Twitter Thread by Corporate Machiavelli



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THREAD:

Machiavellianism in Different Professions

SALES:

It has been said that a con-man is just a salesmen without a product, but this is a lie; a salesman is just a con-man with a product.

Your job is to persuade people to buy product, regardless of whether or not it is in their best interest to do so.

Charm and Persuasion are your tools.

Keep in mind that Charm fuels Persuasion, in the sense that many people will buy from you simply because they like you, not necessarily because they are in love with the product itself.

Zero sum negotiation (an intrinsically machiavellian domain of performance) is a key job function within sales; you will have to negotiate price and deal terms.

Notably, zero sum negotiation is also common within Law and Finance.

How complex the manipulations you must engage in for the sake of persuading a target to buy product will vary from one industry to another.

As a door to door magazine salesmen, simply being good looking and hyping up the product by being extroverted may be enough.

As a pharmaceutical salesmen, you will need to persuade multiple doctors to prescribe drugs...

This could be as simple as explaining the benefits of the drug...

...or it could be as complex as overstating the benefits of the drug, understating the risks and side effects of the drug, and outright bribing doctors (giving them kickbacks) to prescribe the drug even to patients who don't really need it (see the 'Opioid Crisis' in America).

LAW:

If ever there was a profession for those who love manipulation, it's law.

In the words of my own lawyer, "God cannot change the past, but a decent lawyer can."

To succeed in law you will need to be capable of charming your clients so they choose to use your services rather than those of the nearly identical law firm across the street; in some sense, every lawyer is a salesmen.

You will also need to be good at manipulating the various parties involved in any legal dispute; judges, juries, and other lawyers.

Finance:

Different aspects of the financial industry involve different manipulative strategies and tactics.

In all of them you will need to be good at winning zero sum negotiations and charming people.

Many positions within the finance industry are sales positions in everything but name.

Mortgage/Commercial Banking

If your are a mortgage or commercial banker your official job duty is to decide who does and does not get to borrow money from the bank.

As a mortgage banker you are dealing with people who want to borrow money to buy a house, as a commercial banker you are dealing with people who want to borrow money to start a business or expand an already existing business.

You will endlessly be engaged in zero sum negotiations; you must get deal terms that are as favorable for your financial institution as possible (charge interest rates as high as possible).

Charming potential borrowers is critical; they must like you enough such that they choose to get a loan from you, rather than from the nearly identical bank across the street.

Should you discover that one of the loans you have originated is likely to go bad (there is a high chance the borrower will default or outright go bankrupt), you must sell the loan off the balance sheet of your own financial institution...

...and onto the books of some other financial institution. Get the bad loan you originated as far away from yourself as possible, as if it were radioactive material.

If the loan goes bad, that's fine so long as it's off of your books and onto someone else's before it detonates.

INVESTMENT BANKING:

Officially, your job as an investment banker is to advise clients on capital raising activities (equity and debt issuances) and M&A deals.

Unofficially, investment bankers are salesmen in everything but name.

The bank that employs you is paid fees for providing certain financial services to clients; your job is to charm and persuade clients such that they will use the services of your bank, rather than those of the nearly identical bank across the street.

Your bank will only be paid a fee (and by extension your annual bonus will only be good) if the transactions your clients are involved in close; you must gently persuade your clients to go through with all deals they are involved in that your bank is advising on.

Is it actually in the best interest of your clients to go through with each of these deals?

That is a question of supreme irrelevance; your bonus depends on them going through with the deal, the consequences be damned.

On behalf of your clients, you will regularly engage in zero sum negotiation; if a client is selling their company you must get them as high a price as possible, if you are advising a client on an acquisition you must aid them in getting as low a price as possible.

Beyond your clients, you will need to persuade the counterparty in various transactions to go through with the deal...

If you are advising a client on an equity or debt issuance, you will need to convince investors in the public markets that your client's company is one worth investing in.

If you are advising a client on the sale of their company (sell side M&A), you need to convince potential buyers that your client's company is one worth having.

PRIVATE EQUITY & VENTURE CAPITAL:

Your official job responsibility is to find investment opportunities.

Your unofficial job responsibility is to be a master level Machiavellian executer.

In Private Equity (PE) your strategy is to acquire entire companies (often using an irresponsibly high amount of debt financing), fix them up, and then sell them for a higher price.

Some individuals flip houses; private equity firms flip companies.

You need to be a master of zero sum negotiation; buying at low prices, and selling at high prices.

You also need to be pretty good at persuasion (so you can convince lenders to give you debt financing for your ‘LBO’).

Venture capital work is similar to private equity work at least so far as the cunning that is involved...

You need to be good at zero sum negotiation (buying equity in startup companies for as low a price as possible and at a later date selling the equity for as high a price as possible).

For the sake of getting good investment returns, buying low is the critical part since selling high is often impossible.

In the words of the venture capitalist who backed a biotech startup that saved my life, “The money needs to be made the day you buy it. If you buy too high, you are doomed.”

ENTREPRENUERSHIP:

An entrepreneur is simply a person who creates a new business.

The specific manipulative tactics involved in this will vary from one industry to another and one business model to another, but below I have detailed those common across all industries.

The life of Felix Dennis (a young magazine publisher in 1970s England) can be used as an example.

He must…

-Persuade bankers to lend him money so that he has the capital needed to get his business off the ground.

-Do sales/marketing, manipulating consumers into handing over money for his product (his product being nothing more than images printed on paper).

-Hire employees and profit off the work they do. Often he must hire people who have talents he himself lacks, thereby indirectly expanding his own capabilities. This is an extension of Law 7; have others do the work, but ensure you yourself take the profits.

If you want details on the manipulative strategies Dennis used to go from rags to riches, see his book ‘How To Get Rich’.

He was called ‘The Billionaire Prince’ for a reason.

POLITICS:

If you are a politician in a democracy your job is to manipulate as many people as possible into voting for you. You have the full time job of charming and persuading the masses.

You must be willing to say (and do) just about anything for the sake of winning votes.

JOURNALISM:

Your official job is to ‘report’ the news. Your unofficial job is to manufacture propaganda.

Bear in mind you must only manufacture propaganda that the owners of the news outlet you work for approve of, otherwise you will be fired.

You wield more power over public opinion than you realize; in the words of George Orwell,

“The people will believe whatever the media tells them.”