of gaining personal profits through cost-cutting or daring innovation, they are bound, at best, to become safe routineers, and to tolerate a torpid inefficiency.

But this is the smallest part of the problem. For a complete socialism would be without the guide of the market, without the guide of money prices or of costs in terms of money. The bureaucratic managers of the socialist economy would not know which items they were producing at a social profit and which at a social loss. Nor would they know how much to try to produce of each item or service, or how to make sure that the production of tens of thousands of different commodities was synchronized or coordinated. They could, of course (as they sometimes have), assign arbitrary prices to raw materials and to the various finished items. But they would still not know how much or whether the bookkeeping profits or losses shown reflected real profits or losses. In short, they would be unable to solve the problem of economic calculation. They would be working in the dark.

The directors of a socialist economy would have to fix wages arbitrarily, and if these did not draw the right number of competent workers into making the various things the directors wanted produced, and in the quantities they wanted them to be produced, they would have to use coercion, forcibly assign workers to particular jobs, and direct the economy from the center, in a military kind of organization. This militarization and regimentation of work is what, in fact, Cuba, Russia, and Red China have resorted to.

Rising Expectations

We come finally to the fifth reason that I offered at the beginning for the chronic hostility to free enterprise. This is the tendency to compare any actual state of affairs, and its inevitable defects, with some hypothetical ideal; to compare whatever is with some imagined paradise that might be. In spite of the prodigious and accelerative advances that a dominantly private enterprise economy has made in the last two centuries, and even in the last two decades, these advances can always be shown to have fallen short of some imaginable state of affairs that might be even better.

It may be true, for example, that money wages in the United States have increased fivefold, and even after all allowance has been made for rising living costs, that real wages have more than doubled in the last generation. But why haven't they tripled? It may be true that the number of the "poor", by the Federal bureaucrats' yardstick, fell from 20 per cent of the population in 1962 (when the estimate was first made) to 13 per cent in 1970. But why should there be any poor people left at all? It may be true that the employees of the corporations already get seven-eighths of the entire sum available for distribution between them and the stockholders. But why don't the workers get the whole of it? And so on and so on.

The very success of the system has encouraged constantly rising expectations and demands—expectations and demands that keep racing ahead