

Chapter 27: Draw the Line

Ego is the Enemy — Ryan Holiday • Executive Breakdown

EGO IS THE ENEMY

1 Knowing When to Stop the Bleeding

- ✓ Ego cannot bear to admit defeat; it hates conceding a bad trade, a failing venture, or a toxic relationship, viewing it as a mortal wound.
- ✓ Out of stubborn pride, people double down on doomed investments, throwing good money after bad and turning small losses into ruin.
- ✓ True wisdom is drawing a hard boundary—stopping the bleeding, swallowing the loss, and walking away with your character intact.

2 The Sunk Cost Trap of Pride

- ✓ The sunk cost fallacy is not merely economic; it is deeply psychological. Ego screams: 'I have sacrificed too much to quit now!'
- ✓ Past investments are gone forever; the only rational question is whether your next hour, dollar, or emotional unit will yield positive returns.
- ✓ Refusing to quit out of stubborn pride is not perseverance; it is foolish obstinacy that drags innocent partners down with you.

3 Character Over Winning at All Costs

- ✓ John DeLorean's obsessive desire to save his failing car company drove him to conspire in cocaine trafficking, destroying his life entirely.
- ✓ When winning at all costs requires compromising your fundamental ethics, you have already lost everything that actually matters.
- ✓ Draw the line before pride tempts you into illegal, dishonest, or disgraceful acts; losing a business is nothing compared to losing your soul.



Chapter Summary

- ✓ Ego's refusal to admit error drives people to double down on failing bets, turning manageable setbacks into complete catastrophe.
- ✓ The sunk cost trap keeps prideful individuals shackled to doomed projects out of fear of looking like a 'quitter.'
- ✓ John DeLorean's descent into criminal desperation illustrates the catastrophic danger of demanding victory at any ethical price.
- ✓ True strength lies in drawing a firm line, accepting the immediate sting of loss, and preserving your character for future battles.