

Stoic Principles

An Interview with Robert Rosenkranz, Chairman, Delphi Capital Management

EDITORS' NOTE Robert Rosenkranz is Chairman of Delphi Capital Management, which manages some \$40 billion in assets, and the founder of a group of investment and private equity partnerships. From 1987 until 2018, he served as the Chief Executive Officer of Delphi Financial Group, an insurance company whose value increased 150-fold under his leadership. He is the Founder and Chairman of Open to Debate, a public policy debate series that provides a forum for reasoned public discourse. He serves on the board of directors for the Manhattan Institute and the Whitney Museum of American Art in New York; Hoover Institution at Stanford University and the Buck Institute for Research on Aging in California; and of the Serpentine Gallery in London. A graduate of Yale University and Harvard Law School, he was a tax lawyer with the New York law firm of Cabill, Gordon & Reindel and an economist with The RAND Corporation, where he was engaged in research on foreign policy issues and municipal finance. In 1969, he joined Oppenheimer & Company where he was a General Partner when he left to form Rosenkranz & Company, a private equity firm, in 1978. Rosenkranz is a longstanding art collector with prominent collections of Asian art, modern design and time-based media.



Robert Rosenkranz

What interested you in writing the book, *The Stoic Capitalist*, and what are the key messages you wanted to convey in the book?

I wanted to write this book to help people achieve the same kind of ambitious career that I have been able to achieve. I came a very long way from the circumstances of my childhood, and there were philosophical ideas and psychological ideas that ran through many of the decisions I made and how I defined the meaning of a well-lived life.

A classic stoic idea is the idea of resilience and “the obstacle is the way.” This is the title of Ryan Holiday’s book and means that you should embrace challenges and use them as opportunities for growth and change. In my case, the obstacle when I was seven years old was that my father was unemployed, my mother was a clerk in a drug store, and they made no attempt to hide from me their financial insecurity. They were worried that the phone was going to get cut off or that electricity was going to get cut off. Another obstacle was my mother’s Marxist ideology, which she often repeated. There were a few ways for me to overcome these obstacles, one being the idea of self-reliance and realizing that I had to take full responsibility for my

own life, and the other being the idea of critical thinking.

What audience are you looking to target with the book?

It is certainly relevant for people in business school who are beginning their careers, but I do feel that many of the techniques that I develop in the book could be helpful to people in the later stages of their careers. There is a chapter about how to allocate time; there is a chapter about negotiation; there is a chapter about controlling emotion – these are issues that anyone leading an organization deals with during their career.

How did your childhood impact your views on leadership and how you approach your management style?

I saw academic success as my pathway to a better life. People identified me as a child with the potential for extraordinary academic achievement, and that became my idea on how to get out of my childhood situation. This is something that I have incorporated into my style of leadership – the idea that getting the right answer is really paramount. It is not about bureaucracy or titles or authority. My leadership style is collegial. I want people to be sitting around a room, giving their best ideas, and from that conversation emerges the way forward. It is an academic style of leadership. An early

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'An inspiring story of a life well-lived.'

Michael R. Bloomberg



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B L O O M S B U R Y

experience of mine was when I was with the RAND Corporation in my twenties, during a time that RAND was dealing with the issue of how to fight a nuclear war and how to deter it, where there is no room for politics and no room for bureaucracy. This experience led to the culture we have at Delphi since I very consciously modeled Delphi's culture on the RAND culture – non-bureaucratic and focused on getting the best answer.

You commit your time and energy through the Rosenkranz Foundation to addressing the state of public discourse. Will you discuss this effort?

I had felt for some time that the level of public discourse in this country was so divisive and emotionally charged that there was a need for a contempt-free zone where contentious issues could be aired with civility and respect. We felt the debate format was an interesting one

because it encouraged an audience to consider both sides of issues, to think critically, and to arrive at a more nuanced understanding. We did a debate a few months ago as part of our debate series, Open to Debate, on the question of "Were Israel's Actions in the Gaza War Justified" which resulted in six million downloads in 48 hours which was the most popular debate we had done in years. This shows that there is a real appetite for this type of debate, and I believe that society needs it now more than ever. We were recently given a weekly primetime slot on NPR. I believe that millions of Americans are looking for a forum to have thoughtful, constructive debate on the key issues facing society.

Where did your passion for philanthropy develop?

Because I didn't have role models at home, I became a voracious reader of biographies. While I read these biographies with the goal of learning how to achieve success, I also wanted to learn how to live a well-lived life once you have achieved a level of financial capacity. I was really taken with the biographies of Rockefeller and Carnegie who did incredible things in their lifetimes. They not only built major American industries, but in Rockefeller's case he created Rockefeller University and the University of Chicago, (his heirs established Asia Society and Japan Society); and in Carnegie's case he created Carnegie Hall, Carnegie Mellon University, Carnegie Endowment, and Carnegie Libraries. To me, these individuals were heroes, and philanthropy was part of their well-lived lives. I feel that philanthropy is an opportunity for me to use my talents and abilities to create the kind of institutions that society needs within the scope of what is possible with my resources.

As you look back on your career, were you able to enjoy the process and take moments to celebrate the wins?

A big reason for my success is that I enjoyed the process. Money is great, but if you don't enjoy the process, it is not nearly as satisfying. The notion of a well-lived life is finding something to do that calls forth all your abilities and your energy and that you want to be fully committed to.

Do you think about slowing down?

I think there will be time enough for that when I am dead. The reality is that if you are doing something that you really enjoy and energizes you, why wouldn't you want to continue doing it?

What advice do you offer to young people beginning their careers?

One of the stoic principles is accepting that nothing is forever and things change. You can have three relationships with change: you can be an agent of change to help bring it about; you can see that things have changed and adapt; or you can see that things have changed and complain. The latter is not a helpful way. You should like the world as you find it; you must distinguish between things you can change and things you cannot; and you need to use reason to regulate your emotions. You want to be thoughtful about how you allocate your time, and equally thoughtful about your actions, so they help achieve outcomes that work for you. ●