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make things better. So Ross and I worked to build out an "error log" in the trading department. "I saw that to do exceptionally well you can do is to gather the lessons these failures provide and gain humility and radical open-mindedness in order to increase your chances of success. Then you press on." "I learned a great fear of being wrong that shifted my mind-set from thinking "I'm right" to asking myself "how do I know I'm right". And I saw clearly that the best way to answer this question is by finding other independent thinkers who are on the same mission as me and who see things differently from me. By engaging them in thoughtful disagreement, id be able to understand their reasoning and have them stress-test mine. That way, we can all raise our probability of being right." "What happens after we crash is most important. Successful people change in ways that allow them to continue to take advantage of their strengths while compensating for their weaknesses and unsuccessful people don't." "making money in the markets is tough." "Learning from history: What had happened, after all, was "another one of those"," "Meditation has benefited me hugely throughout my life because it produces a calm open-mindedness that allows me to think more clearly and creatively.""I gradually learned that prices reflect peoples expectations, so they go up when actual results are better than expected and they go down when actual results are worse than expected. And most people tend to be biased by their recent experiences. p. 11"classic-old-books favorites happiness November 15, 2017The utility of the content in the book is worth 5 stars but I'm docking a star for the smarmy tone within the historical section about early Bridgewater and early-career Dalio. I'm certain I will return to the material and continue to dig out sometimes radical approaches to my life and work, but I'm also pretty sure I'll never go cover to cover again.September 26, 2020Oh MAN is this a great book.In sum- know what matters. - design and build a great machine.- cultivate an idea meritocracy.- commit to know the truth.- be radically open minded and transparent.- hire and listen to reliable people.- argue productively.- hire people who arent great, even if you like them.- sit back and watch beautiful shit happen. I know none of this makes much sense. Just read it. You wont be sorry. October 24, 2017I like Ray, but this book made me cringe. I won't leave my full review (it has many not-so-nice words). But I'll say this, Ray talks about "meritocracy" and "radical whatever" a thousand times in the book. He obviously talks about his principles. What he wants you to know is this:Meritocracy + (Your) Principles + Radical transparency = SUCCESSWhat he doesn't account for, and what most successful people don't account for, is luck. Always, the real formula is:(Whatever a successful person says) + Luck = SUCCESSI know that Ray is not the first, and not the only, person to implement that formula. He did it, and luck was on his side. I wish Ray would have acknowledged this in his book.Secondly, while some principles are good, most are demeaning to people. Ray tells the reader that at Bridgewater, they would make baseball cards with people's qualities. I find it very offensive and reductive; humans are more than adjectives and numbers. I have some qualities that unconsciously affect me but my coworkers don't know about (because I don't want them to know).I much more enjoyed the original pdf he put out - it's a lot more succinct, and lacks the editorial polish a book needs (I think that's a plus). If you can find it, read it. The book can be skipped.biography economics money Misericordia March 15, 2021I totally loved the autobiographical part. Some of the ideas on the how-to-self-help part also make sense. Some not really: radical transparency? For reals? Imagine someone being radically transparent at home: 'Mum&Dad, fuck you and the homework!' How's that for transparent? I think that's Utopia on the go. And a very toxic environment in making.July 17, 2017One of the best part of Ray Dalio that I appreciate as a startup founder is being brutally honest, even allowing others to inflict constructive criticism towards yourself. Thank you, Ray.February 3, 2018This book isn't perfect, but I'm glad I read it.Basically three parts: 1) background on Dalio and Bridgewater (interesting, but only if you're into biographies or accounts of important companies); 2) advice for how to live one's own life 3) principles for engineering and managing a company. 2 is probably of the widest appeal, and 3 is what I found the most interesting (although also the most hit-or-miss).I'm friends with an ex-Bridgewater employee, and I knew of Dalio and Bridgewater but not in any great detail. The biography was interesting to me, but didn't really go into great detail; it's maybe on par with a long-form magazine article about the man and his firm.Dalio's advice for individuals and companies basically boils down to harnessing the power of feedback, iteration, and improvement in response to failure. Simple to say, but hard to implement, and much of his advice was how to create systems (individually or for an organization) to accomplish this. For an individual, the challenge is primarily psychological -- being able to reflect on one's actions at a higher meta level than just doing the work itself, because you're always both the do-er and the manager. For organizations, the challenge is essentially the central problems of economics -- aligning incentives, culture, and unintended consequences. This is where he had some of the best concrete advice, about tools Bridgewater developed and used (and which he says he will release), and also about the need for greater organizational controls once he wasn't directly running things. I don't think he went far enough in admitting the problems with the bridgewater model, and lack of applicability -- it only really works when everyone has aligned incentives, which I believe is only possible in small groups or in organizations throwing off so much cash that no one is concerned about scarcity -- the Bridgewater management style would not be a viable way to run a large retail empire like Wal-mart, and he didn't seem to understand or admit this.Overall, it's a good book. The individual principles are good to have in one's toolbox, and the organizational structuring advice is good if not taken as gospel or in isolation. I do wish I'd worked at Bridgewater when Dalio was there, to see this stuff happen in realtime, but maybe I'll be able to implement some of these tools with my own teams in the future.April 30, 2018I did not enjoy this book. In general, his principles are quite intuitive and obvious in my opinion. I picked it up because it seemed to be so popular, and I sometimes get pulled into that trap for some reason. Much of the first half seemed self-indulgent, but it got a little better when he started talking about his principles, but overall I didn't take anything away from this book.October 23, 2018Read a summary & save yourself the time. The level of codification of principles in this book is impossible to retain, let alone put into practice. The same ideas get repeated over & over again. A few helpful nuggets here & there, but overall not worth the effort to go through the entire book. May 24, 2023 . . . . . 40 . . . . . Goodreads 6 ) Principles, . . . . . to management top100-all-timeNovember 29, 2018There are probably a few reasons why you might not intuitively take well balanced life advice from a hedge fund manager, but Dalio is an interesting character with a fascinating life story (which the first part of the book goes through).Overall, the advice you should take from this book is less about how to live your life, but rather how to go about deeply thinking about the decisions you make and the pain you inevitably confront, structuring your learnings for the future to keep iterating on that structure forever.I wrote a blog post about my own meager-attempts on a similar approach to structure a certain life decision process ( -- but Dalio has had 40+ years to work on his, so goes way and beyond in breath.While I don't think I'd ever build a fully radically transparent organization at scale (like Bridgewater is), many of his specific principles are worth pondering about. Pausing after pain, thinking about human systems as complex machines (where you can in turn distinguish if you're in a designer or worker mode, at any given time) are examples of concepts that stuck. See more from my highlights here: 17, 2018This book came to me highly recommended but on reading it I don't think it lives up to the hype.As a book standing on its own two legs it's just not very good. Far too long, repetitive, and riddled with turgid prose. I suspect if this book was written by a mere millionaire (rather than billionaire) it wouldn't have the fans that it does. I also felt like the bulk of the principles were at an odd level of abstraction: not quite low level enough to be immediately useful but also not high-minded enough to be universal.I did find a fair amount of really useful nuggets in there though. When the book got into more tactical matters there was often a nice and tidy formulation of a management idea that I hadn't seen laid out quite so nicely before. They were just too few and far between for the page count.I also have zero time for someone who advocates radical truth seeking and MyersBriggs type indicators in the same book.May 19, 2020This is sold under "businessmanagement" but it should be "self-help". I really wanted to like this book but can't bring myself to even finish it. Hearing things like "Principle 4.2.2" made it very difficult to keep up with the principles structure and hierarchy, quickly losing what Dalio is trying to communicate. I think Dalio is fond of categorization and pattern identification (perhaps from his work as an investor) -- but such organization is more suited to a text book rather than a self-help one. Despite others disliking the auto-biography part, I found helpful in setting the tone of the book. It was more of capturing of a journey that lead somewhere, but not necessarily the same journey everyone should take. Overall - I was surprised how it originally highly recommended (especially among entrepreneurs), I hope I can finish it after perhaps listening to a more intellectual book.July 5, 2018I would give this book 7 out of 5 stars. In other words, this book is to business books what Tesla is to cars. January 12, 2019A thorough disappointment. Given the constant stream of positive reviews it receives, the recommendations I received, and how worked up I get talking about it, a long review follows. In totality it's a story of Dalio's life, which is one of the most narcissistic, self-aggrandizing, and falsely modest pieces I've ever read. Not even Trump's "Art of the Deal" reached these heights of self-love and delusions of grandeur. Once his biography, with just a handful of decent stories, is told the "book" becomes a gigantic bullet point-ridden corporate memo about good management principles and makes academic books look as exciting as "Harry Potter" read by a teenager.The principles themselves are generally sound, with notable exceptions such as advising to fire a person we came to love if they stop performing at their A-game or advising to take an hour every day of vacation to stay on top of things at work. At its best the principles are of value, although not novel or innovative in any way and in line with the principles of any moderately successful person. Unfortunately, at its worst, the management principles laid down are a recipe for dehumanization of an organization and turning people into efficient robots with no feelings other than fear of getting fired or blind obedience to the code of the company combined with a faked daily passion for its existence. I actually took a moment to look up Bridgewater Associates (Dalio's company) on Glassdoor and read opinions about it from its former employees - the most common criticisms were "stress", "cult-like culture", and "fear of being fired". In an age where companies like Google or Bain have shown the benefits of focusing on their employees' well-being, Dalio's ideas serve only to understand why "corporate culture" today is a phrase used with scorn by entrepreneurs. Since I am writing about the principles I will give Dalio some credit - due to the sheer length of his corporate memo anyone can find something of interest there. I, as well, found some of the principles to be interesting and applicable in my life.Now, let me touch on the beginning of the book. Dalio's autobiography. I'm purposefully not using the word "story", because unfortunately he tells very few stories and makes it a point not to tell them for reasons of "privacy" - too bad, because the times he opens up are truly the best parts of the book. Instead we are left with some weird tale about how he made a ton of money, without ever acknowledging the role of randomness or luck in the process. In an industry proven to be largely affected by randomness Dalio is the fund manager who is convinced that his success comes purely from his abilities. And, oh boy, what grand success and abilities those are - at one point he compares himself to Steve Jobs (Steve Jobs was great. I think I'm like him. I'm not saying I'm Steve Jobs, but...) and talks about a scriptwriter who is an expert in the "journey of a hero" and proceeds to compare himself to a hero (Heroes are remarkable. My journey is similar to theirs. I'm not saying I'm a hero, but...). The level of false modesty is only matched by scorn for other lifestyles - "if you want to be a couch potato that's fine by me". Because of his dehumanizing robotic efficiency Dalio believes that life is a tradeoff between saving it and making an impact. I truly dont understand why one cant have both.What disturbed me about the content is also how poorly researched Dalio's principles and opinions are - the constant use of "other people do this", "most people think that" just made me think Dalio simply believes his principles and ideals are the best and whoever isn't at his level of success is wrong and must be categorized as "other people". Truly, a privileged college kid's level of analysis. The poor research shows up in discussing topics Dalio knows very little about - IT infrastructure or, more importantly, AI. His opinions on AI sound like a talking head required to have an opinion about everything -- "AI can't create creativity, the best thing is to have humans work together with AI". I guess Dalio never read a computer generated poem or heard Elon Musk speak about its dangers. This is particularly sad because there are topics that Dalio is a world-class expert on - debt crises and investments. But he decides not to touch on them at all, most likely leaving them for a different book.And then the book is full of contradictions. For example Dalio will tell you to weigh first, second, and third degree consequences and not to believe what you want to be true, but to follow the facts. He then recalls a story of his cancer scare (one of the few good stories) and talks about different opinions from doctors and how he ultimately followed the opinion that was most acceptable by him. I suppose it was difficult to keep track and consistency of all the thoughts in between the sub-bullets of bullet points.Overall... Just don't. If you have no idea about management principles then you will learn a whole lot from this book, but why would you do that to yourself - there's plenty books out there that will teach you the same with better stories and with authors that retain a human level of modesty.November 25, 2017(3.0) dont read the autobiographical part, section on decision-making (chapter 5 of work principles I think) was great. I DO look forward to reading his book on investing principles; they're probably spot on.Auto bio is useless and set me up to dislike/distrust the rest. He loves himself so much, takes credit for almost everything, makes empty statements about striving for meaningful work and meaningful relationships, but didnt demonstrate that he really found either. Saying it over and over doesnt make it true. Sounds like he made a ton of money and parties with the people he did it with. Ok.He has some useful principles, but probably distinguished himself the most by really sticking to them, using them to explain/justify decisions. I see a lot of parallels between his principles and Amazons leadership principles, which is interesting. I see a fair bit of cultural overlap as well, though there were some significant differences (eg naming names in root cause analysis, and assumption that often root cause is a flaw in a person as/more often than in the process.)I liked the section on decision making, knowing how to identify the right people to trust when getting advice about a decision and ways to rationally make decisions in the face of dislodged disagreement.February 6, 20184.5/5 starsI was afraid that very hyped "Principles" may be useful just for people interested in investment funds or similar paths of career, but fortunately it's not the case. Book gets a rather slow start - Dalio presents his reasoning for a book like that (very valid) & then goes through the history of his life, showing how principles have help him to get where he currently is - frankly, it's the weakest part of the book.But then, suddenly things get better, when author gets straight to Principles. There are many of them, they are elaborated in detail, can't be easily synthesised / simplified to the simple checklist. But what they represent is a quintessence (seriously) of getting shit done elixir in high performance business. I worked for 13 years in effect-oriented, mature & well-organized high-profile company & I can easily find the resemblance between Ray's Principles & what I've personally learned (hard or easy way) during my career. I just wish I had a book like that when I was starting.Principles are crisp, concrete, clear, to the point & well-described. There's no bullshit, "sweet farting", over-theorising or falling into zealotry over high but unrealistic ideals. I'm not sure how it will be perceived by people who weren't exposed to similar culture (to Bridgewater's) before, but during my read I was nodding like crazy, almost to the neck-ache :)Good stuff, kudos to Mr. Dalio for sharing his Principles in such an elaborated way with a wider audience. Book is hyped, but not over-hyped.July 19, 2023Disclaimer: i switched to the original pdf version of this book about 200 pages in, i think the book could have been condensed significantly. i found a lot of the generalizations from this book questionable in their "truthiness", there were moments when dalio describes how planning a project should take no more than between "10-15 hours" or something of the like, which i found absurd as an across-the-board rule independent of any kind of context. i'm not sure if this was only present in the pamphlet though, there were also repeated appeals to evolution as an explanation for everything in the universe, which i also found meaningless and inaccurate. the tone of the book often seems exaggerated and imprecise, two qualities that really detracted from the value of the book for me there was some interesting advice however on the mechanics of structuring a project, and i enjoyed reading about how ray dalio started bridgewater/is supposedly responsible for creating the chicken McNugget. July 5, 2018Atrocious. Concepts here dont need 500+ pages. Theres a nice 1.5 hour podcast that Dalio has recorded with Shane Parrish of Farnam Street. Listen to that. Its very insightful. And then dont read the book. It doesnt add any incremental value. September 29, 2017Ray Dalio's thought process is straightforward: your company succeeds if the best idea wins out every single time. Then how do you know which one is the best idea? To Ray Dalio, the best idea is the one that feeds off the best ideas. Hence, people gotta be honest and contribute what they actually believe to be the best ideas. After having all the best ideas on the table, you would have to somehow synthesize them all. You wouldn't give equal weight to every idea. You have to come up with a more objective set of metrics. In order to be objective, the metrics would give more weight to the person that has a more proven track record (believability-weighted). But idea synthesis can be messy, and hence more principles and rules to make sure things run smoothly and turn out well. For a company, "Radical transparency" and "Idea Meritocracy" are the kind of extreme standard for machine-like accuracy and efficiency. This book is more than just about tough love. Underlying "Radical transparency" and "Idea Meritocracy" is a philosophical belief that humans are imperfect and hubris is the downfall of man. Much as the book makes an respectable effort to bridge the realms of ideal and reality by proposing the principles that have held true for 40 years at one of the most admirable companies in the world, the biggest question very much remains whether such a humanly transcendental idea can be humanly sustainable and applicable. Ask yourself if you would ever like to work in a company that strives to be a machine. Ask yourself if extreme efficiency and accuracy should be the most valued criteria for a company's success, even at the expense of meaningful relationships. Also, ask yourself if Dalio's idea is the best idea yet.Displaying 1 - 30 of 3,717 reviewsGet help and learn more about the design.Ray Dalio is the founder, co-chairman, and co-chief investment officer of Bridgewater Associates, the largest hedge fund in the world. He grew up in a middle-class neighborhood in Long Island and began playing the stock market at age 12. He started Bridgewater out of his apartment in New York in 1975 and enjoyed some success before some erroneous market predictions caused him to lose everything in 1982.The experience taught him not to be overconfident, to gain a more complete view of economic history, and to find ways to balance low risk with high returns. This ultimately led him to develop a set of principles for living life and reaching goals, which he credits for his success. He wrote Principles so that others could benefit from what hes learned.(Shortform note: Like Dalio, other successful people first experienced failure, which has led to the myth that successful people need to fail before finding success. While this makes for a good story, research says that these types of comebacks play a role in just a small percentage of success stories, and most entrepreneurs who fail once will most probably fail again. That's because they dont properly identify the real cause of their failure and may blame outside factors instead of their own actions. Dalios principles can help you examine the truth of your failure and guide you in building the knowledge and experience you need to find success on your next attempt.)What Are Principles?Every day, you face new situations that require your response. If you had to decide what to do at each point in time, youd react impulsively or spend so much time and energy weighing your options that youd be exhausted. However, Dalio believes that every situation has happened before, so you can systematize decision-making and make it more objective and efficient. This is why you need principleswhat Dalio describes as fundamental truths that determine how you behave. They help you figure out how to automatically and appropriately respond to any situation youre facing.(Shortform note: Dalio contradicts his ideas surrounding principles throughout the book. On the one hand, he says that you should choose the principles that work best for you; on the other, he says that you must use all of his principles in order to be successful. Given that other peoplelike PayPal co-founder Peter Thiel and former Intel CEO Andrew Grovehave found success using their own formulas, its safe to assume that Dalios wholesale principles arent the only key to success.As a result of his early mistakes, Dalio learned that he made the best decisions when he put his ego aside and relentlessly sought the truth. Many of his principles are about understanding the importance of finding the truth and how to achieve it over common obstacles. Here, well explore his eight main principles and how you can put them into practice. Then, well explore how Dalio synthesizes these principles into a powerful process for working toward and achieving goals.Principle # 1: Relentless Truth-SeekingWhen youre struggling, Dalio says you shouldnt fall into the trap of wishing things were different. This will bias your objectivity and get you nowhere. Instead, embrace your reality and be completely open to the possibility that youre wrong. Dalio notes that there are two hurdles that will likely get in the way of recognizing reality:1) Your EgoYour ego is your underlying desire to be capable, to be seen by other people as capable, to be loved, to feel important, and to be praised by others. Experiences that threaten that egothose that make you feel irrelevant or that point out your weaknessesare painful. To avoid this pain, you might shut yourself off from self-reflection or deny reality. This leads to spontaneous, emotionally driven reactions, rather than well-thought-out decisions.(Shortform note: Allowing your ego to take over can harm you in more ways than the one Dalio describes. In Ego Is the Enemy, author Ryan Holiday mentions three ways that ego can keep you from being successful: First, it can lead you to brag and self-promote instead of taking action. Second, it can make you feel like you know everything, which prevents you from growing. And third, it can make it especially difficult for you to recover from failure.)Dalio suggests a formula that helps him prevent his ego from taking over: Pain + Reflection = Progress. He uses this equation to illustrate that you should take full responsibility for your mistakes and relish the chance to get better, rather than being ashamed.(Shortform note: Jack Canfields formula for improving outcomes in The Success PrinciplesEvent + Response = Outcomes is slightly different take on this thought process that centers on an event itself and your response to it rather than a reflection on the pain of an event. However, like Dalio, his formula centers on accepting your role in your situation.)2) Your Blind SpotsYour blind spots materialize when you see the world through your own biased lenses. You cant appreciate what you cant see, thus two people who see the world differently often end up arguing over whos right.(Shortform note: Leaders are...

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