



Profiles in Liberty: Dr. Robert Lawson of Southern Methodist University

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Dr. Robert Lawson is the Jerome M. Fullinwider Chair in Economic Freedom in the O'Neil Center for Global Markets and Freedom at the Southern Methodist University Cox School of Business. Also, Lawson is co-author of the Fraser Institute's *Economic Freedom of the World* annual report, which provides a widely-cited economic freedom index for over 140 countries. The CATO Institute has been partners in its publication since 1996.

As my former academic advisor, Dr. Lawson is a mentor and friend who introduced me to libertarian philosophy. A happy warrior with a dry sense of humor, his love of economics and freedom is inspiring.

Lawson is a member of the prestigious Mont Pelerin Society. He also writes at the popular economics blog, [Division of Labour](#), which you should subscribe to.

Matt Naugle: How did you become a libertarian?

Robert Lawson: I actually wrote about this in a little book that [Walter Block](#) edited titled, [I Chose Liberty: Autobiographies of Contemporary Libertarians](#). As with most people, I can trace this to a couple of influential teachers. First, Mr. Eaton at Princeton High School (Cincinnati) who gave me my first copy of [The Freeman](#). Second, [Richard Vedder](#) at Ohio University.

Also, of course, Ayn Rand was a big influence in the early days. Bill Buckley was also a big early influence. He had a great mix of conservatism and libertarianism that we don't see enough of these days.

MN: You are the brains behind the [Economic Freedom Index](#) at the Fraser Institute. How do you define an economically free country and why is a country's rating important?

RL: Well I would say [Jim Gwartney](#) is the brain behind the index. I'm more the muscle. We define economic freedom to mean personal choice, private property, free trade, and the freedom to compete. In practice, this means a country will score well if they have reasonably low taxes and spending, respect for private property and rule of law, sound money, reasonably open trade, and limited regulations. We track 42 different variables in the index. The index is important for two reasons. First, in a fundamental way we can learn a lot about something by measuring it. Lord Kelvin once said, "To measure is to know." Second, with the index in hand we can demonstrate empirically the value of economic freedom in terms of generating greater incomes, longer life expectancies, better health, and so on.

MN: Is there anything interesting you discovered in your research this year? And why is America less economically free?

RL: This year we added (and deleted) a few variables for technical reasons. I was happy to be able to add a new variable measuring the freedom to visit a country without a travel visa. We also added a few new countries so the count is up to 144. In 2000, the U.S. had a rating of 8.65 (out of 10) but has fallen by almost a full point to 7.70 in 2010. In terms of ranking, this means we have fallen from 2nd to 18th in the world!

Some of the declines are the result of the greater spending, including deficit spending, under the Bush and Obama administrations. But the largest declines occurred in the property rights and rule of law category.

To give just one example of many, our component rating "Impartial Courts" which is based on some data from the World Economic Forum has declined from 9.02 to 5.63. I blame this on the various assaults on property rights from the wars on drugs and terrorism plus the shameless rule of law violations that occurred during the bailouts (e.g., the violation of the contractual rights of Chrysler and GM bondholders).

MN: Too many young adults have had an inadequate economics education. Other than everyone enrolling in your class, how can this be corrected?

RL: I don't know. Really. Economic principles are hard. The principle of comparative advantage, which underlies the argument for free trade, is one of the most profound ideas ever discovered, but people are not wired to easily see the connections. The ideas are not too difficult to understand, it is just that few people have an incentive to learn them. In the end, our best hope is to educate opinion leaders, journalists, business leaders and so on.

MN: Who should be President in 2016?

RL: I'm not sure it matters. Politicians tend to go wherever the prevailing winds take them. So the trick is to get the prevailing winds in the right direction. I do believe that there is a big unexploited opportunity for the political parties to move in a libertarian (or at least fiscally conservative/socially liberal) direction. The party that deals honestly with the unsustainable fiscal situation AND offers liberalization on the drug war and social issues (like gay marriage) has the potential to put together a winning electoral coalition for the next generation. To achieve this, the Republican Party needs to give up its medieval social views, and the Democratic Party needs to give up its Mercantilist economic views. I am not at all sure which party, or even if either party, will take up this opportunity.

MN: How did you get involved in historical Civil War-era baseball leagues?

RL: We call it Vintage Base Ball. As a Cincinnati kid growing up in the 70s I was naturally a huge baseball fan and loved playing little league. Regrettably, my skills weren't up to the level of my passion for the game so I gave it up in 9th grade. When I first saw the vintage 1860 game played at the Ohio Village in Columbus I fell in love. Now I play for the [Ohio Village Muffins](#) in Columbus and also for the Farmer's Branch Mustangs in Dallas when I can.

MN: As an avid ultra-marathon runner and rugged mountain climber, what adventures have you recently been on or have planned?

RL: This spring I tried to do the R2R2R run in the Grand Canyon. That is a 45 mile run from one rim of the canyon to the other and back. I was feeling sick and turned back early but I did manage 31 miles on the day. Unfortunately, I've slowed down the running and mountaineering lately because of the crazy job and family schedule. My goal is to run 50 marathons (or ultramarathons) before I turn 50 — 15 runs and 5 years to go so it's going to be close. I have a list of mountains on

the to-do list too like Mt. Rainer, Pico de Orizaba (in Mexico), and Mt. Kazbegi (in Rep. of Georgia) but we'll see. I've also grabbed 10 state high-points and would like to do the lower 48 at least.



MN: Your favorite book?

RL: Atlas Shrugged by Ayn Rand.

MN: Your favorite movie?

RL: Butch Cassidy and the Sundance Kid.

MN: Final words of wisdom from Bob Lawson?

RL: (1) Play as hard as you work, and vice versa. (2) When given a choice between the lesser of two evils, choose neither.