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Comment on the Commentary of the Day

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21 December 2011

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

Dear Editor:

Alan Tonelson complains that the Chinese demand from us Americans too few of our exports in exchange for the imports that we receive from China (Letters, Dec. 21).

To remedy this situation, a simple two-step solution is available. First, Uncle Sam should mandate that American producers double the amount of goods they ship to China. Second, because the Chinese won't accept such a large volume of American outputs, Uncle Sam should mandate also that captains of freighters en route from the U.S. to China dump half of their cargoes overboard in the middle of the Pacific.

Problem solved: Americans will - if Mr. Tonelson's economics is correct - become richer by producing more outputs for export to China without receiving more impoverishing imports in return.

The economic effects on Americans of my proposal are identical to those promised by more typical proposals (such as punitively taxing Americans who buy foreign-made goods) aimed at increasing the amount of exports Americans pay for imports.

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20 December 2011

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

Dear Editor:

Charles Lane reports that most Americans don't share Pres. Obama's passion for income 'redistribution' ("Obama's Leaky Bucket," Dec. 20) - a fact that suggests that most Americans, at least on this front, are consistently and admirably ethical. University of Rochester economist

Steve Landsburg offers this perspective:

"Whenever a politician proposes to make the tax code more progressive, we hear rhetoric about how the rich have too much, the poor have too little, it's only fair to spread the wealth more equally, and so forth. To me, the interesting thing about that rhetoric is that nobody believes it. Of this I'm certain, because in all the years I took my daughter to the playground, I never once heard another parent tell a child that if some kids have more toys than you do, that makes it okay to take some of them away.... [T]axation for the sole purpose of redistributing income is closely parallel to behavior that we admonish on the playground all the time. If we don't accept this from our kids, I'm not sure why we should accept it from our congressmen." [Steven E. Landsburg, The Big Questions (New York: Free Press, 2009), pp. 192-193]

Indeed. Envy and confiscation become no less ugly and objectionable when gussied up as social policy.

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19 December 2011

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

Dear Editor:

Robert Samuelson highlights a significant danger of Keynesian economics - namely, it lends a patina of scientific legitimacy to the "political bias ... to favor short-term stimulus (by lowering taxes and raising spending), which is popular, and to ignore long-term deficits (by cutting spending and raising taxes)" ("Bye-bye Keynes?" Dec. 19).

This danger should have been perceived from the get-go. Keynes himself was famously obsessed with affecting government policy. So he focused his brilliant intellect on the short-run rather than on the long-run; on the seen rather than on the unseen; on the superficial rather than on the foundational; on what is politically expedient today rather than on what is economically sound tomorrow.

As Elizabeth and Harry Johnson note about Keynes, "One could argue indeed that in a certain sense all of his writing was journalism of one order or another - from his plan for a state bank for India, quickly put together for a Royal Commission's report, to A Treatise on Money and The General Theory which, though presented as academic works, sought to produce instant cures for pressing economic ills. He wrote for the present moment...." [Elizabeth S. Johnson and Harry G. Johnson, The Shadow of Keynes (Chicago: University of Chicago Press, 1978), p. 31]

How regrettable.