



## 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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9 November 2008

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

Dear Editor:

AIG Senior V-P Nicholas Ashooh isn't afraid of special pleading. He writes: "It's hard to understand why anyone would suggest that it would have been better for American International Group (AIG) to file for bankruptcy court protection than to receive help from the Federal Reserve. Bankruptcy filings almost always result in no return to shareholders because creditors get paid first. And

a bankruptcy filing for a financial services company such as AIG would have destroyed, not preserved, value for our shareholders." (Letters, Nov. 9).

Indeed so. But contrary to Mr. Ashooh's self-serving claim, the fact that shareholders suffer from bankruptcy is an argument FOR bankruptcy, not against it. Business owners who make poor choices should bear the consequences of those choices - both to reduce the likelihood of poor choices being made in the first place and, when such choices are made, to reallocate the resources of

unprofitable firms to more productive pursuits. Free enterprise is a profit AND loss system. AIG went after profits unprofitably; its owners should pay the price.

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8 November 2008

Editor, Baltimore Sun

Dear Editor:

Commenting on the recent election of Barack Obama to the presidency, Ron Smith wisely counsels: "Don't expect much from next Great Man" (Nov. 8). Mr. Smith's wisdom causes me to reflect that America is divided into two groups of persons: those who believe that what goes on in Washington is largely a serious quest by serious people to tackle serious problems seriously, and those who understand that what goes on in Washington is largely theater scripted so that the actors and actresses appear at first glance to be 'public servants' but in fact care for nothing nearly as much as maximizing their power and satisfying their megalomania.

Alas, the first group greatly outnumbers the second. This fact means that those of us in the second group are obliged not only to attend and watch - but to participate in the large role for the audience demanded by - this absurd drama.

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8 November 2008

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

To the Editor:

Joe Nocera reveals that the line from F.D.R.'s first inaugural address that got most public attention in 1933 wasn't the one about "the only thing we have to fear"; instead, it was the new President's call for "action, and action now" ("75 Years Later, a Nation Hopes for Another F.D.R.," November 8).

If Mr. Nocera spent less time studying the reaction to Roosevelt's rhetoric and more time studying the reaction to Roosevelt's policies, he might reassess his happy opinion about the New Deal. The evidence suggests that F.D.R.'s interventions only deepened and prolonged Americans' economic plight. In 1939 the unemployment rate remained abysmal, at 17.2 percent - no surprise given the drying up of investment during the 1930s. As Robert Higgs found, "In the period 1931-35, net investment totaled MINUS \$18.3 billion. After reviving to positive levels in 1936 and 1937, net investment again fell into the negative range in 1938 (-\$0.8 billion)

before resuming its recovery. For the eleven-year period from 1930 to 1940, net private investment totaled MINUS \$3.1 billion." [Robert Higgs, DEPRESSION, WAR, AND COLD WAR (New York: Oxford University Press, 2006), p. 7]

Let us fervently hope that President Obama is NOT a second F.D.R.

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7 November 2008

Editor, WTOP Radio  
Washington, DC

Dear Sir or Madam:

About the gentleman you interviewed who gushed over "the passion young people bring to politics": Passion is appropriate for places such as football stadiums and bedrooms. In voting booths I'd prefer there be sober reflection and reason.

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6 November 2008

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

To the Editor:

Advocating universal health care, Steven Safyer, M.D., hopes that "the next administration will see the

wisdom of acting — not just talking — so Americans get the care they deserve" (Letters, November 6).

What evidence is there that Americans do not now "get the care they deserve"? Material deserts are earned, not given by nature. In the case of health care, the fact that even POOR Americans consume other things so abundantly casts doubt on the supposition that this land is crowded with people who are denied health care that they deserve. Consider, for example, that today 80 percent of POOR households have air-conditioning (compared to only 36 percent of ALL households who had it in 1970); 75 percent of poor households today own a car, and 31 percent own two cars; the typical POOR American has more household living space than does the typical Parisian and Londoner; and nearly 80 percent of POOR American households have a VCR or DVD player. [Robert E. Rector, "How Poor Are America's Poor?" Heritage Foundation, August 2007: <http://www.heritage.org/Research/Welfare/bg2064es.cfm>]

Someone who voluntarily purchases X instead of Y - where X is widely regarded as less vital than Y - cannot legitimately be said to deserve Y.

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5 November 2008

Editor, Washington Times

Dear Editor:

Re "Obama wins presidency" (November 5): to all persons who understand that freer markets bring greater prosperity, I offer a reason to applaud Obama's defeat of McCain.

A President McCain would have followed Bush's script: singing paeans to free markets while simultaneously meddling and spending in harmful ways. Nevertheless - with popular attention on the song rather than on the substance - the problems caused by these intrusions would have been blamed on "free market fundamentalism" or even laissez-faire capitalism. At least Pres. Obama's destructive policies will not unjustly give capitalism a bad name.

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4 November 2008

Editor, The Wall Street Journal

200 Liberty Street  
New York, NY 10281

To the Editor:

Andrew Wilson is right: the New Deal did not end the Great Depression ("Five Myths About the Great Depression," November 4). No less an authority than FDR's Treasury secretary and close friend, Henry Morgenthau, conceded this fact to Congressional Democrats in May 1939: "We have tried spending money. We are spending more than we have ever spent before and it does not work. And I have just one interest, and if I am wrong ... somebody else can have my job. I want to see this country prosperous. I want to see people get a job. I want to see people get enough to eat. We have never made good on our promises.... I say after eight years of this Administration we have just as much unemployment as when we started.... And an enormous debt to boot!" [Burton Folsom, Jr., *New Deal or Raw Deal?* (New York: Simon & Schuster, 2008), p. 2]

Indeed, FDR's market-suffocating policies are almost surely what put the "Great" in "Great Depression."

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3 November 2008

Friends,

My celebrated colleague Gordon Tullock is featured in this recent PBS short video on voting - or, not voting!

[http://www.pbs.org/vote2008/video/2008/08/voting\\_schmoting.html](http://www.pbs.org/vote2008/video/2008/08/voting_schmoting.html)

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3 November 2008

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

Dear Editor:

You're inspired by Bob Schieffer's recollection of his mother's advice: "go vote now. It will make you feel big and strong" ("Vote!" November 3).

This attitude reflects the myth that political action is as noble, or even nobler, than private actions. Much more so than if I vote, I feel big and strong when I act consistently to be a loving father, husband, son, and brother - when I help my friends - when I perform well at my job - when I pay

my bills - in short, when I take responsibility for matters that are within my control.

Ironically, this voting that allegedly makes us feel "big and strong" often results in government relieving us of responsibility for those things that each of us can and should control, while giving each of us an officious say in matters that should be the exclusive responsibility of each of our fellow citizens.