

The

Fairhope

Courier

Devoted to the Single Tax and its practical application by the Fairhope Single Tax Corporation.
See Last Page for Condensed Statement Regarding Fairhope Single Tax Colony.

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Mr. Pleydell on Competition and Monopoly

EDITOR COURIER:

I have read with interest Mr. Hoffman's letter in regard to competition. His fear that competition will result eventually in monopoly is, it seems to me, based on a not uncommon misconception of monopoly. Competition may be potential as well as actual; and the essential of a monopoly is that no one does compete but that no one can compete. There are many places in which a single individual is giving such a satisfactory service that no one else cares to enter into competition with him, but his customers are protected from extortion so long as he has no exclusive privilege by which he can prevent another man from trying to give a better or cheaper service. Similarly there are industrial combinations which have no actual competitors and yet produce cheaply in fear of actual competition developing should they overcharge.

Mr. Hoffman says: "Governments have been and are now employed chiefly in handicapping individuals. They are compelled to do this to somewhat equalize the results of free competition." The first of these sentences is true; the latter is inexact. Governments pass various laws that stifle competition; patent laws, franchise grants, tariffs, and idiotic tax laws. The people who can best profit under such laws at the expense of their fellows become rich, and then the cry arises, not for the repeal of the laws that confer privileges, but for more laws by which some of the accumulated wealth shall be taken from its owners, or their profits reduced. It is not only, as Tolstoi said, that the rich would do anything for the poor except get off their backs, but also that the last thing for which the poor ask is that the institutions which enable some to climb and stay on the backs of others shall be abolished.

New York,

A. C. Pleydell.