Comment on the Commentary of the Day
by
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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 may require registration or subscription to access if they are. Some of the original articles are syndicated and therefore may have appeared in other publications also.

12 February 2006
The Editor, The New Yorker
New York, NY 10281
Dear Editor:

Investors' concern with CEO pay likely is growing. But James Surowiecki merely assumes that this concern is best addressed by the SEC's proposed new disclosure requirements ("Overcompensating," Feb. 13 & 20).

Skeptics of government regulation generally favor the goals that allegedly motivate such regulation - goals such as safe workplaces, competitive industries, and efficient capital markets. A goal's desirability, however, does not imply the desirability of regulation by government. Compared to such regulation, voluntary and decentralized means of addressing problems are typically more nuanced and flexible, better timed and focused - and always less contaminated by politics.

11 February 2006
Editor, The Wall Street Journal
200 Liberty Street

To the Editor:

That the Chinese sell more to Americans than Americans sell to the Chinese indicates no more unfairness than does fact that Safeway sells more to my family than we sell to Safeway, that Manhattan's bedroom communities sell more (mostly labor) to Manhattan than Manhattan sells to these communities, and that Washington restaurateurs sell more to Sen. Schumer than he sells to them.

10 February 2006
The Editor, The Seattle Times

To the Editor:

Although Wal-Mart employees receive $12 million in health-care payments from Washington State,
politicians and your headline writer err in describing these payments as subsidies ("State Subsidies to Wal-Mart Employees Put at $12 Million," Feb. 8).

Wal-Mart would be subsidized if workers received these payments on condition of being employed by Wal-Mart. But because all citizens whose incomes fall below a certain threshold are eligible for such government assistance, Wal-Mart gains no advantage from these assistance programs. Indeed, by making unemployment less costly for people without jobs, these programs likely raise the wages that Wal-Mart must offer in order to attract workers.

8 February 2006
The Editor, The Washington Times

To the Editor:

Mark Skousen worries about the amount of dollar and U.S. debt held by foreigners. "If foreign investors decide to place their funds elsewhere, we could face a sharply declining dollar, a stock market crash, or worse," Skousen says ("American Dream Putting Homeowners in Deep Debt," Feb. 8).

Perhaps. But this problem has nothing to do with the nationality of people holding dollar-denominated assets. Even if every cent of U.S. cash and debt were owned exclusively by Americans, the dollar would fall, the stock market would crash, and interest rates would skyrocket if Americans decided "to place their funds elsewhere." Investors' nationality is a red herring.