EPISODE 07

[INTRODUCTION]

[0:00:00.3] JM: Engineers in Silicon Valley see a world of constant progress. Our work is creative and intellectually challenging. We're building the future and getting compensated quite well for it. But what if we are actually achieving far less than what is possible? What if after so many years of high-margins, gourmet lunch, and self-flattery, we've lowered our standards for innovation. If Silicon Valley has been lulled into complacency, what does that say about the rest of the United States? American exceptionalism has faltered and complacency has risen in its wake.

Today's guest, Tyler Cowen, is an economist and author. His new book, *The Complacent Class,* is the final book in a trilogy that describes a decline of American output and a decline in the American mindset. Complacent America has lost its ability to assess risk. Children are prevented from playing tag for risk of injury. College students protest against speakers who might present challenging ideas. The number of Americans under 30 who own a business has fallen by 65% since the 1980s. Millennials are too busy going to business school to start businesses.

In his books, Tyler weaves together history, philosophy, and contemporary culture. He presents hard data about many different fields and theorizes about how the trends in those fields relate to each other. He also has a podcast, *Conversations with Tyler,* and in this episode, I try to mirror his interview style.

If you like this episode, you should check out his show. He's interviewed people like Ezra Klein, Peter Thiel, and Kareem Abdul-Jabbar.

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[0:01:45.3] JM: Are you ready to build a stunning new website? With Wix.com, you can easily create a professional online presence for you and your clients. It's easy. Choose from hundreds

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[INTERVIEW]

[0:03:01.8] JM: Tyler Cowen is an economist and author, most recently, of *The Complacent Class.* Tyler, welcome to Software Engineering Daily.

[0:03:08.3] TC: Thank you for having me.

[0:03:09.1] JM: Your new book, *The Complacent Class,* is the third book of a trilogy. It follows *The Great Stagnation* and *Average is Over.* Your first two books describe a decline in American output. *The Complacent Class* describes a decline in American mindset, and this mindset decline is both a cause and a result of the decline in American output that you described in your first two books. Can you explain how *The Complacent Class* relates to your first two books?

[0:03:40.3] TC: That's a good description. I think the key question behind all of the books is simply; what has gone wrong with America? Why are so many people disappointed with at least some aspects of what they're seeing?

The Great Stagnation looked at the angle at why has productivity growth gone down. *Average is Over* looked at the angle why has income and equality caught up. The latest book, *The*

Complacent Class, is what are the intellectual, and ideological, and sociological reasons for everything that's been happening, and the key notion is that people are more risk-averse and they try to make their individual lives safer, but the net effect of that taken collectively, is to make society less dynamic. In the longer run, that's responsible for a lot of our basic problems.

[0:04:25.6] JM: The punch line of the title, *The Complacent Class,* is that *The Complacent Class* is every class. There are coastal elites who are mistaking bureaucracy and financial manipulation as productivity gains. There's an upper-middle class that is content with ever improving entertainment, and there is a lower class that has basically given up hope. Why didn't you call this book *The Complacent Class,* rather The Complacent Generation?

[0:04:54.1] TC: I didn't call it The Complacent Generation, because I think a lot of the trends have been running for 30 or 40 years, and they're not the result of the fault or the flaws of a single generation. I think the notion that we, when it comes to complacency, all belong to the same class, is precisely what is startling to people, and I wanted to play that up in the title.

[0:05:16.7] JM: Is complacency a choice that America is making, or have we been lolled into a national trance that is not entirely our fault, like North Korea.

[0:05:27.1] TC: Initially, it was a choice. Now, we've so restricted our dynamism, so many individuals are hedged in and they don't really have a choice necessarily to take more risk. There are ways they could take more risk, but that would simply be stupid, or foolhardy. As time passes, it becomes less and less of a choice.

[0:05:46.7] JM: As you write, complacency "involves people making decisions that are at first glance in their best interests, but the effects of these decisions at the societal level are not always good".

I'm a young software engineer. If I work a comfortable desk job and I spend my evenings browsing social media and entertaining myself, is my complacency hurting society?

[0:06:12.5] TC: In the short run, probably not very much, but compare that to being a software engineer who strikes out and starts a new business, which people are doing at lower rates than

before, I might add. In the longer run, that will create more jobs. It will mean more tax revenue. We'll be able to pay for our retirements more easily. It will mean more social mobility for other people. When enough of us choose the complacent route, it significantly narrows the options of other people in society.

[0:06:40.8] JM: One dimension of this complacency thesis is the idea that Americans have stopped creating, and you just enumerated that, and this in0cludes software engineers, even though software engineers listening to this show might dispute that. We feel like we're creating every day.

Describe the contrast you see between the creative cadence of Americans today and the creative cadence that they had in a better time, in our past.

[0:07:10.7] TC: Just to be clear, I do think tech is by far our most dynamic sector and Silicon Valley has done some pretty wonderful thing. If you compare it to the America of earlier in the 20th century, in that time, we had other big advances in communication such as radio and television, but we also were inventing cards, and airplanes, and laying an interstate highway system, and developing antibiotics.

Today, the efficacy of antibiotics is running in reverse. We talk more about repairing our infrastructure than striking out on new ventures. We've stopped exploring outer space, and we're still, at times, flying planes that were designed in the very late 1960s. I wish more of our economy was like the tech sector.

I would make this other point that a lot of our tech innovations, they're very good for your leisure time, but they don't make us more productive. You can sit at home and watch Netflix, and Amazon will bring almost anything to your door, and that's comfortable. You might say it's complacent, but it's arguably limiting our productivity in some ways.

[0:08:13.9] JM: Is it limiting the productivity for everybody? Because I feel like, personally, I can leverage Amazon and have more time in my day. Assuming I am less complacent in my everyday mindset, then that's good. I can leverage that extra time.

[0:08:34.0] TC: That's correct. It's not limiting productivity for everyone, but if you look at how much are Americans working as a whole, what's our labor force participation rate? Overall, even adjusting for age, fewer of us are working than we used to. I think, in general, people are holding more safe assets. They're starting fewer new businesses. The net effect, I think, has been quite ambiguous, even innovations coming from tech.

[0:08:59.2] JM: The business leaders of Silicon Valley have a range of levels of optimism. Presumably, they're seeing the same technology. They're seeing the same trends. What contributes to their differences and opinion?

[0:09:13.2] TC: I think some of the live in a bit of a bubble. They hang out with other tech leaders and tech workers, and that is a pretty dynamic world. I think, within the tech world and the Bay Area, there's an overemphasis on different ways of accelerating the flow of information, and what we need to do is be making our physical world more productive, and tech is only now starting to help us do that. Again, I'm a big admirer of the tech world and tech CEOs, but I do think they somewhat overate their own importance.

[0:09:42.9] JM: How quickly are you seeing the technology influence on the physical world compound into games that can be measured in the kinds of metrics that you look at?

[0:09:56.9] TC: It's not as quick as it should be. One example, I'm sure you know about, is driverless cars, which really can work, and with some tweaks — They do work now. Then, you have to look at various questions; how long will it be before a liability law is in place, before they're regulated in the proper way. Before each town, county, state, and federal government have figured out exactly how to handle them. That could add another 10, 20 years on to the transition point.

It's another example of us just not finding innovation that urgent anymore. Of course, they'll save plenty of lives. There will be a tremendous advance once we have them. The tech people are not the obstacle, it's the legal and regulatory side.

[0:10:40.3] JM: This legal and regulatory side, do you see technology being able to contribute to an overcoming of the ossification in those areas anytime soon?

[0:10:53.8] TC: Not anytime soon. Just the simple question; if there's an accident with the driverless vehicle, who is liable? Do states and the federal government treat that in a more or less consistent way? Tech will not help us solve that problem, just getting every understaffed local government to treat a driverless vehicle passing through its town roads in a more or less consistent way.

It took a longtime with the automobiles. Autos worked for about 40 years before they really transformed American life, and that's sad, and we're looking at the same for driverless cars.

[0:11:25.4] JM: You were alive before the internet. What was that like?

[0:11:28.5] TC: It was an amazing world where you were forced to travel through physical space on a very frequent basis to get almost anything you wanted, to learn almost anything. It was extremely inconvenient, but it was a wonderful experience, and I actually feel I'm greatly privileged to have lived in both worlds.

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[INTERVIEW CONTINUED]

[0:13:39.4] JM: I guess I was born when there was technically the internet, the government version of the internet that was more insurance against nuclear holocaust, or partial nuclear holocaust than a communication and entertainment network.

That brings me to a point that I wasn't planning on asking you, but there's this notion of the open internet, and this is discussed in debates around net neutrality. If you like — When people talk about the open internet, it's almost this thing that has never really existed. It this nostalgic idea that hasn't really existed and the idea of the internet has just evolved from insurance against a nuclear bomb to AOL, to internet browsers, to Facebook and Netflix. It's this ever-shifting thing, and eventually it will be something that is closely integrated with our physical world.

Do you think that the idea of the nostalgia for the internet, perhaps epitomized by the open internet? Do you think this is an illusion that people have?

[0:14:53.1] TC: I do. Everyone has some year where internet was peak internet. I've heard some bloggers say, "Well, it was 2006." Then, you have a much smaller group of people say, "No. It was Usenet groups way back when." I'm not sure if there's a way to make those comparisons.

I would say what the internet has done for us so far is a bit overrated. Maybe what it will do for us in the longer run is a bit understated.

[0:15:15.2] JM: Talk more about that. What are the things that are underrated right now?

[0:15:18.4] TC: The idea that by knitting people together, we make business production more efficient. Everyone thinks that's happened, but it hasn't when you look at the numbers. Productivity in this country used to go up by 2% to 3% a year. In the last few decades, typically, it goes up by 1% to 1.5% a year. There's some way in which the internet is Facebook, "Okay. That's nice." The internet is about visiting twitter. The internet is about buying things on Amazon. Somehow, using that to restructure our whole economy mostly lies in the future.

[0:15:52.3] JM: Is that a criticism of the internet, or a criticism of the ways that we're trying to measure the productivity of the internet?

[0:15:59.0] TC: I don't think it's criticism of either. I think it's a criticism of the fact that so much of American business was not ready for the internet. They treated the internet as a kind of add on. Here, we have a workplace. Now, our employees are going to email each other, which, again, is fine, but the idea that the internet ultimately will be at the center of so many different activities, such as, say, education, or healthcare. We're very, very far from realizing that, and if I'm blaming anyone, it's really the non-internet related businesses most of all.

[0:16:30.4] JM: What does an internet-centric education model, for example, look like, rather than the internet bolt-on education model?

[0:16:41.0] TC: Human beings are great at motivating other human beings, and they're great at serving as role models, and coaches, and sources of inspiration. I'm not sure there are efficient ways of just sending information back and forth. The internet does a much better job of that, whether you're reading text, or using search, or viewing video. I think the future of education is you start with the internet and you have a small number of coaches, and they guide you through a learning experience, sometimes in small groups. Higher education; it hasn't actually changed that much yet due to the internet. In due time, it will, but still, it hasn't.

[0:17:15.4] JM: I remember you talked about this some in *Average is Over*, the idea of the Chinese tutorial model being a leading indicator for how coaching might work in the future, if I'm remembering that properly. Is that accurate?

[0:17:33.1] TC: If you think of the key role of the human being as to provide inspiration, often, that's best done through tutoring. I think somewhat counter-intuitively, the continuing rise of the internet and education also will boost the tutor. It's tutor, plus internet that I think is much more effective than having people sit, say, in classes of 200 and more or less nod off and they might as well not be there. That's what doesn't make sense. That's the system we're still locked into.

[0:18:02.5] JM: If I recall my most influential teachers, it was not necessarily their ability to articulate or reiterate information to me as it was their ability to have the right amount of encouragement. Basically, be able to guide me through a way of looking at the information that was available in the domain that they were an expert in. I guess that's a kind of coaching.

[0:18:30.8] TC: Exactly. Do the top universities reward professors on that basis? Not very much, and that's what I think we need more of. Then, they point you to places on the internet, give you a kind of vision of how one learns, or why learning is important. That's when I feel education could become much more productive.

[0:18:49.8] JM: Much of your book is about the idea that American institutions are increasingly focused on enforcing safety and security to the individual, but your thesis is that this isn't working, and that the costs are massive. We could certainly talk about the university system. Do you have some other examples of this thesis?

[0:19:14.1] TC: I think the most obvious is just how paranoid people are when they raise their children. So many children are not really allowed to play outside anymore. Everything they do is scheduled. There were schools where the tame of tag has been banned for being too violent. Again, in the short run, you couldn't call this a major problem. In the longer run, we're bringing up whole generations of Americans who simply assume they're going to be protected against risk of all sorts. I think it's counterproductive. In the long run, it will end up increasing the risks we face.

[0:19:45.9] JM: What would you do if you were raising a kid to give them a nuanced view of the risks of reality while also preventing them from some of the massive — Let's take tag as an example. I, one time, fractured a tooth, because I slipped and — I slipped when I was playing tag and I chipped my tooth against a railing. That was not a great experience, and I can imagine

much more downside risk occurring where, maybe, I break my neck because I'm playing tag. This seems like something that could be avoided while still giving children the proper understanding of downside risk.

[0:20:28.8] TC: I think some risk is learned through experience. Again, allowing the game of tag to go forward is not exactly a major form of brutal violence. When we're talking about raining in tag, I think, again, we're raising generations of people, including millennials, that will be less willing to take risks in business, more afraid of failure. Collectively, they'll end up with less opportunity.

I would say take your kid on some trips, take them to see different parts of this country, or different parts of the world. You don't have to bring them to a warzone, and allow them more spontaneous to play outside. Being a child in America has never ever been safer than it is today.

[0:21:11.1] JM: Software is powering much of the increase in safety and security, and there are parts of our world where safety and security are undeniably good things. I could think of seatbelts, and if we had some electronic version of a seatbelt, maybe that's — I don't know. Move it to encryption. We definitely want this kind of thing.

In this world of software driven matching that you talk about, I think this ties into the safety and security, because you would probably argue that you have too much safety, too much security. You can just sit at your home. "The great adventures of life, the surprises of strangers, and eclectic moments of happenstance, and also of extreme ambition are slowly being removed by code as a path to a new contentment."

What is a strategy for putting more spontaneity back in our lives whether we're children, or adults, and why should we implement that strategy?

[0:22:13.2] TC: I would say, start with little things. Don't use internet search for every decision you make. I vowed, when I'm looking for a new restaurant, I'll actually go to an area and walk around rather than searching on Yelp. I get it, that in the short run, that's more costly, but at the other hand, I get to walk more, I see more of my world. I learn more about searching for restaurants and food. I just think I'm coming into contact with my physical environment in a way

that's ultimately a little more liberating or will make me more creative than if I simply did everything through that internet match. I would say start small, do some small things. See if you like it, then try some more.

[0:22:56.3] JM: The spontaneity that the internet provides is okay these days. I log on to Facebook. Sometimes I see a little red notification icon. Sometimes I don't. Sometimes it a red notification icon from somebody I really admire that has liked something of mine, and that appeals to me. You can imagine a world in the future where there is as much spontaneity and excitement in our virtual world as there is in the real world, do you anticipate feeling a sense of loss when that happens?

[0:23:34.0] TC: I think these different kinds of spontaneity — Today, you can be very spontaneous on the internet. Say, you're listening to music, you can find some genre on Spotify or Pandora that you've never heard of, and all of a sudden, you're loving this song. Everyone is doing it in separate ways, and it's not really mediated socially . The notion of music is a social and revolutionary force. It's actually much weaker today than it was several decades ago.

I wouldn't say that there's no spontaneity anymore, but it's more likely to dead-ends, simply do something and it stops and not much comes of it, I think less likely to lead to actual risk taking in the real physical world.

[0:24:14.5] JM: I think you actually see this in the creation of pop music. I think pop music is more and more people trying to jockey for local maxima as they attempt to climb up the charts. I don't know if you listen too much contemporary pop music, but does that thesis resonate with you? The idea that —

[0:24:38.0] TC: Absolutely.

[0:24:39.2] JM: Are there any exceptions to musicians, to modern musicians? Perhaps, pop musicians, people that are appealing to you, uniquely appealing.

[0:24:46.6] TC: I would say, today, there are probably more good songs produced each year than ever before. It's not that musical talent has disappeared. That would be absurd. Here's the

way I put it, if you go back to music of the early to mid-90s, take Alanis Morissette. If you heard Alanis Morissette today, if you didn't already know the music, you could imagine it was music of today.

Go back, say, to 1967 and imagine hearing the well-known music of 20 years earlier, or even 10 years earlier, you could never think that was music of your time. We've, on one hand, sort of given everybody a bit of everything. At the same time, we've slowed down, or in some cases, even obliterated the idea of progress.

[0:25:28.4] JM: Does that idea of the slowdown — I like that comparison, that's really compelling. Does that apply when you look at movies and other forms of art?

[0:25:38.2] TC: I would say movies actually have been getting worse. I wish that was just slowing down. So many top movies, they're tent-pole franchises. They feel a bit like they're the same. They're mind-numbing, they're too long. They have too many explosions. Arguably, American movies peaked in, maybe, the 1970s, but I don't know anyone who think that they're peaking right now. Yet, we're a wealthier society. We have all these digital techniques, and we can't make better movies. From my point of view, that's a little depressing. Television, I would say, is clearly better, but movies are going in reverse.

[0:26:14.4] JM: When you look at something like *House of Cards, House of Cards* was arguably the result of hyper aggressive matching, because they looked at their viewership and said, "Okay. What can we make that will be beloved by everybody?" They ran it through their algorithms and they said, "Okay. Something that's political with Kevin Spacey," and they made it. It turns out to be something that's almost completely unique. Although it is trying to copy — I think it's copying a U.K. show. I don't know. Do you agree with this idea that even — Netflix, by attempting to copy so many different things in a hyper-aggressive copying strategy ended up making something unique, or you're not a *House of Cards* fan?

[0:26:57.9] TC: I like the British *House of Card* better, actually. I would make this more general point. I prefer a world where movies are great to a world where television is great. Even the very best shows, hardly anyone watches them 10 years later. Certainly, not 20 years later. I think

Seinfeld reruns are an exception, or maybe the best of *I Love Lucy,* but it's a fairly a femoral product.

There were fantastic movies from many decades ago that people watch and re-watch and become excited by. They're more of a social moving force than is television. Television is something you enjoy. It makes you complacent. You sit at home, and then you watch the next show. In terms of our broader culture, I don't think it's an entirely favorable trade in to have gone from great movies to great TV.

[0:27:44.3] JM: What about a show like *Black Mirror,* where every episode is atomic.

[0:27:49.2] TC: I'm a big fan of *Black Mirror.* I think it's interesting to note. First; it comes from United Kingdom, not this country. Second; it was made by BBC, which is actually a government. Third; it hasn't really gotten much traction in the United States. People like us watch it, but it's not what most television is about.

[0:28:07.8] JM: What's your favorite *Black Mirror* episode?

[0:28:09.9] TC: The one where they punished the woman. She wakes up out of a kind of coma, and she doesn't know why there are people chasing her. I think it's season two, number five. Then, it turns out she actually was involved in a murder herself, and this is either punishing her. It's just fantastic.

[0:28:28.2] JM: One of the most damaging trends with our obsession with predictability, and safety, and security, is that we're being pushed towards a wide-spread treatment of psychiatric disorders with poorly understood medication. This medication doesn't really work. It doesn't even get as much attention as the opioid problem. For all we know — I'm not sure about this, but it might be even more wide-spread than the opioid problem. It's perhaps just more subtle, because opioids so completely destroy a person's life and it's more noticeable. Is there any chance of a war on prescription drugs in the foreseeable future in America?

[0:29:16.6] TC: I certainly hope so, or I hope at least we develop better prescription drugs which can ease our problems without always calming us down so much. There's an over-diagnosis of

things such as ADHD, which now is attributed to a remarkably high percentage of young boys. The idea that young boys are simply restless and maybe don't want to sit in a classroom all day and do their homework all night is a notion somehow lost on our complacent society. Just how quickly we resort to medication — The pharma company is happy, the doctor gets the parents out of his or her hair. The child is calm down. The school system is happy. I think, in the longer run, again, it's a national catastrophe that we're calming everyone down in this way.

[0:30:02.5] JM: Is the desire to prescribe psychiatric drugs to our relatives, is that something that we do out of love for our relatives, or are we doing it out of better security for ourselves?

[0:30:17.7] TC: Both motives can operate. Obviously, there are people who very much do need psychiatric drugs, and I'm not trying to talk those people or their relatives that are doing. It does seem at the margin, there are many cases where it simply seems to be the easiest way to solve a problem.

[0:30:34.4] JM: Let's talk about millennials. If you looked at the average millennial's hierarchy of needs, how would it compare to the hierarchy of a gen Xer?

[0:30:42.9] TC: Millennials seem less interested in ownership, less interested in driving cars. I think they're very tolerant and actually kind generation, but they've grown up with a pretty sluggish labor market for many of them. Often, higher levels of student debt. I think the overall level of ambition, it may yet develop. Not their fault. I think, overall, ambition in the millennials is not so impressive.

[0:31:10.1] JM: Unless you're talking about the ambition of following a recipe type of path to becoming an investment banker, or a doctor, or a lawyer, I guess you would say?

[0:31:21.0] TC: Yes, and even many people are not so interested in that. I would say this, the millennials are the generation obsessed with food. Earlier generations, more often, were obsessed with music, and music is more socially dynamic than food. Food, again, it induces a kind of complacency or lack of motion. Music, the inclination, is to get up and do something with a group of people. We've switched from music to food as being culturally central. I think that's somewhat of a loss.

Just to be clear, I don't want to blame millennials. I think the problem is the environment they have grown up in, not like the millennials as individuals.

[0:31:57.5] JM: You quote, say, "Millennials are not such an entrepreneurial class. The share of Americans under 30 who own a business has fallen by about 65% since the 1980s." I found that statistic shocking, because from my point of view, entrepreneurship has become easier in contrast to the direction of this trend. Why are millennials so disengaged from entrepreneurship?

[0:32:24.2] TC: I'm not sure it has become easier in every way. There are more different things you need to learn. There are more chain stores to compete against. The best companies do. They actually do so very well. There's more industrial concentration, somewhat of an increase in monopoly as I document in the book.

I don't think it's just that millennials as dispirited, some of that has happened due to the financial crisis and the great recession. I think the environment they're in is genuinely a harder one to succeed in and the consumers they're trying to sell to or on the whole actually more complacent. You've got to beat Facebook is another way to put it. Facebook is pretty good. Not everyone can create a product that beat spending more time with Facebook.

[0:33:07.8] JM: You must have interacted with a lot of millennial students over the years. Now that we have made something of a bear case for the millennials, what's the bull case? You mentioned compassion, I think. What are some other desirable attributes that you see in millennials?

[0:33:27.8] TC: Over-genearlizing, of course, but I think tolerance and love of peace. They actually believe that it's possible to have a world where there's very little bigotry and prejudice. Those are major advances, and I see that much more in the millennials in the any earlier generation. I'm fairly bullish on that set of issues, and I would give millennials a lot of the credit.

[0:33:50.2] JM: Among the people who were Civil Rights advocates, for example, in previous generations. Were these people who did not necessarily believe in the widespread equality?

[0:34:02.5] TC: Those individuals did, but I think the reception they met from the rest of America was decidedly mixed. Today, I feel there's a critical mass of young people, middle class, to upper-middle class young people, who just absolutely, resolutely, no matter what the group, not just for African-Americans, but for gay people, or transgender, or whatever else. They're genuinely tolerant much more than when I was growing up.

[0:34:26.4] JM: Is there any sign that the generation that is following millennials, this is often referred to as gen Z, will be any less complacent?

[0:34:35.5] TC: We don't see any signs yet. Obviously, it's very early to tell. I think there's also a good chance that they grow up in a more chaotic America. I do see some signs that the previous state of affairs is, in some ways, coming apart at the seams. If the next generation is growing up in those chaotic times, that will give them a very different worldview.

[0:34:56.5] JM: Many Americans feel that the discourse in America has turned toxic and polarized. As you say, "The harsh exchanges across different points of view mask an underlying rigidity and complacency".

Explain why both poles of this modern political discourse that has become sort of toxic, these poles actually both represent the complacency position.

[0:35:26.2] TC: If you look at American politics, in many regards, which you see on the evening news every night, it is more polarized. If you just Americans, "What should we do with the federal budget?" There's probably never been greater agreement. More and more of the budget is entitlements, Medicare, Social Security Medicaid. Most Americans actually support those programs at something not so far from current levels.

I think we have a politics where people argue heatedly over symbolic issues. What our government does hardly changes, and we had, not too long ago, democrats controlling all branches of government. We now have republicans controlling all branches of government. I've predicted, the Trump administration actually won't succeed in getting much change through. The people out there don't really want it.

[0:36:13.9] JM: From this vantage point, you talk about the students who rioted in response to a appearances by Milo Yiannopoulos and Charles Murray, and you suggest that the students at the schools wanted a save space where they could be sheltered from these ideas; these idea of Milo and Charles Murray.

Speaking as a millennial myself, I don't think that these students were actually afraid of having a sophisticated discussion with Milo. I think that, as you said, millennials and gen Zers, they look at the amount of prejudice and sexism that still exists in the world, and they say, "Okay. Something is wrong here. We're not moving towards equal opportunity fast enough. We aren't necessarily going to reject the ideas of Charles Murray. We're not rejecting the ideas of Milo, but we are so fed up with the institutional problems that were going to just steamroll people, like Milo, or Charles Murray, even if we're just doing this as scape — We're scapegoating them, because the cause is so important to us that we're willing to scapegoat these people and suppress their free speech, because it's causing so many people so much pain. It's undermining the health of our society. It's undermining the productivity of our society. It's not just social justice warriors that are trying to create a safe space."

Am I misinterpreting you? Why don't you give the benefit of the doubt to these students for having a well-reasoned position, rather than labeling them as kind of safe space seeking security obsessed millennials?

[0:38:03.6] TC: I think a lot of what the students are doing is counterproductive. If you take Charles Murray and just ask this simple question, "How many of those students had even read some Charles Murray?" I think it's a very low percentage.

I heard Charles Murray give the talk that he was about to give at Middlebury before the incident began. Basically, the talk involves a lot of concern about income and equality, and at the end he calls for a universal basic income.

One may or may not agree with that set of claims, but I think there's so much of middle America that feels political correctness has gone too far, and the more open and engaging style, based

on an idea of the free speech as we saw, say, in the late 1960s, I think that will actually be healthier for the country.

[0:38:53.7] JM: Speaking of these institutional problems, you draw a relationship between the reemergence of American segregation and complacency, and you find that the most segregated in the area in the United States is actually Austin, Texas. I grew up in Austin. I spent 23 years there. I know that Austinites like to see themselves as integrated, as open-minded, as forward-thinking. How does your ethnography of Austin compare to what Austinites would like to believe?

[0:39:29.8] TC: I think what Austinites would like to believe is entirely correctly, that on the whole, they are forward-thinking and open-minded, but you have in Austin an extreme degree of gentrification, and gentrification prices out a lot of individuals, and it's made Austin, in that regard, a much more segregated place. It's not just Austin, you see this in Brooklyn, you see it in Manhattan, you see it in San Francisco, on many parts of this country.

Although people are, on the whole less races than before, we see so many markers of segregation going up, and that is the paradox that when each individual just tries to be nice and maybe do something for his or her children. The next result is this greater split into groups of high and low income.

[0:40:15.1] JM: As I was reading your section about Austin, I was thinking about my — Although the time I've spent in Austin and my perspective is that Austin has a unique brand of complacency that's kind of confused, and it's epitomized by this slogan — Maybe you've seen it if you spent time on Austin. It's a slogan, "Keep Austin weird." If you spent, in this case — okay, you have seen it.

You see this slogan on bumper stickers, it's on t-shirts, it's on those marketing newsstands in the airport. I think that the idea of keeping Austin weird is it's oxymoronic, because in order to avoid complacency, if we're trying to be weird, that means we have to continually expose ourselves to change. The way that Austin tries to keep itself weird is typically by celebrating the same mediocre restaurants, enjoying the traffic and the bad public transportation.

What are some other examples of urban city-standardized complacency that you have seen in the United States?

[0:41:29.6] TC: San Francisco is maybe the most extreme. Just on the Austin slogan, I think I wrote a blog post on that last time I was in Austin. A place that's really weird doesn't need that slogan. Their very notion that it's used at the airport suggests the place isn't that weird anymore. It's hard for places to stay weird when individuals who have some wealth can buy a property and improve it. That's the fundamental dynamic.

If you look at movies of New York, say, even as recently in the 1990s, so many parts of it were unrecognizable, but that was also a time when artists, musicians, punk musicians, Andy Warhol, before he earned a lot of money, lived there and be very creative. New York City has, itself, become much more boring these days. It's a much more pleasant and safer place at the same time.

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[INTERVIEW CONTINUED]

[0:43:47.4] JM: You see this kind of thing in restaurants that Anthony Bourdain visits in remote areas where, suddenly, the small noodle shop that he visits is featured on his show, and then it becomes super popular and it sort of ruins the uniqueness of it. You see this happen with social networks online. For example, I saw this with — To some degree, with Quora, where Quora had, early on, a small core group of people that were on the site and it created a kind of kitschy weird social network. Is it impossible to scale weirdness?

[0:44:27.6] TC: It's very, very difficult. Hiddenness is hard to scale. It's much harder to have hiddenness than surprise and secrets in today's world. Everything is much more transparent. That leads to this efficiency and matching, but there's also impoverishing effect.

Places discovered by Bourdain, or others, they end up getting ruined, because everyone goes there. All of a sudden, then the owners are cooking for a more general taste rather than, say, the tastes of their next door neighbors. We haven't really managed to scale weirdness or hiddenness.

[0:45:01.6] JM: In writing about China, you described a class of billionaires, such as Jack Ma, who went from rags to riches. In America, there are plenty of places where people grow up in poverty. Why don't we have triumphant rags to riches stories in America these days?

[0:45:21.0] TC: We do have many, but in keep mind, a lot of them have to do with immigrants, and I would say immigrants are the class of people who are lease complacent in contemporary American society.

I think one thing that's special about China is just how much undiscovered talent there has been. You can be from the Chinese countryside, and be a genius, and maybe your father was just a local peddler. In the United States, if you're — Running in your family, if there was that much talent. Probably, it would have been discovered already. We have more cases like Bill Gates who earned much, much more than his father, but he came from a really smart upper-middle class family. There's nothing that surprising about the bill gates story.

[0:46:01.8] JM: In writing about your model of American stasis, you say that we must — The stasis that we are in must eventually fall apart. Why is this? Why can't we trend towards ever more complacency?

[0:46:16.2] TC: Maybe some countries can do that. Maybe Denmark can do that. Countries that are built small and have a high degree of consensus and less diversity than the United States. The United States, it's like a big hedge fund. It's built on a lot of leverage. We don't save that much of our money. We're always hoping that tomorrow's creativity pays today's bills. Also, debt is one reason why we can't just stay complacent.

I think, also, what's happened to our politics as we move to a zero-sum game, we're fighting over a fixed pie rather than a growing pie, and I think it's made our politics much nastier, and also dysfunctional.

[0:46:57.4] JM: "America declines in the sense that it is losing the ability to regenerate itself in the ways it did previously." What is needed to make America regenerative again?

[0:47:11.2] TC: I don't think we're going to manage it by turning around the current ship. We've had many chances to do that. People don't seem that interested. There're a lot of different policies we could talk about, or we can talk about if you'd like. I think the more important question is why is the world not more interested? Why did we just elect a president, I would say, is always talking about the past and not so much looking forward?

I think the most likely scenario is this country has a crisis of some sort, and we do eventually recover our dynamism, simply as risk is forced on people. At some point, there'll be no way of hiding from the risk, and people will start taking some risks to avoid even greater risks. In terms of the complaisant path we're on, I really don't see us leaving it.

[0:47:57.3] JM: do you have an idea for what the falling apart of our current complacent state will look like?

[0:48:02.9] TC: There are three different scenarios I talk about in the book. One of them is simply debt catches up to us. To some extent, that's part of what happened with the financial

crisis. Another one is through some kind of foreign crisis that we don't have the flexibility to respond to.

The most likely it seems is just the quality of our own governance becoming worse and more about arguing over a fixed pie, more zero-sum thinking, more crony capitalism, and less actual progress moving the ball forward. I think we're living through that right now.

When I started writing the book, I thought, "Well, a crackup of that sore, it's maybe 5, or 10 years away." It turns out right here and now, we're going through it.

[0:48:45.2] JM: In your podcast, *Conversations with Tyler,* you have a section called *Overrated, Underrated,* so I decided to copy that and do that for the rest of the episode. Let's do overrated, underrated.

[0:49:02.8] TC: Great. Okay.

[0:49:03.1] JM: Video games.

[0:49:04.7] TC: I don't play video games, so I'm not sure I'm a good judge of how overrated or underrated they are. I do know there are some very good economic research suggesting that video games have increased unemployment and just kept people busy at homes. I'll have to say they're overrated.

[0:49:19.8] JM: What about video games as an analgesic?

[0:49:22.7] TC: That's exactly why they're overrated. There's something to be said for suffering, is there an amount of pain? If you use video games to obliterate that, I think that's part of the problem.

[0:49:34.0] JM: The idea of Oprah as president?

[0:49:36.5] TC: I don't know what she would be like, but my sense is one thing we're learning from Trump, that having a professional politician really is important. Understanding in great

detail how congress works, how you push on the levers to get a bill through, that's extremely important. The right way of dealing with the media — Trump, he's certainly used to dealing with the media. He's been on TV for decades, but he's not used to dealing with a media as president. My guess is, in general, the notion of nonprofessional politicians being president is somewhat overrated. No slight to Oprah intended.

[0:50:10.6] JM: Could you imagine a world where she becomes president and then she's just a supreme coach, and it turns out that we needed all along was a great teacher/coach as our president?

[0:50:20.6] TC: I can't imagine such a world. She would have more of a chairman of the board kind of role, and she then would need a vice president who, in essence, would be like a COO and drive change forward. That's possible. I think. I think it's very hard for the actual elected president to know his or her role in exactly the right way, but that's exactly what the positive scenario would look like.

[0:50:40.7] JM: There are many different kinds of museums. Art museums, I think, are still underrated. To me, the most striking fact about art museums is, typically, they only put out 10% or 5% of the art they own. Furthermore, there are huge parts of the museum with simply empty walls. This suggests people go to museums for social reasons, or because they think they're supposed to and, thus, they're actually underrating the art itself.

[0:51:06.4] JM: Getting six to eight hours of sleep each night?

[0:51:09.6] TC: underrated, but I would stress seven to eight. I don't think six is enough for most people. There's an increasing body of evidence that not sleeping enough hours or sleeping deeply enough is implicated in just about every other illness we know, including Alzheimer's, and a lot of people just don't get enough good sleep. Underrated.

[0:51:29.0] JM: Were you surprised by the articles that came out about Obama being a "night owl", or kind of aggrandizing his low amount of average sleep each night?

[0:51:42.9] TC: I was, but I think later in his life he may pay a price for that. If there's anyone — You want to see make that tradeoff, it's the president. How much he gets done in those years, that is especially important. Most of us are not in that kind of position. Margaret Thatcher, as you may know, is the same way. He just didn't sleep that much.

[0:52:02.5] JM: Long-form written content.

[0:52:04.7] TC: It's a funny way to describe it. We used to call it books. Now, the phrase usually means like long journalistic articles of a certain length. Most of the world's knowledge is contained in books and reading has proven robust. Still, I think books are underrated. Possibly, the median American last year didn't even read a single book.

[0:52:24.5] JM: Long-form video content.

[0:52:26.1] TC: Documentaries are underrated, if that's what you mean. We're living in a kind of golden age of the documents. It's one area where cinematic creativity has been high. If I had my way, I would be seeing those documentaries have an even larger place in our movie theaters. *Planet Earth II* is coming out, I believe, March 27th. I'm eagerly looking forward to my copy. I'll watch on TV rather than video through YouTube, but I expect it very much to be wonderful. Still, underrated.

[0:52:57.2] JM: You did an interview with Malcolm Gladwell recently in your podcast. By the way, I recommend everybody who's listening to this who's still with us should check out *Conversations with Tyler.* Were you surprised that he said he doesn't watch movies?

[0:53:12.0] TC: I was surprised. Obviously, he's a very busy man and he specialized in other forms, and he knows a great deal about science and social science and history. If something's got to go, maybe movies is it. I actually found that admirable that he had the self-discipline to just make that decision and stick with it.

[0:53:33.3] JM: He's got a great podcast as well, *Revisionist History*. Do you feel that his show, perhaps, exposes the fact that podcasts are a very unexplored area of art?

[0:53:47.0] TC: They're underexplored, by they're being explored very rapidly. Podcast are increasing at a very fast pace. The problem, if that's the word to use with podcasts, is you can only listen to a small percentage of the total. With books, you might read faster than other people. Thus, be able to read more. You can turn a podcast to 1.5x. For the most part, the speed you get is all you're going to extract from it. Naturally, I find that a little frustrating. There's much, much more in podcasting than any person can ever have a sense of. That means underrated.

[0:54:20.6] JM: Right. The idea of Mark Zuckerberg as a president.

[0:54:24.1] TC: We don't know that much about Mark Zuckerberg's political views. I think there's a reasonable chance he'd make a good president. Would he approach it with the right humility and hire the right expertise? He's done that in other areas he's operated in. I would at least have an open mind about the prospect. I think most younger people would. My sense is older generations are likely to be suspicious.

[0:54:48.4] JM: The idea of Google as a force of good, rather than evil.

[0:54:52.5] TC: I think Google has been an amazing force for good and they've done remarkably little evil. The striking thing is how many other innovations they've helped pioneer. Driverless cars is one. Even something as simple as watching video online without all that buffering that you used to have to have, Google put a lot of money into YouTube, helped make that possible.

Google Glass, in my view, was a failure, but someone's going to make it work, and that will have been an important stepping stone. I say way underrated.

[0:55:20.1] JM: Do you think of Google as an instrument for matching, or is it a force against matching?

[0:55:24.7] TC: It's both at the same time. What is their net effect? I'm not sure. Again, Google, since the beginning, it's much more than just search. It's very interesting, I find, that a lot of their later innovations, they do not spring organically out of search. Part of Google's innovation is to

have a new kind of company that can produce innovations of many different kinds. Gmail as well, still free.

[0:55:48.1] JM: Grand American projects.

[0:55:50.0] TC: Underrated. One of them has been the smartphone, which is been wonderful. Another one we did that was a disaster was trying to set the Middle East Straight. For instance, through the war in Iraq, that went very, very badly. We're a gun-shy, so to speak, and we're off the idea of major projects. We need clean energy. We need to upgrade the power grid. We need to fix education in a very fundamental way. Make healthcare cheaper. We need to tackle new grand projects. Very much underrated.

[0:56:22.5] JM: Okay. Just a few more. Info-veraciousness.

[0:56:25.9] TC: Sorry. I didn't hear that.

[0:56:27.8] JM: It's not actually a real word. You described the infovore —

[0:56:33.3] TC: Infovore. Underrated, of course. There are people who love information. The one group that has been benefited immensely from all these specialization in tech advances are the infovores; academics, journalists, veracious readers. We're way, way better off because of the internet, much more than the average person.

[0:56:52.9] JM: Is that because we are able to leverage these matching tools rather than be completely guided by them?

[0:57:01.7] TC: We can leverage them, but also, we simply enjoy information for its own sake. Have you ever sat down and just spent a few hours reading Wikipedia? It can be great. If all the internet is to you is you enjoy Facebook slightly more than the old network television, that's fine, but you're not gaining that much. If you love reading Wikipedia for a few hours running, you're much better off due to this new world.

[0:57:25.1] JM: Do you think more people are becoming infovores?

[0:57:28.8] TC: Yes, because the return to being an inforvore has gone up. The supply curve is elastic.

[0:57:33.4] JM: All right. Last overrated-underrated. Twitter.

[0:57:36.2] TC: I actually think it's underrated. People focus on Twitter as a company, and how profitable that is, is hard for me to judge. Twitter has helped drive social change in Iran. I think Twitter is not behind the polarization of our politics. There are some new research helping to show that. Twitter is a fantastically effective way for infovores to dip a toe in the stream and see what the whole world is serving up that day. I say way underrated.

[0:58:05.1] JM: Do you listen back to your own podcast episodes?

[0:58:07.9] TC: No, I do not. I'm afraid I would sound too weird and become too hesitant.

[0:58:12.7] JM: I guess it's one way to prolong your spontaneity. Okay, my last question. Which author is having the most influence on your work these days?

[0:58:28.1] TC: I would say my Twitter feed more than a single author. I don't think, overall, we live in a time of authors. In the sense, at the 1920s, you had Franz Kafka, Thomas Mann, Marcel Proust, James Joyce. That was a decade for authors. Arguably, also the 1960s. This is a weaving together a stream and a synthesis, and it's about your implicit mental algorithms. That's like the actual author today. I would say notion of the author has been downgraded somewhat.

[0:59:00.7] JM: Tyler, thank you for coming on Software Engineering Daily. It's been extremely rewarding to have the chance to interview you, and your books have been really influential on me.

[0:59:09.6] TC: Thank you. Thank you for reading so carefully.

[0:59:11.7] JM: Thanks.

[0:59:12.5] TC: Take care.

[END OF INTERVIEW]

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