

when there is a reward for the temporary self denial that people must practice in order to channel part of their earnings away from purchases that produce immediate comfort and pleasure, and into new tools of production. Proper payment for the use of tools is essential to their creation.

- X. The productivity of the tools—that is, the efficiency of the human energy applied in connection with their use—is highest in a competitive society in which the economic decisions are made by millions of progress-seeking individuals, rather than in a state-planned society in which those decisions are made by a handful of all-powerful people, regardless of how well-meaning, unselfish, sincere, and intelligent those people may be.

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