



Comment on the Commentary of the Day

by

Donald J. Boudreaux
Chairman, Department of Economics
George Mason University
dboudrea@gmu.edu
<http://www.cafehayek.com>

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.

18 May 2008

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

To the Editor:

Reviewer Daniel Gross shares Jeffrey Sachs's concern that today, unlike in times past, the world really and truly IS running up against resource constraints that spell doom unless we follow the advice of experts such as Professor Sachs ("Costs of Living," May 18). Why is today's concern justified? Because of four trends that Sachs identifies, as summarized here by

Gross: "human pressure on the earth, a dangerous rise in population, extreme poverty and a political climate characterized by 'cynicism, defeatism and outdated institutions.'"

These reasons are unpersuasive.

First, identifying "human pressure on resources" as a reason for worrying about human pressure on resources is circular.

Second, today population is growing more slowly than it grew during its peak growth-rate years of the 1980s. Third, a smaller portion of the world's population lives in poverty today than lived in poverty

during the 1970s, the last time such Malthusian hysteria was unleashed. (In the late 1970s, 16 percent of the world's population lived on \$1 per day or less; today this figure is 6 percent.) Fourth, "cynicism, defeatism and outdated institutions" are hardly unique to the early 21st century.

18 May 2008

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

To the Editor:

Reviewer Scott Stossel highlights the following theme from Bill Bishop's and Robert G. Cushing's "The Big Sort": "Americans have always moved around restlessly. But whereas in earlier times large flows of people ... were motivated primarily by the quest for economic opportunity, American migration is now inspired at least as much by 'lifestyle' choices as by economics" ("Subdivided We Fall," May 18).

It is an article of faith at your newspaper, repeated ad nauseam, that ordinary Americans have stagnated economically since the mid-1970s. Bishop's and Cushing's evidence, however, seriously undermines this faith. People stagnating economically cannot afford, when deciding where to live, to ignore economic opportunity. The fact that Americans increasingly put aside considerations of economic opportunity in order to consume their chosen lifestyles means that even ordinary

Americans are more prosperous today than they were in the allegedly golden days of the 1960s and early '70s.

17 May 2008

Editor, Baltimore Sun

Dear Editor:

Julie Waldren eloquently explains the difficulties of "being green" ("It's not easy being green," May 17). For example, consumers cannot possibly know how the environmental impact of disposable cups compares with that of ceramic cups whose production consumes lots of energy.

Contrary to a profusion of naive punditry, the economy is far too complex for any person or even a committee of geniuses to trace out the full environmental consequences of any of the hundreds of ordinary decisions that consumers and producers make on a daily basis. Economists since Adam Smith have taught that the best we can do is to have well-defined property rights that owners use and exchange as each judges best. The unplanned result isn't an earthly paradise, but it's vastly superior to what

emerges when people consciously aim to bring about a specific outcome in the overall pattern of economic activities. To reject this truth is to suffer what the great economist F.A. Hayek called "the pretense of knowledge."

16 May 2008

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

To the Editor:

You accurately describe the \$307 farm bill passed by the Senate as "an inglorious piece of work tailored to the needs of big agriculture" ("A Disgraceful Farm Bill," May 16). So the question arises: why do Senators Clinton and Obama loudly praise it?

One possibility is that these Senators truly believe that distorting agricultural markets with gargantuan subsidies - including paying some farmers to not grow crops - is good for the country. Another possibility is that Mrs. Clinton and Mr. Obama are pandering, expressing support for the bill only because doing so enhances their prospects with certain voters.

If the first possibility holds, it raises serious doubts about these candidates' intelligence. If the second possibility holds, it raises serious doubts about these candidates' ethics. Because there is no plausible third possibility, you'll pardon me if I have serious doubts about these candidates.

15 May 2008

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

To the Editor:

Simon Winchester wonders why "in the 16th century China's innovative energies inexplicably withered away, and modern science became the virtual monopoly of the West" ("Historical Tremors," May 15). He points to some facts (for example, "lack of internal competition") that surely played roles. But he misses what is likely the main fact: China was open and commercial under the Song dynasty (960-1279 AD) and then, with the Yuan and (especially) the Ming dynasties that followed, turned inward and rejected foreign commerce.

As economist Guanzhong Wen writes about the early Ming period, "Because foreign merchants were confined to the small quarters of Guangzhou, a city located in the southern tip of China, the vast majority of Chinese were never exposed to new ideas or new products from the West."

[<http://www.econ.barnard.columbia.edu/~econhist/papers/JWen%20paper.pdf>]

Europeans - restlessly seeking profit - had powerful incentives to advance scientifically. The Chinese - confident in their superiority and fearing change - lost these incentives.

14 May 2008

Editor, Baltimore Sun

Dear Editor:

Part Hugo Chavez and part Don Quixote, Blaine Taylor writes that "Just as, ultimately, the United States will be forced to nationalize the entire energy industry in order to achieve equality for all of our people, so, too, must we someday - and the sooner, the better - outlaw all the lobbyists from the halls of government at every level" (Letters, May 14).

The more powerful is government, the greater are the rewards for those who gain privileged access to it. Because nationalizing industries expands that power, such a move will inevitably increase the unsavory influence-shopping and influence-peddling that Mr. Taylor deplors. The solution is not to outlaw lobbying, for that'll simply drive it underground. The only solution is to rid government of the power that makes lobbying worthwhile.

13 May 2008

Friends,

Karol has two new publications growing from her work in Africa and on economic development.

The first is a review of Paul Collier's book "The Bottom Billion"; the second is a law-review article on community-based natural-resource management in Namibia. Excellent reading both! They can be found at these links:

http://www.enterpriseafrica.org/Publications/pubID.4542/pub_detail.asp

http://www.enterpriseafrica.org/Publications/pubID.4539/pub_detail.asp

13 May 2008

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

To the Editor:

Mark Helprin correctly points out that as the Chinese grow more prosperous their military will grow more mighty ("The Challenge From China," May 13). He advises that Uncle Sam dramatically increase the size of his own arsenal.

Regardless of this suggestion's merits or demerits, the more vital course is for Uncle Sam to immediately eliminate all trade and investment restrictions with China, and for politicians to stop threatening further restrictions. Such moves would speed the integration of China's economy with our own. Being economically integrated means being economically reliant on each other - a happy recipe for prosperity and peace.

Want evidence? See the important work of economists Solomon Polachek and Carlos Seiglie. Their empirical research leads them to conclude that "international cooperation in reducing barriers to both trade and capital flows can promote a more peaceful world." [Solomon W. Polachek and Carlos Seiglie, "Trade, Peace and Democracy: An Analysis of Dyadic Dispute" (June 2006):

http://papers.ssrn.com/sol3/papers.cfm?abstract_id=915360]

Want more evidence? Ask yourself how likely are even a well-armed Canada or Japan to have any interest in shooting their countless customers and suppliers throughout the U.S.? The

answer, of course, is no more likely than we are to want to shoot our customers and suppliers throughout those countries.

12 May 2008

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

To the Editor:

Carlos Gutierrez and Arnold Schwarzenegger justifiably point out many of the economic advantages of free trade ("Keep America Open to Trade," May 12). The case against protectionism is significantly strengthened by such consequentialist arguments - arguments that I and other economists routinely and proudly employ.

But let's never forget that protectionism is also immoral. It is immoral for anyone or any collective forcibly to obstruct peaceful exchanges between two parties merely because a political border separates these parties from each other. If it is legal and proper for me to buy widgets, my choice of which widget supplier to patronize should be mine and mine alone. Likewise, the terms on which we deal

are no one's business but
my own and that supplier's.

Protectionists, at root, are
thugs.