



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.

9 December 2007

The Editor, The Economist
25 St James's Street
London SW1A 1HG
United Kingdom

SIR:

I'm disappointed to read in your Leader "The end of cheap food" (December 8) a line unworthy of your great tradition and name. You proclaim that "Dearer food has the capacity to do enormous good and enormous harm." Harm, yes. But good?

You're correct, of course, that higher food prices raise returns to agricultural

work (which indeed is good for farmers). But would you insist also that, say, earthquakes do enormous good as well as harm?

These disasters raise returns to those who work in, and who supply, the building and medical trades. Alternatively, would you worry that an invention that allowed a single farmer to feed the world from a single flowerpot would do harm as well as good? Do you not see that economic growth consists in producing today's goods and services with fewer and fewer resources so that not only are the prices of these outputs lowered,

but resources are made available to produce things that would otherwise be too costly?

8 December 2007

Editor, The Baltimore Sun

To the Editor:

Labor-union official Valerie Long asserts that office-cleaning jobs "have to be filled by someone" (Letters, December 8). This mistaken belief misleads many persons, including Ms. Long, to suppose that employers have no choice but to pay statutorily imposed higher wages.

In fact, no job must be filled. Each worker is hired only when an employer gains more from hiring that worker than it costs that employer to make the hire. Even for high-priority tasks, such as keeping office buildings clean and smoothly operating, employers can substitute machines and other technologies for workers. For historical evidence, Ms. Long might explore how a hike in the minimum-wage prompted building owners in the 1960s to speed up their substitution of automatic elevators for manual ones operated by low-skilled workers.

7 December 2007

Editor, The Baltimore Sun

To the Editor:

Thomas Schaller favorably quotes economist Joseph Stiglitz's concern that "Cumulative borrowing from abroad during the six years of the Bush administration amounts to some \$5 trillion" ("On economy, GOP candidates offer up slogans instead of solutions," December 5).

Regardless of this debt's merits or demerits, what is the relevance of the nationalities of the creditors? Whether the creditors are in Utah or Ukraine, Baltimore or Beijing, the debt must be repaid. And THAT is the burden of the debt; the nationality of creditors is irrelevant.

6 December 2007

Editor, USA Today

To the Editor:

Rep. Eric Cantor is correct that raising taxes on private equity firms is neither necessary nor appropriate for fixing the alternative minimum tax ("Opposing view: Don't hike partnership taxes," December 6). The reason,

however, is more fundamental than the fact that such firms benefit ordinary Americans.

Not indexed for inflation, the AMT was never meant to tax the millions of Americans that it will now tax if Congress doesn't fix it. In other words, taxing people in this way is a mistake. What ethical argument justifies Congress shifting the costs of its mistake onto others? If Jones mistakenly budgeted to spend dollars that he wrongly thought would come to him from Smith, is Jones entitled then to take this amount of dollars from Williams in order to "pay for" correcting his error?

5 December 2007

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

To the Editor:

Thomas Letchfield says that "The case for requiring everyone to buy health insurance is the same as that for requiring motorcyclists to wear helmets - society, i.e., taxpayers, pays for whatever health care may be needed, and for

however long" (Letters, December 5).

Indeed. But Mr. Letchfield seems unaware of the perversity of this fact. Government's core role (as economists inelegantly say) is to internalize externalities. It is to stop Jones from imposing costs on Smith without Smith's consent. But in practice government creates externalities. Only by forcing taxpayer Smith to cover Jones's medical and retirement expenses is Jones able to impose costs on Smith without Smith's consent. In short, government externalizes internalities - and then demands yet more power to "fix" these problems that government itself creates.

4 December 2007

Editor, Financial Times

To the Editor:

Hillary Clinton needs a language lesson. She favors only trade that is found by government to "benefit our workers and our economy" and that promotes "rising standards of living across the world" ("Clinton doubts benefits of Doha revival," December 2). She then asserts that "There is nothing protectionist about this."

Oh please.

Protectionism exists whenever, wherever, and whenever government artificially raises its citizens' costs of buying imports. Protectionism has forever rested on the false notion that government officials know best how consumers should spend their money. And it attempts today to hide its ugly face behind the smiling mask of allegedly noble intentions, such as those mouthed by Sen. Clinton.

4 December 2007

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

To the Editor:

Opposed to privatizing first-class mail delivery, Edwin Andrews asks "How do you suppose rural locations will be served by a company "that is interested solely in the bottom line?" (Letters, December 4).

Is this question serious? Firms in the private sector earn higher profits the better they are at discovering cost-effective ways of meeting consumer demands. For example, Wal-Mart got its successful

start by creatively figuring out how to serve small-town America. Especially as the costs of communication and transportation continue to fall, the false notion that folks living in rural areas would not be served by private mail deliverers should be stamped out.

3 December 2007

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

Dear Editor:

You solidly document that all of the leading Democratic presidential candidates are leveling charges against NAFTA that are ridiculous in the extreme ("Trade Distortions," December 3). You also rightly accuse these candidates of pandering to acute economic ignorance.

Given these would-be national "leaders" displays of what is either profligate lying or gross stupidity, remind me why you trust them to take greater control over health-care provision in America. Or, more generally, why you typically argue that such elected officials can be relied upon to promote the greater good.

