



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.

28 January 2007

The Editor, New York Times
229 West 43rd St.
New York, NY 10036

To the Editor:

To justify preventive medical care, Joseph Ritter correctly points out that "society suffers a great economic loss when one of its productive members dies prematurely" (Letters, Jan. 28). As the late Julian Simon argued, people are "the ultimate resource." The greater the number of people participating in a market economy, the wealthier are the people of that economy.

So just as we should regret the premature deaths of fellow citizens, we should

regret trade and immigration restrictions which artificially limit the ability of people from around the world to contribute to our prosperity.

26 January 2007

The Editor, New York Times
229 West 43rd St.
New York, NY 10036

To the Editor:

Paul Krugman mistakenly credits Franklin Roosevelt with having "created" unemployment insurance ("On Being Partisan," Jan. 26).

Private unemployment insurance was offered long before the New Deal. As Professor Michael Rappaport found, starting

around 1910 companies began selling such insurance to railroad workers. Alas, seeking to offer such coverage to other workers, private insurers were consistently blocked by state governments. And when New York's legislature in 1931 finally approved the expansion of private unemployment insurance, the bill was vetoed by none other than Gov. Franklin Roosevelt.

25 January 2007

Editor, The New York Review of Books

To the Editor:

Paul Krugman alleges that, when "speaking to the mass public," Milton Friedman was intellectually

dishonest ("Who Was Milton Friedman?" Feb. 15).

Well now. As EconLog's Arnold Kling points out, Mr. Krugman himself - in his essay on Friedman - commits what some might classify as intellectual dishonesty. Krugman correctly notes that Americans during the years 1947-1976 more eagerly embraced government regulation than they did during the years 1947-2005. Then Krugman (also correctly) notes that real family income grew more rapidly during the earlier period than during the latter - suggesting that ordinary Americans were hurt by the slowdown in the growth of government.

But as Krugman surely knows, family size has shrunk: it is nearly 19 percent lower today than it was in 1970. So the decline in family income might reflect nothing more than the shrinkage in the size of families. The more honest measure of economic well-being is real GDP per capita. And as Kling points out, this figure "grew at about the same rate over [both periods]. Using 1946, 1976, and 2005 as endpoints, the average annual growth rate was 1.021 in the first half and 1.020 in the second half."

25 January 2007

The Editor, New York Times
229 West 43rd St.
New York, NY 10036

To the Editor:

Anthony DiStefano says that cutting taxes is a "facile" solution to "complex and difficult" problems (Letters, Jan. 25). Mr. Stefano's is a facile understanding of tax cuts.

By keeping more resources in private hands, tax cuts encourage countless entrepreneurs to experiment with different means of solving problems. And by allowing consumers individually to choose which of these ways they like and which they dislike, tax cuts promote more accurate assessments of each solution's worthiness.

The phrase "cut taxes" is indeed short and straightforward - but it reflects the recognition that reality is far too complex and difficult to be managed centrally by politicians spending other people's money.

23 January 2007

The Editor, The
Washington Times

Dear Editor:

Larry Thornberry correctly observes that the ideas Adam Smith offered in *The Wealth of Nations* "still hold up" ("Morality and Economics," Jan. 23). So, too, do the ideas Smith offered in his first book, *The Theory of Moral Sentiments*.

Especially important is Smith's wise warning about anyone who itches to plan society - the "man of system" as Smith called him. Such a man, Smith observed, "seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board. He does not consider that the pieces upon the chess-board have no other principle of motion besides that which the hand impresses upon them; but that, in the great chess-board of human society, every single piece has a principle of motion of its own, altogether different from that which the legislature might chuse to impress upon it." [Adam Smith, *The Theory of Moral Sentiments* (1759): <http://www.econlib.org/library/Smith/smMS.htm>