

Comment on the Commentary of the Day

by

Donald J. Boudreaux

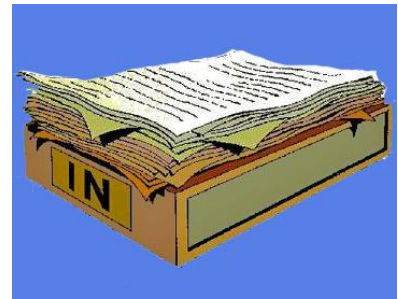
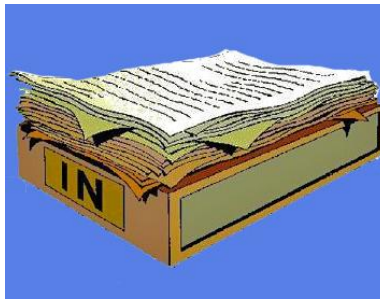
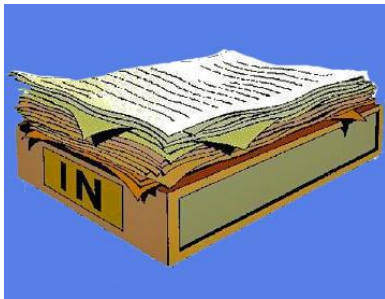


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Disclaimer: The following "Letters to the Editor" were sent to the respective publications on the dates indicated. Some were printed, but many were not. The original articles that are being commented on may or may not be available on the internet, and if they are, they may require registration or subscription to access. Some of the articles being commented on are syndicated, therefore, they may also have appeared in other publications.

1 September 2012

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

Dear Editor:

Former CDC official William Dietz - criticizing George Will's criticism of the nanny-state's quest to dictate our diets in ever-greater detail - observes that "Many neighborhoods have abundant fast-food restaurants and lack supermarkets.... Individuals can't be expected to make healthy choices if there are no healthy choices available" (Letters, Sept. 1).

True. But this fact doesn't mean that George Will is wrong to counsel skepticism of government. Quite the contrary.

Just this past Tuesday you properly criticized the use of zoning regulations to prevent the opening of a Wal-Mart in D.C. ("Expedite zoning appeal so Wal-Mart can start construction in the District," Aug. 28). So here we have a case of the market attempting to expand people's food choices, only to be obstructed in that effort by the very agency - government - that Mr. Dietz calls upon to assist the market in expanding people's food choices.

Don Boudreaux

30 August 2012

Editor, Slate

Dear Editor:

Matthew Yglesias correctly notes that employment surges upward in locales soon after they are damaged by natural disasters ("Storm Stimulus," Aug. 30). But he concludes too quickly that extra spending of the sort that funds the rebuilding of locales such as Katrina-stricken New Orleans is key to restoring employment in slumping economies.

The surge in economic activity following natural disasters is in response to demands that are reasonably definite and that can be met by using routine methods of production. Consumers' (and their insurers' and governments')

willingness to pay to have roofs patched and roads resurfaced is pretty certain, and the economic 'infrastructure' for firms to meet these demands is already in place.

A slumping economy is different. Entrepreneurs are unusually uncertain about which outputs they will, and which they won't, be able consistently to sell at profitable prices. (Contrary to Mr. Yglesias's assumption, it's unclear that more resources devoted today to residential construction would be part of an economically sustainable pattern of resource use.) And if the source of the sluggishness is not insufficient aggregate demand but, rather, enterprise-unfriendly tax and regulatory policies - especially in the face of a need for the economy to significantly alter patterns of resource use into ones that are more sustainable over the long-run - then government stimulus spending or opening of the monetary spigot will only mask the problem rather than solve it.

Don Boudreaux

Note: John Stossel was among the first to expose Trump:

<http://www.thelibertypapers.org/2011/04/25/donald-trump-corporatist-bully/>

29 August 2012

Editor, Washington Times

Dear Editor:

Emily Miller asserts that Donald Trump's "fame is built upon his success in business, not the empty celebrity and superficial policy advocacy one finds in the actors and musicians who gravitate toward President Obama's campaign" ("The Trump factor," Aug. 29).

Would that it were so. Trump's policy stances - such as his infantile screeching against American trade with China - are often as empty and superficial as anything ever muttered by Alec Baldwin or Oprah. Worse, much of Trump's "success in business" is built on cronyism - in particular, government's use of eminent-domain power to bloat Trump's bottom line. Here's how the Institute for Justice describes a major source of Trump's "success"; it's a description that makes clear that much of Trump's wealth is a result of political connections and not of entrepreneurial acumen:

“Unlike most developers, Donald Trump doesn't have to negotiate with a private owner when he wants to buy a piece of property, because a governmental agency – the [New Jersey] Casino Reinvestment Development Authority or CRDA – will get it for him at a fraction of the market value, even if the current owner refuses to sell.”*

More accurate than Ms. Miller's admiring description of Donald Trump as an "entrepreneur" is George Will's description of him as a "bloviating ignoramus."

Don Boudreaux

27 August 2012

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

Dear Editor:

Robert Samuelson wisely emphasizes that America's middle-class isn't disappearing ("Saving' the middle class," Aug. 27). Indeed, despite many obstacles, ordinary Americans live quite well - as a new paper by Kip Hagopian and UCLA economist Lee Ohanian reveals.*

Consider, for example, this fact reported by Hagopian and Ohanian: "on average America's poor live in housing that totals 515 square feet per person, about 40 percent more per person than the living quarters of the average European household. (The average American household lives in about 845 square feet per person, or 2.3 times the average European household.)"

No lone fact proves any proposition. But because even a typical POOR American today enjoys considerably more household living space than does an AVERAGE European, we have some reason to be skeptical of the discernment of those who clamor that government be given more power and money in order to "save" the middle-class.

Don Boudreaux

25 August 2012

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

Dear Editor:

Free markets are often criticized for encouraging the fanatical pursuit of profits at the expense of other worthwhile goals, such as a cleaner environment. Such criticism, of course, springs from failure to understand the true nature of markets and of the institutions – most notably, private property – in which market are embedded.

But there is one institution that CAN fairly be accused of too often elevating the pursuit of profit into a dangerous obsession: government. How else to describe the Obama administration's imposition of, as you report, "provisional antidumping duties of between 31% and nearly 250% on solar panels containing Chinese-made solar cells" ("Solar Flare-Up: Back Tax Roils U.S. Firms," Aug. 25)? Uncle Sam is intentionally raising Americans' costs of buying products that the government itself insists are good for the environment. Government is doing so only to protect the profits of American solar-panel producers.

Consumers and the environment be damned! What needs protecting above all, apparently, are the profits of Uncle Sam's corporate cronies.

Don Boudreaux

