

James Ledbetter **Editor-in-Chief, Inc.**

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Welcome to Media Masters, a series of one-to-one interviews with people at the top of the media game. Today, I'm here in New York and joined by James Ledbetter, best-selling author and editor-in-chief of Inc.. Since starting his career in the 90s at the Village Voice, he has held a number of senior editorial positions, including Time, Reuters, and business news site The Big Money, where he was founding editor. Taking the reins at Inc. in 2014, he oversees a global media empire of print, digital, video, custom publishing and live events, with an online audience of 16 million. In 2015, he launched a European version of their influential Inc. 5000 list, which honours the fastest-growing private companies in America.

James, thank you for joining me.

Paul, it's great to be here.

So, James, congratulations on the complete cover-to-cover redesign of Inc. I'm a huge fan and a long-time reader. Was it actually quite daunting to change up such a successful product so fundamentally?

It is, especially because the magazine had been redesigned just a few years earlier. One of the challenges in media these days is you've got to reinvent yourself all the time. And I think any magazine that's not currently in redesign will be very soon, and so it talks about a particular kind of mindset. Our creative director, Blake Taylor, who's been at the publication for many years, really put a lot of thought and effort into this. And we not only redesigned the way the magazine looked, but we tried to kind of reconceive of it. The previous design, which had served its function reasonably well for a few years, broke the magazine down into four sections. But what we found was, in any given issue, the sections were not as distinctive as they might be. This story could run in the launch section or this story could run in the lead section. And so we just got rid of it, because it was beginning to become a bit formulaic with the sections, each section having to have a certain number of elements, and we just did away with it. So that was one motivation was to kind of free up the pages for a different mix of stories. Second thing was to try and emphasise the visual a little more. Again, the role of print these days in a kind of multi-platform publication is different than it was 15 years ago. And one of the things

that makes magazines great is the ability to use terrific photography, original art and illustrations, and you may, since you're going to commission those things anyway, you may as well make the most of them in the print product. They may or may not play as well online, and we were trying to put more thought into how we present some of our pieces online as opposed to just kind of throwing them up there, but we might as well luxuriate in the print product as long as we're going to produce it. And so we're trying to introduce different approaches to stories that emphasise the visual. I'll give you an example. We introduced a rubric called In The Field, where we take a shot of a business actually doing what it does. So, for example, there was a group of people who make electric bikes in Colorado, we got the whole team out on bikes in the street. And it's a visual way of telling a story that really takes advantage of what print can do. So I'm very proud of the redesign. So far it seems to have a good response from readers, good response from advertisers, and you can be darned sure it will be redesigned again in the next couple of years!

It's that idea of always being in permanent beta isn't it?

You kind of have to be these days. I mean the market, whether it's advertisers or readers, are changing their expectations and changing their demands all the time, and it's a constant vigilance to keep up with them. It can be exhausting, but it's usually worth it if you get it right.

I mean it's unusual to ask this because you're such an enterprising magazine aimed at entrepreneurs, but there is always the risk, isn't there, of tinkering with the formula? Like you pull on one string of the tapestry and the whole thing unravels. You don't want to change what the readers love.

It's true, and you know, you try... with print you don't always get immediate feedback. I mean one of the interesting things about digital is, we change headlines in real time, we AB test the headlines, so you literally know which headline is more attractive to readers than its counterpart. With print, you don't necessarily have that kind of feedback, but I think you're right, if you take too many risks, if you kill a popular feature or if you introduce something that is there for kind of obvious business reasons, you will hear from readers, they will let you know. I don't think that people are going to stop subscribing en masse, but you will get letters, you will get feedback. We certainly see our readers all the time at our conferences and they'll give you feedback on the magazine without even being asked. But I think that we have been with our readers and we know our readers well enough that it's unlikely that we would make those kinds of changes, because we know what they want, we know what they respond to.

And what are the touch points that readers have with the brand? So, for example, I go on Inc.com all the time, I subscribe to the top five email, but I also subscribe to the magazine and I read the magazine when I'm on planes, that's my 'me time'. I like the curated linear experience, the very visual thing. Whereas it's a bit like a cafeteria when you're on the website because you're kind of just picking and choosing the odd thing that you like.

That's right. I mean, they are different experiences – and that's by design, by necessity. Just to look at the numbers, in any given issue of Inc. magazine there are approximately 40 pieces of content, depending on how you kind of slice and dice it. On any given day on Inc.com, we're publishing between 70 and 100 pieces of content.

That's a lot of content.

And the size of the audience is different. The magazine has a paid circulation of about 700,000, the website reaches on a really good month about 20 million people. So the scale is very different, and I think that to your point, people look to the different platforms for different things. So a lot of what does very well on the web are sort of quick stories, stories about things like emotional intelligence, what I call kind of personal productivity stories, variations on the seven habits of highly effective people.

Right, I read all of them. I go on the website every day. I want the answers!

They don't take very long to consume, you get something out of it, and it's a useful experience, and then people move onto something else. A lot of practical stuff about things like hiring and job interviews, that stuff does very well. The magazine obviously has a different role. There is definitely a role for practical advice, in fact we have a regular rubric called Tip Sheet where we take a kind of thing that many businesses, if not all businesses, face and give you advice about how to do it, whether it's raising a Series A round or trying to hire without bias. These types of challenges that people running and growing businesses face, we give them practical advice. There are financial columns devoted to particular types of financing things again that entrepreneurs face, like how do you split up with your partner if you're both invested in the business, how do you do that? The longer magazine features are a deep dive into the history of a company that's maybe faced a near-death experience and gotten out of it better, or people who've sold their company. The cover of the November issue I'm really happy with, is a Texas couple that makes these protein bars out of meat, and they just hit it out of the park. At three years they sold their company for more than \$100 billion to General Foods, and they still got to run it, but then they're inside this big corporation that was the thing that they were kind of against. That kind of struggle is something that I think our readers can learn from. And we also seek, particularly in the magazine, to inspire them, to give them the success stories from people who've been there and can pass that wisdom down and say basically, "If I can do it, you can do it too." Readers respond really well to that in the magazine. Less so online, but again with 20 million people you're going to get a big mix of what people like. But I think that that inform, inspire and celebrate, those are the real pillars of what we do.

I've always thought that business stories are actually people stories, and one of the things that I really like about your magazine is reading about the failures of other entrepreneurs. And I don't say that to be cynical and to just... it's more about how they've bounced back and the lessons they've learnt, the scars on their backs. It's inspiring.

I'm glad you bring that up Paul, because one of the things that we hear from our readers all the time is that Inc. feels authentic, that we're not trying to sugar-coat it, we're not saying that everyone is going to succeed, we're not saying that success is easy. I mean, the purpose of the magazine is to look at growth, and the truth about growth is growth can be really hard. Obviously you want it, most businesses want it, but it brings with it a set of complications. So the annual list of the 5,000 fastest companies, fastest growing companies, that we publish – some of those companies go out of business. We actually had, within the last couple of years, there was a company that made the list at number one for two years in a row, which is unheard of. You're talking about back-to-back 10,000 percent years of growth. I mean, these are kind of the crazy numbers. And they went bankrupt. They misjudged the market, they had an opportunity to sell that they probably in retrospect should have taken, and we ran a long story about it. We're not propagandists in the sense that we're always kind of saying that everything works and all businesses are good. We take the good with the bad, but I think people respond to that by saying, "Okay, I can trust them because they're telling it like it is, they're telling it like I know it is, because I'm doing business every day."

Also it's not the whole truth if you miss out the bad stuff, or the challenges.

That's right. That's right, and I think again, readers are smart, readers are... and they're not interested in being bullshitted. I mean, they want the real deal, they don't have time really for fluff and artificial puffery. I'm not saying that other publications do that, but I think that Inc. really speaks to the experience in a direct almost personal way to the reader, that's harder to come by if you're the Wall Street Journal, or if you're Fortune and you're covering these mega corporations, I think it's very hard for readers who are running businesses to identify with those companies because they're massive. We talk to people who are kind of closer to the process, often very new businesses, so they can share those experiences with readers who are going through a lot of the same experiences.

It's a problem with what I call superhero entrepreneurs. I've huge amount of respect for people like Richard Branson and Elon Musk and all these people, but in some sense they actually alienate young people who might be aspiring entrepreneurs when they get older, because they think, "Well, I could never be a Richard Branson. I'll never be a multi-billionaire like Elon Musk." But when they read your magazine and they see like what you were saying about that protein company, they're real people, they're not so far away that they're not... it's not unachievable.

Yes I think that's right, and we get that at the conferences as well, the entrepreneurs who connect most with the audience are the ones who seem relatable. I mean, it's almost like politics, right? Richard Branson comes off like a polished politician who's probably got people writing his words for him. Whereas the people who tend to get the most audience response at our conferences are the ones who are real, the ones who are speaking from the heart. And again, readers can tell when it's not real, when there's something just kind of not quite right about it, and as you have to be honest with them and straightforward. And as you say, I mean, it's not cynical, but to

celebrate failure, to learn from the mistakes, and to be able to give people tangible practical advice that they can take away.

Do you have a typical reader in mind when you're writing on the website, or you're putting an issue of the magazine together?

Absolutely. I think that the kind of ideal reader, particularly for the magazine, is someone who is running a business now, or thinking about starting a business. It's a little bit different on the website, there are only about six million companies in the United States with more than one employee, and so if you've got 20 million uniques a month, clearly not all of the web readers are running businesses. But I think that people encounter issues in the workplace – whether it's how to handle a difficult employee or how to hire someone, or how to structure your vacation time to get the most out of your vacations – that kind of stuff, people come to us, and we're thinking about those people in the workplace. They are keen to get ahead, they are keen to make the most out of their work and their lives, and we're there to serve them, that's the way we think about it.

One of the things I like when I read about the entrepreneurs that you profile, and a lot of them are articles on your website, is if you're going to do five tips for better time management, I already know before I've read it I'm not going to agree with three of them. But I'm open-minded to know that those remaining two, I might do more of something and less of something else. And often you get what I call an eyebrow-raiser, where you'll get a quick hit of something, a tip, where you think, "Wow, that is incredible." A couple of years ago I read an article on your website and it said just turn your notifications off for your email. You're going to go into your email five or six times in the working day anyway.

Amazing, right?

So why have that popping up in the corner? It's distracting you. And actually I did it and it was one of the best things I ever learnt.

It's so funny, these little life hacks can make a big difference, and we get that from readers all the time. I think that again, the website does a wide variety of things and not everything is going to work for everybody, but again, there's so much content there there's got to be something for everybody.

If it's not a quite a formula, do you have in your mind's eye an ideal issue of the magazine? That you've you put one to bed and you're starting again on the Monday for the next one, do you have already an idea of the ingredients that are going to go in?

It's a great question. Typically, I tend to think of the upcoming issue around a handful of the big acts. And the end of big acts are often dictated in advance, because we are trying to sell advertising against them. So we have a number of special issues that recur every year. The Inc. 5000 list, our annual 'How I Did It' issue, we debuted this year our 'Female Founders 100 List' in October. And that really helps sort of

shape the magazine in terms of the big stuff. There's also going to be some lighter stuff, some shorter stuff. I like having the columnists as something that readers can rely on, they know they're going to be there, it's one page, I can read it really quickly. So you do want a mix of not too many long things, not too many short things. In terms of the types of business, I usually want every issue to feature some companies that are more or less household names, and definitely some that no one has ever heard of. That's a good mix. In terms gender diversity, it's a real struggle, I'll be honest. The fact is that the bulk of businesses that are started in this country are started by men, and certainly when we assemble the 5,000 fastest-growing companies, that's subjective. If the companies are 92% male-run, which is roughly... I mean, it varies from year to year but it's high 80s, low 90s in percentage. You really have to make an effort to find those female founders to feature them in the magazine. So there is a kind of affirmative action that takes place because we don't want a magazine filled with all dudes. I mean, it's funny, Inc. next year will turn 40, and I've been spending some time looking at the issues from 1979, 1980, and it was really all men. I mean, no one seemed to think that this was a problem. The only time you get women in many of these issues is in the ads, and it's...

Stood next to a car.

Yes. It's really striking, and to be honest, again, it's not like we couldn't fill the magazine with men, I mean, there are a lot of good stories out there, but we know that that's not the kind of image that we want to portray – and we certainly want to be accessible to women and to celebrate and to document the particular challenges that female founders face. So there is a lot of thinking that goes into that, and similarly with racial representation, again, the overwhelming number of companies on the Inc. 5000 list are white men, and we definitely search out of people of colour to feature in the magazine, because we recognise that diversity is important. It's one of the core values of the magazine.

You mentioned there about the really old copies that you were reading, can you just share with us any more kind of observations that you had? I found that very interesting in terms of what was the same and what's different?

So one of the things that really cracks me up is, today we would call it a meme, but I don't think that term was much used in the 80s. But there is this thing where there is a way of portraying like 'the businessman', and he's got a three-piece suit. It's always with the vest. I mean, it's just hilarious. And then like the businessman hard at work, he's got the jacket off but he's still wearing the... this meme comes up over and over again in photographs, in illustrations. The other great thing about those old issues, and I wish I had some with me, is the ads. The ads are hysterical. This was, of course, the very beginning of what we think of as the PC revolution. It's the size of a house, but also so many of the computer ads are framed around anxiety, like, "Is it going to be too complicated? Do I really need it? Is it going to take over my life?" And the product that they're selling is the solution to your computer anxiety. But the assumption is that you're very anxious about it. There is also, there's an ad I love. You'll know that I wrote a book, published a book last year about the history of gold in the United States...

I was going to ask you about that later.

We can definitely talk about that, but I came across this ad after, sadly after the book came out, but in I believe it was in 1980, or the early 80s, the Krugerrand became available for purchase in the United States for the first time. And it was very popular, and there was a Dictaphone ad, if you remember what a Dictaphone was.

I do, I used to have one.

And they're selling their new model, and it's this sort of sleek black thing with some gold trim. And they've surrounded it with Krugerrands. And I just felt like, "What?" Of course, because...

That's the lifestyle.

Yes, that's the lifestyle. So I may have a sort of overly romantic view of old magazines, but I really enjoy kind of willing away the hours with these old copies. And I mean you see too, changes in magazine design, and this is true of a lot of publications. It was much text heavier in those days, not a lot of rich use of photography, a lot of stock photography, black and white photography was still kind of a thing, not uniform but it was... there was no shame in running a black and white photo, which we would only do now if it were like a really artsy black and white photo.

Not routinely, like it was then.

Yes. I will move on to something else, but I'll share with you one thing. In a very early issue, I came across a two-page article telling readers about this really interesting new way that companies can finance themselves, they're called junk bonds, and it features an interview with Drexel Burnham Lambert, which later kind of exploded because of the misuse of these bonds. And then you turn the page, and there's an ad for a Betamax. And all I could think was, "This is like a parody of a business magazine. If you were assembling like a parody version of a business mag from the late 70s, this is the content you would have in it." But it was all quite real.

You mentioned then about the Inc. 500 list of the fastest growing companies and now the Inc. 5000, which is obviously very important for start-ups to get recognition. Could you tell our listeners about both of those lists that might not be familiar with them, and where you're taking it?

Yes. It began life as the Inc. 500. You can put practically a list of 500 companies in a magazine and get away with it. But about 12 years ago, the publication made the decision to expand it to 5,000. That runs online. We couldn't put 5,000 names in a magazine. It's just not practical. But, they're both the same thing. They are both a measurement of the fastest-growing companies in America. There are a few requirements. You have to be private, and not owned by some other entity. You have to be doing business in the United States, based in the United States. We can talk about the 5,000 Europe, but this is the main list. You have to have, in the year that you enter, you have to have revenues of more than \$2 million. And you have to have

been in business for three years. The really amazing and genuinely unique aspect of this list is, in order to prove that growth, you have to tell us your revenues. As my colleague is fond of saying, "People will share with Inc. the financial information about their companies that they may not share with their spouse." I mean, this is a level of trust and a level of detail that we get, that no one else has. It's the thing that makes the list so powerful. We don't vet all 5,000 companies. We don't have the resources to do that. Although, any company that runs in the magazine, any company that is at the top of its category, there are about 36 categories, any of those companies, we will vet the information, make sure that it's been audited, double-check any forms that have been submitted. You can't really prevent someone from lying. If someone fills out a fake tax return, for example, there's nothing we can do about it.

You're not the IRS.

We're not the IRS. There have been some instances where we've...

Been duped. It happens sometimes.

No, not so much duped. I'm not aware of any time that we've been duped since I've been there. But I think there have definitely been occasions where we've tossed people off the list because we don't trust the numbers they've given us, or they're clearly not being forthcoming with us. But the result is this fantastic slice of American capitalism. You can literally look at the Inc. 500 list and get a sense of where the country's at. I'll give you an example. This year, in the Inc. 500, we noticed a lot of fitness companies. It's true that more and more Americans are going to a gym or some other kind of exercise facility. And more and more Americans, particularly women, are working out in groups. We have companies like Peloton and SoulCycle that are group activities, and that's a real trend. So we took a bunch of the companies that were in this space and wrote a feature about that. You see more and more companies focused on artisanal and organic food. Again, a major trend going on in the society. You can just look, and logistics. So many logistics companies, which I think is a function of the globalisation of the economy. It's more and more important to be able to do business in lots of different parts of the world. There's a huge rush of logistics companies that have come to serve that need. And so, you sort of study the list, and it's like a lesson in contemporary American capitalism. I find it fascinating. Yes, it's a fantastic honour for the companies who are on it. They really, again, these are people who have worked really, really hard, made tremendous sacrifices probably in their financial lives and their family lives, and now they're being recognised. When you come to our conferences and you meet these folks, you really get a sense for how special it is for them to be recognised. For a lot of them, it's going to be the peak of their careers. I mean, some clearly will go public, but that's a really small minority of companies. Some will probably sell and make a lot of money. But being in Inc., being on the Inc. 5000 is just a tremendous honour for them. And, I get a kick out of it every year.

Without getting quasi-philosophical about it, you were talking there about how the list has evolved. Do you think the changing list over the years reflects how society's changed, and that's reflected back in the list? Or, do you think it's

actually that business itself is driving the change in society? For example, I used to have to meet my friends under the clock at 11 o'clock on a Saturday when I was a kid. Now, no one would do that, because we've got iPhones and location tracking. There's Uber, there's all of these kind of things that have actually had changes on society, that have been driven by business.

Oh, absolutely. I mean, it's a really interesting observation. For example, just with the development of apps, you have a whole app driven economy. You have a whole type of commerce that on-demand services like Uber, or Lyft, that were simply not physically possible five or 10 years ago. The infrastructure wasn't there. So, yes, the type of company that makes the list is changing. Not surprisingly, things like manufacturing are not all that well represented today compared to 20 years ago. But 20 years ago, there were no IT services companies, either. So, it definitely is a feedback loop for change in the society. That's one of the things that Inc. is all about. We genuinely believe that business can be a source for good, a force for positive change in the society. We pay a lot of attention to the so-called conscious capitalism movement. Companies like Tom's, that pioneered the model of when you buy a pair of shoes, they give a pair of shoes to poor people. They've given away hundreds of thousands of pairs of shoes, if not millions of pairs of shoes. We celebrate those companies, we interrogate those companies, and we like to believe that we help push these companies in the right direction.

Do you think that the dominance of the big tech giants, like Amazon and Apple and Google, are dangerous? Are they squeezing out innovation? Are they empowering innovators?

Yes. I mean, it's...

That's another double edged sword right there.

It's a totally double edged sword. Because, on the one hand, it's a lot easier to start a tech company today because of things like Amazon storage. You can have a tremendous amount of server capacity for a very, very reasonable cost. I covered the internet boom of the late '90s and early oughts when I was at the Industry Standard magazine. Companies needed to raise millions and millions and millions of dollars just to buy servers. Now, you can get all of that stuff as a service for a very reasonable amount per month through a company like Amazon. Similarly, with Facebook and Google, the ability to target an audience from a marketing perspective using the tools that Facebook and Google have built, is incredible.

It's witchcraft.

It's witchcraft, and it's really cheap.

It's amazing.

I mean, the basic truth is, if you've got a direct consumer start-up now, and you're making toothbrushes, or eyeglasses, or whatever it is, and you're not spending 95% of your marketing budget on Facebook and Google, you're doing something wrong.

It's incredibly cheap, it's incredibly effective, and there are no alternatives. On the other hand, those companies can suck you in. There have been many allegations that Amazon will simply find out what's working, what's selling on Amazon, and then push those companies aside and introduce their own product. Lawsuits to that effect. Google, I think, raises a number of privacy issues, as a lot of these companies do. And so, I think that there is an increasing realisation on the part of people who are running start-ups that these companies are not always your best friend. And while you may need to use them, you also need to monitor the way that you use them, and not fall into some of these loops where they are crowding out innovation, and they are perhaps taking advantage of the things that they learn by offering the services that they do. This is something we've written about in the publication and gotten a lot of good feedback from readers about.

What's the culture like in the US for entrepreneurs compared to the UK? I know that you've got quite a unique take here, because you spent a lot of time in the UK. You've written about some of the big issues like, I think one of your columns was entitled Why You Shouldn't Freak Out About Brexit. So, it's an interesting question that I think you're uniquely able to answer, in terms of the entrepreneurial culture of both the US and the UK. And also, the economic outlook for both.

Yes. I mean, I'd be curious to hear your take on that as well. I mean, I would say that based on my time in the UK, I lived there from 2000 to 2006, there isn't the same kind of celebration of entrepreneurship in the UK that you get in the United States, for better or worse. I'm not judging. I think a lot of people in the UK expect start-ups to fail. There's this kind of like, "Oh, it's all just going to go pear-shaped at the end of the day." And that could be viewed as a kind of realism, it could be viewed as a kind of pessimism. The flip side of that is, I think, many American entrepreneurs could be accused of a certain naivety, of thinking that because they want it so bad, of course it's going to work. Again, the role of Inc. is to both help them, but also point out to them that it doesn't always work that way.

Optimistic fatalism.

Yes. But I think the other reality is that the United States' view of itself as an entrepreneurial hub is beginning to deviate from reality. I mean, the World Economic Forum and a few other organisations look at these questions of how easy is it to start a business in these countries. And the fact is, the United States is slipping down that league table even with a supposedly pro-business President and pro-business Congress. And the reasons for that are manifold, and something that we write about. But, these days, places like Singapore, places like Israel, places like even I think Denmark, are easier to start a business in than it is in the United States. And the fact is, start-up formation in the United States has been on the decline for several years – despite the fact, as I mentioned before, that it's easier and cheaper to do a lot of these things. There is no real consensus on why that is the case. I've seen people blame the amount of student debt that people have now is greater, and so they're risk averse. I've seen the theory that in past generations, people who left the military started businesses at a much higher rate than they're doing today. Certainly, you see arguments about taxation and regulation. I take those with a grain of salt. But, they

could be a factor in this. But, it's a really stark fact. So, I think while the US has a more pro-business, more that kind of frontier cowboy mentality of I'm going to take it on myself and do it, the fact is it's not happening at the rate that it used to happen. And, I don't know that our self-assessment, our self-perception has caught up with those realities.

I've never bought that argument about entrepreneurs being put off by bureaucracy, like I'm going to not start a business because there's eight government forms to fill in rather than six. I mean, it's nonsense.

I mean, I think in some countries that is the case. There's a wonderful book by Hernando de Soto called *The Mystery of Capital*. One of the things that he does in there, he arranges countries by the amount of paperwork it takes to start a business in 68 different countries. And there are places... I mean, Argentina...

Where you need a hundred forms.

Yes. I mean, it really is insane. But, I don't think that any of the OECD countries fall into that category. I really don't. Again, there are some cultural proclivities toward entrepreneurialism that are probably stronger in some places than others. You have a greater government role in the economy in some European nations than you do in most of the United States. But these are grades of difference. I don't think they're all that black and white. The fact is that there are terrific entrepreneurs in the UK, and terrific entrepreneurs in the US. I think we just look at them with slightly different expectations and prejudices.

You're right to mention Singapore, because I've been out there many times. I've got some clients out there, and there's a real culture of entrepreneurialism there, and it's driven. Their government and all the politicians really want to empower that. It seems to me that in the US and in the UK, the entire political machine is paralysed with this huge issue. For example, here it's Trump. You either love him or you hate him, but he just seems to dominate everything. In the UK, it's Brexit. I think our Prime Minister Theresa May is doing a reasonably good job. But 95% of what's on her desk every day is going to be Brexit. She hasn't even got the mental capacity, no one would, to deal with anything else. So, we're on our own.

Yes. I mean, I still haven't entirely wrapped my head around the Brexit issue. I mean, I know that the promise has been made that there wouldn't be a second referendum. But my sense is that sort of buyer's remorse on Brexit is pretty high, and that a lot of people who voted for it had not thought through the implications and the difficulty. You referenced the piece that I wrote in a flurry in 2016 right after the vote.

It was a great article.

Thank you. I went back and looked at it, and I think a lot of it still rings true. I was writing specifically for an American audience that was on the verge of freaking out because of what was going on in the stock markets. That was a blip, it turned out. And that was one of the arguments that I made, is that while the historic ties between

the US and the UK are so strong, the fact is, as trading partners, it's not really that big a deal. Again, from the American perspective. The Brits have their own reasons for freaking out or not freaking out. But I agree with you about the all-consuming nature of it. And what's so challenging about that is that the vote was so narrow. It's not like it was an 80/20. And then, it dominates everything. It's like, "Okay, but this is the will of the people." It's not clear that it really was the will of the people. And if it's going to be that close, do you really take a step that's that momentous? I still am not convinced it's going to happen.

And you've engaged in the debates on how dangerous artificial intelligence will be to the future of humanity. I mean, is this just a case of you watching Terminator 2 and then knocking an op-ed out?

No! I think the issues are very real. I mean, on the one hand, it's an extremely exciting time with all of the rapid developments in big data and artificial intelligence, and the way that these are going to be applied in the business world and in our lives. I think that the sum of the debate gets a little heated and a little overblown with people talking about robot revolutions.

Even my question was quite offensive, really. Wasn't it?

Yes. But, there are very real issues. I mean, one thing that we wrote about recently involves self-driving cars, autonomous cars.

I have one.

Do you?

Yes, I have a Tesla.

Fantastic.

I also have a Ford Mustang as well, to cancel out the good that I'm doing, but we'll move on.

There is a classic thing taught in ethics courses and Philosophy 101 courses called the trolley problem, about whether you make a decision to throw someone off a trolley that's about to crash or not, and who you save. The fact is, that autonomous cars are going to have to deal with this in their algorithms.

Who killed my grandmother who got run over? Is it the algorithm designer?

Exactly. And just as there is no real answer to the trolley problem, there may be no real answer to this, but this is an example of the kind of issues that we're going to be grappling with in the 21st century. Similarly, the whole role of robots and automation in the workplace is going to change the role that managers have. We had a story in the November issue about a consultant that came into this, it was like a real estate fulfilment firm. A lot of their business was just cold calling. Just calling people up,

“Why haven’t you paid your bill?” etc., etc.. And they come in, and they can automate several of these jobs. This one guy who’d been there for a long time, when he saw this, he started crying. It was really awkward for the consultants who’d come in, because they thought, “Oh, my God, he’s sad about losing his job.” And in fact, he was crying because he was relieved of the drudgery of doing this awful work day and day out.

Tears of joy.

Tears of joy. Realising that he could now maybe do something interesting, because this machine could do his job for him. These types of issues about what is the work that humans should do that they do best, versus what have they done all their lives because it needed to be done, and we didn’t know what the technology behind it was. These types of questions are going to be confronting the managers of the future, and we at Inc. feel it’s time to start thinking about them and discussing them.

Where is the conversation heading, then?

There’s a lot to be said for the technology that can do repetitive tasks, that can do tasks that are necessary to a business’s day-to-day function, but not necessarily helping that business distinguish itself strategically or grow. And to concentrate the creative and uniquely human resources on those places where they can make the most difference. Now, that sounds great in theory. How do you do it in practice? But I think we can all sort of look at the way our lives are going, and realise that so many of the things that consume our time are really quite rote. I was reading in the New York Times today, an article that was basically the fact that a lot of your email can now be automated shows you how much time you’ve been wasting with your stupid email that you don’t really need to do. And if you can find ways to shift that activity to automation that’s not going to offend anybody or hurt anybody’s feelings, gosh, you should do that. Because you can make better use of your time doing something that can’t be automated. And getting that equation right, I think is going to be the difference between a lot of successful businesses and a lot of businesses that get stuck.

Yes. I call that the kind of Starbucks barista problem. Because, not to demean what a barista does, but 99% of the actual making of the latte could easily be automated by a machine. I imagine Starbucks think that their customers value the fact that a human being warms the milk and makes it, but they don’t have to do that.

Yes.

Well, that’s my point. I like that. I like making eye contact and having a conversation with that person.

I like when they write my name wrong down on the cup.

I deliberately give the wrong name. But actually, if it was going to be a buck cheaper, then ultimately, I don't want that person there. I'm quite happy for it to be a machine.

Yes. I mean, we face these problems all the time. There are the classic examples of the buggy whip. The people who work in the buggy whip factory are people, too. But, you don't need buggy whips if you have cars. But there is that kind of planned obsolescence versus the random or the market force obsolescence. So again, the ideal that you want with Starbucks is have those people doing something else that machines can't do. And we face it in manufacturing, we face it in agriculture, we face it in all sorts of sectors. In medicine. I've seen these little robots that go around in hospitals now delivering pharmaceuticals from point A to point B that used to be done by a pharmacist or used to be done by a nurse. And while you don't salute the idea of displacing people from jobs, the challenge for the companies of the future is what can people do that only people can do? And how do you deploy your workforce in that most effective way while trying to use the cutting edge technology to do stuff that they can do? We don't have it right. There's no question that society does not have this right yet. But as I said, we are trying to push that conversation, and it's really fascinating to think about.

And it's even more fascinating to think that some jobs might have a hybrid of human and bots. Even journalism, for example, some of the sports results columns now.

This podcast can be done by robots.

How do our listeners know it isn't?! But also some of the stock exchange reporting as well, is semi-automated, even now.

Absolutely. I mean, I was working at Reuters shortly after they did this. At that time it was a sort of tremendously revolutionary thing, which they moved the routine coverage of quarterly earnings announcements to Bangalore where the labour was much, much cheaper. And so it's kind of weird because you'd be reading a story about a company in Cupertino announcing its earnings, and the dateline on the story would be Bangalore. It's a little disconcerting, but of course the next step is to simply automate that. And quite frankly, that's already happening. That level of very formulaic news writing can now be done by machines. And if we're the likes of Reuters, so then what do you do with those reporters? That's your challenge.

And like many employers, they'll probably just lay them off, because there seems to be fewer journalism jobs than ever.

Yes, and from a purely profit point of view, that makes sense. The hidden challenge there, or the possibly hidden profit is, there may be some even better, more creative thing that those people can do. You just have to figure out what it is, as a company, as a manager. And again, I think that's one of the great roles of entrepreneurs to come in and figure that balance out that the bigger companies are missing because they're so focused on that profit.

So here's a book that a robot couldn't have written: One Nation Under Gold. I have not read it. I bought it actually. Obviously I've looked into it in preparation for this meeting because it actually struck me as incredibly fascinating that you've got to the root of the American fascination with gold, and its impact on politics.

Yes. It's really interesting. The inspiration for this book came in 2012. I was watching the Republican presidential primaries, and it dawned on me that there were seven men on stage, and of them six said that if elected president, they would either restore the United States to a gold standard or seriously consider restoring the United States to a gold standard. And it sort of struck me that in no other nation of any size or import is that a major debate in one of the largest political parties. That's just not a debate that's happening anywhere else. Why is that? And so the more and more I dug into it, the more – if you'll excuse the metaphor – nuggets, I began to find. And if you think about this continent, it was “discovered” by people who thought they were going to find gold. I mean, that was one of the motivations for the western explorers. And then, after a few hundred years, it kind of comes true in California, and it's really fascinating to go back and read the contemporary attitudes about the discovery of gold in California. There were definitely some who denounced it as the inevitable source of evil and corruption of men. But more often, the attitude was, “God has put this metal here for us. It is part of the divine plan. It is proof positive that Americans are destined to be wealthy.”

A sense of manifest American destiny.

An absolute sense of American... and, well, I think no one or almost no one would make that argument today. It's still there, I think, in the back of our minds, and yet has had this amazing and indomitable impact on American politics. Not always for the good. There's quite a lot of damage that gets done when you tie your currency to any physical commodity but particularly one that has to be excavated and processed...

And then guarded. It's not even a good metal, really.

Not really. I mean actually, that's not true. It has some very useful industrial applications. It's a fine conductor of electricity. It's indestructible. It does have some good fiscal properties, but the idea of tying your currency to it is, as Lord Keynes says, a barbaric relic and really quite damaging. And one of the reasons why I wanted to write the book was to kind of argue against this kind of often unconscious or semi-conscious idea that we'd be better off if we turned our currency to a metal. The book found a good audience for itself. I'm really happy to have published it. And I am in no hurry to write another one, because it was a lot of work.

I've written a book as well, and it was just hell from start to finish. I allowed a year to write it. It took me four years to finally get it out of the door.

Yes. That's about right.

Yes, for the last couple of years it was just like wading through treacle. Well, it was for me anyway. When you were talking about that America's fascination with gold there, I was conjuring up imagery of Donald Trump and his gold-plated lift.

Absolutely. Absolutely. And the garishness in so many of the Trump properties. Someone actually said I should try and add up all the gold in Trump properties, which was a good idea to publicise the book, but I never got around to doing it. But yes, it's part of our culture. We still have rappers with gold teeth, and we talk about this being the gold standard, and gold records. It's literally woven into our language and our culture, and I think that's indicative of mankind's fascination with gold. But there is this peculiarly American attitude as well and I hope that anybody who is interested in this will pick up a copy of the book.

Absolutely. I have genuinely bought it. I just haven't read it.

You're the one.

Tell us, before you joined Inc, you were the opinion editor for Reuters. That must have been a great canvas for you as a journalist.

It was fantastic. Reuters had really not done a lot of opinion, or not very consistently, prior to my taking that position.

It was the wire. It was news.

Yes, that's right. And in fact, there were some folks who were quite uncomfortable about it because they thought that it would somehow undermine the credibility of the news wire. I think most people got over that, but it was part of a broader digital reimagine of Reuters which quite frankly didn't work out the way they planned it. So they've kind of dismantled most, but not all, of the opinion section. But yes, for a few years, I assembled a terrific team of contributors, people from the UK like Anatole Kaletsky and John Lloyd. In the US, Susan Glasser, Jack Shafer, David Rohde, Mohamed El-Erian, the head of PIMCO. It was a real effort to do opinion pieces that were not the kind of left, right, shouting, hot-take stuff. There's so much politically charged opinion. We wanted to do something different. We certainly wanted the writers to have opinions, it was the opinion section. But we wanted them to actually make their arguments. We wanted them to use statistics. We wanted them to look at issues the way that economists and business people look at them as opposed to political partisans, which is the way that so much of this material gets dealt with. One of the side effects of the approach was... I suppose I'm telling tales a little bit out of school, but enough time has passed, this is okay. From time to time, I would get indications from on high that we should really make sure to reflect a conservative political viewpoint. So I spent a fair amount of time...

How high? Are we talking Jesus level?

Let's say it seemed to be sort of CEO level or board level concern.

So above Jesus then?

To make sure that we had at least one reliable conservative columnist. And so, I sought out many of the folks who were on the right, writing for places like the Financial Times and Forbes and the Wall Street Journal. And it was actually a little harder than I thought. These folks are quite in demand and commanding good paychecks, and so it wasn't all that easy. Then I settled on a really, really smart guy who had worked on Capitol Hill and was writing these kind of wonky pro-market pieces for us, and he was quite good. Then a few months went by, and the word came down again. And I sort of realised that even though I had hired this conservative columnist who was writing every week and he was really quite good, that because he wasn't jumping up and down with veins coming out of his head, no one perceived him as a conservative. They wanted like the raw meat conservative. And so it kind of circled back on itself. But that's not the reason why they shut it down. Ultimately, they didn't really find a way to make use, which is to say money, out of the opinion that we were producing. It's a shame. I long thought that there was some market potential there. So just for example, if you think of the average American newspaper now, if they ever employed columnists to write opinion pieces for their... those jobs are long gone. It's all syndication now. But if you're already a Reuters subscriber, you could subscribe to the opinion section and put some of our folks in the papers. So I always thought there was a market there, but actually delivering that proved something that was a lot harder than I thought it would be. And so, at the end of the day, after three or four years, they largely cut back on the opinion, which is too bad. We assembled a great team, I got to edit some fantastic folks, and I've moved on.

What type of editor are you? How do you go about your job, without getting too existential about it? What is a typical week? I've interviewed literally dozens upon dozens of editors, and it's fascinating to see the differences in how they go about doing it.

At this level, one of the things and I'm not sure that this is apparent to most people outside or even inside of the organisation, the amount of actual editing that I do is a pretty small part of my day. I mentioned before that the website is publishing 60, 70, 80 pieces a day. I don't edit those pieces. A huge number of them are published without me ever seeing them; it's just the volume is too high. And that's true for a lot of places. In the magazine, I certainly edit everything that goes in it, usually several times. I have some great folks who work for me, I trust them and they produce terrific content. I have suggestions, I may hook them up with sources, I may give feedback on a piece saying it needs more of this or it needs less of that, it should be restructured differently. But I do put a lot of value in finding the right writers and finding the right editors and then kind of getting out of their way. I wouldn't consider myself a micromanager as an editor. I spend a certain amount of time planning future issues, a lot of times in strategy meetings, a lot of time working with the business side, because that's a big part of what the 21st century publication looks like. A lot of discussions about, "What can we do that will excite advertisers? What can we do to meet the market needs?" But actual kind of sitting down with the paper and cutting words and stuff, I do it, but I would say if it's 20% of my time, that's probably a high estimate. There's a lot of meetings. There's a lot of meetings.

And if you could clone yourself so that you could send the other you to some of those meetings that you're not that particularly bothered about but have to be there, which would you send the other guy to?

The web strategy meetings I think I would send them to, some of the meetings with the other departments like marketing and sales. He can go to those. And I would spend more time with the magazine itself. But again, it's a machine. I've got a terrific staff. It's a machine that runs itself reasonably well. I have to put out some fires now and again. In putting together the current issue, it's a happy occasion that they've sold a lot of ads, and so we actually need some stories that we didn't initially plan for. So there are things like that that need doing and there are lots of choices about different photographs or should we have a chart that accompanies this? Those types of things. And I really enjoy that stuff, but again it's striking to me how little of my day is actually taken up with that.

We have a lot of listeners that are aspiring journalists and students and so on, and I imagine if they're anything like me when I was at that age, I was incredibly ambitious and I would read Inc. and I would say, "I want to be editor of Inc. one day, 20 years from now that'll be me at the top of the masthead." What advice would you give to that person now listening that 20 years from now wants to be the next you?

Well I didn't aspire. I kind of fell into this job, and quite happily. Before I was a business journalist, I really focused more on politics and media. I kind of grew into business journalism starting in the mid to late 90s. A couple of things. One is that you can't get too addicted to any kind of platform. If you're talking about a 20-year horizon, I don't want to make any predictions, I certainly hope that print is still around, but it's no secret that print represents a declining percentage of what publications like ours do. And we're down to eight issues a year. It had been 12 and then it was 10 and now it's eight. I certainly hope it doesn't go any lower than that because at some point, why are you doing it? I know why we're doing it, and I can make a passionate defence of print, but I wouldn't bet the house on it if we're talking about a 20-year horizon. So don't get addicted to any given platform. And that's even true digitally. I mean, the way that the digital content has changed is also fascinating. We went from a period where virtually everyone was reading Inc.com on a desktop to having to be mobile friendly, in a relatively short period of time. In 20 years that will be replaced by something else. Podcasts will be delivered in a different form, I'm sure. Video may be really, really important, or be surpassed by some augmented reality thing so that... you hear a lot of people talking about brands which can be both boring and euphemistic, but the brand is what ties these different platforms together. And so to think about things in terms of what a brand delivers and what a brand's commitments are rather than any given platform. That's number one. The second thing, we have a running rubric in the magazine, Notes to my Younger Self. So I'm thinking of this that way. I would have been well served to learn about the business side of media much sooner than I did. I kind of fell into it as a media reporter, and found it quite interesting and sometimes a little depressing. But that's a really, really useful thing to know as you go into the market to understand where the revenues come from, what relationship does advertising have to editorial content? What relationship could it have, what relationship should it have? What are the revenue opportunities outside of advertising? So one of the things that's really important at

Inc. is our conferences. We get a lot of money from people who are going to pay to come to our conferences. Franchises like the Inc. 5000, people pay, thousands and thousands of companies pay to get into that, and to be able to think about what sustains the kind of journalism that we celebrate, and that we want to keep doing. That will make you a very valuable editor, a very valuable reporter if you can think in those ways. The other thing I would say, is that while it's important to have a niche, and I do think of Inc. as a kind of a niche. It's not just business journalism, but it's particularly about growth and entrepreneurs and start-ups...

There is a tough-minded optimism to it though, an outward looking-ness, which I really like.

Absolutely. But while it's important to develop an expertise in a niche, it's also really, really important to not lose track of broader issues. There's a risk that you stop paying attention to politics or you stop paying attention to culture, or you stop paying... because you're so focused on what you're doing, and, "No, we're not going to run a piece about opera, so why should I read about opera?" But actually you're a better editor if you've got a diverse set of interests and if you keep track of what's going on in the rest of the world. It'll make you smarter, it'll make you more creative, and it'll ultimately serve your readers better if you don't become too narrow in your passions.

James, I've learnt a huge amount. Thank you ever so much.

It's been my pleasure.