



Comment on the Commentary of the Day

by

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14 May 2006

The Editor, The Economist
25 St James's Street
London SW1A 1HG
United Kingdom

SIR:

Three sincere - not Bronx! - cheers for your remembrance of Jane Jacobs (Obituary, May 13). She was indeed wise. Among my favorites of her insights appears in her book, *Cities and the Wealth of Nations*, where she observed that national boundaries do not define economic boundaries: "Nations are political and military entities, and so are blocs of nations. But it doesn't necessarily follow from this that they are also the basic, salient entities of economic life or that they are particularly useful for probing the mysteries of economic structure, the reasons for the rise and decline of wealth." (Jane Jacobs, *Cities and the Wealth of Nations* (New York: Vintage Books, 1984), p. 31)

If Ms. Jacobs ever is taken as seriously as she deserves to be taken, future generations will look back on our hysteria over national

"trade imbalances" in the same way that we look back on past generations' hysteria over witches, saloons, and rock'n'roll.

14 May 2006

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

Dear Editor:

Samuel Loewenberg alleges that Niger's deep poverty is caused by its deep poverty, unrelieved by adequate foreign aid (Letters, May 14). This semi-circular explanation misses the mark entirely.

According to economists James Gwartney and Robert Lawson, Niger's people are poor because they are among the world's most oppressed.
(<http://www.cato.org/pubs/efw/efw2005/efw2005-1.pdf>) They are prevented from prospering by high barriers to international trade, enterprise-crushing credit and labor regulations, an engorged government, and lack of secure property rights.

12 May 2006

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

Dear Editor:

Applauding Massachusetts' effort to guarantee health-insurance for all citizens, E.J. Dionne asserts that "employers who insure their workers provide an indirect subsidy to employers who don't" ("States' Rights - for the Right Ideas," May 12). Nonsense.

Like wages, employer-provided health insurance and other fringe benefits are parts of workers' packages of total compensation - packages determined by competitive market forces. It makes no more sense to say that employers who offer health insurance subsidize employers who don't than it does to say that employers who pay average wages of \$25 per hour subsidize employers who pay average wages of \$10.

10 May 2006

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

Dear Editor:

Cass Sunstein's argument for U.S. funding of the Kyoto Protocol is anemic ("It's Only \$300 Billion," May 10). The fact that his war in Iraq costs Uncle Sam about what he'd pay to fund Kyoto, and the fact that this war seems to be futile, is hardly reason for the U.S. to sign the Kyoto Protocol. As Sunstein himself said in his 2005 book, *Laws of Fear*, "the Kyoto Protocol appears to impose costs in excess of benefits - and this is so even if improbable catastrophic risks are taken into account." (Cass R. Sunstein, *Laws of Fear* (Cambridge University Press, 2005), p. 171)

9 May 2006

Editor, USA Today

Dear Editor:

Like George Bush, Sierra Club president Carl Pope asserts that Americans are "addicted" to oil ("Focus on cars, not gas type," May 9). I wonder why the political and intellectual elite insist on accusing us of being pathologically unable to exercise self-control. Does Mr. Pope and his ilk really not see the advantages that many people get from driving autos with lots of cargo space and horsepower? Or are Mr. Pope and Co. trying to convince us that we're so mindlessly irresponsible that we can be saved from ourselves only

by turning even more control of our lives over to government?

8 May 2006

News Director, National Public Radio

Dear Editor:

Whatever are NAFTA's demerits, they don't include its reduction of the profits of subsistence farmers in Mexico ("Migrants' Job Search Empties Mexican Community," May 8). Freer trade is supposed to direct resources away from inefficient uses so that they are available for efficient uses. This result is driven by the greater freedom of choice that consumers have under free trade. As consumers stop patronizing inefficient producers, these producers' profits fall, while the profits of efficient producers rise.

Mud-splattered subsistence farmers hurt by NAFTA offer heart-tugging sound bites. But do you really want to return to the days when many ordinary Mexicans had little choice but to buy corn from local farmers who are so inefficient that (according to the expert quoted in your report) they require 72 hours to produce as much corn as a U.S. corn farmer produces in one hour?