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Input Slavery and Output Slavery

THE production of goods comes about due to the processing of basic materials into forms more desirable to users. Basic inputs, such as labor and raw materials, undergo a creative interaction and a new product emerges that is hopefully more valuable than the combined values of the inputs.

Throughout history, the labor input often was obtained by means of enslaving the worker. The pyramids of Egypt were built with slaves, and much of the cotton of the Old South was picked with slaves. Today in the United States, absolute input slavery is abhorred. A vast majority of the citizenry would be opposed to forcing anyone into working against his will for no pay.

However, the majority opinion against slavery begins to shrink

when workers are paid for a task, even if they must work against their wills. During a major coal strike in the recent past, a multitude of voices were raised asking the President to order the strikers back to work.

In the absence of a contract, it is a basic right of an employee to refuse to work, just as it is a basic right of an employer to fire any striking worker and replace him with an individual more willing to do the job. The employee "has a Property in his own Person. This no Body has any Right to but himself," as John Locke said in *Two Treatises of Government*. However, a job is not a physical property belonging to the employee, it is an abstraction which an employer creates (and therefore owns) to fulfill a need of an enterprise.

The presence of a contract changes the situation because a set of mutually binding obligations is

brought into the picture. Each party depends upon the other for the carrying out of an agreed upon performance, and gives security in return. An employer is assured of a labor supply with which he could make production plans, and an employee is guaranteed the job itself. The breaking of a contract by either party, without a "justifying" cause, can be considered a form of theft because it robs one party of the assured security for which something was given in return. Therefore, the enforcement of a voluntary contract against either party should not be considered input slavery.

Ownership Rights

Output slavery involves the confiscation of the products of the production process from its rightful owner. A self-employed person is clearly entitled to the output because he provides the labor, capital, raw materials, creativity, and whatever else is necessary to produce the output.

There is no right to that which another produces. This is where a conflict comes in. Many people who are opposed to input slavery (forced labor) are not opposed to output slavery.

John Locke observed that "The Labour of his Body, and the Work of his Hands, we may say, are properly his. Whatsoever then he removes out of the State that Nature hath

provided, and left it in, he hath mixed his Labour with, and joyned to it something that is his own, and thereby makes it his Property . . . that excludes the common right of other Men." Locke's statement does not justify a Marxian Labor Theory of Value. That labor is the unquestionable property of the worker cannot be denied, but employees implicitly agree to exchange their labor for a compensation other than the property they work upon. By agreeing to exchange their labor for a given compensation, they trade their claims to that part of the final product which their labor helped produce. The value of their labor is subjectively determined by competitive market forces. Beyond their wages, employees have no further claims to the goods produced.

The inputs used in the process other than labor are usually the property of some owner. It is not virgin property the employee works on, but something which has already been claimed. The salary paid an employee was formerly property which the employer had owned and obtained through creative efforts and labor. An employee cannot have claims to such property of others except as covered in the employment contract. In the case of losses, the employee still has a claim, although no value has been added, because he has upheld his part of the contract and is due compensation.

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