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.

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18 February 2007

Editor, The Washington Times

To the Editor:

Shame on you for joining with demagogues to stir up anxiety about America's trade deficit with individual countries such as China and Japan ("Trade deficit realities," Feb. 18). These "deficits" are completely normal; it would be freakish in the extreme if the U.S. had "balanced" trade with each of its trading partners.

Consider that most customers of your newspaper have permanent and growing trade deficits with you: they buy more from you than you buy from them. Do you advise your customers to stew in fear about this situation? Do you recommend that they avoid trading with you unless and until you promise to buy annually as much from each of them as each of them buys from you? If not, why in the name of Adam Smith do you worry that Americans import more from China and Japan than we export to those countries?

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17 February 2007

Editor, US News & World Report

To the Editor:

James Pethokoukis is an insightful economics reporter. So I was surprised that he uncritically accepts claims that "profits [are] at record highs and the share of income going to labor at 40-year lows" ("Why the Pelosi Democrats Scare China," Feb. 16). People reach this mistaken conclusion by ignoring the value of workers' fringe benefits. As a portion of total compensation, these benefits have risen over the years.

In fact, as reported recently by the St. Louis Fed, "labor's share of national income has averaged 70.5 percent over the past 50 years and has remained within a narrow range of that average." ("Labor's Share," National Economic

Trends, Federal Reserve Bank of St. Louis, Aug. 2004) To say that "capital" is getting a bigger share of the pie and "labor" a smaller share is simply wrong.

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14 February 2007

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

Dear Editor:

U.S. Trade Representative Susan Schwab correctly suggests that more international trade means more exports ("Oil Prices, Imported Goods Push Trade Gap to Record," Feb. 14). But let's be clear: trade's benefits are measured by imports and not by exports. Exports are the price we pay for the goods and services that we consume from abroad. These goods and services - these imports - are the ultimate rationale for trade.

Those who doubt this truth should ask themselves if Americans would prosper if we regularly loaded ships with goods made the USA and then sunk each of these cargo-laden ships in the middle of the ocean. Such a practice would generate a huge increase in the proportion of U.S. exports to imports, thereby giving America a substantial trade surplus. It would also impoverish us.

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13 February 2007

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

Dear Editor:

E. J. Dionne writes: "As for the politicians, we have created a system that encourages many in their ranks to adjust their convictions to their political needs. And then we denounce them" ("Litmus Test for Hypocrisy," Feb. 13).

True, the political process does encourage unrealistic expectations among voters. But politicians nevertheless deserve unrelenting scorn. No one is forced to seek political office; the system attracts persons whose moral lights are especially dim and distorted. Ordinary people simply could not bear to behave in ways necessary to win elections.

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12 February 2007

The Editor, The Baltimore Sun
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To the Editor:

In "What Others Are Saying" (Feb. 12) you repeat part of a Boston Globe editorial that argues against the nomination of Susan Dudley to lead the agency in charge of overseeing federal regulations. What you repeat asserts that "Only an undue faith in the ability of the market to correct problems created by industry could have led Ms. Dudley to oppose, as she did, EPA's efforts to keep arsenic out of drinking water."

If you want a deeper sense of what others are saying, read Prof. Cass Sunstein's writings on regulations designed to reduce arsenic in drinking water. Prof. Sunstein is an articulate and energetic advocate of active government; he certainly has no "undue faith" in markets. Yet even he admits that the benefits of further reducing arsenic in drinking water might be swamped by the costs of doing so.