



## 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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6 September 2008

Friends,

In his final guest post (for now, at least) at the NY Times's blog Freakonomics, my colleague Pete Leeson looks at the logic, and at some examples, of social contracting. Pete's conclusion is especially important:

"The key, then, is to increase the extent of social agreement underlying the rules that govern society.

"There are two ways to do this. The first way is to try and build greater

agreement over the existing range of issues we decide socially (i.e., in the public sphere). That seems unlikely, though, if for no other reason than Americans are as diverse in their beliefs and preferences as they come.

"The second way is to be more modest about the range of issues we seek social consensus on in the first place. Most of us agree that murder, for instance, should be prohibited. Making this decision through the political process is unlikely to undermine social agreement.

"But there's much greater variation in Americans' thinking about, say, what schools should teach fifth graders about sex, whether trans-fats pose an unreasonable risk to one's health, and whether Andres Serrano produces provocative art or sacrilegious smut.

"By depoliticizing decisions — making more of them private choices instead of public ones — we can strengthen the consensual basis of American government, and hopefully enhance social agreement over the rules we have."

<http://freakonomics.blogs.nytimes.com/2008/09/05/thr>

[ee-great-social-contractarians-hobbes-locke-and-blackbeard-a-guest-post/](#)

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5 September 2008

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

To the Editor:

Troy Clarke, President of G.M. North America, asserts that direct government loans to U.S. automakers are not handouts ("these loans must and will be paid back") and that such loans are "intended to lower borrowing costs for auto makers and suppliers to invest in designing and building more energy-efficient cars and trucks" (Letters, Sept. 5). This argument is classic special-pleading for corporate welfare.

A chief role of private capital markets is to finance innovation and product development. Private investors compete for customers by keeping their borrowing costs as low as possible and (unlike politicians) have powerful incentives to evaluate project risks correctly. Because car buyers will eagerly purchase vehicles

boasting greater fuel-efficiency, there's no reason in the world why private investors will not finance all promising projects to make such vehicles a reality. Projects, therefore, that cannot attract private financing are ones unlikely to pay off. It follows that financing these projects with government loans puts taxpayers money at undue risk - meaning that taxpayers are forced to subsidize corporate boondoggles.

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4 September 2008

Yahoo! News

Dear Sir or Madam:

The headline of one of your reports today from the Associated Press reads "Sarah Palin and her fellow RNC speakers weren't completely truthful at times." Wow.

Why not also run a report with the headline "Law of Gravity Still Working," or one screaming "Julius Caesar Remains Dead!"? Deceitful politicians are as newsworthy as ants at a picnic - although much more avaricious and annoying.

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4 September 2008

Friends,

Here's a link to the second post that my young colleague Pete Leeson has at the NY Times's influential blog Freakonomics. Pete here discusses empirical research that, among other things, questions the neo-conservative faith that Uncle Sam can successfully use his military to impose democracy on other countries:

<http://freakonomics.blogs.nytimes.com/2008/09/03/democratic-dominoes-a-guest-post/>

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3 September 2008

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

Dear Editor:

Robert Samuelson helpfully explains why the data routinely cited to show the alleged economic stagnation of middle-class Americans are misleading ("The Real Economic Scorecard," September 3). In particular, he's correct that average or median income can stagnate or fall even if everyone's income rises. Here's how I explain this possibility to my students:

Imagine what the average or median income would be in a room occupied only by Bill Gates, Warren Buffet, and Bono. Now imagine that I enter the room and immediately accept their offer to become their full-time shoe-shiner at an annual salary of \$500,000. Because this income is higher than I earned before entering the room, I'm richer. And because my entering the room does not lower their annual incomes, none of them is poorer. But my presence in the room (with my new income still far lower than that of each of these men) dramatically lowers the room's average income, and pretty significantly lowers its median income, EVEN IF the income of each of these men rises during the current year.

Everyone is richer, yet average and median incomes are lower. As Mr. Samuelson points out today, this possibility is not merely academic.

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3 September 2008

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

Dear Editor:

So the "Slow Food" movement is unveiling a political agenda that includes efforts to encourage the consumption of "local foods" ("Slow Food At Full Speed: They Ate It Up; Thousands Get a Taste Of Group's Political Agenda," September 3). Perhaps most "locovores" mean well, but they likely are being used unawares by interests whose motives are less palatable.

Just as bootleggers hide their true colors to join forces with Baptists in self-righteous agitation for alcohol prohibition - a policy that raises bootleggers' incomes by protecting them from legitimate competitors - so, too, are many farmers cunningly joining forces with locovores. They are doing so not out of any selfless concern for the environment or "social justice" but, rather, because locovores' political success will mean less competition and higher, monopoly profits for local farmers.

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2 September 2008

Friends,

We'll never, ever run out of oil. I explain why in this op-ed appearing in today's

edition of Canada's National Post:

<http://www.nationalpost.com/news/story.html?id=760789&p=1>

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2 September 2008

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

To the Editor:

Crusading for a national "energy plan" and upset that Holman Jenkins isn't on board, T. Boone Pickens asks rhetorically: "My father used to tell me that a fool with a plan is better than a genius with no plan. So I ask, what's Mr. Jenkins's plan?" (Letters, Sept. 2).

Contrary to Mr. Pickens's assumption, an economy is not simply a gigantic business firm. An economy is both incomprehensibly more complex than is even the largest multinational corporation, and it has no specific, overriding purpose comparable to a firm's goal of maximizing profits - a purpose by which the performance of each employee and each investment decision is relatively easy to evaluate. So while plans and some

measure of central direction make sense for firms, these are poison to economic growth. They prevent the on-going decentralized experimentation from which spring not only progress that is unplanned, but progress whose details could not have been foreseen before they actually materialize.

The Soviet Union famously had plans for its economy; the United States did not. Which country was the fool?

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2 September 2008

Friends,

One of my brilliant young colleagues, Pete Leeson, is now guest-blogging at Freakonomics -- the prestigious blog of Steven Levitt and Stephen Dunbar, hosted by the New York Times. Here's Pete's first blog entry; in it, he discusses reported sightings of bigfoot and UFOs:

<http://freakonomics.blogs.nytimes.com/2008/09/01/the-x-files-economics-edition-a-guest-post/>

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1 September 2008

Mr. Michael Kinsley, Slate

Dear Mr. Kinsley:

You're correct that Sarah Palin has no more experience in the ways of Washington than does Barack Obama ("No Experience Necessary," August 31). But you miss the fundamental point: experience in such matters is undesirable. Any man or woman experienced at politics is a man or woman experienced at dissembling while lightening the purses of, and tightening the shackles upon, unsuspecting citizens.

If I must be lorded over by politicians, I much prefer that they be inexperienced - for the same reason that I'd prefer that the assassin who stalks me or the kidnapper who holds me captive be inexperienced.

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1 September 2008

Editor, New York Post

Dear Editor:

Your letter-writers today are understandably appalled by the adulation poured on Barack Obama by uncritical pundits and giddy crowds (Letters, September 1). But let's be clear: although its talent for rousing the masses into an hysteria seldom experienced since John,

Paul, George, and Ringo were belting out "yeah, yeah, yeah," John McCain's campaign panders and pimps no less than does St. Obama's. What H.L. Mencken wrote 80 years ago remains true today:

"The only way to success in American public life lies in flattering and kowtowing to the mob. A candidate for office, even the highest, must either adopt its current manias en bloc or convince it hypocritically that he has done so while cherishing reservations in petto. The result is that only two sorts of men stand any chance whatever of getting into actual control of affairs - first, glorified mob-men who genuinely believe what the mob believes, and secondly, shrewd fellows who are willing to make any sacrifice of conviction and self-respect in order to hold their jobs." [H.L. Mencken, *Prejudices: A Selection* (Baltimore: Hopkins ed., 1996), p. 102]

Such is the politician.

1 September 2008

Editor, Washington Times

Dear Editor:

Diane West offers a refreshingly clear-eyed take on "Obama the Great" and his "plywood Parthenon" (September 1). But what is perhaps the finest description of the unfolding phenomenon of Barack Obama was written by H.L. Mencken, who died more than 50 years ago:

"It is the popular theory, at least in America, that monarchism is a curse fastened upon the common people from above - that the monarch saddles it upon them without their consent and against their will. The theory is without support in the facts. Kings are created, not by kings, but by the people. They visualize one of the ineradicable needs of all third-rate men... and that is the need of something to venerate, to bow down to, to follow and obey." [H.L. Mencken, *Prejudices: A Selection* (Baltimore: Hopkins ed., 1996), pp. 147-148]