



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.

3 April 2011

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

Dear Editor:

You lament the practice of members of Congress staffing their offices with former lobbyists ("Cutting Out the Middleman," April 3). Your justified concern, however, raises this question: given that politicians are incurably addicted to such cronyism, why do you so often support expansions of government's size, scope, and power?

Although the free market would work better in practice than you suppose, a large part of the case for the free market is not that it's perfect - it assuredly is not - but that the alternative is worse. Being decentralized and voluntary, the free market is much less likely than is government to foist the consequences of unethical or incompetent actions on everyone collectively. And because Uncle Sam faces virtually no competition (it IS the only national government permitted to operate in these United States) its mistakes and malfeasances take longer to be exposed and remedied than do mistakes and malfeasances

committed in private, competitive markets.

2 April 2011

Friends,

Last week I - along with the far-more-articulate Dan Ikenson and Scott Lincicome - spoke for the Cato Institute on trade before a room full of Capitol Hill staffers. Here's a clip of my 11 minutes and 12 seconds of fame:

http://www.youtube.com/watch?v=LmZsVF_alzs&feature=youtu.be

2 April 2011

Editor, Christian Science Monitor

Dear Editor:

Ian Fletcher peddles protectionism with a horrible hash of poor reasoning and sheer economic ignorance ("Cost of US 'free' trade: collapse of two centuries of broadly shared prosperity," April 1).

No one should be taken seriously who writes, as Mr. Fletcher does for example, that the U.S. trade deficit "causes a huge slice of domestic demand to flow not into domestic jobs but foreign wages. Our trade deficit helps Guangdong, Seoul, Yokohama, even Munich - but not Gary, Indiana, Fontana, California, and the other badlands of America's industrial decline."

Such a claim reveals its author to be unaware that another name for "U.S. trade deficit" is "U.S. capital-account surplus" - that is, inflows of investment funds into America that supply (directly or indirectly) financing for more capital creation in America.

Consider Ikea, a Swedish company. When Ikea builds its stores in the U.S. it spends dollars. Almost every dollar that Ikea spends building and

operating its stores in America is a dollar added to America's "trade deficit." But are the carpenters and electricians hired to build Ikea stores in America not employed domestically? Are the managers and clerks in each Ikea store in the U.S. not employed domestically?

Mr. Fletcher's claim about the trade deficit is akin, say, to an assertion by a self-proclaimed medical doctor that the liver pumps blood. Sensible people ignore such quacks.

2 April 2011

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

Dear Editor:

You rightly call out Microsoft and Google for their hypocrisy in prodding antitrust authorities to investigate each other for alleged anticompetitive activities ("Microsoft's Antitrust Turnabout," April 2). As detestable as these actions are, antitrust can be understood only if it is recognized for what it really is: a tool for bludgeoning innovative firms that make markets more competitive and consumer-friendly.

It has always been so. A revealing instance of how ridiculous antitrust investigations can be is the F.T.C.'s successful persecution, in the 1970s, of Borden for that firm's audacity at REDUCING the price of its reconstituted-lemon-juice product, ReaLemon, when other firms introduced competing products. Or recall the F.T.C.'s ready-to-eat breakfast-cereals investigation that forced Kellogg's, General Foods, General Mills, and Quaker for years to defend themselves against the charge of - wait for it! - "brand proliferation." These firms were accused of offering such a full range of types of breakfast cereals that each and every consumer demand for cereal was met - from demands by the health-conscious for unsweetened Corn Flakes to demands by children for sugary Cocoa Puffs. These firms' success at satisfying consumer demands, noted the F.T.C., made entry by upstart cereal producers more difficult. So the F.T.C. naturally accused Kellogg's and other established firms of monopolizing the market.

Cuckoo.

1 April 2011

Editor, Los Angeles Times

Dear Editor:

I'm in the odd position of agreeing with the Huffington Post. Michael Walker criticizes that popular on-line publication for its policy of not paying \$\$\$ to its contributors ("Why should writers work for no pay?," April 1). Arianna Huffington replies that the abundant exposure that the site she founded (and now owned by AOL) provides to aspiring pundits is itself sufficient compensation.

Ms. Huffington is unquestionably correct. Because her site is only one of thousands of venues to which pundits can peddle their prose, and because many lesser-known pundits continue to eagerly write for the HP without expecting money from the HP, the HP clearly provides ample value to its contributing writers. Tit for tat. Voluntary trade with mutual benefits. All parties to the transactions gain and no one loses. Works out nicely; it truly does.

A lesson here that I hope Ms. Huffington and her colleagues will take to heart is that third parties – even when well-intentioned

– are poorly positioned to assess the merits, and to second-guess the details, of capitalist acts among consenting adults.

30 March 2011

Mr. Joshua Freed
Director of Clean Energy
Third Way
Washington, Dc

Dear Mr. Freed:

Thanks for your e-mail seeking my support for your proposal to have Uncle Sam "require utilities to generate a percentage of their electricity from clean (non- or low-emitting) energy sources." It's interesting that the first alleged benefit that you trumpet for your plan is that it will create lots of "new jobs."

I've some questions.

Suppose a brilliant scientist invents a method enabling a single unskilled worker to supply every American with ample low-cost energy as clean as the energy that your proposal promises to deliver. Which method of energy supply would you support: yours, or that of the brilliant scientist?

If you'd support your plan over that of the brilliant scientist, then I can't take

your proposal seriously, for it would be revealed to be the product of a mind that mistakes costs (the use of precious human labor) for benefits. And anyone who misunderstands economics so fundamentally is unlikely to have trustworthy insights into just what Americans' energy demands will be in the future or how best to supply those demands.

If, instead, you'd support the plan of the brilliant scientist, why, when promoting your plan, do you emphasize the large number of "new jobs" that it will create? My guess is that you do so for political reasons - because you understand that politicians make their decisions based upon such economically foolish criteria. So talking loudly about creating "new jobs" gives your proposal a broader hearing along Pennsylvania Ave. But then, I must inquire, why do you trust these same politicians - officials who are enchanted by such economic nonsense - with the awesome power to mandate nationwide clean-energy standards?

29 March 2011

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

To the Editor:

My goal isn't to be politically incorrect, but I must ask: why do you believe that government should fund "family planning" ("It Will Take More Than a Few Regrets," March 29)? Such planning requires virtually no expense. Each couple makes its own decision whether or not to have children. If the decision is 'yes,' nature in its splendor takes over and fulfills the plan. If the decision is 'no,' the only expense is for a few low-priced pills or condoms.

Now if "family planning" is a euphemism for abortion, even many pro-choicers agree that, because today even the sexually voracious can easily and inexpensively avoid getting pregnant, taxpayers should not be used as a prophylactic to protect irresponsible persons from the consequences of their irresponsibility.

28 March 2011

Editor, USA Today

Dear Editor:

Bjorn Lomborg explains that "Earth Hour" is about feel-good self-indulgence

and not about actually changing the world for the better ("'Earth Hour' won't change the world," March 25).

The reasoning that leads "Earth Hour" celebrants to conclude that humans "waste" resources producing artificial lighting and other modern amenities leads me to conclude that "Earth Hour" itself wastes humanity's most precious resource: creative human labor.

In the hour when lights are switched off for the "mere" purpose of making a political statement, much human labor is wastefully idled. During that hour, the process of de-polluting our clothing ("doing the laundry") doesn't happen; likewise for the process of de-polluting our dinner dishes and, indeed, de-polluting our bodies. During that hour, there's less studying for upcoming exams in physics or histology or 19th-century Russian literature. And that tinkering in the garage on projects that might be the progenitors of tomorrow's super-computer, water-fueled automobile engine, or other technological marvels that promote human well-being? It doesn't occur. One entire hour of human

creativity down history's drain, lost forever. Kaput.

Of course, if Jones wants to make a political statement by turning off her lights for an hour, she should be free to do so. It's her business and it isn't really wasteful. But Jones should see that if Smith keeps his bulbs burning brightly, she has no more basis for accusing him of "wasting resources," "destroying the planet," or "threatening our children's future" than he has for accusing her of the very same offenses.