

Freedom Vs. Power

By **GLENN E. HOOVER**

TO USE POWER is to restrict the freedom of others. By definition, power means the ability to coerce. In international affairs, reliance on state power has decreased the security of every nation in the world. It has produced only a precarious "balance of terror," a crushing tax burden, and may result in the extermination of our species. Warfare is trial by power, and an old adage tells us that "There are many things worse than war, and war is the cause of all of them."

A rational society would take for public purposes the unearned wealth which results from population growth and the schools, streets, parks and other amenities which the taxpayers provide. These socially created values are, of course, land values. As distinct from all other forms of wealth, land is the product of Nature or of Nature's God. As the surrounding population grows and public improvements multiply, land values grow, and this without any useful service whatever provided by the land owners. For a community to take for public purposes the values which the community has created may not be the end of wisdom but it is certainly the beginning of it.

In domestic affairs, the use of power by individuals or private organizations is intolerable. In recent years the use of private power has been largely restricted to the economic field; where monopolies have been created to extort prices above the level which would obtain in free markets. Monopolies designed to control the prices of commodities, in our country at least, have long been prohibited by law. The enforcement of such laws has not always been vigorous, but the principles on which they were based have never been abandoned, either by the

people or their elected representatives.

The power now most feared is the power to exact a monopoly price for labor. To curb this power is not yet a task for legislators, for the public has not yet made up its mind. Thus far our distrust of union power has resulted only in demands for the punishment of racketeering union leaders who embezzle union funds, disregard the rights of union members, etc. These are peripheral matters which only distract us from fixing our attention on the power itself, however honestly and democratically the unions may be governed.

The rapid increase in the membership and power of trade unions is the most significant economic development in our time. Free peoples have always insisted that governments should have a monopoly of power and that no individuals or private agencies should exercise any compulsion or restraint on their fellows. Why then are we so timid and confused when faced with the greatest concentration of private power in our history?

Our task is to continue in our efforts to create a wider understanding of the principles on which a free and just economy must rest. This is not a spectacular task, and those who would lead a thoughtless multitude down some short road to Utopia will not be at ease in our company. Without hope of recognition or reward we shall do our duty—the rest is in the lap of the Gods.

However, as nothing is ever finally settled until it is settled right, we can be sure that power will ultimately be banned, not only from the marketplace, but from the international arena as well. It is only when no one has power to coerce another that "they shall sit every man under his vine and

under his fig tree; and none shall make them afraid."

Inasmuch as the growth of unions has not lowered the profits of American industry, it follows that when unions force wages above the competitive level, the consumer—not the employer—pays the bill. As that truth spreads, the monopoly pricing of labor will become as offensive as the monopoly pricing of commodities—a practice long condemned by both ethics and the law.

Our wage and salary workers are now divided between the minority that is unionized and the majority that is

not. There seems to be little chance that the percentage of unionized workers will increase, and in some industries such as auto manufacturing and coal mining, union membership may continue to decline. As the percentage of unionized workers declines they cannot expect any program to succeed if its benefits would be limited to their own numbers. It is unfortunate that they ever committed themselves to the use of power for their selfish purposes instead of supporting reforms which would assure to all workers their just share of the increased output of a free economy.

(The foregoing is a shortened version of the address by Professor Hoover at the dedication of the Newark, New Jersey Henry George School on July 12th, following the annual conference of the Henry George School at Brunswick, New Jersey).