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Ideas on Liberty (formerly *The Freeman: Ideas on Liberty*) is published by The Foundation for Economic Education, Inc., Irvington-on-Hudson, NY 10533. FEE, established in 1946 by Leonard E. Read, is a non-political, educational champion of private property, the free market, and limited government. FEE is classified as a 26 USC 501(c)(3) tax-exempt organization.

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Bound volumes of *The Freeman* and *Ideas on Liberty* are available from The Foundation for calendar years 1972 to 2001. The magazine is available in microform from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, MI 48106.

PERSPECTIVE

Boycott the Boycott

The end of the war in Iraq did not bring an end to efforts to organize a boycott against French wine and other products. Pushed by a few high-profile radio and television personalities, the wished-for boycott is intended as “payback” for France’s opposition to the war.

This is silly—no, it’s worse than that. It’s an idea fraught with danger.

That’s clear from the way the boycotters talk. *France* didn’t do anything with respect to the war. “France” and “the French people” are abstractions. Neither one can take actions. It is certainly true that French President Jacques Chirac opposed the war apparently for the wrong reasons—perhaps to preserve oil and weapons contracts with the abominable Hussein regime. French governments have not generally demonstrated a commitment to the principle of nonintervention in other countries. (See their record in Africa.)

But that’s the French government, *not* the French people. The U.S. war planners said they went to great lengths to distinguish the Iraqi regime from the Iraqi people. Why then can’t the boycotters distinguish the French regime from the French people? A boycott against French products may be intended to “send a signal” to the French government. But it won’t hurt the government; it will hurt French producers. If we are concerned about French anti-Americanism, it is hardly wise to antagonize the very people in France who strive to satisfy American consumers.

Moreover, a successful boycott might strengthen the French government by providing a “crisis” for it to respond to. We all know what governments do in crises: they *grow*. Trade restrictions on American products could be the outcome.

There’s a more fundamental reason to avoid this boycott. It politicizes trade. Heaven knows there is little that escapes the grip of politics these days. The last thing we need is trade pushed further into the political arena.



Free exchange does more than benefit the immediate parties. It encourages the peaceful social cooperation and division of labor that make us prosperous. The great thing about free trade (as opposed to state-managed trade) is that it enables people to deal directly with one another, outside the control of governments. De-politicizing human relations is good because governments are destructive of social cooperation. Anything they do entails the use of force against peaceful, productive people. In countless ways governments stifle enterprise and trade, and generate envy and resentment. Trade is positive-sum: all parties benefit. Government is at best zero-sum: one person's gain is another person's loss. Governments can't give anyone anything without first taking it from someone else.

True, a consumer boycott would be a voluntary, non-state affair. But aside from the reasons already stated, there's another reason to be wary of the boycott. As we can see, many people fail to distinguish between private and state action. A boycott could easily turn into a movement for trade restrictions. Special interests would have little trouble finding politicians to exploit the anti-French sentiment.

Boycotters: Let it go.

* * *

Nothing has been more demonized than the sports utility vehicle. It's even been associated with terrorism. But Sam Kazman says you can drive one with a clear conscience.

Some chemicals are good, and some are bad. Yet the attitude of many environmentalists betrays a wish to do something more than simply protect people from the dangerous ones. Doug Bandow reports.

The federal standards-writers are at it

again. The toilet and television weren't enough. So get ready, Michael Heberling says, for government-approved heaters and air conditioners.

We were saddened to learn of the loss in April of a prolific scholar long associated with FEE, Clarence Carson. Paul Cleveland provides a tribute to the man and his career. It is followed by excerpts from three of Carson's many articles for this publication.

One school of thought says that only the government can intelligently turn industrial byproducts into usable resources. Pierre Desrochers notes that where this has been tried the results have been unimpressive.

Which is more likely to protect property rights better: the common law or a formal legal code? Norman Barry was surprised by the answer.

Advocates of the euro make extravagant claims about the new European currency. Karl Sigfrid puts those claims to the test.

Smoking bans are spreading like wildfire, and proponents insist they are good for local economies. Arthur Foulkes shows how bad economics can lead to that conclusion.

Here's what our columnists have been working on: Lawrence Reed observes the centennial of the Wright Brothers' first flight. Thomas Szasz finds that enforcement of the drug laws is rigged against "unimportant" people. Robert Higgs praises the last classical-liberal U.S. president. Walter Williams finds environmental activists different from the rest of us. And George Leef, perusing alleged refutations of free-trade doctrine, replies, "It Just Ain't So!"

In the book department, our reviewers have been looking over volumes on diversity, the modern world, the greatness of America, and small change.

—SHELDON RICHMAN

Free Trade Has Been Refuted?

It Just Ain't So!

Perhaps the most settled of all economic propositions is that coercive interference with peaceful exchange is detrimental. Yet we often hear groups that want to stifle trade for their own benefit claim that some statistic or argument proves that free trade is a bad policy in general and that protectionism is good for the country.

A case in point is an organization called Crafted With Pride (www.craftedwithpride.org) and its magazine ad titled "Free Trade's Hidden Price." Crafted With Pride has opposed free international trade in textiles and apparel since 1984. It recently expanded its scope to all manufacturing.

The ad's first sentence throws down the gauntlet: "The debate as to whether 'free trade' or 'protectionism' most benefits the people of the United States is resolved." Well, yes—that debate was resolved about two centuries ago, in favor of freedom. The Crafted With Pride people, however, want readers to believe that the question has just been settled in favor of protectionism. Have centuries of economic analysis on the effects of trade interference been swept away? Hardly.

"During the nearly two centuries that the United States defended its industries against predatory foreign trade practices and its workers against penny-wage foreign labor competition, the American economy grew vigorously, workers' income rose steadily, and the US produced virtually everything needed for our national defense." Thus begins the case that protectionism is good. We used to practice it, and the economy grew wonderfully while we did. Therefore it's a good policy.

It's true that the United States had relatively high tariffs on many items of commerce during the nineteenth century. It's also true that the economy grew rapidly throughout most of that century. It does not, however, follow that the economic growth was *caused by* the high tariffs. Drawing that conclusion is to commit the logical fallacy known as *post hoc ergo propter hoc* ("after that, therefore because of that").

The great success of the American economy in the nineteenth century is attributable to several factors. Except for the tariffs, taxes were very low. Furthermore, government kept its hands off business and commerce, in contrast with Europe where governments propped up numerous monopolies and guilds that interfered with market processes. The *laissez-faire* conditions in America lured great amounts of European capital and labor. Investors provided the financing for factories and railroads, while millions of people immigrated to America for the far greater opportunities for self-improvement to be found here.

Moreover, the tariffs didn't stop foreign trade. They merely made goods manufactured abroad more costly to Americans. As high as they were, the early tariffs weren't primarily intended as protective, competition-killing measures, but merely as revenue producers. They were by far the largest source of federal revenue during that era, which means trade was robust. (There were some exceptions from 1824 to 1833.)

Thus the economy grew not because of high tariffs, but *in spite of them*.

The ad goes on to state that the supposed "good old days" of protective tariffs have been replaced with the horror of free trade. Consequently, we have been witnessing "the liquidation of the American economy." That statement is preposterous hyperbole. A few hopelessly uncompetitive firms have gone out of business, such as old-line steel mills around Pittsburgh, but in our current regime of relatively free trade, the U.S. economy has