



## 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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21 November 2008

Editor, The Boston Globe

Dear Editor:

Dan Wasserman's cartoon today depicts countless gloomy Santa Clauses queued up before a "Unemployment Benefits" office. 2008 will indeed be a bad year for shopping-mall Santas, but other Santas are quite jolly.

I speak of politicians. Like shopping-mall Santas, their job is to entertain requests from strangers for goodies. These strangers (like those on the laps of shopping-mall Santas) give no thought to who pays for the

requested goodies - so their requests are childish and ample. Politician Santas are naively taken at their word that they can create wondrous things for all good boys and girls. Assisted in the magical Capital City by self-abnegating elves, who need only avoid giving gifts to the naughty, Politician Santas promise the nice a wonderful bounty.

Alas, one important difference between a shopping-mall Santa and a Politician Santa is that the former immediately forgets each child's request the moment that child pops off of his knee. The Politician Santa, in contrast, works

hard at the impossible task of making the magic come true.

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20 November 2008

Friends,

My GMU colleague Russ Roberts very nicely, in very few words at Forbes.com, explains that "the problem with the economy isn't insufficient effort or focus. The problem is that no one knows what to do next. Hank Paulson already looks like a man who's not sleeping enough. His problem isn't insufficient effort. It's too much effort."

See:

<http://www.forbes.com/opin>

[ions/2008/11/19/tarp-stimulus-obama-oped-cx\\_rr\\_1119roberts.html](http://www.ions/2008/11/19/tarp-stimulus-obama-oped-cx_rr_1119roberts.html)

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20 November 2008

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

To the Editor:

Carole Artigiani opines that "The wide involvement of youths in the Obama campaign suggests a renewed understanding of the role of government in addressing the needs of citizens" (Letters, November 20).

I wonder. Just this morning WTOP News radio in Washington reported the results of a new survey by the Intercollegiate Studies Institute that found, among other distressing facts, that 36 percent of America's college graduates cannot name the three branches of government, and that one in five cannot name a single freedom guaranteed by the First Amendment.

Whooping it up for, or even working to elect, a charismatic politician full of glorious platitudes should not be mistaken for understanding.

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19 November 2008

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

To the Editor:

G.M. CEO Rick Wagoner's case for a taxpayer handout to his firm is a lemon ("Why GM Deserves Support," November 19). The bulk of it is annual-report-style bragging about G.M.'s wondrous innovations at lowering costs and improving product quality - all of which, if true, makes one wonder why his firm so desperately needs a handout from taxpayers. And the rest of it is either irrelevant - many of the firms that will pony up more taxes to pay for the bailout also have operations that "reach into every state and community in our nation" - or plainly false. Transferring money from taxpayers to profitless yet high-profile firms is not "creative and courageous"; it's simple-minded and politically expedient.

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18 November 2008

Friends,

I almost never send to you links to my and Russ Roberts's blog (Cafe Hayek). But this one is

worthwhile because of a now-famous exchange recently on television between Paul Krugman and George Will.

Will claimed that New Deal policies caused private investment to dry up during the 1930s; Krugman -- our profession's newly minted Nobel laureate -- pooh-pooped this idea. It's tempting to assume that the Nobel-winning scientist is correct on such matters.

But succumbing to that temptation would be mistaken, as Russ explains here:

<http://cafehayek.typepad.com/hayek/2008/11/will-vs-krugman.html>

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18 November 2008

Friends,

Quoting: "How does the capitalist free-market economic system work? What do everyday choices of shampoo, shoes, magazines, and electronics have to do with it? And why is consumer choice a fundamental indicator of individual liberty and the condition of democratic societies?"

"Author Karol Boudreaux explains in this report. 'Choice over so many aspects of our lives is both

extraordinarily special and yet so common that we tend to take it for granted,' writes the author."

Indeed so. Read all about this marvelous property of free enterprise here:

<http://www.cblpi.org/resources/report.cfm?ID=21>

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18 November 2008

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

Dear Editor:

Martin Feldstein and George Will each offer excellent reasons for opposing a bailout of Detroit automakers (Opinion, November 18). Here's another: resources given by government to these corporations must be taken from somewhere else. Government cannot conjure billions of dollars of resources out of thin air.

The number of different places from which these resources will be taken is large and spans a continent. So it's easy to overlook the fact that each of many productive firms from across the country will, as a result of this bailout, pay more for steel, machine tools, fuel, and other inputs they use in production. These other firms will contract their operations; they'll employ fewer workers; they'll produce less output.

The bailout might well save GM, Ford, and Chrysler. If so, politicians will celebrate it as "successful." But that

success - which will be easy to see and capture on film - will likely really be an economic failure because of the resulting (if hard to see) contracted economic activity throughout the economy.

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17 November 2008

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

Dear Editor:

Countless flaws infect the arguments - offered in your pages today by both Jeffrey Sachs and Robert Samuelson - for a government bailout of GM, Ford, and Chrysler. Not least among these flaws is the common presumption that these firms are too big to be allowed to fail.

These firms certainly are big, meaning that they use unusually large amounts of productive resources. If they have reasonable potential to put these resources to good use in the future, Chapter 11 bankruptcy will likely uncover this fact and ensure that these firms are not disassembled. But if the only way to keep these firms operating is a government bailout, then taxpayers will be subsidizing the continued

employment of gargantuan quantities of productive resources in unproductive pursuits. That's a recipe for economic stagnation.

Popular sentiment has it backward: the bigger the unproductive firm, the more vital it is to let it fail.

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17 November 2008

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

To the Editor:

So Eliot Spitzer - freshly released from charges that, were HE the prosecutor of a similarly booked Wall Street broker, he would press with the vigor of Inspector Javert - is trying to reestablish his political creds ("Spitzer as Victim," November 17). One can only laugh and take comfort in H.L. Mencken's observation that "The typical politician is not only a rascal but also a jackass, so he greatly values the puerile notoriety and adulation that sensible men try to avoid." [Marion Elizabeth Rodgers, ed., *The Impossible H.L. Mencken* (New York: Anchor Books, 1991), p. 66]

