



Letter to the Editor

February 16, 2010

The following is in response to this [commentary](#), which was posted on January 30:

Dear Editor,

I too was a bit offended by Bill Mitchell's assault upon John Mauldin. The tone would have been all right if the points had been good, and the points might have been all right if they were tempered with a bit of humility about what he was saying. If you are going to be that obnoxious about someone else's views, however, at a minimum you should understand what those views are and characterize them accurately.

I should have known the piece would be almost useless when he called Mauldin an Austrian, which he is not. He may be willing to listen to Austrians, but he listens to Keynesians like Paul McCulley as well.

Mitchell assumes things about Mauldin's views based on his own special interpretation of the topic. Mauldin's longtime readers can easily see that, whether Mauldin or Mitchell is right on an issue, Mitchell is ill-equipped to pass judgment because he obviously has no idea what Mauldin has written in the past. In fact, he attacked Mauldin for views he does not hold using arguments – if not a tone – that Mauldin would likely consider reasonable.

For example, he goes on and on about how Mauldin is scaring us with the prospect of sovereign default. I have read Mauldin's work for many years, and never once have I heard him claim the US was going to default. In fact, the only time I can recall him mentioning the possibility, he said it wouldn't happen. This just seems to be a conclusion of Mitchell's made up out of whole cloth. Mauldin isn't concerned about sovereign risk. He is worried about the eventual monetization of the debt and the possibility of the debt service (both private and public) becoming a drain on our economy. Mauldin may be wrong, but that is what he is actually discussing, not the US defaulting.

Nor is Mauldin a doomsayer, as Mitchell claims. Mauldin may not have a rosy view of the short-term prospects for economic growth, but Mauldin is quite optimistic about the future of the US, and uses the term "muddle through" to describe our intermediate-term future. Mitchell, however, wants an Austrian,



sovereign-default addled, end-of-the-worlder straw man to take on, so he creates one.

Regards,

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