

The Washington Times

The 2007 Bad News Quiz

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Published January 2, 2008

How many Americans died from "bird flu" in 2007?

Answer: No one. A year and a half ago, the global news media was awash with stories about how a major epidemic of bird flu was almost a certainty. A number of stories darkly referred to the great flu epidemic of 1918 when some 50 million people died. Some congressional Democrats were attacking President Bush and the pharmaceutical companies because not enough Tamiflu — the drug seen as the best available treatment for the avian flu — was being produced. Now many of the production lines are idle and the companies cannot find enough government and other buyers for the vaccine.

Since the threat of bird flu was first identified several years ago, fewer than 300 people in the entire world are known to have died from it. (By way of comparison, about 150 Americans die each day from automobile accidents.)

Bird flu remains a potential danger, but because the threat was overhyped by some scientists, government officials, and media folks, a new real threat may end up being discounted.

How much did the federal budget deficit rise in 2007?

Answer: It did not rise, it got much smaller. The deficit has been declining rapidly for the last three years and is now only about 1 percent of gross domestic product, which is far lower than the average deficit for the last half-century.

Left-wing ideologues, such as Paul Krugman of the New York Times, have been predicting for years that the Bush tax cuts would lead to ever-growing deficits. Wrong again.

It is ironic that the Democrat Congress, through its own incompetence, may hand President Bush a nearly balanced budget this fiscal year. This could occur because the Democrats did not pass their budget before the beginning of the new fiscal year

on Oct. 1, and hence has to resort to "continuing resolutions" for the first quarter of the fiscal year, which froze spending at the previous year's levels. Because they were anxious to go home for Christmas (or skiing), they capitulated to a number of the president's demands to reduce spending a bit from their wish list. The result of all of this is that federal spending may be somewhat lower than was predicted a few months ago, and federal tax revenues may continue to come in at higher than predicted levels.

When did the recession of 2007 begin?

Answer: It never started. CNN and other news media are quoting polls showing many Americans think the economy has been in a recession. But the economy has grown in every quarter of 2007, and employment is at a record high, despite the subprime mortgage problem and the rise in oil prices.

Economic growth in 2007 will be more than 2 percent — not great, but not a disaster or a recession. The reason so many think the U.S. is in a recession is the unbalanced reporting about the economy from many in the left-leaning media who overly report the comments of Bush-hating politicians and the bad, but not the good, numbers.

How did foreign investment endanger the U.S. economy and security in 2007?

Answer: It only helped. The United States is benefiting from a continuing high flow of foreign investment capital, which despite the cries of economic know-nothings is good, rather than bad, and is one of the major reasons the economy did not go into recession in 2007. Foreign investment funds jobs for American workers, brings new technologies, finances more than 13 percent of U.S. research and development, and fuels U.S. exports.

Some in Congress and elsewhere dislike foreign investment in general or have unduly worried about the national security risk of it, particularly from China. However, there is a process (i.e. CFIUS) to ensure there are appropriate national security "firewalls" with

any foreign investment. Fortunately, most desirable foreign investments were not stopped in 2007.

Artificially curtailing foreign investment, as some advocate, would lead to a greater chance of a recession in 2008.

How much warmer did the Earth get in 2007?

Answer: It did not get any warmer. In fact, actual measurements show there has been no statistically significant increase in global temperatures since 2001, contrary to what the models used by the global-warming alarmists have been predicting (you might have noticed the weather models have predicted many more tropical storms and hurricanes in the Atlantic and Caribbean for the last two years than actually occurred).

Predicting disaster and bad news sells newspapers, boosts TV ratings, enables politicians to find excuses to tax more and reduce our liberties, and creates new lobbies from those who benefit from the government grants.

Most of us have learned to question the predictions of sports figures or those trying to sell us something because they have a vested interest in the outcome. We need to treat the predictions of various disasters with the same caution and skepticism.

We would all like our politicians, reporters, lawyers, and scientists to be totally pure in their motives — but, being human, many are not.

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