



**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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24 September 2011

Mr./Ms. "AmericanProudly"

Dear Mr./Ms. "Proudly":

Thanks for your response to my post [\[http://cafehayek.com/2011/09/artificial-scarcities-are-not-wealth.html\]](http://cafehayek.com/2011/09/artificial-scarcities-are-not-wealth.html) explaining why Pat Buchanan is mistaken when he insists that "You cannot have a rising standard of living when your highest-paid production jobs are being exported overseas."

You write that, unlike me, "Pat lives in the real world." You imply that economics is sophistry used to conceal truths that to persons such as Mr. Buchanan (and yourself)

are plain enough in the absence of any serious pondering.

So let me make my point from a direction opposite the one I took in my post. That point, you'll recall, is that scarcity isn't wealth, and (hence) government efforts to prevent goods and services from becoming less scarce retard, rather than promote, economic growth.

Suppose Dr. Evil Genius engineers, and unleashes on America, swarms of insects that extract oxygen from the air. These insects attack randomly; these insects kill a hundred or so Americans every hour.

The horror of these suffocations prompts American scientists and entrepreneurs to develop a device that, worn around the neck, protects each of its wearers from the insects. This device, alas, is costly. Yet to avoid suffocation Americans willingly buy these pricey devices. And many Americans find high-wage jobs in factories producing these devices.

Evil Dr. Genius has made breathable air scarce. Producers responded to this situation by making it less scarce. And they're paid handsomely for their successful efforts.

Should we therefore conclude that Dr. Evil

Genius has bestowed on Americans a benefit? After all, he caused the creation of plenty of high-paid production jobs. And should we lament it if foreigners eventually find ways to produce and sell this life-saving device to Americans at a fraction of the cost that this device can be produced in the U.S.?

If you agree with Pat Buchanan, you must also agree that Dr. Evil Genius would be a genuine boon to America's economy - and that anyone who, say, devises a low-cost means of eradicating once and for all Dr. Genius's swarming insects would be an economic curse that Congress should well and truly consider taxing into inactivity before he or she succeeds in killing off the suffocating, but economically blessed, bugs.

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23 September 2011

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

Dear Editor:

Criticizing your support for more open immigration, David Maughan - assuming that most "illegals" work in

agriculture - notes that "the differential in labor cost to the price of food on our table" is "tiny" (Letters, Sept. 23). So he concludes that it's "well worth paying proper wages and hiring legals" (Letters, Sept. 23).

Suppose government were to limit the number people with freckles allowed to seek paid employment. No employer could lawfully hire a freckled person unless that person documents that he or she has formal government approval to work. But people being people, many unscrupulous employers nevertheless hire undocumented freckled folk.

If some scholar then presents evidence showing that the employment of undocumented freckles lowers the prices of consumer goods by only a "tiny" amount, would Mr. Maughan conclude that the economy is well-served by government's policy of protecting us non-freckles from competing in the labor market with our freckled cousins? More significantly, would he insist that the prices of consumer goods are an appropriate metric by which to assess the morality of government

using its muscle to arbitrarily prevent some adults from voluntarily accepting employment with some other adults who would voluntarily hire them?

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22 September 2011

Editor, The American Conservative

Dear Editor:

Pat Buchanan repeats his familiar litany against free trade and immigration ("Whose Country Is It, Anyway?" Sept. 19). That litany boils down to a simple formula: the U.S. economy declines as American consumers gain better access to lower-priced goods and services, and as American producers gain better access to lower-cost means of production.

In short, competition creates poverty, while monopoly creates wealth.

Economists have repeatedly and utterly debunked such claims for the alleged marvels of monopoly power. I'll not here repeat any such debunking. Instead, I merely highlight one internal inconsistency in Mr. Buchanan's own arguments.

He frequently asserts that 19th-century America's policy of relatively high tariffs, along with its impressive economic growth, proves that protectionism promotes prosperity. End of story; full stop; no further analysis is necessary. Fact A's simultaneous existence with fact B proves that A caused B.

Well, 19th-century America also had open immigration. So Mr. Buchanan ought to join the ranks of those of us who support a return to that policy. After all, according to the tenets of his epistemology, the mere fact that high-growth 19th-century America had open immigration proves that open immigration promotes- or at least doesn't hamper - vibrant economic growth.

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21 September 2011

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

Dear Editor:

Jules Bernstein notes approvingly that "Unlike many on the left, instead of abandoning socialism once he discovered the full horror of Stalinist rule in

the Soviet Union, Orwell abandoned the Soviet Union and instead remained a socialist" (Letters, Sept. 21).

Orwell should have known better.

Socialism (especially as understood in Orwell's day) is central economic planning. Everyone must conform to the plan. Individual disagreements with the plan - as well as individual creativity and initiative - are repressed, for these invariably upset the plan.

And with freedom of choice and action necessarily all but obliterated, freedom of thought will practically not be tolerated.

Despite his brilliance, Orwell exhibited an infantile naiveté by failing to see that any government truly committed to central planning is inevitably a government exceedingly impressed with its imagined transcendent powers and sacred assignment. Is it surprising that such a government will brutalize any and all who stand in its way?

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20 September 2011

Editor, Boston Globe

Dear Editor:

David D'Alessandro argues that America's economy would be strengthened if government forced suppliers to hire more workers to produce the goods and services that these firms sell to Uncle Sam ("Make 'em hire," Sept. 20).

That is, Mr. D'Alessandro wants to oblige certain firms to operate with inefficiently large numbers of workers.

If it's true that the path to economic efficiency is paved with mandated inefficiencies, government should go beyond Mr. D'Alessandro's relatively modest proposal. It should require also that, say, restaurants assign a minimum of three waiters to each table. That every taxicab be driven at each point in time by two drivers (one steers while the other operates the foot peddles). That barbershops designate two barbers to perform each haircut. That schools man each classroom during every minute of the school day with two teachers. And that newspapers publish only columns and op-eds written by at least two writers.

Given that profit-seeking producers greedily seek to operate as efficiently as possible, available opportunities to encourage economic recovery by prohibiting such efficiencies are legion!

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20 September 2011

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

Dear Editor:

Mistaking the fate of a single statistical datum - median household income, which in America hasn't grown in recent years - for the fate of middle-class Americans, Richard Cohen concludes that "the middle class is shrinking" ("A downwardly mobile nation," Sept. 20).

Analyzing Census Bureau and Bureau of Labor Statistics data, Steve Conover questions this conclusion. [Steve Conover, "The Myth of Middle-Class Stagnation," "The American," 16 September 2011: <http://www.american.com/archive/2011/september/middle-class>] He finds that, from 2000 through 2007, average annual incomes of full-time-equivalent workers in the middle three quintiles of American households

(ranked by income) not only grew, but grew by MORE than did the annual incomes of workers in the top quintile of households. (Indeed, during these years average annual incomes of workers in the top five percent of households actually fell quite sharply.)

These results hold even if "middle class" households are defined exclusively as those in the 3rd - that is, only the middle - quintile of households.

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19 September 2011

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

Dear Editor:

Reviewing Michael Kazin's paean to America's radical left, Beverly Gage follows Kazin in listing the abolition of slavery as among the great achievements of leftists with a "utopian spirit" ("The Unacknowledged Victories of the American Left," Sept. 18).

Radicals of this sort did call for abolition. But radicals of a very different sort - thinkers who offered a revolutionary new understanding of how societies hang together

and prosper without the centralized commands that Mr. Kazin's leftists so extol - also lent their influential voices to the cause of abolition. These other radicals were classical economists.

Indeed, it was economists' prominence in the abolition movement that led pro-slavery Thomas Carlyle in an 1849 essay to ridicule economists as "rueful" thinkers, each of whom "finds the secret of this universe in 'supply-and-demand,' and reduces the duty of human governors to that of letting men alone." Economists' advocacy of freedom even for people with a dark or "dismal" hue so incensed Carlyle that he gave it, in this same essay, a famous nickname that - considering its provenance - economists should forever wear proudly: the "dismal science." [The definitive research on the origin of the term "dismal science" was done by my GMU Econ colleague David Levy and his long-time co-author Sandy Peart: <http://www.econlib.org/library/Columns/LevyPeartdismal.html>]