



Letters to the Editor – Krugman, Summers and Morningstar Ratings

November 29, 2011

The following is in response to our article, [Krugman versus Summers – Will the US mirror Japan?](#), which appeared last week:

Dear Editor,

May I suggest that you have someone who is actually on the other side of the ideological debate from these two individuals who would be able to compete with them on a technical and theoretical level? All that is going to come from this debate is Krugman pounding the table for more stimulus and Summers agreeing with him. Why not get a person such as Robert Murphy, a PhD from NYU and noted Austrian Economist (who has already [challenged](#) Krugman to a debate to raise money for charity) to join the fray? I suspect that your readers would get quite a bit from the Murphy's monetary and praxeology theories, as opposed to the inflationist and collectivist ideas of Krugman and Summers.

Best Regards,

Benjamin Burkley

The following is in response to our article, [Morningstar's Attempt to Predict Performance](#), which appeared last week:

Dear Editor,

I appreciated your article on the "new" Morningstar ratings and their alleged goal of predictability. In view of Morningstar's historically proven inability to consistently select and utilize the optimal and correct indexes for measuring fund performance and its demonstrated proclivity towards mislabeling funds as to their asset classes, I don't see why anyone would place any reliance on the output they will provide. Of course many are content to hang their hat on the allegation that Morningstar is an independent third party. That is intellectually and professionally lazy.

Morningstar has epitomized mediocrity for too long and too many investors have suffered at the hands of brokers who only use 5-star funds and reprint Morningstar reports. Since the S.E.C. and FINRA in their benign wisdom (or rather ignorance) allow star-related



advertising and such report republication, it is clear that cluelessness exists throughout our industry and especially within our regulatory framework.

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