

"This is a whole new ball game. Highly recommended."
—DR. STEWART D. FRIEDMAN, Work/Family Advisor to Jack Welch
and Former Vice President Al Gore

The 4-Hour Workweek



THE #1 NEW
YORK TIMES
BESTSELLER AND
INTERNATIONAL
PHENOMENON

ESCAPE 9-5, LIVE ANYWHERE,
AND JOIN THE NEW RICH

EXPANDED AND UPDATED

TIMOTHY FERRISS

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AND JOIN THE NEW RICH

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First Revised Edition



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► PREFACE TO THE EXPANDED AND UPDATED EDITION

The *4-Hour Workweek* was turned down by 26 out of 27 publishers.

After it was sold, the president of one potential marketing partner, a large bookseller, e-mailed me historical bestseller statistics to make it clear—this wouldn't be a mainstream success.

So I did all I knew how to do. I wrote it with two of my closest friends in mind, speaking directly to them and their problems—problems I long had—and I focused on the unusual options that had worked for me around the world.

I certainly tried to set conditions for making a sleeper hit possible, but I knew it wasn't likely. I hoped for the best and planned for the worst.

May 2, 2007, I receive a call on my cell phone from my editor.

“Tim, you hit the list.”

It was just past 5 P.M. in New York City, and I was exhausted. The book had launched five days before, and I had just finished a series of more than twenty radio interviews in succession, beginning at 6 A.M. that morning. I never planned a book tour, preferring instead to “batch” radio satellite tours into 48 hours.

“Heather, I love you, but please don't \$#%* with me.”



“No, you really hit the list. Congratulations, Mr. *New York Times* bestselling author!”

I leaned against the wall and slid down until I was sitting on the floor. I closed my eyes, smiled, and took a deep breath. Things were about to change.

Everything was about to change.

Lifestyle Design from Dubai to Berlin

The *4-Hour Workweek* has now been sold into 35 languages. It’s been on the bestseller lists for more than two years, and every month brings a new story and a new discovery.

From the *Economist* to the cover of the *New York Times Style* section, from the streets of Dubai to the cafes of Berlin, lifestyle design has cut across cultures to become a worldwide movement. The original ideas of the book have been broken apart, improved, and tested in environments and ways I never could have imagined.

So why the new edition if things are working so well? Because I knew it could be better, and there was a missing ingredient: you.

This expanded and updated edition contains more than 100 pages of new content, including the latest cutting-edge technologies, field-tested resources, and—most important—real-world success stories chosen from more than 400 pages of case studies submitted by readers.

Families and students? CEOs and professional vagabonds? Take your pick. There should be someone whose results you can duplicate. Need a template to negotiate remote work, a paid year in Argentina, perhaps? This time, it’s in here.

The Experiments in Lifestyle Design blog (www.fourhourblog.com) was launched alongside the book, and within six months, it became one of the top 1,000 blogs in the world, out of more than 120



million. Thousands of readers have shared their own amazing tools and tricks, producing phenomenal and unexpected results. The blog became the laboratory I'd always wanted, and I encourage you to join us there.

The new "Best of the Blog" section includes several of the most popular posts from the Experiments in Lifestyle Design blog. On the blog itself, you can also find recommendations from everyone from Warren Buffett (seriously, I tracked him down and show you how I did it) to chess prodigy Josh Waitzkin. It's an experimental playground for those who want better results in less time.

Not "Revised"

This is not a "revised" edition in the sense that the original no longer works. The typos and small mistakes have been fixed over more than 40 printings in the U.S. This is the first major overhaul, but not for the reason you'd expect.

Things have changed dramatically since April 2007. Banks are failing, retirement and pension funds are evaporating, and jobs are being lost at record rates. Readers and skeptics alike have asked: Can the principles and techniques in the book really still work in an economic recession or depression?

Yes and yes.

In fact, questions I posed during pre-crash lectures, including "How would your priorities and decisions change if you could never retire?" are no longer hypothetical. Millions of people have seen their savings portfolios fall 40% or more in value and are now looking for options C and D. Can they redistribute retirement throughout life to make it more affordable? Can they relocate a few months per year to a place like Costa Rica or Thailand to multiply the lifestyle output of their decreased savings? Sell their services to



companies in the UK to earn in a stronger currency? The answer to all of them is, more than ever, yes.

The concept of lifestyle design as a replacement for multi-staged career planning is sound. It's more flexible and allows you to test different lifestyles without committing to a 10- or 20-year retirement plan that can fail due to market fluctuations outside of your control. People are open to exploring alternatives (and more forgiving of others who do the same), as many of the other options—the once “safe” options—have failed.

When everything and everyone is failing, what is the cost of a little experimentation outside of the norm? Most often, nothing. Flash forward to 2011; is a job interviewer asking about that unusual gap year?

“Everyone was getting laid off and I had a once-in-a-lifetime chance to travel around the world. It was incredible.”

If anything, they'll ask you how to do the same. The scripts in this book still work.

Facebook and LinkedIn launched in the post-2000 dot-com “depression.” Other recession-born babies include Monopoly, Apple, Cliff Bar, Scrabble, KFC, Domino's Pizza, FedEx, and Microsoft. This is no coincidence, as economic downturns produce discounted infrastructure, outstanding freelancers at bargain prices, and rock-bottom advertising deals—all impossible when everyone is optimistic.

Whether a yearlong sabbatical, a new business idea, reengineering your life within the corporate beast, or dreams you've postponed for “some day,” there has never been a better time for testing the uncommon.

What's the worst that could happen?

I encourage you to remember this often-neglected question as you begin to see the infinite possibilities outside of your current comfort zone. This period of collective panic is your big chance to dabble.



It's been an honor to share the last two years with incredible readers around the world, and I hope you enjoy this new edition as much as I enjoyed putting it together.

I am, and will continue to be, a humble student of you all.

Un abrazo fuerte,

TIM FERRISS

San Francisco, California

April 21, 2009



First and Foremost



►FAQ—DOUBTERS READ THIS

Is lifestyle design for you? Chances are good that it is. Here are some of the most common doubts and fears that people have before taking the leap and joining the New Rich:

Do I have to quit or hate my job? Do I have to be a risk-taker?

No on all three counts. From using Jedi mind tricks to disappear from the office to designing businesses that finance your lifestyle, there are paths for every comfort level. How does a Fortune 500 employee explore the hidden jewels of China for a month and use technology to cover his tracks? How do you create a hands-off business that generates \$80K per month with no management? It's all here.

Do I have to be a single twenty-something?

Not at all. This book is for anyone who is sick of the deferred-life plan and wants to live life large instead of postpone it. Case studies range from a Lamborghini-driving 21-year-old to a single mother who traveled the world for five months with her two children. If you're sick of the standard menu of options and prepared to enter a world of infinite options, this book is for you.

Do I have to travel? I just want more time.

No. It's just one option. The objective is to create freedom of time and place and use both however *you* want.



Do I need to be born rich?

No. My parents have never made more than \$50,000 per year combined, and I've worked since age 14. I'm no Rockefeller and you needn't be either.

Do I need to be an Ivy League graduate?

Nope. Most of the role models in this book didn't go to the Harvards of the world, and some are dropouts. Top academic institutions are wonderful, but there are unrecognized benefits to not coming out of one. Grads from top schools are funneled into high-income 80-hour-per-week jobs, and 15–30 years of soul-crushing work has been accepted as the default path. How do I know? I've been there and seen the destruction. This book reverses it.



►MY STORY AND WHY YOU NEED THIS BOOK

Whenever you find yourself on the side of the majority, it is time to pause and reflect. —MARK TWAIN

Anyone who lives within their means suffers from a lack of imagination.

—OSCAR WILDE, Irish dramatist and novelist

My hands were sweating again.

Staring down at the floor to avoid the blinding ceiling lights, I was supposedly one of the best in the world, but it just didn't register. My partner Alicia shifted from foot to foot as we stood in line with nine other couples, all chosen from over 1,000 competitors from 29 countries and four continents. It was the last day of the Tango World Championship semifinals, and this was our final run in front of the judges, television cameras, and cheering crowds. The other couples had an average of 15 years together. For us, it was the culmination of 5 months of nonstop 6-hour practices, and finally, it was showtime.

"How are you doing?" Alicia, a seasoned professional dancer, asked me in her distinctly Argentine Spanish.

"Fantastic. Awesome. Let's just enjoy the music. Forget the crowd—they're not even here."

That wasn't entirely true. It was hard to even fathom 50,000 spectators and coordinators in La Rural, even if it was the biggest exhibition hall in Buenos Aires. Through the thick haze of cigarette smoke, you could barely make out the huge undulating mass in the stands, and everywhere there was exposed floor, except the sacred



30' × 40' space in the middle of it all. I adjusted my pin-striped suit and fussed with my blue silk handkerchief until it was obvious that I was just fidgeting.

“Are you nervous?”

“I’m not nervous. I’m excited. I’m just going to have fun and let the rest follow.”

“Number 152, you’re up.” Our chaperone had done his job, and now it was our turn. I whispered an inside joke to Alicia as we stepped on the hardwood platform: “*Tranquilo*”—Take it easy. She laughed, and at just that moment, I thought to myself, “What on earth would I be doing right now, if I hadn’t left my job and the U.S. over a year ago?”

The thought vanished as quickly as it had appeared when the announcer came over the loudspeaker and the crowd erupted to match him: “Pareja numero 152, Timothy Ferriss y Alicia Monti, Ciudad de Buenos Aires!!!”

We were on, and I was beaming.

THE MOST FUNDAMENTAL of American questions is hard for me to answer these days, and luckily so. If it weren’t, you wouldn’t be holding this book in your hands.

“So, what do you do?”

Assuming you can find me (hard to do), and depending on when you ask me (I’d prefer you didn’t), I could be racing motorcycles in Europe, scuba diving off a private island in Panama, resting under a palm tree between kickboxing sessions in Thailand, or dancing tango in Buenos Aires. The beauty is, I’m not a multimillionaire, nor do I particularly care to be.

I never enjoyed answering this cocktail question because it reflects an epidemic I was long part of: job descriptions as self-descriptions. If someone asks me now and is anything but absolutely sincere, I explain my lifestyle of mysterious means simply.

“I’m a drug dealer.”



Pretty much a conversation ender. It's only half true, besides. The whole truth would take too long. How can I possibly explain that what I do with my time and what I do for money are completely different things? That I work less than four hours per week and make more per month than I used to make in a year?

For the first time, I'm going to tell you the real story. It involves a quiet subculture of people called the "New Rich."

What does an igloo-dwelling millionaire do that a cubicle-dweller doesn't? Follow an uncommon set of rules.

How does a lifelong blue-chip employee escape to travel the world for a month without his boss even noticing? He uses technology to hide the fact.

Gold is getting old. The New Rich (**NR**) are those who abandon the deferred-life plan and create luxury lifestyles in the present using the currency of the New Rich: time and mobility. This is an art and a science we will refer to as Lifestyle Design (**LD**).

I've spent the last three years traveling among those who live in worlds currently beyond your imagination. Rather than hating reality, I'll show you how to bend it to your will. It's easier than it sounds. My journey from grossly overworked and severely underpaid office worker to member of the **NR** is at once stranger than fiction and—now that I've deciphered the code—simple to duplicate. There is a recipe.

Life doesn't have to be so damn hard. It really doesn't. Most people, my past self included, have spent too much time convincing themselves that life has to be hard, a resignation to 9-to-5 drudgery in exchange for (sometimes) relaxing weekends and the occasional keep-it-short-or-get-fired vacation.

The truth, at least the truth I live and will share in this book, is quite different. From leveraging currency differences to outsourcing your life and disappearing, I'll show you how a small underground uses economic sleight-of-hand to do what most consider impossible.



If you've picked up this book, chances are that you don't want to sit behind a desk until you are 62. Whether your dream is escaping the rat race, real-life fantasy travel, long-term wandering, setting world records, or simply a dramatic career change, this book will give you all the tools you need to make it a reality in the here-and-now instead of in the often elusive "retirement." There is a way to get the rewards for a life of hard work without waiting until the end.

How? It begins with a simple distinction most people miss—one I missed for 25 years.

People don't want to *be* millionaires—they want to experience what they believe only millions can buy. Ski chalets, butlers, and exotic travel often enter the picture. Perhaps rubbing cocoa butter on your belly in a hammock while you listen to waves rhythmically lapping against the deck of your thatched-roof bungalow? Sounds nice.

\$1,000,000 in the bank isn't the fantasy. The fantasy is the lifestyle of complete freedom it supposedly allows. The question is then, *How can one achieve the millionaire lifestyle of complete freedom without first having \$1,000,000?*

In the last five years, I have answered this question for myself, and this book will answer it for you. I will show you exactly how I have separated income from time and created my ideal lifestyle in the process, traveling the world and enjoying the best this planet has to offer. How on earth did I go from 14-hour days and \$40,000 per year to 4-hour weeks and \$40,000-plus per month?

It helps to know where it all started. Strangely enough, it was in a class of soon-to-be investment bankers.

In 2002, I was asked by Ed Zschau, übermentor and my former professor of High-tech Entrepreneurship at Princeton University, to come back and speak to the same class about my business adventures in the real world. I was stuck. There were already decamillionaires speaking to the same class, and even though I had built a highly profitable sports supplement company, I marched to a distinctly different drummer.



Over the ensuing days, however, I realized that everyone seemed to be discussing how to build large and successful companies, sell out, and live the good life. Fair enough. The question no one really seemed to be asking or answering was, Why do it all in the first place? What is the pot of gold that justifies spending the best years of your life hoping for happiness in the last?

The lectures I ultimately developed, titled “Drug Dealing for Fun and Profit,” began with a simple premise: Test the most basic assumptions of the work-life equation.

- ▶ How do your decisions change if retirement isn’t an option?
- ▶ What if you could use a mini-retirement to sample your deferred-life plan reward before working 40 years for it?
- ▶ Is it really necessary to work like a slave to live like a millionaire?

Little did I know where questions like these would take me.

The uncommon conclusion? The commonsense rules of the “real world” are a fragile collection of socially reinforced illusions. This book will teach you how to see and seize the options others do not.

What makes this book different?

First, I’m not going to spend much time on the problem. I’m going to assume you are suffering from time famine, creeping dread, or—worst case—a tolerable and comfortable existence doing something unfulfilling. The last is most common and most insidious.

Second, this book is not about saving and will not recommend you abandon your daily glass of red wine for a million dollars 50 years from now. I’d rather have the wine. I won’t ask you to choose between enjoyment today or money later. I believe you can have both now. The goal is fun *and* profit.

Third, this book is not about finding your “dream job.” I will take as a given that, for most people, somewhere between six and seven billion of them, the perfect job is the one that takes the least time. The vast majority of people will never find a job that can be an



unending source of fulfillment, so that is not the goal here; to free time and automate income is.

I OPEN EACH class with an explanation of the singular importance of being a “dealmaker.” The manifesto of the dealmaker is simple: Reality is negotiable. Outside of science and law, all rules can be bent or broken, and it doesn’t require being unethical.

The **DEAL** of deal making is also an acronym for the process of becoming a member of the New Rich.

The steps and strategies can be used with incredible results—whether you are an employee or an entrepreneur. Can you do everything I’ve done with a boss? No. Can you use the same principles to double your income, cut your hours in half, or at least double the usual vacation time? Most definitely.

Here is the step-by-step process you’ll use to reinvent yourself:

D for Definition turns misguided common sense upside down and introduces the rules and objectives of the new game. It replaces self-defeating assumptions and explains concepts such as relative wealth and eustress.¹ Who are the **NR** and how do they operate? This section explains the overall lifestyle design recipe—the fundamentals—before we add the three ingredients.

E for Elimination kills the obsolete notion of time management once and for all. It shows exactly how I used the words of an often-forgotten Italian economist to turn 12-hour days into two-hour days . . . in 48 hours. Increase your per-hour results ten times or more with counterintuitive **NR** techniques for cultivating selective ignorance, developing a low-information diet, and otherwise ignoring the unimportant. This section provides the first of the three luxury lifestyle design ingredients: time.

1. Uncommon terms are defined throughout this book as concepts are introduced. If something is unclear or you need a quick reference, please visit www.fourhourblog.com for an extensive glossary and other resources.



- A for Automation** puts cash flow on autopilot using geographic arbitrage, outsourcing, and rules of nondecision. From bracketing to the routines of ultrasuccessful **NR**, it's all here. This section provides the second ingredient of luxury lifestyle design: income.
- L for Liberation** is the mobile manifesto for the globally inclined. The concept of mini-retirements is introduced, as are the means for flawless remote control and escaping the boss. Liberation is not about cheap travel; it is about forever breaking the bonds that confine you to a single location. This section delivers the third and final ingredient for luxury lifestyle design: mobility.

I should note that most bosses are less than pleased if you spend one hour in the office each day, and employees should therefore read the steps in the entrepreneurially minded **DEAL** order but implement them as **DELA**. If you decide to remain in your current job, it is necessary to create freedom of location before you cut your work hours by 80%. Even if you have never considered becoming an entrepreneur in the modern sense, the **DEAL** process will turn you into an entrepreneur in the purer sense as first coined by French economist J. B. Say in 1800—one who shifts economic resources out of an area of lower and into an area of higher yield.

Last but not least, much of what I recommend will seem impossible and even offensive to basic common sense—I expect that. Resolve now to test the concepts as an exercise in lateral thinking. If you try it, you'll see just how deep the rabbit hole goes, and you won't ever go back.

Take a deep breath and let me show you my world. And remember—*tranquilo*. It's time to have fun and let the rest follow.

TIM FERRISS

Tokyo, Japan

September 29, 2006



► CHRONOLOGY OF A PATHOLOGY

An expert is a person who has made all the mistakes that can be made in a very narrow field.

—NIELS BOHR, Danish physicist and Nobel Prize winner

Ordinarily he was insane, but he had lucid moments when he was merely stupid.

—HEINRICH HEINE, German critic and poet

This book will teach you the precise principles I have used to become the following:

- Princeton University guest lecturer in high-tech entrepreneurship
- First American in history to hold a Guinness World Record in tango
- Advisor to more than 30 world-record holders in professional and Olympic sports
- *Wired* magazine's "Greatest Self-Promoter of 2008"
- National Chinese kickboxing champion
- Horseback archer (*yabusame*) in Nikko, Japan
- Political asylum researcher and activist
- MTV breakdancer in Taiwan
- Hurling competitor in Ireland
- Actor on hit TV series in mainland China and Hong Kong (*Human Cargo*)

How I got to this point is a tad less glamorous:

1977 Born 6 weeks premature and given a 10% chance of living. I survive instead and grow so fat that I can't roll onto my stom-



ach. A muscular imbalance of the eyes makes me look in opposite directions, and my mother refers to me affectionately as “tuna fish.” So far so good.

1983 Nearly fail kindergarten because I refuse to learn the alphabet. My teacher refuses to explain why I should learn it, opting instead for “I’m the teacher—that’s why.” I tell her that’s stupid and ask her to leave me alone so I can focus on drawing sharks. She sends me to the “bad table” instead and makes me eat a bar of soap. Disdain for authority begins.

1991 My first job. Ah, the memories. I’m hired for minimum wage as the cleaner at an ice cream parlor and quickly realize that the big boss’s methods duplicate effort. I do it my way, finish in one hour instead of eight, and spend the rest of the time reading kung-fu magazines and practicing karate kicks outside. I am fired in a record three days, left with the parting comment, “Maybe someday you’ll understand the value of hard work.” It seems I still don’t.

1993 I volunteer for a one-year exchange program in Japan, where people work themselves to death—a phenomenon called *karooshi*—and are said to want to be Shinto when born, Christian when married, and Buddhist when they die. I conclude that most people are really confused about life. One evening, intending to ask my host mother to wake me the next morning (*okosu*), I ask her to violently rape me (*okasu*). She is very confused.

1996 I manage to slip undetected into Princeton, despite SAT scores 40% lower than the average and my high school admissions counselor telling me to be more “realistic.” I conclude I’m just not good at reality. I major in neuroscience and then switch to East Asian studies to avoid putting printer jacks on cat heads.

1997 Millionaire time! I create an audiobook called *How I Beat the Ivy League*, use all my money from three summer jobs to manufacture 500 tapes, and proceed to sell exactly none. I will allow my mother to throw them out only in 2006, just nine years of denial later. Such is the joy of baseless overconfidence.



1998 After four shot-putters kick a friend's head in, I quit bouncing, the highest-paying job on campus, and develop a speed-reading seminar. I plaster campus with hundreds of god-awful neon green flyers that read, "TRIPLE YOUR READING SPEED IN 3 HOURS!" and prototypical Princeton students proceed to write "bullsh*t" on every single one. I sell 32 spots at \$50 each for the 3-hour event, and \$533 per hour convinces me that finding a market before designing a product is smarter than the reverse. Two months later, I'm bored to tears of speed-reading and close up shop. I hate services and need a product to ship.

Fall 1998 A huge thesis dispute and the acute fear of becoming an investment banker drive me to commit academic suicide and inform the registrar that I am quitting school until further notice. My dad is convinced that I'll never go back, and I'm convinced that my life is over. My mom thinks it's no big deal and that there is no need to be a drama queen.

Spring 1999 In three months, I accept and quit jobs as a curriculum designer at Berlitz, the world's largest publisher of foreign-language materials, and as an analyst at a three-person political asylum research firm. Naturally, I then fly to Taiwan to create a gym chain out of thin air and get shut down by Triads, Chinese mafia. I return to the U.S. defeated and decide to learn kickboxing, winning the national championship four weeks later with the ugliest and most unorthodox style ever witnessed.

Fall 2000 Confidence restored and thesis completely undone, I return to Princeton. My life does not end, and it seems the year-long delay has worked out in my favor. Twenty-somethings now have David Koresh-like abilities. My friend sells a company for \$450 million, and I decide to head west to sunny California to make my billions. Despite the hottest job market in the history of the world, I manage to go jobless until three months after graduation, when I pull out my trump card and send one start-up CEO 32 consecutive e-mails. He finally gives in and puts me in sales.



Spring 2001 TrueSAN Networks has gone from a 15-person nobody to the “number one privately held data storage company” (how is that measured?) with 150 employees (what are they all doing?). I am ordered by a newly appointed sales director to “start with A” in the phone book and dial for dollars. I ask him in the most tactful way possible why we are doing it like retards. He says, “Because I say so.” Not a good start.

Fall 2001 After a year of 12-hour days, I find out that I’m the second-lowest-paid person in the company aside from the receptionist. I resort to aggressively surfing the web full-time. One afternoon, having run out of obscene video clips to forward, I investigate how hard it would be to start a sports nutrition company. Turns out that you can outsource everything from manufacturing to ad design. Two weeks and \$5,000 of credit card debt later, I have my first batch in production and a live website. Good thing, too, as I’m fired exactly one week later.

2002–2003 BrainQUICKEN LLC has taken off, and I’m now making more than \$40K per month instead of \$40K per year. The only problem is that I hate life and now work 12-hour-plus days 7 days a week. Kinda painted myself into a corner. I take a one-week “vacation” to Florence, Italy, with my family and spend 10 hours a day in an Internet café freaking out. Sh*t balls. I begin teaching Princeton students how to build “successful” (i.e., profitable) companies.

Winter 2004 The impossible happens and I’m approached by an infomercial production company and an Israeli conglomerate (huh?) interested in buying my baby BrainQUICKEN. I simplify, eliminate, and otherwise clean house to make myself expendable. Miraculously, BQ doesn’t fall apart, but both deals do. Back to Groundhog Day. Soon thereafter, both companies attempt to replicate my product and lose millions of dollars.

June 2004 I decide that, even if my company implodes, I need to escape before I go Howard Hughes. I turn everything upside



down and—backpack in hand—go to JFK Airport in New York City, buying the first one-way ticket to Europe I can find. I land in London and intend to continue on to Spain for four weeks of recharging my batteries before returning to the salt mines. I start my relaxation by promptly having a nervous breakdown the first morning.

July 2004–2005 Four weeks turn into eight, and I decide to stay overseas indefinitely for a final exam in automation and experimental living, limiting e-mail to one hour each Monday morning. As soon as I remove myself as a bottleneck, profits increase 40%. What on earth do you do when you no longer have work as an excuse to be hyperactive and avoid the big questions? Be terrified and hold on to your ass with both hands, apparently.

September 2006 I return to the U.S. in an odd, Zen-like state after methodically destroying all of my assumptions about what can and cannot be done. “Drug Dealing for Fun and Profit” has evolved into a class on ideal lifestyle design. The new message is simple: I’ve seen the promised land, and there is good news. You can have it all.



Step I:
D is for Definition

Reality is merely an illusion,
albeit a very persistent one.

—ALBERT EINSTEIN



Cautions and Comparisons

►HOW TO BURN \$1,000,000 A NIGHT

These individuals have riches just as we say that we “have a fever,” when really the fever has us.

—SENECA (4 B.C.–A.D. 65)

I also have in mind that seemingly wealthy, but most terribly impoverished class of all, who have accumulated dross, but know not how to use it, or get rid of it, and thus have forged their own golden or silver fetters.

—HENRY DAVID THOREAU (1817–1862)

1:00 A.M. CST / 30,000 FEET OVER LAS VEGAS

His friends, drunk to the point of speaking in tongues, were asleep. It was just the two of us now in first-class. He extended his hand to introduce himself, and an enormous—Looney Tunes enormous—diamond ring appeared from the ether as his fingers crossed under my reading light.

Mark was a legitimate magnate. He had, at different times, run practically all the gas stations, convenience stores, and gambling in South Carolina. He confessed with a half smile that, in an average trip to Sin City, he and his fellow weekend warriors might lose an average of \$500,000 to \$1,000,000—each. Nice.

He sat up in his seat as the conversation drifted to my travels, but I was more interested in his astounding record of printing money.

“So, of all your businesses, which did you like the most?”



The answer took less than a second of thought.

“None of them.”

He explained that he had spent more than 30 years with people he didn't like to buy things he didn't need. Life had become a succession of trophy wives—he was on lucky number three—expensive cars, and other empty bragging rights. Mark was one of the living dead.

This is exactly where we don't want to end up.

Apples and Oranges: A Comparison

So, what makes the difference? What separates the New Rich, characterized by options, from the Deferrers (**D**), those who save it all for the end only to find that life has passed them by?

It begins at the beginning. The New Rich can be separated from the crowd based on their goals, which reflect very distinct priorities and life philosophies.

Note how subtle differences in wording completely change the necessary actions for fulfilling what at a glance appear to be similar goals. These are not limited to business owners. Even the first, as I will show later, applies to employees.

D: To work for yourself.

NR: To have others work for you.

D: To work when you want to.

NR: To prevent work for work's sake, and to do the minimum necessary for maximum effect (“minimum effective load”).

D: To retire early or young.

NR: To distribute recovery periods and adventures (mini-retirements) throughout life on a regular basis and recognize that inactivity is not the goal. Doing that which excites you is.



- D:** To buy all the things you want to have.
- NR:** To do all the things you want to do, and be all the things you want to be. If this includes some tools and gadgets, so be it, but they are either means to an end or bonuses, not the focus.
- D:** To be the boss instead of the employee; to be in charge.
- NR:** To be neither the boss nor the employee, but the owner. To own the trains and have someone else ensure they run on time.
- D:** To make a ton of money.
- NR:** To make a ton of money with specific reasons and defined dreams to chase, timelines and steps included. What are you working for?
- D:** To have more.
- NR:** To have more quality and less clutter. To have huge financial reserves but recognize that most material wants are justifications for spending time on the things that don't really matter, including buying things and preparing to buy things. You spent two weeks negotiating your new Infiniti with the dealership and got \$10,000 off? That's great. Does your life have a purpose? Are you contributing anything useful to this world, or just shuffling papers, banging on a keyboard, and coming home to a drunken existence on the weekends?
- D:** To reach the big pay-off, whether IPO, acquisition, retirement, or other pot of gold.
- NR:** To think big but ensure payday comes every day: cash flow first, big payday second.
- D:** To have freedom from doing that which you dislike.
- NR:** To have freedom from doing that which you dislike, but also the freedom and resolve to pursue your dreams without reverting



to work for work's sake (W₄W). After years of repetitive work, you will often need to dig hard to find your passions, redefine your dreams, and revive hobbies that you let atrophy to near extinction. The goal is not to simply eliminate the bad, which does nothing more than leave you with a vacuum, but to pursue and experience the best in the world.

Getting Off the Wrong Train

The first principle is that you must not fool yourself, and you are the easiest person to fool.

—RICHARD P. FEYNMAN, Nobel Prize-winning physicist

Enough is enough. Lemmings no more. The blind quest for cash is a fool's errand.

I've chartered private planes over the Andes, enjoyed many of the best wines in the world in between world-class ski runs, and lived like a king, lounging by the infinity pool of a private villa. Here's the little secret I rarely tell: It all cost less than rent in the U.S. If you can free your time and location, your money is automatically worth 3–10 times as much.

This has nothing to do with currency rates. Being financially rich and having the ability to live like a millionaire are fundamentally two very different things.

Money is multiplied in practical value depending on the number of W's you control in your life: **what** you do, **when** you do it, **where** you do it, and with **whom** you do it. I call this the “freedom multiplier.”

Using this as our criterion, the 80-hour-per-week, \$500,000-per-year investment banker is less “powerful” than the employed **NR** who works $\frac{1}{4}$ the hours for \$40,000, but has complete freedom of when, where, and how to live. The former's \$500,000 may be worth less than \$40,000 and the latter's \$40,000 worth more than



\$500,000 when we run the numbers and look at the lifestyle output of their money.

Options—the ability to choose—is real power. This book is all about how to see and create those options with the least effort and cost. It just so happens, paradoxically, that you can make more money—a lot more money—by doing half of what you are doing now.

So, Who Are the NR?

- ▶ The employee who rearranges his schedule and negotiates a remote work agreement to achieve 90% of the results in one-tenth of the time, which frees him to practice cross-country skiing and take road trips with his family two weeks per month.
- ▶ The business owner who eliminates the least profitable customers and projects, outsources all operations entirely, and travels the world collecting rare documents, all while working remotely on a website to showcase her own illustration work.
- ▶ The student who elects to risk it all—which is nothing—to establish an online video rental service that delivers \$5,000 per month in income from a small niche of Blu-ray aficionados, a two-hour-per-week side project that allows him to work full-time as an animal rights lobbyist.

The options are limitless, but each path begins with the same first step: replacing assumptions.

To join the movement, you will need to learn a new lexicon and recalibrate direction using a compass for an unusual world. From inverting responsibility to jettisoning the entire concept of “success,” we need to change the rules.



New Players for a New Game: Global and Unrestricted

TURIN, ITALY

Civilization had too many rules for me, so I did my best to rewrite them. —BILL COSBY

As he rotated 360 degrees through the air, the deafening noise turned to silence. Dale Begg-Smith executed the backflip perfectly—skis crossed in an X over his head—and landed in the record books as he slid across the finish.

It was February 16, 2006, and he was now a mogul-skiing gold medalist at the Turin Winter Olympics. Unlike other full-time athletes, he will never have to return to a dead-end job after his moment of glory, nor will he look back at this day as the climax of his only passion. After all, he was only 21 years old and drove a black Lamborghini.

Born a Canadian and something of a late bloomer, Dale found his calling, an Internet-based IT company, at the age of 13. Fortunately, he had a more-experienced mentor and partner to guide him: his 15-year-old brother, Jason. Created to fund their dreams of standing atop the Olympic podium, it would, only two years later, become the third-largest company of its kind in the world.

While Dale's teammates were hitting the slopes for extra sessions, he was often buying sake for clients in Tokyo. In a world of "work harder, not smarter," it came to pass that his coaches felt he was spending too much time on his business and not enough time in training, despite his results.

Rather than choose between his business or his dream, Dale chose to move laterally with both, from either/or to both/and. He wasn't spending too much time on his business; he and his brother were spending too much time with Canucks.

In 2002, they moved to the ski capital of the world, Australia, where the team was smaller, more flexible, and coached by a legend. Three short years later, he received citizenship, went head-to-head



against former teammates, and became the third “Aussie” in history to win winter gold.

In the land of wallabies and big surf, Dale has since gone postal. Literally. Right next to the Elvis Presley commemorative edition, you can buy stamps with his face on them.

Fame has its perks, as does looking outside the choices presented to you. There are always lateral options.

NEW CALEDONIA, SOUTH PACIFIC OCEAN

Once you say you’re going to settle for second, that’s what happens to you in life.

—JOHN F. KENNEDY

Some people remain convinced that just a bit more money will make things right. Their goals are arbitrary moving targets: \$300,000 in the bank, \$1,000,000 in the portfolio, \$100,000 a year instead of \$50,000, etc. Julie’s goal made intrinsic sense: come back with the same number of children she had left with.

She reclined in her seat and glanced across the aisle past her sleeping husband, Marc, counting as she had done thousands of times—one, two, three. So far so good. In 12 hours, they would all be back in Paris, safe and sound. That was assuming the plane from New Caledonia held together, of course.

New Caledonia?

Nestled in the tropics of the Coral Sea, New Caledonia was a French territory and where Julie and Marc had just sold the sailboat that took them 15,000 miles around the world. Of course, recouping their initial investment had been part of the plan. All said and done, their 15-month exploration of the globe, from the gondola-rich waterways of Venice to the tribal shores of Polynesia, had cost between \$18,000 and \$19,000. Less than rent and baguettes in Paris.

Most people would consider this impossible. Then again, most people don’t know that more than 300 families set sail from France each year to do the same.

The trip had been a dream for almost two decades, relegated to the back of the line behind an ever-growing list of responsibilities. Each passing moment brought a new list of reasons for putting it off.



One day, Julie realized that if she didn't do it now, she would never do it. The rationalizations, legitimate or not, would just continue to add up and make it harder to convince herself that escape was possible.

One year of preparation and one 30-day trial run with her husband later, they set sail on the trip of a lifetime. Julie realized almost as soon as the anchor lifted that, far from being a reason not to travel and seek adventure, children are perhaps the best reason of all to do both.

Pre-trip, her three little boys had fought like banshees at the drop of a hat. In the process of learning to coexist in a floating bedroom, they learned patience, as much for themselves as for the sanity of their parents. Pre-trip, books were about as appealing as eating sand. Given the alternative of staring at a wall on the open sea, all three learned to love books. Pulling them out of school for one academic year and exposing them to new environments had proven to be the best investment in their education to date.

Now sitting in the plane, Julie looked out at the clouds as the wing cut past them, already thinking of their next plans: to find a place in the mountains and ski all year long, using income from a sail-rigging workshop to fund the slopes and more travel.

Now that she had done it once, she had the itch.

► LIFESTYLE DESIGN IN ACTION

I was done with driving across town to collect my son from child-care only to slide across icy highways trying to get back to work with him in tow to finish my work. My mini-retirement brought us both to live at an alternative boarding school full of creative lifestyle redesigning children and staff in a gorgeous Florida forest with a spring-fed pond and plenty of sunshine. You can easily search for alternative schools or traditional schools that might accept your children during your stay. Alternative schools often see themselves as supportive communities and are exceptionally welcoming. You might even find an opportunity to work at a school where you could experience a new environment with your child.

—DEB



• • •

Tim,

Your book and blog have inspired me to quit my job, write two e-books, sky dive, backpack through South America, sell all the clutter in my life, and host an annual convention of the world's top dating instructors (my primary business venture, third year running). The best part? I can't even buy a drink yet.

Thank you so much, bro!

—**ANTHONY**



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