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.

Dear Anonymous,

You heatedly disagree with my letter in which I argue that Democrats' policy proposals are as juvenile as those of Republicans. Specifically, you say that "conservatives' [policy proposals] amount to nothing more than 'keep your hands off my money.' Mr. Boudreaux, that is selfish, ignorant and simple minded."

Well, I have precious little affection for conservatives, but if indeed conservatives' policies are summarized by the battle cry "I want mine!" I find that to be a more admirable position than the battle cry of so-called "liberals" who shout "I want yours!"

The former position might well be that of a narrow-minded shopkeeper, but the latter position is that of a thief.

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26 August 2007

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

To the Editor:

Reviewing Drew Westen's The Political Brain, David Brooks raises many sound objections to Westen's thesis that Democrats face an electoral disadvantage because their policies are too rational and sophisticated for ordinary voters to grasp ("Stop Making Sense," August 26). But Brooks fails to challenge Westen's core premise that Democratic policies are wise and complex.

Democrats are as simple-minded as their Republican opponents. Democrats typically propose to "solve" every problem, real or imaginary, with stricter regulations, higher taxes, or more spending. Are gasoline prices too high? Cap 'em! Do Americans buy too many imports? Raise tariffs! Are low-skilled workers paid to little? Increase the minimum-wage! Do many Americans have no health insurance? Uncle Sam will provide it! Do Americans sometimes consume unhealthy foods and drugs? Increase the FDA's budget and power! Are government schools failing? Shovel in more funding! Are Africans very poor? Send more foreign aid!

These "solutions" are as simple-minded as those that any eight-year old of ordinary intelligence would devise.

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26 August 2007

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

To the Editor:

William Boyd rightly advises French winemakers that profitably supplying products that consumers want "requires skill, energy, talent and, obviously, a certain amount of luck" ("Make Wine, Not War," August 26). Mr. Boyd also correctly notes that satisfying consumers "may be harder than throwing homemade bombs."

Alas, many French winemakers remain intent on protecting their markets not by creatively pleasing consumers but by destructively threatening competitors with violence. But before we Americans self-righteously dismiss such greedy brutality as uniquely French, recognize that too many American producers profit from the very same sort of violence. The only difference is that American producers almost always inflict these threats through a heavily armed hireling called Uncle Sam.

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25 August 2007

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

To the Editor:

You propose that the dollar is sliding, in part, because of "concern about America's huge ongoing foreign indebtedness" ("Dollars for Sale," August 25). This remark is too simplistic.

Much of what is counted as America's "foreign indebtedness" is really no such thing: instead it is foreign ownership of dollar-denominated assets, such as the Dutch company Royal Ahold's ownership of the American supermarket chains Stop & Shop and Giant. If U.S. tax rates remain low and regulations sensible relative to taxes and regulations in other countries, foreigners will continue actively to invest in America. Such continuing investment - even though it increases America's current-account deficit and, hence, increases what is labeled in international accounts as America's "foreign indebtedness" - does nothing to weaken the dollar.

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23 August 2007

News Editor, WTOP Radio

To the Editor:

The listener who called today to say that his "biggest economic fear" is America's "merchandise trade deficit" worries needlessly. Valuable outputs come in different forms. Those that come in tangible forms (such as toothpicks) we label "merchandise." Those that are intangible (such as tonsillectomies) we label "services." But so what? A dollar's worth of value is a dollar's worth of value regardless of the form it takes. To suffer distress because Americans produce and export less merchandise than services is akin to suffering distress because Americans produce and export fewer things that are yellow than things that are blue.

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22 August 2007

Editor, The New Yorker

To the Editor:

Niall Ferguson is a fine historian, which is why I'm surprised that his review of Greg Behrman's "The Most Noble Adventure: The Marshall Plan and the Time When America Helped Save Europe" is insufficiently critical ("Dollar Diplomacy," August 27).

My colleague Tyler Cowen (Tyler Cowen, "The Marshall Plan: Myths and Realities," in Doug Bandow, ed., U.S. Aid to the Developing World (Washington, DC: Heritage Foundation, 1985), pp. 61-74) looked beyond the rhetoric to the reality of the Marshall Plan and found that the role it played in Europe's post-WWII recovery was, if anything, negative. Quoting Cowen: "In nearly every country occupied by Germany during the war, the stringent system of Nazi economic controls was continued even after the country was liberated. And in each case, rapid economic growth occurred only after the controls were lifted and sound economic policy established. This happened irrespective of the timing and extent of Marshall Plan aid."

A move toward market economies ("not always encouraged by the Plan," reports Cowen) - not American goodwill and dollars - restored Europeans to prosperity.

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21 August 2007

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

To the Editor:

You complain that China is "exporting huge volumes of finished, manufactured goods - T-shirts, flashlights, radios and socks, just to name a few - to [African] countries, hampering Africa's ability to make its own products and develop healthy, diverse economies" ("China's Trade in Africa Carries a Price Tag," August 21).

Are you suggesting that Chinese producers (perhaps along with producers in other non-African countries) are supplying Africa with all of the goods that Africans can possibly desire? Do you mean to say that Africans are now so utterly sated with material goods that nothing remains for any domestic entrepreneurs to produce for them?

Who knew?! I thought that Africans generally are desperately poor, lacking in many cases even the everyday goods and services that we Americans take for granted.

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20 August 2007

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

To the Editor:

Mark Whitehouse wonders why financial markets aren't jittery over "one of the U.S. economy's greatest vulnerabilities: its appetite for foreign money to finance the huge gap between what it spends and what it earns" ("Foreign Investors View Dollar As 'Refuge Currency' Despite Recent Tumult," August 20).

The answer is that the trade deficit is not a vulnerability. Mr. Whitehouse wrongly supposes it to be a weakness because he misunderstands it. Other than the part driven by Uncle Sam's profligacy, the trade deficit grows not so much because foreigners finance Americans' consumption, but because foreigners actively invest in America. These investments create new factories, more R&D, better-trained workers, and other benefits that brighten our economic future.

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20 August 2007

Editor, USA Today

To the Editor:

You correctly argue that America's flying public can be better served, but your proposed solution of more government regulation is unwise ("Our view on airline passenger rights: How airlines mistreat fliers and get Congress to go along," August 20). What Congress can instead do to improve matters is

- open domestic routes to foreign carriers - the increased competition will lower prices and improve service;

- follow the example of Canada and more than dozen other countries that have either fully or partially privatized their air-traffic-control systems and seen, as a result, impressive technological advances.

State and local governments can do their part by privatizing airports, thereby unleashing the profit motive to supply more and better ground capacity for planes and passengers.