Lifemanship and Thomson's Laws

by PROCTER THOMSON

LET me introduce our first law with two examples. (The immodest title of this address is a device to attract attention.) Suppose that a competitive industry paid Negroes less than whites for exactly the same type of work. What remedy does the market afford for this admittedly unfortunate state of affairs? Selfish and greedy employers, interested in nothing but profits, would hire the cheaper workers and the entire industry would continue to hire Negroes until it bids their wages up to those of whites. This is the solution which self interest offers to the race question.

For another example—almost everyone who looks into the question has commented on the high profitability,of slum properties. Apparently there is gold to be had from these rubbish heaps, and the reason is something of a mystery. For, granted, slum land is underassessed; slum properties are deliberately allowed to fall apart; and most slum buildings make a mockery of the building code. Now all these advantages are obvious to everyone—and especially obvious to people with money to invest. Furthermore, people with money to invest prefer high returns to low returns and, the casual observer would conjecture, they should continue to convert regular property into substandard housing until the rate of return on rat holes equals that on palaces, making the former more abundant and the latter scarcer and lowering the rents on slums in the process.

Nothing of the sort occurs, however. Why? Because people of normal sensibilities who consider slums odious will not own them unless they earn a large enough premium to compensate for the pangs of their conscience and the contempt of their neighbors. The premium will be smaller, though, the larger the number of investors who enjoy immunity from the claims of morality. I conclude, therefore, that slum rents and returns on slum investments are high because SCOUNDRELS ARE SCARCE.

These examples suggest the principle which I have christened Thomson's first law: Greed is good.

What do I mean by such an outrageous principle? I mean in general that rationality joined with self interest makes up eighty to ninety per cent of morality—with generosity and magnanimity rounding out the remainder—and in particular that the desire to make money in the marketplace leads, on the average, to just and virtuous results.

Leaving the precincts of greed we move on to more pleasant topics. A century ago the United States had a national income of about $10-12 billion and per capita receipts of less than a dollar a day (in 1960 prices), approximately the same as the present per capita income of Chile. In the next century if gross national product rises at its present rate of 3 per cent and average family income at 2 per cent, from its present level of $7,000, our national dividend becomes $12 trillion and our average income $50,000 per family. About 2½ centuries will be required, however, for average family income to reach $1 million, at which time Southern California will have so many people we can walk to Catalina Island on the yachts that are moored offshore.

A century hence with average family income at $50,000 the poverty level becomes $10-$15,000 while in 2½ centuries an average income of $1 million implies a poverty level of say $200-$250,000, so that the underprivileged family of the year 2215 is the household with only one private rocket ship and one summer cottage on Mars.

Does it seem fanciful to put the poverty level in the distant future at a quarter of a million dollars? Think again. Poverty is a relative matter, or to put it in terms of Thomson's second law: The larger the island of attainment, the longer the coastline of desire.

The wants of man grow without limit, not for any one thing but for things in general. This reminds me of another of my laws: Error is infinite, but truth is finite.

Translation: all explanation consists in replacing one mystery by a deeper mystery; if a bright and persistent child begins with the question, "Daddy, why do the lights go on when you push the button?" And continues to ask why, about six times in a row, he will eventually discover that the electrons carrying the current are fundamental particles of matter. One more why and he has pushed his finger through the fabric which separates the known from the unknown.

Now I move to another of my laws: We live by words and die for slogans. Yet who can define truth or beauty or humor? What does this law mean? I begin with the science fiction story that Harry Pollard has been retailing at the conference about the way jokes begin. Scientists had at last constructed the Great Computer and were asking it important questions, such as what is the nature of matter? While the rest of the crew was on a coffee break a young laboratory technician asked the machine a question that had always intrigued him—where do jokes come from? He had noted that no one ever claimed to have invented a joke; they always came from someone else; and all these gems of humor were variations on a few simple themes.

The answer was shocking and surprising. Jokes were invented by aliens from another planet as part of a controlled experiment in communications and were sent among men to see what we would do with them. But the secret of their origin becoming known as a result of the computer's answer, all humor promptly disappeared, because the game was over.

This story is actually a parable about God and truth.

"The riddle God proposes, man resolves
 And by resolving changes; God is bound,
 And only man is free to free his God."*

The Poser of Puzzles sets us here to solve the problem of the universe. The meaning of life is to discover the meaning of life. When we have completed our work, when we have found out the last secret, the game is finished. When man discovers Truth, the world comes to an end.

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JAMES F. LINCOLN, famed industrialist of Cleveland, died on June 23rd, if such a distinguished leader can ever be said to die. He was a brother of John C. Lincoln, the second president of the Henry George School, following Anna George de Mille. It was John, the inventor, who started the Lincoln Electric Company in Cleveland, and James, the younger, who took over in 1907 and built it into a workers' paradise and a striking example of the industrial best. Workers were regarded as members of a team who shared in the profits and were rewarded in proportion to their industry. By Christmas 1954, the company had distributed its 21st annual incentive pay bonus with 1,161 employees, probably the highest paid industrial workers in the world, receiving a total of $4,458,629.

James F. Lincoln believed the goal should be to make better products to be sold at lower prices, with profit a by-product, not the goal. "We can outdistance any dictatorship if we will but capitalize the advantages our freedom gives us," he said, "that is the challenge to our industrial leadership."