



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.

5 July 2009

Editor, The New York
Times Book Review
620 Eighth Avenue
New York, NY 10018

To the Editor:

While Daniel Gross is correct to challenge Thorstein Veblen's claim that the economy is a zero-sum game, Mr. Gross himself does not understand the reason that Veblen was wrong ("No Rest for the Wealthy," July 5). According to Mr. Gross, the economy is made positive sum only by interventions such as "the income tax,... the minimum

wage and Social Security" and by philanthropy.

Not so. An economy built upon secure private property rights is inherently positive sum. Consider: my wife and I buy your newspaper daily and you sell us your newspaper daily. We gain and you gain, and no one is harmed. Trade makes us both better off; that's called "positive sum."

Philanthropy might or might not be beneficial on net - depends how it's done - but people become rich in market economies only by creating gains from trade for others. Andrew Carnegie's chief contribution was in

producing steel profitably, not in his charitable giving.

And interventions such as taxes, legislated minimum wages, and forced saving for retirement almost surely REDUCE the economy's net benefits. For example, an unskilled worker willing to work for \$5.00 cannot legally accept that wage, and because of his lack of skill cannot find a job at a higher wage. A positive-sum transaction that would have occurred is prevented by minimum-wage legislation.

5 July 2009

Editor, The New York
Times Book Review

620 Eighth Avenue
New York, NY 10018

To the Editor:

Daniel Gross, reviewing Thorstein Veblen's 1899 "Theory of the Leisure Class" (July 5), offers a far less critical assessment of that bizarre thinker than was given in 1919 by the ever-clear-eyed H.L.

Mencken who, after having read Veblen's book on the Leisure Class, said this:

"Well, what have we here? What does this appalling salvo of rhetorical artillery signify? What was the sweating professor trying to say?.... And so it went, alas, alas, in all his other volumes - a cent's worth of information wrapped in a bale of polysyllables." [H.L. Mencken, *A Mencken Chrestomathy* (Vintage, 1949), p. 271]

5 July 2009

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

Dear Editor:

Robert Kaiser's review of Rep. Henry Waxman's "The Waxman Report" makes clear that this career Congressman is a master of Orwellian Newspeak ("Moustache of

Justice," July 5). Consider this doozy from Mr. Waxman about the causes he champions in Congress: "The other guys always have more money. That's why Congress is so important. Run as it should be, it ensures that no special interest can ever be powerful enough to eclipse the public interest."

More money than whom? Uncle Sam?! And do these "other guys" - be they executives of tobacco companies or oil companies - have Mr. Waxman's power to command people to appear at their offices for show trials, or to force the rest of us to do their bidding?

As for special-interest groups, they would have zero influence were it not for government. It's precisely the power of the state to order us about that attracts interest groups to Washington in search of legislation that benefits them at the expense of the general public. To assert that Congress is a bulwark against special interests is akin to asserting that rotting meat is a bulwark against maggots.

4 July 2009

Editor, New Orleans
Times-Picayune

Dear Editor:

Today America celebrates her escape from the arbitrary authority of an arrogant ruler. My celebration, alas, is muted, for we Americans are increasingly in the clutches of the arbitrary authority of an arrogant ruler.

Self-important pooh-bahs in Washington force us to support with our tax dollars corporations that we reject with our consumer dollars. These same meddlers insist that we cannot be trusted to provide for our own retirements, to choose freely which medicines to take, or to employ foreigners who aren't pre-approved by Washington. These rulers also send armies around the globe on "nation building" exercises - futile, sanguinary efforts that cause innocent Americans to be hated abroad.

As for taxation without representation, the unprecedentedly massive run-up in government debt taxes future generations who did not vote to bear this burden.

There remains much to celebrate in America, but there is also much to regret.

2 July 2009

Editor, The New York Times
620 Eighth Avenue
New York, NY 10018

To the Editor:

Nicholas Kristof argues that we're not as frightened of climate change as science counsels that we should be, and that our fear's inadequacy is rooted in our evolutionary past ("When Our Brains Short-Circuit," July 2). We are, Mr. Kristof correctly says, evolved to fear immediate, visible threats and not so much those threats - such as climate change - that are more distant and less visible.

Contrary to Mr. Kristof's conclusion, though, this fact doesn't necessarily justify climate-change regulation. The same evolved structure of our brains that causes us to discount relatively distant climate-change effects also causes us to discount relatively distant economic effects. So this economist, trained to see the invisible hand, points out that too many people are insufficiently aware of - and, hence, insufficiently fearful of - those relatively distant and invisible threats

posed to a healthy economy by government regulation.

1 July 2009

Friends,

My young colleague Pete Leeson (who also earned his PhD at GMU Econ) has his path-breaking book on the economics of pirates reviewed in today's edition of the Boston Globe:

http://www.boston.com/bostonglobe/ideas/brainiac/2009/06/pirates_leftist.html

Pete's arrgggg-ument is compelling!

1 July 2009

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

Dear Editor:

You report that the "International Trade Commission recommended on Monday that President Barack Obama impose additional duties for three years on imports of low-cost Chinese tires the panel says are harming U.S. industry" ("U.S. trade panel favors stiffer duties on Chinese tires," June 29).

Such a move by Mr. Obama would not save

U.S. jobs on net, because fewer dollars spent on imports means fewer dollars that foreigners have to spend on U.S. exports or to invest in the U.S.

More importantly, in this case higher duties would actually kill people. Higher duties mean higher tire prices, and higher tire prices will prompt many motorists to ride longer than otherwise on tires that are threadbare. Because riding on older tires is more dangerous than riding on new tires, Mr. Obama will have blood on his hands if he accepts the I.T.C.'s recommendation to stiffen duties on low-cost tires.

30 June 2009

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

To the Editor:

Steve Simpson says that regulators fail not so much because they are especially bad people but because they face especially bad incentives (Letters, June 30). He's correct.

But I think that Mr. Simpson misunderstands Thomas Frank. Mr. Frank's enthusiasm for big,

intrusive government likely comes less from a belief "that mankind is not good enough to be free" and comes more from a romantic notion that mankind is in fact far more good and trustworthy than our species really is. After all, no one in their right mind would wish to give concentrated power to persons who are less than incredibly wise, incorruptible, and selfless.

29 June 2009

Editor, The New York Times
620 Eighth Avenue
New York, NY 10018

To the Editor:

Paul Krugman asserts that those of us who oppose government regulation to deal with climate change are committing "treason against the planet" ("Betraying the Planet," June 29).

It's more accurate to say that Mr. Krugman is committing treason against reasoned debate. One of the most compelling arguments against climate-change regulation is not that global warming isn't occurring but, rather, that the dangers of further regulation far outweigh its likely benefits. Government regulation inevitably is a political animal; it's never guided purely, or even largely, by disinterested science.

Is it treasonous to worry about the influence of interest-groups on regulation? Is it treasonous to fear that centralizing more power in Washington will result in unforeseen negative consequences? Is it treasonous to believe that

the threat to our well-being posed by further constraints upon markets is worse than is the threat posed by warming temperatures?