

Pete Robinson: Welcome to Uncommon Knowledge. Be sure to join us on Facebook at facebook.com/uncknowledge. You can submit questions, comments, suggest guests. Today economist Thomas Sowell, a fellow at the Hoover Institution and the author of such classics as Basic Economics and The Vision of the Anointed. Dr. Sowell's most recent book, a revised and expanded second edition of Economic Facts and Fallacies. Tom, welcome. Economic Facts and Fallacies quote: "Some things are believed because they are demonstrably true. But many other things are believed simply because they have been asserted repeatedly." You wish to let that gloomy observation on human nature stand?

Thomas Sowell: Yes.

Pete Robinson: Segment one — Housing — Economic Facts and Fallacies. Quote: "The biggest economic fallacy of housing is that affordable housing requires government intervention." Now, Tom. Tom, I have to remonstrate with you. No poor person would be able to live on the island of Manhattan or in the city of San Francisco if there weren't rent control or subsidized low income housing that these cities force builders to set aside when they built their high-rises for rich people. Isn't that manifestly true?

Thomas Sowell: No, it's not even remotely true. [laughter]

Pete Robinson: All right. Explain. Explain.

Thomas Sowell: Well, first, history. There are more people, I believe, living in Manhattan prior to the rise of rent control and prior to the rise of government housing projects. My gosh, at one time the lower east side of New York was the most tightly packed place in the world. New York and San Francisco have very long rent control laws, old ones and severe ones. And yet, when you look at the cities with the highest rents in the country of any major cities, they are, number one, New York and number two, San Francisco.

Pete Robinson: So what's going on? Why does the political system produce a perverse outcome, which is then supported in the press? Try to mention a repeal of rent control and the *New York Times* will go after you immediately.

Thomas Sowell: Absolutely. What happens in rent control around the world, really, because it's been tried so many times, is that people, if the rent control is severe, the people either reduce the amount of housing they build or they stop building housing altogether. And so what happens is political authorities are then confronted with the situation "do you want to have a situation where there is no new housing built and the old housing is wearing out, usually faster under rent control, because the landlords don't have to keep it up as much." And so they step in and they'll have won some kind of modification. So that, well, they'll say "we're trying to protect the poor so we won't regulate luxury housing." Of course, luxury housing and ordinary housing use much of the same labor and the same materials. And so, therefore, all the materials that otherwise are going into making ordinary housing goes into building luxury housing.

This is an unedited transcript of the interview

Pete Robinson: Economic Facts and Fallacies once again. If we go back to the beginning of the twentieth century before government intervention became pervasive in housing markets, we find — and this is, to me, one of the most arresting assertions in the book — we find people paying a smaller percentage of their expenditures for housing and at the end of the twentieth century. In 1901, housing costs took 23% of the average American family's spending. By 2003, it took 33% of a far larger amount of spending. What's going on?

Thomas Sowell: What's going on is that they're restricting the amount of housing that can be built. And obviously, if you restrict the supply while the demand is growing, the prices will go up through the roof.

Pete Robinson: *Cui bono*, who benefits from this arrangement?

Thomas Sowell: Politicians most of all.

Pete Robinson: How?

Thomas Sowell: Because they get the reputation of being for the poor and the downtrodden and they're setting aside affordable housing units, usually some token of balance. They are preventing the evil landlords from raising the rent by rent control and if they're able to keep the public paranoid that if they take off rent control, you know, it'll be just sky high prices. And so they gain by that. Both the landlords and the tenants lose. They lose in different ways and to different extents. The tenants lose because they can't find a place to stay. The landlords lose because they don't make the profit they would have made otherwise. The builders lose because there's no demand for apartment buildings if nobody can make a profit on it.

Pete Robinson: All right. Economic Facts and Fallacies once again. Quote: "Where builders are allowed to construct homes and apartments without severe government restrictions, even growing populations and rising incomes do not cause housing prices to shoot up because the supply of newly constructed housing keeps up with the growing demand as in Houston." Now would you please contrast Houston with our own coastal California?

Thomas Sowell: Oh, my goodness. There couldn't be a better...

Pete Robinson: I'm giving you an easy one.

Thomas Sowell: Yeah, that's an easy one. Houston doesn't even have zoning laws whereas to build anything in coastal California is just an ordeal. I mean, you have to go through all kinds of planning commissions. I've had the misfortune of sitting in on two planning commission meetings. I don't know what it did for my blood pressure watching these people. The discouragement is huge. So someone estimated, for example, a real estate company, that a house that would cost \$155,000 in Houston would cost a million dollars in San Francisco.

Pete Robinson: Right.

Thomas Sowell: The same house.

Pete Robinson: Now, but Tom, what about a place like Las Vegas which overbuilt dramatically and now it's going to take who knows how many years for the already in place housing stock in Las Vegas to get purchased? Meanwhile, of course, it's declining. That was, we could have used a little regulation there, couldn't we?

Thomas Sowell: Well, the regulation was one of the problems. I don't think it's going to take years unless the government's intervened as it has to keep the prices from falling. The people who own the empty houses have every incentive to rent the houses for whatever they can get. But whether that's, I mean, I had the very same problem here on the Stanford campus when I moved away — that I didn't sell my house immediately and so I rented it out. And I rented it out for an amount that was a hundred dollars a month less than the mortgage payment. Because the alternative would be to have it sit empty and pay the whole mortgage payment myself.

Pete Robinson: Segment Two — Race and Economics — Economic Facts and Fallacies
Quote: "Few subjects produce more fallacies than race. Among these fallacies are that" — now, get ready. I'm going to give you a passage here — "race was the basis of slavery. That racism is the main reason for black/white differences in incomes and in all the other aspects of life that depend on income;. Moreover, there is often an implicit assumption that racism and discrimination are so closely linked that they go up or down together." Now, what you have produced is a handful of outrages and we'll take them one at a time. How's that? Race wasn't the basis of slavery?

Thomas Sowell: Oh, it's a simple historical matter. Slavery existed for thousands of years as far back as there are any records of human beings. Archeological findings suggest that races, that slavery rather, existed before human beings could read and write. So with race, a racial difference between the slaves and the enslavers — that is a relatively new phenomenon. You didn't have, in ancient times, the ability to go to another continent and move millions of people of a different race across the ocean so you enslaved the people who were nearby. The Europeans enslaved Slavs for centuries before they brought the first black African to the western hemisphere.

Pete Robinson: Okay. But so you're not suggesting — you do not wish to say anything other than that slavery as practiced in the United States was, — it may have been recent, but you'd argue — you'd be willing to grant that it was particularly perverse and destructive?

Thomas Sowell: It's...

Pete Robinson: Since race got mixed into at that point, right?

Thomas Sowell: Race got mixed into in the United States more than anywhere else for a very simple reason. The United States was founded on — the Declaration of Independence said, "All men are created equal." If that's true, then the only way you can justify slavery is to say that some men are less than men.

Pete Robinson: Oh, I see. So the racial —

Thomas Sowell: But in Brazil, where Brazil imported more slaves than the United States, there was no such ideology. Brazil was not a democratic country. The whole issue never arose.

Pete Robinson: I see. I see. All right. Race doesn't account for differences in black/white income?

Thomas Sowell: No. The differences between income, between western Europeans and eastern Europeans is greater than the difference between blacks and whites in the United States. The differences in income are the rule; they are not the exception.

Pete Robinson: So looking at all these sociological studies that show a persistent gap between African Americans in income and every form of American in income is what, useless? It tells us things that we don't even know? It misleads us? How would you describe that?

Thomas Sowell: Wrong, I think, sums it up. [laughter] It is not true. Hispanics have a lower per capita income than blacks. Hispanic households and families have a higher income than black households and families simply because the Hispanic families are larger.

Pete Robinson: Okay. Now, this last assertion: race and discrimination, you suggest, are not so closely linked that they move up and down together. First of all, distinguish the two — race and discrimination.

Thomas Sowell: Well, racism is an attitude inside people's heads. Discrimination is an overt act taking place outside in the real world.

Pete Robinson: Okay.

Thomas Sowell: Now, so not only with black groups. You find the same thing with Jews in previous centuries — that that part of the United States where there was the most racism against blacks, namely the south...

Pete Robinson: That's right.

Thomas Sowell: ... is where black construction workers were much more common than they were in the north right on into the twentieth century. And most people aren't aware that in the south, blacks were the construction workers. I remember a professor at Howard University saying that when he was a boy in the south, his father pointed to some man in the street and said, "He was the first white construction worker in this town."

Pete Robinson: So what was going on there? The racism did no —, so whites could think of blacks as somehow or other separate, but they'd still employ them...

Thomas Sowell: Oh, yeah.

Pete Robinson: ... because the market made it profitable to do so.

Thomas Sowell: Yes. In fact, a law had to be passed to stop this because in the '20s and particularly when the Depression got underway, black construction companies in the south using black non-union labor would come up to the north and underbid on government contracts, taking them away. And so this was very common, to the point where they passed the Davis-Bacon Act which said that on government contracts you must pay the prevailing wage. Which was translated almost invariably into the union wage.

Pete Robinson: So your point on the distinction between racism and discrimination is don't worry about racism. It's inside people's heads. You can't measure it. There's a strongly subjective — just forget about it, concentrate only on discrimination and the best answer to discrimination is to let markets operate because then people will discover — it will tend to militate against discrimination...

Thomas Sowell: Oh yeah. Yeah.

Pete Robinson: ... When people have skills to offer, they'll be employed. Whatever this notion of racism in people's heads is, don't worry about that. Is that right?

Thomas Sowell: Yeah. What I'm saying, essentially, is that racists may prefer one race to another, but they prefer themselves to everybody else.

Pete Robinson: So they'll do what's profitable.

Thomas Sowell: That's right. That's right. And that was even true in South Africa under apartheid — that there were hundreds of construction companies in South Africa that were fined in a government crackdown because they were hiring more blacks and in higher positions than they were allowed to under the apartheid law because that was where the money was.

Pete Robinson: All right. Segment Three — Race and Culture — Economic Facts and Fallacies. “A fallacy is that the current fatherless families so prevalent among contemporary blacks are a legacy of slavery where families were not recognized under slavery. This ignores the fact that the problem has become much worse among generations of blacks far removed from slavery than among generations closer to the era of slavery.” Explain that.

Thomas Sowell: You mean explain why it is so or explain—

Pete Robinson: Yes. Why is that, what on earth is going on there? That is so counter to what we assume.

Thomas Sowell: Well, first of all, most people have not recognized the fact that if you go back into the 20s, you find that married couple families were much more prevalent among blacks then than today. You find, also incidentally, that the blacks had, as late as 1930, blacks had lower

unemployment rates than whites. So all these things that we complain about and attribute to the era of slavery, those things should have been worse in the past than in the present.

Pete Robinson: Right.

Thomas Sowell: But, in fact, they're worse in the present than in the past. And I think if you want to look for a turning point, it would be since the 1960s.

Pete Robinson: And what happened in the 1960s?

Thomas Sowell: Oh, you began to have not only the welfare state. You began to have the mindset that goes with the welfare state so that there was no stigma any longer attached, for example, to being on relief or welfare.

Pete Robinson: And so, but why, well, illegitimacy is exploding now among, it's high among Hispanics...

Thomas Sowell: Yes.

Pete Robinson: ... and it's exploding among whites. But the Moynihan Report — when was that, Tom?

Thomas Sowell: Oh, in the '60s.

Pete Robinson: '60s.

Thomas Sowell: Well, '65.

Pete Robinson: When Moynihan talked about the illegitimacy rate among blacks —

Thomas Sowell: Yes.

Pete Robinson: ... which was exploding then. So what, if the welfare state changes the way Americans think...

Thomas Sowell: Yeah.

Pete Robinson: Why did black Americans prove susceptible to that change first?

Thomas Sowell: Because they were poorer. I don't think that many Asian American girls who are preparing to go off to Stanford or Harvard are going to say, "Hey, I can live on welfare. Why should I abstain?"

Pete Robinson: So it's nothing to do with slavery. Or at least it's less to do with slavery than it is to do with —

Thomas Sowell: Yes, yes.

Pete Robinson: — the government, with what we have willfully constructed since... Once again, crime. Once again, Economic Facts and Fallacies. "The history of crime and violence among blacks contradicts many widespread beliefs about the causes. Crime among black Americans, like crime among white Americans, was declining for years prior to the decade of the 1960s. But it was during the 1960s that crime rates began skyrocketing among both blacks and whites and it was after the historic civil rights laws were passed that blacks began rioting in cities across the country." Again, this is just, you know — well, actually, not only do you know it, but you relish, you relish how contrarian this is to everything we think we understand. How — what happens in the 1960s that leads to rioting?

Thomas Sowell: For one thing, oh, the justification of rioting, for one thing, and the holding back of the police and one of the biggest, the biggest riots in terms of deaths occurred in Detroit. And the governor sent in troops, but he sent them in with strict orders to hold off and so on. And once the rioters, who were just a small percentage of the population of the black community, once they saw that the police weren't going to do anything, they ran amok. I contrast that with Chicago, where I still remember the original Mayor Daley coming on television and saying, "I have instructed my police in case of riots to shoot to kill." There was horror across the country. People didn't notice that there were far fewer deaths in Chicago than there were in places where the mayor came on and pleaded with people to behave and said, "I understand your problems," and all of that kind of stuff — none of which stops riots.

Pete Robinson: Although Detroit, once again, Economic Facts and Fallacies. "Although Detroit had the worst of the riots, the poverty rate among Detroit's black population was only half of that of blacks nationwide. Its home ownership rate among blacks was the highest in the country and its unemployment rate was 3.4%, lower than among whites nationwide. Detroit did not have a massive riot because it was an economic disaster area. It became an economic disaster area after the riots." So again, what causes these riots? Once they get started, the governor does the wrong thing.

Thomas Sowell: Yes.

Pete Robinson: What starts them?

Thomas Sowell: Oh, anything can start a riot. The question is how you stop them. And James Q. Wilson once said, "The only thing that will stop the riot is overwhelming force on the scene." Well, you see, if you put overwhelming force on the scene, that will, indeed, stop the riot cold. But then the next day the newspapers will say, "Why did the police overreact? I mean, they was just a little disturbance and here comes these tons of cops."

Pete Robinson: Right. Right. Here's, once again, Race and Culture — Economic Facts and Fallacies. "Race is used as a sorting device for decision making, even by people who are not racists.

Thus, employers may be reluctant to hire young black males because these employers are aware of what a high proportion of them have been arrested or in prison, even if the employers have no antipathy to black people as such, and readily hire older blacks or black females.” Are you saying that discrimination, even on the basis of race — you’re saying it can be rationale. Do you want to suggest that it can be acceptable?

Thomas Sowell: Well, that’s a different question.

Pete Robinson: Yes, it is.

Thomas Sowell: But I do notice that among a group of employers who routinely check everyone for prison records, the hiring of young black males is greater than employers in general. In other words, once they realize —

Pete Robinson: If they find somebody whose record is clean, they’ll take him.

Thomas Sowell: Yes.

Pete Robinson: All right, Segment Four — Facts and fallacies potpourri. [laughter] There too many of these incoming, okay listen to Paul Krugman, your favorite economist — didn’t I hear you say that?

Thomas Sowell: No, not unless I was absolutely on LSD or my mind is going completely.

Pete Robinson: All right. Paul Krugman writing in his *New York Times* blog, “Since the late 1970s, the America I knew has unraveled.”

Thomas Sowell: [laughter]

Pete Robinson: You might be willing to take that. “We’re no longer a middle class society in which the benefits of economic growth are widely shared. Between 1979 and 2005, the real income of the median household rose only 13%, but the income of the richest one-tenth of one percent of Americans rose 296%.” The rich are not only getting richer, they’re becoming dramatically richer while everybody else is trading water.

Thomas Sowell: Yeah, I love it. All I have to hear is the word “household income” and I know we’re not serious.

Pete Robinson: Why?

Thomas Sowell: Because households differ over time in size, they differ from one group to another in size and they differ from one income level to another in size. For example, in the bottom 20% of households, there are 39 million people. In the top 20% of households, there are 64 million people. Over time, the households have been declining in size. So if you had a household in which, at some point in the past, there were three working adults.

Pete Robinson: Right.

Thomas Sowell: And now the household has only two working adults and the family is making the same money they always made. That is not stagnation. That is a 50% increase in per capita income, which may be why one of the adults goes off and establishes his own household. He can afford to. So household income, utter nonsense. If you're serious, you look at per capita income because per capita means one person and it always means one person. It doesn't mean one person in 1980, another — and one and a half persons in 1930 — and so it always means one person. So if you're looking for a legitimate comparison, that's what you do. If you're looking to score political points, you go to household income and family income and — voila — you have your political points.

Pete Robinson: All right. On per capita income, how's the country doing?

Thomas Sowell: I haven't checked the latest figure. I'm sure, I know that in terms of real per capita income, the average income today will buy less than it could last year. I don't usually make predictions, but I suspect it will buy less next year.

Pete Robinson: All right. We'll come to the pessimism of Dr. Thomas Sowell soon enough. Income inequality and woman — Economic Facts and Fallacies. "Given the numerous factors that impact the incomes and employment of women differently from the way they impact the incomes and employment of men, it can hardly be surprising that there have been substantial income differences between the sexes." Okay. Not quite as outrageous as you often are. Here it comes. "Nor can all these differences be assumed to be negative on net balance for women." Tom, you look at the difference in income between men — higher, and women — lower, and you suggest that, on average, women may actually be better off. Or many women may be better off. You have to explain yourself.

Thomas Sowell: Well, you're making comparisons. Again, you can't compare apples and oranges. When I was doing research for that particular chapter, I remember being amazed that there was a large difference in income between young male physicians and young female physicians until I dug into the data and discovered that young male physicians work more than 500 hours a year more than young female physicians. If you work 500 extra hours, chances are you'll get paid more. And as you go through many of the other differences, you find all kinds of explanations of that sort.

Pete Robinson: Last item in the potpourri : the university in contemporary America. Now, don't get misty eyed.

Thomas Sowell: [laughter]

Pete Robinson: Economic Facts and Fallacies: "In general, the way that higher education is financed, including the nonprofit status of most academic institutions, gives decision makers in academia far greater latitude in deciding what to do than is the case in enterprises whose survival depends on accommodating both those who receive their goods and services and those who supply

the money. It is, therefore, not very surprising that many of the decisions made in the academic world serve the interests of those who make the decisions.” You’ve been an academic virtually all your professional life. Let’s just begin with the baseline question: If you had it to do over again, would you do it differently?

Thomas Sowell: If I had to do — I’ve thought about that a lot.

Pete Robinson: Have you really?

Thomas Sowell: Yes. Because when I -was —

Pete Robinson: I thought I would be asking you a question that would catch you by surprise.

Thomas Sowell: No, no.

Pete Robinson: Hard to do with you, Tom.

Thomas Sowell: During my first month as an undergraduate at Harvard, I received a letter forwarded from Washington offering me a job as a photographer. I’ve often thought if I could go back to that time, would I, in fact, drop out of Harvard and go take the job or would I continue slogging on? And I’d probably drop out and go take the job.

Pete Robinson: Would you really?

Thomas Sowell: Yes.

Pete Robinson: So academia, there’s a corrupting influence here? They get money, to a large extent, from government, all the student loans — all of it the government is redistributing income from ordinary working Joes to fancy professors, fundamentally is what’s going on and has been going on for decades. Correct?

Thomas Sowell: Yeah. And of course, to the students.

Pete Robinson: And to the students.

Thomas Sowell: Who riot when not enough of the taxpayers’ money is given to them.

Pete Robinson: Has academia in American become — I don’t even know quite how to ask the question . Has it become more irresponsible? Did it reach a low point in the '60s and it’s been recovering since? How do you think of it in those terms over time?

Thomas Sowell: Yeah, I think there was a break point in the '60s. I’m not sure it’s recovered. I know in the '70s, there was a lot of self-congratulation that we no longer have violence on campus. Yes, the campus was quiet but it was the quiet of surrender because people who would cause people to riot were not invited on campus. People who would antagonize the students by their viewpoints

were not hired as professors. One of the reasons why, a few years ago when the think tanks of the world were ranked and Hoover was ranked number one, but most of the leading think tanks in those rankings were conservative think tanks. And I think there's a very simple reason for it: the kinds of top scholars who would normally be in academia were not in academia, and this is one of the places they could go and work with the kind of freedom that academic tenure is supposed to provide but doesn't.

Pete Robinson: Segment Five — The Prospect for the Future. You begin Economic Facts and Fallacies with two quotations. One is the frontispiece for the whole book and the other heads the first chapter. John Adams, your first quotation “Facts are stubborn things and whatever may be our wishes, they can not alter the state of facts and evidence.” Second quotation, economist Henry Rosovsky — quote: “Never underestimate the difficulty of changing false beliefs by facts.” Now here's what throws me, Tom. That first quotation, John Adams, is a fundamentally optimistic quotation. John Adams is, of course, a democrat. He helps to found the country and in all his writing all his life, he has this basic faith that people exposed to the facts and the evidence will come around and assimilate those facts and evidence and make decisions based on them. The second quotation couldn't be more pessimistic — “Never underestimate the difficulty of changing false beliefs by facts.” So on the scale of optimistic John Adams to pessimistic Henry Rosovsky, where is Tom Sowell?

Thomas Sowell: I'm right there with Henry Rosovsky, or perhaps a little to his right.

Pete Robinson: Oh come, you were supposed to say, “right in the middle.” You're way over here. Really?

Thomas Sowell: Yeah. I think that we're raising whole generations who regard facts as more or less optional. We have kids in elementary school who are being urged to take stands on political issues, to write letters to congressmen and presidents about nuclear energy. You know, not a decade old and they're being thrown these kinds of questions that could absorb a lifetime of a very brilliant and learned man. And they're being taught that it's important to have views and they're not being taught that it's important to know what you're talking about. It's important to hear the opposite viewpoint and more important to learn how to distinguish why viewpoint A and viewpoint B are different, and which one has the most evidence or logic behind it. They disregard that. They hear something and they hear some rhetoric and they run with it.

Pete Robinson: Tom, you saw the election of Barack Obama as a triumph of sheer, vacuous hopefulness —

Thomas Sowell: Yeah.

Pete Robinson: ... over seriousness and realism. Is that fair?

Thomas Sowell: Yes.

Pete Robinson: All right. Since then, he's elected in November, 2008. We've seen the emergence of the Tea Party, the recapturing of the House of Representatives by a large Republican majority. Just days ago, congressman Paul Ryan of Wisconsin puts forward a budget proposal that I think you consider serious and far-reaching. Have these events — let's put it this way — has the reaction to Barack Obama encouraged you about the state of the United States?

Thomas Sowell: I've always believed that there have been pockets of sanity. But there is by no means a foregone conclusion that he will not be re-elected next year.

Pete Robinson: Mm hmm. Pockets of sanity is the best we can hope for?

Thomas Sowell: Well, it's the best we've seen thus far. Now, you know, I'm always happy to see some miracle, some knight in shining armor riding out of the wilderness.

Pete Robinson: Tom, one of the most — you write a lot about race in Economic Facts and Fallacies and we've gone through that in this discussion. And frankly, it's heartbreaking.

Thomas Sowell: Yes.

Pete Robinson: We think we've made progress.

Thomas Sowell: Uh huh.

Pete Robinson: And the reverse is true in many ways.

Thomas Sowell: Yeah, we've made progress in some respects. We've had painful retrogression. I think in terms of education, there's no question in my mind that kids who grew up where I grew up in Harlem don't get nearly the education that I got when I was growing up there.

Pete Robinson: Okay. So let me put this question to you with regard to race: John, you remember John Rawls and his famous veil of ignorance.

Thomas Sowell: Oh, yes.

Pete Robinson: If all you, so if, let's just say that you're an African American child about to be born.

Thomas Sowell: Mm hmm.

Pete Robinson: Do you choose 1930s America, the year in which you were born, or do you choose America in 2011?

Thomas Sowell: I'm afraid, if you're not born in the south, you would choose the 1930s. In the 1940s, New York had one of the finest public education systems in the country and I came up from Charlotte, North Carolina, where kids from Charlotte —

Thomas Sowell -- Economic Facts and Fallacies
interviewed on April 19, 2011
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Pete Robinson: How old were you when you came up?

Thomas Sowell: Nine. Nine years old.

Pete Robinson: Okay, so —

Thomas Sowell: Kids were routinely put back a year when they moved from Charlotte to New York. The latest information I have on education is that among the major cities in the country, Charlotte is now number one. New York is way down the list.

Pete Robinson: Mm. Dr. Thomas Sowell appearing on this program just over two years ago. Quote: “There is such a thing as a point of no return.” If Obama won the White House, you said, he would pursue disastrous economic policies. I suppose you think he’s done just that.

Thomas Sowell: Oh, yes. I’m one of the few people who's not disappointed in him.

Pete Robinson: You know, now this should be depressing but I find myself laughing over and over again. It’s, as I say, it’s either that or tears. Yet the economic policies, you said a little over two years ago, quote: “... will pale by comparison to what they will do in permitting countries to acquire nuclear weapons. Once that happens, we’re at the point of no return.”

Thomas Sowell: Yes.

Pete Robinson: That hasn’t happened. As far as we know, Iran still doesn’t have nuclear weapons. Just give me your general view of the state of the country right now. Let’s start with foreign policy, since that’s what you focused on a couple of years ago.

Thomas Sowell: Well, you know, Theodore Roosevelt said his foreign policy was to speak loudly and carry a little stick. Obama’s foreign policy in Libya has been to speak loudly and carry a little stick. I’m sorry —

Pete Robinson: It’s the other way around?

Thomas Sowell: — it’s the other way, speak softly and carry a big stick. Obama speaks loudly and carries a little stick and we’ve seen the disaster that’s starting to unfold in Libya as a result.

Pete Robinson: With regard to economic policy?

Thomas Sowell: Oh my gosh. I mean, George W. Bush in eight years ran up a record-breaking addition to the national debt. Obama has topped that in just two years. And no sign of it’s coming down.

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Pete Robinson: And no sign of it's coming down. I think we're out of time. I feel a tremendous impulse to try to find some question that will permit you to end on a sunny, upbeat note.

Thomas Sowell: Ask me how old I am.

Pete Robinson: [laughter] How old are you, Tom?

Thomas Sowell: I am 80 years old and that means that I may well be spared seeing where all this is going to lead.

Pete Robinson: Tom Sowell. I'll cry after the cameras stop rolling. Dr. Thomas Sowell, author of many books but most recently this revised edition of Economic Facts and Fallacies. Tom, thank you.

Thomas Sowell: Thank you.

Pete Robinson: I'm Peter Robinson for Uncommon Knowledge. Thanks for joining us.