

[The Bill Walton Show](#)

Why Bernie Sanders Should Understand Human Agency and Free Market

Bill Walton:

Where are we at, March 29th? [crosstalk 00:00:13]

Speaker 2:

March 29.

Sarah Walton:

Isn't it incredible?

Speaker 2:

Aren't we ready for summer?

Bill Walton:

Yes.

Anne Bradley:

Indeed.

Sarah Walton:

Most years you can put geraniums out April 1st. It doesn't seem like this year.

Bill Walton:

That's crazy. All right. The Bill Walton Show, March 29th.

Speaker 2:

Bill, look at the camera and some energy and when you're ready.

Bill Walton:

Today we're here to talk about a big topic, the moral case for free markets and the path to human flourishing. Joining me, to help us understand that topic is Dr. Anne Rathbone-Bradley, who is a professor of economics at the Institute of World Politics, that is an adjunct professor at George Mason University. She's also taught at Georgetown and Charles University in the Prague. Vice President now of Economic Initiatives at the Institute for Faith Work in Economics where she developed a systematic theology of economic freedom. Anne is also a specialist on the political economy of terrorism with a specific emphasis on industrial organization of Al Qaeda. Her most recent book is, "Counting the Cost, Christians' Perspectives on Capitalism." Anne, welcome.

Anne Bradley:

Bill, thanks for having me, pleasure to be here.

Bill Walton:

Great to have you here. Also joining me here is my lovely bride Sarah Walton who has an outstanding background as an artist and a designer. She was Art Director at the Washingtonian Magazine and Art and Antiques. She also did early graphics for ABC Nightline and Sarah is a painter. She is the painter of the paintings you see behind me and behind all of us. Thank you for that Sarah. Sarah is also the family's outstanding moral philosopher. She's here to carry the load as we talk about these important issues of making the moral case for free markets. Anne, tell us about what you see as a path, let's get started on the path to human flourishing.

Anne Bradley:

Sure. This is one of my favorite topics. I think that the word flourishing is getting a lot more play today and I think that's a really good thing. But what's important for us is to understand what does it mean to flourish and I think, underneath that question is what type of society is required for people to be able to obtain and contribute to human flourishing? That's what we want to talk about. My take as a researcher, as an economist and as a Christian is that a market oriented society gives people the widest swath of choices they can have.

Bill Walton:

The freer they are, the happier they are, the more people flourish and the more wealth is created.

Anne Bradley:

And we can be exactly who we're supposed to be. Only you and I can figure out what we're destined to do in life and we need a society that allows us to try and to fail. While, yes we're promised more wealth and more freedom, we have to be entrepreneurial and we have to live in a society and be willing to take the risks that requires. You want people to wake up in the morning and think about, "How do I make the lives of strangers better?" That's the world we want to live in. I think a world of human flourishing that is underlied by markets and small but legitimate government is the way to do that.

Bill Walton:

You bring a biblical, Christian perspective. I don't think of the Bible much, maybe the Old Testament, which is a pretty good path, a lot of good guides to business in the Old Testament, don't think about it much in the new one. What's the Biblical basis for your thinking?

Anne Bradley:

Well, when I think about this, I go right to Genesis. I would encourage people, if they're interested in this, to go back and read just the first and second chapters I think are really helpful because in the first chapter what you see are what are God's desires in his own creation? That's the first question I think as Christians we have to ask. How did he design this created order and what is our role in it? The answer to the first question is he created the universe for his own glory. It glorifies him when it flourishes in all the ways that it's supposed to. I think if you look at the second chapter, you see how we fit into that, which is that we're created to work. That means paid work, unpaid work, it means working-

Bill Walton:

The second chapter of Genesis?

Anne Bradley:
Of Genesis, yeah.

Bill Walton:
What does that tell us?

Anne Bradley:
It tells us a lot about what we're created to do. It says God put Adam and Eve in the garden to work it and to care for it. We know that our job is to work. Again, that begs a bigger societal question, which is, how do we work? How are we able to, not just get paid jobs but to be generous and engage in philanthropy to help our community, to be involved in our churches, to help our family.

Bill Walton:
You've been working at this and you studied the Christian perspective but what about the other great religions? Certainly they've got a point of view about this. Do we share a common purpose towards flourishing with Islam or Hinduism or the other major religions?

Anne Bradley:
Well, I'm certainly not an expert on those religions. I've spent a lot of time thinking about the Judaeo-Christian foundations of kind of the moral order and what those require. I can speak to those the best and say that they do but what I think is important to say is that Michael Novak said we need to live in a world with cultural pluralism, meaning we can look and think about these other religions, we can look at them and study them and see what is most important for us, for our moral code. Yes, I do think that other religions offer something that we can learn from in terms of how to live in a culturally diverse world but peacefully amongst each other. I think there's lessons from all great religions there.

Bill Walton:
Day to day, what are the rules for life? What would my listener take away, saying, "Okay that's great. I'm going to get up every morning and think about flourishing." What does that mean day to day? [crosstalk 00:06:34]

Anne Bradley:
How do we practically do that?

Bill Walton:
Yeah, how do we practice that?

Anne Bradley:
I think this is where theology for me and economics really go hand in hand. The one aspect is, if you believe in the Christian theology of work then you know that you have a responsibility to work, you have accountability to that but I think that the economics helps us with the how. One way I would say is that we have to figure out what our talents and our gifts and our skills are. Each person is unique. We're kind of like snowflakes. There's no two of us, ever. That's important because it means, for example, I'm an economist but there's many economists but I can only do it in the way that I can do it. I bring something unique to being an economist, to being a professor, to being a writer. We all have that opportunity. I

think to really both contribute to flourishing, to live into this theology of work, we have to figure out what is it that I'm supposed to do-

Bill Walton:

Compared to the advantages of the economist.

Anne Bradley:

... compared to the advantage, absolutely.

Sarah Walton:

A lot of Christians suggest that every morning you get up and you have a moment of contemplation about God and then you say, "What's your purpose for me today?" I find, I don't remember to do it every day but if I do, my whole day goes so much better. It takes a lot of burden off and you can flow.

Anne Bradley:

I agree. I think that what you said is so important because it allows to go with the flow, to be flexible because if you look at, if I look at my own career and I bet the two of you can say the same thing, it's not linear. It's not I did one thing and the next thing directly flowed from that. It's, I was all over the place in my career and I think if you're going to ask God to help you figure out what your purpose is, you're going to have to be willing to go where he asks you to go and sometimes that's not what you would predict.

Bill Walton:

Sometimes I think about my career as a pinball machine, where you can only figure out how you got where you are by looking backwards, not forwards.

Anne Bradley:

Correct, yeah. You couldn't predict it if you wanted to, right?

Bill Walton:

No, you can reverse engineer it but you can't look ahead and say, "Okay well this is the path."

Anne Bradley:

Right.

Bill Walton:

We're talking about free markets, Christianity, human and people getting up in the morning. You and I talked before we came on about the idea of human agency. This is an idea that I think should be shared by everyone, it's not just a Christian point of view. Explain what we mean by human agency.

Anne Bradley:

I think that's the right way to frame it. It's not just a Christian point of view and it's not an ideological point of view. It's that we want a world where people are able to have the broadest array of choices possible. Frankly, this is what separates us as citizens of the United States from current citizens of Afghanistan. What is the real difference? The real difference is I can walk into a grocery store and in that

grocery store, there are hundreds of thousands of miracles. There's cereal choices and there's a pharmacy. I have lots of ways to satisfy my choices and at a very low cost to me. If I'm a citizen of Afghanistan, there's not a grocery store on every corner where I have a hundred different choices of breakfast options available to me. Getting breakfast is very hard for most ordinary people.

Bill Walton:

That brings up something else we've been talking about, which is sort of the bigger picture where we are. We're all, it seems like both the left and the right today complain things are terrible, they're not what they used to be, it's not America in the 1950s, we don't have good paid union jobs and pensions, we don't have this or that. Yet the fact is, the world has gotten wealthier, healthier, and maybe not wiser in the last 200, 250 years in a way that's unprecedented in history and that's come from markets.

Anne Bradley:

Markets and more human agency. Again, what we want to do is unleash the human creativity of every single person as much as possible. That is what has allowed us all to become richer. If this is one myth that I could spend the rest of my life trying to dispel and have people understand it's that we are materially better off. While material well being isn't everything, it's certainly a lot. It allows us to have other things that we like. More time, more time to invest in our spirituality, more time to read books, more time to engage in our talents. I think that people are just wrong on this. The world, as you mentioned, it's remarkable. Even if you look at the progress that has been made in terms of income, global income over the last 50 years, the poorest countries today are still better off than they were 50 years ago. What I think is amazing is that things you and I take for granted like the cell phone, are now accessible to some of the poorest people on the planet in places like Ghana and Bangladesh. That alone, that access is giving them more agency as human beings. It's allowing them to economize on their time and to do more and to have more.

Bill Walton:

You said you'd like to be able to have coffee with Bernie Sanders.

Anne Bradley:

I did.

Bill Walton:

You would explain to Bernie that, "Bernie we agree with you. We want all these good things but we don't agree that you're going to achieve them the way you're talking about it." What do we mean by that?

Anne Bradley:

That's right. I think it's very easy, I think we need to work on this, we meaning the dialogue and the rhetoric in the policy space. We need to stop villainizing based on ideology and say, "Hey, I agree with you Bernie Sanders. I don't want the poor to be poor and I don't want the rich to be able to exploit" but the question is the how. That's where I think he and I would disagree. What is the way to make the poor rich? What is the way to disable the rich from being able to use their status to exploit others? I think those are real concerns that we all should have. He's right about that. But the how is different. To me, what economics shows me, what the past 250 years of human history has showed us is that markets empower ordinary people.

Sarah Walton:

You talk about Genesis, we were at a meeting and Star Parker was sort of joking but she wasn't really-

Bill Walton:

Star Parker is the activist, African-American.

Sarah Walton:

Yeah.

Bill Walton:

Continue, I'm just ...

Sarah Walton:

She said, "Genesis and the Garden of Eden was God's first offense of personal property, private property."

Bill Walton:

What'd she mean?

Sarah Walton:

She meant Adam and Eve didn't pay attention to his private property and took what they wanted. There you go. I think she was kidding but I don't think she really was.

Bill Walton:

[crosstalk 00:13:17]

Anne Bradley:

Kind of tongue in cheek, yeah.

Bill Walton:

We agree it is but not on the how. What happened in 1750, 250 years ago that caused this to flourish? Somebody who was definitely not a Christian, Steven Pinker I think is a pretty valid atheist, is that right?

Anne Bradley:

I think so.

Bill Walton:

Brilliant, brilliant man.

Anne Bradley:

Very smart and really looking at interesting questions.

Bill Walton:

He had a piece in the Wall Street Journal three, four weeks ago based on his upcoming book titled, "The Enlightenment is Working." He gives credit to all the increase in wealth to the Enlightenment ideas, which allowed people to, he would say, separate themselves from faith and begin to think in terms of more secular solutions. What do you think about that?

Anne Bradley:

I think that he's right about the ideas of the Enlightenment that were so important. We have to ask the question, I think the first thing we have to say is, "What were those ideas?" The idea is that we can take, in part, from the Reformation is work and thrift and prudence and savings. These ideas that work is good for its own sake and that you should figure out what to do and work hard to care for your family. I think the additional aspect of those ideas was that people started embracing them. When people embrace these ideas that's how we get social and economic and political change. I think he's right to say it was a breakaway from the theocracies that told people what to do and told people what to think. It was an empowerment of ordinary people. What Deirdre McCloskey, one of my favorite contemporary economists says is, "What was important about the Enlightenment is that we had equality of dignity." It was a radical departure from the past in terms of the relationship of the person and the state. Before there was an idea that there was the divine right of kings. That I was born into this lot and I'm an elitist because of that and if you weren't, too bad for you.

Bill Walton:

Pretty good deal if you're the king.

Anne Bradley:

It's a pretty good deal if you're the king but if you're the rest of us, it's not a great deal. What she says is that ordinary people had dignity that was recognized by the state. Now, the sole purpose of the state is to protect that dignity that we come to the state with inalienable rights. This is a very new concept in human history. It's a revolutionary one because it allows ordinary people to take control over their lives.

Bill Walton:

The notion of natural rights, as I think this is called, is very consistent with Christian and Biblical views.

Anne Bradley:

It is. This idea that, again, if we're created by God, what does that imply about our existence? Well, we would say we're [inaudible 00:16:06], we're made in the image of God, which means we are creators. We can't create exactly the way God can, right. We can't create something out of nothing but we can and we're supposed to create something out of something.

Bill Walton:

The Enlightenment created, not created but really revealed this notion that many of the virtues we thought about, I grew up a child of the 60s and of course we were all supposed to hate bourgeois society and anti-bourgeois, terrible, terrible. We were all counter cultural. Well then, as I've gotten on, I began to love bourgeois virtues. I sort of think they're the key to happiness.

Sarah Walton:

You're the new counter culture.

Bill Walton:

I'm the new counter culture.

Anne Bradley:

That's right.

Bill Walton:

Well, you too. But, you know, the old fashioned virtues of thrift, forbearance, deferred gratification, you probably have got a longer list than I do, are the things that work for people.

Anne Bradley:

I think that they're the things that focus us to think about the long run and to think about the consequences of our actions. Here's a really good kind of modern application of that. We're living a lot longer than we've ever lived before. Angus Deaton won the Nobel Prize two years ago. He has a great book called, "The Great Escape" and it's about health and wealth. He says that the average female born in the United States, Caucasian female born in the United States in 2015 has a 50/50 chance of living to 100. That's remarkable. But as we live longer, we have to have the long view. We can't squander all the money that's in our savings account. We have to think about the future. As we live longer, this ethos of capitalism, these ethics of the Enlightenment become even more important because we have longer to take care of ourselves, to work, to care for our families. We're going to need resources to do that.

Bill Walton:

There's an old comic from the 30s, I can't remember his name but he lived to a great old age. He said, "Well if I knew I was going to live this long I would have taken better care of myself."

Anne Bradley:

That's right.

Bill Walton:

We'd better start taking care of ourselves.

Anne Bradley:

We'd better start care of ourselves.

Bill Walton:

The life expectancy, through most of human history, continued in the 19th century, a newborn was expected to live about 30 years, to be about 30 years old. I guess now life expectancy is living to 71, in developed world 81. We must be doing something right.

Anne Bradley:

We're doing something right. It's exciting. It's an exciting time to be here.

Bill Walton:

I want to jump into something. I want to come back to this notion of how we arrange the economy, getting back to the Bernie Sanders question. We talk about free markets, can we drill down a little bit? What does that mean? What are the elements of that that work for countries or don't work for countries?

Anne Bradley:

I love the way you ask the question because I think the answer is, we don't arrange economies. This is kind of the insight of [inaudible 00:19:05] and Milton Freedman that economies are emergent orders. They come from human exchange on the most individual level. I think the big failures of socialism and communism were failures because the planners did not recognize that. They thought that if we put smart people in charge of the economy that the economy could run just fine, that we could say, "You're going to produce steel and you're going to produce bread. We're going to tell you the prices and it's all going to be wonderful." I mean, the ideals of socialism weren't that people were going to the [inaudible 00:19:40]. They certainly weren't going to die of disease and starvation. I think this is about what we were talking about earlier, which is that there is an explicit path to flourishing that works. The economy has to come from human exchange. Now, there are things we can design. We need a rule of law. We need an independent set of courts. We need economic and political freedom. I think those are the basic frameworks that allow people to invent, to discover. That's what gets us the bread that feeds us and the medicine that cures us.

Bill Walton:

I think the gist of what he was saying was, there's no one smart person or group of people that can sit in an office in some remote place and decide how things ought to be for everyone. The totality of human knowledge, I think he said, is a problem of the utilization of knowledge, which is not given to anyone in totality. Having that spread out, diffused among people solving the problems locally is far better than a centralized planning system, which has never worked.

Anne Bradley:

Correct. Because entrepreneurs have to discover things. Even, think of the richest entrepreneurs today. You think of someone like Bill Gates. I mean, what Bill Gates is accountable to, what he has to figure out, what he has to discover is what consumers and customers want. The minute he stops being effective at that discovery process, he won't be a billionaire anymore, or he won't continue to make that kind of money. In a market society that's a good thing because it means as consumers, ordinary people like you and I, we have a lot of say in what entrepreneurs, who might be very rich people, do.

Bill Walton:

What are the problems with markets? Income and equality?

Anne Bradley:

There are problems with markets, this is what we have to remember always. We're always dealing with human beings. Human beings make up markets, they make up governments, they make up churches.

Bill Walton:

Oh my God, we're dealing with human beings.

Anne Bradley:

We're always, we can't take away the human.

Bill Walton:

That's problematic.

Anne Bradley:

It is a problem. I think we have to be careful when we look at things to try and obtain a utopia because I don't think that exists. I don't think, to your question, that income and equality is necessarily a problem. That said, it can be. It's a very nuanced topic. What we really want to focus on are how the people at the top of the income distribution earn their money. Do they earn it in a Bill Gates type of fashion, where they've created, they've discovered, they've figured something out that we need and want and they give it to us through the process of competition? I'm very happy for wealthy people to have their wealth that way because it makes sure that I get a pacemaker if I need one, one day and a car with airbags.

Bill Walton:

Because they've created something that satisfies the wants and needs of lots and lots and-

Anne Bradley:

That people want.

Bill Walton:

... lots of people.

Anne Bradley:

Again, there's no coercion in that. It's, "I choose to buy a Honda minivan if it suits my preferences and if I don't, or I don't like it, then Honda needs to change their ways." This is not true if the rich don't have to earn their income. In some societies, this is the way it works. Plutocracies and areas where cronies at the top exploit, they use political favoritism, they use bribes to get what they want to ensure their position in the market. That's a real concern because it absolutely ensures that the poor will never become rich.

Bill Walton:

That's something, when you have your coffee with Bernie Sanders, you need to explain to him because there are two types, well probably more than that but you could break it into free market capitalism where people are producing things based on voluntary exchange and providing value to other people, which is a fabulous system for creating happiness and wealth, and then crony-ism, which is where you get entrenched players using government to say, these can be not just businesses, it can be any entity but that gets favors from the government and they, by getting a special favor from the government it shuts down the creative process, it keeps people out of the market and things, instead of getting better, stagnant or get worse.

Anne Bradley:

That's absolutely right. We have to look at what are the rules? In my own opinion, I think there's something to be concerned about in the United States, which is a place of a lot of economic freedom, a lot of economic growth. There's really good things to celebrate here but I do worry about the crony-ism.

I do worry as someone who works in Washington D.C. and I drive down K Street every now and then and I see all the lobbying associations that are permanently affixed on K Street, ready to give over lots of campaign- [crosstalk 00:24:25]

Bill Walton:

Actually, the US Chamber is on H Street.

Anne Bradley:

H Street. H and K then.

Sarah Walton:

Well, its good jobs for ex-senators.

Anne Bradley:

Very good jobs. In fact, I read a statistic that said the average pay increase from being a senator to kind of the afterlife is 1500%. That should show us something. I think this is where I worry because it absolutely blocks the little guy. I mean, think about the mom-and-pop company that's just starting. They can't afford million dollar attorneys to set up shop on K Street and pay that rent to protect and advocate for them. The little guy gets shut on in that environment. That's something we should worry about.

Bill Walton:

Well, you take a look at, for example, Dot Frank, Jaime Diamond and Lloyd [inaudible 00:25:12] around JP Morgan and Goldman Sacs, respectively, were boasting to an investor conference a couple years ago that Dot Frank had been so regulatory intense, lawyer intense that it required a fortune to get into the financial services business and it created a moat around their businesses, which kept everybody else out.

Anne Bradley:

That's right.

Bill Walton:

No innovation, they're protected, not a good thing.

Anne Bradley:

Not a good thing because what we can expect, always from that are higher consumer prices and lower rates of innovation and lower rates of start-ups. Start-ups are important because it means that pressure of competition is always in play and in a dynamic economy, that's exactly what you want.

Bill Walton:

Before we switch to the other topic, which would be start-ups and terrorism-

Anne Bradley:

Industry.

Bill Walton:

... industry, what's the gist of your new book, your latest book?

Anne Bradley:

This is a book, it's an edited volume-

Bill Walton:

The title is ...

Anne Bradley:

The title is, "Counting the Cost, Christian Perspectives on Capitalism."

Bill Walton:

What is the cost?

Anne Bradley:

The cost, well that's what we're trying to measure. What are the critiques that are brought against capitalism. We wanted to be very thoughtful in this book and not just be a cheerleader for capitalism but say, what are the critiques that Christians legitimately and thoughtfully bring to capitalism? Each chapter is an effort to address those critiques. For example, does capitalism encourage people to just be materialistic in their world views? Does capitalism destroy the environment? Does capitalism allow the rich to exploit the poor? Kind of the way that we positioned the title was to say, "What are the real costs of capitalism? Does it destroy the environment? Is that a real cost?" Because if it does, we should be concerned about that. We wanted to take seriously the concerns that people have.

Bill Walton:

Where can we find your book? Where can I find your book?

Anne Bradley:

You can find it at our bookstore, which is on TIFWE.org and it's there for purchase.

Bill Walton:

Once again?

Anne Bradley:

TIFWE.org. It's also on Amazon.

Bill Walton:

Okay. That's great. Let's talk about terrorism and the economics of terrorism. Talking with Anne Bradley who has done some work on the industrial organization of Al Qaeda. I don't think of AL Qaeda as being an industrial organization but maybe it is. What's your take on this?

Anne Bradley:

If I may give you a little backstory as to how I came to this. It seems like the opposite of human flourishing, so maybe that's the segue is what happens when we don't flourish?

Bill Walton:

It's a great segue.

Anne Bradley:

What environment do we have?

Bill Walton:

We have Al Qaeda.

Anne Bradley:

When I was in graduate school 9/11 happened. At the time, I was a research associate with a professor Charles [inaudible 00:27:54], who wanted economists to have a voice on this issue in the public square because we knew there was going to be a lot of policy that was going to emerge after 9/11. We were worried that it might not be well thought out. From that paper with my professor I ended up doing my entire dissertation on Al Qaeda and I really took an economist view. Here's kind of the summary. The summary is, what would the economics approach be, here's what is it. The assumptions are that terrorists are rational in the way that everyone else is rational. It doesn't mean they're good, it doesn't mean we like their motives, it doesn't mean we agree with their intentions or their world view but it means they're purposeful. That is kind of a fundamental assumption that economists bring to the table when we're looking at human behavior. People weigh cost and benefits. What does Al Qaeda want? They want to be successful, which means they're going to try to maximize their own benefit, they're profit seekers and they want to minimize the cost. They're not going to take risks that might destroy them from achieving their own mission. Again, this doesn't mean we have to agree with them but they have purpose and they behave that way.

Bill Walton:

Now, we shifted though from economic risk to warfare risk or what kind of risk?

Anne Bradley:

Well, any kind of risk. The worse thing that a terrorist group can do is fail publicly. They go to great lengths to try to succeed, especially, I think what was phenomenal and I use that word very specifically about Al Qaeda was the trans-national nature of the attack and how successful it was on such a target that's viewed as an international beacon of economic prosperity and freedom. It was very calculated. You can imagine all the ways that it could have failed. When I was doing my original research I was really looking at the 9/11 Commission Report, which had been declassified at the time and gave us a lot of information about the behavior of the group and the actions they took leading up to 9/11. What's very interesting, I'll just tell you one little story, if you look at the detainee reports, which is how we get this information, we see that the hijackers that were sent here to fly the planes and get licenses, they were told to get apartments, get a gym membership, have a beer after work, be an American, do things that Americans do. But the leadership of Al Qaeda did not want them here any earlier or any sooner than was absolutely necessary. Why?

Bill Walton:

They didn't want them, don't want to step on your punchline, go ahead.

Anne Bradley:

No, go ahead. Why?

Bill Walton:

They didn't want them to become Americans.

Anne Bradley:

Exactly.

Bill Walton:

Too much freedom.

Anne Bradley:

There's a significant cost to-

Bill Walton:

They might decide there's better things to do than fly a plane into a building.

Anne Bradley:

Exactly. That's a really important point. That was kind of the fundamental point of my whole research project was, if we want less terrorism, it's not just about the defensive measures that we need to take. Securing the airports, doing those things are good and important but it will never, never stop the demand for terrorism and terrorism operates on a supply/demand curve just like any other thing. What I really wanted to think about was, why do people choose terrorism? To achieve their social goals, their religious goals, their political goals, economic goals, whatever the goals are, why is terrorism seemingly a reasonable choice for some people? In my view, if we want to stop terrorism, regardless of whether it's Al Qaeda or some other group, that's what we have to figure out. It's not a coincidence that the places that are hotbeds for terrorism are places that have very little economic freedom, where people have very little human agency, where people have very few alternatives and a lack of political freedom. These things go together. We have to look at the institutional environment in which people live. Now, that doesn't mean you're going to make terrorism go to zero. There's still going to be people who always choose that but I think it provides a policy conversation where we can say, "In the long run we really can get terrorism to be less than it is now."

Bill Walton:

How do you get the things to take root? That was one of the theories of the Iraq invasion, which proved to be wrong.

Anne Bradley:

Correct.

Bill Walton:

If we could go in and do things, install a liberal democracy and a liberal democracy would lead to all sorts of people starting up little businesses and it would look a lot like Peoria after a while. We would at least Westernize it. That didn't happen. Is that because it's a theocracy or because it's culture? Because it's what?

Anne Bradley:

I think it's because we're doing it wrong. That's my short answer and I'll expand on that. I want us to think about a place like Iraq or Afghanistan, a place where for thousands of years the government has been the biggest predator on the block. The government is the predator, the exploiter of the people. All the fights-

Bill Walton:

It's a theocracy?

Anne Bradley:

It's a theocracy in many cases. You're not just dealing with, it's not like losing in a democratic election where your guy or gal loses and you say, "Oh well maybe next time" because the political fights are also religious fights-

Bill Walton:

Unless you lost to Trump.

Anne Bradley:

Depends on who you ask I suppose.

Bill Walton:

Sorry.

Anne Bradley:

I think the reason that we're doing it wrong is yes, we can identify these dysfunctional, political economic religious institutions, we can see what's wrong with them but when the government has been the biggest predator on the block, to come in as outsiders and say, "Hey we know how to do a good job of government, we're going to teach you how to do it and we're going to impose it from the top down" doesn't work. The reason the American experiment worked is because people believed in those values before we ever had a constitution. In fact, the constitution was a codification of values already held. That's what Iraq needs. That's what Afghanistan needs. It's a hearts and minds campaign. In my own view, free trade is a great part of that battle because when people are given the choice to be free, to have cell phones, people choose that. They have to get access to those kinds of choices.

Bill Walton:

Have a theory?

Sarah Walton:

No but it's interesting.

Bill Walton:

Well, that's a longer conversation about how we bring that about. Anne, what else should we cover on Al Qaeda. This is fascinating. What question did I not ask that I should have?

Anne Bradley:

I don't know that you didn't, I mean we could ask a thousand questions I think. I would say another issue for me that I really cared about and from my graduate work I went to the CIA. I thought, "Well I've been thinking about this for ..."

Bill Walton:

You went from grad school into the CIA?

Anne Bradley:

Into the CIA yeah. To kind of say, I've been doing this intellectually, let's apply that to the real world. It turns out that's a very hard thing to do as you can imagine with any intelligence work, it's very hard to know what's going on but I think one thing that's understated I would say is, what is the demand for terrorism? We understand the supply, we can understand there's Al Qaeda, there's Isis, there are these groups, we know what they do but I think a more interesting question and this is me being an economist about it is supply only exists because there is a demand. If we really want to stop terrorism, Al Qaeda or Isis or anything else, we have to understand why people choose it.

Anne Bradley:

I think what underlies that are, why are people donating to it? That's kind of a really interesting question that I think we need more work on. Why do some people, who would never be a suicide bomber, they would never be a recruit on the ground but they might write a million dollar check to fund it. What do they want? What are they fighting against? What does the world have to look like for that to not happen as often as it does? I think those are the questions in my own research that I want to continue to pursue because those, to me, are going to help us in the policy realm get some tractability and get some success.

Bill Walton:

Well, I'm looking forward to your answers.

Anne Bradley:

I am too. I'll keep you posted when I get them.

Sarah Walton:

You've given me a whole lot of new things to think about.

Bill Walton:

Anne, thank you. This has been extremely interesting. We've been here talking about the moral case for free markets and the path to human flourishing and as interesting, we now turned to Al Qaeda to figure out why in the world there is a demand for Al Qaeda. I'm looking forward to exploring that with you more next time.

Anne Bradley:

Thanks Bill, thanks Sarah.

Bill Walton:

Anne, where can you be found?

Anne Bradley:

I can be found at TIFWE.org.

Bill Walton:

Okay.

Anne Bradley:

That's a great place to see what I'm doing, kind of the books I'm working on. I'm also at George Mason University and at the Institute for World Politics.

Bill Walton:

Okay. Well, thank you.

Anne Bradley:

Thank you.

Bill Walton:

Fascinating.

Anne Bradley:

Yep. Lovely to be here.

Bill Walton:

Great, thank you.

Speaker 2:

Excellent. [crosstalk 00:36:53]

Bill Walton:

I thought you were going to jump in more, darling.

Speaker 2:

I saw you doing that.

Bill Walton:

That was great. That was interesting.

Sarah Walton:

No, you gave me a whole lot of new things to think about. Why are they doing it? The only thing I've heard is because they think the West is so decadent but that's not good enough.

Anne Bradley:

I mean, it's not good enough for me. It's not a universal explanation. People have been working on this since 9/11 and it's very hard to get, there's no one reason. I think that's, we like easy answers and there's just not one reason. In fact, a guy wrote a very famous article in academic circles in the Journal of Political Economy and it was called, "Profile of a Terrorist." This was right after 9/11, 04 he wrote it maybe. He was trying to profile a terrorist. Who are they? He kind of came up with there's no profile. It's not being poor, it's not being uneducated, there are very few things that are universally true, we know that males are most predominantly terrorists but that's about all we know. There's no one thing that causes it.

Sarah Walton:

It is as simple as power and money?

Anne Bradley:

I think it could be. I think, again, if you look at a place like what Isis is doing. If you track that back, it seems a lot of it is based on the Sunni Shi'ite territorial and religious fighting. Again, these battles in a theocracy, it's not just about winning an election, it's about winning turf, it's about being the dominant force that tells other people how to live their lives. It is a power story for sure but it's just not as easy to undo that by saying, "We're going to have the US come in and teach you how to run a liberal democracy." I mean, on it's face it sounds crazy to me.

Bill Walton:

It is crazy.

Anne Bradley:

I think it's because it is crazy. You know who you should have? I don't know if you're interested but my colleague, Chris Coyne, he's written about four books on this. He's at George Mason and he is fantastic. He's a-

Bill Walton:

What's his last name? How do you spell it?

Anne Bradley:

C-O-Y-N-E.

Bill Walton:

I've seen his name in print.

Anne Bradley:

He wrote a book called-

Bill Walton:

He's at George Mason?

Anne Bradley:

He's at George Mason. I could send you his information but-

Bill Walton:

Could you please?

Anne Bradley:

Yeah, he just came out with a new book, co-authored book and it's called, "Tyranny Comes Home." That whole book is about what are all the unintended consequences of us fighting this 17 year war in Afghanistan that we're not winning. He says, "That tyranny now comes back home and manifests itself in different ways in American culture." He says it's not really a surprise to see the claims about militarization of the police and things like that, that's a natural consequence of all this stuff. He's trying to say it's one thing to say we're going to go do this but we have to fully count the costs. It's a good book. I'm going to use it in my class next semester I think. He would be a great person to interview if you're interested in this kind of stuff.

Bill Walton:

Oh I am. My issue is, I'm interested in everything.

Anne Bradley:

In everything, right but that makes your show great because you don't know what you're going to get.

Bill Walton:

Yeah.

Anne Bradley:

Box of chocolates as they say. Love it.

Bill Walton:

Box of chocolates.

Anne Bradley:

That's fun.

Bill Walton:

Sarah, I thought you were going to weigh in more on the moral high ground here.

Sarah Walton:

Well I thought she was so interesting to listen to.

Anne Bradley:

I was also, I needed to stop talking, I apologize.

Sarah Walton:

No.

Marie:

You were great.

Sarah Walton:

You were great.

Bill Walton:

We didn't want to shut you up.

Sarah Walton:

Yeah.

Bill Walton:

You were doing great.

Sarah Walton:

No, I was learning so much new stuff.

Bill Walton:

Well, I wish you could have a sit down with Bernie Sanders-

Anne Bradley:

I do too [crosstalk 00:40:30] I'm just not important enough for him to return my calls. That's what I always say.

Bill Walton:

But he's so wrong headed about his solutions.

Anne Bradley:

He really, you know the thing is-

Bill Walton:

It sounds great.

Anne Bradley:

... I'm not even sure if he's sincere. This is a guy who has three houses. How sincere is he actually? I'm not sure but if we give him the benefit of the doubt and just listen to the words he says, then there's

real challenges and critiques we can bring to that in a thoughtful way because I look at my students and they're very into what he says. It sounds very-

Sarah Walton:

It sounds great.

Anne Bradley:

... social justice-y. It's benevolent. I think it's just not. It doesn't achieve the results that it asks for.

Bill Walton:

No.

Anne Bradley:

That's a problem.

Sarah Walton:

It never has.

Anne Bradley:

Never has. Ever. Socialism is always, always associated with violence. Look at Venezuela today. It's a tragedy that's unnecessary.

Bill Walton:

Yeah, they destroyed the country.

Anne Bradley:

Wholly unnecessary.

Bill Walton:

Yeah. We need to do a better job, this is the reason I'm doing this is we need to do a better job of getting this out there.

Anne Bradley:

We have to be good communicators. I think people on the left are better communicators, well maybe not better communicators but their message is easier to buy. Bernie Sanders and Hillary Clinton, they just say the state's going to do it, don't worry. That's all fine and good if the state could do it and if that doesn't lead to a power grab but it does. When we, on the right, broadly speaking-

Sarah Walton:

Say, no work harder.

Anne Bradley:

... say no. We throw up all these statistics, it sounds not very compassionate. We need to be better winsome communicators I think.

Bill Walton:

Yeah I guess so. John [Mulden 00:42:17] do you know him? He's a guy from Texas, he puts out a newsletter. He's really in touch with a lot of macro economic investor types. His short pithy thing, saying we've got two bubbles we're in right now. One of them in a bubble in debt of all types, government debt, private sector not so much but plenty of debt, the other one is a bubble in the expectations about government promises. We've got all these things that people think it's going to eventually get to them and it never does.

Anne Bradley:

Right.

Sarah Walton:

With you, I think every two sentences you could stop there and expand what you're saying. I mean, you have so many ideas.

Anne Bradley:

I know, that's the problem. It's a good problem I suppose.

Sarah Walton:

It's a good problem that you have so many ideas. It's interesting.

Bill Walton:

Well, great.

Anne Bradley:

Thanks for having me. It was great.

Bill Walton:

Now, are we going to record my 30 second deal?

Speaker 2:

Whenever you would like.

Bill Walton:

I think we can do it any time you want to.

Speaker 2:

Oh yeah, okay.

Bill Walton:

All right.

Speaker 2:

Want to do it? Give me just a moment. I want to try a slightly different shot here.

Bill Walton:

You want different shots? Okay. Do you have to be anywhere?

Anne Bradley:

I have class. What time is it.

Bill Walton:

Almost 2:30.

Marie:

It is 2:30.

Anne Bradley:

Okay, it's okay. If we're done soon that's fine.

Bill Walton:

We're done.

Anne Bradley:

Do you want us out?

Speaker 2:

No but maybe just move your chair a little to the left. You're not in the shot. There we go. Let's see here.
Just a moment.

Sarah Walton:

I guess I should get out of the way. I don't want to be in- [crosstalk 00:43:59]

Bill Walton:

You can sit in there.

Speaker 2:

Just one second. This is a new thing we're doing.

Bill Walton:

What did you learn Marie?

Marie:

I was very interested in the Al Qaeda piece.

Sarah Walton:

Me too.

Marie:

I was very, it's kind of interesting how economics has a lot to do with their, what they're doing.

Anne Bradley:

We don't think about it that way.

Marie:

Right. Yeah, we live of a terrorist as-

Anne Bradley:

Crazy.

Marie:

Right.

Anne Bradley:

Right.

Marie:

But they're doing it-

Anne Bradley:

For their own reasons. I think the key is-

Marie:

Why are these people paying? That's insane why someone would write a check to fund something. Who are these people who are-

Anne Bradley:

And something that's not a very popular question to ask but what-

Marie:

What are they going to get?

Anne Bradley:

Does the West have anything to do with it? I think the politicization of oil as a good has a lot to do with some of this conflict. I don't know. People don't like it when you ask those questions but I think they have to be asked at least. [crosstalk 00:45:16]

Sarah Walton:

... she's long dead but she had a boyfriend who was a playboy for [inaudible 00:45:24], the dictator, South American dictator was always hiring people to go out and assassinate people for money and power. This person was in the way, I give them money-

Speaker 2:

Okay Bill I'm ready when you are.

Bill Walton:

Okay. Are we running?

Speaker 2:

No I'll roll when you're ready if you let me know. Let's see here. Also, let me, look at the camera for a moment. You can see it's in a new position.

Bill Walton:

New position.

Speaker 2:

I'm going to keep that there. It will have to be steady. Let me know when you want me to roll, when you have your thoughts together and then we'll quiet everybody down.

Bill Walton:

I think I'm, I don't anywhere have my thoughts together at all right now.

Speaker 2:

Right, that's the way you want it.

Bill Walton:

Let me just take-

Speaker 2:

Okay guys, we're going to roll here. Everybody stay still because the floor creaks. All right Bill, when you're ready.

Bill Walton:

I just finished a fascinating conversation with Dr. Anne Bradley, who is a professor at the Institute of World Politics and also at George Mason. She's got an incredible take on the morality of markets and how people can really make themselves happy. There is a distinction that needs to be made on agreeing on ends, where I think even with Bernie Sanders she points on she can agree with him on a lot of good things that ought to be accomplished but there's a big disagreement in a fundamental misunderstanding about how we get there. I think you learn in this show is how we get there is the important thing to understand. It's markets, it's rule of law, it's all the bourgeois values that have been so discredited that basically make people happy. Anne's incredibly articulate about this and I think you'll learn a lot. The other thing I think is really fun is we talked about something else she's been working on, which is the

economics of Al Qaeda and what's the supply and demand for the so-called services of Al Qaeda. I mean, why do people want to go join it and who on Earth is funding it because these people don't live on nothing. It requires resources to make it happen. She's got a very interesting take on that, that occurs at the end of the show and I hope you'll stay with me and learn about that as well. Let's listen.

Speaker 2:

Okay. Excellent. What I would suggest we do now, since it's the first time we're doing this, do a version that's shorter. I think you gave too many answers. Raise the topics that are discussed but leave it, they have to listen to get the answers.

Bill Walton:

Love it. Okay.

Speaker 2:

Okay?

Bill Walton:

Okay, let's keep going.

Speaker 2:

Whenever you're ready.

Bill Walton:

I just finished taping a fascinating show with Dr. Anne Bradley who is a professor of economics at the Institute of World Politics who is an expert on markets and human flourishing. In this show we learn a lot about how markets cause and bring about human flourishing and there's a lot to learn here about that. We also got into the economics of Al Qaeda and terrorism and what that's all about and what the economic roots are in those terrorist organizations. I also learned a lot about that and I think you will too. Listen in, this should be a good one.

Speaker 2:

Good. Yeah.

Bill Walton:

Okay.

Speaker 2:

All right.

Bill Walton:

What we're doing with these, this is based on my consultant from LA, is most podcasts or shows, you don't know what you're going to get. You wander into these things and you get the resume and you get this stuff and then about most of the good stuff we talked about started happening six minutes in. You've got to get calmed down to-

Anne Bradley:

Yeah, get into it.

Bill Walton:

... get into it, stuff like that. Then you get the ideas and stuff like that. What we're experimenting with is a front end, in front of the show that I'll just sort of talk-

Anne Bradley:

A little peek-a-boo.

Bill Walton:

... peek-a-boo about what it's going to be. Anyway, I'm an entrepreneur, I'm making this up as I go.

Anne Bradley:

That's what you should do, you're discovering.

Bill Walton:

Competition is a discovery procedure.

Anne Bradley:

It is.

Bill Walton:

Who said that?

Anne Bradley:

[Hayak 00:49:51].

Bill Walton:

[Hayak 00:49:52], yeah.

Anne Bradley:

That's awesome.

Speaker 2:

Okay good.

Anne Bradley:

Well thank you for having me.

Bill Walton:

We got it, good with the second one?

Speaker 2:

Yeah.

Bill Walton:

Okay, all right. Great.

Speaker 2:

I don't know if you want to watch them both choose. We might do that. Let me [crosstalk 00:50:07].
Okay.

Sarah Walton:

... Al Qaeda and why terrorism. I mean, the only thing I hear is [inaudible 00:50:11].

Anne Bradley:

[crosstalk 00:50:24] write a book on it I think.

Sarah Walton:

Good. It's not being said. That's one of the things about this program, it's supposed to be expanding on things that people say one sentence and think they have an opinion but they don't have enough information.

Anne Bradley:

Right.

Bill Walton:

We're unpacking it.

Anne Bradley:

I love it.

Bill Walton:

We're unpacking it.

Anne Bradley:

Thank you for letting me be a part of the unpacking. [crosstalk 00:50:44]

Marie:

It was really nice to meet you.

Anne Bradley:

Sorry about my-

Marie:

Oh no problem. Kenny said something, I said, "No she was really hard to get, we have to do it."

Anne Bradley:

I am so sorry.

Marie:

No it was okay. Actually, we have really good people that vet to make sure [crosstalk 00:51:04].

Anne Bradley:

You should actually be really proud because they were just ... [inaudible 00:51:19]

Anne Bradley:

[extended silence]

Anne Bradley:

[inaudible 01:15:54]

Marie:

... there is one up the stairs [inaudible 01:20:38] it's just a matter of knowing what [inaudible 01:20:54] but it can be done. All right. [inaudible 01:21:27]

Bill Walton:

I just finished a fascinating conversation with Dr. Anne Bradley, who is a professor at the Institute of World Politics and also at George Mason. She's got an incredible take on the morality of markets and how people can really make themselves happy. There is a distinction that needs to be made on agreeing on ends, where I think even with Bernie Sanders she points on she can agree with him on a lot of good things that ought to be accomplished but there's a big disagreement in a fundamental misunderstanding about how we get there. I think you learn in this show is how we get there is the important thing to understand. It's markets, it's rule of law, it's all the bourgeois values that have been so discredited that basically make people happy. Anne's incredibly articulate about this and I think you'll learn a lot. The other thing I think is really fun is we talked about something else she's been working on, which is the economics of Al Qaeda and what's the supply and demand for the so-called services of Al Qaeda. I mean, why do people want to go join it and who on Earth is funding it because these people don't live on nothing. It requires resources to make it happen. She's got a very interesting take on that, that occurs at the end of the show and I hope you'll stay with me and learn about that as well. Let's listen.

Speaker 2:

It's really well done, I mean it's fine. I mean the content was great. [inaudible 01:31:37] Then the content is really good. When I was shooting it I was thinking on you're telling us so much but the other one actually errs on the side of too little.

Bill Walton:

Let's go with this.

Speaker 2:

[inaudible 01:32:05] really great.

Bill Walton:

That's great. I wish I could have [inaudible 01:32:41]. Okay, well you thought it was interesting?

Speaker 2:

Absolutely.

Bill Walton:

All right, then we've got another one done.

Speaker 2:

Yeah.

Bill Walton:

I'm liking that last little performance thing I did. More of those to come.

Speaker 2:

Yeah, that's great. I will be at that meeting on Friday, I might be a little late because I'm coming from a closing but-

Bill Walton:

We're not going to miss much. We can recap you when you get there.

Speaker 2:

Yeah. But I think it's important for me to be there.

Bill Walton:

Oh yeah, it's important for you to be there.

Speaker 2:

Yeah, there are some important decisions that are happening that we need to work out. Like I said, I'll be-