



Worried About Trade, Overpopulation, Walmart, And Terrorism? You Shouldn't Be.

Art Carden | 7.26.12

This is another installment in an occasional series about unjustified worries.

Tonight, my appearance on the Fox [Business](#) program [Stossel](#) airs. During the taping, I discussed the economics of international trade, Walmart, population growth and the prospect of resource exhaustion, and (briefly) terrorism. I want to use this space to channel my inner LeVar Burton: don't take my word for it. Here's a brief discussion of some of my sources for people interested in further reading.

Recently, I borrowed David Friedman's argument and explained [how we grew the uniforms in Iowa](#) soybean fields instead of stitching them in American factories. Here is Steven Landsburg's discussion of "[The Iowa Car Crop](#)." He also discusses this in his wonderful book [The Armchair Economist](#). David Friedman goes into greater detail on the economics of trade in [Hidden Order: The Economics of Everyday Life](#). Finally, Paul Krugman explains "[Ricardo's Difficult Idea](#)."

If you have one, look at the back of your iPhone or another iProduct. It might say "Designed by [Apple](#) in California, Manufactured in China." This illustrates how trade makes us better off. Americans have what economists call a comparative advantage in things like design. Other countries (China, for example) might have a comparative advantage in product assembly. This only captures a very small part of a much bigger (and much more beautiful) story about global cooperation. Leonard Read's [I, Pencil](#) explains how no one person knows how to make something as simple as a pencil, and yet the global division of labor allows us to produce enormous quantities of them every year. In a handful of short videos for

the [IHS LearnLiberty.org](#) project, [I explain how trade creates wealth and conserves resources](#). Perhaps you are worried about international trade exploiting poor people. LearnLiberty has assembled some [brief instructional videos](#) by the philosopher Matt Zwolinski and the economist Benjamin Powell explaining the causes and consequences of “sweatshops.”

En route to the taping, I spent some time with my marked-up copy of Matt Ridley’s [The Rational Optimist](#). Ridley discusses his ideas in [this TED Talk](#) and in [his Julian Simon Memorial Lecture at the Competitive Enterprise Institute](#). Ridley writes (obviously) in the tradition of Julian Simon; Simon’s [The Ultimate Resource 2](#) is a fantastic, fascinating, and evidence-based discussion of how to think about the economics of natural resources. I discuss some of these themes in my 2009 Mises University lecture on “[Environmental and Resource Economics](#).” I also learned a lot from [Abundance by Steven Kotler and Peter Diamandis](#) (indeed, we chatted briefly about this book during one of the breaks). Here’s Diamandis talking at [TED](#) about [advances in space exploration](#) and how “[Abundance is our future](#).” [In this LearnLiberty video](#), Steven Horwitz explains the economics of natural resources.

We also discuss Walmart. Briefly, there is no special reason to dislike Walmart. We heard many of the same arguments about other firms and phenomena, especially during the “anti-chain movement” of the early twentieth century. I’ve co-authored a handful of papers on Big Box retail. You can find them [here](#). I wrote [an op-ed for the Washington Examiner last year](#) on arguments against Walmart, and I recently updated [my forthcoming book chapter on mass-market merchandisers](#) that will appear in an edited volume on American economic history. There is no reason to subsidize Walmart, but there is no reason to fight them, either.

Finally, we discussed terrorism. [In this article](#), I discussed arguments by John Mueller and Mark Stewart, who estimate that for Homeland [Security](#) spending to pass a cost/benefit test, it would have to stop about 1,667 attacks on the scale of the Times Square bombing attempt in [New York](#) every single year (here is [one of their three articles for Slate](#)). The resources we are consuming on homeland security charades have alternative uses, and it is by no means clear that such uses as [Anne Applebaum discusses](#) here have the highest value.

To put things in perspective, the risk of dying at the hands of terrorists is trivial relative to the risks we face every single day. As my friend Steven Horwitz has put it, the most dangerous part of air travel is the drive to and from the airport (he discusses the argument [here](#)).

The sheer absurdity of government homeland security efforts was reinforced while I was going through the security checkpoint at [New York](#)'s LaGuardia Airport Tuesday night. I saw a TSA sign reading "SNOW GLOBES: PLEASE BE ADVISED SNOW GLOBES ARE NOT ALLOWED THROUGH THE SECURITY CHECKPOINT." Just below a "no snow globes" picture was the TSA's apparent slogan: "Your safety is our priority." If I may, I think the first statement is evidence that the TSA's slogan isn't true. If it were, they would be worrying about higher-probability risks than contraband snow globes.

These are just a few examples of how you can either worry about things that aren't worth worrying about or even how [you can be too careful](#) (borrowing from [Lenore Skenazy](#), I apply some of this reasoning to parenting decisions). My co-panelist [James Altucher](#) discussed a handful of ways in which people make mistakes at the personal level. I disagree with him on at least one point, but I won't give that away until the show has actually aired (we didn't get to discuss it, unfortunately).

Some of the links above are to my Amazon Associates Account. Any money I make from Amazon Associates will go to charity. When I lived in [Memphis](#), it was my church's "Engage Memphis" fund. I haven't picked a new one since we moved to [Birmingham](#), but I assure you that the proceeds will go for a good cause. I was compensated for appearing in [LearnLiberty.org](#) videos.