

Free enterprise tough balancing act

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Some of the best things about capitalism and the free enterprise system is that it provides rewards for inventiveness, creativity, entrepreneurship, hard work, and productivity. Capitalism is based on the premise that those who invest their money and energy in projects that improve our economy deserve to profit from their efforts. Capitalists recognize there are risks that business ventures take, and investments may sometimes fail. When they succeed, often life is made better for other sectors of the economy.

Unfortunately, there is a downside to a completely free enterprise capitalist system. As a child, I remember playing a board game called Monopoly. In this game, each player starts with the same amount of “play money”. Players “invest” money when an opportunity is offered to buy more property, or they may choose not to risk purchasing a particular property. Eventually, one player becomes successful in gaining control of most of the property while other players struggle to survive financially. In the end, only one player controls all the property and all other players become bankrupt. At this point, the game of Monopoly ends, and even the winner has no more to gain, and no one left with whom to play the game.

Of course, Monopoly is just a board game, but it reflects the manner in which totally free enterprises work. Let’s suppose that a socialistic-minded parent is watching his children play Monopoly. The parent observes that most of the children playing become more unhappy and discouraged while those in the game who have hope of being the one final winner remain optimistic. The parent decides to put the game on pause while he redistributes the money equally as it was at the beginning of the game. The children who have made poor choices in spending their play money are happy about this new

turn of events. But those who made better choices will feel that equal redistribution has been unfair.

In real life, under the free enterprise system, those adults who make the best choices with their money may also think that intervening socialistic policies are unfair. This occurs when they are expected to redistribute their wealth to poorer people who have made poor choices.

On the other hand, in real life, the free enterprise competitive policies of capitalism can also seem unfair to those who end up poor and disadvantaged. For example, successful capitalists may profit most when they use up, or pollute, natural resources that belong to all Canadians. When capitalists pay the lowest wages to their workers they may make the greatest profits. So when one company, through competitiveness, is able to cause similar companies to go bankrupt, the “winner” will be free to charge exorbitant prices once they have eliminated their competition.

It is in these situations that democratic governments in capitalist systems ought to become involved for the benefit of all citizens. Good governments that take an interest in acting fairly or ethically will oversee the progress of the economy. A totally free enterprise system where the rich get richer and the poor get poorer is not a good ethical system. Through laws and tax policies, governments can intervene so that huge conglomerates will not easily put their competitor into bankruptcy. Good ethical governments can provide opportunities for the poorest among us to have good health care, good education, and proper housing. Ethical governments help those who are jobless to find jobs. When unemployment is high, over the long haul, this is bad for our economy. If jobs are not available, ethical governments should help jobless citizens retrain where jobs are needed.

I am not advocating an entirely socialistic system, but rather a balanced system between free enterprise and socialist safety nets. This is a tall task requiring politicians who will work full-time continuously. It is a task that will not be achieved when politicians

choose to hold parliament for only short periods of the year. It is a task that is not likely to be accomplished when, regardless of the political party, parliament is prorogued for months at a time. I understand that being a good politician also means hard work outside parliament. Being an ethical politician is a full time task in a capitalistic system.