



Comment on the Commentary of the Day

by

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Disclaimer: The following "Letters to the Editor" were sent to the respective publications on the dates indicated. Some were printed but many were not. The original articles that are being commented on may or may not be available on the internet and may require registration or subscription to access if they are. Some of the original articles are syndicated and therefore may have appeared in other publications also.

8 March 2008

The Editor, New York Times
229 West 43rd St.
New York, NY 10036

To the Editor:

Speaking of the Florida and Michigan Democratic primaries that party leaders and the candidates agreed months ago would not count (but which were nevertheless "won" by Sen. Clinton), Gail Collins reports that now "Clinton says the party should just forgive and forget, and hand over her delegates" ("And the Good News Is..." March 8).

Until recently, when my young son didn't like the progress of games played according to agreed-upon rules, he would cry for the rules to be changed in his favor in mid-game. My wife and I, of course, refused. We taught him that such special pleading is the essence of unfairness. Now that he's ten-years old, our son knows better than to issue such blatantly unfair entreaties. It's shameful that Hillary Clinton's sense of fairness and decency is less developed than that of ordinary ten-year olds.

6 March 2008

The Editor, New York Times
229 West 43rd St.
New York, NY 10036

To the Editor:

Among Robert Lighthizer's objections to principled free-traders is their opposition to protectionism "no matter how many jobs are lost" ("Grand Old Protectionists," March 6).

If Mr. Lighthizer is referring to overall employment, his facts are wrong. Free trade does not reduce net employment. But perhaps he's talking about specific jobs, such as those lost in Georgia textile mills when Americans buy more

textiles from abroad. The argument seems to be that practical statecraft often justifies protecting such jobs even if doing so prevents the creation of other jobs in their place. If this is Mr. Lighthizer's point, he's too modest when calling for trade policies that allow for "practicality, nuance or flexibility." Because technological advances destroy far more jobs than does trade, Mr. Lighthizer should endorse also a "pragmatic" approach to innovation - empowering government, when pragmatism dictates, flexibly and with nuance to block firms' introduction of efficiency-enhancing production techniques that displace workers. Surely we must reject the "dogma" that tolerates "unbridled" improvements in firms' operating efficiencies.

6 March 2008

The Editor, New York Times
229 West 43rd St.
New York, NY 10036

To the Editor:

Robert Lighthizer dismisses principled free-traders as dogmatists who impractically stick to their guns "no matter how many jobs are lost, how high the

trade deficit rises or how low the dollar falls" ("Grand Old Protectionists," March 6). Alas, the impractical dogmatists are Mr. Lighthizer and his fellow trade "pragmatists."

There is NO credible evidence - none, nada - that free trade causes net job losses. Moreover, far from being undesirable, a higher U.S. trade deficit means increased foreign investment in the American economy. And a falling dollar generally reflects worsening domestic policies in the U.S., such as inflationary money-supply growth, the likelihood of higher taxes or more command-and-control regulations, and, indeed, an increased probability of U.S. protectionism - protectionism that, by stifling entrepreneurial dynamism, makes America a less attractive place for foreigners to do business.

5 March 2008

Editor, The Financial Times

Dear Editor:

Pat Buchanan's hostility to free trade reflects his misunderstanding of fundamental concepts. This misunderstanding is displayed in his letter today

in which he complains that "since Nafta ... we have run \$5,000bn in trade deficits." For Mr. Buchanan, this fact is clear evidence of the dangers of freer trade.

But let's re-word Mr. Buchanan's complaint: "since Nafta, we have run \$5,000bn in investment surpluses." Putting matters this way - which is simply another way of reporting the same fact that Mr. Buchanan finds so troubling - reveals that since Nafta, \$5,000bn worth of capital has flown into America. This capital helped to create and modernize American firms, to fund R&D, to train workers, and to ease the burden imposed on Americans by Uncle Sam's profligacy. Does Mr. Buchanan really lament this capital inflow?

It's worth pointing out, too, that this inflow of capital is precisely the opposite of what Ross "Giant Sucking Sound" Perot predicted would happen if Nafta were passed.

4 March 2008

Editor, Washington Post
1150 15th St., NW
Washington, DC 20071

Dear Editor:

Susan Helper writes that "the manufacturing sector has been hammered with the loss of 3.7 million jobs over the past seven years" ("Renewing 'Made in the USA'," March 4). This statement - indeed, her entire op-ed - is unhelpful. She mistakes manufacturing employment for manufacturing output. In fact, manufacturing output in the U.S., as well as U.S. manufacturing exports, are today at all-time highs. [Dan Ikenson, "Thriving in a Global Economy: The Truth about U.S. Manufacturing and Trade," <http://freetrade.org/pubs/papers/tpa-035es.html>] Manufacturing employment is falling now for the same reason that agricultural employment fell in the past: technological advances permit each worker to produce ever more output.

More inexplicably, Ms. Helper, an economist, forgets the principle of comparative advantage when she worries that if more and more Americans work in the service sector, we risk being left "with nothing to sell that others want." Education, software and bioengineering, financial management - the list of services that Americans export is long and growing, just as the

principle of comparative advantage predicts.

Friends,

Karol contributes an insightful case study to the 2008 International Property Rights Index. You can access here:

http://www.mercatus.org/Publications/pubID.4473.cfilter.0/pub_detail.asp

3 March 2008

Editor, The Wall Street Journal
200 Liberty Street
New York, NY 10281

To the Editor:

You explain well that Ohio's economy is hamstrung, not by too much trade, but by too little trade - as happens whenever politicians tax and regulate so aggressively as they do in Ohio ("Texas v. Ohio," March 3). But it's also worth noting that the recent history of unemployment in Ohio simply does not support the allegations made by both Sen. Clinton and Sen. Obama that Nafta has devastated workers in that state.

In December 1993, the month before Nafta took effect, Ohio's

unemployment rate was 6.5 percent. It has never again been as high as that pre-Nafta rate. Indeed, as recently as February 2001 - with Nafta in effect for seven years - it fell to as low as 3.9 percent. According to the Bureau of Labor Statistics, Ohio's unemployment rate is now (December 2007) 5.8 percent. The most recent month prior to Nafta going into effect in which Ohio's unemployment rate was this low was October 1990.