

# Cato's Letter

A QUARTERLY MESSAGE ON LIBERTY

## Give Me A Break!

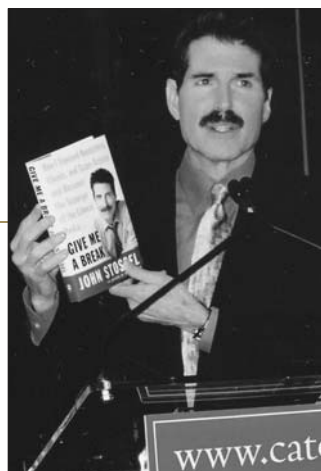
**John Stossel**

**Y**ou've probably seen these books written by people on the left who claim that there is no liberal media. "Look at John Stossel," they say, "that conservative who gets lots of airtime at ABC." Where I live—the Upper West Side of Manhattan—people say "conservative" the way they say "child molester." It's the worst thing to be called.

I find the "conservative" label puzzling, because I don't think I fit the conservative mold. I think consenting adults ought to be able to do anything that doesn't hurt other people. I don't understand why we have a drug war. I think homosexuality is perfectly natural. I think you ought to be allowed to burn a flag if that's what you think you need to do to make a point. Anything that's peaceful.

Is that conservative? Real conservatives would be insulted. But that's what they call me. They call me conservative because I believe in capitalism and free markets. But what's conservative about free markets? They

*This is an excerpt from remarks made by John Stossel at a Cato City Seminar in New York City on January 23. Stossel is the co-anchor of ABC's 20/20 and author of Give Me a Break: How I Exposed Hucksters, Cheats, and Scam Artists and Became the Scourge of the Liberal Media.*



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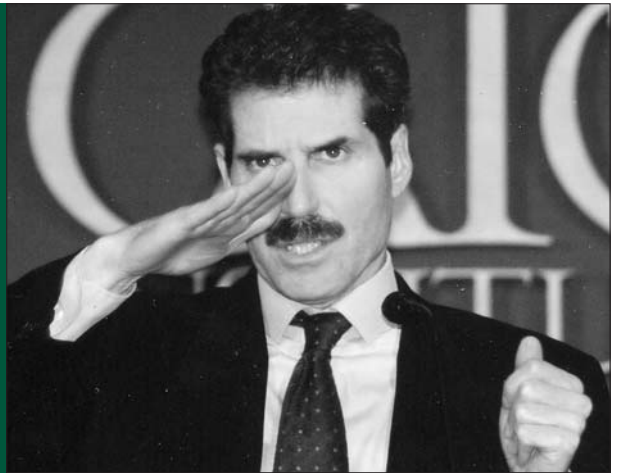
are chaotic. You never know what's going to happen next. Yet capitalism is hated in the Upper West Side, and in newsrooms where I have worked.

So what is it about capitalism that brings out all this hatred? There are certainly ugly parts to it, but fundamentally it's just commerce. We all benefit from that. It is odd that people hate their employers, who pay them, but they love the government, which takes a

offending people. When I was criticizing business, I won lots of awards. One year I got so many Emmys that another acceptee thanked me in his speech, saying, "I want to thank John Stossel for not having an entry in this category."

I don't win Emmys anymore. It just stopped. And the reason is that I wised up. I realized that the real bad guys were not business. Yes, there are scams like Enron. In a \$10 trillion economy, you

**“People hate their employers, who pay them, but they love the government, which takes a third of their pay and then wastes it.”**



third of their pay and then wastes it. But they do.

### **“THE DARK SIDE”**

I saw the effect on my colleagues when I embraced freedom and free markets. A *St. Louis Post-Dispatch* columnist actually asked me, “When did you go over to the dark side?” I guess she didn't like my answers because she never ran the article. But there *was* a big change in my career. I started as a consumer reporter, criticizing business. And I got wonderful press. *Newsday* said, “Stossel's investigations of the unjust are models.” The *Daily News* quoted a CBS official who proudly said, “No one has offended more people than John Stossel.” They liked it that I was

are going to have some Enrons. But it was the markets, not the government, that figured Enron out, and Enron's management is not laughing all the way to the bank. Compare that to government scams. When the government messes up, they go to Congress and say: “Sorry, it didn't work. We need more money.” And Congress gives it to them.

### **STRANGLER BY RED TAPE**

So I wised up, with the help of people like Cato, and realized that the regulatory state is an utter failure. There are infinite examples of the folly of regulation in New York City. If you have to go to the bathroom, where do you go? Many private stores will let you use their bathrooms.

But the city said, “We are going to bring in public toilets like they have in Europe.” And this French company, JC Decaux, said, “great, we have these booths. It won’t cost taxpayers a penny. We’ll pay for it with advertising and by charging a quarter.” They brought in three test toilets. People loved them. They were beautiful. They self-cleaned. You closed the door and water sprayed out and cleaned the whole thing miraculously.

But then 13 New York regulatory agencies had to approve the plan. First, they said: “Wait a second, some of these discriminate against women because they only have urinals. They all have to have stall toilets.” Then there was the Americans with Disabilities Act. “You’ve got to make these big enough for wheelchairs.” And of course, if they were big enough for wheelchairs, they would have quickly come to be used by drug dealers and prostitutes.

So they couldn’t make it work. They ripped them out. We taped them pulling up the pipes. “This was a huge success,” said the deputy mayor. “We are going to bring these back as soon as we work out the details.” Well, it is 10 years later. There was just an article in the paper saying they’re about to bring them back. I’ll believe it when I see it.

Stuyvesant High School downtown, one of the best public high schools in New York, built a hugely expensive, gleaming building with a beautiful new swimming pool. The swimming pool was not used for a year because they had abbreviated the word “foot,” and regulators would not allow them to use the pool until they chipped away the tiles.

The Occupational Safety and Health Administration fined people who did not

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put “do not eat the toner” on their copy machines. The toner is that horrible black stuff deep inside the machines. A while back OSHA announced that they were worried about ergonomic injuries, like carpal tunnel syndrome, and they were going to issue new rules for businesses and apply them to home offices. So I said, “Come into my home and check it out.” I just have a desk with a computer, yet they found 100 things wrong with it. My son, Max, was playing his video games, and they said, “Look, he is going to get cumulative stress disorder; he can’t do that.” They cited so many things that it was truly an embarrassment.

### IS GOVERNMENT ALWAYS RIGHT?

So I started doing that kind of reporting, and suddenly I got strange reactions from my fellow reporters. I was no longer a good guy. I was not objective anymore. There are colleagues at ABC who refuse

to make eye contact when they see me in the hall. Yet I have always reported the same way. I used to say “this business is bad.” Now I say “this government program is bad” or “this lawyer is bad.” Somehow, that is no longer objective.

CNN invited me to be a guest on a panel show. I got there and I discovered the title of it was “Objectivity and Journalism: Does John Stossel Practice Either?” Howard Kurtz, the media writer for the *Washington Post*, wrote an article about me titled, “The Jaded Consumer.” It talked about my leap from “consumer advocate” to “friend of industry.” Why am I no longer a consumer advocate if I scrutinize government? Isn’t government hurting consumers too?

This is clearly the attitude around New York City. More safety regulation, more gun control, higher taxes: who would not want that? Everybody wants that. Anyone who disagrees is not seen just as wrong, but selfish and cruel. But when I try to argue with people about bias, they don’t know what I am talking about. It’s like talking to fish about water. “What water? It’s just what we live in.”

is hugely influential because other media sycophantically copy it. I saw this when I first went to Channel 2 (WCBS TV) and did local reporting. The assignment editor would just cut stuff out of the *Times* and say, “Here, go do that.” So the *Times* may only have 10,000 people reading page A-16, but 30 million people watch the three networks. And a lot of that comes straight out of that morning’s *Times*.

Not long ago the *Times* featured a picture of the North Pole. They said the North Pole was melting, that the thick ice that for ages covered the Arctic has turned to water, something that presumably never before has been seen by humans. It was, they claimed, more evidence that global warming may be real and already affecting climate. Ten days later, the *Times* apologized, saying: “We misstated the normal conditions of sea ice. About 10 percent of the Arctic is clear of ice every summer.”

But the damage was done, because by then the *Washington Post*, *USA Today*, the Associated Press, NPR, the TV networks, Canadian TV, and papers in

## LIBERAL GROUPTHINK

I think the *New York Times* is a big part of it. It’s a liberal paper. There’s nothing wrong with having a liberal paper if people know it’s liberal, but the reporters don’t know. In theory, the *Times* shouldn’t have such a large influence because it has only about a million readers. Only a few thousand people read a particular biased story on, say, page A-16. But it

4

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London had all repeated the story. NBC News talked about a mile-wide stretch of water where ice should be. CNN and CBS and Canadian TV interviewed the same global warming expert that the *Times* had quoted. It wasn't a conspiracy to sell global warming. It's just group think. The fish are swimming in the same water: "The *Times* is the best paper," they think, "so we should do that story."

### ECONOMIC ILLITERACY

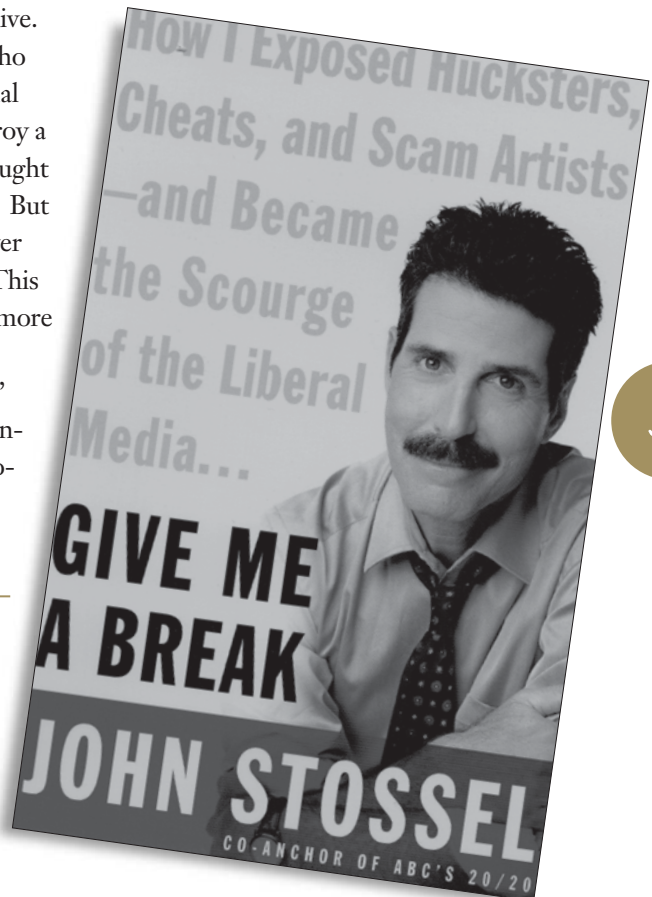
In the elite media even basic economic principles are doubted. One of my worst battles with the ABC legal department was over a piece criticizing rent control. Even the *New York Times* editorial page says rent control is a disaster. And my piece showed Carly Simon, Mia Farrow, and Alistair Cooke living in their huge apartments for a minuscule rent while newcomers cannot afford places to live.

I interviewed Walter Williams who had a nice sound bite: "Short of aerial bombardment, the best way to destroy a city is through rent controls." I thought that would be easy to get on the air. But an economically illiterate ABC lawyer kept blocking it. He kept saying: "This can't be true. We have to interview more economists. This guy is too far out there. We have to soften the piece." He was convinced repealing rent control would be a disaster for poor people. I later learned he lived in a rent-controlled apartment.

### LIES, MYTHS, AND DOWNRIGHT STUPIDITY

I addressed some of these media assumptions recently when ABC gave me an hour to do a show called "Lies, Myths, and Downright Stupidity." One myth was "Republicans shrink government." Since George W. Bush has been in office, spending has grown 25 percent, and it's not just because of terrorism. EPA spending is up 12 percent. Agriculture: 14 percent. Interior: 30 percent. Labor: 64 percent. Department of Education: 70 percent.

Another myth touted by liberals: "The rich don't pay their fair share of their taxes." Maybe we rich people could pay more, but do liberals even know what rich people pay? I thought I would test that. So I invited the Democratic presidential candidates to come talk to me about it. Al Sharpton



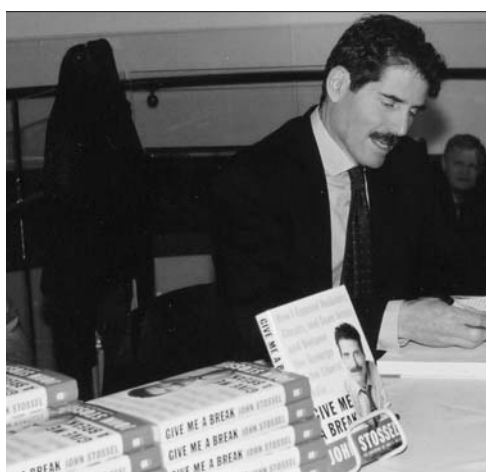


agreed to appear on our program.

He said: “The rich pay less than the poor. They should pay more.” I asked, “The top 1 percent, what should they pay?” He said, “They should pay about 15 percent.”

“Well, what do they pay now?” I asked. He replied: “They don’t pay 10 percent. They don’t even pay 5 percent.” And so I said to him, “The truth is the

We interviewed Cato senior fellow Steve Moore. He wrote a book titled *It’s Getting Better All the Time*, which is true. We’re terrified of all these scares that the media irresponsibly bring us, but the truth is we are living longer than ever. We worry about SARS, but SARS hasn’t killed a single person in the United States. Compare that to the flu epidemic of 1918, which killed 20 million people.



“There’s nothing wrong with having a liberal paper if people know it’s liberal.”

top 1 percent pays 34 percent of the income taxes.” He changed the subject.

Another myth is that gun control controls crime. I said to Sharpton, “What if we had a ‘right to carry law’ that would let every adult pack a hidden pistol?”

“That would be horrible,” he said, “there would be carnage in the streets.” I said, “Did you know that 36 states already have such a law?” I think he had no idea. People in New York have no clue. Thirty-six states allow concealed carry, or “right to carry,” as it is called. The truth is there is no more crime in those states, and the bad guys are a little more nervous about robbing somebody if they think she might be packing a pistol.

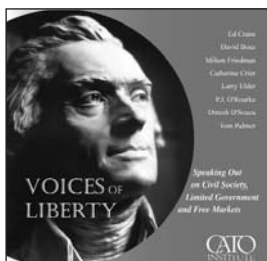
### **LIBERTY MAKES LIFE BETTER**

Our number one myth was that things are getting worse in the United States.

People think that the air and water are getting dirtier. The truth is, every time somebody buys a new car, the air gets cleaner because of better anti-pollution technology. And the water is cleaner, too. To end the show, I jumped in the Hudson River and swam around for a while. You can even eat the fish that you catch there.

My point is that, by every objective standard, life is better. Look around us here. Thanks to my charitable contribution, helped slightly by Dick Gilder and some other people, Central Park is a beautiful place. Capitalism provides the wealth required for things like Central Park. We take it for granted. We should not. Life is better now because of the principles the Cato Institute stands for—market capitalism, limited government. Freedom works, and we should preserve it and fight for it.

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