



Comment on the Commentary of the Day

by

Donald J. Boudreaux

Chairman, Department of Economics

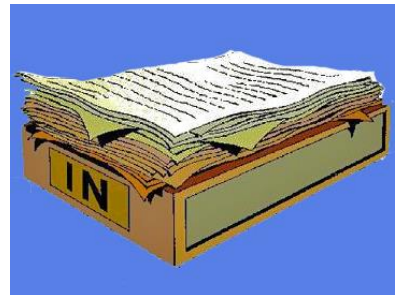
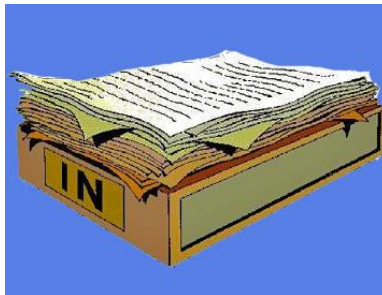
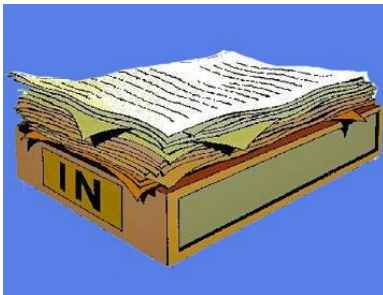
Martha and Nelson Getchell Chair for Free Market Capitalism

Mercatus Center

George Mason University

dboudrea@gmu.edu

<http://www.cafehayek.com>



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.

27 May 2014

Mr. David Brancaccio, Host
Marketplace Morning Report

Ms. Jules Pieri is absolutely sure that venture capitalists discriminate against women ("Fixing the VC gender gap," May 27). She proposes to solve this problem by denying certain tax deductions to venture capitalists who lend 'too little' to women.

Given Ms. Pieri's beliefs about venture capitalists, her proposal is mysterious.

On one hand, she insists that VCs are so indifferent to their bottom lines that they willingly forgo the extra profits that they would earn in the market by extending more loans to women. Yet on the other hand, Ms. Pieri argues that VCs are so sensitive to their bottom lines that all that is needed to prompt them to extend more loans to women is a tweaking of the tax code.

VCs either care about making as much money as possible or they are willing to sacrifice some profits in order to indulge their prejudices against women. It cannot - contrary to Ms. Pieri's apparent supposition - be both.

Sincerely,
Donald J. Boudreaux
Professor of Economics
and
Martha and Nelson Getchell Chair for the Study of Free Market Capitalism at the
Mercatus Center
George Mason University
Fairfax, VA 22030

30 May 2014

Editor, The Week

Quite apart from the question of whether or not Condoleezza Rice is a war criminal,

Damon Linker's definition of law is completely wrong ("No, Condoleezza Rice is not a war criminal," May 23). Arguing that international law is an oxymoron, Mr. Linker writes that "Laws ... are written, enacted, and executed by governments, and they apply exclusively to those residing within territorially defined political communities (be they city-states, nations, or empires). Citizens of liberal democracies hold, moreover, that laws gain legitimacy - and become binding - only with the consent of the governed. And that standard is (tacitly) met only when the laws have been crafted by the people's democratically elected representatives."

Nothing could be further from the truth. In fact, law is, as the great Harvard legal scholar Lon Fuller defined it, "the enterprise of subjecting human conduct to the governance of rules."* This enterprise requires neither that rules be written down nor enacted by a sovereign. Murder and thievery are just two of many activities that were against the law - and punished severely - long before any legislature or monarch first wrote down proscriptions against them.

Indeed, even today, not only are a great many of the rules that people obey as law not inscribed in any statute book, but some of these laws run directly counter to the "laws" that are inscribed there. Consider, for example, that if Mr. Linker's definition of law were correct, he would have to insist that all unmarried adults in Massachusetts who have consensual sex with each other be arrested and punished for breaking the law - the "law" which, as still written in the Criminal Code of that state, prohibits fornication.** Yet does Mr. Linker really believe that, say, two unmarried Boston College sophomores who choose to sleep together violate the law?

It is a serious error to mistake legislation for law. The two are not the same.

Sincerely,
Donald J. Boudreaux
Professor of Economics
and
Martha and Nelson Getchell Chair for the Study of Free Market Capitalism at the
Mercatus Center
George Mason University
Fairfax, VA 22030

* Lon L. Fuller, *The Morality of Law* (New Haven: Yale University Press, 1969 [1964]), p. 106.

4 June 2014

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

Dear Editor:

Kelly Breazeale argues that income inequality is at worrying levels because the Gini ratio - a popular measure of income inequality - is today higher than it has ever been for American households since the Census bureau began calculating it in 1967 (Letters, June 4). True, but misleading.

Although the Gini ratio *for households* is indeed today at an all-time high, the Gini ratio *for individuals* has remained flat since 1961. This reality means that, because income inequality among persons hasn't risen in more than a half-century, the rise in inequality among households over that time is caused by changes in the composition of households.

Specifically what's happened is that, starting around 1970, the percentage of single-person households (especially those of women over the age of 65) has increased. Because single-person households (especially those of women over retirement age) generally earn less income than do multiple-person households, household inequality has risen even though the inequality that surely matters most (if inequality matters at all) - *inequality among flesh-and-blood individuals* - has remained unchanged.*

Sincerely,
Donald J. Boudreaux
Professor of Economics
and
Martha and Nelson Getchell Chair for the Study of Free Market Capitalism at the
Mercatus Center
George Mason University
Fairfax, VA 22030

* See:
<http://tinyurl.com/pwlh6xd>

6 June 2014

Programming Director, WTOP Radio
Washington, DC

Interviewed on your station today during the noon hour, foodie and attorney Mary Beth Albright correctly noted that economies of scale mean that vegetables are now produced at far lower costs on large-scale farms than on tiny "urban farms." She then leapt to the conclusion that the high costs of growing vegetables on urban farms can be lowered if government were to subsidize these farms.

She's wrong.

Government subsidies, of course, can enable urban farmers to remain in business by covering losses they incur when selling at prices low enough to compete with large-scale rural farmers. But because subsidies do not transform small urban farms into large-scale farms - because subsidies do absolutely nothing to reduce the quantities of resources required on urban farms to grow each potato, each head of lettuce, or each stalk of artisan asparagus - subsidies emphatically do not lower the costs of urban farming. Subsidies at best can only *shift* the burden of bearing many of these high costs from urban farmers and their customers to taxpayers. And because subsidies would likely encourage the expansion of urban farming, they'd result in an increase in the total cost of producing food as relatively more food comes to be grown on inefficient urban farms and relatively less on efficient rural farms.

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Donald J. Boudreaux

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Martha and Nelson Getchell Chair for the Study of Free Market Capitalism at the
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George Mason University

Fairfax, VA 22030

