

If You Have No Good Intellectual Arguments, Accuse Your Opponents of Being Shills

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The stupidest, lamest, and couldn't-be-more-mistaken charge often leveled at those who find great merits in free markets (such as me and my colleagues at GMU Economics and the Mercatus Center, and my dear friends at institutions such as the Cato Institute and the Hoover Institution) is that we're "bought off by" or are "paid shills for" rich business people.

Such a charge or belief reflects an utter misunderstanding of economics and of how economies operate. Currently successful business people have a material interest in *stifling* at least some market competition and in themselves receiving handouts and special privileges from the state; these business people have no material interest in universally competitive markets or in efforts to keep the state so small and limited that it gives to no one any handouts or special privileges. And yet despite the fact that my colleagues and I are forever pointing out how fine-sounding policies – such as minimum-wage legislation and tariffs – actually harm mostly the poor and unjustly benefit mostly the rich by suppressing competition and channeling to the rich other people's funds, we are lazily supposed by feeble-minded (if often highly schooled) people as being shills for the rich.

Such a charge or belief reflects also an utter misunderstanding of politics and the state. The feeble-minded or intellectually lazy people who suppose that giving greater power to the state is the best means of 'saving' the poor and weak from the predations of 'the rich' and powerful are, well, feeble-minded or intellectually lazy.

The sad irony is that most people who mistakenly believe it to be an instance of cronyism to use economic science to show the benefits of markets and the dangers of state power are themselves the greatest, if most unwitting, supporters of cronyism. Through their economically uninformed support for minimum-wage legislation they buoy the interests of capital-intensive firms and high-skilled workers at the expense of labor-intensive firms and low-skilled workers. Through their economically uninformed support for tariffs they inadvertently champion the interests of politically connected corporations at the expense of consumers, of workers in other industries,

and of poor people abroad. Through their support for the state they give aid and comfort to the only institution that can successfully and continually transfer wealth from the poor to the rich.

Here's an essay that I wrote eight years ago entitled "If I were a shill for industry."