

Taylor Pearson:

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Jason Buck:

All right, Jared Dillian, plug away right at the top. Where can people find you? Where do they locate you? Where do they go to buy as many copies as possible of this book?

Jared Dillian:

So the book that we're going to be talking about today is called, Those Bastards: 69 essays on life, creativity, and meaning. And the book is on Amazon. You can get a paperback or a Kindle. There is going to be an audiobook. We're in the process of recording it right now. So in about a month or two there should be an audiobook. So if you like audiobooks, you can wait for that. But otherwise there's paperback and Kindle.

Jason Buck:

And then where do people find you on Twitter, Daily Dirtnap, all that good stuff.

Jared Dillian:

Twitter and Daily Dirtnap, you can just look up Jared Dillian, I got about 71, 70 2000 followers at this point. The newsletter, my financial newsletter, which is basically my day job, is the Daily Dirtnap, which you can find at dailydirtnap.com and you can subscribe to that if you want. It's pretty good.

Jason Buck:

I can corroborate that as I'm a subscriber and as you know, I bought the book as well. Unfortunately I didn't buy 10 copies like you suggest to everybody that does. The Tim Ferris of the world, they're really good at that, did you think about structuring buy a dozen copies, you get such and such gift. If you buy a hundred copies for your firm, you'll get a one-on-one with me. Did you think about trying to gamify all that aspect of selling books in bulk?

Jared Dillian:

So I didn't, but for the next book, I probably will and the next book comes out in January of next year. That one, I really have a chance of making the bestseller list. And by the way, if you make the bestseller

list even for one week, it's awesome because for the rest of your life you get to say that you are a New York Times bestselling author.

Jason Buck:

Yeah, that's the point. I think everybody kind of shits on the authors that try to gamify that and they buy thousands of copies of their own book. But I'm like, "If the system's set up that way for you to be a New York Times bestselling author and most people use that to go on speaking tours and up their stage fees." I understand why people do it, but I could never see you really going down that route.

Jared Dillian:

I have not yet begun to defile myself.

Jason Buck:

No, that was a great tweet the other day. I saw that one from you. That was one of your perfect wordsmithing. I knew you were proud of that one too. I read it, I was like, "That's good. And I bet he was proud of that one." We were kind of talking before we got online about how do you get on those bestsellers list and how kind of antiquated that idea is with physical bookstores. But I think actually it was one of my buddies, Jon Kutsmeda, that actually tweeted at you about when's the audio coming out. But talk a little bit about that process because you're spending money and doing the audiobook in the right way. It is kind of interesting.

Jared Dillian:

I used to be on radio, so I have a pretty good voice for doing this and a lot of people wanted me to record the audiobook and I'm like, "Fuck that. Absolutely not, so tedious. So time-consuming." And I hate reading stuff. I like talking, but I hate reading because there's a lot of pressure to get it right and if you flub something then you got to start over. It just sucks. I really did not want to record the audiobook. So the guy I got to do it, his name is LJ Ganser and he's actually, I think he's a standup comedian, but he did the audiobook for Street Freak and everybody loved it. So he's my personal audiobook guy now. So I got him to do Those Bastards. I'm having him do the next book. He's terrific.

Jason Buck:

And do you mind talking about what the production costs are from audio side, book side? I think it'd be insightful for people. I mean usually anybody that's interested in finance is usually interested in business and the actual metrics. But if you don't want to talk about it, that's completely fine.

Jared Dillian:

No, I can talk about that. So if you want to hire somebody to record an audiobook, it's generally between 200 and \$400 an hour. And the number of hours depends on the number of words in the book. So this was a hundred thousand words, so 10 hours. So it ended up being 4,000 bucks. He charged 400 bucks an hour, so he was on the high end. So it's costing me 4,000 bucks.

Jason Buck:

I think last time you and I were in person down in Cayman, and we talked a little bit about this, but it's interesting to me of where that inflection point is for self-publishing versus a publishing house, is people always think they want a publishing house. But then they realize the publishing house normally doesn't

do anything for you. Even your cover art, your marketing, your branding, everything's really up to you and you're just recouping that advance. But how do you think, what's that shift? You obviously still prefer using a publishing house. What do you think the advantages still are in this marketplace?

Jared Dillian:

Well, really it's about distribution. It's about being able to get books in stores. So for *Those Bastards*, I have no distribution. It lives on Amazon and it doesn't live anywhere else. If you wanted to go buy it in an airport, you can't. So with the publishing house, you get distribution and they're competing for shelf space and still a lot of books are sold in stores. And if you have a book out in the front table, it's a new hard cover, it's got a cool cover, people will pick it up site unseen. So you get a lot of sales that way.

Jason Buck:

And do you think part of that, I'm in the Philly area right now, is there's actually, I've seen a few Barnes and Noble here. Do you think it's more like the coastal elites don't realize there's still Barnes and Nobles and bookstores in the rest of the country? Because then maybe they're questioning that

Jared Dillian:

There's one in Myrtle Beach, there's the Barnes and Noble here. Yeah.

Jason Buck:

By the way, when you hear coastal elites, technically you're on the coast, but I don't think you qualify or count yourself as one of the coastal elites.

Jared Dillian:

I mean, Devin and I had dinner at a place called *Between the Antlers*, that [inaudible 00:07:08] question it at all.

Jason Buck:

I think he did tell me about that dinner. So there's several essays in the book and then also it probably is going to mix in with some of the stuff from *Daily Dirtnap*. But I had a few questions for you. One I'll start with is I grew up in rural Michigan and when I originally went to College of Charleston in South Carolina, one of the things I did as a teenagers, I started working in fine dining. And I felt like that was a civilizing and worldly effect for me. I learned about fine dining from around the world, how to eat, how to drink wine, how to pair food and wine. So it was really an educational process for me. But one of the things you pointed out in the book is that you think that finance makes you worldly. So tell me why you think that.

Jared Dillian:

About the average person. Think about the person who's a fourth grade teacher and what does their life consist of? Their life consists of managing kids and giving homework assignments. And they might come home and they might watch the evening news for half an hour, but they're really not that exposed to current events. They don't really know what's going on in the world. They don't have a clear picture. Somebody who is a trader is plugged into news on a second by second basis. They have to understand the political situation in monetary policy in a whole bunch of different countries. I mean, think of somebody who's a Latin American FX trader and the things they have to understand about Brazil and

Mexico and politics and monetary policy and stuff like that. It really does make you worldly. And I think the quote I used in the book is that, "If you take some kid from Staten Island, then you put them on a trading desk within a few years, they're going to be able to have an intelligent conversation with most world leaders." And I think that's absolutely true.

Jason Buck:

And do you think that's primarily at the global macro level? And how do you think that education works? Do you think when you're getting started, you almost feel like you're cramming for a final every week and you're really getting up to speed on the global macro landscape and where you're using books, newspapers back then? How do you really get up to speed, especially with what you're trading?

Jared Dillian:

That's a good question. For me, in 2001 when I started working at Lehman Brothers, I was reading the Wall Street Journal, the newspaper, the actual newspaper on the bus, on the way to work. And I would try to read the entire paper and then I would get in and I would log on to Bloomberg and Bloomberg would have news and I would read Bloomberg News. So that's really where I got most of my current events mean. Nowadays, there's so many more sources. I mean just being on Twitter, it's drinking from a fire hose with all their stuff.

Jason Buck:

Yeah, I was thinking about that this morning actually with you is, how much did it move away from reading New York Times, Financial Times, whatever you get your hands on versus now. Do you think that 90% of your consumption comes from just the sentiment on Twitter or through Twitter though, you can find all those papers and newspaper articles as well, but is that how you think about it?

Jared Dillian:

Yeah, pretty much. And I would say the other 10% is just talking to people, talking to average people, talking to my hairstylist, talking to a real estate appraiser, talking to teachers, asking them how they feel about the economy. So that's the other 10% and that 10% is really important. It was funny because I do a spot on the radio station, the local radio station here every Thursday morning and last week I went in and they were convinced that the dollar was going to lose its reserve currency status, you know what I mean? So it had trickled down to Myrtle Beach where the local radio hosts were talking about this. So that's when I said, "Okay, this is pretty much come to an end."

Jason Buck:

Well I want to get back to that US dollar dethroning a little bit later as well. But I think about the dichotomy of that too. I get actually get a lot of sentiment from my dad. He sells large C&C machines, so basically the tools that make the tools. And so it's always interesting to see how his sales are going in the Midwest, where people are always saying the death of American manufacturing. But at that high end precision manufacturing, we're competing with Germany and we're still slightly ahead, so people don't realize that. So you're saying getting that local knowledge. But at the same time, I was thinking about when I was here in this area going the Texas Roadhouse the other night, nobody was talking about ChatGPT 4 or any of those things. So it's a little bit of both. It's nice respite from our world, but at the same time you get a real world feedback that people in the local community are not thinking about the things that we're arguing about.

Jared Dillian:

Yeah.

Jason Buck:

I think to me it's a breath of fresh air when I come here to this area because then I'm not in that kind of feedback loop in that echo chamber. And do you think that gives you just a different perspective living in that Myrtle Beach area?

Jared Dillian:

Oh, absolutely, a hundred percent. It was the best thing in the world for me to move out of New York because I actually, I started the newsletter in 2008 and I ran it for about a year and a half, a little more in New York. And I was plugged into that whole ecosystem, the fleece fest. Everybody thinks alike. Everybody has the same ideas. It wasn't fleece fast back then, but you know what I'm talking about.

Jason Buck:

Yeah, exactly. I don't think I've ever asked you how did you end up on the South Carolina Coast? Why did you move down there?

Jared Dillian:

Because my wife became a professor at Coastal Carolina.

Jason Buck:

That makes a lot of sense. That's a beautiful place, by the way. Coastal Carolina's a beautiful school. So when we were talking about the education you get and it makes you more worldly to work in finance or be a trader, I think it really helps on that global macro sense and getting an idea of how the world works in a global sense. But how do you think about, to me it's a dichotomy between the micro sense, is I find a lot of people that work in finance that have never really run a business or run a company, have no idea what they're talking about when they start talking about individual stocks or anything. Because they don't understand the decision making or opacity of what it's like to actually run a business and how hard that is.

Jared Dillian:

Yeah, that's a good point. And here's another thing about traders, the funny thing about trading is that it doesn't give you any transferrable skills really to anything else. You know what I mean? And it's actually tough because people will be a trader until they're 45 and then they lose their jobs and then they're stuck because what do you do? Well, at their essence, traders are really business people. They have a P&L, they're running a business. When I ran the ETF desk at Lehman, I had revenues, I had expenses, it was like running a business. So traders are really, they're positioned to be entrepreneurs once they leave Wall Street. The most successful of them go and start their own businesses. I think that's really the best career path for somebody on Wall Street.

Jason Buck:

It's interesting. I actually think of more entrepreneurs in a way, and I think a lot of them, when they leave the bank, they don't realize the actual ecosystem they're under and the P&L of the bank and all of their data, information they're getting that all the banks providing. I think when some of them step out

on their own, they don't realize how difficult the outside world is outside the confines of the bank, a lot of times.

Jared Dillian:

Well that's true because you do have revenues and expenses, but in general you spend 99% of your time trying to make the revenues go up and you spend 1% of your time thinking about the expenses.

Jason Buck:

And you spend 0% of your time on sales, which when they get out in the world is 90% of your time spent on sales. And so that's always the difficult part. One of the first essays you had, I keep thinking about this idea Schopenhauer had. And the idea Schopenhauer had, is he said, "For every generation you live, it's like you're selling tickets to the conjure show," meaning the magic show. And so if you've seen the Magic Magic show, you've seen all the tricks, you know how it works, but every obsession of generation that comes along, it's like you're seeing the eternal recurrence again. So I always think about it as when we were growing up, you had Madonna was breaking all the taboos and everybody's like, "Oh my God, Madonna."

And then the next you have Britney Spears come along. Now you have Miley Cyrus, and then whoever the next person is. But we just keep seeing kind of the same things over and over. But one of the ones I don't think people see is the idea of marijuana, which was one of your first essays. And I thought you had a fairly contrarian stance on that. But one things I always bring up is people don't realize in the seventies we passed, I think through 12 to 15 states passed legal marijuana, marijuana laws, and then everything got rescinded. And as you brought up, when we were kids, I got scared to death through dare and all these other things. And I think, was it Lynn Bias that died on the court from cocaine?

Jared Dillian:

Yes.

Jason Buck:

That one scared the shit out of me.

Jared Dillian:

1984.

Jason Buck:

As a soccer player with heart issues and everything. I was so scared of drugs. But to use your essay is how we flipped into this idea that marijuana's almost like snake oil, it heals everything. So how do you think about those dichotomies over the historic perspectives and how they change over time?

Jared Dillian:

And it'll change again. 15, 20 years from now, maybe sooner, we'll go back to where we were in the eighties. There will be a backlash against all this drug use. I mean, I think that is coming. It goes in waves. I think marijuana is absolutely a gateway drug. I think people try that first and then they move on to other stuff. And sometimes it just leads them to a dark place. But as you said now it's considered to be a miracle drug. It cures everything. And like I said, the cycle will come around in 10, 15 years from now it'll go back here other.

Jason Buck:

I guess some of the more proselytizers, I always think about, I know you're really open to the variance among mental personalities and everything. Joe Rogan of the world, whose somebody that's on a hundred miles per hour every second of the day. And he thinks marijuana kind of regulates him a little bit. It's understandable for somebody like him, but other people, it just means you're smoking couch weed and you're not getting off the couch. And I think that's maybe more what you're talking about.

Jared Dillian:

Well, I think we all know somebody who smokes a little bit too much marijuana. And what do we call that person? We call that person a stoner. You know what I mean? So it's not an addictive drug in the physical sense, but it's habit-forming. I think there's a difference between those two things. I think it's habit-forming and I think it can be used as a psychological crutch for people.

Jason Buck:

And I think about in your essays, I think you call it the heads, the metalhead, whatever we used to call it back in the day. But part of it I always wonder is about the taboos. Drugs were incredibly taboo when we're kids, which also makes it incredibly exciting to use drugs. How do you think if we remove taboos, does it make it more normalized and the youth don't want to rebel as much based on those taboos?

Jared Dillian:

Well, they just rebel in different ways. You know what I mean? So however that may be, but they just rebel in different ways. But the thing I said about the heads was, I grew up, I went to high school from 1988 to 1992, and this was during that whole wave of hair metal and jean jackets and patches on the jackets. But we actually had smoking areas that our high school. The students could actually smoke in between classes. And it was full of all these heads, we called them heads. And what I said in the essay was, "What did these people go on to do with their lives? Absolutely nothing." The whole thing that people were saying at the time that if you did marijuana, you would drop out of society and you would be working in a chop shop. It absolutely happened. It turned out exactly that way. So I was one of the good kids in high school. I never did drugs in high school. And it's where I turned out.

Jason Buck:

It makes me think about too, because I don't know why I think about this often as well, is how society flips, like high school dynamics versus real world. You're saying if you're one of the good kids you study hard, you're made fun of in high school, but then you end up succeeding in life. And whether it was people being able to smoke between classes, as you know is crazy these days to even think about, is I always think it's for lack of a better term, townies or local people. If you're a local sports star in high school and everything is, the idea is most of those guys were cool and got all the girls and then after high school, one, they probably didn't go to college. And then two, they're maybe selling cars at a local car dealership. And it's a flip dynamic of life. And that's hard for people to deal with at a young age.

Jared Dillian:

Well actually, I remember that was another one of my essays, it was called Never Peak Early. Never-

Jason Buck:

It's hard to do, right? As a kid, you want to be cool as a teenager-

Jared Dillian:

I know.

Jason Buck:

... it's hard to deal with, but at the same time, I know you're empathetic or sympathetic. I can never get those two words right, and you're the writer, so you can help me with that. But I also don't think you necessarily look down on the people that just stay in their hometown and work at a garage or something too.

Jared Dillian:

No, not necessarily.

Jason Buck:

No, right. Yeah.

Jared Dillian:

I remember I went to a high school reunion, it was either the five-year reunion or the 10-year reunion, I can't remember which. But the high school quarterback who was a stud in high school, he comes up to me, big grin on his face. I'm like, "Hey, what are you up to?" He's like, "I started my own landscaping business." I'm like, "That's fucking awesome. That's terrific. You're probably doing really well. I'm happy for you." So it's just a different path.

Jason Buck:

I think what was interesting to me too is a lot of the essays, it's not it's life advice, but not life advice. Obviously you're just telling about your life and what works for you. But one of the ones I think that most people should really glom onto that most people don't, is one of the things you talked about was writing down your fears. So can you kind of flesh that out a little bit more and tell the audience a little bit about that? Because I thought that was one of the most interesting pieces I read.

Jared Dillian:

So this was from the Cure for Anxiety, and I'm a little bit of a neurotic person, actually, nevermind little bit, I'm a very neurotic person. I'm obsessive, I have obsessive thoughts. I think about things obsessively and sometimes I'll have a fear that something bad is going to happen. I'm going to lose something that I have or I'm not going to get something that I want. And it becomes this fear that I obsess about and then it just takes over everything and I can't get rid of it.

So what I do in that situation is I write it down, I go onto my phone in the notes section and I write it down. And I do this every time I have a fear that I'm obsessing about, I write it down on this list. And what happens is that after about six months, I look at the top of the list at the things I had fear about six months ago, and it turned out to be nothing. And I'm like, "Well, why was I afraid about that?" And then you start to learn that everything that you have fear about turns out to be nothing. So that's what I do. That's sort of a trick that I do to get through this.

Jason Buck:

Well, there's a couple other parts to that. One is, I think you said in the essay, "Nobody ends up taking your advice on that." By the way, I went right into my notes' app after reading that and created a fears'

thing. I haven't put anything in there yet, which I got to get better at, but at least it's in my notes app for it now at least. But part of it too is what I think Tim Ferris used to talk about stakes are important, is you bet your wife based on those fears though, don't you?

Jared Dillian:

I bet what?

Jason Buck:

You bet your wife about those fears coming to fruition.

Jared Dillian:

Yeah, yeah. So let's say I'll have some compliance related issue at work, and I think I'm going to get in trouble. I think the SCC is going to come after me or something like that. I'll come home and I'll say to my wife, I'm like, "I'm definitely going to jail." And she's like, "You're not going to jail." I'm like, "No, you don't understand. I'm going to jail." She says, "I will bet you a thousand dollars that you are not going to jail." So we set a time, three months, six months, whatever, and we write it down in the calendar. And then after six months, if I'm not in jail, I have to pay her a thousand dollars. And I've paid her over the years, I paid her \$40,000. One thing was 10,000 bucks. I bet her 10,000 bucks on something. And it's just, but after you write all these checks, you start to learn. You're like, "All right, this is stupid. She's going to take money from me again, this is not happening."

Jason Buck:

But there's nothing like those stakes of money and having to fork it over. And what I love is that she holds you to it, but also, not to get into her personal side, but is there something she likes blowing money on that she uses it for? Because that would be even more enjoyable, I think.

Jared Dillian:

Oh, I tell her, when I pay her the money, I'm like, "Look, go buy herself something nice." And she says, "No, I'm just saving it." And she just saves it.

Jason Buck:

Nice. So like you said, if nobody's read Street Freak, I highly recommend they go out and read it. It was really enjoyable. I just ripped through it. So actually I didn't exactly necessarily rip through it because I told you it was like, I almost had to pause and set it down after each chapter because it's so intense, which is very rare for me. I can really plow through books in a methodical pace. But it was really interesting to me because of the intensity of the way you wrote about it and how vivid a lot of that stuff was. It took me a while to get through.

So part of it's like you're saying is these obsessive things about worrying about catastrophizing what could potentially happen and betting your wife. The other one though, that is shocking to me, reading Those Bastards is if you read Street Freak is most of street freak is about you losing your fucking shit and just smashing things to bits, yelling and swearing at everybody on the trading desk. And then most of Those Bastards is about how calm you are now. That's almost like people losing 200 pounds and then not having recidivism and keeping it off. Like, "How the fuck did you do that?"

Jared Dillian:

Lot of work, lot of work. Yeah. No, really, that's all you can say. That's all I can say. Just a lot of work.

Jason Buck:

Well, part of that work, I think almost like writing down your fears. I think one of them you said about yelling, you used to write Big Time Yeller. And what I resonated with, is I grew up in a family of yellers. I grew up with extended family of yellers. I remember when I was in my twenties, I probably yelled a lot too. And eventually I think we learned that as we get older, and what I always wonder is do we get wiser or do you think we just lose testosterone? Do we really get that much better? Or we're just losing the hormones that make us as angry as we are when we're in our twenties?

Jared Dillian:

I think it's both. But the funny thing is that there's actually another element to this, which you probably haven't considered. If you go back and watch a movie from the eighties, there's lots of yelling. I can't name one, like the Kramer versus Kramer or something like that. There's a lot of yelling. Movies today, nobody yells. Even the villains in the movies are very calm, very measured, nobody yells in movies. So in addition to us getting better over time, I think there's a cultural element where it's become culturally not acceptable to yell in public or even private situations.

Jason Buck:

I thought about that too. And to me that tied into also the essay on marijuana, how you think about the cycles we go through. But I think about the British philosopher, John Gray always talks about we're waxing and waning or we oscillate between liberalism and barbarism. And to me it's like, "Are we actually getting more civilized than are we getting better? Or could this go away instantly and the next decade we'll be back to yelling at each other." How do you think about that?

Jared Dillian:

No, I think civilization only goes in one direction. I think we become more civilized over time. I actually don't think it goes in waves. And I think there's maybe in certain sub-sectors we do or we don't. But overall civilization runs in one direction.

Jason Buck:

Or I guess maybe a way of thinking about that is different time horizons or cycles. Maybe over a multi-decade period we might go in ways. But you think over the centuries and millennial, we're generally heading more in a civilized pattern.

Jared Dillian:

Yeah.

Jason Buck:

Because you could see how a lot of liberal values or whatever that seem to be in concrete over the last few decades are starting to get overturned. But you think those are just part of the smaller waves over shorter time horizons.

Jared Dillian:

Yeah, I would agree with that.

Jason Buck:

One of the things, by the way, speaking of liberals, is you had a great essay on... What was the title? Was something like, my friends are liberals.

Jared Dillian:

I hate liberals, but all my friends are liberal.

Jason Buck:

So tell me, I find myself to be politically agnostic. So kind of flesh that out for me a little bit, is why you hate liberals, but all your friends are liberals.

Jared Dillian:

Well, so I'm a very artistic person. I'm getting a degree in fine arts and I liked really highbrow underground music. I like really highbrow art. I like music, I like culture, I like all these things. But economically speaking, I'm very conservative. I'm probably one of the biggest fiscal conservatives that you'll ever run into. I'm really like an Austrian when it comes to economics, you know what I mean? So I find myself in these situations where if I'm hanging out with conservatives, I agree with them on economics, but we have nothing in common in terms of culture. They listen to the Allman Brothers, Lynyrd Skynyrd, stuff like that. But if I'm hanging out with liberals, we have nothing in common in terms of economics. But I agree with them in terms of culture. And when I talked about in the essay was this idea of an openness score from the big five personality test and how liberals generally have a much higher openness score. They're open to new things... Where was I going with this? I forgot.

Jason Buck:

Liberals are more open to new things. And I think part of it is that republic is a more conservative or-

Jared Dillian:

The big takeaway in that essay, I talked about tradition and beauty. And I talked about how tradition is downstream of beauty. So when something's new, let's say Nirvana, in 1990, Nirvana is scary because it's new, it's different and liberals are attracted to that. But conservatives recoiled from it. But then 30 years later, Nirvana is playing on easy listening stations. You know what I mean? Because now it's tradition, it's not new anymore, it's not scary. So it becomes part of tradition. So I said that tradition is downstream of beauty and that liberals are attracted to beauty and beautiful things. So that's why I tend to hang out with liberals more, even though I disagree with them on economics.

Jason Buck:

Yeah, I think you even ended that essay of as you and I know when we were growing up is I was really into gangster rap when I was in elementary and middle school. And we had the whole Tipper Gore censorship thing on our CDs and cassettes. But like you said now, that's played at weddings. That is crazy to think about. There's so many things in there I kind of want to pull on because I did notice a pattern for me in your essays is what ostensibly the topic is about liberals versus conservative in this, well actually turned out a thing about openness versus tradition. So to me there's been almost a turn. There's like an essay within an essay. You start off on one essay and then in the middle it's actually about something else and then you tie it back in on the end. Is that fair? Am I overarching on that or over-

Jared Dillian:

No, that's about right. Yeah.

Jason Buck:

Yeah, because it feels, like I said, it was about liberals and conservatives, but it's actually about openness and tradition. And by the way, this is the highest compliment I can give is I actually read that part of the essay to my girlfriend this morning. Because I thought it was so interesting talking about openness and tradition and being around her in-laws and just showing what today's openness now you're saying in 20 years is going to be the next tradition and how that changes. But it helps you see people differently. The way I think about it often is, people aren't going to agree with me. I have a different mind. I'm very like you, I'm very artistic, I'm very open. And so when people don't understand the way I think and they work from a traditional mindset, you have to be open to that, that they just think differently. And so you're not really talking about the same conversation. You're having two very different conversations most of the time.

So that was the one I thought was a really interesting kind of spin on that openness versus tradition. I was trying to think about... But how does that... So if we had a tradition of yelling, now we're getting to a more openness culture. For me realizing, are people coming from openness perspective or are they coming from a traditional perspective? Is part of that is taking a beat to think about it, to see the other person's opinion, perspective. But part of your yelling thing is you had a three-part system you use now for yelling and why you don't yell anymore or why you haven't yelled in over a decade. And it's like, "Does something need to be said? Does something need to be said? Does something need to be said right now? And does something need to be said right now by me?" Did I get that right?

Jared Dillian:

Almost. Yeah, close enough.

Jason Buck:

No, sorry, say how you'd say... What did I get off?

Jared Dillian:

Does something need to be said? Does something need to be said by me? Does something need to be said by me right now?

Jason Buck:

But how do you find that beat though to... If I go back to your trading days, you wouldn't have had that split second to think through those three questions. You would've just went all out rage. So how do you find the space to get to that point?

Jared Dillian:

You have to pause. You have to pause. And I didn't write an essay about that. I probably should at some point in the future. But one of the things I do nowadays is when I'm faced with something that's provocative, usually it's an email. If somebody sends me an email that's provocative, my instinct is to answer it right away, to answer it immediately and respond. And nowadays, I pause, I wait, I'll put it away for 24 hours, I'll get a good night's sleep and I'll look at it the next day and then I will respond. Or maybe I won't respond at all. But I always pause first.

Jason Buck:

And then after you respond, do you also pause on the response for 24 hours too, sometimes? There's two ways of doing that.

Jared Dillian:

What do you mean?

Jason Buck:

So for example, if I respond right away, I at least won't hit send, it'll sit in my drafts for 24 hours. So it's kind of the same thing.

Jared Dillian:

Yeah, you can do that.

Jason Buck:

So it's a little bit of both. So ideally in a world I would file it away, not respond for 24 hours, then respond, but file it away in drafts and then look at it again. And then most likely I'd never send emails back. Isn't that the gist of it. That's all of it. One of the things I struggle with, or I think about all the time and I bring up amongst friends, is like you're saying this culture of yelling that we grew up with. And then you're talking about the quote, "What you feel is openness as an artist," I feel in general, I'm a pretty sensitive artist type.

A lot of people think I'm pretty curmudgeon on the outside and all that stuff, but I'm actually deeply a sensitive artist at base nature. But in our culture, the way we grew up in Gen X, that was totally anathema to that culture. And I think about it now, if we come into a group of Gen X guys and we're just meeting up, especially finance guys, all we're going to do is start ribbing each other right away because we can't express emotions. So I'm just curious how you handle those differences in everyday life of being an open sensitive artist, but then coming from a generational culture that was very, not showing emotions, very reticent to even express anything.

Jared Dillian:

It's funny, I cry a lot, a lot actually. And I was sitting on the couch with my wife the other day and she doesn't cry very much, hardly ever, but I cry at the TV. So American Idol was on and one of the contestants got eliminated and I'm crying on the couch and she starts making fun of me and she always makes fun of me for that. And then she said something interesting, she's like, "I really shouldn't make fun of you for that because I'm very happy that you have empathy." You know what I mean?

And so that's a part of my personality that she likes because I have a great deal of empathy. I don't know if you felt this way when you first met me, but I don't really have a lot in the way of facial expressions. I have this very, I'm very stone face, I don't really smile or make any facial expressions. And a lot of people think of me as just this sort of unemotional person, but the opposite is actually true. I'm actually incredibly emotional. I just don't show it and I don't show it because of the way I was conditioned growing up and being in the military and stuff like that.

Jason Buck:

Yeah, I think part of it, actually, I was telling our mutual friend Devin Anderson the other day, I don't know if you remember this. I think the first time I met you in person, we were at a event in San Diego

and we were in a green room. And everybody on the panel, we were all kind of chit-chatting and you were just sitting there in the corner on your phone stone face. And I was just like, "All right, he's kind of a dick. All right, he is a little bit dick ish, all right." But that doesn't really bother me. And then when you got on stage, you were more animated.

But then I was thankful that when we got to spend time together and Cayman, I started to see all of that and kind of see your personality quirks. And then once I realized that's the way you are and so many little things, I think that, especially reading the essays that I wish people could be more empathetic about, is you talked about in your essays, like your hands shake. Because of the medication you're on. And if I wasn't empathetic to that, I would be like, "Why? Is he nervous? Is he emotional right now? Why are his hand... Is he angry?" Instead of reading into all those things, it's more quirks of your personality based on bipolar and the medication you're on.

Jared Dillian:

Yeah, yeah.

Jason Buck:

And so there's little things. I think about often when we were, you probably don't remember, that we were getting on a bus and you were like, "You can sit here if you want." For you, that was really stepping outside of your comfort zone to say, "Hey, sit next to me." So I remember all those little things because I think they mean a lot once you understand your specific personality traits because of your background and then also what you've gone through on the mental health side. And I think it's hard for people to see through that because I think part of it was Susan Cain's book about quiet, about introverts I think really hopefully opened a lot of people's eyes to... A lot of people are different, introverted, more than extroverted. And we live in a world where only extroversion is appreciated or understood.

Jared Dillian:

Yeah, I never read that book. I heard of that book, as you know, I'm a big introvert.

Jason Buck:

So am I. But especially American culture is set up for extroversion. And so most of the world doesn't understand if we're quiet and don't say anything, people then to me it's like a Rorschach. They project all of their fears and emotions onto you and then just think, "Oh, the way to not feel any of those tough feelings. They just think you're a dickhead".

So one of the things that you talked about that's after my own heart, is you talk about the fact that you don't have kids a lot. And I've never been married, don't have kids. And I've always thought it's a superpower as an entrepreneur because I can just work 24/7. If I have an idea on a Friday or Saturday night at midnight, I can work till four in the morning. I don't have to worry about taking the kids to school. I don't have to worry about any of those things. But at the same time, when I talk to some friends of mine that are married and have kids, they say it helps them be much more time efficient and I have a feeling you're going to feel like that's bullshit.

Jared Dillian:

No, I think that's true. I think it does help people be more efficient with their time. But I'm already pretty efficient with my time. I just work all the time. I just work all the freaking time, all the time. I'm always doing stuff. I got married when I was 23 and my wife and I, we made the decision back then that we

weren't going to have kids and we stuck to that. And she's professionally very successful in academics and I've been professionally very successful. And if we had kids, one or both of us would have to sacrifice, probably both of us. And we were never willing to do that. Plus I just don't like kids. I don't-

Jason Buck:

I like nice shit. So yeah, I don't...

Jared Dillian:

I don't like the noise. I don't like the crying. I like don't voices. I don't like the smell of kids. I just don't like kids.

Jason Buck:

What do you think when people always say, "Well, you just don't know until you have them and then you'd understand." What's your internal response to that? Because I'm sure you're polite externally.

Jared Dillian:

Yeah, I never say anything but... And some people do have good kids, for example, my brother-in-law has two good kids, but they're still kids and they still suck. Like they just... You know?

Jason Buck:

I think there was another essay you had, there's trade-offs for success and so you can have more money, do more things and enjoy your life in different ways than people with kids. And you do produce a tremendous amount of work across multiple venues. And it is still shocking to me. You say you work all day, still working all day, your production is quite substantial. It really truly is impressive. So what's a regular day for you? How do you bifurcate your day to put out all that content? To do all the, like you said by the way, mazel tov, you down to 51 days until you get your MFA? Something like that.

Jared Dillian:

51, yeah.

Jason Buck:

And that's incredible. So walk me through what's a typical day for Jared?

Jared Dillian:

I don't get up super early. I get my sleep. I'm usually up around 6:30 and I'm in the office at eight and I would say the first four hours of my day are pretty bananas because I'm sending out the newsletter and then I just get this wave of emails that I have to respond to. I have over 4,000 people on my list, so I get a lot of responses, have to reply to them. I also have a fair amount of admin work dealing with payments and the distribution list and stuff like that. And in the afternoon, what I schedule for things like this for podcasts and reading and stuff like that. And then I usually go home around three or four and I have kind of an early dinner and then I sit on the couch and I write. Usually that's what my time for other writing is at night and I'll do that sitting on the couch until I go to bed. So from six o'clock until 10 o'clock is, I'm working on the couch.

Jason Buck:

Well, a couple questions there. You said in the morning go to the office, which is surprising to me. Do you think you need an office for certain amounts of work or that you wouldn't be able to do at home? You think you need the setting change?

Jared Dillian:

Well, I used to think that, but I'm building a house and the new house is going to have literally a separate building with an office. So I'm going to be working at home starting about nine months from now, which is going to be really nice because I have a pretty long commute. And I basically get an hour of my day back, which is going to be terrific.

Jason Buck:

And do you think part of that though, you definitely need that cottage, you need that almost like sacred space where when you go in there you write or this or you work on Daily Dirtnap or it's very important or imperative to have it as a separate space outside the house.

Jared Dillian:

I got cats, so if I'm working in the living room on the couch and the cats are all over me and there's a TV, there's a lot of distractions. So I definitely need my own space.

Jason Buck:

But you write your MFA stuff at night though for hours and you do that at home though?

Jared Dillian:

Yeah, I do that at home.

Jason Buck:

Do you think that's a different creative head space you need to be in to do that stuff? If that works for that?

Jared Dillian:

Yeah, it works for that. Yeah.

Jason Buck:

When you were talking about earlier about being distracted by an angry email or one another to respond in an angry or pithy way. Do you try to eliminate even looking at your phone or email for the first half of the day? Or how do you even structure that?

Jared Dillian:

What's funny is I get busier and busier and I have a pretty big Twitter presence. I don't really have time for Twitter anymore. I used to spend a lot of time on Twitter, I would tweet maybe 10 or 20 times a day. I don't have time anymore. Basically I'll work until 11 or noon and then I'll scroll through Twitter and kind of get caught up. But I'm not living in that world I was for so many years. So that's one thing that I don't do anymore.

Jason Buck:

What do you think about, I personally hate it, but the idea of these days of everybody's talking about morning routines and then you find these people who have 50 things on their checklist and they got to go through a two-hour morning routine. And to me, I'm thinking that makes them optimal. And I'm like, "It makes you fragile because if I get you out of your routine, you're going to think your day's wasted." It's weird to me.

Jared Dillian:

Yeah, I actually don't like routine. I like doing different things every day. I travel a lot. I have to get on a plane at least once or twice a month and go someplace. I'm actually flying to Vegas tomorrow with my nephew. So love to travel and actually I get a lot of work done while I'm traveling. Four or five hour flight is the best thing in the world. I can get a ton of writing done.

Jason Buck:

Yeah, actually to your point, I love airports, I love airplanes. But sometimes at these conferences, I talked to you about this in Cayman, it's sometimes really detrimental to my mental health, the amount of stimulus and it kind of spins me up in the manic states being at these conferences.

Jared Dillian:

Well, we were at that thing in the Cayman's and people were staying up all night and I'm like, "Fuck that. It gets to be 10 o'clock going to bed. I'm just not doing it."

Jason Buck:

Yeah, you're better about that than me. I get in that manic state and I just want to be part of everything. Luckily I don't drink hardly at all, so that helps. But otherwise, I just want to be part of the conversations and you just get kind of caught up in the zeitgeist at the time. But there's two of my favorites essays I want to talk about. One, I love a good metaphor. There's a writer, I can't remember his name and I apologize for that, but it was actually a standup comedian. And he had this metaphor called, "Enjoy your Burrito." I don't know if you ever heard of this one or remember this one?

Jared Dillian:

No, I don't.

Jason Buck:

He had moved to LA to become a standup comic and the only place he could afford to live was way out in Long Beach and he was dirt poor. He is living on a friend's couch and the only thing he had afford was this monstrous burrito, but he would have it at lunch every day and it was at this great max place and he just loved this burrito. And that was the highlight of his day. But he found out a third or a quarter or a halfway through the burrito, he would start thinking about how miserable the next 24 hours were again, until he got back to that burrito. And so he eventually had tattooed, I think on his arm, enjoy your burrito, enjoy the moment. And so I always love a good phrase like that. And to me, yours was, I shortened it to, "play the tuba." And I thought this was so brilliant. So what is the metaphor of playing the tuba, tell us what that means in general?

Jared Dillian:

Okay. So I got to go back to marching band in high school and we got this new band director and he's listening to the band. He's like, "Jesus Christ, it sounds like a fucking kazu band. It just sounds all buzzy and ready." And the thing was, a lot of high school bands, you have a lot of flutes and clarinets and saxophones and that's because they're the cheapest instruments. If a kid says he wants to learn how to play a musical instrument, you generally don't go and spend 5,000 bucks on a tuba. You you'll spend like 400 bucks on a clarinet. So high school bands generally have lots of flutes and clarinets and saxophones.

So he made a rule that you could only have eight flutes, eight clarinets and eight saxophones in the band. And he had auditions and anybody who didn't make the cut had to go learn another instrument like a trombone, a baritone or a tuba. So as a result, our band got instantly better because we had this big brass sound that other bands didn't have, this big low brass sound. But what was interesting was the kids that played the tuba got full ride scholarships to schools to play the tuba. Because if you're the University of Connecticut marching band, I mean you need tuba players, they're really hard to find. So if there was one that was good, you would offer them a scholarship. And if you play the tuba, you can get a scholarship in anything in the country.

So what I was talking about in that essay was this playing the tuba as a metaphor for doing something different that nobody else is doing. Everybody goes into banking or tech because that's where the money is. But that's meat grinder. People will make 500 grand a year for 10 years and then it's getting spit out the bottom of the porn industry and they're stuck, they got to do something different. But if you do something different, and I made up some hype hypothetical example, making nozzles, if you're a nozzle manufacturer, you're the only one in the country. That is where people really, really succeed and link make lots of money when they're doing something different. So play the tuba.

Jason Buck:

What I think you even brought up, is your brother broker's dental practices, right?

Jared Dillian:

Yeah.

Jason Buck:

Those sorts of things. By the way, you just remind me though, with comparing trading to porn stars or I was actually thinking about earlier, it's actually similar to startups. I think I want to say is like Paul Graham says, "People that do startups and succeed, they put 40 years of work into four years. So that's what they get paid for and that's why everybody thinks it's a lot of money." But do you think it's almost similar to trading? You're just getting through that meat grinder and that's why you get paid so much because nobody can really work at that sustainable level for more than five, 10 years.

Jared Dillian:

Yeah, yeah.

Jason Buck:

So the other one I was thinking of why I love play the tuba so much, and I've even been putting it out on Twitter because like I said, I love a shortened version or that mnemonic to remember it is, do you know Scott Adams one of one kind of idea?

Jared Dillian:

What about Scott Adams?

Jason Buck:

Scott Adams, created Dilbert, he has this idea, I think he calls how to get to one of one is like, "You don't need to be the top 1% in anything." It's like, "But if you're in the top 10% of three things that are fairly disparate, it makes you one of one and nobody can compete with you." So instead of trying to be in the top 1% of anything, try to be in the top 10% of two to three things and then that Venn diagram brings it down to one of one. But you see how long it took me to express that, where I could just say, "Play the fucking tuba."

That's why I love that, that was another essay I read to my girlfriend, by the way. I love little pithy things like that, play the tuba is a great one. And by the way, that's the highest phrase, I wouldn't doubt a decade from now, I'm going to say to somebody, play the tuba and they're going to be like, "What are you talking about?" And it'll be my shorthand that I think about it. The other one that I really wanted to talk to you about is cargo shorts.

Jared Dillian:

Oh yeah. White men can't dress.

Jason Buck:

So there's so many levels to this because you brought up earlier investment bankers and fleece vests. It was different back in the day, but that's how everybody, the Chad lacks bro, and the fleece vest. But at the same time, cargo shorts are your metaphor for how white men can't dress, and then how terrible it is. But what I think about though is I actually, Devin Anderson and I were talking about this at dinner the other night, and you came up in our conversation, and I never to talk about anybody behind their back. So we'll talk about it now, is what I find interesting is you may not be wearing cargo shorts, but even as you write about and you wear proudly is you have that aged rocker aesthetic. You have the cool rock shirts, the scarves, the bracelets, the Johnny Depp, how many bracelets should I wear? Kind of thing.

And I was telling Devin, you and I have very different aesthetics, but neither of us wear cargo shorts. So I'm just curious to, how do you think about those? Almost beauty is in the eye of the beholder, or you might know this better, is that phrase, there's no accounting for taste. The way I've always understood that phrase is there's no objective accounting for taste, but maybe it means something different. Maybe it means people that don't have taste shouldn't be accounted for. Do you know what that means? I don't know what the actual meaning of that phrase is.

Jared Dillian:

I don't think that's the meaning of the phrase, like there's no accounting for taste.

Jason Buck:

What do you think it means?

Jared Dillian:

I think it just means people just have different tastes. I think that's what that means.

Jason Buck:

Yeah, that's what I was hopeful, but I didn't want it to be some sort of hunching down kind of pejorative. So why do you hate cargo short shorts so much?

Jared Dillian:

It's not just cargo shorts, but, so this all started, I actually, I took a trip to Vegas last year about this time. I was there during March Madness. So it was really crowded. And I'm looking around at the guys and it's ratty ass t-shirts and cargo shorts and flip-flops walking around with canes of Bud Light. And all these people have money. I actually watched some guys wearing cargo shorts and t-shirts playing \$500 a hand blackjack in flip-flops. So I'm a little bit more traditional. My favorite movie of all time is Oceans 11. It's a perfect movie. Everything about it is perfect. And Devin it's Devin's favorite movie too. But there's this scene in the beginning of the movie where George Clooney gets out of prison and he goes to the Trump Plaza in Atlantic City and he's coming up the escalator and he's wearing this hounds tooth jacket and a brown shirt, and he looks amazing.

And all the women are wearing dresses, all the guys are wearing jackets. I mean, Trump Plaza was never like that, but it's like that in the movie. And I just think that if you're wearing cargo shorts and t-shirts, you are telling people that you've given up and you don't care, you just don't care. You've totally given up. I've been married for 25 years. I think you have some responsibility to be attractive to the opposite sex. Even if you're married. I don't want to be one of these people that gets married and puts on a hundred pounds and starts wearing cargo shorts because I don't care anymore because I'm married. So I think you do have a duty to do these sorts of things.

Jason Buck:

It reminded me of, I just thought of it, there was an older, I think it was Sean Connery and Nick Cage film where somebody takes over Alcatraz and they have weapons that they're going to unleash on San Francisco. But they get Sean Connery out of prison. The first thing he says, "I want to a shoot and a shave and a suite at the Fairmont." So it's, once again, it's going after that. I mean, I'm a weirdo, but my girlfriend's never even seen me wear jeans. But also in that essay where I'm a hundred percent with you is to me is you shouldn't be wearing shorts or flip-flops unless there's a pool right next to you or an ocean five feet away. That's the way I feel like whenever I see somebody walking around the city with flip-flops, I just want to stomp on their toes. Nobody should have to see that. But at the same time, I think about, for a while, I said, I came up as a teenager working in fine dining establishment.

So I developed this love for food and wine and some of those great restaurants of the world. So I had to take some years off heads down building our business and everything. But then my girlfriend and I had some time off. So we tried to go visit as many of the world's top 50 restaurants as we could. And what was surprising over that five to 10 year period of me not visiting fine dining establishments is when I came back to these top 50 restaurants with three Michelin star people were showing up in sweatsuits to the restaurant. Where when I grew up, you had to wear a suit. There's respect and reverential ideas for the chef and the team behind it and what they were producing. But that's completely dead and gone. And I wonder if that just makes me a dinosaur. I wonder, in a way it runs parallel to me to what you were saying earlier about we're becoming more civilized. Well, parallel to that, we might be becoming more casual. How do you juxtapose those two?

Jared Dillian:

I think that we're becoming more casual, but even, I'm sure the people that you saw in those restaurants that were wearing sweatpants, I'm sure those were very expensive sweatpants.

Jason Buck:

Of course, they're like cashmere. Yeah, bespoke, tailored sweatpants.

Jared Dillian:

They're not Walmart \$4 sweatpants. You know what I mean? I'm sure if they were wearing \$4 sweatpants, the maître d' would've asked them to leave. So I just think you say, "Oh my God, everybody's wearing sweatpants." Well, the standards just sort of change over time. It's kind of a moving target. You know what I mean? I was in, it was the rental car line at lax. This was about a year and a half ago. It was the longest line of all time. It was terrible. But I looked around and there was eight different people in sweatpants, and I was like, "Gosh, what are we doing?" But to be honest, they were all were nice designer sweatpants. It didn't look trashy. If you want to see trashy sweatpants come to Myrtle Beach.

Jason Buck:

But it reminds me though of openness. What we were talking about earlier, is I'm always afraid of falling into these perennial traps of the old disparaging the young. I remember I was reading a book one time, and it was about kids these days, the way they dress, the language they use, their haircuts, they're irreverence, what they're doing sexually at such a young age. The problem was that book was written in the 12th century in Japan. Nothing could be much [inaudible 00:58:02] for any y'all, right? So how do we just not become too out of touch olds that are just shitting on the young?

Jared Dillian:

Yeah, I know. And if you think about, how old are you? I'm 49. You're...

Jason Buck:

44.

Jared Dillian:

44, so if you think about what older people were saying about us when we were kids. You know what I mean? We were there. We were named Generation X for a reason. We were the bad kids, and we were bad. Our generation partied all the time, had sex, did drugs, totally was anti-authority, rebellious. Go back and watch some of those movies like Fast Times at Ridgemont High and stuff like that.

Jason Buck:

Hey, it's just the craziest one too.

Jared Dillian:

Yeah, I think those are millennials technically.

Jason Buck:

Yeah. It might be around that age.

Jared Dillian:

Yeah.

Jason Buck:

So part of it, seeing how technically we're both in finance and technically this is a finance podcast. We probably should talk about finance a little bit, or at least trading a little bit. But we get to there because I think your next book's about personal finance, right? That's what you're working on?

Jared Dillian:

Yeah, it's actually done.

Jason Buck:

Oh, great. But part of what you were talking about is how much you work. Maybe we need a little stress in our lives. How do you feel about the fire movement of financially independent retire early?

Jared Dillian:

Oh God, this is awesome. Did you know you were going to [inaudible 00:59:28].

Jason Buck:

I just assumed, I assumed I was lighting the fuse and running away on that one.

Jared Dillian:

So think about the whole philosophy behind the fire movement. The fire movement at its essence is about eliminating consumption. Consumption is bad, you do not want to consume. So for the first 10, 15 years of your adult life, you're going to consume as little as possible and save as much as possible and get up to a million or two. And then for the next 50 years of your life, you're going to consume as little as possible to make this last. So you're living for 15 years in deprivation so that you can live for the next 50 years in deprivation. You're living your whole life in deprivation.

Whose idea is this? This is insane. It's totally insane. And not only that, you're miserable because... Okay, pretend you're like 36 and you've been retired for a couple years and you got 2 million in the S&P 500 index fund with Vanguard, market goes down 3% in a day. You are shitting your pants, right? Because you're like, "Oh my God, I might have to go back to work and I haven't worked in three years and my resume has a big gap in it." And you start freaking out. Anytime the market goes down, you're panicking. You know what I mean? And what are you doing with that time. It's madness.

Jason Buck:

How much do you think you're saying, it's just like... I think about it as the affectation of a 12-year bull market where then this thing gets popular because people think they can get rich off of their savings and live off of them for the rest of their life. And it's more like mathematical fallacies and they don't even know how to deal with variants or volatility.

Jared Dillian:

Well, I don't think it's a mathematical fallacy if the return assumptions are correct and the return assumptions were very generous. People weren't doing this math based on 12% return assumptions. I mean, if the market goes up 12% a year for the next 50 years, it'll work. But there's periods of time in history where the market goes down or sideways from 1929 to 1946, 17 years market return of zero from 1969 to 1982 with a big barrel market in 1974, market return of zero. How do you survive

something like that? So it just doesn't make any sense. It's path dependent. It's not just the 12% a year, it's all the draw downs you'll take in between. There's a lot of path dependency

Jason Buck:

Part of it. I think the ones that I've seen are successful, whether it's the guy actually started Mr. Money mustache or others, ironically with what you do for a living. It's the ones that have hit this fire in their retirement, but then they go out and start another business like their newsletter writers, or they start a vlog of what it's like to live in Portugal for expats. And they end up starting up an entrepreneurial business even while they're supposed to be retired. So those are usually the only successful ones that continue on. And I guess maybe there's something to be said for if they understandably hated their nine to five so much that they then found a way out of that to regroup, think clearly, and then start their own business. But that's not fire. That's something totally different, isn't it?

Jared Dillian:

Yeah, yeah.

Jason Buck:

But I had the same time, I was on a podcast yesterday that was with some financial advisors and a lot of the podcasts kept sitting around asking me a question about retirement. And I'm like, "I don't even know what you're talking about. What does that word even mean?" It just doesn't make sense to me. Not that I work incredibly hard or anything, it's just the idea of retirement's kind of anathema. I optimize for curiosity. I'm not optimizing for wealth and to get to a number where then I can just lay down. It just doesn't make a lot of sense to me.

Jared Dillian:

Yeah, you and I are in a complete agreement on that for sure.

Jason Buck:

Except that you work a lot harder than I do.

Jared Dillian:

I don't know about that. I think we just work at different times. You work in the middle of the night.

Jason Buck:

Exactly.

Jared Dillian:

I go to bed.

Jason Buck:

One of the other random things that I really liked in one of the essays was like, "Bet on Winners," and talk about a contrarian take. So better naturally, I feel like a lot of people think I'm contrarian. I'm not, I'm pretty consensus. I just think at certain points I end up being contrarian because if you're a contrarian a hundred percent of the time, you're going to end up nowhere. And so I think that was a great part of your Bet on Winner's essays. Most of the time you probably want to bet on things

continuing to win or conglomerates of large size the continue inertia. Do you think it's more of an inertia effects or how do you think about managing your ability to be contrarian in maybe punctuated contrarianism?

Jared Dillian:

I mean, this is almost what Soros was talking about with reflexivity, it's very similar. The winners usually keep winning, the losers usually keep losing. One thing I find interesting about the stock market is that everybody loves to bet on a turnaround. And I do this sometimes too. I fall into this trap. You see a stock that's down 80% and you're like, "It's going to come back." And no, the reality is that losers usually keep on losing. They're trends. Somebody who's a technical analyst would say that this is a trend.

Jason Buck:

Well, my favorite part of that is non-regarded path dependency. What do you call a stock that goes from down 80% to down 90%? It means when you got into 80, you're down 50. But people don't tend to think about it that way. They're looking at the total chart, not their own individual sequence or kind of path dependency. Related to winners keep on winning or maybe some sort of inertia on that, because you brought it up at the beginning, is the sentiment around US dollar right now. I find this fascinating as both of us try to have a lot of historical perspectives, like during the Cold War, the fifties and the seventies, everybody thought it was the end of dollar hegemony as well. But I'm not surprised that this is coming back up, but surprised why it's coming up now. And I don't think people really even understand the tentacles that the dollar has around the world. And I'm just curious from a sentiment perspective, what you think about it.

Jared Dillian:

Well, you said a lot of what I think about it. This comes around about every 10 years or so. You can go back and look at the economist covers for the end of the dollar. This has happened about every 10 years, they run a cover on that. And I think the reasons people are thinking that are totally rational. After Russia invaded Ukraine, we basically locked Russia out of the global financial system. We cut them off from Swift and they didn't have access to dollars. And so they're looking for an alternative. And other countries have seen what's happened to Russia and they're just thinking out loud. I mean, even Macron is saying this, "Gosh, maybe we shouldn't be so dependent on the dollar because of what if the US decides to cut us out of the system." So I think it's totally rational that it's coming up now. Did you see my Daily Dirtnap piece the other day about the Navy?

Jason Buck:

Yeah, absolutely.

Jared Dillian:

Yeah. So my take is basically the way a country projects its power globally is through its navy. So we have the strongest Navy in the world. Basically World War II was a naval war in the Pacific. We won through the Navy. We haven't had a naval war in 80 years. But before the US it was Great Britain who had the biggest Navy in the world for 200 years, and they also had the world's reserve currency. Before Great Britain, it was Spain. So until we lose a naval war, we are going to have the world's reserve currency.

Jason Buck:

Yeah, I think there's so many things in that we are the only true blue ocean navy, as you would say in that. But it's a good heuristic for people to go, "Until we lose a major naval war, then we can talk about the decline in the dollar. Otherwise, we're kind of wasting our time." But I think it's even more complex or nuanced than that. It's not only do we have that blue ocean Navy, we haven't lost a Navy war. As you know over 90% of the trade is crossed the oceans. And we provided that service for decades now for almost most of the countries of the world. But I think it's also combining with other Peter Zeihan ideas of the US has a really unique ability to grow its own food that also helps prop up that dollar.

Like you said, militarily, we prop up the dollar, but also we have soft power. All of our media that gets disseminated around the world, everybody still wants to be Americans. It just has such of these winner take all effects across the board. And like you said, and then whether oil or whatever else is denominated in dollars, I just don't think people realize how... It's almost like this is water. That's the dollar. It's so much part of everyday life around the world that people don't realize this is the water that we all swim in.

Jared Dillian:

That was very well said. I can't improve on that. Yeah.

Jason Buck:

Well, yeah, I don't know. I don't even know what I said. I blacked out there. So I think this is maybe... Oh, I remember what it was, sentiment. This is interesting because you always call yourself a sentiment trader. The things you write about are sentiment. And by the way, I loved your stuff on CRA on commercial real estate. So I used to be a commercial real estate developer in Charleston. I've talked to Corey Hoffstein about this so many times. I've been around real estate my whole life, if there's anything I know I cannot call the demise or boom in real estate. I don't really understand how the world works.

But I love yours is we're at peak CRE sentiment as far as, is CRE going to collapse? And I just love that because like you said, you saw it, was it Vox or one of those channels was talking about that CRE is about the collapse because the regional banks and et cetera. And I think that's an interesting perspective is where's the peak sentiment and where are you seeing it, almost on the streets or at the barbershop in Myrtle Beach. And that tells you that the worst is over.

Jared Dillian:

Oh yeah, absolutely. Yeah, yeah, yeah.

Jason Buck:

But I wonder, related to that, I think the last time we were together, I wonder, as I said, maybe we get calmer as we get older because we're losing testosterone. But the other part I think I brought up with you last time we were together is if you think about Buffet or Howard Marks or some of the things you say, and you've said some of these great ones on Demetri Kofinas, Hidden Forces as well, and Demetri and I have talked about this. Do you think as we get older and we see the markets more in the world more, it's you go back to these really simple pithy things of sentiment. And it's hard to trade off a sentiment, but the world really revolves in very simplistic ways and it waxes and wanes kind of on sentiment.

I fear when, because I'm getting more and more into your camp, is do you feel sometimes though you're a simpleton, people want, "No, tell me what to trade. Tell me what the big news is. Tell me how to do this." And you're like this, "It rises and falls and reverts and comes back, or it trends." You just really say simple things because that's what the world is. At a high level, it's pretty simple sometimes, but it makes

the trajectory versus timing debate is always difficult. So I think this is maybe a good place for us to wrap up. So I want you to plug away again, where could people find you? Where can they find the book? Plug away, please.

Jared Dillian:

Well, if you're still listening, the book is *Those Bastards: 69 essays on life, creativity, and meaning*. You can find it on Amazon. It's selling pretty well and the reviews are pretty good. I did get one star, I got one one-star review on Amazon, which is if you're an author, that's inevitable, whatever.

Jason Buck:

But also makes it real. If you had all five stars, maybe nobody would believe it. You got to throw that ringer in there.

Jared Dillian:

And if you want to subscribe to the newsletter, it's dailydirtnap.com. There's a subscribe button. You just hit that button, you can send me an email and I'll hook you up.

Jason Buck:

So as you would say, I recommend everybody run out, buy 10 copies of *Those Bastards*, sign up for the newsletter. You'll obviously get some great writing in there, and you get some pithy one-liners that are always great. As Devin was saying too, I think he said you have 50 different ways to say jerking off that you could ramble through. That was a good way of looking at it. Oh, one last question I forgot to ask you. Have you read *The Subtle Art of Not Giving a Fuck*?

Jared Dillian:

I haven't actually.

Jason Buck:

Oh. Because I was wondering, to me it's interesting. Not to say they're similar because comparison is the thief of joy, but it's just realistic, not advice, but it is advice of just how life works. And talking to people like their people instead of giving them Hallmark cards and how effective that is. I'm just curious, do you have any thoughts on that?

Jared Dillian:

No, I haven't read the book. Maybe I should now. One of my blurbs, actually, one of my reviews actually compared it to that book. But no, I haven't read it.

Jason Buck:

It's once again, it's just talking to people like they're people. And by the way, your other blurb that was awesome from Attorney Duff was, "The best advice you never asked for." So Jared, thanks for coming on the pod, I appreciate it. Everybody run out and buy the book.

Taylor Pearson:

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