To Market, To Market . . .

by SYDNEY MAYERS

DEVOTEES of Henry George's economic philosophy, which proposes unfettered exchange among those who produce goods and render services, are prone to assert that there exists no such thing as a free market. There is ample justification for such a statement. In a country (and a world) where taxes on production, privately collected rent, tariffs, monopolies and repressive laws prevail, the barriers to free economic exchange are painfully evident. In this sense, a truly free market is clearly lacking.

Yet, from another viewpoint, one can readily observe numerous examples of a free market, notwithstanding that its sphere may be isolated and its scope limited. For instance, that popular mart described as "black," "grey" or "under-the-table" consistently appears whenever willing buyers and eager sellers are faced with overly severe deterrents to trade. In the economic connotation of the word, this type of market is certainly "free," however difficult or illegal it may be.

The fact that even fear of governmental reprisal fails to restrain supply from satisfying demand is a noteworthy demonstration of the powerful urge to trade which is inherent in man. This urge, of course, derives from what George calls the basic principle of human action: that man seeks to satisfy his desires with the least exertion. Man will trade, no matter what; and he will find a way to do so, despite obstacles and consequences.

Another area in which a free market of a sort is to be found is that where a choice may be made. If she deems the charge for beef excessive, the astute housewife purchases lower-priced meats — and soon down comes the cost of the bovine variety. A manufacturer who finds steel too expensive for use in his product promptly turns to another suitable metal — and ere long the price of steel falls. The buyer's selection of acceptable products or services strongly influences their exchange value, and, insofar as such choice can be exercised, it tends to maintain market equilibrium. The free expression of the trader's desire to buy or sell, to the extent that it is effective, establishes market levels.

As long as there is some active competition among suppliers to meet economic demands, a (relatively) free market will obtain. Even in the USSR this phenomenon has brought about a tremendous change in retailing policies. There, intriguingly, buyers made their strength felt not by choosing certain goods and refusing others (there was no opportunity for such a choice), but by boycotting everything offered, and buying nothing at all! Quickly the Soviet authorities improved the quality and appeal of its wares, in order to entice the comrades' rubles into the state's cash registers.

Admittedly, under the restriction-ridden economic system the world knows today, at best only a *quasi* free market can be enjoyed. But, even so, wherever it can profitably operate, there will always be some kind of free market, where the higgling of buyers and sellers results in mutually beneficial trade.

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When Lancaster M. Greene, a New York investment counselor, and vice president of the Henry George School, was interviewed on WOR's Faye Henle program recently, his remarks about the school brought many inquiries.