



Comment on the Commentary of the Day

by

Donald J. Boudreaux

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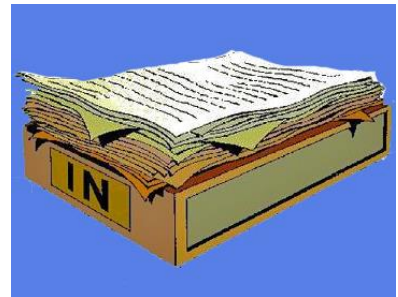
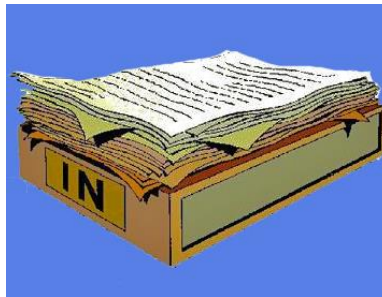
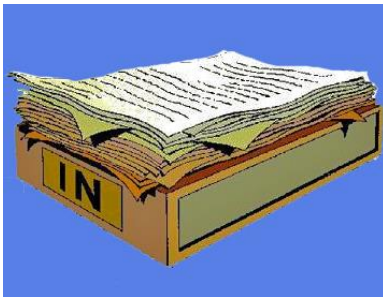
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Disclaimer: The following "Letters to the Editor" were sent to the respective publications on the dates indicated. Some were printed, but many were not. The original articles that are being commented on may or may not be available on the internet, 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.

July 4th, 2014

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

Dear Editor:

Regarding the left's hysteria over the Hobby Lobby ruling ("The Political Ginsburg," July 3): it is dangerously surreal to think that leaving individuals free to spend their money as they choose is antediluvian and cruel, but using implicit threats of violence to force individuals to spend their money in ways dictated by political superiors - including political majorities - is progressive and kindly.

Sincerely,
Donald J. Boudreaux
Professor of Economics
and
Martha and Nelson Getchell Chair for the Study of Free Market Capitalism at the
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8 July 2014

Editor, The Financial Times

Dear Editor:

Larry Summers insists that, unless other governments end their own crony subsidies and other privileges for favored industries, killing the U.S. Export-Import Bank "would be the economic equivalent of unilateral disarmament" ("Put American foreign policy back on the pitch," July 7). This tired analogy to military preparedness fails.

Subsidies and other economic privileges weaken the domestic economy. They do so

because, in order to artificially bolster industries that excel at satisfying politicians, such privileges necessarily transfer resources away from industries that excel at satisfying consumers. Because Mr Summers (like nearly all economists) apparently accepts this sound argument, he especially should see that subsidies are not the economic equivalent of armaments: an armaments build-up does indeed strengthen the country militarily; subsidies, in contrast, weaken the country economically.

So when foreign governments subsidize industries (for example, through export credits of the sort doled out by the Ex-Im Bank), they themselves weaken their own countries' economies relative to economies whose governments dispense no subsidies or other special privileges.

In short, foreign subsidies create no threats to retaliate against. Quite the opposite.

Sincerely,
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Professor of Economics
and
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11 July 2014

Programming Director, KCBS Television
San Francisco, CA

Dear Sir or Madam:

You report that "[t]he San Francisco Giants organization is in the final steps of adopting a policy to ban fans from wearing 'culturally-insensitive' attire at AT&T Park" ("San Francisco Giants May Ban 'Culturally Insensitive' Attire At AT&T Park," July 9).

Because the Giants and Major League Baseball are private organizations, I believe that they should have the right to ban from their premises whatever customers they wish for whatever reasons strike their corporate fancies. But I can't help but ask: How many San Franciscans applaud as enlightened and civilized the banning of "culturally insensitive attire" at baseball games, but also moralize indignantly at the closed-mindedness and petty tyrannies of conservatives who wish to ban displays at museums of the likes of Andres Serrano's "Piss Christ" or Robert Mapplethorpe's explicit homoerotic photos? I hope that the number is small, but I suspect that it is, in fact, quite large.

Sincerely,
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13 July 2014

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

Dear Editor:

Uncle Sam is closer to imposing punitive taxes on Americans who buy Korean-made steel pipe ("U.S. Slaps Tariffs on Korean Steel Pipe Because of Alleged Unfair Pricing," July 12). The stated justification for so taxing these Americans is that they insist on buying steel pipe from Korea at prices that U.S. steelmakers (surprise!) assert are "artificially low." Such taxes will indeed be imposed if the U.S. Trade Commission finds that these low prices "hurt American steelmakers."

The ostensible principle behind Uncle Sam's action is that we Americans are made poorer when non-Americans act especially vigorously to increase our access to foreign-made products. But this principle is economically insane. People grow prosperous, not by rejecting, but by embracing enhanced access to goods and services, regardless of the sources of this enhanced access.

If the principle that motivates Uncle Sam to tax Americans who buy inexpensive imports were valid, then, for example, my household would be made poorer whenever I buy - rather than make myself - my own furniture and clothing. After all, Ethan Allen and Nordstrom charge prices so low that they not only "hurt," they destroy, my capacity to make for myself the goods that they offer for sale. Should I perhaps, in my quest to grow more prosperous, hire my neighbor to threaten to shoot me whenever I seek out merchants who will sell to me especially low-priced sofas and shirts?

Sincerely,
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16 July 2014

Sen. Tim Kaine (D-VA)
Capitol Hill
Washington, DC

Senator Kaine:

In your interview this morning on WTOP Radio you made two claims that must be challenged.

First, the *Hobby Lobby* decision does not "allow employers to deny women access to certain kinds of contraception." Instead, that decision prevents government from forcing employers to pay for employees' access to certain kinds of contraception. *Hobby Lobby* no more gives employers power to deny women access to certain kinds of contraception than would a decision that prevents government from forcing you to buy me beer give you power to deny me access to certain kinds of libations.

Second, you justify government forcing employers to pay for all manner of contraception by asserting that contraception "is expensive." Let's overlook your neglect of the fact that when employers are forced to pay for fringe benefits they reduce their employees' non-fringe wages and salaries - and the more expensive the fringes, the greater the reduction in these wages and salaries. Focus instead on the evidence that you cite for the importance of contraception - namely, the "substantial" (your word) reduction in unwanted pregnancies over the past two decades. You plausibly attribute this reduction to contraception. But if contraception for at least two decades now has substantially reduced unwanted pregnancies, how can you say with a straight face that contraception is so expensive that government must start forcing employers to subsidize employees' access to it?

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