



Episode 1,289: How to Defeat the Government/University Complex, Which Is Turning Frustrated Kids into Socialists

Guest: Isaac Morehouse

WOODS: All right, well, let me tell you something: I'm having you because I read over your book here – and I just told everybody, *Crash Your Career* – and it is outstanding. I am so tired of reading business, personal development, these types of books, and getting nothing but fluff. It is unbelievable the waste of time almost all these books are. As I was telling you before, if I wanted a fortune cookie, I'd go to a Chinese restaurant, because that's basically all I get, is a bunch of maxims. I don't need maxims; I need actionable advice. What precisely do you want me to do? And as I was reading this, I could not believe the ideas that were jumping off these pages.

So I want to tell people – in fact, I'm not even going to let you say nice things about your own book, or me. I need to keep on here for just a bit, because I personally have kind of followed more or less the path you're describing something, or at least something like it. Certainly in recent years, I haven't been sitting by the phone, waiting for somebody to call me. But the specific things you advise people to do here are so helpful, and it's a short, short book. And again, I will say another quick thing, and then we'll start talking, is that a lot of times people will look at a book and they'll think the value of the book is in how long it is. No, because most of these books are 250 pages, and they're full of nothingness. What you should be thinking about is, if I get one actionable idea out of this book, it could change my life. If I get one – so if I go to a webinar or something, I think to myself, if I get one or two ideas, they could be \$25,000 ideas. So even if I paid \$100 to attend the webinar, who cares? Who cares? Here, take my money. That's the way people should be thinking. This thing is short, but yet, you're going to walk away with ideas that are just going to put up big ol' you-know-what-eating grin on your face, because you're going to say, I know this works, because man, does it make sense.

All right, that's a long, long preface into our conversation. But if I didn't get that off my chest, it was going to cause me physical pain during our conversation.

MOREHOUSE: [laughing] No, it is a really short book. We call it a pocket book, and you know what else is really short? The US Constitution. That fits in a pocket book, as well. So really important things can be really, really brief. And like you, I'm a low-attention-span guy when it comes to a lot of fluff; like, hey, if you could have told me in a blog posts, why'd you turn it into a book? So it really is just getting to the point that, look, paper credentials won't launch your career. You've got to be your own credential. You've got to prove your ability to create value quickly. You've got to showcase, take it into your own hands. Don't get caught just following rules, getting a degree, and then just hoping that someone will want to hand you a

paycheck. You've got to put yourself in the driver's seat, build a body of work, find some roles that matter, build a profile to prove what you can do, and go after businesses and companies you want to work for with a tailored pitch. I mean, that's really the core of what the book is all about. It's just a quick little playbook on how to think that way.

And everything in there is easy, but it's also really hard, right? Just like getting in shape is easy. You know what you have to do. Exercises are not super complicated. But it's also the hardest thing in the world. And it's kind of like that. It's not that it takes some genius-level mastery; it just takes grit and the willingness to put in some real work.

WOODS: And the thing is, you'll be surprised at how few people – maybe you wouldn't be surprised – are willing to do that. And that is a huge advantage that you, dear listener, as a reader of this book will have, is that you'll know what to do, and you being a *Tom Woods Show* listener, you've already distinguished yourself as a highly discriminating and ambitious sort of person, you will actually put it into practice. That is such a rare combination.

Now, another thing I want to point out is that we hear almost all the time about the unique challenges of today's economy, and it's really, really rough out there, and millennials are getting frustrated, and they hate capitalism and all that. Well, I personally think the reason they're getting frustrated, is they're acting as if they're trying to be in a capitalism from 1953, and yet, that doesn't work in 2019. But if you do what Isaac is talking about in this book, you'll do well. You'll do well. But you can't just assume, well, this is how my grandfather got his job, so I guess that's how it should work in 2019. In the age of the internet, I bet it will be the same. Why would you think it would be the same? And why are you blaming the system when things have changed? The whole environment has changed. The way employers look at people – everything you can imagine is different, not to mention your opportunities have changed. So you have to adapt instead of just thinking, well, all my relatives did such and such. Yeah, and all your relatives, you know, they wrote in a horse and buggy, you know what I mean?

MOREHOUSE: [laughing]. No, it's true, Tom. It's funny, a lot of people get really worried about software and robots and technology is going to take all the jobs. And there's this weird response to that, right? I mean, the jobs that software and machines are good at are things that are largely rule-following. They're better at following rules and repeating tasks than humans are. And so people see that and they're scared: robots are going to take my job; I'd better go like get more college degrees, or go follow more rules. And it's like, the opposite is true. The more that technology can do the kind of rote memorization and repetition, that is a superpower for you. You can use technology to leverage what is uniquely human: creative problem solving, innovation, being adaptive.

And the things you can do with technology – I heard an investor say, you know, I don't I don't want a world where everyone's afraid that robots are taking their jobs; I want a world where everyone has their own personal Iron Man suit. And I love that metaphor, and I kind of use it in terms of the information age has made available to everybody for the first time the ability to be your own credential, as I said before. And it's almost like putting on an Iron Man suit of information. I get to put together something that I can show you – you know, if I want you to hire me in a marketing role, instead of just saying, *I have a BA in marketing*, I can say, *Here's this profile I've put together where you can see me walking through on a short video how I set up a campaign using MailChimp and how I set up this landing page. And here, I built this for you.* You can show people more information about your skill and ability than you were ever able to in the past, that people used to have to trust you, and that's why they looked for

credentials, because if they didn't know you, someone had to vouch for you. You can vouch for yourself now, using the technology available to you. I think it's just an amazing, amazing opportunity, not something to be scared of.

WOODS: The MailChimp example, which I know you chose at random, is nevertheless quite a potent one, because MailChimp is an example of something that performs a task that people are familiar with – it's an email autoresponder service, and I use it for my for my main newsletter – but it can also do – you know, most people use 3% of the functions. It can also do truly amazing things. And the real expert at it knows the amazing things. The person looking at your video thinks, *Oh, yeah, this person is going to show me about email.* But they'll say, okay, we can trigger an entire email campaign if somebody clicks this link. Or if somebody orders this product, then we trigger this follow-up sequence that will do this. And then we can do – and the things that you can do. And then we can take the email list, upload it to Facebook; Facebook will find those people on Facebook, and we can target them on Facebook, too. We can follow them wherever they go. A lot of employers don't even know, especially small ones, don't even know that's an option. And you've got some whiz kid who's stirring that up for you in three minutes? Yeah, get that kid in here.

MOREHOUSE: No, it's amazing. I mean, that's what's so cool, is that information is now free, right? So there's no secrets you're going to learn in school that you can't find if you really want on your own. And so it's some of these things like a tool like MailChimp, very simple tool, you can go and learn it relatively quickly at a level that makes you instantly valuable on the marketplace. It's funny, we look at a lot of like resumes that are just a list of mostly stuff you did in school. And most young people have no idea – just take tools alone. Forget about more advanced skills and things. The basic software tools that are used in the world of business, most young people have never heard of them. Most young people barely know how to use email or use a Google calendar invite. And again, this is simple stuff.

Take something like Salesforce. It's a very important, powerful tool that sales teams use in almost every company. If you take an hour, going around and finding free YouTube videos and some tutorials, and you learn enough about Salesforce to say to a company, "Hey, I'm conversant in this," they'll see that, and that will be more to them than any test that you passed about sociology or history. So just becoming familiar with some of the things that are valued in the marketplace, and going out and learning them, and then – here's the key – finding a way to prove that knowledge – because it's not enough to say, "I know it." If you can combine that with a little bit of proof that says: *I know Salesforce. Here's a one-minute video of me walking through using it to do a basic task.* It doesn't have to be anything advanced, but that puts you above almost everybody else out there on the market.

WOODS: Well, just to return to that MailChimp example, in case you don't believe us when we say all it takes is, you know, sit in front of some tutorials for a week and you'll know more than at least 95% of the world, if not more, even I hired somebody to be on retainer for the technical end of my email marketing. I don't use them that much, but I could learn what he knows probably if I devoted a week to it. I could. The thing is, I have no desire to do that, not simply because I don't want to spend the time, but because that doesn't appeal to me at all. Even though I love email, and I'm really interested in getting better at it, the technical side bores me to death. I don't want to know. I just want somebody to do it for me. And there are going to be a lot of people out there like that. You'll think, oh, they must already know all this stuff. Even if they do or even if it's just a week's worth of knowledge away, nobody wants to.

MOREHOUSE: Yeah. Yeah, so I'm going to give away one little secret from this book that I think might be the most powerful little thing in there. And the thing about it is, you've got to overcome this fear-of-exploitation mindset, or this entitlement mindset, that a company owes me a paycheck and I don't want to be exploited. And you've got to use in order to use this little trick. And the trick is simple. It's free work. Okay, so if you want somebody to take a chance on you, you lower the cost to them of taking a chance on you. And one great way to do that is to do something for them for free before they've even hired you.

And so I'll give you a concrete example: podcasts. Really, really important. A lot of people have them now. A lot of companies have them now. Tom Woods has one. All kinds of people have them, and they're awesome, right? But it takes a little bit of time to edit them and to add the intro and the outro and all these little things. Say you want to as a young person, you're like, I don't know, I don't have a ton of skills, but I want to get some experience. I want to go work for somebody or many people doing podcasts editing. The best way to do that is not to put together a resume and start sending it out and saying, "Hire me." The best way to do that is to find five or ten podcasts you like, go listen to a couple clips, go take two minutes' worth of little sound bites from *The Tom Woods Show*, where Tom is saying amazing stuff, put it to some cool, inspirational music and some pictures, put it in a little video on YouTube, and then email Tom and say, "Hey, Tom, I love your show. I put together this little thing for you. Hope you like it. You can use it however you want to. I would love to do, if you ever have any projects that require some audio-video editing, I'd love to help you out, or if you know of anybody else." That's it.

Now you've made something for Tom for free. You've done something; you've created value first. Now, even if Tom isn't hiring for that, it's really hard to not at least reply to the email and say thanks, to not at least give the person a chance. And maybe Tom will say, well, I don't need anybody, but I know Isaac has a podcast. "Hey, Isaac, check out this kid. He made this thing for me. Do you need anybody to do podcast editing?" That's how I had the first person that did the podcast editing for me, and then I ended up referring him to five other people, and now he's got a side gig doing podcast editing for people, because he did the work first. So if you can do free work, that is a great way to get your foot in the door.

WOODS: The example you give in the book I won't give away, where you talk about Applicant A and Applicant B, and you're talking about somebody who follows the customary path of putting his resume on top of the other 426 copies, and then the other person who does something, it was just breathtaking what you laid out as that second example. And I genuinely think — I think it's the best example I've ever seen of anything, at least that I can remember, because that showed exactly what you're talking about, that it's not pie-in-the-sky, that it's not, *Oh, but doesn't Isaac know that degrees are used for signaling, and if we don't have one, we're going to be at a big disadvantage.* That example you gave of Applicant B and what Applicant B did just knocked my socks off.

So without giving away that example, because you should read the book for yourself, let's say something about what signaling is. And before we get into the different ways you could signal, education has been the way people have done so-called signaling. This is what employers are looking for. And I talked about this with Brian Kaplan when he came on talking about his book, *The Case Against Education* — it's just a tremendous title. But can you, first of all, explain what it is when we say that education, what it's really doing, especially higher education, is signaling, what do we mean by that?

MOREHOUSE: So one day, I was an undergrad, and I was kind of fed up with all the money I was paying for classes that mostly were not very good. And I was thinking about, what am I actually paying for? Why does everybody tell me I have to do this? And I looked around the classroom, and there's a bunch of kids who were kind of hungover, and I had this epiphany. Like, wait a minute, what I'm really buying is a piece of paper that says to the world, I'm probably no worse than everybody else in this classroom. And I thought, man, that's kind of a weak signal. And I kind of had this epiphany, before I had come across what economists call sort of the signaling theory, of that's what this is.

So a signal is simply a quick way for someone, without spending tons of time getting to know you, to say, okay, this person completed this; therefore, it tells me something about their baseline abilities. Just like there's a lot of ways to signal. If you drive up in a fancy car, it signals that, whether or not you have money, you certainly have access to money. And that comes with a bunch of other things that I can probably assume about you with a certain degree of confidence. If you've run a marathon, it signals something to me about not just your athleticism, but about your determination and various things like that.

And so college degrees, they're signals on the marketplace that signal to an employer that you meet some minimum threshold. The thing is, once you realize that, you realize that it's not that strong of a signal and it has the same problem that inflation of currency has: the more degrees there are, the lower the value of the signaling power of each individual degree. So you've got everybody with all these different degrees that kind of – like what does it mean exactly that you have a BA from whatever university? I mean, if I'm only comparing you to somebody else who's identical in every way, but doesn't have a degree, you will look better. But if I'm comparing you to somebody else who has built something as small as a landing page or shown me their ability to use MailChimp, that actually might be, in many cases, a stronger signal than a degree. And we're talking about something that might have taken them a couple hours, couple weeks, couple months. And once you realize it's a signal, you can start to compare it to other signals that you might be able to build that prove to the world what you can do.

WOODS: And these kinds of things, like a screencast video that you could email somebody a link to – just think of the sentence I just uttered. This is technically impossible, and no one would even know what you were talking about 30 years ago. So the world has totally changed. And if you don't know how to make a screen cast video, just go to Screencastomatic.com. That's what I use. And in fact, by the way, if there's ever a problem, like you're trying to use some software and it's not working or somebody's website is giving you an error, if you can make a quick screencast video showing exactly what the problem is, it can save you hours on the phone with these people. Just say, "Look, here's what's happening on my side. What do you think the problem is?" So having the screencast video software is valuable, whether or not you're following the Isaac Morehouse strategy.

MOREHOUSE: No, actually, Tom, I'm glad you mentioned that, because it's part of the whole mindset of learning out loud or showing your work. So even if you're not an expert at something, if you can't get something to work and you make a little screencast showing, hey, I was trying to figure out this and this and whatever, and you tweet it at the company, not only might you get your problem solved, but that alone is impressive to people. Like I've literally – I'm not making up the stuff in this book and the stories here in terms of the effectiveness. We have with running the Praxis program previously, we've launched hundreds of careers, and most of them have gotten jobs in this way. They've made something and showed somebody

something. And even if it was like, *Hey, I'm in the process of trying to learn this. I'm not good at it yet, but I'm sharing my learnings in an open way*, that's really impressive to people.

WOODS: So that is another way of doing signaling in 2019, and I love that stuff. I love this, because you can do it. There are many ways you can learn the skills, and there are many ways you can convey to people that you've got the skills these days. So let's talk about your – well, you know what? Before we get to that, what was your opinion of that whole scandal about parents and sometimes celebrities who were basically pulling strings to get their kids into college? I mean, they were faking an athletic background for their kids, stuff like that same. First of all, I got in entirely on the merits, but it would have taken one look at me, and you would have known that any athletic background had been faked.

MOREHOUSE: [laughing] I mean, I just kind of had my popcorn out and was enjoying the entertainment of it. Because I mean, let's be honest: everybody knows already that people who have a lot of wealth or connections are doing things to get their kids into schools. I think the reason it became a scandal was because the colleges were mad that they got cut out. Usually if you want your kid to get in, you like buy a building at a university. But they were paying somebody else, and the college is like, "Hey, where's our cut?"

But no, I mean, honestly, to me, it was proof of the signaling theory, but a slight difference between the career signal – it's proof of the declining value of the career signal, because if you're a child of a wealthy celebrity, a degree is not going to do very much for you career-wise. You already have more connections and resources to help your career than a degree will be. So why would somebody like that want to go get one? Or why would a professional athlete who's already making millions go back to school to get a degree? It's because the signals have sort of shifted over time from being, *Hey, this signal will help you get a job*, to, *Hey, this signal will give you social status*. And it kind of achieved this, like, everybody's going to think you're a good person and a cool person. It's like this social religion almost.

And so it's not even effective anymore. I mean, most of the young people we talk to who are considering opting out of college, they already understand that it's not going to help their career. The reason they're really afraid to do it is because their parents and everyone else would be ashamed of them. And it's like, your success in life and career has become separate from whether you have a degree that makes mom and dad or society proud. It's kind of moved to become a social status signal more than anything else. So I think that was a good example of that, like why – I mean, if you really want your kid to succeed in a job and you've got \$6.5 million, there's probably a better way to help them in a career than to bribe them into school. So it's really about that status at this point.

WOODS: Now let's talk about your new company and your existing company. People know you from Praxis, which is a company that I couldn't be more of an enthusiastic supporter of, because not only do I agree with and deeply admire what you're doing with it, but also I've had numerous success stories among young listeners of *The Tom Woods Show* who have gone through the Praxis program and just sing its praises. In fact, years ago, I used to do advertising for you guys, and I came up with the idea, why don't I get some of your success story, folks and I'm going to do many interviews with them about what their experiences were like for these ads. And it was just great to talk to them. But what you're doing now is somewhat different, and the launch of that, I understand, coincides with the release of the *Crash Your Career* book. So how about you take a minute to distinguish between these two things?

MOREHOUSE: Yeah, absolutely. And, Tom, I've got to tell you; I don't know what you're doing, but disproportionately your listenership is awesome: hardworking, entrepreneurial, out of the box. It's almost like they're not afraid to buck the status quo.

WOODS: It's because I'm on their cases all the time. They finally said, "All right, Woods, leave me alone already. I'll go do it."

MOREHOUSE: So yes, Praxis was started about five years ago and started just very, very small, with just a handful of people that we wanted to see, can we help people launch careers through an apprenticeship. And it's a startup apprenticeship program, where we provide some training and then place people in a startup for six months where they apprentice, and then most of them get hired afterwards. And in the process of building this thing – and Praxis is humming. I mean, it's growing. It's going strong. It's an amazing program. But in the process of building it, we begin to realize the things that we're doing to help our customers succeed, there were some patterns there. And it inspired us to say: can we draw from this a couple really small tools that we can offer to millions of people? And if you think of Praxis like the Special Forces – like it's an intensive training program, and you've got to be all in, and not everybody's in a place in life where they can do it or has the ability to do it. And we thought, can we take some of those techniques and offer something that we can reach millions with? So maybe if you stick with the Special Forces analogy, hey, if you're not going to join the Navy SEALs, maybe you can spend a weekend at a gun range and we can show you some of their tricks, you know?

And so Crash, we launched this new company Crash, and it's going live very short here – again, coinciding with the *Crash Your Career* book – it's really just a series of simple tools to help you be your own credential. And we're starting with just a very basic here is a beautiful, simple profile that you can populate with proof of your skills – things like screen capture videos, things like projects you've completed that demonstrate your competence. And the goal is to help you do these three things quickly: discover roles that would be a good fit for your personality and good starting roles for your career; build a profile that can showcase your skills; and then tailor specific pitches to businesses you want to go after. And so we're just kind of handing you some of the tools with a very light touch, versus this intensive yearlong experience in the Praxis program.

WOODS: All right, so just to make sure that we've got this clear, give me a quick profile of what a typical user of Crash and a typical applicant at Praxis, who these people might be, where they are in their lives.

MOREHOUSE: Absolutely. So if you are ready to launch a career, and you're just looking for a way to kind of do what we've talked about here, to do more than just a resume, you want a simple tool to build something that's more robust than a resume, you can go to Crash.co, and you can use the profile for free. You can create a beautiful profile. If you are ready for something more intense, and you want to have weekly workshops, one-on-one coaching, a full-on six-month boot camp, if you want to be guaranteed placement in an apprenticeship, the Praxis program is for you. But that's an application process. It's hard to get in. If you get in, do it. But if you're at a spot in life where that's not for you, but you still want some tools to use on the job hunt, that's what Crash is all about: just offering some of those tools to a much broader audience.

WOODS: So how do people get *Crash Your Career*?

MOREHOUSE: Yeah, go to Crash.co, and we've got a little tab up there for a book. And Tom, I will have a link for you to share in your show notes with kind of a special offer for your listeners, as well, so if you're looking at the show notes, you can click on the link that Tom has there for *Crash Your Career*. But if you're listening to this and you don't have time to go pull it up, Crash.co, you can find it there.

WOODS: All right, well, what I'll do is, whatever the link is that you're going to give me, I'll do a redirect. It'll be TomWoods.com/crash, and it'll take you to whatever that link is.

MOREHOUSE: Perfect.

WOODS: All right, good. What would I do without my link shorteners?

MOREHOUSE: Exactly.

WOODS: They have bailed me out of many a jam, let's say. All right, well, tremendous. I just want to make sure you've had a chance to say everything you want, because I feel like what you're doing is of so much value potentially to so many people, has already helped so many people, that I just could not be happier to promote it. I want more people to find out about what you're doing and to be involved in it. But are there any parting words you want to say so you won't be kicking yourself later, *I should have said this to Woods?*

MOREHOUSE: Yeah, no, I'll just say, this is such an exciting time. Don't let yourself slip into a mindset of fear and panic about your career or the economy or changes in technology. There's never been more opportunity. You put yourself in the driver's seat and adopt a playful, experimental mindset. Don't put all this pressure on yourself, *I've got to find a career and get there right away*. This is a process of exploration, and if you start thinking about your abilities, your skills, what are some fun ways you can try learning new things and you can try going after companies and seeing if they'll respond and seeing if you can get a job here – like treat it with a sense of openness, playfulness, an opportunity, and I think you're going to have so much more success and you're going to have a lot more fun.

WOODS: All right, so TomWoods.com/crash, let's say, is the link that you're going to want to go to. We'll also link to Praxis. We'll have a smorgasbord of Isaac Morehouse over at TomWoods.com/1389, including a link, by the way, to the time you interviewed me, and it turned out to be almost like I was on a psychologist's couch for half the episode. It was crazy [laughing].

MOREHOUSE: That was a great interview.

WOODS: Yeah, it was really, really very revealing and really enjoyable to get a lot of that off my chest at the expense of poor Isaac Morehouse, who just thought we'd be talking about the Fed or something [laughing]. Anyway, best of luck with the new company. It sounds great.

MOREHOUSE: Hey, thanks so much, Tom.