# Lee Kuan Yew & Warren Buffett: More Similar Than You Think

## Description

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A man who brought Singapore from Third World to First World and a man who turned a failing textile manufacturing company into the 5th largest public company in the world.

Yeah, I know Mr Buffett is a business and investment success while Mr Lee is a political one. But as the latter puts it *â??Singapore is entrepreneurship on a political stage on a national scaleâ?•.* Therefore, my hypothesis is that their successes on the different platforms can be easily traced back to to a few common factors.

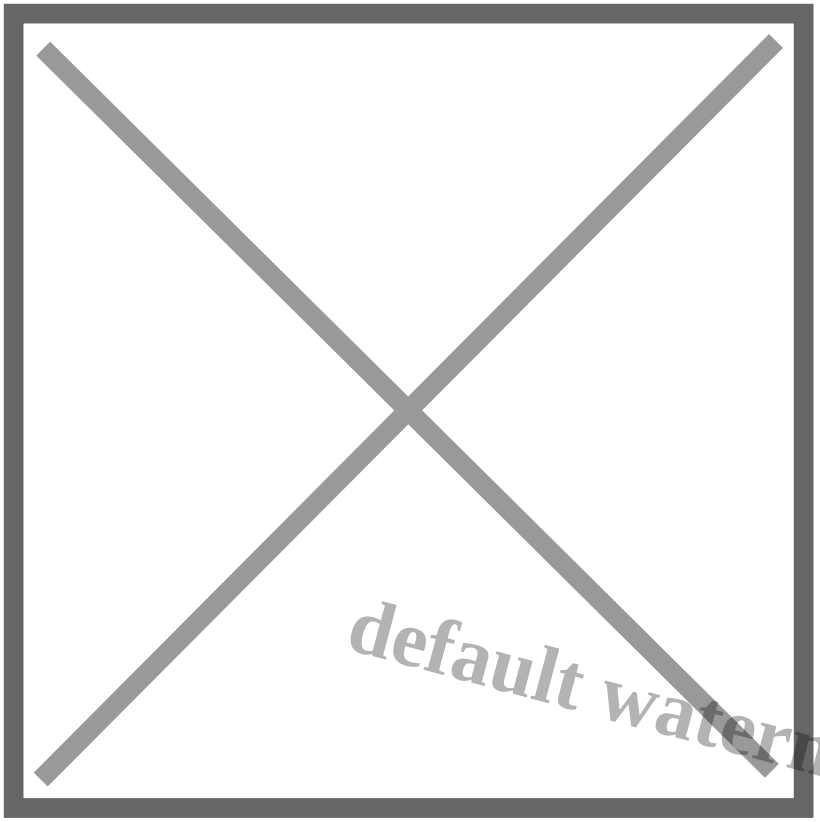
Hereâ??s 5 of them:

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## Leading By Example, Even At The Expense Of Family Members

When Singapore became independent, Mr Lee knew that a conscription army was absolutely necessary to safeguard the countryâ??s interests. However, this was a fledgling nation with the bulk of the people having little attachment to Singapore. Moreover, besides being perceived as dangerous, traditionally, military careers were not seen as a prestigious career choice in Asian societies.

It was not an easy task to persuade parents to entrust their sons to the SAF in the late 1960s. **I think he succeeded in the end because he led by example.** His two sons did National Service just like every other Singaporean son. In fact, both of them signed up as regulars in the SAF.




Can you spot a young PM Lee in the picture?

I canâ??t resist having a dig here. But if the current leaders of Singapore really wants to convince the public that â??every school is a good schoolâ?• and that the public transport system is world-class, they need to lead by example. *Talk is cheap but actions are priceless.*

As for Warren Buffett, he never believed in giving handouts to people. He had seen many smart people fail from leverage and felt that they needed to experience the consequences to learn a lesson. Unfortunately, in the late 1980s, his elder sister, Doris, got caught up in some derivatives or â??naked putsâ?• and lost a lot of money. In fact, she became on the verge of bankruptcy.

What would you have done if you were Doris then?

Approaching your brother (who was already a multi-millionaire at that time) for help seems a rational choice.

Until you get coldly rejected.

Hereâ??s a guy who believed in personal responsibility and acts that way even to family members. (He â??s not heartless though and in the end relented and dispensed the money from the fatherâ??s will to tide her out. But technically, he still didnâ??t use his own money to help her out.)

# Clear Vision From Young

In Mr Leeâ??s own words in September 1965 (for full speech, click here):

*â??But I say to you : Here we make the model multi-racial society. This is not a country that belongs to any single community: it belongs to all of us. You helped built it; your fathers, your grandfathers helped build this, There was no naval base here, and it is not the British who built it. It was your labour, your fatherâ??s labour which built that.. My (great) grandfather come here and built. Yes, he came here looking for his fortune, but he stayed â?? my grandfather was born here.*

*Over 100 years ago, this was a mud-flat, swamp. Today, this is a modern city. Ten years from now, this will be a metropolis. Never fear.â?•*

And look at how Singapore has progressed since.




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A charismatic Lee Kuan Yew in 1965

As an 11 year old kid in 1941, Warren Buffett announced to his friend that he would be a millionaire by the time he turned 35. Thatâ??s a million bucks by 1965 which is close to $5 million in todayâ??s dollars.

A lofty goal for an 11 year old and letâ??s just say that even then, he exceeded expectations. He became a millionaire at age 30. His favourite book when he was 11?

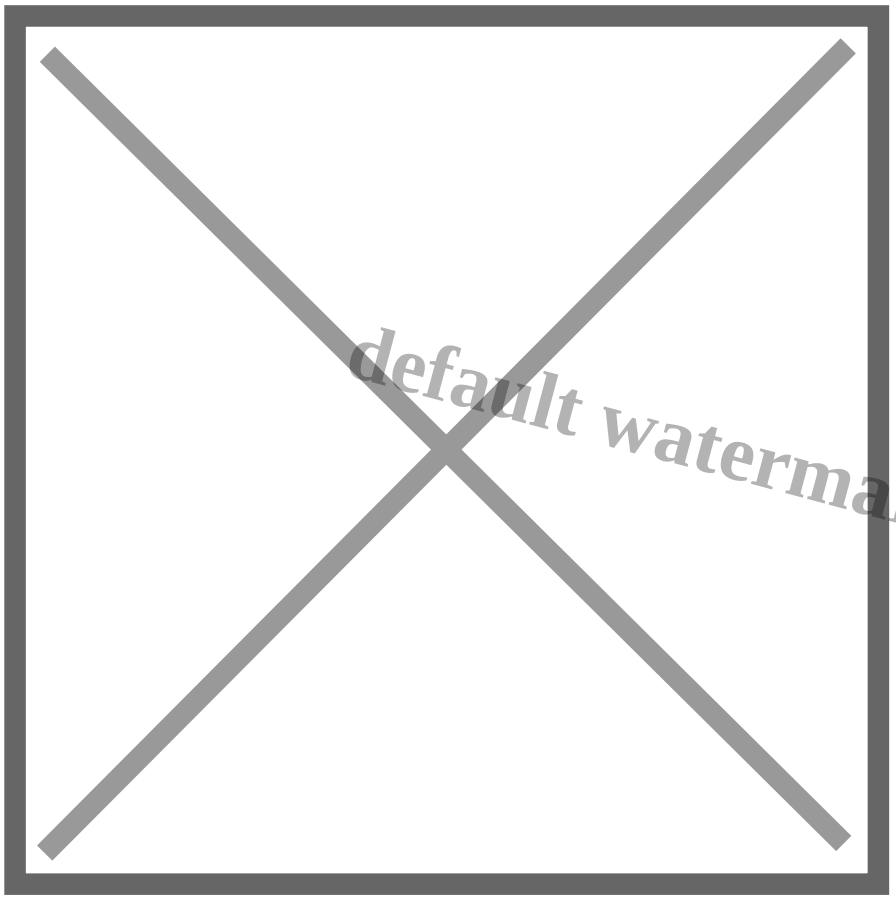
*â??One Thousand Ways to Make $1,000â?³*

# Capable & Independent Advisors

For Mr Lee, itâ??s Goh Keng Swee.

Part of Mr Leeâ??s Eulogy to Dr Goh Keng Swee in 2010:

*â??Of all my Cabinet colleagues, it was Goh Keng Swee who made the greatest difference to the outcome for Singapore. He had a capacious mind and a strong character. When he held a contrary view, he would challenge my decisions and make me re-examine the premises on which they were made. As a result, we reached better decisions for Singapore. In the middle of a crisis, his analysis was always sharp, with an academic detachment and objectivity that reassured me.* â?•




Mr Lee and his team of cabinet Ministers

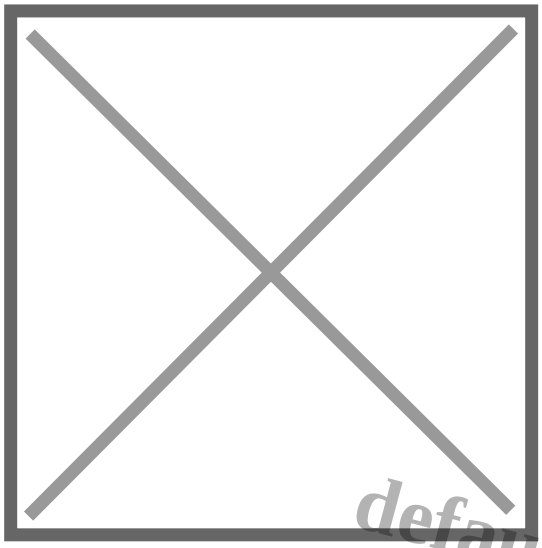
For Warren Buffett, read Charlie Munger.

In a 2014 letter to shareholders:

*â??If youâ??ve attended our annual meetings, you know Charlie has a wide-ranging brilliance, a prodigious memory, and some firm opinions. Iâ??m not exactly wishy-washy myself, and we sometimes donâ??t agree. In 56 years, however, weâ??ve never had an argument. When we differ, Charlie usually ends the conversation by saying: Warren, think it over and youâ??ll agree with me because youâ??re smart and Iâ??m right.â?•*

# Longevity

Both spent 50 years stewarding their primary obsession and their achievements would most likely have been diluted if either had a short life. Good genes coupled with good habits?



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Mr Lee over the years

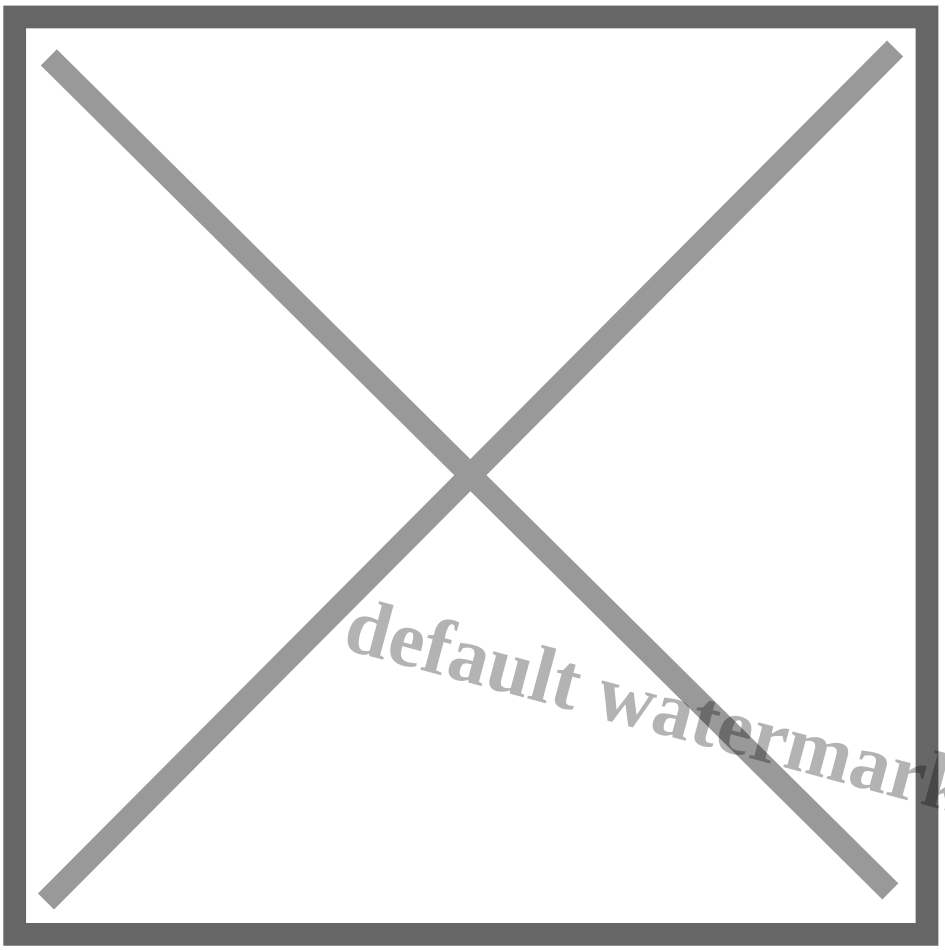
It takes time to build an empire. To better illustrate the power of time (especially when youâ??re doing something right), if I could live till 150 and achieve annualised returns of 10%, our $300,000 now would **compound to $72 billion** .

## Frugality

Mr Lee was a guy who washed his own underwear when he travelled abroad, mended his running shorts multiple times and used pails to shower.

Warren Buffett doesnâ??t enjoy fine dining, preferring burgers, steaks, fries and an ice-cream sundae anytime. His beverage of choice? A Cherry Coke.

And amazingly, both have lived in the same house for more than the past 50 years. Even though they could easily afford better.




A peak into Mr Leeâ??s home

**My humble view is that when youâ??re a frugal person and less beholden to money and materialism, you are in a better position to fulfil the vision and mission you set for yourself.**

Both Mr Lee and Warren Buffett exemplifies the statement above and this is also the main reason why frugality is so heavily emphasized in this blog.

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Hopefully, you can take note of these values and apply it to achieve success in your life.

With love,

Budget Babe

## Category

1. Family

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