

Speech by Charlie Munger to the Harvard School

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Now the Headmaster Berrisford has selected one of the oldest and longest-serving trustees to make a commencement speech, it behooves the speaker to address two questions in every mind:

- 1) Why was such a selection made? and,
- 2) How long is the speech going to last?

I will answer the first question from long experience alongside Berrisford. He is seeking enhanced reputation for our school in the manner of the man who proudly displays his horse which can count to seven. The man knows that counting to seven is not much of a mathematical feat but he expects approval because doing so is creditable, considering that the performer is a horse.

The second question, regarding length of speech, I am not going to answer in advance. It would deprive your upturned faces of lively curiosity and obvious keen anticipation, which I prefer to retain, regardless of source.

But I will tell you how my consideration of speech length created the subject matter of the speech itself. I was puffed up when invited to speak. While not having significant public-speaking experience, I do hold a black belt in chutzpah, and, I immediately considered Demosthenes and Cicero as role models and anticipated trying to earn a compliment like Cicero gave when asked which was his favourite among the orations of Demosthenes. Cicero replied: "The longest one."

However, fortunately for this audience, I also thought of Samuel Johnson's famous comment when he addressed Milton's poem, *Paradise Lost*, and correctly said: "No one ever wished it longer." And that made me consider which of all the twenty Harvard School graduation speeches I had heard that I wished longer. There was only one such speech, that given by Johnny Carson, specifying Carson's prescriptions for guaranteed misery in life. I therefore decided to repeat Carson's speech but in expanded form with some added prescriptions of my own.

After all, I am much older than Carson was when he spoke and have failed and been miserable more often and in more ways than was possible for a charming humorist speaking at younger age. I am plainly well-qualified to expand on Carson's theme.

What Carson said was that he couldn't tell the graduating class how to be happy, but he could tell them from personal experience how to guarantee misery. Carson's prescriptions for sure misery included:

- 1) Ingesting chemicals in an effort to alter mood or perception;
- 2) Envy; and
- 3) Resentment.

I can still recall Carson's absolute conviction as he told how he had tried these things on occasion after occasion and had become miserable every time. It is easy to understand Carson's first prescription for misery -ingesting chemicals. I add my voice. The four closest friends of my youth were highly intelligent, ethical, humorous types, favoured in person and background. Two are long dead, with alcohol a contributing factor, and a third is a living alcoholic -if you call that living. While susceptibility varies,



addiction can happen to any of us, through a subtle process where the bonds of degradation are too light to be felt until they are too strong to be broken. And I have yet to meet anyone, in over six decades of life, whose life was worsened by overfear and overavoidance of such a deceptive pathway to destruction.

Envy, of course, joins chemicals in winning some sort of quantity price for causing misery. It was wreaking havoc long before it got a bad press in the laws of Moses. If you wish to retain the contribution of envy to misery, I recommend that you never read any of the biographies of that good Christian, Samuel Johnson, because his life demonstrates in an enticing way the possibility and advantage of transcending envy.

Resentment has always worked for me exactly as it worked for Carson. I cannot recommend it highly enough to you if you desire misery. Johnson spoke well when he said that life is hard enough to swallow without squeezing in the bitter rind of resentment.

For those of you who want misery, I also recommend refraining from practice of the Disraeli compromise, designed for people who find it impossible to quit resentment cold turkey. Disraeli, as he rose to become one of the greatest Prime Ministers, learned to give up vengeance as a motivation for action, but he did retain some outlet for resentment by putting the names of people who wronged him on pieces of paper in a drawer. Then, from time to time, he reviewed these names and took pleasure in noting the way the world had taken his enemies down without his assistance.

Well, so much for Carson's three prescriptions. Here are four more prescriptions from Munger:

First, be unreliable. Do not faithfully do what you have engaged to do. If you will only master this one habit you will more than counterbalance the combined effect of all your virtues, howsoever great. If you like being distrusted and excluded from the best human contribution and company, this prescription is for you. Master this one habit and you can always play the role of the hare in the fable, except that instead of being outrun by one fine turtle you will be outrun by hordes and hordes of mediocre turtles and even by some mediocre turtles on crutches.

I must warn you that if you don't follow my first prescription it may be hard to end up miserable, even if you start disadvantaged. I had a roommate in college who was and is severely dyslexic. But he is perhaps the most reliable man I have ever known. He has had a wonderful life so far, outstanding wife and children, chief executive of a multibillion dollar corporation.

If you want to avoid a conventional, main-culture, establishment result of this kind, you simply can't count on your other handicaps to hold you back if you persist in being reliable.

I cannot here pass by a reference to a life described as "wonderful so far," without reinforcing the "so far" aspects of the human condition by repeating the remark of Croesus, once the richest king in the world. Later, in ignominious captivity, as he prepared to be burned alive, he said: "Well now do I remember the words of the historian Solon: "No man's life should be accounted a happy one until it is over."

My second prescription for misery is to learn everything you possibly can from your own personal experience, minimizing what you learn vicariously from the good and bad experience of others, living and dead. This prescription is a sure-shot producer of misery and second-rate achievement.

You can see the results of not learning from others' mistakes by simply looking about you. How little originality there is in the common disasters of mankind -drunk driving deaths, reckless driving maimings, incurable venereal diseases, conversion of bright college students into brainwashed zombies as members of destructive cults, business failures through repetition of obvious mistakes made by predecessors, various forms of crowd folly, and so on. I recommend as a memory clue to finding the way to real trouble from heedless, unoriginal error the modern saying: "If at first you don't succeed, well, so much for hang gliding."

The other aspect of avoiding vicarious wisdom is the rule for not learning from the best work done before yours. The prescription is to become as non-educated as you reasonable can.

Perhaps you will better see the type of non-miserable result you can thus avoid if I render a short historical account. There once was a man who assiduously mastered the work of his best predecessors, despite a poor start and very tough time in analytic geometry. Eventually his own original work attracted wide attention and he said of that work:

“If I have seen a little farther than other men it is because I stood on the shoulders of giants.”

The bones of that man lie buried now, in Westminster Abbey, under an unusual inscription:

“Here lie the remains of all that was mortal in Sir Isaac Newton.”

My third prescription for misery is to go down and stay down when you get your first, second, third severe reverse in the battle of life. Because there is so much adversity out there, even for the lucky and wise, this will guarantee that, in due course, you will be permanently mired in misery. Ignore at all cost the lesson contained in the accurate epitaph written for himself by Epicetus: “Here lies Epicetus, a slave, maimed in body, the ultimate in poverty, and favoured by Gods.”

My final prescription to you for a life of fuzzy thinking and infelicity is to ignore a story they told me when I was very young about a rustic who said: “I wish I knew where I was going to die, and then I’d never go there.” Most people smile (as you did) at the rustic’s ignorance and ignore his basic wisdom. If my experience is any guide, the rustic’s approach is to be avoided at all cost by someone bent on misery. To help fail you should discount as mere quirk, with no useful message, the method of the rustic, which is the same one used in Carson’s speech.

What Carson did was to approach the study of how to create X by turning the question backward, that is, by studying how to create non-X. The great algebraist, Jacobi, had exactly the same approach as Carson and was known for his constant repetition of one phrase: “Invert, always invert.” It is in the nature of things, as Jacobi knew, that many hard problems are best solved only when they are addressed backward. For instance, when almost everyone else was trying to revise the electromagnetic laws of Maxwell to be consistent with the motion laws of Newton, Einstein discovered special relativity as he made a 180 degree turn and revised Newton’s laws to fit Maxwell’s. It is my opinion, as a certified biography nut, that Charles Robert Darwin would have ranked near the middle of the Harvard School graduating class of 1986. Yet he is now famous in the history of science. This is precisely the type of example you should learn nothing from if bent on minimizing your results from your own endowment. Darwin’s result was due in large measure to his working method, which violated all my rules for misery and particularly emphasized a backward twist in that he always gave priority attention to evidence tending to disconfirm whatever cherished and hard-won theory he already had. In contrast, most people early achieve and later intensify a tendency to process new and disconfirming information so that any original conclusion remains intact. They become people of whom Philip Wylie observed: “You couldn’t squeeze a dime between what they already know and what they will never learn.”

The life of Darwin demonstrates how a turtle may outrun the hares, aided by extreme objectivity, which helps the objective person end up like the only player without blindfold in a game of pin-the-donkey. If you minimize objectivity, you ignore not only a lesson from Darwin but also one from Einstein. Einstein said that his successful theories came from: “Curiosity, concentration, perseverance and self-criticism. And by self-criticism he meant the testing and destruction of his own well-loved ideas.

Finally, minimizing objectivity will help you lessen the compromises and burdens of owning worldly goods, because objectivity does not work only for great physicists and biologists. It also adds power to the work of a plumbing contractor in Bemidji. Therefore, if you interpret being true to yourself as requiring that you retain every notion of your youth you will be safely underway, not only toward maximizing ignorance, but also toward whatever misery can be obtained through unpleasant experiences in business.

It is fitting now that a backward sort of speech end with a backward sort of toast, inspired by Elihu Root's repeated accounts of how the dog went to Dover, "leg over leg." To the class of 1986:

Gentlemen, may each of you rise high by spending each day of a long life aiming low.

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