



## 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.**

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22 June 2008

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

Dear Editor:

Michael Kazin and Julian Zelizer assert that America's middle-class for the past thirty years has been "shrinking" and that "no family is secure" ("A New Social Contract," June 22).

Evidence cautions against this conclusion. According to Bureau of Labor Statistics data, worker productivity and inflation-adjusted worker compensation have both risen consistently and in

very tight alignment with each other over the past four decades. Compared to 1968, productivity today is higher by 110 percent, while real worker compensation is higher by 103 percent.

[[http://bp0.blogger.com/\\_ofwl2zc6Qc/SFp66bl7BjI/AAAAAAAAE58/oTwkcdFFmZo/s1600-h/income2.gif](http://bp0.blogger.com/_ofwl2zc6Qc/SFp66bl7BjI/AAAAAAAAE58/oTwkcdFFmZo/s1600-h/income2.gif)]

Or consider that IRS data - which track individual taxpayers through time - reveal (as reported by economist Thomas Sowell) that "People in the bottom fifth of income-tax filers in 1996 had their incomes increase by 91 percent by 2005." Adjusted for inflation, that's an increase

in real incomes of 73 percent for low-income taxpayers. America's average taxpayer enjoyed, over this same time, an increase in real income of nearly 20 percent. This latter result probably was not driven by the super-rich getting richer: over this same period the real incomes of 1996's top one percent of income earners fell by 21 percent.

[[http://www.realclearpolitics.com/articles/2007/11/income\\_confusion.html](http://www.realclearpolitics.com/articles/2007/11/income_confusion.html)]

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21 June 2008

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

To the Editor:

J.D. Koerner's satirical mention of "inequality" among PGA players (Letters, June 21) reminds me of a question that I now pose to my students whenever they insist that unequal incomes are evidence of injustice and, therefore, should be "reallocated" more equally by government. I ask these students if they want me, as their professor, to "reallocate" A and B grades to students who earn D and F grades. Students who earn high grades will have their grades lowered to C, while students who earn low grades will have their grades raised to C. The result will be equality of grades.

I've yet to encounter a student who defended such a system for "distributing" grades.

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20 June 2008

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

To the Editor:

You write that "The excitement underpinning Senator Barack Obama's

campaign rests considerably on his evocative vows to depart from self-interested politics. Unfortunately, Mr. Obama has come up short of that standard with his decision to reject public spending limitations" ("Public Funding on the Ropes," June 20).

Regardless of the merits of Mr. Obama's decision, I'm bemused by how easily you are bamboozled by politicians. Do you truly believe that any serious candidate is not self-interested? Are you really surprised when a favorite candidate, after predictably promising to selflessly serve the greater good, instead selfishly serves first his or her political ambitions?

Selflessness among politicians is as likely as is selflessness among prostitutes: both gratify their patrons only - and only as far as is necessary - to further their own ambitions.

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19 June 2008

Ms. Diane Rehm, Host  
The Diane Rehm Show  
WAMU Radio  
Washington, DC

Dear Ms. Rehm:

The Sierra Club's Athan Manuel asserted, near the end of your show today, that "more drilling will only benefit the oil companies."

To see why this statement is preposterous, ask yourself if less drilling will only harm the oil companies. If you conclude that reducing the supply of oil will have no ill consequences for consumers, then you see (blind) eye to (blind) eye with Mr. Manuel. But if you instead conclude - as I suspect you will - that reduced supplies of oil will harm consumers, then you must also conclude that Mr. Manuel speaks nonsense when he asserts that more drilling is in the interest only of oil companies.

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19 June 2008

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

To the Editor:

Thomas Evans urges Uncle Sam to sue OPEC for artificially restraining the supply of oil ("Sue OPEC," June 19). Seems a tad hypocritical given that Uncle Sam himself artificially restrains the supply of oil by prohibition

drilling on the outer continental shelf and on ANWR.

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19 June 2008

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

To the Editor:

According to American Federation of Teachers President Edward McElroy, "If there weren't laws to make sure that base pay is decent and workers are paid prevailing, livable wages, the alternative would be a 'how-low-can-you-go' race to the bottom" (Letters, June 19).

Wrong. Even a casual glance at reality reveals that worker compensation is determined by the supply of, and demand for, workers, and that it emphatically does not fall to any legally allowed minimum. If compensation did behave as Mr. McElroy alleges, then physicians, accountants, morticians - even supermodels, rock stars, and labor-union officials - would be paid minimum wages. But 97.7 percent of Americans workers are paid wages above the federally mandated minimum. Most are paid multiples of this

amount. Heck, to get someone to watch our child, my wife and I must pay even babysitters close to twice the minimum wage!

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18 June 2008

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

Dear Editor:

The title of one of your reports today wonders "Why We're Gloomier Than The Economy" (June 18). It's true (as you document) that while today's economy remains reasonably healthy, people generally think that it's in the toilet. Why indeed?

One reason is that many pundits, such as your own Harold Meyerson, incessantly cherry-pick the data to portray the economy as being a wreck for ordinary Americans and, hence, allegedly in need of massive amounts of government intervention. Another reason is what my colleague Bryan Caplan calls "the pessimistic bias," which is hardly new. Alexis de Tocqueville lamented it, and Herbert Spencer noted that "the more things improve the louder become the exclamations about their badness." [Bryan

Caplan, *The Myth of the Rational Voter* (Princeton University Press, 2007), esp. pp. 43-48] Our sensitivity to even the least discomfort and insecurity intensifies as our lives become more comfortable and secure.

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17 June 2008

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

To the Editor:

Adam Cohen waxes enthusiastically: "The minimum wage can play a vital role in lifting hard-working families above the poverty line. But as Roosevelt understood, it is also about something larger: what kind of country America wants to be" ("After 75 Years, the Working Poor Still Struggle for a Fair Wage," June 17).

Mr. Cohen's enthusiasm for the minimum-wage might be tempered if he knew its full history, such as that the minimum-wage established by the Fair Labor Standards Act of 1938 was meant to protect northern producers and workers from competition posed by their southern rivals. The (left-wing) Nobel laureate economist Gunnar Myrdal lamented in 1944 that, because of this Act, "Southern industry will lose one of its main competitive advantages. This effect will increase the competition for jobs in the South and make the Negroes' chances for employment in Southern

industry slimmer." Or the fact that the industry-by-industry minimum-wages created by the National Industrial Recovery Act of 1933 were argued by Myrdal to throw perhaps as many as half a million southern blacks onto welfare. [Gunnar Myrdal, *An American Dilemma* (New York: Harper & Bros., 1944), p. 398]

Is the "kind of country America wants to be" one that uses nobly named statutes to protect influential producers from having to compete with less influential rivals?

17 June 2008

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

To the Editor:

Barack Obama asserts that "Globalization and technology and automation all weaken the position of workers" ("Obama Plans Spending Boost, Possible Cut in Business Tax," June 17).

Wow! Then that new tribe of primitive people discovered last month in Brazil must boast the world's most prosperous workers. After all, they

have absolutely NO global trade, modern technology, or automation. If he's a man of his convictions, a President Obama will surely urge us back to the stone age so that ordinary workers might again enjoy the lavish wealth that such an existence obviously ensures.

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16 June 2008

Friends,

My colleague Tyler Cowen's column from the June 8 edition of the New York Times is not to be missed. Here's the link:

[http://www.nytimes.com/2008/06/08/business/08view.html?\\_r=1&ref=business&ref=slogin](http://www.nytimes.com/2008/06/08/business/08view.html?_r=1&ref=business&ref=slogin)

And here are some key paragraphs:

Trade advocates focus on the benefits of goods arriving from abroad, like luxury shoes from Italy or computer chips from Taiwan. But new ideas are the real prize. By 2010, China will have more Ph.D. scientists and engineers than the United States. These professionals are not fundamentally a threat. To the contrary, they are creators, whose ideas are likely to improve the lives of ordinary Americans, not

just the business elites. The more access the Chinese have to American and other markets, the more they can afford higher education and the greater their incentive to innovate.

Conservative and liberal economists agree that new ideas are the fundamental source of higher living standards. We urgently need new biotechnologies, a cure for AIDS and a cleaner energy infrastructure, to name just a few. Trade is part of the path toward achieving those ends. A wealthier China and India also mean higher potential rewards for Americans and others who invest in innovation. A product or idea that might have been marketed just to the United States and to Europe 20 years ago could be sold to billions more in the future.

Those benefits will take time to arrive, but trade with China has already eased hardships for poorer Americans. A new research paper by Christian Broda and John Romalis, both professors at the Graduate School of Business at the University of Chicago, has shown that cheap imports from China have benefited the American poor

disproportionately. In fact, for the poor, discounting in stores such as Wal-Mart has offset much of the rise in measured income inequality from 1994 to 2005.

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16 June 2008

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

To the Editor:

Paul Krugman repeatedly insists that Uncle Sam's fiscal problems are caused by tax cuts, especially for the rich ("Fiscal Poison Pill," June 16). But budgets have two sides: revenue and spending. Identifying only one of these sides as responsible for fiscal problems is akin to identifying only one blade of a pair of scissors as responsible for cutting through paper.

And on the spending side Uncle Sam is criminally irresponsible. Citing a Government Accountability Office study, Sandra Day O'Connor and James R. Jones report in today's Washington Post that "Even if every dollar of wealth of every millionaire in the United States were magically diverted to pay

these costs, 80 percent of the unfunded liabilities forecast for these three programs [Social Security, Medicare, and Medicaid] would remain on the books."

No amount of "progressive" taxation can solve the fiscal problems caused by the "Progressive" spending that Mr. Krugman champions.