reduce his sentence. And he wouldn't be touched. No one could lay a hand on him, unless they wanted a fight.

All of this had a purpose: Every second of his energy was to be spent on his legal case. Every waking minute was spent reading—law books, philosophy, history. They hadn't ruined his life—they'd just put him somewhere he didn't deserve to be and he did not intend to stay there. He would learn and read and make the most of the time he had on his hands. He would leave prison not only a free and innocent man, but a better and improved one.

It took nineteen years and two trials to overturn that verdict, but when Carter walked out of prison, he simply resumed his life. No civil suit to recover damages, Carter did not even request an apology from the court. Because to him, that would imply that they'd taken something of his, that Carter was owed something. That had never been his view, even in the dark depths of solitary confinement. He had made his choice: This can't harm me—I might not have wanted it to happen, but I decide how it will affect me. *No one else has the right.*

We, too, decide what we will make of each and every situation. We decide whether we'll break or whether we'll resist. We decide whether we'll assent or reject. No one can force us to give up or to believe something that is untrue (such as, that a situation is absolutely hopeless or impossible to improve). Our perceptions are the thing that we're in complete control of.

They can throw us in jail, label us, deprive us of our possessions, but they'll never control our thoughts, our beliefs, our *reactions*.

Which is to say, we are never completely powerless.

Even in prison, deprived of nearly everything, some freedoms remain. Your mind remains your own (if you're lucky, you have books) and you have time—lots of time. Carter did not have much power, but he understood that that was not the same thing as being *powerless*. Many great figures, from Nelson Mandela to James Stockdale to Malcolm X, have come to understand this fundamental distinction. It's how they turned prison into the workshop where they transformed themselves and the schoolhouse where they began to transform others.

If an unjust prison sentence can be not only salvaged but transformative and beneficial, then for our purposes, nothing we'll experience is likely without potential benefit. In fact, if we have our wits fully about us, we can step back and remember that situations, by themselves, cannot be good or bad. This is something—a judgment—that we, as human beings, bring to them with our perceptions.

To one person a situation may be negative. To another, that same situation may be positive.

"There is nothing either good or bad, but thinking makes it so," as Shakespeare put it.

Laura Ingalls Wilder, author of the classic series Little

House on the Prairie, lived that idea, facing some of the toughest and most unwelcoming elements on the planet: harsh and unyielding soil, Indian territory, Kansas prairies, and the humid backwoods of Florida. Not afraid, not jaded—because she saw it all as an adventure. Everywhere was a chance to do something new, to persevere with cheery pioneer spirit, whatever fate befell her and her husband.

That isn't to say she saw the world through delusional rose-colored glasses. Instead, she simply chose to see each situation for what it could be—accompanied by hard work and a little upbeat spirit. Others make the opposite choice. As for us, we face things that are not nearly as intimidating, and then we promptly decide we're screwed.

This is how obstacles become obstacles.

In other words, through our perception of events, we are complicit in the creation—as well as the destruction—of every one of our obstacles.

There is no good or bad without us, there is only perception. There is the event itself and the story we tell ourselves about what it means.

That's a thought that changes everything, doesn't it?

An employee in your company makes a careless mistake that costs you business. This can be exactly what you spend so much time and effort trying to avoid. *Or*, with a shift in perception, it can be exactly what you were looking for—the chance to pierce through defenses and teach a lesson that can be learned only by experience. A *mistake* becomes *training*.

Again, the event is the same: Someone messed up. But the evaluation and the outcome are different. With one approach you took advantage; with the other you succumbed to anger or fear.

Just because your mind tells you that something is awful or evil or unplanned or otherwise negative doesn't mean you have to agree. Just because other people say that something is hopeless or crazy or broken to pieces doesn't mean it is. We decide what story to tell ourselves. Or whether we will tell one at all.

Welcome to the power of perception. Applicable in each and every situation, impossible to obstruct. It can only be *relinquished*.

And that is your decision.

STEADY YOUR NERVES

What such a man needs is not courage but nerve control, cool headedness. This he can get only by practice.

—THEODORE ROOSEVELT

Ulysses S. Grant once sat for a photo shoot with the famous Civil War photographer Mathew Brady. The studio was too dark, so Brady sent an assistant up to the roof to uncover a skylight. The assistant slipped and shattered the window. With horror, the spectators watched as shards of glass two inches long fell from the ceiling like daggers, crashing around Grant—each one of them plenty lethal.

As the last pieces hit the ground, Brady looked over and saw that Grant hadn't moved. He was unhurt. Grant glanced up at the hole in the ceiling, then back at the camera as though nothing had happened at all.

During the Overland Campaign, Grant was surveying the scene through field glasses when an enemy shell exploded, killing the horse immediately next to him. Grant's eyes stayed fixed on the front, never leaving the glasses. There's another story about Grant at City Point, Union headquarters, near Richmond. Troops were unloading a steamboat and it suddenly exploded. Everyone hit the dirt except Grant, who was

seen running toward the scene of the explosion as debris and shells and even bodies rained down.

He didn't just become this way. It was trained into him. Grant's father had deliberately exposed his son to loud noises to steel his nerves. In fact, as a boy, Grant came to enjoy the challenge of it, once showing a neighbor that he wouldn't cry if a pistol was fired near him. "Fick it again," an unflinching Grant cheered. "Fick it again!"

That's a person no one is going to be able to intimidate or scare.

But back in our lives . . .

We are a pile of raw nerves.

Competitors surround our business. Unexpected problems suddenly rear their heads. Our best worker suddenly quits. The computer system can't handle the load we're putting on it. We're out of our comfort zone. The boss is making us do all the work. Everything is falling and crashing down around us, exactly when we feel like we can't handle any more.

Do we stare it down? Ignore it? Blink once or twice and redouble our concentration? Or do we get shaken up? Do we try to medicate these "bad" feelings away?

And that's just the stuff that happens unintentionally. Don't forget, there are always people out there looking to get you. They want to intimidate you. Rattle you. Pressure you into making a decision before you've gotten all the facts. They want you thinking and acting on their terms, not yours.

So the question is, Are you going to let them?

When we aim high, pressure and stress obligingly come along for the ride. Stuff is going to happen that catches us off guard, threatens or scares us. Surprises (unpleasant ones,

mostly) are almost guaranteed. The risk of being overwhelmed is always there.

In these situations, talent is not the most sought-after characteristic. Grace and poise are, because these two attributes precede the opportunity to deploy any other skill. We must possess, as Voltaire once explained about the secret to the great military success of the first Duke of Marlborough, that "tranquil courage in the midst of tumult and serenity of soul in danger, which the English call a cool head."

Regardless of how much actual danger we're in, stress puts us at the potential whim of our baser—fearful—instinctual reactions.

Don't think for a second that grace and poise and serenity are the soft attributes of some aristocrat. Ultimately, nerve is a matter of defiance and control.

Like: *I* refuse *to acknowledge that. I don't* agree *to be intimidated. I* resist *the temptation to declare this a failure.*

But nerve is also a matter of acceptance: *Well, I guess it's on* me *then. I don't have the luxury of being shaken up about this or replaying close calls in my head. I'm too busy and too many people are counting on me.*

Defiance and acceptance come together well in the following principle: There is always a countermove, always an escape or a way through, so there is no reason to get worked up. No one said it would be easy and, of course, the stakes are high, but the path is there for those ready to take it.

This is what we've got to do. And we know that it's going to be tough, maybe even scary.

But we're ready for that. We're collected and serious and aren't going to be frightened off.

This means preparing for the realities of our situation,

steadying our nerves so we can throw our best at it. Steeling ourselves. Shaking off the bad stuff as it happens and soldiering on—staring straight ahead as though nothing has happened.

Because, as you now realize, it's true. If your nerve holds, then nothing really did "happen"—our perception made sure it was nothing of consequence.

CONTROL YOUR EMOTIONS

Would you have a great empire? Rule over yourself.

—PUBLILIUS SYRUS

When America raced to send the first men into space, they trained the astronauts in one skill more than in any other: the art of *not* panicking.

When people panic, they make mistakes. They override systems. They disregard procedures, ignore rules. They deviate from the plan. They become unresponsive and stop thinking clearly. They just react—not to what they need to react to, but to the survival hormones that are coursing through their veins.

Welcome to the source of most of our problems down here on earth. Everything is planned down to the letter, then something goes wrong and the first thing we do is trade in our plan for a good ol' emotional freak-out. Some of us almost crave sounding the alarm, because it's easier than dealing with whatever is staring us in the face.

At 150 miles above earth in a spaceship smaller than a VW, this is death. Panic is suicide.

So panic has to be trained out. And it does not go easily.

Before the first launch, NASA re-created the fateful day for the astronauts over and over, step by step, hundreds of times—from what they'd have for breakfast to the ride to the airfield. Slowly, in a graded series of "exposures," the astronauts were introduced to every sight and sound of the experience of their firing into space. They did it so many times that it became as natural and familiar as breathing. They'd practice all the way through, holding nothing back but the liftoff itself, making sure to solve for every variable and remove all uncertainty.

Uncertainty and fear are relieved by authority. Training is authority. It's a release valve. With enough exposure, you can adapt out those perfectly ordinary, even innate, fears that are bred mostly from unfamiliarity. Fortunately, unfamiliarity is simple to fix (again, not easy), which makes it possible to increase our tolerance for stress and uncertainty.

John Glenn, the first American astronaut to orbit the earth, spent nearly a day in space still keeping his heart rate under a hundred beats per minute. That's a man not simply sitting *at* the controls but *in control* of his emotions. A man who had properly cultivated what Tom Wolfe later called "the right stuff."

But you . . . confront a client or a stranger on the street and your heart is liable to burst out of your chest, or you are called on to address a crowd and your stomach crashes through the floor.

It's time to realize that this is a luxury, an indulgence of our lesser self. In space, the difference between life and death lies in emotional regulation.

Hitting the wrong button, reading the instrument panels incorrectly, engaging a sequence too early—none of these

could have been afforded on a successful Apollo mission—the consequences were too great.

Thus, the question for astronauts was not *How skilled a pilot are you?*, but *Can you keep an even strain?* Can you fight the urge to panic and instead focus only on what you can change? On the task at hand?

Life is really no different. Obstacles make us emotional, but the only way we'll survive or overcome them is by keeping those emotions in check—if we can keep steady no matter what happens, no matter how much external events may fluctuate.

The Greeks had a few words for this—*Apatheia. Ataraxia.* We might call it *stillness.*

It's the kind of equanimity and self-command that comes with the absence of irrational or extreme emotions. Not the loss of feeling altogether, just the loss of the harmful, unhelpful kind. Don't let the negativity in, don't let those emotions even get started. Just say: *No, thank you. I can't afford to panic.*

This is the skill that must be cultivated—freedom from disturbance and perturbation—so you can focus your energy exclusively on solving problems, rather than reacting to them.

A boss's urgent email. An asshole at a bar. A call from the bank—your financing has been pulled. A knock at the door—there's been an accident.

As Gavin de Becker writes in *The Gift of Fear*, "When you worry, ask yourself, 'What am I choosing to not see right now?' What important things are you missing because you chose worry over introspection, alertness or wisdom?" The Canadian astronaut Chris Hadfield, who once had both his eyes freeze shut on a solo walk in space, explained that there

are always things we can think and do that will make a situation better. But it's worth remembering, he said, "There's no problem so bad that you cannot make it worse also."

Or, another way of putting it: Does getting upset provide you with more options?

Sometimes it does. But in *this* instance?

No, I suppose not.

Well, then.

If an emotion can't change the condition or the situation you're dealing with, it is likely an unhelpful emotion. Or, quite possibly, a destructive one.

But it's what I feel.

Right, no one said anything about not feeling it. No one said you can't ever cry. Forget "manliness." If you need to take a moment, by all means, go ahead. Real strength lies in the *control* or, as Nassim Nicholas Taleb put it, the *domestication* of one's emotions, not in pretending they don't exist.

So go ahead, feel it. Just don't lie to yourself by conflating emoting about a problem and dealing with it. Because they are as different as sleeping and waking.

You can always remind yourself: *I am in control, not my emotions. I see what's really going on here. I'm not going to get excited or upset.*

We defeat emotions with logic, or at least that's the idea. Logic is questions and statements. With enough of them, we get to root causes (which are always easier to deal with).

We lost money.

But aren't losses a pretty common part of business?

Yes.

Are these losses catastrophic?

Not necessarily.

So this is not totally unexpected, is it? How could that be so bad? Why are you all worked up over something that is at least occasionally supposed to happen?

Well . . . uhh . . . I . . .

And not only that, but you've dealt with worse situations than this. Wouldn't you be better off applying some of that resourcefulness rather than getting angry?

Try having that conversation with yourself and see how those extreme emotions hold up. They won't last long, trust that.

After all, you're probably not going to *die* from any of this.

It might help to say it over and over again whenever you feel the anxiety begin to come on: *I am not going to die from this. I am not going to die from this. I am not going to die from this.*

Or try Marcus's question:

Does what happened keep you from acting with justice, generosity, self-control, sanity, prudence, honesty, humility, straightforwardness?

Nope.

Then get back to work!

We should be constantly asking ourselves this question: *Do I need to freak out about this?*

And the answer—like it is for astronauts, for soldiers, for doctors, and for so many other professionals—must be: *No, because I practiced for this situation and I can control myself.* Or, *No, because I caught myself and I'm able to realize that that doesn't add anything constructive.*

PRACTICE OBJECTIVITY

> Don't let the force of an impression when it first hits you knock you off your feet; just say to it: Hold on a moment; let me see who you are and what you represent. Let me put you to the test.
>
> —EPICTETUS

The phrase "This happened and it is bad" is actually two impressions. The first—"This happened"—is objective. The second—"it is bad"—is subjective.

The seventeenth-century samurai swordsman Miyamoto Musashi won countless fights against feared opponents, even multiple opponents at the same time, in which he was swordless. In *The Book of Five Rings*, he notes the difference between observing and perceiving. The perceiving eye is weak, he wrote; the observing eye is strong.

Musashi understood that the observing eye sees simply what is there. The perceiving eye sees more than what is there.

The observing eye sees events, clear of distractions, exaggerations, and misperceptions. The perceiving eye sees "insurmountable obstacles" or "major setbacks" or even just "issues." It brings its own issues to the fight. The former is helpful, the latter is not.