2010 ISSUE B>Quest BUSINESS QUEST 1996 - 2010

Comment on the Commentary of the Day

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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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5 September 2010

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

Dear Editor:

Eugene Robinson says that Americans are now throwing a "temper tantrum" ("The spoiled-brat American electorate," Sept. 3). The ungrateful imps are impatient: "They want somebody to make it all better. Now."

Memo to Mr. Robinson: the popular uprising against Pres. Obama and his "Progressive" comrades has little to do with childish impatience.

Tea Partiers aren't upset because Obamacare hasn't worked its miracles yet; they're upset because they believe that Obamacare will create inordinately burdensome costs and other ill-consequences in the FUTURE. Stimulus opponents aren't up-in-arms because the economy isn't "all better" already; they're up-in-arms because they worry about the high debt burden and inflation that today's stimulus makes more likely TOMORROW. Conservatives and libertarians don't object to the Wall Street and Detroit bailouts so much because these actions cost money now; they object because they know that these actions will encourage large and politically noisy firms to behave more recklessly in the FUTURE.

Correctly or not, many persons' hostilities to Pres. Obama's agenda spring from their sense that ill-tidings loom over the horizon rather than from a juvenile disillusionment that they are not yet feasting on the sweet candies promised by Team Obama-Pelosi.

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5 September 2010

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

Dear Editor:

Bruce Katz and Jonathan Rothwell usefully expose dangerous myths about U.S. exports ("Five myths about U.S. exports," Sept. 5). But these authors themselves swallow a larger myth about exports - namely, the claim that we Americans "should increase our exports" because "Our relatively low export levels represent a lost economic opportunity."

Suppose that in 2010 a firm in Buffalo produces $1 million worth of baseballs for sale to consumers in Toledo. If in 2011 this firm produces identical balls but sells them instead to consumers in Toronto, U.S. exports would rise but there would be no corresponding gain in economic opportunity.

If Messrs. Katz and Rothwell have in mind increasing U.S. exports only by American firms selling more to foreigners without selling less to fellow Americans, their claim still is mistaken - for two reasons. First, increased "economic opportunity" can come from American producers selling more to Americans no less than from selling more to foreigners. Consumers' nationalities are economically irrelevant.

Second, any such increased foreign demand for U.S. exports would likely result from foreigners reducing their investments in America in order to spend more on U.S.-made goods and services. The increased demand for U.S. exports, although it would reduce America's trade deficit, would not necessarily create more "opportunity" than that which is destroyed by the reduced investments.

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4 September 2010

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

Dear Editor:

Famed sports writer John Feinstein writes that "Greed is the word that powers college football" ("Greed is the new tradition in college football," Sept. 3). His evidence is limited to facts such as this one: "Two of the best games - Navy-Maryland and Boise State-Virginia Tech - will be played Monday in NFL stadiums."

The horror!

"Greed" is a word with negative connotations, and Mr. Feinstein clearly believes that college administrators are behaving badly by scheduling important games in large, big-city stadiums. But where's the harm in such scheduling - or in any of the other actions that Mr. Feinstein suggests are disreputable? If Clemson University pays tiny Presbyterian College lots of money for that small school's football team to get trounced one Saturday afternoon in Clemson's stadium, who's harmed? Clemson fans are entertained; Presbyterian players get a taste of playing for once on a huge stage; and Presbyterian College earns money to upgrade its athletic facilities.

Unless and until Mr. Feinstein starts giving away his books and newspaper columns because of his love of "tradition" rather than selling them in order to make money, he is no less "greedy" than the college presidents he criticizes.

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3 September 2010

Editor, Boston Globe

Dear Editor:

Blithely asserting that "Cuba's government operates successfully on a different set of principles than those of the United States," Klaus Kleinschmidt offers that "One could suspect that the US government fears that ordinary people traveling there might find themselves comparing the two societies and wondering who's better off" (Letters, Sept. 3).

Persons tempted to take seriously Mr. Kleinschmidt's suggestion that life in the U.S. is worse than life in Cuba should ask themselves ask this two-part question: FROM which country do ordinary people continue to risk their lives to escape? And TO which country do these desperate people flee?

To see the absurdity of Mr. Kleinschmidt's letter, simply observe the direction of the dinghies.

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2 September 2010

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

Dear Editor:

Arguing that "In God We Trust" should be displayed more prominently on the dollar coin, Michael Bridges says "The motto is something we should be proud of" (Letters, Sept. 2). Perhaps. But the history of that motto raises serious questions about just what sovereign Americans are being encouraged to trust: God or government.

As Benn Steil and Manuel Hinds point out in their remarkable book Money, Markets & Sovereignty, "to create a mystique premium on their coins, whose face value significantly exceeded their intrinsic value, rulers typically adopted religious symbols in their stamps. The less gold, the more God. In fact, 'In God We Trust' was added to American dollar bills only after their gold backing was dropped in 1862." [Benn Steil and Manuel Hinds, Money, Markets & Sovereignty (New Haven: Yale University Press, 2009), p. 70]

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1 September 2010

Editor, Denver Post

Dear Editor:

Let's loudly applaud David Harsanyi's wise arguments against the hubris of nation-building ("Funny, I don't feel safer," Sept. 1).

Reading Mr. Harsanyi's excellent essay called to mind William Gladstone 1850 speech in Britain's House of Common's against Lord Palmerston's arrogant case for Britain to police the world. Here's just a part of that speech: "It would be a contravention of the law of nature and of God, if it were possible for any single nation of Christendom to emancipate itself from the obligations which bind all other nations, and to arrogate, in the face of mankind, a position of peculiar privilege.... Does he [Palmerston] make the claim for us that we are to be uplifted upon a platform high above the standing-ground of all other nations? It is, indeed, too clear...that too much of this notion is lurking in his mind; that he adopts, in part, that vain conception that we, forsooth, have a mission to be the censors of vice and folly, of abuse and imperfection, among the other countries of the world; that we are to be the universal schoolmasters; and that all those who hesitate to recognize our office can be governed only by prejudice or personal animosity, and should have the blind war of diplomacy forthwith declared against them."

Gladstone then warned against the world's then-mightiest government behaving as a global bully. He asked the House of Commons to oppose this use of military might, saying that those who join him in his opposition "shall enjoy the peace of our own consciences." [Charles H. Jones, William Ewart Gladstone (New York: D. Appleton & Co., 1901), pp. 53-54]

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1 September 2010

Editor, Los Angeles Times

Dear Editor:

No modern myth dies harder than the familiar claim - today repeated by Joan Mortenson - that "It was the massive spending of World War II that finally ended the Depression" (Letters, Sept. 1).

Between 1941 and 1945 Uncle Sam drew into his military ranks 16 million persons - that was 22 percent of the pre-war labor force. With so many workers then militarized, mostly through conscription, there's no evidence that wartime spending restored the labor market to health. And while real GDP did rise during those years because of military spending, the private economy shrank. As economic historian Robert Higgs notes, "Real civilian consumption and private investment both fell after 1941, and they did not recover fully until 1946. The privately owned capital stock actually shrank during the war." [Robert Higgs, "War Prosperity: The Fallacy that Won't Die" (a letter submitted to the Wall Street Journal, 6 Feb. 2003): http://www.independent.org/newsroom/article.asp?id=442]

An economy mobilized centrally and overwhelmingly for military purposes cannot be properly described as being cured of whatever ailed it prior to the mobilization.

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31 August 2010

Editor, The Wall Street Journal
1211 6th Ave.
New York, NY 10036

To the Editor:

Alexander Koukoulas says that "Today's power rates do not include the environmental costs associated with ... fossil-fuel" (Letters, Aug. 30).

Suppose this claim is true. Mr. Koukoulas's conclusion that government should therefore subsidize green technologies doesn't follow. Indeed, that conclusion is made suspect by the same logic that leads Mr. Koukoulas to believe that fossil-fuel prices are too low.

If fossil-fuel prices don't reflect the full costs of fossil-fuel use, it's because fuel producers and consumers force some of these costs onto other people. These producers and consumers take, without compensation, other people's resources (such as clean air) as a byproduct of fossil-fuel production and consumption. But the very same sort of "negative externality" exists with government subsidies. With subsidies, government officials take, without compensation, other people's resources (mostly, tax dollars) to be given away as subsidies.

So just as the fossil-fuel industry's free-riding on other people's resources causes too much fossil fuel to be produced and relied upon, politicians' free-riding on other people's resources causes too much government to be produced and relied upon.

31 August 2010

Editor, The Wall Street Journal
1211 6th Ave.
New York, NY 10036

To the Editor:

Alexander Koukoulas repeats the familiar assertion that "Today's power rates do not include the environmental costs associated with fossil-fuel extraction, the burning of these fuels and their production of greenhouse gases" (Letters, Aug. 30).

Perhaps. But perhaps not. Fossil-fuel production and consumption are taxed quite heavily. As found by Scott Hodge of the nonpartisan Tax Foundation, in 2008 the oil industry alone paid more than $90 billion in taxes worldwide. And between 1981 and 2008, taxes paid by this industry totaled nearly $2 TRILLION, an amount that exceeds oil-industry profits during these same years by almost 40 percent. [Scott Hodge, "Oil Industry Taxes: A Cash Cow For Government," Tax Foundation Special Report No. 183 (Washington, DC), July 2010: http://www.taxfoundation.org/publications/show/26555.html] The production and use of coal is also heavily taxed.

It's not at all clear that these taxes do not now push power rates up to levels "that include the environmental costs associated with fossil-fuel extraction, the burning of these fuels and their production of greenhouse gases." Indeed, in light of the enormous (and often overlooked) benefits that people worldwide derive from fossil-fuels, it's quite possible that these taxes push power rates to levels that are too high.

30 August 2010

Editor, The Wall Street Journal
1211 6th Ave.
New York, NY 10036

To the Editor:

Prof. D. Kirk Davidson wants businesses to stop pursing maximum profits and to settle for earning "satisfactory profits" (Letters, Aug. 30). Putting aside the dangerous vagueness of the concept "satisfactory profits," let's explore some of the likely results of Prof. Davidson's recommendation.

One result would be greater environmental damage, as firms settle for getting only satisfactory output, rather than maximum output, from a given quantity of inputs. In other words, more inputs - such as fuel, iron ore, and land - would be used to produce any given quantity of output.

Another result would be decreased real wages for workers. When firms settle for only satisfactory improvements in productivity (instead of maximum possible improvements), output per worker will be lower over time than it would otherwise be. Because worker pay is ultimately determined by worker productivity, workers will suffer lower standards of living.

A third result will be more dangerous work places and consumer products. Compared to firms focused on earning maximum profits, firms content to earn only satisfactory profits are not as diligent at minimizing the expected costs of lawsuits (and reputational losses) that occur when employees are injured on the job and when consumers are harmed by firms' products.

I could go, but the above list satisfactorily shows that Prof. Davidson's recommendation is unsatisfactory.

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30 August 2010

Editor, The Wall Street Journal
1211 6th Ave.
New York, NY 10036

To the Editor:

Dismissing Roger Meiners's demonstration that Uncle Sam's solar-panel project in Ennis, Mont., is a huge waste of money, Alexander Koukoulas objects, in part, that Mr. Meiners "fails to recognize the significant improvements in green technologies that are improving capital effectiveness" (Letters, Aug. 30). In other words, because green technologies will likely improve in the future, Mr. Meiners's estimate of the cost of their use over time is overstated.

Mr. Koukoulas's objection is unwarranted because HE fails to recognize the significant improvements in conventional technologies that are improving capital effectiveness. That is, Mr. Koukoulas illegitimately assumes that green technologies will continue to improve but that competing conventional technologies will not. When likely improvements in both technologies are recognized, Mr. Meiners's demonstration of the wastefulness of government-sponsored green-technology projects remains powerfully persuasive.