

## **Walking the World**

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Larry Bernstein:

Welcome to What Happens Next. My name is Larry Bernstein. What Happens Next is a podcast which covers economics, politics, and education.

Today's topic is Walking the World.

Our speaker is Chris Arnade and the two of us worked together in the Emerging Markets Department at Salomon Brothers in the mid-1990s. Chris spends his time walking the world with his camera sending dispatches from global cities. We will discuss why he walks and what he learned in places like Seoul, Hanoi, Amman, Tokyo, and Dakar.

Chris publishes his writing and his photographs on Substack where you will find his weekly commentary.

Buckle up.

Why do you walk? What are your goals and objectives? Why do you do this?

Chris Arnade:

One answer is health. I walk 10 miles a day. When COVID began, I started walking. It's for learning. You do not really understand the place until do the legwork. One of the things I learned on Wall Street is if you want to do something right, do it yourself. The only way I've found to really see is to walk it. You learn stuff because you see a city at its very most basic level.

Larry Bernstein:

Chris, you are visiting me in Miami Beach. At dinner yesterday, I asked about your walking plan for Miami, and you said that you wanted to start by walking straight North. I suggested US 1 because it has lots of interesting shops and ethnic restaurants. But you told me you were going to walk on Highway US 441 that runs parallel to I-95. I would never take a four-hour trek on that highway because it has auto repair shops, industrial, and little interesting retail. Why did you walk this busy street?

Chris Arnade:

I like to do one long walk across the city. Often in the U.S. that means from one part of the beltway to the other. I bisect the city, the city's roughly circular. The next day I'll do a walk of 90 degrees from that. The bisected east-west. I do not walk what is considered cool or hip. I try to

stay away from that. I look for where the bulk of the people live or things take place. We had dinner Thursday night at a fancy restaurant.

Larry Bernstein:

The Faena Restaurant in Miami Beach.

Chris Arnade:

I got up early the next morning at five. I saw people coming from other parts of Miami on the bus to work at that restaurant and hotel. And that is where they must live. I try to go to places where tourists do not go because that is where you learn about a city. It is not on display; it just is. The fancy parts of town are exclusive. I look for the mundane because the mundane is the most revealing part of life.

Larry Bernstein:

Jane Jacobs wrote her famous book entitled *The Death and Life of Great American Cities* that describes what makes a place wonderful to walk. Her ideal place was Greenwich Village, which has high density with little one- and two-lane streets. At every corner you can make a choice to go right, left, or straight and then you will discover different retail and other fun places. Many cities have high density. Miami Beach, Greenwich Village, and Tokyo combine high density with interesting walks. How do you think about the role of density in making life more interesting and beautiful?

Chris Arnade:

I put a metric together on what makes the city walkable. I made a model with seven variables, and I gave them different scores. And to me the most important variable is density where the necessities of life aren't clustered far. Tokyo is the best example of a city that has great localized distribution, meaning they allow people to open stores. And a lot of Asia do not have regulations on zoning in the same way we do. Hanoi is the canonical example of this where people have these three-story houses. The first story which is open to the street where there is often a shop selling things or repairs mopeds. In the back is a kitchen and then they live above that. Commerce is intermixed with the residential neighborhood.

Larry Bernstein:

1960s zoning requirements separated industrial, residential, and commercial activities in the belief that if we could just keep the housing away from work that somehow that would be better for kids.

Chris Arnade:

Yeah, it creates these little pockets where the human thriving is gone. Americans like the idea of your home is your castle.

Phoenix is an example of a city based on the idea where you live in a ranch home on a third of an acre, where the temperature is 110 degrees, and you must drive everywhere. That said people seem to really like it.

I've learned that my preferences. I like solitude and dislike living in a ranch style home on one third of an acre and driving everywhere, but other people like that, and I've heard this over and over again, that's the American dream.

The appeal of America is this idea which is that is my land. I have my space; it is my home. It may only be on a third of an acre but that is my third of an acre.

Larry Bernstein:

In your Substack archive you highlight your walking hikes in the United Kingdom and Germany. What was it like and how does it contrast with the United States?

Chris Arnade:

People in Europe are much more comfortable with less space and a communal attitude towards life. We got to give up a little bit for the greater good. That idea that you would give up a little bit of personal freedom for the benefit of the broader society.

I give up my right to guns, I'll pay more taxes for better public transport. All those ideas, that's not why people come to America. They come to America because they do not want that. They want freedom. They want to be less bound to the common good. They want to have their own way of living.

Europe will pull back personal freedom for the greater good. And then a lot of the things that people who look at Europe and admire like me, like the public transportation. The trains are fantastic that cannot work here, distances are too great.

Americans like cars. It represents freedom. This idea that I do not want to be reliant on a crowded bus. There is a human desire to have what America represents.

Larry Bernstein:

Many areas in Europe have had homogenous populations that encourage redistribution and self-sacrifice. Recent immigration undermines that sense of nationalism. What did you see out there?

Chris Arnade:

We all know the cultural differences of how you dress, what you eat, the deeper cultural differences. What does it mean? What is important to you? One of those webs of meanings is nationality that is ethnic pride. If the local population does not have that, then there's a great sense of despair.

Nationalism is a nasty word in many circles, but pride in the nation is a fundamental form of meaning that works for a lot of people. And then you are going to make sacrifices. There is a lot of positives that come from it that you cannot have the government be the sole arbitrator of moral authority. If people's only boundary is what they can get away with without the government stopping them, then that is a problem because you are going to have to turn into an authoritarian state or chaos. The police will be forced to adjudicate everything.

Japan and the Netherlands are two good examples where being proud to be Japanese or Dutch. I'm a cultural essentialist. Humans do not know how to be humans. I call it cultural grooming, which is an intentionally provocative phrase. We are culturally groomed to learn how to be a human and where you are groomed where you are born determines a lot.

I am an open borders guy. My favorite parts of the U.S. are places where I see Mexican American immigrants realizing the American Dream. There's optimism there, but I also understand that the U.S. is a hard thing to pull off.

The American Dream is this idea that you can come here and if you work hard and have a good idea, you are going to get to the top. You can own that ranch house in Phoenix, and your kids will be safe, and you are not going to have to pay anybody off to do that.

The American Dream is spiritual, and immigration is central to the idea. Immigration for us is different from immigration in Japan where you behave a certain way that you cannot learn by reading a book. Instead, you must live 18 years in Japan to be culturally groomed so that you are a Japanese human being.

Our American culture is built on a desire to assimilate because that is why the immigrants are here. They want their house and a big TV.

Larry Bernstein:

We both worked at Salomon Brothers where we traded emerging markets securities. Our objective was to figure out if we should buy or sell specific Argentine bonds and other securities. My business partner in the mid-1990s was Mark Franklin who believed in the shoe leather method of doing business, which meant that we should WALK the emerging markets.

When we traveled to Buenos Aires for three days every quarter, we would meet with the head of the ministry of finance, the editor of the newspaper, the president of the biggest bank, economists, professors of political science, political pollsters, local billionaires who were tapped into what is going on. We would often meet with same people each trip to notice small changes in their outlook.

You are going to Argentina next week to walk Buenos Aires. Your goal is not to ascertain whether to buy the local bonds. What are your goals and objectives of this trip and who do you plan to meet with to learn?

Chris Arnade:

I want to understand how Argentines think of themselves and what it means to be an Argentine? I want to find out what people value. I did get an apartment in a nice neighborhood.

I will walk north, south, east, west, I will do two large walks and then I will get into a daily routine that will include a lunch and dinner place and then my usual cafe. And I will try to be a local in those three different eating places. I find a place and stick with it to feel like a regular and hopefully develop some relationships.

Larry Bernstein:

In the West, we think that we have a significant influence in the emerging markets. Do you feel that the European colonialism had a lasting impact?

Chris Arnade:

I went to Jakarta for six weeks, and I read books on Indonesian history. There is no fucking Dutch legacy. The fact that the Dutch once ran Jakarta is irrelevant. That nasty anti-communist war, it does not matter. Nobody mentioned it. I went to this one monument in the quiet old town that was Dutch. There were just trash collectors next to it, nobody cared.

Larry Bernstein:

You told me that the Indonesians love Van Halen.

Chris Arnade:

Do you know why? He is half Indonesian. His father was Dutch who married an Indonesian woman. And Eddie is half Indonesian and speaks fluent Dutch. They absolutely love heavy metal in Indonesia that is the Dutch influence.

Larry Bernstein:

Your first published book was entitled Dignity. In that book you focused on the difference between life in front row and back row America. What do you mean by that?

Chris Arnade:

I did a slightly different project than what I am doing now. I drove around the United States, about 400,000 miles in my car. I go to towns and walk them. This was from 2012 to 2016. One of the things I saw was addiction and poverty. One thing that struck me was how similar, no matter rural or urban, white, black, or Hispanic, that disenfranchised neighborhoods were that I visited. These neighborhoods were uniform in that their educational achievement maxed out at community college. And wealthy neighborhoods were also quite similar. I could tell elite neighborhoods in a second by the bike path infrastructure, I was like, I must be near a college campus.

If you were within a mile of a college campus, the politics were the same. The people were the same. The whole landscape was the same. Two ethnographic types in the U.S. that were strongest, were based on education. I used the classroom metaphor in my book, the front row, the person who, and this is not necessarily about doing well, it's about wanting to do well in school. Education is our great divide. In the United States, people talk about race and class, but to me it's about education.

How do you view yourself? Your web of meaning is entirely different if you are in the back row versus the front row? How you observe institutions, how you see yourself in the world, and what you value is the largest cultural divide in the U.S. and that had political ramifications.

I was one of the few guys who predicted Trump was going to win 2016 because of what I saw walking in back row America. The anger and frustration with Hillary Clinton, probably you could have not made a more cartoon-like avatar of what the back row does not like about the front row than Hillary Clinton. She frustrated them with her let me tell you how you should live your life attitude.

The scolding, I know better than you, immensely privileged with no recognition of her hypocrisy. Like the schoolteacher who told them to behave in the classroom. They were done with those institutions. If you look at what really flipped the election in 2016, just enough people who never voted before voted for Trump. And people who had voted Democrat did not come out as they were not motivated. It was that flip of motivation amongst the back row that allowed the Republicans to win.

Trump was a perfect candidate for the back row because he speaks their language. Trump hates the front row. He is a real estate guy from Queens and the Manhattan intellectuals never accepted him. He's an outsider and he loves to poke the elites in a way that irritates the fuck out of them. Trump knows exactly how to get under their skin. It is just so funny. For many people, his behavior is hilarious. He is having fun mocking other people. It's like a kid in the back throwing spitballs at the teacher. No front row people behave that way. It is not what they do.

Larry Bernstein:

You are a front row person. You have a PhD in physics. You were an academic before you worked with me at Salomon Brothers, and you now have your own Substack with paying subscribers. You are totally front row.

Chirs Arnade:

Yeah. By the way, I do not lie about that to people. When I am in these neighborhoods, I'm very open about who I am.

I grew up in a working-class neighborhood. My dad was the only professor in a small town of 600 people. I learned how to fit in.

I came to Wall Street out of left field.

Six years into my Wall Street career I was making a decent living. And my wife convinced me to go to one of these all-inclusive resorts in Mexico. I knew all the type of people around me. The stage might have changed but the audience had not. This was like being in Manhattan with a beach setting. I did not want to talk about finance in Cancun. I was not comfortable here. I went out to the parking lot of the resort and got in a cab. I told the driver to take me anywhere you want to go as long as there's no drugs involved. I need to get out of here.

He spoke perfect English that he learned in a San Diego prison. We spent the day together going to bars and a pool hall where tourists were told not to go because it was dangerous. But it was fine.

Larry Bernstein:

When you travel the world, where do you stay?

Chris Arnade:

I travel cheaply by choice. I want to stay in the Super 8 or the Motel Six. I just feel comfortable there. The formality of wealthy places makes me feel awkward.

Larry Bernstein:

Let's do a deep dive on Istanbul.

I stayed at the Four Seasons in Istanbul and my wife, and I walked everywhere. The food was fantastic. I took a boat on the Bosphorus which was incredible. The quality of the museums was first class. The improvements since the last time I visited 35 years ago in both its design and exhibits was incredible. We had different experiences in Istanbul. You did not go to the best

restaurants, drink at hip bars and shop at the best stores. Tell me about your experience in Istanbul.

Chris Arnade:

Certainly, my favorite city in Europe and one of my favorite cities in the world and all listeners, you should go. Istanbul is physically drop-dead gorgeous.

I stayed at a neighborhood called Üsküdar on the Asian side. It is middle class Muslim neighborhood with a lot of Erdogan voters. People wonder who votes for Erdogan? The majority of people vote for him.

It has a classic thriving waterfront that is full of activity. There were no tourists at Üsküdar, even though it is gorgeous. I rented a little apartment in Üsküdar, and I started walking. I have a standard eight mile walk I do every morning. It goes up into the gypsy neighborhood with a mosque along the way.

I stop at an old bar; one of the two bars and you know them from the green signs that indicates that they sell alcohol. A bunch of guys watch horse racing and drink Ouzo. I do not speak Turkish, but every time I come in, the owner sets a special table for me. I tell them to choose my meal. I spent three nights a week beginning at eight and I leave at midnight.

Larry Bernstein:

In your descriptions of back row America, you mention drug addiction, loneliness, desperation, underemployment, homelessness, anger, and frustration. In contrast, your portrayals of Korea, Vietnam, Japan, and England there is much less of that.

Chris Arnade:

These people are happier in aggregate relative to the U.S.

Larry Bernstein:

Do you have a selection bias?

Chris Arnade:

I try to go to bad neighborhoods all over the world. I am equal opportunity poverty observer.

Larry Bernstein:

What are we doing wrong? Why is back row America relatively depressed versus the back row in other countries?

Chris Arnade:

People need to be tethered to something to feel alive. People need boundaries. Kids talk about the anxiety of choices. We choose to live the way we do. We can live anywhere we want. We have so many possibilities of how to be human and we have this anxiety of choice. We fetishize individualism to the point where people do not know what to do and lack community. We are social animals. We need to be around other people. We need to be part of a community. We need to be a valued member of a society.

Different countries have different ways to achieve that. In Istanbul Erdogan is effectively a Trumpian character. We hate him; the people love him. He built this massive mosque. It is if Trump built a mosque, this is it. It is massive. He lights it up every night so you can see it wherever you are in Istanbul. I walked there. Along the way I passed some smaller mosques and the call to prayer starts and then garbage trucks pull over. Guys come out of repair shops. Tough looking guys carrying their little mat and going in reverence. This is central to who they are. And it gives them discipline and purpose. You cannot have a purposeless life. You need purpose.

We don't have much transcendence in the United States. Kids are told education, education. And if they do not make it the clear, the corollary is that if you fail then you are an idiot. I believe that 99.9% of humans have contributions to make. You might not be good at math. So what?

There are tons of fulfilling jobs out there. Like you are great with people, your hands, or you have empathy. In other countries, they have jobs that have craftsmanship where those jobholders are proud. It gives them a huge sense of fulfillment to be good at their task.

You can get joy and gratification from work. The back row includes both the dependent poor and the working lower class. The happiest are the craftsmen: the plumbers, electricians, the people who take pride in their career and it gives them a good income as well. After spending a month in Indonesia or Vietnam, which has 1/10th the income of us, where people are literally living collecting garbage in Jakarta off the streets, and then you come back to the US and you go to the Port Authority and you see people who are insane.

We have created incentives for people to let their freak flag fly as if that is a good thing where people have no boundaries and follow no rules.

Remember that Pink Floyd song Another Brick in the Wall. I want to be a brick in the wall. We need to be bricks in the wall. "I don't need no education" that is totally wrong. Be a brick in the wall, have a place to be a valued and be a solid member of society. There needs to be boundaries. We need guides to living.

Larry Bernstein:

I end each podcast with a note of optimism. What are you optimistic about as you walk the world?

Chris Arnade:

People are fundamentally good. I am an optimist about our human race. A lot of the problems we have in the US can be fixed with some policy changes. Living is good and most people recognize that.

Larry Bernstein:

Thanks to Chris for joining us today.

If you missed last week's podcast, check it out. The topic was Unclaimed Dead Bodies. Our speaker was Stefan Timmermans who is a medical sociologist at UCLA and the author of a new book entitled *The Unclaimed: Abandonment and Hope in the City of Angels*.

We discussed the shocking fact that 150,000 dead Americans go unclaimed at the city morgue each year and what that says about our society. There are real consequences of living alone away from family.

I would like to make a plug for next week's podcast with Malika Zeghal who is a Prince Alwaleed Bin Talal Professor in Contemporary Islamic Thought and Life at Harvard. She just published a book entitled *The Making of the Modern Muslim State: Islam and Governance in the Middle East and North Africa*.

I want to learn from Malika about the decision by Muslim countries to reject the separation of church and state and what that means for governance, judicial activity, and religious education. And how does that interaction affect tolerance and democracy?

You can find our previous episodes and transcripts on our website [whathappensnextin6minutes.com](http://whathappensnextin6minutes.com). Please subscribe to our weekly emails and follow us on Apple Podcasts or Spotify.

Thank you for joining us today, good-bye.