

## **Interview with Jim Rogers: Macro Outlook in the Trump Era**

**February 9, 2017**

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**Erik:** Joining me next is a man who needs no introduction, investing legend, Jim Rogers. Jim when you appeared on this program one year ago, Macro Voices was brand new. We had no name, no reputation and no following yet despite having no regular audience following at that time, that one interview remains our most popular show ever with more than half again as many listener downloads as our next most popular interview with fund manager Hugh Hendry much more recently.

So congratulations on your top billing status and I have no doubt that you'll set a new record today.

**Jim:** Eric I think I should hang up now, while I'm ahead, are you kidding. With a record like that and an introduction like that I want to stop while I'm ahead.

**Erik:** Well before we let you go let's start with equity markets then because when we spoke a year ago you and I were both very concerned about markets being overvalued. You went out of your way to say that you didn't know whether it would happen in 2016 or 2017 or 2018 but you felt that significant downside was ahead for the markets eventually.

And if I look back just six months ago a lot of industry luminaries, whether we think about guys like Ray Dalio, Stan Druckenmiller, Carl Icahn, these guys were all casting bearish views for a lot of the same reasons that you and I were.

Then Donald Trump was elected president and suddenly all of these guys turned super bullish. Ray Dalio seems to be backing away from that enthusiasm in the last week or two but the fact remains that some super talented people all turned bullish, super bullish after the election. Forgive me Jim, I'm just not seeing the logic to this are you?

**Jim:** Well yes and no. Mr. Trump said he's going to do some wonderful things. He's going to cut taxes which is always great for any society, any country. He said he's going to rebuild the infrastructure which America desperately needs and is good for America. He says he's going to bring home the three trillion dollars, U.S. dollars which American companies have overseas.

All of these things are wonderful, wonderful things and if he can do it Eric, wow things are going to be great.

But Mr. Trump has also said he's going to have trade war with China, Mexico, Japan, Korea a few other people that he has named. He swore that on his first day in office he would impose 45% tariffs against China. He's been there three weeks, two or three weeks and he hasn't done it yet but he still got it in his head I'm sure or maybe he's just another politician

like all the rest of them. He says one thing and he doesn't mean it at all but he does have at least three people in high levels in his group who are very, very keen to have trade wars with China and other people.

If he does that Eric, it's all over. I mean history is very clear that trade wars always lead to problems, often to disaster, sometimes even to real war, a shooting war. So I don't know, I'm not sure Mr. Trump knows. He said so many things and many of the things are contradictory. Now if he's not going to have trade wars with various people then chances are for a while happy days are here.

**Erik:** When we spoke last year, you anticipated even more strength for the U.S. dollar and as is usually the case the market has proven you right. But you were careful to say that it's not because the true fundamentals were bullish but rather – you went out of your way to emphasize – that people would continue to buy dollars because they didn't know what else to do. And you thought that it could even turn into a bubble.

So how have your views evolved a year later. Do you still think the dollar has much higher to go and if so how much higher from here?

**Jim:** I still own the dollar, the dollar fortunately is having a correction now. You know all bull markets need corrections. Corrections are good. I haven't sold any. I may have even bought more for all I know I still see the same thing that whatever happens in the world there is going to be some turmoil somewhere along the line we're already seeing it in some places. The Euro's still having its own version of turmoil. It's going to have a lot more this year.

So the dollar is going to be “a safe haven.” As we discussed last year Erik, it is not a safe haven but it is perceived as a safe haven and in fact for some countries it is a safe haven compared to say the Euro or other currencies.

So I still own the dollar. The fundamentals have only gotten worse but the fundamentals have gotten worse everywhere except maybe Russia. So I still own the U.S. dollar.

**Erik:** Some people have suggested that the strength in the U.S. dollar could cause so many problems for emerging markets that we might eventually see something - let's call it like a Plaza Accord version 2.0 – where governments around the world conspire to intentionally weaken the dollar to prevent or contain those adverse effects.

Do you think that that's a possibility? Do you see that coming and is that something far out on the horizon or something that could happen soon, how do you see that?

**Jim:** I've been around long enough to know that anything is possible no matter how weird it may sound in fact it weirder it sounds the more like it's probably going to happen. I doubt if it's going to be a Plaza Accord this time around it's more likely that the dollar is going to go higher and higher on its own volition for some of the reasons we discussed. It will get too high so it will cause serious credit problems for some people, a lot of people borrowed a lot of dollars. It will also make many American companies less competitive.

So it's going to go too high, may turn into a bubble, at which point I hope I'm smart enough to sell it because at some point the market forces are going to cause the dollar to come back down because people are going to realize, oh my gosh, this is causing a lot of turmoil, economic problems in the world and it's damaging the American economy. At that point the

smart guys will get out. I hope I'm one of them.

**Erik:** You said last year that you were long dollars and could easily see a bubble forming. But you went on to say that you could not imagine still owning dollars in ten years' time. So now we're down to nine years. Do you still see that this has to come to an end? Do you see any sign posts or anything on the horizon that would tell us – you mentioned just a moment ago that you hope you're one of the guys who's smart enough to get out in time – what signals would you be looking for to tell you when the time is that the dollar rally has played out and the blow off top is in or whatever it may be and it's time to get on the other side of the trade?

**Jim:** If it turns into a bubble, all bubbles look the same no matter what country, what period of history, what assets, now everybody's screaming to buy, they're screaming that it's different this time, you don't understand, you old man, you just cannot understand why everybody needs to under own dollars. So the signs will always be there.

Signs along the way will be some of the things I mentioned. You'll start seeing bankruptcies by companies or countries that are over extended in U.S. dollars and since the dollar is going higher they cannot repay their debts. You will see American companies and American balance of trade getting worse because of the high dollar.

The signs will be pretty clear, they're pretty simple signs they've been around for hundreds of years, thousands of years. I just hope I'm smart enough to recognize them and have the insight to interpret them properly.

**Erik:** We also spoke last year about the 35 year bond bull market. You emphasized that you didn't know for sure how long it could go on but you said that it was certain to end sooner or later. In the year since we've spoken quite a few industry luminaries have come out and declared that the 35 year secular bull market in bonds is over.

Jeff Gundlach made that call to his credit almost on the very day that remain so far at least the bottom in yields in the top and price. Bill Gross has said that if we saw a 10 year treasury move over 2.6% a yield that would be the signal in his mind that says a secular bear market is underway. Ray Dalio has said that the credit cycle is played out.

What you said last year was that you were short junk bonds but you thought at that point – a year ago – it was too early to make a short call on treasuries. What's your take now? Is it time to go short U.S. treasuries or is it still wait and see?

**Jim:** Well all those guys are smarter than I am so I don't know. I any way am not short bonds at the moment certainly it would have been a good trade last summer as you pointed out that the bonds made a high, interest rates made a low, long term rates made a low. They have rallied since.

But for my money right now as we speak in February of 2017 everybody is bullish on long term U.S. government bonds. I've been around long enough Eric to know that when everybody is on the same side of the boat, I better run to the other side.

So I am not shorting government bonds. I am shorting junk bonds still if and when the mood changes and people are less skeptical and bonds go down and everybody starts saying, oh, bonds cheated me, she lied to me, they lied then I might be ready to short bonds again

because we're certainly in the process of making a top. When that top comes, I don't know, I'm smart, I'm a very, very, very bad market timer as you know I'm a very, very bad short term trader. So you should ask those other guys to get your timing.

**Erik:** Let's come back to the junk bonds. You and I were both short junk last we spoke a year ago. I'm still holding that position today it sounds like you are too and it was quite profitable actually for a few months after we spoke but since then we've given back some profits.

Is there room to think that maybe we stayed in the trade too long or is this just a pullback? It's hard for me, obviously the recovery in energy prices has helped junk bonds but I can't believe this is over yet. How do you see it?

**Jim:** Well I happen to agree with you a 100%. The very fact that I'm still short junk bonds it means that the timing is wrong. I know when interest rates start going up again permanently when the bull market really does come to an end and the interest rates, government bonds, interest rates are going to go very, very high Erik, very high if I told you how high you would probably hang up now and not listen to me anymore. But in 1981 interest rates – short term interest rates in America – were over 20%, bonds were yielding over – long term bonds – was yielding over 15%.

We've had these long, long bull and bear markets in bonds in the United States and we probably will again. So when interest rates go higher the junk bonds are going to get destroyed both by interest rates and by credit defaults because many of them are in fact junk, the companies are not great creditors and they're going to pay the price.

**Erik:** I want to come back to that whole point of interest rates going much higher. I couldn't agree more with you in terms of fundamentals that they should move higher. But I can't help but say, "hey wait a minute in 1981 the U.S. was nowhere close to 20 trillion dollars of national debt" and now that we are it seems to me if you were to go back to historically normal interest rates, even a 6% 10 year yield never mind 20%, how could that happen without bankrupting the government because it can't service its debt and what I'm trying to get my head around is if it can't happen, does that mean that the interest rates can't go higher or does it mean they do go higher and the government can't service its debt and it leads to a major fiscal crisis.

Do you think that when we get to the point where the natural market forces want to push interest rates higher that governments will somehow contain them in order to keep their debts serviceable or do you think it means that governments are headed towards defaults and bankruptcy when we get to the point where interest rates return to their historical norms?

**Jim:** I'm sorry, why do you think governments cannot go bankrupt? It's happened throughout history. The norm is for governments to go bankrupt over in the extended periods of time including the countries which are on top.

After the First World War a hundred years ago U.K. was the richest most powerful country in the world there was no number two, well I can remember when the U.K. went bankrupt two generations later, three generations later could not sell long term debt I.M.F. had to bail them out.

You're not old enough to remember when the French were like that or the Spanish or the

Dutch, everybody has been on top – well not everybody – but many people have been on top one time or another they've all gone bankrupt. Why do you think people cannot go bankrupt?

**Erik:** Oh, I don't think they can't go bankrupt. I guess what I don't see is, there's no I.M.F. to bail out the U.S. The U.S. is big enough that there is no entity to bail it out. So the bailout doesn't happen something else happens and if the something else is a U.S. sovereign bond crisis I mean holy cow Jim U.S. treasury bonds are pretty much the safe haven asset in the central bank reserve assets of the entire globe. So if you have a crisis in unserviceable U.S. debt where the U.S. government cannot pay its bills and that means that U.S. treasuries no longer have that safe haven value what happens at that point?

**Jim:** Well Eric I suggest that you do a little more research although I don't think you need to because you're very knowledgeable but if you do a lot of research and become knowledgeable about what's going on in the world you're going to get very, very worried and if you get very, very worried you're going to - I hope – get prepared because we're going to have the worst economic problems we've had in your lifetime or my lifetime and when that happens a lot of people are going to disappear.

In 2008 Bear Stearns disappeared, Bear Stearns had been around over 90 years. Lehman Brothers disappeared. Lehman Brothers had been around over 150 years. A long, long time, a long glorious history they've been through wars, depression, civil war they've been through everything and yet they disappear.

So the next time around it's going to be worse than anything we've seen and a lot of institutions, people, companies even countries, certainly governments and maybe even countries are going to disappear. I hope you get very worried.

**Erik:** I am very worried Jim and it leads into my next question because you are such an astute student of history and you understand longer term trends and I look at-- of course Donald Trump has been elected president of the United States, the U.K. has voted to exit the European Union, there are movements underway which could lead to referenda in several other European countries that could lead to more countries abandoning the E.U.

So as a history student Jim, what is this global rise in populism and rejection of government authority around the world telling us, it almost feels like we're headed down the road to revolution and things are about to come unglued am I exaggerating to think it's that bad?

**Jim:** Well let's just talk about some of the things that's going to happen in a next couple of years and then I think we can draw further conclusions. They're going to be more movements in Europe for instance for countries to split up and for countries to leave the E.U.

You mentioned France before, there are people in France who want to split the country and people in Italy, Spain, Belgium who want to split those countries. They are now going to be encouraged by the fact that Brexit was successful. The Scots are going to have another election about the possibility of leaving the U.K.

Whether these things happen or not Erik I don't know yet, I have views but who cares, but we're certainly going to have the ongoing turmoil that these movements are alive and well and will be very active and vocal and visible for a while.

Now let's presume for a moment that some of them are successful, well if the European Union starts breaking up or the Euro starts breaking up, that's going to throw a spanner in a lot of people's works because nobody's really sort of planned on that.

Most of the bonds, the Euro bonds, none of them, very few of them now have any provision for what happens if there is no Euro. I mean Italy owns several billion dollars' worth of bonds. Suppose Italy pulls out of the Euro and they suddenly say OK we're going to pay you back in Lira, well that's going to confuse a lot of people and cause a lot more turmoil.

You have the same sorts of movements in Asia not nearly as powerful or as vocal yet but you have the same sorts-- in the United States there's a movement now for California to withdraw from the U.S. and by the way in the U.S. a lot of people would like to see California leave the U.S. So it may work both ways.

So when you start having bear markets as you I'm sure well know one bad thing happens and another bad thing happens and these things snowball just like in bull markets good news comes out then more good news comes out the next thing you know you're five or six or seven years into a bull market.

Well bear markets do the same thing and so we have a lot of bad news on the horizon. I haven't even gotten to war. I haven't even gotten to trade war or anything like that but you know things do go wrong.

**Erik:** Well that was my next question is we spoke a year ago about a topic that most people don't feel comfortable talking about but I think you and I recognize that it's probably the most important question there is, which is history teaches us that when economic conditions are like they are now usually it leads to war either a trade war or a shooting war and you were outspoken last year in saying that when you have an economic superpower of yesteryear that starts to become stagnant or even begins to decline and you suggested that the U.S. had certainly started to become stagnant if not an actual decline that that has almost always lead to war.

You went on to observe that it's easy to stir people up by blaming foreigners for all of our woes. Now those probably sounded like crazy words to a lot of people last year but look at where we are now a year later we have an immigration ban against seven countries that seems to be heating up as one of the most contentious and heated both legal and political battles in U.S. history.

So where do we stand in this big picture Jim, are we actually headed towards war or does it start as a trade war or does it actually begin as a shooting war? What issues in advance are on your radar screen in terms of important signposts that will tell us where this whole situation is headed?

**Jim:** Well as we've discussed before, whenever things are bad and things are going wrong people look for somebody to blame. They always throughout history wherever we are, whichever country we're discussing the first people blamed are always the foreigners. They have different colour skin, different languages, different religions, different food, they smell bad, their food smells bad I cannot tell you how many times I've heard people talk about how, "oh those people, their food smells bad and they smell bad too."

So it's very easy it's always happened that way to blame the foreigners for better or for

worse it seems it is happening as you point out in the U.S. again but it's also happening in other places in Germany, France, Italy many places they're blaming the foreigners already again it's even happening in Singapore to some extent where I live nothing like in Europe at the moment.

And as you rile up against the foreigners most countries historically have closed off one way or the other they close their borders, they close their economies and when you close the economy it leads to economic problems and sometimes eventually if you get into real serious trade wars it leads to bankruptcy and even worse.

It's rare and I don't think ever in history that one country has started a trade war and the other country says, "oh well that's too bad but we're not going to do anything we're just going to sit here and let you hit us again and again and again." No the other countries retaliate that's the way human beings are.

So if country X. starts a trade war then country Y. hits back and then country X. hit's back and country Y. hits back and the next thing you know countries C and D and E are involved as well and everybody's suffering and then as economies get worse more and more things happen more and more discrimination more and more blame and then eventually bullets start flying.

So no I don't like at all what I see happening. There are many analogies to previous periods in history before the First World War and this sort of thing started happening certainly before the Second World War this sort of thing started happening. It's been common throughout history.

And these wars when they start they usually-- in 1914 nobody, nobody could conceive of war and then the next thing you knew, there was war and everybody said don't worry it'll be over by Christmas, well six months later everybody was saying, how did we get into this war? How do we get out of this war? It's absurd. It's ludicrous etc.

And that's been the case for most wars, if you go back and look, some bureaucrat throws his weight around the next thing you know another bureaucrat throws his weight around and the next thing you know 20 year old kids are shooting at each other instead of drinking beer together and everybody is suffering.

So no, am I worrier? I'm very worried and I know enough history to know that these things have often led to real war. Certainly you know we just had a president who won the Nobel Peace prize of all things, well he started more wars probably than most presidents in American history. America seems to have a penchant for war and they seem to like to get involved.

**Erik:** Well that certainly is true on a related note to that let's talk for a minute about U.S. Russian relationships. The Democrats would have us believe that Donald Trump did not win the election but actually evil Russian agents hacked to the election and undermined American democracy effectively throwing the election to Donald Trump.

Nancy Pelosi even demanded just this past week that the F.B.I. should launch a major investigation to figure out what information the Russians are holding on Donald Trump in order to blackmail him into bowing to their wishes.

President Trump on the other hand continues to reiterate that he has no ties to Russia, no business deals in Russia, no personal relationship with the Russian government, never talked to Putin, doesn't know Putin and so on and so forth.

And he's been particularly outspoken in saying that getting along with Russia is a good thing not a bad thing. That America should strive to get along with Russia. That he hopes to get along with Putin even though he says that he doesn't know him. President Trump has suggested that it's the Democrats who are trying to start World War three with all of their anti-Russian rhetoric and accusations.

Now you're the history and world affairs guru Jim, are the Russians really the bad guys here or are they being scapegoated in order to facilitate an American political rhetoric campaign against the president?

**Jim:** Well I do know that during the last administration, Mr. Obama's administration as you probably remember we started, we tried to pull off an illegal crew in Ukraine, we got caught at it, what's her name, Victoria Nuland, whatever the woman's name the State Department they have there several pieces of evidence where we know she tried to instigate an illegal coup then of course the Russians outsmarted us and so the State Department started blaming it on the Russians and the hype against the Russians has gotten bigger and bigger ever since after we started-- or tried to start, tried to instigate the illegal coup Crimea and Ukraine.

So yes we are certainly at fault to some extent and obviously you then, when you're caught you've got to keep the rhetoric up and keep throwing more and more accusations and so the State Department has done that.

I know that before the illegal coup Obama, Bush everybody was trying to be friends with the Russians rightly so, cold war had ended long ago, the Russians wanted to be friends with America. We didn't need NATO anymore. Who needed the Cold War etc. all the money we were spending on some of these arms manufactures and soldiers so until the illegal coup took place we were all trying to be great friends you remember George Bush said I looked him in the eye and he's a man I can admire and work with etc.

So now of course the Democrats especially since they lost the election are trying to blame it on the Russians. It's unfathomable to me how the Russians could have determined the outcome of the elections. Maybe they planted a story a two but so what? It's inconceivable to me that the Russians could influence much less determine the election.

I think if we start having investigations of the illegal voting I'm afraid we're going to find more for the Democrats than for the Republicans places big cities in America won't name names but so far the few investigations that have taken place we find that the voting irregularities are in big cities which are Democratic strongholds.

**Erik:** Let's move on to precious metals next last year you said you owned gold and you weren't selling it. But you were also quick to say that you weren't buying any more either. You thought that better buying opportunities might still lie ahead and you were holding off until they materialized. What's the update on your outlook for precious metals in the months and years ahead?

**Jim:** Same way, I still own it. I'm not buying anymore. If gold more or less went up or went down,



I suspect gold today is where it was back then, maybe a little higher, maybe a little lower. I'm still sitting and watching. I want to own more gold. I want to own more silver but I want to own it at a lower price which I expect.

Now Erik I repeat I'm the single worst market timer in the world. So gold may not go down ever again. If it does, I hope I'm smart enough to buy more if it doesn't, I own some.

**Erik:** Well I'll repeat what I said one year ago which is, I don't believe you're the world's worst market timer. I think you're actually a little bit better than that as evidenced by your 4200% and seven years track record when you were running your fund. But let's move on from there.

**Jim:** Just a little bit, that was a long time ago and second of all it was ten years it wasn't seven years but it doesn't matter. I mean it's not that important. It was a long time ago.

**Erik:** OK well I still will add a little bit more credence than you take credit for to your abilities in the markets. Let's move on to another topic that you mentioned last time which is you described the desire of governments to outlaw cash because that of course allows governments much more control over the financial system. They can impose negative interest rates do all sorts of other things and control everyone's finance.

Needless to say, those were very prescient words so many government officials and academics have come out in the last year particularly from Harvard University, Ken Rogoff a professor there, calling for an outright ban on cash in favour of purely electronic currency systems. The European Union has already floated proposed new regulations that would limit cash transactions.

Jim where's all of this headed and what's in store for markets as governments continue to wage war against cash?

**Jim:** Governments are always looking out for themselves first and it's the same old thing you know Eric this has been going on for hundreds of years. The Indians recently did the same thing they withdrew 86% percent of the currency in circulation and they have now made it illegal to spend more than, I think it's about \$4000 in any cash transaction. In France you cannot use more than, I think it's a €1000.

Many countries are already doing this. Some states in the U.S. you cannot make cash transactions above a certain amount. Governments love it. Then they can control you. If you want to go and buy a cup of coffee they know how many you drink, where you buy them etc. if they can all put it into electronic formats and they will the world is all going electronic. My children will probably never go to a bank when they're adults, maybe never go to a post office maybe even never to a doctor or rarely to a doctor when they're adults.

So the Internet and the computers changing everything that we know, money can certainly be easily converted to computers not today because there are still, some people who don't have computers and the system is not ready it but it can be done and when it's done the governments are going to be very, very happy they going to say they're doing it for our own good Eric, this is not them, this is for our good. That they're doing this, but it's coming and it's going to be a whole different world in which we live. Probably we are not going to have as many freedoms as we have now even though we are already losing our freedoms at a significant pace.

**Erik:** Well and I'm curious on your perspective on that because what fascinates me, I agree with you completely, we are losing our freedoms at a very rapid pace. If I imagined human beings in a free society and a society that celebrates freedom, losing those freedoms I would envision a lot of people under tyranny whining and complaining and groaning about how horrible it was that the tyrants, their overlords were controlling them.

But we seem to have people cheering in the streets for this Jim. It seems like most people are duped into believing that this loss of freedom is a good thing. The government's fighting terrorism and we're going to be safer as a result of forfeiting our freedoms.

What does history teach us, is this part of a cycle, is there a reason that people are reacting this way because certainly in other times in history people have been willing to die in order to avoid losing their freedoms but they're almost cheering the government on in taking freedoms away now. What's going on here?

**Jim:** Well history shows that people always would like a little more safety and a willing to "give up some things for more safety and security." Benjamin Franklin said well anybody who would give up some freedoms for security is going to wind up with neither security nor freedom and they deserve to lose both and of course that's the way it is.

I'm not the first to realize that people who are rising to become dictators start taking away freedoms first in Germany they took away the guns, they wouldn't let people have guns in Germany and lots of places have done that or things like that.

In America now you and I probably remember when we were kids, you had to have a search warrant, now they can just break your door down if they have what they consider enough good reasons, they don't even have to go to the court and get a search warrant anymore.

So it's already happening and if you said to somebody that you know they could break your door down they say they're not going to break my door down I'm not a terrorist or a drug dealer, well that's how it all starts people say it's OK but then the next thing you know they're breaking your door down too.

So it's already happening do I like it? No I don't like it but I'm not the first-- what was his name Goebbels the German who said if you say something to people enough times they believe it no matter how absurd it is and you and I have certainly seen it in the news in America you say something enough times people believe it and it becomes politically correct and then you can't even say something that's not politically correct in America any more.

**Erik:** Jim you have achieved some utterly amazing things in your life when most people think about going for a ride on a motorbike they're imagining a trip around town. You literally rode your motorcycle around the entire planet while being followed by a film crew and of course that story was chronicled in your first book *Investment Biker*.

When you decided to take your new wife for a drive in the countryside you had a custom Mercedes built and you took a trip through 116 countries that story of course forming the basis for your second book *Adventure Capitalist*.

Jim if I'm correct you're going to be turning 75 this October that's three quarters of a

century on this planet is there anything left that you haven't done that you still want to do? Is there any goal that you have and what have been the most rewarding and interesting experiences in your life?

**Jim:** Right now Erik I am having a wonderful adventure. I've got two little kids. I never wanted children when I was-- all my life and advised people not to have children, I explained that children were a horrible waste of time, money, energy. I was never going to be so foolish as to ruin my life by having children like all those saps who had children.

Well I was totally wrong Eric. I had my first child when I was 60 my second when I was 65 and it is absolutely extraordinary, these two little girls. I hope that everybody listening at this who has not had children goes home today and starts working on having children. Take a day off if you have to, you probably shouldn't take a day off these days these are difficult times but go home for lunch have a lunch hour with children, you cannot believe how much fun and what a great adventure it is.

Now I think in my case it's probably better that I had children later. If I'd had them when I was 20 or 30 or 40 or something it would have been a disaster for me for the mother for the children. But everybody has to figure that out and do it at their own time but this is the most wonderful adventure that I've had so far.

So you ask what I'm doing next, what I'm doing next is these two little girls right now and when they get older I want to take them to some more adventures but they're too young right now.

**Erik:** Well I must say it has been exciting for me having heard your story, following your work, reading your books over the years. I remember hearing those first stories of your decision to have children and your desire that they grow up in an environment where they could learn to speak fluent Mandarin and so forth.

Watching your daughter's YouTube channel and seeing her interview you in perfect fluent Mandarin. It's fascinating to watch the realization of your goals and I would note that her Chinese is a lot better than your Chinese is Jim and mine as well.

**Jim:** My Chinese is non-existent but when I show videos or when I put them on the stage in front of Chinese audiences they always gasp, I mean they just gasp out loud because they're so shocked at how good the Mandarin that my little girls speak is.

So that goal, I moved to Asia to make sure my children spoke good Mandarin and know Asia that part has worked. It will not make them successful Erik, just because you speak English and Mandarin will not make you successful but if they're working in a Chinese restaurant at least they're going to be the maître D. instead of the dishwasher. So hopefully they will have some kind of future.

**Erik:** That sounds really exciting. I can't wait to hear about what adventures you take them on. But before we close your latest book is called Street Smarts. Please tell our listeners what that book is about and what they can expect to learn from reading it?

**Jim:** Well my agent and my publisher came to me and said, why don't you do a book on how you got from Alabama today you are in Asia with two girls, two little children speaking Mandarin how did all this happen there must be a good story you've written a few stories

about things. Why don't you put it all together and I said nobody would care, nobody would be interested but to make a long story short I did it many people tell me it's the best book that I've done so far, I certainly enjoyed it, it puts a lot of things together.

I'm certainly glad that I did it so that my children will know if nothing else in the future it's a memoir if you will. I'm a little embarrassed to use that term about anything with me but yes it's a memoir.

***Erik:***

Well I certainly enjoyed reading it and I can't wait to read the next book about the adventures that you take your daughters on.

So Jim thanks again for another fantastic interview. We really appreciate it and Patrick Ceresna and I will be back as Macro Voices continues right here at [macrovoices.com](http://macrovoices.com).

***[End of interview]***