



Comment on the Commentary of the Day

by

Donald J. Boudreaux
Chairman, Department of Economics
George Mason University
dboudrea@gmu.edu
<http://www.cafehayek.com>

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.

22 April 2007

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

To the Editor:

That scold of modernity, Bill McKibben, has written a new book advocating the replacement of globalization with local economies - described by reviewer Lance Morrow as "small, localized, communitarian, neighborly" ("Be My Neighbor," April 22).

Surely I'm not the only reader who finds great irony in Mr. Morrow's description of McKibben as "a widely traveled writer."

21 April 2007

Editor, The Nation

To the Editor:

Inspired by the controversial work of William Baumol and Ralph Gomory, William Greider argues that those of us who oppose protectionism today are mindless members of a "the church of global free trade" ("The Establishment Rethinks Globalization," April 30). But it is Mr. Greider and his ilk who are blinded by a faith wholly at odds with reality.

If it were true that the developing world's large supply of highly skilled but low-paid workers inevitably

attracts capital away from high-wage countries such as the U.S., foreign direct investment in open developing countries should be higher than in the U.S. It's not - and not by a long shot. In 2006, China attracted \$46 of FDI per capita; India attracted just over \$14 per capita; the United States attracted \$578 per capita.

21 April 2007

Editor, New York Post

To the Editor:

Max Schulz reveals how their adulation of nature often impels "environmentalists" to disregard facts and reason ("Green Myths: Enviro 'Facts' that Aren't," April 21). I'm reminded of historian Will Durant who, when describing 18th-century opponents of European industrialization, observed that "Word peddlers tend to idealize the countryside, if they are exempt from its harassments, boredom, insects, and toil." [Will & Ariel Durant, *The Age of Voltaire* (New York: MJF Books, 1965), p. 45.]

Ironically, "environmentalists" deep affection for nature is made possible by the very

commerce and industry that they so mindlessly disdain.

20 April 2007

Editor, The Washington Times

To the Editor:

So Europe is increasingly jingoist ("Ultrnationalist fervor hits Europe," April 20). What a contrast with that region's reputation for being progressive, humane, and cosmopolitan. Alas, the same modern European policies and attitudes that delude many people to admire those countries - vast welfare states, strict "protections" for workers, and disdain for commercial culture - promote in Europeans an ugly nationalism.

These policies and attitudes stymie economic growth and put a premium on being able to suckle the states' teats. It's unsurprising, then, that Europeans detest foreigners who move there. These foreigners compete not only for hard-to-find jobs but also for opportunities to suckle before the teats run dry.

19 April 2007

Editor, The Wall Street Journal
200 Liberty Street
New York, NY 10281

To the Editor:

Three cheers for Bill Archer's and Charles Stenholm's clear case against government-imposed price controls ("Gasbags," April 19). The only upside of such controls is that they make teaching easier for us economics professors. Our students can't help but see the shortages, queues, and corruption that inevitably accompany price caps. All economics professors must then do is to point out that such troubles and perversities are absent from markets in which prices aren't controlled. Students' appreciation of the power of supply and demand - and of the coordinative role of prices - is assured.

18 April 2007

Editor, The Boston Globe

To the Editor:

Dan Wasserman's cartoon shows economists "reexamining" their support of globalization when they notice the low "pay scale of economists in India" (April 18).

Overlooking his gratuitous presumption that economists are rogues, I direct Mr. Wasserman's attention to an April 6th report in the Globe entitled "India High-Tech Industry Out of Workers." He'll learn there that wages earned by skilled Indian workers are rising. This fact lends yet more credence to economists' prediction that as low-wage countries become wealthier through trade, wages in those countries rise. This fact means that workers in wealthy countries have much less to fear from globalization than the likes of Lou Dobbs and some political cartoonists would have us believe.

17 April 2007

Editor, The Atlantic

To the Editor:

The usually astute Clive Crook misunderstands the U.S. trade deficit ("When the Buck Stops," May). First, it is untrue that the trade deficit "has to be financed by borrowing." If, for example, Toyota sells a Camry to an American and uses the sales proceeds to buy more land for expansion of its factory in Kentucky, America's trade deficit rises without any American borrowing a cent. The trade deficit is not synonymous with debt.

Second, much of what we offer to foreigners in exchange for their goods and services is our combination of relatively low taxes, secure property rights, skilled workers, culture of entrepreneurship, and - as economist John Makin points out - our "sometimes bewildering yet attractive array of wealth-storage facilities." America enjoys a comparative advantage as a haven for investment.

Friends,

In this podcast, Russ Roberts and I discuss the

(de)merits of the "buy local" movement:

http://www.econtalk.org/archives/2007/04/boudreaux_on_th.html