

“Caring vs. Uncaring”

by Walter Williams

5/10/06

George Orwell admonished, "Sometimes the first duty of intelligent men is the restatement of the obvious." That's what I want to do -- talk about the obvious, starting with the question: What human motivation leads to the most wonderful things getting done?

How about the charity and selflessness we've seen from people like Mother Teresa? What about the ceaseless and laudable work of organizations like the Red Cross, Habitat for Humanity and Salvation Army? What about the charitable donations of rich Americans, to use the silly phrase, who've given something back?

While the actions of these people and their organizations are laudable, results motivated by charity and selflessness pale in comparison to other motives behind getting good things done. Let's look at it.

In December 1999, Stephen Moore and Julian L. Simon wrote an article titled "The Greatest Century That Ever Was," published by the Washington, D.C.-based Cato Institute. In it they report: Over the course of the 20th century, life expectancy increased by 30 years; annual deaths from major killer diseases such as tuberculosis, polio, typhoid, whooping cough and pneumonia fell from 700 to fewer than 50 per 100,000 of the population; agricultural workers fell from 41 to 2.5 percent of the workforce; household auto ownership rose from one to 91 percent; household electrification rose from 8 to 99 percent; controlling for inflation, household assets rose from \$6 trillion to \$41 trillion between 1945 and 1998. These are but a few of the wonderful things that have occurred during the 20th century.

Returning to my initial question: What human motivation accounts for the accomplishment of these and many other wonderful things? The answer should be obvious. It was not accomplished by people's concern for others but by people's concern for themselves. In other words, it's people seeking more for themselves that has produced a better life for all Americans.

Take a minor example. I think it's wonderful that Idaho potato farmers get up early in the morning

to toil in the fields, which results in Walter Williams in Pennsylvania enjoying potatoes. Does anyone think they make that sacrifice because they care about me? They might hate me, but they make sure that I enjoy potatoes because they care about and want more things for themselves.

What about all those people who've invented and marketed machines that do everything from diagnosing illnesses to controlling air flight? Were they basically motivated by a concern for others, or were they mostly concerned with their own well-being?

One of the wonderful things about free markets is that the path to greater wealth comes not from looting, plundering and enslaving one's fellow man, as it has throughout most of human history, but by serving and pleasing him. Many of the wonderful achievements of the 20th century were the result of the pursuit of profits. Unfortunately, demagoguery has led to profits becoming a dirty word. Nonprofit is seen as more righteous, particularly when people pompously stand before us and declare, "We're a nonprofit organization."

Profit is cast in a poor light because people don't understand the role of profits. Profit is a payment to entrepreneurs just as wages are payments to labor, interest to capital and rent to land. In order to earn profits in free markets, entrepreneurs must identify and satisfy human wants in a way that economizes on society's scarce resources.

Here's a little test. Which entities produce greater consumer satisfaction: for-profit enterprises such as supermarkets, computer makers and clothing stores, or nonprofit entities such as public schools, post offices and motor vehicle departments? I'm guessing you'll answer the former. Their survival depends on pleasing ordinary people, as opposed to the latter, whose survival is not so strictly tied to pleasing people.

Don't get me wrong. I'm not arguing that self-interest and the free market system produce perfect outcomes, but they're the closest we'll come to perfection here on Earth.

Dr. Williams serves on the faculty of George Mason University. Source: www.townhall.com.