



Alphachat: Tyler Cowen on “Stubborn Attachments”

Cardiff Garcia “Stubborn Attachments” strikes me as maybe the first Foundational Tyler work. It comes after Culture Tyler – you had a series of books about culture and economics. It comes after a self-help version of Tyler with Discovering Your Inner Economist and a couple of other books, including your food book. And then there was the Stagnationist trilogy.

This is different altogether. Why did you write it?

Tyler Cowen Let me just say, this is a book about philosophy unlike my other books and it’s actually a book most people shouldn’t read. I wrote this book so that you don’t read it but it gives my foundational take on what is right or wrong, how do we think about ethics, how does that translate into policy, how and when should we be agnostic in our beliefs?

And those to me are some of the most important questions and most people I see, they’re just not addressing them.

Cardiff Garcia You don’t want people to read it?

Tyler Cowen Not that I don’t want you to read it, but I didn’t make any concessions in writing this book. It assumes you know a fair amount about philosophy, it doesn’t explain all of the moves it makes. It’s my views, it’s there, I didn’t release it commercially.

Think of it as one of those bonus DVD extras that you get when you order the pack and if you enjoy it, wonderful but don’t think it’s like the rest of my books.

Cardiff Garcia Let me now encourage our listeners to completely ignore what Tyler just said about not reading the essay, and at least listen to the rest of this podcast. I promise you’re going to have a lot of fun.

I speculated about something while I was reading it as well. You are very uncomfortable when the consensus opinion starts moving in your direction.

Tyler Cowen Correct.

Cardiff Garcia So when that starts to happen you either start to remind people that there are caveats to your earlier views in some cases you just straight up change your mind.

I saw this book as almost like a self-constraining mechanism where you had to say, “Here, look, these are my core beliefs. I’m going to be very didactic in telling you what you I believe. And if I run away from it, I’m going to have to do it very explicitly if people start agreeing with me. But in the meantime, here it is, I wasn’t kidding when I said I was kind of a soft libertarian and this is why.”

Tyler Cowen That’s right, and keep in mind writing this over 15 or more years, it wasn’t that I worked on it steadily, but each year I’d devote a month or two to it so it kept on evolving.

Then finally I got to the point, now it’s done, there’s a six-point theorem here, it’s converged, time to put it out.

Cardiff Garcia Do you think that most or all public intellectuals should write treatises like this?

Tyler Cowen Only if they want to. I think they all ought to want to, and if you don’t want to, then how can you believe anything?

This is foundationalist Tyler coming out again. So you hear all kinds of claims about utilitarianism or inequality or meritocracy being important. But people never address the question, like at what margin am I willing to give up this principle? And that’s the great defect in current political discussion.

People have a lot of arguments, their margin is good but they have hardly any arguments why they stop at that margin.

Do you want to redistribute? Well maybe, but then why don’t [you] want to redistribute even more, and if the people who oppose the redistribution that you favour are evil, aren’t you evil for maybe opposing yet more redistribution?

Cardiff Garcia I hope not. Here’s what I thought we would do in this interview. We’re just going to go chapter by chapter. We’re going to explore some of the themes in the places where it’s relevant.

I might push back a little bit on you and at the end we’ll tie it all together, and we’ll maybe explore some potential new avenues for your next book about this very topic.

How about that -- sounds good?

Okay, Chapter One, the introduction, you set the tension early on between a kind of moral absolutism that you’re going to require of readers (that you’re going to encourage

in readers) on the one hand, and the need to be humble about what we can know on the other hand. This is a very Tyler-esque move.

But here's a quote: "Science is our main path to knowledge, and yet so often science tells us we don't know. That is all the more true for social science and perhaps macroeconomics stands at the summit of our epistemic limitations."

Tyler Cowen Everyone believes in right and wrong, so if you're writing a book that's relativistic, I would say you probably don't mean it yourself.

Plenty of people claim to be relativists, but when you listen to how they talk about their colleagues, maybe even their children, their relatives, it's obvious they're not.

So take that as given. But then realise the chance that you're right on a particular question might only be a few per cent. That view may be better -- 3% chance of being right is better than a 2.3% chance of being right -- But to actually internalise the chance that I'm right on X is only 3%, 2%, whatever... that's hard to do. And that's one of the things this book is trying to teach us.

Cardiff Garcia You essentially wave away an entire branch of philosophy right at the start when you say *I'm not going to get into the relativist question, I'm going to take it as a given*, you do acknowledge upfront you're going to do that.

But you also say that even if you don't quite buy that that's a useful thing to do, even if you do have some relativist ideas, [the reader] can probably still buy some of the framework that you're presenting and fitting that into the reader's pre-existing notions of what is relative and what is absolute.

Tyler Cowen That's right. The book uses a lot of probabilistic arguments. So say you thought relativism was true with .97 and absolute is almost true with 0.3. Well the relativist calculations, they're a kind of wash and you're still left with for your decision-making the absolutist considerations. So you only need to attach some chance to absolutism being true to want to follow the logic of the book.

Cardiff Garcia You do establish some grounding principles at the very beginning, and you write that to build principles for politics at least we need three things. One is an approach that is robust to human error, and this is where you give a nod to cognitive biases, the tendency to fall into us-versus-them thinking.

Another is doctrines we actually can believe in and here's where you give a nod to the tension between faith and reason. And then finally, and this is the most interesting one of all I think, pluralism, a diversity of values as a core, as a fundamental moral intuition.

Can you take us through each of those and why you think those are necessary parts of the platform?

Tyler Cowen Well to start with pluralism, we have intuitions that human well-being matters, we have intuitions that human rights matter. There may be other principles of merit or beauty or equality that matter. And the question is, in ethics, how do you trade them off at the margin?

So it's very much an economic approach, it's not a big boot stamp, *here's why you should care more about inequality*, it's take whatever you care about and try to limit it at the margin. And to me it's always surprising how little ethics or public policy discussion is done that way.

Tell me again the others you want me to talk about?

Cardiff Garcia The others are doctrines that we can actually believe in...

Tyler Cowen If you're going to have ethical principles for society, so take Peter Singer; in the basic Singer argument which is modified a bit in different works, but utility is really what drives the calculus.

But people can't believe that, that's one problem with it. you can't imagine a society constructed on Peter Singer-like grounds where mothers are actually wondering *well, if I sell my baby and adopt five from Haiti is the world better off*. There's something wrong there even if you find the utilitarian logic compelling.

Cardiff Garcia Yes, to be clear about Singer's argument, or early-Singer's argument, this is the idea that every marginal dollar of consumption beyond your basic needs should actually go to somebody else whose basic needs are not fulfilled, rather than on your own individual pursuits or pleasures.

Tyler Cowen This would crash the ice cream industry. So I want a world where we still have ice cream but actually can do more good for others than in the Peter Singer model.

Cardiff Garcia Then finally, an approach that's robust to human error and cognitive biases and us versus them tribalism.

Tyler Cowen People always think they're more right on average than they are. This is true of everyone. If it's true of everyone it has to be true of me, so I wanted to build a set of arguments that in some way were robust to me being wrong most of the time, and that's hard to do. If you're wrong most of the time, your arguments are wrong most of the time. But is there some meta-level where there's a claim you can make that is taking that into account in some way.

Cardiff Garcia You then introduce the six issues that you're going to use as planks in your philosophical argument. We're just going to go through each of these. Time, the present versus the future.

Tyler Cowen We don't worry enough about the future. There's plenty of evidence people are programmed for the here and now, and if you ask them to postpone a reward for even a week they start rebelling.

I say worry about the distant future a great deal, in fact that's a move I'm going to use to help explain how we can judge one thing to be much better than another.

Cardiff Garcia The other is aggregation: How do we resolve disagreements? Must we succumb to nihilism?

Tyler Cowen It's a big problem in economics with all these fancy constructs like the Arrow Impossibility theorem. I think they're all overrated. I think there's a set of policy actions where if you look far enough into time, some choices are way better than others, and you can see that in a way that's obvious to pretty much everyone. But you need to look very far into time.

Cardiff Garcia Rules: you're going to speak up in favour of them. I mentioned a certain amount of moral absolutism that you're going to ask of readers. This is where it comes into play.

Tyler Cowen That's right, you need rules to guide your behaviour, otherwise you're having to calculate each and every time, *well what's best*. You'll be crippled by your own epistemic uncertainty. But if you have a series of rules that yield good outcomes, stick with those. We'll return later to why don't those rules collapse into judging each and every individual case.

Cardiff Garcia Radical uncertainty: and this is (we're going to talk about it later) in the chapter that I think is the most purely philosophical of all the chapters.

Tyler Cowen It's paralysing if you think about it. You could say *well, if we spend an extra three seconds holding this podcast that will in turn change the movements of other people. They'll arrive at home on their commutes a bit later. They'll conceive different babies. There'll either be a new future Hitler or there won't be.*

And how do we even know what are the consequences of our actions. It's one of these freshman dorm bullshit session topics that we all like to dismiss. Well, I think we're right in dismissing it, but we need to understand why we're dismissing it to arrive at the correct answer.

Cardiff Garcia Yes and as a little bit of a teaser for our listeners I am going to later exalt the "freshman dorm bullshit conversations" which I think are great and everybody should do more of. We're going to do that later I want to stick with the six planks. The next is how is it that we believe in rights; should we believe in inviolable rights?

Tyler Cowen I don't in this book try to prove that there are rights, but I do think I show that to the extent there are rights they have to be inviolable.

So one of the key arguments of the book is that if you can have economic growth at a higher rate in an ongoing manner, the future value of that adds up to be something very, very large and it will outweigh virtually all other considerations.

The one thing it won't outweigh is some kind of infinite claim, [eg] *that you say can't violate the rights of a million babies by torturing them*. So if you believe in rights at all, and I think most of us do, that notion of rights has to be fairly absolute. Otherwise it gets swamped by the benefits of higher economic growth. And most of us don't think we should do *anything* for higher economic growth but we should be willing to do a lot, namely follow good rules.

Cardiff Garcia Now I'm a little bit worried my follow-up question is going to lead to the conception of the next Hitler now that you've brought it up.

Tyler Cowen It depends on my answer too, so we're mutually culpable.

Cardiff Garcia Equally responsible. The final, the sixth and final, plank to bring up: common sense morality versus utilitarian self-sacrificing philosophy.

Tyler Cowen Let's say we're strict utilitarians, that we're always asking, *why should I buy this ice cream cone when I could be sending the money to a poor part of Sub-Saharan Africa?* In a world like that, the incentive to work dwindles too starkly so less is produced.

I argue that if you build a world on common sense morality, which is an ethic of savings, investment, hard work, obedience to most but not all rules, and at the margin increased charity, you'll actually get a better result over time with zero discounting and more economic growth than you'll get under Peter Singer-like redistribution.

So this is a defence of common sense morality. It's also trying to show common sense morality and utilitarianism properly understood they're not that far apart; that's the Derek Parfit-like endeavour of trying to move together ethical views that appear to disagree and that's another thing I'm trying to do in this book.

Cardiff Garcia I was surprised in reading the book by just how much influence Derek Parfit has had on your thinking, not necessarily his conclusions (you take issue with some of his thinking, with some of his findings) but his methods. You really like his method, his use of big, bold, counterfactual thought experiments. These are all over your book and you attribute a lot of them to him.

Tyler Cowen I read Parfit's *Reasons and Persons* in 1984. I just found a copy in Harvard

book store, changed my life, changed the rest of my career. It's one of the most important books of the 20th century, though I think in many regards it's wrong and Parfit himself became too much of a Peter Singer-like redistributionist.

Cardiff Garcia I don't want to stay too long on the Parfit issue because we're going to talk about him a bit later, but the idea from *Reasons and Persons* -- wasn't it that there is no such thing as a consistent identity temporally, over time or generationally or whatever, that it's constantly changing? I don't see that as a necessary foundation in your thinking.

Tyler Cowen I would put Parfit's own view a little different. I'm not sure he's denying individuality, but I think he's saying most of the ethical views we think we believe in smuggle in notions of individuality that are either difficult to defend or [which] we violate in other contexts. And he's trying to force everyone to be consistent. And those are some of the best parts of the book.

I think he was himself always agnostic on the question, *how much are we truly individuals?* Part of him believed we weren't at all, the Buddhist side of Derek Parfit.

But the actual living human-being common-sense Derek Parfit, who would correspond with people at enormous length and spend hours and hours with them if he thought they were the right person to talk to, that Derek Parfit very much believed in individual identity. So there's some like Hegelian synthesis of Parfitian views on identity that's required to do any kind of ethics.

Cardiff Garcia This is the part of the book where you introduce the two philosophical manoeuvres that you need in order to arrive at your own preference for a social, political, economic philosophy.

The first manoeuvre is that you give a lot of primacy to the idea of production as a necessary moral value. and the second is one that you mentioned earlier, which is considering distance to the future, as something that we underrate. We should think of people in the future as almost as important as people in the present, even if they don't exist yet.

Tyler Cowen The importance of production, if you read so much of academic philosophy, well it's written by academics and it's all about redistribution. But how the stuff gets here -- for all the mistakes of Ayn Rand, all the ways in which academic philosophers will attack her, she's the one who understood that and stressed that it's all about production.

So production has to be central to philosophers way prior to redistribution. It's one of the tacks I take in this book, so the correct morals or ethics or rules it concerns *what can we do to produce more* and this will in the very long run be good for everyone. And time I see as a kind of an illusion. It may even be an illusion in physics but certainly in morality if something happens far from now it doesn't matter less.

We've all kinds of tricky constructs, time preference, discounting productivity of capital, that we invoke in complicated ways to try to diminish the import of the future. But in the book I try to argue that's wrong: the future is very real and it ought to be more vivid than it really is. And the policy best for the future is to maximise the rate of what I call sustainable economic growth.

Cardiff Garcia Sustainable economic growth -- I think the phrase you give it is "wealth plus", and that is the theme of Chapter Two, wealth makes the world go round.

And this is where you introduce I think your first, I don't know if this is Parfit-ian but it's certainly Cowen-ian, thought experiment: the Crusonia plant. A plant that yields... that gives a surging yield sustainably into the future. What is its meaning and how do you tie it to economic growth or wealth plus?

Tyler Cowen The plant is an analogy but say you had a plant or a tree and it would just keep on growing and producing value over time. The net worth would be very, very high. It's like this remarkable annuity.

So the book isn't about plants, it's about real world economy. So what features do we have in real world economies that are like the self-replicating Crusonia plants? And it's basically good rules and institutions as being a big part of what drives growth. So there there's some incredibly valuable thing that we should invest in above all else because the future really matters; that will get us more growth. That's like our hidden Crusonia plant so to speak.

Cardiff Garcia So it's economic growth, but and you're quick to note this is adjusted for environmental sustainability and leisure time, so this is your conception of "wealth plus" not just actual material wealth.

Tyler Cowen That's right and this is now standard in economics, so it was not completely standard at the time I started writing the book. Wealth maximisation or growth maximisation, it doesn't mean working 20 hours a day. There's obviously burnout. And wealth is there for human purposes and to have leisure time. Just think of leisure as a form of wealth and include that in wealth.

And also if we destroy our environment in that distant future, we'll be much less wealthy. So if you think about wealth consistently, environmentalism actually becomes really a quite fundamental principle of political philosophy.

Cardiff Garcia We should stay on the topic of economic growth and its relationship to the fragility of civilisations. You cite a lot of data in this chapter about how even thousands of years into the future, if you look at the institutions that existed, say at the time of ancient Rome, and you look at the European countries now that were conquered I guess, they were part of Roman civilisation, they still have, in part because of those initial

institutions, stronger growth than other parts of the world. And this is a very, very sustainable... sustainable is the wrong word. This is a very sticky idea.

Tyler Cowen That's right, so in Medieval times England had a freer labour market than most of the continent and today it still does. This to me is remarkable. So in expected value terms, good norms, practices, rules and institutions persist and export value into the future and that's an incredibly important fact. It's what directs our attention as to where we should be investing at the collective level.

Cardiff Garcia Here's a quote from this chapter. "Someone will have tanks and nuclear weapons whether we like it or not. It is important that the more benevolent societies be both richer and more technologically advanced." And again we see the relevance of economic growth. It raises a question also of whether or not the benevolence also springs from the growth, and not just that you want the benevolent societies who are benevolent for other reasons to also grow more quickly, something that maybe feeds on itself; self-perpetuating.

Tyler Cowen That's right Benjamin Freedman wrote a very good book, the Moral Consequences of Economic Growth. So growth is mostly good for people. On average it makes them more pacifist, more cooperative, more trusting. You can think of exceptions but again in expected value terms I think you can expect improvements from ongoing economic growth.

Cardiff Garcia Okay, you also list some of the other benefits from growth: gains for poor countries, from fast economic growth even in rich countries, that are benefiting from being able to migrate to those rich countries. The R&D spill-over effects from the rich countries. Remittances, the brain gain from people who move to the rich countries and then migrate back. More education. A diversified set of values I guess because you go to a new place and you learn about its values that kind of thing. All of this is part of wealth plus, and then you set it against something that Amartya Sen came up with, which is the idea of capabilities.

Tyler Cowen I don't think Sen thinks closely enough about compounding rates of economic growth. So he's more concerned with short run redistribution and not enough with good institutions. I think it's striking how much, if one country is better off on average, that's a gain for other countries too. You can go back way into human history, so the rise of China, before the birth of Christ was significant for later Western development. Then the industrial revolution in the West turns out to be highly significant for China doing better over time.

There are serious problems, interactions, sometimes wars along the way, but again in expected value terms we're rooting for these different parts of the world to do well. And that gets this idea of co-movement of values, that if you have economic growth and healthier institutions, the good things that will come from that will be so diverse that your initially pluralistic theory in which aggregations seem to be impossible, you actually do

have a way of judging the whole stream of one time-scenario for the world is better than an alternative.

Just try compounding growth over 100 years at 3% rather than 1% and see what one society will look like and compare it to the other.

Cardiff Garcia This is an interesting point too because if, let's say, a country that doesn't have that strong economic growth chooses to plough its resources into, let's say, the healthcare sector, it might for a period of time have very impressive results from that in terms of health gains. But in a hundred years it's still going to look tremendously backward relative to the countries that grow more quickly.

I'll inject a bit of personal commentary here because I've now reported from Cuba a few times, my family's from there, and a lot of people make a lot of noise about how Cuban healthcare seems to do pretty well relative to a non-advanced economy. They talk about free education, things like that. For one thing, the data are a bit flawed, but for another they don't realise that if you want to fund those programmes you need a vibrant rest of the economy, and Cuba doesn't have that. And what ends up happening is you see that if you direct all your resources into one thing, yes, you can get temporarily impressive results, but you don't see what's lost. You [should] see that the rest of the economy, it's an utter catastrophe, people have very few freedoms, they have very few options for what to do with their lives. And so it doesn't really make a whole of sense to point to that one thing.

You brought up the example of Kerala but I always go back to Cuba because it's what I know.

Tyler Cowen It's striking how much post-1979 China doesn't really invest much in healthcare at all. In some ways they're disinvesting in healthcare. Singapore even now I think is spending, what, 4% of its GDP on healthcare. Its people are very healthy because it became wealthy.

So spending on healthcare I see as an overrated way to improve the world because it doesn't tend to give you compounding returns. It's a one-time thing, you protect a bunch of people.

It may or may not be worth doing but I'd rather look for that longer stream of good results over time that compounds. You can think of a lot of the book, it's applying the magic of compound interest which all FT listeners and readers know about actually to ethics and to bring those two things together; super simple but academic philosophers tend not to do that.

Cardiff Garcia And then finally in this chapter there's a discussion of whether or not wealth or your idea of wealth plus necessarily correlates with increasing happiness. I like this section because it looks at happiness as a very kind of pliant construct. In other

words when we talk about happiness, my conception of happiness might be very different from your version of it.

A lot of it has to do with language. A lot of it has to do with the way that expectations adjust in response to wealth. In other words this is not a straightforward measurement. And so when you look at these findings that, *well, beyond a certain point you're not happier the richer you are*, a lot of times those surveys or those studies don't really take into account that there's a whole suite of things that we should be caring about, Not just happiness. But also that the happiness measurement itself might not be what people think it is.

Tyler Cowen You know, 20 years ago people used to say once you reach the per capita income level of Greece, happiness doesn't go up with wealth, and Greece was just as happy as some number of other places. No one uses the Greece example anymore.

Wealth is a buffer against tragedy. In the short run there are so many arguments you can make like *I was 23, I was in graduate school, hardly had a dime in my pocket, I was in love, the whole world seemed open to me, I was so happy. Now I'm 47 and I have more money and I'm stressed. Who is to say happiness and wealth have anything to do with each other?* That to me is a significant fallacy.

You may be right about that particular comparison, but take whole societies: much wealthier and much less wealthy and compare the amounts of tragedy in each case, and you're going to side with the wealthier societies. And those societies do more to help other countries.

Cardiff Garcia Let me now bring up a few potential challenges to the idea that sustainable or that a faster pace of economic growth necessarily has all these great outcomes. Or at least let me bring up a few of the potential side effects.

One is that it's true that the wealthier a society, the more choices you have for how to live your life. But it also seems to be the case that the wealthier society, the more of what I would call, maybe, regrettable distractions from the pursuit of real contentment. So the video game example is one that you've written about quite a bit. Maybe people should not be playing as many video games, and even if they're not going to take that time and go back into the labour force, they should still be trying to do things like fall in love or foster a close relationship with their parents and friends and siblings and things of that nature.

Tyler Cowen In the short run you will always see that more wealth has a whole host of costs. You'll make mistakes with your wealth. You'll buy too many cheeseburgers. You may become a crass person who watches too much TV, and the TV has too large a screen, whatever.

But again the longer you make the comparison between a society growing at a higher rate

compared to a society growing at a lower rate, I think it's very hard to find cases where people will systematically prefer the society growing at the lower rate.

But again in the short run it will be very complex and unclear.

Cardiff Garcia I want to make three more points and then ask you to fit them into the framework of this chapter.

You'll be aware of all of these, but for our listeners: The median male wage in the US has been stagnant for several decades -- that is not an uncontroversial statistic, it might not be perfect, but as you've said in the past, the fact that we can even talk about it as a legitimate claim says quite a lot.

Second, this is something we just learned last year, life expectancy in the US appears to have at least taken a pause if not slightly reversed; might be temporary but it's happened and that I think also is quite amazing.

And then finally, the Anne Case and Angus Deaton findings on middle-age mortality for white middle-age people in the US... In their new paper they find that mortality rates have climbed for the middle-age. And they found in the last few years, according to the last paper, it has also started to climb again for black middle-age Americans.

These are all quite depressing and pessimistic conclusions. How do they fit into your framework?

Tyler Cowen Well, if we take stagnant wages, most of all stagnant male wages, that's a sign we're not doing something right with boosting the rate of economic growth. So in one of my other books, *The Great Stagnation*, I talk about how we might try to think about growth differently.

In my book *The Complacent Class*, I consider this as well -- we need to take more risk, we need to accord higher status to science. There's a variety of policy prescriptions we might want to pursue, but that's a big sign we're getting something wrong.

And it's one reason why I wanted to put *Stubborn Attachments* out now. I felt we're at the point, we're screwing up. You know, we need a better dialogue on these questions.

Now if you ask about opioid deaths and falling life expectancy, to me it's striking that the United States is now spending over 17% of its GDP on healthcare. And we did Obamacare and now life expectancy again, there's some dispute -- is it topping out, is it falling? Maybe difficult today but it's not doing what we want and that I think is a sign that spending money on healthcare narrowly defined is very much overrated.

Cardiff Garcia Let's go to Chapter Three. This is *Overcoming Disagreement* -- this is where you make your case in explicit terms that the benefits of economic growth can help

to overcome the Kenneth Arrow impossibility theorem of how we can never know whose preferences should be more important.

Tyler Cowen Right, so in Kenneth Arrow's theorem, it's more complicated than I'm going to present it, but if person one wants to watch one TV show, the other person wants to watch the other TV show, and whose preference can you count? Arrow showed that over a broad range of cases there's no consistent algorithm that will help you sort out conflicting preferences without making one person a dictator, and that's not really how we make decisions.

I argue in the book, there are a variety of cases where over long enough periods of time, some outcomes are simply better for almost everyone. (Not literally everyone, they may not be better for people who love Stalinism above all else. They may not be better for people who desire the death and destruction of the human race, but a close enough better-for-everyone that you're willing to go with that judgement.) And I think that gets back to this idea of Crusonia plants. Again, society's growing at systematically higher rates, it's the one thing we can say over enough time is better, that's how we resolve aggregation disputes.

Cardiff Garcia Here's a quote from this chapter that I liked: "South Korea is much better off than say Democratic Republic of Congo by a very considerable margin. The higher growth alternative eventually will offer a clear and ongoing preponderance of plural values in its favour, whether it be living standards, women's rights, freedom of choice, or many other values including the fight against poverty."

Tyler Cowen Correct, now you could say *well I can't prove that*, right? But if that's the biggest weakness in the argument of the book, I'm actually pretty happy because I feel that comports with common sense morality. It gives us rules we can follow, it's broadly utilitarian. The death and destructionists are unhappy. Still, if that's the biggest problem I'm okay with that.

Cardiff Garcia Here's an obnoxious question but it's the one that came to mind as I was reading this chapter, which is that all of that is fair enough, and on some superficial level it's obvious that you want faster economic growth instead of slower economic growth. But I wonder if this idea is like Newtonian physics in the time before Einstein, where at a grand scale it certainly applied, but the closer you get to some marginal decision, it starts to break down and everything eventually becomes a little bit harder, especially since the world seems like a place now where you need a constant re-examination of just what it is that even causes faster economic growth.

Tyler Cowen Yes, that's exactly right. It's not an obnoxious point – that's where agnosticism comes in. If it is truly a marginal decision with nothing grander at stake, then for exactly those reasons we do need to be really quite agnostic about it because we can't overcome aggregation problems, and that's how a seriously taken agnosticism fits into the argument of the book.

In fact, arguably most questions fall into that category, right? And then we shouldn't think we know better.

Cardiff Garcia Here's a quote that I also liked from this chapter, it's about how wealth can solve the problem of preference aggregation but even within individuals and not just societal. In other words this approach also resolves some problems of preference aggregation within the individual self: "If part of you wants a cheeseburger and another part of you wants broccoli, maybe it's hard to come to a good all things considered judgement of what is best. Is fun eating more important or is your health more important? Yet when we have the chance to opt for a Crusonia plant -- higher rates of economic growth -- we can get by with a fairly blunt set of judgements. The wealthier society will over the course of time make just about everyone much better off." Close quotes.

Tyler Cowen That's right, but again a core message of the book – you really do need to be agnostic about the truly marginal choices.

Cardiff Garcia Okay, I also note that in some cases even if you do pursue this idea, it might take even multiple generations before those gains do get passed along to the majority of the wealth spectrum. You and I have both written about Engels' Pause, the period from the start of the 1800s when the Industrial Revolution started becoming a major force, and median real wages didn't actually pick up for something like 40 years – it was an astonishing period of wage stagnation.

Tyler Cowen Yes, one needs to root for the Industrial Revolution I think, it's a kind of moral imperative. But yet along the way there are many people who are not gaining. There are some people who are losing, but you look at the broader sweep of humanity... but for those marginal issues at the time, again agnosticism.... I think that's an excellent example but it's why the message of the book is also hard to follow.

Cardiff Garcia A modified principle of growth is we should push for sustainable economic growth but not at the expense of inviolable human rights. This is I think the first part in the book where you really set this in explicit terms and you say that this does not include positive rights and positive liberties.

Tyler Cowen Because positive liberties, those are overwhelmed by the long run benefits of growth. But if someone wants to say, as I would, we shouldn't wantonly kill, murder, torture innocent people, those are absolute human rights. So we shouldn't think, well if we kill this grandma and redistribute her money to Bill Gates, well Bill Gates could invest it at 7% and the grandma would have it sit barren in her checking account.

Maybe Bill Gates could do more with the money, but I think that's simply wrong and we're justified in saying as such.

Cardiff Garcia Yes, there's a thought experiment that you bring up here too from Derek

Parfit's Mistakes in Moral Arithmetic, and it goes like this – you have an innocent person lined up to be shot and six people are doing the shooting. If you're one of those six people, should you fire your bullet and if you do, are you a murderer, given that the person would have died whether or not you pulled the trigger? Your point is just don't pull the trigger, it's wrong.

Tyler Cowen That's right and I think this gets back to economic growth. So say there's something you can do with the margin that doesn't feel significant, but if a lot of people did it, it would add up to a lot. We should upgrade that in our calculations and that gets us a bit away from this complete agnosticism.

Cardiff Garcia There's a point here that you also make about the dual ideas of prosperity and liberty at the centre of your philosophy, you start talking about I think in this chapter. My question is, aren't there situations where those things might be contradictory, they might be opposed to each other?

Tyler Cowen Of course there are, that's why you need rights because they will contradict each other and rights tell you, stick with the rights – don't murder grandma, right?

If they never contradicted each other and everything were compatible, maybe it's true in some cases, but I don't think it's true overall [that] you could do without rights.

Cardiff Garcia Okay, Chapter Four – Is Time a Moral Illusion?

Tyler Cowen YES.

Cardiff Garcia Go for it, I'm going to let you talk because you're so enthusiastic, go for it.

Tyler Cowen Absolutely, if I know something bad will happen in 30 years, morally that ought to count for as much as something bad happening now. Now I might weight it less because me 30 years from now, I don't identify with as much, or 30 years from now I might be a different person, but when the pleasures and pains come they're just as real. So I think we should discount for risk -- maybe the person won't be there, but when you take utility or happiness or pain, however you want to talk about it, well-being -- we should not discount over time, and that's what's allowing this more distant future to have such a force over our decisions.

Cardiff Garcia I might be overdoing the quote thing but I think it's a useful way to introduce the ideas – this is where you're talking about the importance of discount rates which you just mentioned. Here's the quote, "Discounting also matters for how hell-bent we are on pursuing a higher rate of economic growth. A higher growth rate means that the future at some point in time will be much richer than otherwise, and as I argued, it means also that human beings will be much better off. How compelled should we feel to

bring about this wealthier state of affairs? If you only care about today, you won't have such strong reason to act in favour of higher sustainable growth."

Tyler Cowen You know, when Hegel wrote in the 19th Century, he wrote the Prussian bureaucracy was the embodiment of what he was arguing for. I would say in my case it's the East Asian economies – first Japan, Hong Kong, Singapore, Taiwan, South Korea, China - again with varying time periods, but those are the places that have been hell-bent on economic growth. They at least tried to do everything they could. They also mostly got it right. I'm not saying I agree with each and every decision or every feature of those societies.

And we see the results, and it's extraordinary ... people in the West should be more obsessed with East Asia than they are – that's the underlying sociological, historical, political message of this book.

Cardiff Garcia Worth noting also that the methods followed by the East Asian economies in their economic miracle were lessons that they learned from the initial period of expansive United States growth, right? The initial combination of mercantilist policy with state directed finance, some protectionism, pursuing industry which had all these great spillover effects – you can trace the lineage back to the early period, the things that Alexander Hamilton wrote, what the US followed for the first century of its existence.

So yes, the East Asian miracle, but also remember that that itself is a long term impact that you couldn't have anticipated in the prior century when the US followed this [approach].

Tyler Cowen This country is a miracle of its own, or you can look at the Danish miracle, Denmark being a big success. Denmark never had very rapid growth but their average is extraordinary and their absence, world wars aside, of extreme periods of negative growth.

So I think the exact formula will differ somewhat by society. But simply obsessing over this question, *what can we do next to spur growth*, is something we've lost. It's become, *what can we do next to be more comfortable*, and that's how Complacent Class, my mainstream trade book out, and this online book relate to each other. They're actually two pieces of the same puzzle.

Cardiff Garcia There's one part of this chapter that I have to confess I didn't quite understand, and I'm hoping you can talk about it a bit. You talk about how the psychological understanding and acceptance for considering very long term points of view, or very long term preferences, is something more akin to faith than reason even if the initial argument is one that can be derived from reason. I didn't quite get the importance of faith. Can you talk about that?

Tyler Cowen I think in a common sense understanding of the world we know, people

who think about the future more, they are more reasonable -- that's a nice correlation, they tend to be smarter, better educated -- but I think after some point none of us are actually capable of processing information about the very distant future, so if you care/pretend to care about 200 years from now... I don't think it's actually a sign that you're reasonable. In a way it's actually a sign that you're irrational. It is the correct moral point of view, but it's like none of us are good enough to truly think that, so the way we get there is by having a kind of faith that the distant future matters.

So successful societies, I think they always have a kind of faith at their core – it may or may not be religious in the narrow sense, though often it is. In the case of China, I think it's a belief in the rising Chinese nation once again and *it's our destiny, we were great in the past*.

So the extent to which economic growth is faith based as an empirical matter deriving from how human beings really are, that is, incapable of being good enough to really give a damn about 170 years from now, that's one of the key messages of the book.

Cardiff Garcia I also saw that as an attempt to stay true to the initial premise of the thesis that you introduce in Chapter One, specifically that you have to have doctrines that we can believe in, and the way you convince people to believe in something is not always by giving them the facts and saying that a flat discount rate makes sense. It's that you have to explain it in terms that resemble religious terminology, I guess.

Tyler Cowen Yes, so this is a Straussian model. Successful societies are based on false belief even though the false belief is highly immoral to hold.

Cardiff Garcia Great, Chapter Five, and this is where we do talk about redistribution. I'm going to introduce it with a quote and then a question. Here's the quote. "The point can be expressed as follows. We should redistribute only up to the point which maximises the rate of sustainable economic growth. This may mean more redistribution than we currently undertake and sometimes redistribution of a different kind, namely growth enhancing redistribution." That's the end of the quote.

This seems to me like a clever way to embrace a rejection of the Okun leaky bucket trade off between efficiency and redistribution, by essentially saying find a way to point them both in the same direction.

Tyler Cowen That's right – there are plenty of good reasons to redistribute and it may make your democracy, your society more stable – the people you give the money to, one way or another they may invest it, become healthier, become smarter, better citizens, contribute to the polity.

That leaves room for plenty of redistribution, but simply the fact that two people have different incomes or levels of wealth, I think that's actually a remarkably weak argument and you'll do more to help people who are not so well off by having resources be in the

places where they compound to create the greatest value -- what will help immigrants, help other countries, help the poor in indirect ways and again over a long enough time horizon, that is going to swamp the short run benefits from the other kinds of redistribution.

Cardiff Garcia Here's a variable that you don't discuss in the essay but that came to mind as I was reading this chapter, and it relates to how you get the balance right between sacrificing consumption now versus at some point enjoying the fruits of the sustainable economic growth that you're talking about.

It seems like if you get that balance wrong, then what you're essentially doing in the present day is modelling a kind of masochism for future generations, where they also don't enjoy the fruits of the economic growth -- unless it happens incidentally which is I think where you might go with this, right?

At some point you should enjoy the fruits of all your labour and the fruits of the labour of prior generations, that's the point, right? It seems to me that this is still a tenuous balance that's not easy to get right.

Tyler Cowen I would say the GDP is the enjoyment, so if your society is growing at a rapid clip, it's because producers are making things that the people want. The case that worries me is something like Iran under the Shah, which tried to get break-neck growth -- I do think that was their goal to grow the society. For one thing they were brutal, but also they didn't even succeed in growing the society -- there was a backlash and per capita income fell a great deal because of the revolution.

So you need to constrain any growth plan with some understanding, like what can you actually accomplish without people rebelling and saying, *look we hate economic growth, we want something else.*

Cardiff Garcia Why prefer immigration to a big welfare state in terms of prioritising?

Tyler Cowen We know immigration raises wages by a great deal fairly quickly for people from poorer countries, [who] move to higher income countries, especially if the latter are good at absorbing immigrants -- like US, Canada, Australia -- we can measure that effect. Michael Clemens has done the work. It's significant.

If you look at papers on how much welfare helps people like the Rebecca Blank papers, you do see an effect where if there are comparable groups, one group gets a welfare transfer and the other doesn't, welfare does help people on average. It's not the Charles Murray story -- I think that's more or less been shown to be false by the data -- but it's actually a pretty small effect and I think at some margins you do make tradeoffs.

The more immigrants you take in, people start resenting if they get too much in the way of benefits -- we see this in the US and the UK. At the margin I think it's pretty clear,

immigration does more for poor people than welfare payments. You do need both and welfare payments often help immigrants assimilate and get started, so that's important. It's not just either or but when the two conflict, I tend to favour more immigration.

Cardiff Garcia I guess I read that argument a little bit differently – I read it as, if you have a big welfare state that requires high levels of taxation, people might resent the immigrants because a lot of them [the immigrants] are going to require some outlay and... citizens are being taxed to pay for it.

It seems to me like we actually don't know a ton about the economics of resentment. I see it brought up quite a bit. For instance I've seen people argue both that a universal basic income would lead to more resentment because there's going to be some class of people that will just be living off of it. I think you can make the argument in the other direction too, which is that there will be less resentment because everybody is getting it, and that's the universality of it. Do we have a good grasp of what causes resentment from one class of people to another?

Tyler Cowen I don't think we have a big successful meta theory, but I think there's a lot of evidence that there are many special resentments saved for foreigners, including foreigners who don't deserve them so I'm very sensitive that those resentments get mobilised too quickly and we see this so many times in human history, so whatever we can do to keep those resentments small...

I do think we know that paying foreigners benefits leads to more resentment against those foreigners, so to the extent we need to be agnostic about that, I would say let's be agnostic but we're still going with our best guess, and that would be my best guess on that question.

Cardiff Garcia Here's where your soft libertarian stance takes aim at both the left and the right. You say the left is inconsistent because it wants both on the one hand a lot of infrastructure, investment and environmental spending which suggests low discount rates, very future oriented idea, but the left also wants very high redistribution which suggests very high discount rates. And the right has the exact opposite problem – just reverse those two things.

Tyler Cowen That's right so in my view they're both wrong and it's a sign they're really concerned with fighting other battles about *sociologically who should have higher status, who should have lower status?* And to force this consistency on ourselves that discount rates I think would do political discourse a great deal of good.

Cardiff Garcia Here's something that I wish you'd spent a little bit more time on in the paper – which is where you talk about who should sacrifice. You write that somebody should [sacrifice], but it's not always clear *who* should, but in terms of encouraging those members of society who should be sacrificing more for the sake of future generations, you write that we could try elevating the honour and status of the necessary sacrifices.

But then the question becomes is this still a sacrifice?

Tyler Cowen So in the Peter Singer version of utilitarianism, everyone is supposed to sacrifice – all doctors go to Africa until you're at the point where the marginal doctor here saves as many lives. I think that's ignoring the production side of the equation.

That said, I think today we don't do enough sacrificing. We could create more value. I think the closest we've come to a good standard for who should sacrifice is given by religion -- maybe Christianity or Islam in particular -- which have pretty clear guidelines that we should do more for the poor, and who should do it, and what should you do. And there's a postulate that there's a reward for doing it, so maybe it's not always altruistic.

I'm not sure we know what the long run reward is. There's some evidence from social science that people who give to charity are happier. I'm not certain about that.

To the extent it's all compatible, great, but even if it's not A) we should sacrifice more but B) we shouldn't all sacrifice. Most of us need to produce. It should be those who are in the best position to do it. People who would enjoy being a doctor in Africa or people who have religious motivation or whatever else.

Cardiff Garcia We're going to, for the sake of time, choose one of the following two points from this chapter and then we'll go to Chapter Six. So I'm going to let you choose, because either of these is going to get you in trouble.

Tyler Cowen Great.

Cardiff Garcia One is whether or not we need redistribution in some cases upwards to the rich. The other is the concept of replaceability when it comes to the lives of the elderly. Which one do you want to talk about?

Tyler Cowen I think we can do them both.

Cardiff Garcia Fine, let's do this.

Tyler Cowen If a wealthy person can create more value with some resources, we should consider that there be some upward redistribution toward the wealthy because in the longer run it will mean more for many other people, so it's not really [redistribution] toward the wealthy -- it just looks that way.

Now, how much should we value human lives? I think virtually all societies, Singapore possibly an exception, are spending too much on healthcare, that we could even save more lives just by being healthier, spending more on public health as a general concept and realising that there's plenty of people around the world with major health and income and tragedy and suffering problems, and just by investing more in wealth and economic growth rather than healthcare narrowly defined, we would create more value, and when it

comes to how much should we value human life, current healthcare policy almost everywhere values it too high.

Cardiff Garcia Let me do a quick follow up on the redistribution upwards point. I take this quote from the paper – “Usually this trickle down won’t come right away, but over time the rich will build more factories, buy more products, hire more servants, fund more research and development, push for more immigration and so on. Sooner or later a lot of the poor will benefit.” Unquote.

Maybe my quick stance on this -- not incredibly well thought through, it’s just a reaction... I think we definitely have some visible high profile cases where that does apply -- look at Bill Gates, Warren Buffett -- [but] in my first job after college I worked for the JP Morgan private bank covering high net worth Latin American clients. For a lot of them these ideas were definitely not top of mind. It seemed like if anything, they had very strong loss aversion and if there were any way that that money was going to be de-concentrated, it was just because they had a lot of kids, and the kids would all squabble over their inheritance, and then their kids would have kids and over time it would dissipate. But these ideas of building more factories or being agitators for social change and things like that didn’t seem like a priority.

That is strictly an anecdotal thing and it might be...

Tyler Cowen I agree completely, you can redistribute towards higher income groups in a targeted manner -- investment incentives in the tax code, foundation law, deductibility of contributions to the right kinds of non profits. All those are ways of targeting the wealthy who do things for society that are beneficial, while restricting those same benefits from accruing to others simply because they have a lot of money.

Cardiff Garcia Robert Solow versus ideas regeneration growth models -- which one is better and does it matter because the point is we need ideas either way?

Tyler Cowen In the Solow growth model, there’s typically catch-up, so poorer plays catch-up to wealthier places. In the Paul Romer increasing returns model, the more you have the faster you grow. It really matters for a lot of decisions which of these are correct. In the data, the Solow model seems to do better but that’s not to say it’s always true.

If there are increasing returns to scale, every decision you make is so morally fraught because if you squander a dollar, look out into time compounding, my goodness you’ve destroyed billions. There’s a moral nervousness that sets in and you need to retreat to this false belief of ignoring it all a bit. But I’m simply pointing out that whatever theory of growth you think applies in a particular case, it really should structure how careful you need to be, how morally compelling is the right course of action, and in the Romer increasing returns to scale model, my goodness... it’s really hard to deal with the fact of how much everything you do is significant.

Cardiff Garcia Right let's go to Chapter Six, you're starting to make your closing arguments. The title of this chapter is Science Fiction, Hope and the Epistemic Critique. This is where you set the epistemic critique against consequentialism, and you essentially say that you don't have to perfectly resolve the two in order to embrace the philosophy that you're advocating here.

Tyler Cowen Correct

Cardiff Garcia What is the epistemic critique?

Tyler Cowen It says something like, *well maybe you're producing more wealth today but you're changing everything about the future and that could give rise to the next Hitler because conceptions change and how do you know you're doing anything good at all?* That's the Epistemic Critique.

I'd say first, let's take it seriously. So we should be a lot more agnostic, but there's still an expected value. You think in expected value terms you're doing the best thing possible, but the chance you're doing the right thing – don't be so self righteous. It's not 97%, it's like 2% - maybe the other views are at 1.8% but you're at 2%. And act, think, behave, conduct discourse accordingly. That's one point of this chapter.

But the other, and this is the one that requires a lot of steps in the argumentation, is I think the Epistemic Critique is weaker when you're producing a really large benefit. Then you're less worried about other implications of how you're remixing the future.

Cardiff Garcia Or doing something with potentially enormous costs too.

Tyler Cowen Correct, so if you're really performing an activity that will help sustainable economic growth be higher for a long period of time, that will more likely outweigh these epistemic worries than if you're truly just bartering on the margin and nothing but, and then again I say, yes, accept the Epistemic Critique – you really do need to go back to agnosticism.

Cardiff Garcia Right -- to the closing argument -- there is focus on the really big stuff – don't get too caught up in the nitpicky stuff. I immediately thought of a lot of your views on the Fed when I read this chapter. You've been saying for a few years now that tinkering with aggregate demand curves at the margin doesn't really change a whole lot.

Tyler Cowen It changes a little.

Cardiff Garcia It changes a little and I'm not saying that you dismiss it, but definitely the focus of your writing, the stuff that you like to pay more attention to is, for instance, the step change that would be offered by embracing a nominal GDP level targeting, but even more to the point, talking about technology and the importance of getting productivity growth to be faster again – that this is a lot more of a big deal than the Fed's

waiting to hike rates for an extra six months or something like that.

Tyler Cowen Exactly. My main worry about Fed policy, if the Fed screws things up people get unhappy more generally, and they then might take other policy actions that will hurt technological growth. So in that sense the Fed can matter a great deal, but just like where are you on the Phillips curve today, how long before... I think it's much overrated, it takes up too much of macroeconomic discussion.

Cardiff Garcia I have one more thing to say about big ideas, but first I just want you to tie the whole thing together for us – what does an ideal society look like for you, and then please relate it to everything that you just said.

Tyler Cowen An ideal society is one where people have faith in the more distant future. They embrace rules, norms, practices and institutions that help us build for that future. They work together in harmony. They have a capitalistic market economy with some kind of democratic representation and most of all they have peace and they pursue a diverse set of plural ends through varied means within that bigger macro framework, and this keeps on going forever.

Cardiff Garcia One or two concrete policy ideas that help move us in that direction?

Tyler Cowen Spend more on research and development, raise the status of science, deregulate many but not all parts of the economy, have tax reform that encourages growth innovation and investment more than our current system does in the US, that would be a start.

Cardiff Garcia And finally I have a bunch of questions that are related to Stubborn Attachments but they come at it from an angle, a slant if you will...

So it seems to me like you're calling to focus mainly on the big things and it connects very closely with your exaltation, if that's not too strong a word, of historical American exceptionalism -- so the idea that the US has this mix of religiosity, of "don't tread on me" individualism that sits kind of uneasily with also a very strong sense of patriotism. And according to the founding myth, although there are countries that take in more immigrants as a share of their population, it is still considered to be a welcoming place. Maybe taking a turn for the worse recently but the point stands.

And then there is this idea, that I think I've heard you discuss in the past, that the US should keep some of its Captain Ahab-like qualities of which a by-product is sometimes a touch of madness. That we are going to collectively lose our shit sometimes, that is a price worth accepting in exchange for the right mix of dreamers and weirdos and eccentrics, and that in some ways *that* is the public good that we are offering to the world – that we are going to be the weirdos. We're happy to do that. Historically we've been very good at it. And we really should keep doing it but it requires big thinking.

Tyler Cowen I often say or maybe insist that all thinkers are regional thinkers. You simply need to figure out what the region is, so I think you're right in identifying this as a highly American book. I think some parts of it would come across as quite strange to a German – even though in the bigger scheme of things Germany and America are not that far apart as cultures or economies.

I think a book with some vitality, it has to be culturally specific in some ways yet also trying to embrace universals -- but from a context embedded in a culture and yes, this is my American book. It's yet one of another set of books on *what is America really about?*

Let's be honest that all thinkers are regional thinkers – I hope you like my region.

Cardiff Garcia The other thing that came to mind was an old idea from the literary critic Harold Bloom about what is the real American religion. And I might be butchering this a little bit, but it's the idea that the true American religion is a sort of inward grasp towards the authentic self with all of its weirdness and eccentricities, and that it is something that stands apart from the natural world, and when the natural world gets in its way attempts to overcome that, right?

Tyler Cowen Correct.

Cardiff Garcia I see this book and a lot of your writing frankly as a kind of macro application of that principle.

Tyler Cowen And the invocation of Bloom is right on target. Recall that Bloom once, or more than once, said that Mormonism is in a sense the truly American religion. And if you think about Mormon theology, this book in a way is like a Straussian defence of Mormonism – these truly wonderful things will happen in the very distant future, so there's levels of heaven, you can end up ruling over planets. Now I don't believe in the theology, but the notion that the extreme wonders of the quite distant future should drive so much of what happens today combined, with faith – this is also a very Mormon book I would say.

Cardiff Garcia Something that you don't mention until the appendix is the idea of cycles, societal cycles. You mention that Montesquieu was somebody who believed in societal cycles but so was an intellectual hero of yours, Tocqueville.

Tyler Cowen Sure.

Cardiff Garcia In preparation for a different podcast, I've just read Albert O Hirschman's *The Passions and the Interests*.

Tyler Cowen Wonderful book.

Cardiff Garcia And he brings up both of these ideas and I want to hear you discuss it,

again in the framework of how liberty and prosperity are sometimes set against each other. So here's the wind up – Montesquieu I think coined the term, the “doceur of commerce”, that commercial activity had a calming influence on people that helped to counteract their other more violent or rapacious appetites, like the lust for power, normal lusts, whatever, and that societally it could be very beneficial.

Tocqueville later took up this argument and disagreed with it, and said that, okay it can do that [have a pacifying effect], but it also has the seeds of its own deterioration included. Why? Because the more people you have in commercial activity who are becoming more peaceful, it leaves those others who lust for power freer to pursue their ambition, including tyrants or potential tyrants.

The other problem was that the more people you have in commercial activity, the more that parts of society come to depend on commerce working well, and since it's a complicated interdependent machine, it can break down sometimes -- and then society turns to a potential strongman to try to fix it.

So when I was talking about the potential for liberty and prosperity to be in conflict, that's where I was coming from, and I'm wondering how you're influenced by these ideas from previous thinkers that I know you're familiar with, and if you can just talk about the issue of cycles a little bit. Because maybe a society that pursues sustainable economic growth, by your definition, is going to go through these cycles and there is always going to be a danger that they'll falter.

Tyler Cowen This I think is one of the biggest problems with my argument. So I've said so many times, “well, pursue sustainable economic growth”. What if just nothing, period, is sustainable? If everything falls apart or mean reverts or contains the seeds of its own destruction?

Everything would then be marginal, and we're left with extreme agnosticism. But I still hold out hope. So let's say a purely cyclical version is correct with probability equals 80%, and the non-cyclical version is correct with 20%. Well, if the 80% says agnosticism and the 20% is this Mormon take on “pursue the wonderful, distant future”, you still ought to go with that. So there's a funny way in which one perhaps ought to follow what's in the book even if you think the chance of it being the right view is actually fairly small.

Cardiff Garcia Is it because in a sense that you're essentially multiplying 20% by the almost infinite benefits that you end up with, and so that's always going to carry the day?

Tyler Cowen Yes, but it's not Pascal's wager, which I don't accept because the other 80% is not pushing against you, it's just some buzzing teeming mess where you can't decide aggregation stops you and you're agnostic, so in that sense... You know, it's not a small probability of an infinite reward pushing you to do what you don't think should be done. It's just the only thing left standing that you know can matter.

Cardiff Garcia Has anything changed in your views since you finished *Stubborn Attachments*?

Tyler Cowen Well, “finished” is a tricky word for a book it’s not published in the formal sense. It’s online, I have vowed not to revise it.

Cardiff Garcia Not until we link to it at least.

Tyler Cowen We’ll see how that holds up.

But in part, I put it out there to stop myself from working on it, a self constraint mechanism thinking about my own more distant future. I would say I’ve become actually in the last month a little more optimistic that the American system of government is sustainable against some extreme pressures. So that’s made some of the claims in the book maybe look a small amount better. We’ll see, the clock is still ticking of course.

Cardiff Garcia Final question related to the book, although only again tangentially and it’s partly also a question about blogging and podcasting, both of which you now do actively. At the start of *Stubborn Attachments* and at the start of this conversation, you mentioned quote unquote, I think, “bullshit dorm room theorising”. I don’t like it when people are dismissive about dorm room theorising.

Tyler Cowen I wasn’t dismissive.

Cardiff Garcia Right, well fair enough. So here’s my thing... I did a lot of dorm room theorising when I was in college, and I might have been under the influence of various illicit substances, and sometimes I wasn’t. But I remember those conversations as some of the most deeply joyous, exploratory, stimulating times of my life. And for a very long time I thought, and still in some cases, blogging can be that way. I think it’s becoming less that way in part because it’s a victim of its own exceptionally high quality, where now if you write something it has to be pristinely argued, for the most part it has to be almost self contained. So the kind of conversational blogging style that used to be more common in the mid to late 2000s has fallen off, and to me podcasting conversations like this one have taken the place of blogging.

This is also a point mentioned by both Ta-Nehisi Paul Coates and Ezra Klein in their recent [podcast] conversation, where [in podcasting] they feel freer to say stupid things, to be stupid. [Cardiff here -- this is clumsy wording on my part, apologies. What Coates and Klein actually discussed was that in blogging, it was formerly more acceptable to communicate uncertainty, to be wrong, to tease out an argument, whereas now it’s more expected that the blogger know, have a definitive opinion, and often be “oracular” to use Coates’s phrasing. You can read a transcript of their exchange [here](#).]

I wonder if that was part of your motivation for doing *Conversations with Tyler* [a

podcast], but I also just wonder more generally what you think about that and whether it's to be lamented – this idea that blogging has become more paralysing than it used to be and less just fun and freewheeling?

Tyler Cowen It's to be lamented. One wonderful thing about blogs is how easily you can search them and how easily they cross reference each other, and you have open comment sections.

Podcasts don't have that for the most part. Maybe a few have it but it's not really a part of what podcasting is.

I started my own podcast series because I actually wanted to talk with these people. I was shocked when they said yes, then I had to keep on doing it and now there's more people I want to talk with and it's like I'm stuck, but it's fun.

Cardiff Garcia Okay. Finally, I want to do a culture thing with you if you don't mind.

Tyler Cowen Sure.

Cardiff Garcia The last time we did something that you pioneered, a format that you pioneered, "Overrated or Underrated", where you essentially name something and then [the guest] would say relative to society, is it overrated or underrated. I turned it around on you, but now you've done so many podcasts and everybody else turns it around on you, so I want to do something totally different, okay?

Tyler Cowen Overrated versus underrated has become overrated, right?

Cardiff Garcia It's definitely become overrated, temporarily. Maybe that will cycle back at some point. Okay, here is the game, let's call it "Desert Island, This or That". I'm going to give you two options. You're going to a desert island. If it's two people, then you get to choose the entire body of work to which that person contributed, you have to choose between the two, right?

So here we go – let's do written works first, ready?

Tyler Cowen Yes.

Cardiff Garcia Plato or David Hume?

Tyler Cowen David Hume. You'd get bored with Plato, too many of them are a little bit the same, too many of the questions are insoluble. Hume has the history of England, he wrote on religion, philosophy, he had wonderful economics, not even close.

Cardiff Garcia Shakespeare or your 15 favourite novels published in your lifetime?

Tyler Cowen Shakespeare beats anything you can come up with. Unless it's Shakespeare or *everything else*, Shakespeare is going to win, anything you're even tempted.

Cardiff Garcia Wait a minute, because this raises an interesting question. Shakespeare "unless it's everything else" -- then what's the marginal book? Is it the 30th book, the 50th book, the 100th book?

Tyler Cowen That's a very Cowenian question actually. What margin do you stop? I don't know, I'm tempted to just keep on saying Shakespeare, Shakespeare, Shakespeare.

If it's like the next best thousand books, of course I'd pick 1,500, okay. But 30 is not coming close, 30 best novels of my lifetime. Not many do I need to read five times but there are easily 20, 25 Shakespeare plays I could just read the rest of my life N number of times and not get sick of them.

Cardiff Garcia Indeed. Okay next, Emily Dickinson or William Wordsworth?

Tyler Cowen I would say it's close but I would pick Wordsworth because he has longer works and shorter works, and that variation I would find useful. But I think very highly of Emily Dickinson and if it's not a desert island... I'm not even saying she's his inferior, I don't think she is.

Cardiff Garcia St Augustine or St Thomas Aquinas.

Tyler Cowen I don't think either would be that much fun, you know? I suppose I would pick St Thomas because I've read less of it to date. I've read St. Augustine, Confessions, City of God a few times already, like I feel I've absorbed what I'm going to get from that. You know, The Summa Theologica, I've never really studied it so I've got to say St Thomas but I'm still looking for that Shakespeare.

Cardiff Garcia Ongoing subscriptions to the New Yorker or The Economist?

Tyler Cowen The Economist because you get news, and you're wondering what the hell is going on out there.

Cardiff Garcia In the rest of the world, that's right.

Tyler Cowen New Yorker gives you some of that but not the way The Economist would.

Cardiff Garcia [New Yorker] gives you more narrative and some fiction.

Tyler Cowen Fiction in New Yorker I don't care much about, it's too contemporary, too short.

Cardiff Garcia Here's a tougher one, London Review of Books or the Paris Review?

Tyler Cowen They're both excellent, I guess I'd pick London Review – more intense essays, in some ways for me more intellectual, more history and a bit less humanities perhaps.

Cardiff Garcia Let's go to cinema and television.

Cardiff Garcia The clowns, Buster Keaton or Charlie Chaplin?

Tyler Cowen That's an excellent question. You know, there's a lot of Keaton that hasn't survived, so if I get to see that, maybe that's itself a value. But like *City Lights*, *Monsieur Verdoux* or two or three others, I think I'd give it to Chaplin actually. *Sherlock Junior* is my favourite Keaton.

Cardiff Garcia Any of those as good as *The General*?

Tyler Cowen Yes, I think so. I like *Sherlock Junior* better than *The General*, so I'll say Chaplin.

Cardiff Garcia British directors, Carol Reed or David Lean?

Tyler Cowen You know, neither is my ideal for a desert island because I don't think you need to see them a lot of times.

So I'd say it's close to a toss up – you want to watch *Lawrence of Arabia* on a desert island? I don't know, I'd see it once or twice and then start writing in the sand.

Cardiff Garcia Japanese directors, Ozu or Kurosawa?

Tyler Cowen Kurosawa. I love Ozu and there's plenty of Ozu I haven't seen. I don't know Ozu's silent movies. But [Ozu's movies] are a little slow, and Kurosawa is far more varied, and even late Kurosawa I would say is deeply underrated.

Cardiff Garcia The Shakespearian ones, you mean?

Tyler Cowen But even after that, the Siberian one... one of the most phenomenal directors, people still don't appreciate him enough. No slight to Ozu but definitely Kurosawa.

Cardiff Garcia Fair enough. Italian American directors, Francis Ford Coppola or Martin Scorsese?

Tyler Cowen I mean, I'm sick of them both. They both have wonderful films... but it's

like Carol Reed or David Lean, I've seen them all too many times. ...

Do I want to see Apocalypse Now in Fairfax, Virginia? Not that much. I'd rather watch through the corpus of Hitchcock or Bergman for depth and desert island value, that would be my picks instead.

Cardiff Garcia Which of those two [Hitchcock or Bergman] if you had to choose?

Tyler Cowen I guess Hitchcock, they are somewhat more varied psychologically but it would be a tough call – they would be my two top picks. I don't even think they're necessarily better movies but they reward multiple viewings.

Some perfect movies don't reward multiple viewings, they get worse on multiple viewings and I'd say that a lot about Scorsese and Coppola, like two viewings may be perfect, but you keep on watching them, they become clichés.

Nothing wrong with that, you're not supposed to watch them 13 times, right? Like a lot of TV shows.

Cardiff Garcia Last one, Meryl Streep or Robert De Niro, and I guess you get to keep The Deer Hunter either way.

Tyler Cowen On net in some ways they're both negatives for me.

Cardiff Garcia Really?

Tyler Cowen They have early periods that are wonderful and they become parodies of themselves, and when I see them now I cringe, though they're both remarkably talented. Meryl Streep is in Devil Wears Prada, that I'd like to see again – it's a deeply underrated, totally vicious movie.

But for the most part, it's stuff I've already seen too many times, so...

Cardiff Garcia Pick, let's say, three actors whose bodies of work you'd want to take with you.

Tyler Cowen I don't think in terms of actors, I think in terms of directors. So we had Hitchcock and Bergman but if you forced me to pick actors...

Cardiff Garcia Would you not pick at least one director who just does light, fluffy kind of stuff to pass the time, to cheer you up every now and again, especially if they were prolific enough?

Tyler Cowen No, I might bring some Michael Powell movies. Kurosawa I think would be my third along with Bergman and Hitchcock.

Cardiff Garcia Billy Wilder maybe?

Tyler Cowen I've seen them enough. I feel they're at marginal value equals zero. Do I get a really big screen? I guess I care about... maybe just some visceral action movies for the desert island. You know, Spielberg actually would be one of my top few. A lot of them are clunkers but there's a lot of variety – the best ones like Artificial Intelligence, Sugarland Express, they're amazing and I think for a desert island they're pretty good, so I want to just.. Maybe there's some extra he put in a lot of those movies and you're asking me to pick actors/actresses?

I'll just pick someone who is in a lot of movies I like. There's not really people I want to see on screen – I don't give a damn.

Cardiff Garcia I have a different question. Let's say you were going to have a starting five NBA team. Four of the players -- this is "National Basketball Association" for our listeners overseas -- four of the players will be chosen blindly and your fifth player will be either Tim Duncan or Larry Bird in let's say the best five years of his prime. Who do you pick?

Tyler Cowen Tim Duncan, it's not even close. Larry Bird didn't play defence very well, he belonged to an earlier era of the game. He wasn't always that quick on his feet, again especially on defence. His first few years he was carousing too much, not thinking enough about long term economic growth.

Tim Duncan is one of the greatest players all time and he made everyone else around him much better than Larry Bird did.

Cardiff Garcia I started with that question because I was putting together my all time NBA starting five the other day, and that was the toughest choice for me, was who do I put in the power forward spot?

Tyler Cowen No, Larry Bird is not in the running at all.

Cardiff Garcia Fair enough, so I'm going to ask you who your all time NBA starting five is with one stipulation – you don't have to choose a centre if you don't want, but you can't have more than three guards or more than three forwards.

Tyler Cowen It depends how you mean to ask the question. I would consider just picking an actual team as we know it, because they would play together as a team, so I'd pick the mid to late 1990s Chicago Bulls, I think, and you could tweak them a bit...

Cardiff Garcia You can pick any players you want.

Tyler Cowen I understand but I think that...

Cardiff Garcia You're actually going to pick a cohesive unit that did play together?

Tyler Cowen But then I'm going to give them a better centre, so maybe you'd put Hakeem Olajuwon on that team. You don't want Shaquille O'Neal on that team, but you...

Cardiff Garcia Can't shoot free throws...

Tyler Cowen You don't want Bill Wennington anywhere near your continent much less on the parquet floor. And then you would give them a deeper bench, but you would have to pick players who were content with not playing very much, so morale and team chemistry is so important. To think you can just pick the five best players is a fun exercise but it's a mistake.

If you want me to pick the five best players, I can do that too.

Cardiff Garcia Okay.

Tyler Cowen That's probably Michael Jordan as shooting guard. Point guard, if you have Michael Jordan you don't want Magic Johnson, so the interdependencies really matter – you want more of a normal point guard who is willing to defer and who plays tremendous defence.

Cardiff Garcia John Stockton or Isiah Thomas then in the pure point card spot?

Tyler Cowen Maybe Isiah Thomas, he's a little short defensively. Scottie Pippen, pairing him with Jordan, that doesn't seem like a mistake. Karl Malone, one of the best power forwards, Tim Duncan, power forward/centre, take your pick. You need some more outside shooting, just like pick four or five awesome outside shooters who play defence, put them on the bench and switch in, who could also play small forward, and then have like Dennis Rodman and then another banger or two and that would be my team.

Cardiff Garcia To intimidate the other team.

Tyler Cowen Yes.

Cardiff Garcia Your team is way different than mine. I just...

Tyler Cowen What is your team?

Cardiff Garcia I picked Jordan, LeBron, Russell, Magic and Bird was my team [?]. With Bird...

Tyler Cowen Too much all star power.

Cardiff Garcia You know you say that like it's a bad thing. You don't think that team would be cohesive?

Tyler Cowen Look, it wouldn't come in last. They'd make the playoffs. To start with, LeBron is fine. It's as good as starting with Michael Jordan, and if you would take the Miami team at its peak and then change some of those pieces you would have as good a team as what I picked. I don't mean to discriminate against that team, but that's how to approach it. Start with a trio that you know worked and tweak it at the edges with non-selfish players and bench add ons.

Cardiff Garcia Popovich your coach?

Tyler Cowen Probably, yes.

Cardiff Garcia Fair enough, Tyler Cowen, thanks for indulging all these zany questions. This was a blast.

Tyler Cowen My pleasure, thank you and again think about that future.