



Episode 1,066: An Exhausted Tom Talks 2017 Tom Woods Show Highlights with Michael Malice

Guest: Michael Malice

WOODS: I thought, given that last time I asked you a whole lot of things about this year that's coming to an end and things that happened and winners and losers and surprises and things like that, that we might do a kind of a look back on my year here behind this microphone on this show. Because I look back — when you go to TomWoods.com/episodes, that page has every single episode going back to Episode 1 on it, conveniently. And I look back, I scroll back and, man, have I covered a lot of stuff. I barely even remember half of this stuff. So I don't know if it might be useful to go back and talk about some highlights or some topics or whatever. And so I'm hoping you're going to bail me out somehow here.

MALICE: Yeah, I know what I want to know and I think I speak for a lot of people in the audience. What do you like best about me? No. What were some of the things that you learned from your own show during this past year?

WOODS: Oh, boy, that is an excellent one. In fact, I might even need a second to think that over, because there are so darn many things [laughing].

MALICE: Yep. While you're thinking about that, why don't you talk about looking back on your 1,000th episode, which was such a big deal and there was so much effort on your part and your feelings about that?

WOODS: Yeah. Yeah, yeah, let's say something about that. First of all, it was a great success and I'm really thrilled so many people came and that we got so many people who listened to the audio of it.

MALICE: They had to reschedule, too.

WOODS: We had to — Oh, it was a nightmare. We had to reschedule because of that awful hurricane. So yeah, it was terrible. But in spite of that, it still went off so well, and you were a major ingredient in that formula for success for that episode. Without a doubt, it was just wonderful to have you there, and then to sneak Dave Smith in without putting him on the bill so he was a surprise. And the roast and everything we did, it was just so much fun. And it was also a nice opportunity for some of us to get to see each other or meet each other for the first time, because Dave and Eric July I think had never met before. And so you know, it was just a lot of fun for us.

And then to see the response we got. And then I had so many people — you had to be a supporting listener, a donor to the show to get a — I gave everybody a free dinner. And a catered dinner at a hotel is not cheap, but I did that. And you know, just at that part alone I had 250 people. I mean, that's amazing, you know? Like some of these major right-wing foundations can't get that many people for their dinner, you know? That was astonishing. And then almost 600 people in the audience.

I'll say — people are saying, *You can't wait till Episode 2,000 to do another one of these. I can't possibly hold out that long.* But bear in mind this event was way more expensive than you think, because to have a giant video screen right up next to the stage so we could show that little film beforehand and then have us up on it through the whole thing, that is much pricier than you'd think. And then I'm flying everybody in, and then there are just all kinds of expenses you can't even anticipate. So it cost a fortune. But I thought, you know, these good folks who help me out, who support the show financially month after month, I thought they deserve something. And much as I don't like the expression "give something back," well, these people in this case, they actually did give me something, and so I thought I'm going to give them a great night. I'm going to take some of what they gave and I am going to splurge on a great night. And that's exactly what it was.

But for me, maybe the highlight was to get to see a glimpse of who my daughters are becoming, because to get to see my four — you know, I have five daughters, but the four who would be old enough to participate. But to see them surprise me at the roast and to have such poise and self-confidence and public speaking ability, given that they don't do a lot of public speaking, in front of such a large audience with so much pressure on them. I mean, Dave Smith, a professional comedian, had just gotten done roasting me. So for them to take the stage took a lot of courage, and they were so successful. They did it so, so well, that in addition to the video of the entire event, I also made a video just of their part doing the roast. So I'll post that at TomWoods.com/1066. Amazing and wonderful. So that was great.

MALICE: Okay, so what are some of the things that you learned during this past year on your show?

WOODS: Well, I'm scrolling down and looking through all these different episodes, I cannot get over all the different topics that were covered. It's an astonishing list. But first thing I'll say is that this is not so much something I've learned, but I was glad to get to know Owen Benjamin, the comedian Owen Benjamin. I know you know him and you did a great episode with him with Dave Smith. And apparently — are we allowed to say what you just told me when we were off the air?

MALICE: Sure.

WOODS: Okay, that you're going to have him on your show at the beginning of 2018?

MALICE: Correct.

WOODS: All right, so great, okay.

MALICE: January 3rd.

WOODS: Okay, I didn't want to let that out of the bag if you didn't want to say it. Anyway, he's great. Now, some of his material is a little bit risqué, but he's just an interesting guy. What I love about him is not just his courage in speaking about things even when he probably knows he could get in trouble for it, but I like his podcast, *Why Didn't They Laugh?* Have you ever listened to it?

MALICE: I have not.

WOODS: Do you know the premise?

MALICE: Oh, yeah, that's when he breaks down a joke.

WOODS: Yeah. Isn't that brilliant?

MALICE: Yes.

WOODS: But in particular, he breaks down a joke that failed, but it's one of his own jokes because he says that is just a crummy thing to do, to take apart somebody else's joke. But when your own joke fails — And he's recording a lot of his standup routines so that he can go back and listen. So he'll play a recording, and sometimes he'll play it in — What he'll do is he'll play it and say that didn't work and I want to figure out why it didn't work. And then he'll go through and you'll see the craft of the comedian here. There's more to it than you think. And then he'll say, "All right, so now I tried it this way. Let's hear what happened." And he'll say, "All right, now it got a little bit better." And then you watch the evolution of the joke until he gets to a point where it just kills. And that is just brilliant.

And I actually described it to Bob Murphy on the phone. I said, "Bob, I just learned about the most interesting podcast," and I described the premise to him, and he says, "That sounds like the greatest podcast ever." I said, "I know. As soon as I heard about it, I had to start listening." So I didn't even know he existed, and then I talked to him and then I looked into his background and I thought, geez, where have I been? So that was a neat thing.

Another thing — again, this isn't quite like book-learning that I did. I learn at least a few facts probably on almost every single episode, but to know — there's a congressman named John Duncan — he goes by Jimmy Duncan — in Tennessee. He's been in office for close to 30 years.

MALICE: Oh, wow.

WOODS: And he is the least known of — he is the last sitting House Republican who's still in the Congress who voted against the Iraq War. He's the last one who's there. And he is on the — I believe he's on the board of the Ron Paul Institute for Peace and Prosperity. He's an anti-interventionist. But he's always thought of himself as being more or less a constitutional conservative. I don't think he would call himself a libertarian. But he asked to be on my show. I didn't have to go fish around for this guy. His people contact us and says, "Congressman Duncan would like to come on and talk." And so we did, and it was great. And then he wrote to me again and said, "I just wrote this article about how the Pentagon budget's a big scam. We've got to talk about it."

MALICE: Oh, wow.

WOODS: Of course!

MALICE: Yeah.

WOODS: [laughing] Yeah, of course, yeah. So he's going to be gone as of this year, and so some creep is probably taking his place. Very disappointing. But in his same state, we also learned this year that Glenn Jacobs is running for mayor of Knox County, Tennessee. And when I had him on, I said, "So what made you decide to do it?" And he said, "Well, it was a guy named Tom Woods." I said, "Get out of here. You are not blaming me for this." But I mean, but to hear that was kind of encouraging.

MALICE: Yeah.

WOODS: It's like this microphone is actually accomplishing something. Because Jacobs is a guy who has an audience because, you know, look, he's got 6 to 7 million likes on Facebook because of his wrestling career. People will listen to him.

MALICE: Right.

WOODS: And even if he doesn't win, he's going to talk to a lot of people, which is to me the most important part of this, is him going around, young people who love him being willing to listen because he's Kane. So that's something.

And then — now this is starting to sound like, when Woods to a new house and he gets tired, his ego also really grows. I don't know what's going on. But I'm just thinking about things that made me feel like this is not all in vain after all. Patrik Schumacher is an extremely accomplished architect who has made people go just out of their minds. He's like Trump in Europe. He's like Trump because he gives speeches saying public housing's a big disaster and we need to privatize all these public spaces. We need to privatize everything. Everything would be much better if we just privatized it all. You don't hear architects talking like that. They don't talk like that. That's not a field where you hear that kind of talk. And then I had him on, and he just kept — he mentioned that my book *Meltdown* played an indispensable role in moving him toward where he is now as opposed to where he used to be on the left. That really impressed me.

But here's a big one, though. General Kelly had those remarks some time ago about the Civil War and, if only we had had negotiation, maybe we might have been able to avoid it. That sort of thing. And he got into big trouble for this. And I had Kevin Gutzman on, who dug out — he said, here we have these Harvard and Yale historians writing in prestigious newspapers criticizing General Kelly. Well, I actually went and looked at their own books, and in their own books, they say it was just a failure to find some kind of good negotiating position that led to the war. Like, they themselves say it, you know [laughing]? So it's not allowed — a Trump person can't say it, but they can say it in their own books.

And then he said — because then there was criticism of the South and of secession. And Kevin just put it this way — and I already knew about the William Rawle book. A guy named William Rawle wrote a book in 1820 — well, I think it was 1825. I can't remember the exact date, but I know it was from 1825 to 1840 that they used his book called *A View of the Constitution* as the textbook on the Constitution at West Point. And in that book, Rawle, who was a

Federalist and who was anti-slavery if not abolitionist, nevertheless, in the book he concedes that in the last resort, the states have a right of secession.

And so yeah, so here's what it was. Here's what it was. Kelly was saying that Robert E. Lee was somebody worth admiring, and people were saying that can't be because he committed treason because he favored secession and fought for seceding states. And Kevin said, look, Lee is learning out of a book that's taught to him that says the correct constitutional doctrine is that secession is allowed. It's part of, not in opposition to, the American tradition. So how can you possibly accuse him of treason when the military academy itself teaches him that secession is legitimate? And I just never thought of it so simply, that yeah, that is at least — if you're interested in the Constitution and you think the Constitution has some value or it has some purchase on your mind, then that is a really darn good argument.

So I think, geez, I've got all these friends like Gutzman who have all these great arguments and insights, and I need to talk to them more, is what I think. I've got to get on the phone with these people more. So anyways, so off the top of my head, those are some ones certainly that I like.

Johann Hari was on the show by popular demand, because he has a great book on the drug war, Hari. And just when I thought I knew everything there was to know about the drug war, that episode just really, really made a very powerful case that we're going about this all wrong. So if you missed the Johann Hari episode, I'll list all these ones I'm mentioning, I'll put on the show notes page. Boy, that's going to be a lot of work. I'll put them up there.

And then we did a show — I think we had Joe Quirk back on to talk about seasteading, because his book on it was out with Patri Friedman. And this is the idea that you could have a floating city and that you could have a lot of autonomy for a floating city. And it turns out you can solve a lot more of the problems that you would associate with a floating city than you would think you could and that you can actually solve a lot of social problems by having a floating city. Now, off the top of my head, I don't recall all the arguments, but I just remember reading this book thinking — I kind of thought this would be a hard case to make. But I read it and I thought, *Whoa, I don't know if this is either a really good book or there's something seriously wrong with me, because this sounds a lot more persuasive than I thought it would.*

MALICE: Right.

WOODS: Oh my gosh, are we already at this — All right, we've got to stop and thank our sponsor. Hold on a minute. We'll come right back.

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All right, we're back. Now I don't know what else to say. I'm sure there are 8 million other episodes that I loved. Of course I enjoyed all the episodes with you. I always enjoy them, but there's one in particular that I liked this year because it forced me to read a book I'd been meaning to get to for a long time, and that's *A Conflict of Visions* by Thomas Sowell. And it's especially poignant for me, because this is the year that Sowell discontinued his syndicated column that he'd been writing — well, I don't know how long he's been writing it, but I've been reading Thomas Sowell since I was in high school. And for that pen to be silenced was a really

sad thing, not only because I learned a lot from him, but because I really think he truly is one of the great writers we have. He's very persuasive, and he's very elegant and he chooses just the right word and he has such an economy with words.

And when we read *A Conflict of Visions*, it really helped to put a lot of things together in my mind, because it speaks of the constrained and unconstrained vision of the world, of humanity, of what's possible. And I felt like those two categories really do help to encapsulate what's going on in a lot of the debates we have, that we, people like you and I look at the situation we're in, we look at the human condition, and we say that we can't come up with a blueprint for utopia because there are constraints on what's possible. Human beings have flaws, and a lot of them have a lot of flaws, and there are reasons that it's not possible to treat human beings as if they're infinitely malleable and to have these ambitions for ways you can construct whole new societies and you can solve problems and do away with this or that social difficulty. That's all coming out of the unconstrained vision, that there the only constrain is the imagination of the social planner. And that really gets to the heart of so much of what's going on in political debate. So thanks for making me read that thing, in other words.

MALICE: Yeah, my pleasure.

WOODS: Phew, man, this one's a lot of talking. Now I feel like how you felt in the last episode.

MALICE: How long has it been so far?

WOODS: What, the episode?

MALICE: Yeah.

WOODS: How many minutes have we been going? Well, apart from my taking that time — I don't know how many minutes I took off the air to go through and look at episodes [laughing]. Probably —

MALICE: Let's say seven.

WOODS: You think so?

MALICE: Yeah.

WOODS: All right, so it's been — okay, so we've put in the ad, so it's about 18 and a half minutes, let's say. That'd be my guess.

MALICE: Okay, so you could do another ten and it'll be fine.

WOODS: [laughing] What, ten episodes or ten minutes?

MALICE: Ten minutes.

WOODS: Yeah, okay.

MALICE: Yeah.

WOODS: All right, so you've scrolled through. Did anything jump out and you say, *Surely, Woods, you learned something from this, or, This looks good, or, I listened to this one and it was a stinker?*

MALICE: Well, I want to hear about you and Thaddeus Russell, who's one of my favorite people.

WOODS: Ah, yeah, that's true. Now, here's what's interesting about the Thaddeus Russell episode. I could not —

MALICE: Are we taping this?

WOODS: Yeah, we are.

MALICE: Okay.

WOODS: Yeah. We'll keep all that little banter we just had about the time. Let's keep that in for the folks, just for the — this is the real guts of how this show works. That episode with Thaddeus — I've had Thad I guess maybe three times? Maybe only twice. It could be only twice. But the point is we were like ships passing in the night at Columbia. We were both there at the same time, it turns out. But we didn't know — or apparently he says we met very briefly, but he says that ideologically he wasn't yet ready to interact with me the way he does now. And the funny thing was that at that time, neither was I, because I was going through my paleocon phase at that point — which people are constantly bashing me over the head for. They say, *Look at this article Woods wrote in the '90s*. Yeah, I know. Woods was still a young man learning his way around the world, okay? So leave him alone.

So anyway, he and I had a great talk and he launched his Renegade University and I'm really happy for him. But the one thing that stayed with me from that episode was his feeling that he shares with you about the Protestant work ethic —

MALICE: Oh, yeah.

WOODS: — about kind of like work for its own sake, work, work, work. And I just — it may partly be that it stings me a bit because I hear myself in that a lot. I hear the way I've lived a lot of my life, which is that if I'm standing in line somewhere for ten minutes, I have to be reading an article because then that way I'll be better able to write such and such down the road. Or this project I'm working on, I've got to be reading this book or that book. And it'd get to a point where I would never allow myself to just read something I felt like reading.

Or I like playing competitive chess, but yet when was the last time I actually, other than at Mises U., when I play against some people — but when was the last time I actually played competitively? It was — let's see. I guess I played once in March of 2016, and then before that, it was 2001. Now, why was that? Because I don't have time. I'm not caught up. But by "caught up," in my mind, in my twisted mind I feel like that means every conceivable project I could possibly think up has not yet been completed. So therefore, I can't allow myself this innocent pleasure. And so yeah, you see how I can see myself in that rebuke, really?

But at the same time, I fought back and I said, *But you know what, Thad? The thing that really irritates me, really gets to me is I guess I just get annoyed by people who have no ambition and are just lazy. And that darn – did you ever see Finding Nemo?*

MALICE: No.

WOODS: That darn turtle. And now I can't think of his name because I'm so tired. I can't think of his name. People will know who I mean, and my kids –

MALICE: The turtle, yeah.

WOODS: – are going to be embarrassed that I can't think of him. But ever since then – because he's this turtle who, he's like a surfer dude and he talks that way, like he's going to take life easy and, you know, *Hey, I'm not going to work too hard because I'm a surfer dude type*, and I just want to punch him right in the face. And ever since then in my private group, people will mock me with images of turtles and they'll have memes with turtles, and it's just excruciating.

But I don't know. I mean, why can't I feel that way about those people? Like for example – I don't know. I don't know. I understand that I took this kind of feeling to an extreme. Like, I would be vacationing and I would hate all the vacationers because I would – [laughing] I don't know why. But I feel like they just love getting away from work. And I would say, *What's the matter with you people?* But of course the problem was my problem. It's normal when you're on vacation to be in vacation mode. I don't know. All right, so that was just weird. People have just heard a lot of stuff about me they probably didn't need to know. But do you have any thoughts about that? I mean, how can I – I get that I myself worked too much. I get that. But why can't I still hate that damn turtle?

MALICE: You can hate the turtle.

WOODS: Good. Good, because I do. I do. I feel like he's frivolous, and he's – Now, okay, obviously it's just a turtle in an animated movie, but I mean, we all know somebody like that, and if you want to be like that, you might as well have been born a cow.

MALICE: Yeah, exactly, because life is a precious gift that we've all been given –

WOODS: Yes.

MALICE: – and if all you want to do with it is be this hedonist seeking pleasure moment to moment, it's like, what a waste.

WOODS: Right. Okay, so but then in other words, that person should then be doing things that befit a human being. But so why shouldn't we say to that person, *Go do something productive?* Is that not the same thing as the Protestant work ethic?

MALICE: Not at all.

WOODS: Okay, all right. So make the distinction. I mean, I think I can make it, but I'd like to hear you make it.

MALICE: The Protestant work ethic says go do more and just always work hard, and hard work is its own reward. Rand talks about this a lot. She says the point is you work hard, but you enjoy the fruits of your labors. She was very big on finding happiness and pleasure. But the idea of the Protestant work ethic is kind of like you work hard, you earn money, it goes in the bank, and you just work hard and you never take a break to cash in because happiness and pleasure aren't the goal. The goal is just production. And it's a very Puritanical approach, and it's very grim.

WOODS: Yeah.

MALICE: Here's a good example. When I was working at Goldman Sachs — this is very many years ago — they would often ask us to do overtime. I was doing tech support. And I did not want to do the overtime, and they couldn't understand it, because they're like, *But we're paying you time and a half*. And I'm like, *I'd rather have that hour of my life*. And they're like, *But* — and it made no sense to them. It's like, you're getting paid and you get to do work. It's win-win. And it's like, I don't want to get paid, which is a loss, but I do want to sit in my recliner and read or watch stupid television. And to them, to that Protestant work ethic, this is unconscionable.

WOODS: Yeah. Yeah, I think maybe that is what's going on there, because for 2018, I've actually resolved to do two major things to — and I think I told them to you. I don't want to say them on the air because I just don't want people knowing about them, frankly, but two major things that will make me less frenetic and will allow me to enjoy my leisure time much more.

MALICE: Yeah.

WOODS: And I feel good about those things. I don't feel like when I do them I'm going to be second-guessing myself and feeling like, *But shouldn't I be working?* Because what is the point of doing all the work if you don't enjoy it?

MALICE: Yes. It makes no sense. It doesn't have to be some kind of drug binge. Go spend time with your family. Go to a nice restaurant. Buy an expensive book that's signed by someone you like and put it on your shelf. Something. You've earned it. More power to you.

WOODS: Yeah, exactly.

MALICE: Pat yourself on the back.

WOODS: Yeah. You know, I think I will say one of them. I had a guest on — this was probably the beginning of 2016. His name is Yaro Starak. I had him on, and he's a very, very successful blogger. He blogs about entrepreneurial topics. And I listened to an episode of — he has a podcast called *Entrepreneurs Journey*, and I listened to an episode of it a few weeks ago about how he's, for the past 12 years, he has not dealt with his email. He has somebody handle his email. Now, obviously, if he's sending an email to Granny Hoo-hah, he writes that himself, and he's got an email address for really important personal things. But his team does his email. And he says, I've spoken to other entrepreneurs, and I say, *Yeah, I just don't manage my email*. And they look at him shocked. They say, *I couldn't go 24 hours without checking my email*. And he says, *But then I'm not living the lifestyle I want, which is, if the*

whole point of the so-called laptop lifestyle is that I can unplug and I can be anywhere I want and do what I want, well, how am I really living that if – but except email, I've got to check in constantly; I've got to do this and –

And with me, I'm getting so many of them, and a lot of them are, *Hey Tom, could you help me with this? Can you do this? Can you do this?* And I'm saying yes, and yeah, I'll answer this question, I'll look up this thing for you. I can't do that, and that's not fair. It's not fair to ask me to do that, because I have five kids and they're more important than you, I'm sorry to say. I mean, I love people who listen. I love people who write to me. But my kids are more important. And if all I did was answer these emails, I would not see them. So there are ways to reach me if you want to reach me. I'm sitting right there in the Facebook group if you want to be a supporting listener. I'm in the forums at Liberty Classroom if you want to go there. But I can't just – I just can't do it anymore. It's sucking all the life out of me.

And so I am resolved that, as of next year, it's going to be a team answering emails. And they're not going to be ghostwriting for me. It's not going to be signed with my name. You'll know that one of my team people wrote to you. But that's going to have to be the way it is from now on.

MALICE: Here's who I want to talk to you about. Mark Skousen wrote one of the best books I've ever read, which is a textbook called *The Making of Modern Economics*, which if you don't understand economics or different schools of economic thought, you sit down, you read this book, it's so easy to read, you will get it. So what was it like having him as a guest? I think this would be a good last question.

WOODS: Oh, sure, yeah. I've always gotten along with him very well. And some people don't, but I've gotten along with him very well, because –

MALICE: Oh, is he prickly?

WOODS: No, and I don't mean it's because he's aggressive. I think he's very – he's eclectic as an economist. He'll bring in some Chicago insights and some Austrian insights, and that means that Chicago people and the Austrian people don't quite trust him half the time, you know?

MALICE: Okay.

WOODS: Whereas I just view him as a guy who's – I think he's smart. I think he's made some very good contributions. I think he's written some good books. I don't agree with every judgment he makes, but that's true of almost everybody. That's even true of you, of how I feel about you. I'm trying to think of one judgment you've made that I don't agree with, but I can't think of any off the top of my head [laughing]. But anyway, all right, maybe the Hamilton thing.

MALICE: Yeah.

WOODS: But the point is I've gone to Freedom Fest a number of times at his invitation and I've spoken there and I've been on C-SPAN. I've been on C-SPAN twice at Freedom Fest. That was really tremendous. Three times, actually. Once they interviewed me for *Book TV*. They just

pulled me aside. I had a new book out. They interviewed me. I gave a talk on the housing bubble. They covered that.

And I did a debate on — it was a two-on-two debate on whether the Fed should be abolished — which, by the way, if I may just tell one of my favorite debate stories ever. We each got a five-minute opening statement. Both people on both sides could speak for five minutes. And I had timed my thing out because I had wanted to — I wanted to not be cut off, but at the same time, I wanted to get a full five minutes' worth of information in there. So I did it and it was great. So then the guy from — Warren Coates, who had been like a Fed economist and Chicago guy. He gets up from the other side, and he spends his talk saying, *Now, look, I'll grant you the Fed has a lot of problems. For example* — and he lists all these different problems. And then he ran out of time. He never got to say what the case for the Fed was in his statement, and I thought that's a guy who needs to plan ahead [laughing]. That was terrible.

MALICE: Oh, yeah.

WOODS: So anyway, that was on C-SPAN also. Anyway, but the point is I've had Mark on a couple of times. I think I had him on on *The Peter Schiff Show*, and then I've run that on this show. But one thing that's particularly noteworthy about him and that we talked about in the recent episode is he's really, really placed a lot of emphasis on what he calls gross output, because the GDP figures leave out a lot of what makes the economy go 'round, so to speak, and it gives this false impression that consumption drives the economy. But you know logically that can't be right, because how could using stuff up drive the economy? Obviously, making stuff drives the economy.

And so all these different stages that go into — when you go all the way from the very beginning of your first — you know, you're a farmer and you're planting seeds, you go from that stage all the way down to when you have a bagel in a retail bakery shop. There are a bunch of different stages that you have to pass through. There are stages at the farming level. There's marketing. There's transporting the stuff. There's whatever. And there's all these different stages. But those intermediate stages all get left out of GDP, but if you didn't have those stages, you wouldn't have the finished product.

And if we didn't have entrepreneurial saving, if entrepreneurs just blew all of their money, then there'd be no saving to fund these intermediate stages and the economy would collapse. So you have to understand, you have to value those intermediate stages, which are made possible by the abstention from consumption and pouring resources into keeping these intermediate stages going to get goods coming through that pipeline as finished consumer goods.

The impression people get is that consumption is why it's good for the poor to get the tax break, because then the poor will go out and spend, spend, spend on consumer goods. Okay, well, there's nothing wrong with spending on consumer goods, but it's a perverse emphasis on spending on consumer goods, because if you're not also spending on wages for the workers at stage three of the production process and the threshing machine that you need for stage one and a half or whatever, then there won't be a finished consumer product for them to spend their money on. So you have to understand all these different stages.

And now it turns out the U.S. government even has adopted as a statistic gross output, where they are now going to measure the activity in all these different stages. And now we understand better that business spending actually plays a significant role, and we can see the economy much more clearly thanks to this particular metric that Skousen has championed for a long time and that he emphasized in his book *The Structure of Production*. And he views it as a kind of vindication that the U.S. government even thinks — Now, I know we don't really care what the U.S. government thinks, but it does kind of matter that somebody authoritatively is reporting this statistic.

MALICE: Yeah.

WOODS: So anyway, he knows I'm a hardcore Rothbardian Austrian, and he's got his differences with Rothbard, but he knows he was a genius and he's an admirer of his. In fact, when I went to meet him, when I met him at Freedom Fest, I brought my copy of *The Structure of Production*, which is like far and away the most scholarly book he's ever written. He's written very accessible books on investing and stuff, which I'm sure most people would get signed. I bring him the dorkiest book he ever wrote, and so we were like instant friends at that moment.

MALICE: That's very cool.

WOODS: So I think that's — you know what? I was actually getting into — I was actually kind of feeling like I forgot. I thought you were hosting this episode like you did that other episode, which was so much fun.

MALICE: Thank you for joining us for another episode of *The Tom Woods Show* —

WOODS: [laughing] There you go.

MALICE: We will see you in 2018, onward and upward. Thanks for listening.

WOODS: So long, everybody.