

# **THE DESCENT OF POWER—**

**Thoughts on *The Great  
Transformation* and How to  
Master It**

**An eBook**

**By Robert Greene**

*The following is an amalgamation of two talks given by bestselling author Robert Greene: the first at the Emirates Festival of Literature in Dubai, and the second at the American Chamber of Commerce in Singapore. Both of these talks were geared for a business audience.*

## #1

The subject that I am going to talk about this evening is the state of the world as I see it, what is really going on—not what the newspapers report, not the conventional wisdom. But before I get to that, I want to give you some context about my perspective, my way of thinking and where it comes from.

In 1996 I began work on my first book, [\*The 48 Laws of Power\*](#). The book had a simple premise: every human being has an innate desire for power. What I mean by power is the ability to control to some degree the events around us—to be able to influence people, move them in our direction, direct our career path and protect ourselves from those who are malicious. It also means having some control over our own destructive impulses. When we exercise such control, we feel energized and confident. When we experience the opposite—helpless in the face of circumstance—we become miserable and prone to all kinds of irrational behavior. To gain power, we try almost anything, but we are never quite sure of what really works.

The problem in writing such a book, as I saw it then, was the massive amount of confusion surrounding the subject. Few people like to admit they are motivated by ambition or a hunger for power. That seems too ugly. If somehow they attain some success in life it is because of their goodness or talent, never because of any maneuvering or political gamesmanship. Many people are masters at passive aggression—disguising their grabs at power behind a benign or smiling façade.

All of this moralizing and denial creates a great deal of fog. To pierce this fog and get at the reality, I devised a method that has served me well in all of my subsequent writings: I would ignore people's words and justifications; instead, I would study their actions. To show what is timeless and universal in this hunger for power, I would look at the most illustrious people in history—all periods, all cultures—and ruthlessly dissect their successes and failures. In doing this research, I discovered patterns, which turned into laws, 48 of them. When you observe these laws, good things happen to you; when you transgress them, you court disaster. These laws apply as much to Louis XIV as to Bill Gates. They represent the physical reality of what happens in the world, not the deceptive appearances that people like to present.

The book came out in 1998, and slowly it gained some momentum. Around three years after the publication, I began to be sought out by people in various lines of work who wanted advice. Some of them were quite powerful in their fields. At first, I was somewhat intimidated, as I have no real solid background in business or a degree in psychology and I had not personally attained the heights of power. But soon it became clear to me that these people did not want help in technical matters or cared about my credentials. Their weakness was dealing with the political side of human nature, how to handle all of the maneuverings that I describe in *The 48 Laws*. They were confused. I saw that my advice could be very useful and that the ideas I had discussed in the first book were more than relevant to their experiences.

As I acquired more and more of these consulting relationships, I began to gain access to the inner workings of many important businesses. I saw a pattern in the problems that many executives were facing, and over the years my ideas on this coalesced into the following theory: we are in the midst of one of those great transitional moments in history in which the old ways of operating and thinking are finally dying off. Something new is trying to emerge. All of this makes people confused and uncertain; it is infecting everyone unconsciously.

I saw signs of this struggle in business, but also in politics—particularly in the Obama campaign. In the middle of these speculations, the global economy crashed and this only confirmed what I had been thinking.

I want to talk to you tonight about these countercurrents of the old and the new, what is really going on under the surface creating the turmoil that we are experiencing. As with the subject of power, I'm not satisfied with how people are describing these events. There is too much politicizing and too little perspective. The human being handles change with difficulty. It makes us hold on to the past or become overwhelmed by the apparent chaos. It makes us even more emotional. People who live through revolutionary moments generally have little notion as to what is going on. In this particular case, our lack of understanding makes it very difficult for us to exploit the tremendous changes and opportunities that are germinating at this moment.

What I want to do tonight is to broaden our viewpoint and provide a different way of looking at this strange new world we have entered. Clearing up some of our confusion can help make our actions more effective. To accomplish this reversal of perspective, I will be bringing in many ideas, examples from history and so on, but all with the purpose of explaining the present moment, so bear with me.

## #2

In anthropology there is a concept known as *historic fatality*. What this means is that occasionally there emerges a certain idea, a certain way of doing things that is so immensely seductive to human beings that eventually it spreads around the globe and forever changes our way of life. One of the greatest examples of this would have to be agriculture. It was centered on a simple idea—instead of constantly searching for new food sources, humans could raise their own food in settled locations. As this took root in several places, it led to the formation of villages, towns, cities, city-states, entire civilizations. With this came all kinds of institutions such as civic government, social organization, warfare, culture on a new level. It created the concept of surplus and leisure time. Slowly, sometimes by force, it conquered the world. Mostly it conquered because it contained an idea that was deeply seductive to human nature—a desire for settlement, for roots, for consistency and familiarity. Once it came into being, it was *fated* to spread everywhere.

Now, in *The 48 Laws* I lay out what I consider to be another historic fatality—the evolution of power from something heavily concentrated, to something more and more diluted. I like to imagine this as kind of a mathematical equation. Let us imagine a tribe of some 1000 people in some place in ancient times. We could say this tribe had a certain amount of power, based on its wealth and resources. The majority of this power, the control over it, was in the hands of one man—the ruler, the king. He might, in this case, depend on a small cadre of people to assist him, but he largely determined the roles they could play.

Let us say, with success and prosperity, this tribe grew to a size of some 10,000. Now, such supreme concentration was too difficult. The ruler would have to bring in others—advisors, generals, high priests. He could keep this number relatively limited and the percentage of power was mostly in his hands, but now ever so slightly diluted. If this town evolved into a city of some 100,000, suddenly there came a qualitative change. The complexity of ruling such numbers grew exponentially. Power at this moment had to be genuinely distributed in order to maintain a sense of control. Now there were teams of ministers, the military, the growing aristocracy and its court. To service this administration, bureaucracies had to evolve. Power remained concentrated, but with a different scale of distribution.

We can make three generalizations at this point. When a group of people is given power, it forms a power center. This means, for instance, that a team of military leaders tends to think in two directions—how to promote the interests of the ruler, while also advancing its own agenda. Things now become political, as their interests will clash with other power centers. The ruler must now manage this growing complexity. The power environment becomes increasingly dangerous.

Second, once people have been given power on this level, they do not want to give it back or return to an older way of governing. They work to keep what they have and extend their power base. And finally, once power becomes diluted and divided this way, it tends to keep on dividing, like a split atom. More and more people must be brought in to keep the whole functioning. And so over the course of centuries, power slowly became less and less concentrated.

Two events in history sped this process along. First, after the Middle Ages, the birth of modern capitalism and a merchant society. This meant the emergence of a middle class and new power centers in business that began to wield more and more influence. The second were the great political revolutions of the 18<sup>th</sup> and 19<sup>th</sup> centuries, creating a new power center among the citizens of that state. To a lesser degree we could talk of modern media as another power center that came to prominence in the 20<sup>th</sup> century, which in turn acted to dissolve and dilute previous concentrations of influence.

We could look now to a country like the United States in the present, and see an almost extreme point of development—networks of hundreds of power centers crisscrossing each other: from within political parties, for instance, all kinds of niche groups, pushing their own agendas, making governance almost impossible.

Of course there remain concentrations of power and wealth in the world today. But on the other hand, there is no denying the remarkable evolution and dilution of power from that time millennia ago when it was mostly in the hands of one man.

From this position in the present we can project into the future a period of even greater dilution, as more and more people around the globe feel the right and necessity to have [more control over their lives](#). In 100 or 200 years we can imagine a point of complete division. This is not so much about particular political or economic systems, but rather about something deep within human nature. The need to have such power has an inexorable appeal to us. Once the process began it cannot be stopped until it reaches its logical conclusion. It is because of this that we can talk of this division of power as a great historic fatality, perhaps on the level of agriculture or even greater in my opinion for its far-reaching ramifications.

Now, in the 1990s something else came into being that sped this process along even further. And this was more like warp speed, a sudden acceleration into the future. I am talking about the Internet, or more specifically the world-wide web as it evolved in the early 1990s. The web suddenly provided people three new types of power that had tremendous appeal. First, it gave us access to all kinds of information, without the need for newspapers or traditional forms of media. We could bypass those centers that controlled the flow. We could communicate with likeminded people and share information rapidly and directly with one another.

Second, it gave us the power to purchase items straight from the source, cutting out the middleman. This would tend to lower prices, but more importantly it greatly increased our choices. We could shop from any place around the world, finding precisely what we needed or wanted.

Third, we could express our opinions on any subject that mattered to us and find some kind of audience. We could review the products that we had purchased and gain some power as consumers. Or we could voice our opinions on political matters and find others that shared them.

What interests me here is not the technology, but how it changes our relationship to power and authority, altering in so many ways the social dynamic—how people interact with one another. In this instance, the Internet is flattening out relationships that were once hierarchical and funneled through various centers. This tends to eat away at the prestige and authority of traditional sources of information such as newspapers, or expert opinions. It calls into question the need for so many middlemen in the world, and reveals the dubious source of their power.

Take for instance the availability of digital music files and iTunes. When this began to spread it altered our relationship to music itself. We could pirate it on the internet or if so inclined, purchased this music directly and quickly. We could easily share these files. Now it became possible to accumulate a vast library of music and store it the way we wanted to, making us in some ways creatively involved in the process. We no longer had to purchase an entire album, which would often contain songs that were there just to fill space.

This created a massive problem for the record industry; they went into panic mode. It essentially destroyed their business model in which they were the sole powers that marketed, distributed and sold this music. This model was based on their ability to dominate the flow of money, and seduce artists into accepting their role as vassals to the industry, to be discarded when they were no longer so hot. Record executives tried desperately to hold back these changes, but once the genie was let out of the bottle it was too late. Who was going to go back to the old way of purchasing music? The aura of their authority and power had been shattered.

We could chart the same course for the mainstream media. It is interesting to note that this great dissolving of these power centers was preceded by an intense concentration of their power. This is almost a physical law that we have seen before in history, but the subject for another night.

I compare these changes that the web was producing in society in the late 90s and onwards to a small wave that was forming far out in the ocean, slowly gaining volume and force as it spread.

#### #4

Now at the same time that this wave was building something else was going on, something rather strange. We have gone through two economic bubbles in a very short period of time. Economic bubbles generally occur for two reasons. The first and the one that most people focus on is that businesses are generally flush with cash, have money to burn. They are looking for something new to invest in, some novel source of super capital. It is a feeling in the air—vast amounts of money can be made in some new way.

The competition heats up. Someone hits upon something that promises fast money and in fact yields a substantial return; it gains momentum. The profit that is produced has little to do with real economic forces, but rather with human psychology—greed, the contagion of emotions, exuberance that comes from something fast and easy. Money is poured into things that have no real value apart from what people imagine is there and once real economic forces come into play, the bubble is burst and it all collapses.

Another aspect of bubbles, one that is generally less discussed, is that they tend to prefigure or occur in periods of transition. People sense that something is going on; a significant shift is occurring in how business is done. They are more likely to believe that all of the old rules of investing and building value are a thing of the past and that anything goes. And so in such transitional periods people are much more susceptible to the psychology of a bubble and the exuberance it breeds.

The fact that we went through two bubbles, one succeeding the other in a matter of a few short years is an undeniable sign of something stirring from below—a sign of change and systemic instability. The first bubble was in tech stocks and its affect was relatively mild. But the second bubble (in finance and housing) burst at a moment when the wave that had been building since the 90s had finally gained sufficient momentum. These two forces—deep social changes and the economic bubble—converged at a moment in time to create a kind of tsunami. The old order that had been clinging to power and resisting what had been stirring from below was finally swept away in a cycle in capitalism known as Creative Destruction.

As this tsunami is just now beginning to recede, what we see in its wake is an altered landscape that at first glance seems like devastation. Businesses that had been dependent on times of prosperity, that created products that had no deep connection to consumers and needed a lot of marketing to be sold, these are wiped out by the tsunami, never to return. Large companies that had used their size as tremendous leverage in the marketplace find that it is difficult to adapt; they are dependent on their scale of mass. They are like dinosaurs—big and lumbering, they will continue to make noise but they are doomed to disappear within a decade or two.

Other companies, however, which had foreseen the tremendous shift going on and had structured their business accordingly, they are poised to not only survive the tsunami, but to thrive. I am referring to a company like Google, which I will talk about later on, but there other examples as well. Last and most important, with all the destruction that is going on, there is finally space for new businesses to spring up, based on a model that fits the times. A thousand flowers can now bloom.

Now, I know that this is not the usual way that people discuss what is currently taking place in the world. Instead, we hear much about the banking industry, the corruption within it, and its preying upon helpless consumers; the new trading technology that makes it harder to think and act for the long-term; the collusion of government in this scheme, and the lack of regulation; on and on. All of these factors are real; they contain elements of truth. But they are not the source of the underlying disturbance. The reality, what is really going on underneath, is that we are currently experiencing a change as profound as any in history.

After the Industrial Revolution of the 19<sup>th</sup> century and the Mass Production revolution of the 20<sup>th</sup>, with its emphasis on standardization and marketing, we are now, finally, entering the Information Age. This means a flattening of power structures, more fluidity and chaos, an accelerated pace of innovation. This represents a fundamental change for which we are not prepared.

When we face situations that are novel, we tend to react in one of several ways. We try to deny the reality. We hold on even more firmly to the past and how things were done. We interpret events according to how we want to see them. Or, we do the opposite—we succumb to all of the chaos and confusion, believing that all of the old rules can be tossed out and that anything goes. We try this and we try that, never with much thought or calculation. Both responses are reactive and emotional. They do not represent an attempt to actually come to terms with the changes going on and work to exploit them in a rational manner.

To really gain power, there is only one way to orient ourselves in such turbulent times—by adopting a different way of thinking, what I prefer to call “strategy in depth.” I differentiate this from the normal idea of strategy, which is so often confused with merely planning and thinking ahead. Strategy in depth is a mental discipline that can take years to acquire.

To give you an idea of what I mean by this, I like to employ the following metaphor: business, or life, is a kind of battlefield. On the ground, fighting the daily battles to make your business competitive and to keep your army advancing together can get quite confusing. Sometimes those on your side act more like enemies or obstructers. There is a lot of smoke, sudden shifts in the battle and chaos. On the ground, you have no real perspective of what is really going on. You are constantly reacting to this or to that. If you were able to stand on a ladder and elevate your perspective some ten feet, suddenly you would have a different idea about what is happening. You would see some patterns to the fighting. You thought you were advancing but in fact you seem to be retreating. There's more going on than you had imagined.

If you were able to somehow elevate to a hundred feet, what you saw at ten feet would now prove to be an illusion. You would realize that the battles you are fighting today are not really worth your attention, because on the horizon something much worse is taking shape. Your sense of a pattern to the battle would now be more accurate than before, and your strategies more rational and effective. If somehow you could raise your perspective to a mountaintop you would have the clarity of the gods on Mount Olympus, seeing far and wide. What you had seen at a hundred feet elevation would prove to have been somewhat inaccurate or piecemeal.

People who remain on the ground operate in what I call *tactical hell*. They are constantly reacting to what others bring and this creates a kind of constant wave effect—each reverberation of an action/reaction keeps you locked in this mode, your emotions continually buffeted by this back and forth. You might think you are being rational, but you are far from it. The view from ten feet is better, but still rather hellish. You can delude yourself that you have real perspective, when you are simply seeing a small piece of the puzzle. The higher you go, the more you enter the realm of strategy, which requires depth of thinking and true perspective.

In normal times, it is quite difficult to elevate your perspective—it is simply unnatural for the human animal to not react, to not get caught up in the moment. In times of confusion and change like ours, this process is made that much harder. Add to that the incredible distractions that new technology has inserted into our lives and it can become almost impossible. In such circumstances, we tend to take pieces of information from the media, which inundates us with all kinds of snapshots of the moment, and elevate them into some kind of trend; we give these pieces disproportionate weight and act on them without a sense of real direction or depth. This confusion tends to perpetuate itself as more and more people are locked in this tactical hell.

To be a *strategist in depth* in this era, you must work at acquiring several skills. First and primary is the ability to control your own emotions that tend to cloud your sense of judgment. What matters is not your ego or appearing right or being admired, but winning. To win you must be realistic and see things as they are. From this base of inner balance, you study history and its many lessons; you immerse yourself in the present and the trends that are taking shape. You encompass in your considerations not merely the battle in front of you, but the larger war, the cultural and social factors—everything. You understand what is happening, the historic moment we are living through. Once you reach the proper elevation, you can then make rational decisions—moving with calibrated boldness or biding your time.

In times of great change it might seem that there are no patterns to discern in the present and nothing to be learned from history. After all, events are unprecedented. But this is an illusion born out of our confusion. There have been other periods in history of comparable change and turmoil. In looking at them in depth we *can* see certain patterns—why most people succumb to the chaos but a few manage to rise to the top. Those who succeed generally follow the same simple path and adhere to a few basic strategic principles that are particularly relevant to revolutionary times.

To give you an idea what I am talking about, I want to take you inside the mind of the man whom I consider to be the greatest strategist who ever lived—Napoleon Bonaparte.

Napoleon came to power in one of the most chaotic moments in history—the French Revolution. The French people had overthrown a monarchy that had existed for hundreds of years and established a new kind of political order. But because it was so new, nobody quite understood what it all meant. The Revolution led to terror and swings of reaction and more revolution, until in 1796, a turning point had been reached. France’s numerous enemies, lead by the Austrians, were threatening to invade the country and reestablish the old monarchy. The fighting had grown particularly intense in Italy. If the Austrians and their allies were able to overrun the French in Italy, they would pour into France from the South and the Revolution would be over.

The campaign in Italy was going badly for the French and so in desperation, they named the 26-year-old Napoleon Bonaparte, former artillery lieutenant, commander of all French forces fighting in Italy. Through some bold maneuvering and some innovative strategies Napoleon was able to save France from disaster, but barely. As a result of his success he was named commander in chief of the French army. After the Italian campaign, Napoleon did some reflecting. He felt there was a better way to wage war; he needed a new kind of army or organizational principle.

Napoleon began by analyzing the way his enemies waged war and their organizational model. Essentially, a typical general would have at his command an army of a certain size and configuration. To make this army more mobile a general could break it up into groups, but what he might gain in flexibility he would lose in control. How could a general continue to direct and monitor the battle, if his army was divided and scattered? This would also violate the key military principle of keeping one’s forces concentrated. Control then was more important than mobility, so he would keep this army together.

The general would stay in the back of the advancing forces and command the battle from this safe position. Those in front, the scouts and vanguards, might see something unexpected as the enemy approached, but before they could get the army to adjust to these changes, they would have to pass messages to the general in the back, who would then relay his response to the front, all of which took a lot of time. In addition, this massive force had to be fed and for this purpose large wagons—led by horses and oxen—would accompany the army, slowing it down. In times of bad weather, which were frequent, these supply wagons would come to a complete halt.

Because of all this, armies advanced slowly, both sides tending to march to a point where they would meet in battle. Once there, some clever maneuvering and superior firepower could decide the issue. This form of warfare was completely linear and predictable. Although armies at the turn of the 19<sup>th</sup> century might look modern, with the latest rifles and artillery, they were fighting according to a model that was ancient. This was essentially the way wars had been fought since Alexander the Great. It was out of fear that generals adhered to this rigid system. War is inherently chaotic and such a system offered the maximum in control.

Napoleon had once compared these generals to Marie Antoinette. What he meant was the following: the Queen had lived through a period of incredible turmoil in France—famine, widespread discontent among the peasants and bourgeoisie, the dissemination of dangerous ideas in the press, etc. To handle all of this, Marie Antoinette employed a strategy: she increased the distance between herself and the French people so as to control what she saw and heard. She imagined that the turmoil was in fact rather superficial. After all, the French monarchy had been through a lot, and this too would pass. Its prestige and authority could never really be challenged. Why lose your head over such momentary fluctuations? And so she held on to these beliefs all the way to the bitter end.

These generals operated in a similar way. They looked to the past, instead of examining the present. They increased their distance from the common soldier and the shifting realities of war. They held on to the old organizational principle as if it were magical. Ultimately such faith in a timeless power structure or model is a form of magical thinking—your belief system overrides reality.

Napoleon was different from these leaders. He was much younger. He had grown up with the revolution—rising from the bottom of the military, which had now been fashioned into a kind of citizens' army. He was deeply aware of the great changes in the world—social, political, technological. He was aware that this altered the psychology of warfare—the French army was fighting for the sake of the revolution, for the sake of an idea. It was a whole new culture and social dynamic. War had to catch up with these changes; it had to become fast and fluid, to fit the times. In military terms, speed is a force multiplier. It brings momentum and surprise into the battlefield—with speed, an army of 25,000 could have the force of 100,000.

In order to have such power, however, Napoleon would have to reconstruct his army from the ground up. And it is at this point that Napoleon made one of the greatest discoveries in the history of warfare—namely that structure is strategy. The structure of your group, of your army, is what gives it speed and mobility, creates its tone, rhythm and way of action. If you structure it in a dense, bureaucratic and ad-hoc way, you will have a slow, lumbering army, no matter what you try to make them do. You have to be willing to accept a degree of chaos. You have to let go. The fluidity you gain will more than compensate for any momentary loss of control.

After much analysis, Napoleon decided upon the following: He would break his army up into smaller divisions, ranging in size from 20,000 to 80,000. Each of these divisions would be led by a field marshal, who would be inculcated in Napoleon's philosophy of war and in what he wanted in a particular campaign, but these marshals would be allowed to make their own decisions based on what they saw on the battlefield. They would fight in the front of the lines instead of safely in the back, so they could react in real time.

This would be replicated all the way down the line. Lieutenants and sergeants could make decisions for their units based on what they saw, as long as it fit into the overall mission of the division. Napoleon understood very well the new social order and what motivated the common soldier. He enjoyed the freedom from within the army structure, the chance to prove himself, to show initiative. Napoleon would build into the structure of this army the chance for the lowest soldier to rise to the top, based on merit and bravery, a novel concept at the time. Furthermore, they would all be fighting for an idea—to spread the revolution to the rest of Europe.

Napoleon added one small technical detail that revealed his way of thinking: his soldiers would now carry their supplies in carefully designed backpacks, each individual responsible for keeping his supplies in order.

These were the components of the new army—smaller, more mobile units; no supply wagons to slow them down; important decisions that could be made by leaders in the moment; soldiers who were more intensely motivated and engaged in the struggle. It was a force that was considerably faster and more fluid than any other army in Europe. With such a weapon Napoleon could evolve a new strategy, what is known as maneuver warfare. Instead of advancing his troops along a single line, he could throw his five or ten divisions at the enemy in scattered patterns, and they would decide to advance depending on how the enemy reacted. In this way, he recaptured the initiative. He could adjust faster than the enemy and destroy its willpower by making it impossible to foresee his maneuvers.

As you can imagine, with such an army Napoleon dominated the scene for ten years in a way that no other military force has done in history. But there is a second chapter to this story. For the next ten years, from 1806 to 1816, we see a steady decline in his powers. He starts to believe that his success comes from his magical personality and genius, as opposed to the strategies he had invented. He creates his own aristocracy and distances himself from the revolutionary ideals. He begins to slow down with age, and to fight wars the way his enemies had fought them. He believes in overwhelming the enemy with size and firepower, instead of mobility. All of this leads to his tragic campaign in Russia in 1812 and his final defeat at Waterloo in 1816. In essence he had morphed into a kind of Marie Antoinette himself, holding on to the power he had, believing in the magic of his authority and growing increasingly arrogant.

This then is the pattern and the lesson we can learn from any revolutionary period in history: you are either a Marie Antoinette or a Napoleon Bonaparte. One or the other spirit tends to dominate your decision-making process. If you are a Marie Antoinette, you manage to convince yourself that nothing is really changing in the world. You concern yourself with the present, with the pleasures at hand. You trust in the power and privileges you have had in the past. All of this will continue, you tell yourself. In essence, you manage to keep your distance from the events around you. You live in your bubble. Hard times or adversity only strengthen this bubble. If you're a Napoleon Bonaparte, you move in the opposite direction—towards the change coming from the bottom up, towards reality. You want more contact with the world, no matter how chaotic and challenging that might be, because power lies in moving in that direction and exploiting the moment.

The following are the two most critical strategic principles that you must adhere to in times of change: first, speed is of the essence. You need to be able to adapt quickly to events. To do so, your group must be organized to allow for such fluidity. This means creating a structure that is looser and that leaves room for initiative from within. Your brilliant strategies will mean nothing in such times if your organization is bureaucratic and hierarchical. Second, you must unite this group around an idea, a reason for fighting or advancing, beyond money. You are creating a culture where you are harnessing the creativity and energy of your soldiers. The old is finally dying out and leaving space for something youthful and new. You are riding this tide, this historic fatality as it sweeps the globe. In conjunction with these principles, you must be continually vigilant that any kind of success does not slowly transform you into a Marie Antoinette.

#### #7

Now, as I was writing about Napoleonic Bonaparte for my book *The 33 Strategies of War*, in 2003 and 2004, I became intrigued by a company that seemed to exemplify—in an almost uncanny way—the Napoleonic model I have just outlined. That company was Google. I initiated an informal study—gathering as much material and contacts within the company as possible. And as I went deeper into this subject, I saw more and more connections—confirming my idea that there is a pattern to periods of change and revolution. The following is the gist of my analysis:

Like Napoleon, the two founders of Google, Sergey Brin and Larry Page, came from a radically different background than your average CEO. They were scientists at Stanford, their field being statistics and probability. In founding Google in the late 1990s, based around their innovations in the field of search engines, they came to several important conclusions: the Internet is going to radically alter the business environment. The world is entering a new era—the Information Age. They wanted their company to reflect these changes and the historic fatality I've been talking about. They needed to create their own business and organizational model. And so they studied in depth how other businesses operated, particularly in technology, to see if there were lessons to be learned.

Most of these companies, like Microsoft, had intense layers of bureaucracy. They would have a giant staff of software engineers to create new products. But before such products could be launched, they had to be integrated with everything else, and they had to be as close to perfect as possible. Once the product was ready, large-scale sales and marketing teams would go into action, making sure they saturated the public. If these companies were creating any kind of content, there was an editorial staff. To keep this all running smoothly, they had to have a very large management staff.

To roll out any new product would take years, as this machinery was slow and lumbering. All of the different departments and layers of bureaucracy had to be brought into the process. By the time the product came out, competitors had already appeared, but it was too late to adapt to what was evolving. The sheer size of the company made it difficult to maintain close ties to the public; better to make perfect products and sell them hard than respond to public feedback. Everything was geared towards market domination—using vast resources and muscle to maintain that.

All of this bureaucracy created small power bases from within the company, increasing the political games being played and adding to the slowness. A company like IBM once dominated the computer field, but completely lost ground in the 1980s, mostly because it did not believe in the personal computer. There were some from within the company that thought differently, but they could not get their voices heard or influence the entrenched culture. All of the resources that IBM had were useless in the face of such rigidity—proving that structure, strategy and ideas are more important than money and technology. (In war, a similar example would be the Blitzkrieg of 1941: the French had superior equipment and technology, but their ideas on how to use them were completely outmoded and they collapsed in the face of a superior strategy.)

To Page and Brin, a company in this new environment had to be lean and fast, able to stay ahead of the innovation cycle and adapt quickly to trends. They had to build a new kind of structure. This governed most of their key organizational decisions. They would not produce any content; Google would serve as a platform for others to create or move content, enhancing the flow of information. They would have no editorial staff. To make money, they would sell advertising space, but all of this would be automated. Customers would buy through a self-serve platform. This allowed Google to have a minimal sales staff. Any kind of feedback or data on advertising sales could flow directly and immediately to anyone within the company—there were no bottlenecks from within to slow down the flow of information.

Google would have a relatively small staff of engineers. They would hire the best but keep the numbers down. They predicated this all on their philosophy of release often, release early. They would not spend months perfecting their latest product—in fact they would release it in a beta version and let the customers help improve it with their feedback. This meant no marketing or sales team to push the new product. This would also help them to develop close ties to their client base and make people feel involved in the process.

As a result of all this, the company would need far fewer managers to keep Google running. As far as possible, employees would be self-managed.

It is this remarkable lightness of Google that has allowed them to move, adapt and expand at such a rapid rate. It is the foundation of their power, as it was for Napoleon. To ignore this simple truth is to ignore a fundamental principle of strategy.

In addition, Google created a completely different culture, to reflect the historic fatality I had mentioned in the beginning. The company was broken down into small units that could be self-managed. They created the 20% rule: all employees must devote 20% of their time to creating something of their own—a pet project, an innovative idea that could later fit into Google or if not, could be taken elsewhere. Periodically small teams of peers would review these projects and critique them. It became possible to rise fast within the company and make a fortune.

The culture was centered around the idea that Google was the spearhead of a revolution: this was the company that was going to give the world access to information, to news, to everything going on in the world, opening things up and allowing people to make what they wanted with it. This sense of being part of a cause created an extremely motivated workforce that does not need to be policed by teams of managers. A degree of chaos is allowed for and even encouraged.

With such an organization in place, Google could practice a kind of maneuver warfare. Most companies focus on dominating a particular position in the marketplace, like armies that marched to meet the enemy at a set point. This is old style warfare and business—linear and predictable. In the new environment what matters is putting your company in a position in which it can quickly adapt to the latest trend and get a toehold there before others. To do so, you have to be built for that.

As a company that focused on primarily having a search engine as its center, Google could quickly move to other areas—Gmail or Google News, et al—all with the aim of creating a kind of operating system for the Internet. If some new trend appears on the horizon, they are ready to pounce and exploit it. For instance, they saw great potential for YouTube, tried to produce their own version of it and when that failed, they simply bought YouTube. This kind of fluidity is rare in business and devastatingly powerful.

As opposed to past models, Google does not invent something they think is clever and then figure out how to market it to the masses, with all of the time and money that requires. They work on what is already there—the demand that is palpable. As opposed to the traditional business practice as it evolved in the era of mass consumption, their ideal is to create less and less distance between themselves and their customers.

I focus on Google because to me they are the most radical version of a new business model that has succeeded on a large scale. I could also bring in other companies that have experimented as well and had success. A company like Zara, which has adapted brilliantly to the new environment, has based its model on the speed with which it can produce items that respond to the latest trends, giving consumers a much wider choice. The company is structured in a similar loose fashion to Google. There are many other examples as well on smaller scales all around the world. As the tsunami of the global meltdown is receding, these are the companies that are poised to take over.

I do not mean to imply that Google is infallible and already we see signs of their limitations. Like Napoleon, they could slowly morph into the enemy, into a slightly more mobile version of Microsoft. This was merely to point out the radical departure they made in the initial structure of the company and the power that brought them. If they are smart, they could dominate the scene for years to come, but nothing is certain.

This then is the point that we have reached. What is really changing in the world is not technology, or the globalization of capital, but the relationships between people—relationships that were once hierarchical and based on the force of authority. This has been radically flattened. What matters most now are the connections between people, the interdependencies and networks that can be formed and the unimpeded flow of information. Any kind of obstruction to that flow will be seen as something from the past, someone or some group trying to halt the course of an historic fatality.

We are in the midst of a countercurrent. As the new is flowing in, the tide of the old is still there. We see signs of this decrepitude everywhere. Looking at large businesses with their big marketing campaigns, often tied around celebrities, we are simply seeing dinosaurs making a lot of noise before they disappear. The signs of this old order clinging to power are everywhere, and it will be quite a spectacle to see them become extinct in the years to come.

Without grasping this wider perspective of what is happening in the world, the crest of a change that began millennia ago but greatly accelerated by the advent of the Information Age, nothing you do will have any kind of lasting effect or power.

## #8

In closing, I wanted to tell you about a dream I had a couple of months ago—I mean the kind of dream you have in your sleep. I dreamt that it was the year 2070 and that I was walking on the crowded streets of some city. People seemed oddly happy and there was a feeling of lightness in the air, as if something had really changed in the world and we had figured out a better way to live. What was most strange about this dream was that in the midst of it I was conscious of thinking back to the year 2010, so long ago. For some reason it occurred to me that that moment in time was some kind of turning point. That was when things began to right themselves, I told myself, but few people saw or understood this. If only we could have realized back then what was happening, where we were headed. How sad.

In the middle of this strange thought, I woke up. The dream and its intense mood stayed with me for quite some time. It made me think—this is clearly how it is in history. People never appreciate the moment they are living in. We can look back at all of the tumultuous, exciting periods in history with an air of nostalgia, but it's an illusion. Those in that moment have no such perspective and no such appreciation. If only we could now have that perspective and realize that we are living through one of the great transformational moments and that the old is finally dying away. I leave you with that thought. Thank you.

*Robert Greene has worked in New York as an editor and writer at several magazines, including Esquire and in Hollywood as a story developer and writer. Greene has author several international bestsellers including [The 48 Laws of Power](#), [The Art of Seduction](#), and [The 33 Strategies of War](#). His most recent book, [The 50<sup>th</sup> Law](#), was co-authored by 50 Cent, is about fearlessness. More of his work can be seen at [PowerSeductionandWar.com](#)*