

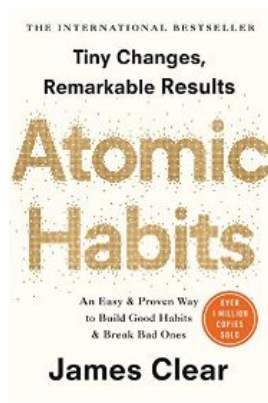


SCHUTT CAPITAL MANAGEMENT

From the Notepad

The three best books I read this year.

I enjoy drafting this every year as a forcing function to revisit a few books I loved. I hope you find a new read for yourself or a gift for another on this list.



Atomic Habits: An Easy and Proven Way to Build Good Habits & Break Bad Ones (2018)

James Clear

James Clear has written a great book with useful and actionable instruction as to how to tilt your trajectory towards the person you want to be. His building blocks are atomic habits – small but powerful habits that you use to build a repeatable system for your own improvement. “Atomic” he defines as an extremely small amount of any one thing, and the single irreducible unit of a larger system. And, because each of these habits start and remain relatively small, they are easier to perform and stick with.

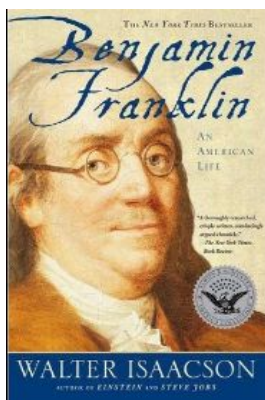
For the meat of the book, he relies on the science of human behavior and lays out the roadmap of successful habit formation. It follows these four steps: make the habit obvious, attractive, easy, and satisfying. This involves setting up your environment and routines so that good habits become effortless.

The system enables you to solve the problems of life with as little energy as possible:

“...when you have your habits dialed in and the basics of life are handled and done, your mind is free to focus on new challenges and master the next set of problems. Building habits in the present allows you to do more of what you want in the future.”

Clear espouses an objective of “1% better” as a way to conceptualize his framework for improvement. An irony of a “1% better” approach is that you will hardly have any measurable progress after a few weeks but HUGE gains when done consistently over the course of a year or two. This philosophy aligns well with the notion of compound interest in building wealth. If you stack 1% improvements upon 1% improvements, over time, you get results that begin to grow exponentially and deliver vast, runaway results.

Clear’s work is highly readable and useful, at a time when so many of us are wanting to push back against low-value information and noise. Clear also writes what is accurately billed as “the most wisdom per word of any newsletter on the internet.” I look forward to it each Thursday, and you can find it or sign up for it through his [website](#).



Benjamin Franklin: An American Life (2003)

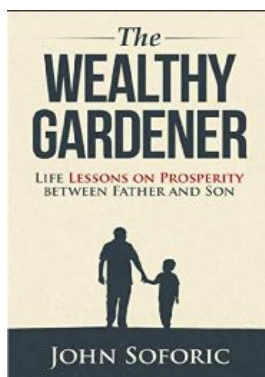
Walter Isaacson

Ben Franklin’s array of personality and characteristics, curiosity, talents, and skills all applied at a unique moment encompassing the birth of America amounted to a remarkable life. Walter Isaacson is certainly among the best living biographers, too, and has written an engaging account of Franklin’s many chapters – apprentice, printer, business mogul, inventor and scientist, diplomat and Founding Father.

After reflecting on the book, here are a few great and unique qualities I recognized in Franklin:

- **Pragmatism over dogma or ideology.** Franklin was adept at finding middle ground in collective agreements. He emphasized and valued what worked over what a particular ideology prescribed. These attributes made him a key figure in crafting our country's early treaties and founding documents, among other important contributions.
- **Merit, virtue, and hard work over heritage.** He strongly favored a meritocracy and a strong middle class with lots of opportunity to succeed in his vision for America, as opposed to an aristocracy or landed gentry.
- **Powerful storytelling, often as a form of persuasion.** Franklin used the written word famously in Poor Richard's Almanack and many other widely-read publications throughout his life to influence public and political opinion, espouse positive character traits, and wage public battle against rivals in business or politics. This form of persuasion, as a result of his clever writing style and imagination, was very effective.
- **Deep curiosity.** Following his curiosity led him to become America's leading scientist and inventor, with innovations including discovering and taming electricity in lightning, bifocal glasses, and charting the Gulf Stream, among many others. These pursuits were driven by pure intellectual curiosity with practical applications often found only after the fact.

For me, the benefits of investing the time in a deeply researched biography of a remarkable life are the practical lessons learned that can be adopted or used by the reader, as well as the benefit of better understanding history and what's possible beyond one's own direct life experiences.



The Wealthy Gardener: Life Lessons on Prosperity Between Father and Son (2018)

John Soforic

John Soforic is a middle class father of two who worked and willed his way to financial independence by his 50th birthday from a standing start of being buried under \$200,000 of student debt at age 30. This book distills the philosophies and

methods he used to achieve this outcome. Soforic's purpose makes this book especially valuable. It was literally written to his son, and no broader audience beyond that, as a way to pass the author's experience and lessons down. This makes for a very honest, authentic, and sometimes raw read.

Readers have responded to his authenticity. Soforic self-published the book to loads of Amazon 5-Star reviews and it reached #45 in the world on Audible. A major publisher has now picked it up and it is being translated globally. If you enjoy listening to books, I have heard that the audiobook is excellent.

It is written in short, four and five-page chapters that partly use a parable format (the story of The Wealthy Gardner) alongside Soforic's direct experiences in life and entrepreneurship. The garden is used as a metaphor for life – How much of your garden do you choose to plant? How diligently do you tend to the flowers and weeds? A key takeaway is how you use your time: “the seeds of every harvest are the hours of the days.” The format lends itself to being read in very short bites as well as a handy reference manual to return to later.

I suspect this book will be in print for a long time like other personal finance and “success philosophy” classics such as *Think and Grow Rich* and *The Richest Man in Babylon*.

The book inspired me to stretch a bit and be more demanding of myself as to what might be possible with sound plans, optimism and persistence.

I wish you a peaceful holiday this year.

Best regards,

Marshall

mps@schuttcapital.com