

The Under-Appreciated Thomas Sowell¹

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Who could say that Thomas Sowell is underappreciated? Sowell is one of the most famous economists of the last few decades. On April 28, 2023, he had four of the 100 bestselling books in “Economics” on Amazon, a wide-ranging category that includes many books that are not economics by any economist's definition.² In 2011, when economics professors were surveyed about their favorite economists, Sowell ranked number 15 in the category “Economists over 60” that were alive at the time. He was the highest-ranked person on the list not to win a Nobel prize, falling right behind John Nash and Daniel McFadden (Davis et al. 2011). Yet, within academic circles, he is too often seen as merely a popularizer of economics or, worse, just a political pundit. According to Google Scholar, his most cited work is *Ethnic America: A History*, with over 1,562 citations. This is an impressive number for mortals but far behind the most-cited works of John Nash (13,865) or Daniel McFadden (24,014).³ Sowell has made seminal contributions to cultural economics, information economics, and the history of social thought. The imbalance between Sowell’s academic citations and the quality of his insights is why we argue that he is under-appreciated.

Thomas Sowell was born in North Carolina to parents he never knew and was raised in New York by his extended family. In various places, he writes that his academic preparation lagged far behind

¹ Connor Sutton provided valuable research assistance. In addition, we benefitted from discussions with David Carden and Jacob Carden, who were working on their Black History Month projects about Sowell for Red Mountain Community School during the early stages of this project.

² https://www.amazon.com/gp/bestsellers/books/2581/ref=pd_zg_hrsr_books (retrieved April 28, 2023)

³ Retrieved April 28, 2023.

his classmates. Sowell's intellectual life did not begin to blossom for him until he learned, at age eight, that he could *borrow* books from the public library across the street. Sowell would go on to drop out of high school, teach pistol-shooting while learning photography in the marine corps in the late 1940s and early 1950s, attend and graduate from Harvard, and at the age of 38 but with a distinguished publication already, earn a Ph.D. in economics from the University of Chicago under the direction of the famously-abrasive George Stigler, who would win the Nobel Prize in economics in 1982. His main areas of research were in the history of economic thought, and he produced a path-breaking analysis of Say's Law published in 1972 by Princeton University Press. Sowell held a series of faculty positions and appointments at major research institutes before he landed for good at Stanford University's Hoover Institution in the 1980s, where he would spend the rest of his long and productive career producing serious scholarly volumes for his colleagues, popularizations for the thoughtful layperson, and columns of commentary on current events that were syndicated in newspapers around the country and the world.

For the past few decades, Sowell has been most well-known as a leading conservative commentator, which was especially surprising for a black economist. He and his colleague and friend Walter Williams used to joke that they were not allowed to fly on the same plane because if the plane crashed, there would be no black conservatives left. This framing is unfortunate because it limits Sowell's reach by emphasizing *black* and *conservative* rather than *economist*.

He writes with a sometimes-abrasive style and, like his advisor Stigler, does not suffer fools gladly or easily. He holds himself, other scholars, and the entire academic enterprise to high standards. He resigned from Cornell University in response to pressure to lower the standards in a special program he was running for minority students. Throughout his career, he has argued that affirmative action programs are objectionable mainly because they hurt precisely the people they purport to help.

A World View

Sowell takes a *world view* of policies like affirmative action, phenomena like poverty, and sins like slavery. As a result, he has developed a series of broad insights, noting that many phenomena look like they have special causes but are instances of more general patterns. Throughout a long and distinguished career, Sowell has followed theory and evidence wherever it has led him, regardless of whether he liked the conclusions. Across his prodigious body of work, Sowell sets standards of intellectual integrity and rigor that we should all hope to achieve.

Sowell counters stories about the legacy of slavery, the desirability of affirmative action, and other claims by looking worldwide to see just how much explanatory power these have. Particularly in his later career, Sowell has worked to understand general causes rather than specific causes. Something that has been a part of virtually every society, like slavery, cannot be the explanation for differences between those societies. European slave traders, colonizers, and imperialists did horrible things wherever they went, but this has been true of virtually every conquering group throughout history. If exploitation *per se* could explain how the West grew rich, it presumably would have happened somewhere else long ago (McCloskey and Carden 2020, cf. Carden et al. 2022).

We have to look elsewhere. He repeatedly emphasizes that *prosperity*, not poverty, needs to be explained. Repeatedly, Sowell has explained how patterns intellectuals attribute to unique, society-specific causes have reappeared throughout history and worldwide. For example, persecution of unfavored minorities and set-asides for the allegedly exploited are common across societies. Furthermore, many group differences, Sowell explains, are due to demographic differences (like differences in average age) and some historically-accidental head starts. Lighter-skinned mulattoes, for example, had more privileges than darker-skinned slaves in the antebellum era; as Sowell points out, they, therefore, learned to read, write, and move in urban society before slaves on plantations.

In books like *Wealth, Poverty, and Progress* (2015), he pointed out the effects of random factors like geography, which might keep people isolated from one another and, therefore, cut off from the social conversation. He instances aboriginal peoples in Australia and the Canary Islands, noting that they had no concept of iron and its use even though, in the case of the Australian aborigines, they were amid one of the world's largest deposits of iron ore. However, he notes that "geographic determinism" is refuted by the experience of the Soviet Union, which, as he points out, was more richly endowed with "natural resources" than just about any country in history. And yet it had trouble feeding itself—though it somehow found resources for a war machine. Africa, Sowell points out, has less coastline than Europe, fewer deep natural harbors, and rivers that "are only intermittently navigable" (Sowell 1981:184)

The Role of Culture

Sowell emphasizes *cultural prerequisites*, arguing that objects' physical characteristics are irrelevant unless people have the human capital needed to harness those characteristics. Sowell's emphasis on *culture* has exposed him to the criticism that he is "blaming the victims" or arguing that, in the case of persistent economic gaps between blacks and whites, as a venal mouthpiece for people who want to hear what is "wrong" with black people.

Sowell offers example after example of groups who have started in conditions of abject poverty (like the Jews) and ascended quickly, going from the bottom of the income distribution toward the top in a generation or two. Throughout his work, he tells similar stories about the overseas Chinese or Indians in the societies they inhabited. In case after case, a persecuted ethnic minority creates jobs. It does services no other group would do but is blamed by local demagogues for being responsible for the poverty of the majority.

Throughout his work, Sowell has little patience for received narratives like the notion that Europe and its overseas extensions (the "neo-Europes" of Canada, the United States, Australia, and New

Zealand) owe their prosperity to slavery, imperialism, and colonialism—in other words, to exploitation. This is more vision than fact, however. As Sowell points out (1994:74), “Europe’s economic impact on Africa was far greater than Africa’s economic effect on Europe.” Trade between colonized Africans and colonizing Europeans was an enormous fraction of African international trade but a small part of European international trade (Sowell 1994:75).

Attempts to explain existing patterns of injustice in the West as the product of uniquely and particularly Western sins are bound to miss a lot. What is unique about the relationship between slavery and western civilization is that the West was the first civilization to turn against slavery. This institution was not “peculiar” but had existed worldwide for pretty much all of history. Sowell puts it this way (1994:186):

slavery was in fact one of the oldest and most widespread institutions on Earth. Slavery existed in the Western Hemisphere before Columbus’s ships appeared on the horizon, and it existed in Europe, Asia, Africa, and the Middle East for thousands of years. Slavery was older than Islam, Buddhism, or Christianity, and both the secular and religious moralists of societies around the world accepted human bondage, not only as a fact of life but as something requiring no special moral justification. Slavery was ‘peculiar’ in the United States only because human bondage was inconsistent with the principles on which this nation was founded. Historically, however, it was those principles which were peculiar, not slavery.

Historians and economists can point to histories of exploitation in every economy that has been Greatly Enriched. This does not mean that the exploitation led to the Great Enrichment because there are similar patterns of exploitation in societies that remain poor today. Breathable air also existed in societies that are rich today. That doesn’t mean breathable air was sufficient—though it was necessary!—for a Great Enrichment.

One way that societies differed in their approach to slavery, according to Sowell, is that in some societies, slavery required extensive ideological justification if it were to persist since the practice was so obviously at odds with liberal principles, such as those of the American founding. He writes:

Slavery in a free society raised heated issues that kept political controversy alive throughout the history of the institution in the United States. It forced ideological justifications that other slave societies had not found necessary. Essential to these justifications was the assertion that the enslaved peoples were so different that the principles and ideals of the country did not apply to them—that they were inferior in intellect and lacked the feelings that would cause them suffering from degradation, hard work, or the destruction of family ties. (Sowell 1981:193)

The phrase “in a free society” is important here. In unfree societies where slavery is taken for granted, no ideological justification is necessary because it is simply the way of the world.

One of Sowell’s largest and most notable projects was his 1990s “cultures” trilogy: *Race and Culture* (1994), *Migrations and Cultures* (1997), and *Conquests and Cultures* (1999). Throughout his career, he has been animated by the need to think clearly about group differences. Why, for example, are there “gaps and disparities” between black and white Americans in income, education, and so on? Are the “gaps and disparities” the result of “root causes” like poverty? Or are they lags to be overcome?⁴ He notes, in *Race and Culture* and elsewhere (Sowell 1994:3ff), that many of the pathologies we associate with American black culture are the inherited pathologies of Southern white culture, which are in turn the inherited pathologies of regions of Scotland and England from which Appalachian settlers came.

While cultural explanations were relatively uncommon within economics when Sowell started writing on culture, the intellectual landscape is different today. After rediscovering the importance of institutions in explaining economic growth, economists rediscovered the role of culture in growth.⁵

⁴ Cf. Sowell, *Intellectuals and Society*.

⁵ See Guiso, Sapienza, and Zingales (2006) and Alesina and Giuliano (2015) for literature reviews.

While the recent work follows many of the trends in modern economics that are absent in Sowell's work, such as a heavy emphasis on formal modeling and causal inference, it shares with Sowell's work an emphasis on the causal role of culture in explaining growth or income and the recognition that cultural explanations cannot be based on simply comparing two groups but require a world perspective of culture. Sowell's work prefigured more recent work, even if Sowell was largely uncited.

Knowledge and Decisions

Sowell's 1980 book *Knowledge and Decisions* is his crowning achievement. It is a book-length analysis and application of the principles F.A. Hayek explained in his 1945 article "The Use of Knowledge in Society." The title for Hayek's review of the book—a title Hayek chose—was "The Best Book on General Economics in Many a Year."⁶ *Knowledge and Decisions* is also where Sowell developed as a social theorist, expanding his analysis to include political, social, and legal trade-offs. As Sowell wrote that "various decision-making processes differ...in the extent to which they are institutionally capable of making incremental trade-offs, rather than attempting categorical 'solutions'" (Sowell 1980, xii). Therefore, the social theorist's task is to identify and explain how institutions affect people's ability to identify and make trade-offs within the institutions.

This raises an important theme in Sowell's work. He emphasizes the importance of incentives, costs, and benefits throughout social systems and structures. Third-party observers, he argued, could not be trusted to arrange society. The incentive problem is apparent. Intellectuals have relatively weak incentives to get things right or identify the right social validation processes because they enjoy no meaningful benefit from being right and bear no significant cost for being wrong. Moral, political, and economic surrogates, as he would call them in his 1987 book *A Conflict of Visions*, cannot be trusted not because they were necessarily bad people but because they are not subject to social validation

⁶ Available at <https://reason.com/1981/12/01/the-best-book-on-general-econo/>

processes that provide reliable feedback. Sowell has no special place in his heart for “the totalitarian thrust of the intellectual vision” (Sowell 1980, xxi).

Intellectuals

Sowell has little patience with the “rampaging presumptions” of intellectuals who think themselves fit to rule. He explained his argument in detail in his 2009 book *Intellectuals and Society*. Adam Smith’s discussion of the “man of system” is appropriate here:

He seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board. He does not consider that the pieces upon the chess-board have no other principle of motion besides that which the hand impresses upon them; but that, in the great chess-board of human society, every single piece has a principle of motion of its own, altogether different from that which the legislature might choose to impress upon it. If those two principles coincide and act in the same direction, the game of human society will go on easily and harmoniously, and is very likely to be happy and successful. If they are opposite or different, the game will go on miserably, and the society must be at all times in the highest degree of disorder. (Smith, 1790, VI.II.42)

The progressive presumptions of the men (and women) of system have by no means been benign. Eugenics was the “settled science” of the Progressive Era, and august intellectual bodies like the American Economic Association and the American Sociological Association were founded by racists to promote racist ends. For example, Francis A. Walker and Edward A. Ross traveled in the highest ranks of intellectual life and were committed to racist visions and the pursuit of racial purity. Gunnar Myrdal, who shared the Nobel Prize with Friedrich Hayek in 1974, oversaw eugenic sterilization programs along with his wife, Alva.⁷

⁷ See Leonard (2016) for discussions.

Sowell argues that group resentments begin with intellectuals. The leaders of the Bolshevik Revolution were intellectuals. Mao Tse-Tung has been euphemized as an anti-colonial intellectual (Slobodia 2018:28). In taking a world view of intellectuals and race, Sowell points out that in society after society, the intellectual leaders among the elites move disproportionately toward the humanities and social sciences rather than the hard sciences and more technical subjects like economics. In Malaysia, students of Malay descent (for whom affirmative action policies had been developed) tended to study the liberal arts, and “In much of Latin America, technical and scientific careers were long regarded with condescension” (Sowell 1994:23). As Sowell puts it,

Not only Hispanic and Portuguese cultures, but also the cultures of much of the Third World make business and commerce far less attractive to the educated classes than government employment or work in the professions. (Sowell 1994:26)

Jobs in business have been left to despised “middleman” minorities like the Jews and the overseas Chinese, whom indigenous demagogues could then blame for “exploiting” the badly off.

Visions

One of Sowell’s most popular books is his 1987 classic *A Conflict of Visions*, which Carden used to assign in his introductory economics courses at Rhodes College (following the practice of his colleague Mark McMahon). Sowell’s subtitle is *Ideological Origins of Political Struggles*, and Sowell (2007:3) works to explain why, in his words, “...the same familiar faces can be found glaring at each other from opposite sides of the political fence, again and again.” As he continues,

It happens too often to be coincidence and it is too uncontrolled to be a plot. A closer look at the arguments on both sides often shows that they are reasoning from fundamentally different premises. These different premises—often implicit—are what provide the consistency behind the repeated opposition of individuals and groups on numerous, unrelated issues. They have different visions of how the world works.

At first glance, it seems odd that once we know someone's views about gun control, we can very likely predict their views about abortion and school choice with surprising confidence. Sowell, however, notes that these are not empirical disagreements based on different readings of the evidence but fundamental disagreements about fundamental principles. One of Sowell's exemplars of the unconstrained vision, William Godwin, does not fit neatly into the "pro-liberty" or "anti-liberty" camp. He is a libertarian, like F.A. Hayek and Adam Smith, but a libertarian of a different kind who argued that people are perfectible but corrupted by social institutions. Godwin's is a high liberalism, unlike the low liberalism of Smith, Hayek, and Sowell. Like others who share his unconstrained vision, he sought to throw off any social constraint and condemn it as oppressive.

The constrained and unconstrained visions differ in important respects. First, individual intentions are largely irrelevant in the constrained vision, while they are essential to the unconstrained vision. Good and bad things happen in the constrained vision as the unintended consequences of systemic forces like market exchange and democratic choice. Good and bad things happen in the unconstrained vision largely because people make them happen deliberately for articulated reasons. Human nature, particularly human cognitive and moral limitations, is essential to the constrained vision. In the unconstrained vision, enlightened moral and political surrogates can perfect and condition people. In the constrained vision, these pervasive moral and cognitive limitations mean systemic social characteristics (like prices) are essential, and no one can run another's life. In the unconstrained vision, moral and intellectual inequality burden the Anointed—a term Sowell used in his book *The Vision of the Anointed* to describe this group very generally—with the Glorious Purpose of making everyone else equal. Economic and social equality demand political inequality, at least in the short run.

The two visions differ fundamentally in how they understand knowledge:

Knowledge as conceived in the constrained vision is predominantly experience—transmitted socially in largely inarticulate forms, from prices which indicate costs, scarcities, and preferences,

to traditions which evolve from the day-to-day experiences of millions in each generation, winnowing out in Darwinian competition what works from what does not work. Sowell (2007:37)

What we consider *scientific* knowledge represents a tiny fraction of socially useful knowledge. Later, Sowell writes, “Knowledge is thus the social experience of the many, as embodied in behavior, sentiments, and habits, rather than the specially articulated *reason* of the few, however talented or gifted those few might be” (Sowell 2007:37). “The specially articulated *reason* of the few,” those with “cultivated” minds, is in the unconstrained vision the total of socially meaningful knowledge and “Articulated rationality was to be the mode of validation, not general acceptance based on pragmatic experience” (Sowell 2007:40). Consider the family structure. In the unconstrained vision, mere genetic affinity is not a reasonable basis for preferring one person to another. In the constrained visions, thousands of generations of biological and cultural evolution have selected social rules, norms, and institutions where people love and care for their children before they love and care for others.

Philosophy, Politics, and Economics

Sowell has written broadly and took an integrated approach to philosophy, politics, and economics. These are overlapping lines of inquiry concerning how they treat social knowledge. For Sowell, trade-offs are inescapable, and positing a world without them does not do us much good. Scarcity, as well, is unavoidable. The especially quotable Sowell said that the first rule of economics is scarcity. He argues that the first rule of politics is “ignore the first rule of economics” (Sowell 1993). [Add citation.] His understanding of why freedom works is not due to unrealistic assumptions about businesspeople and their motivations or cynicism about politicians and their sincerity. He used to offer an A to anyone in his classes who could find anywhere in Adam Smith’s work where he wrote nice things about businessmen. Smith hesitated with his praise but was unstinting in his criticism of “the sophistry of merchants.” Instead, he argues that political choices do not work as well as economic freedom because of the *systemic* characteristics that give people the incentives they face.

Sowell is a realist when it comes to political economy and on-the-ground decision-making. Politicians, he argues, rarely look past the next election because they have very weak incentives to look past the next election. Furthermore, the fact that people are *human* means that everyone shares the cognitive biases interventionists delight in pointing out (cf. Rizzo and Whitman 2019, Brennan and Freiman 2022:329,335-336). As Brennan and Freiman (2022:336) put it in their evaluation of political authority and the conditions that have to be met for it to be justified,

...the assumption of voter competence is even more doubtful than the assumption of consumer competence. *A priori*, we would expect that every flaw in consumers to be worse in voters because the expected cost of an uninformed and biased consumption choice is even higher than an uninformed and biased voting choice.

Politicians easily mislead voters due to the “high costs of voter knowledge” (Sowell 1980. 136). In Sowell’s framework, this is not a cognitive bias to condemn but facts of the political decision-making process to understand and draw out the implications.

Conclusion

The philosopher David Schmidtz once told one of us that as famous as he is, Adam Smith is still underrated. The same, we think, is true of Thomas Sowell. As “appreciated” as he might be, Thomas Sowell is still under-appreciated by economists, other social scientists, and historians across the humanities.

Thomas Sowell has a long list of admirers within economics and without. Most of us know—or at least were introduced to—Sowell from his popular writing. He has served the popular cause of the public understanding of the dismal science eloquently and articulately. His work deserves a more extensive academic hearing, as well. Though trained as an economist—and as an economist who remained a Marxist even after taking a course from Milton Friedman, so an economist who does not change his mind for light and transient causes—Sowell has written extensively on politics, philosophy,

education, history, and even child development. He has been embraced by the right and largely dismissed by the left for his efforts. As a scholar working in the constrained vision and tradition of Adam Smith, Friedrich Hayek, Edmund Burke, Milton Friedman, and James M. Buchanan, Sowell leaves an intellectual legacy waiting to be thoroughly mined and fully appreciated.

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