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## THE TEMPLETON LETTER

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### THE IDEALISM OF FREE COMPETITION

The world today is locked in a struggle which will determine the course of humanity for centuries to come. This is the struggle of dictatorship versus personal freedom. As Marten Ten Hoor has said, "We are living in a world and in a time when powerful leaders with millions of fanatical followers are committed to the forcible regimentation of their fellow men, according to formulas which have no initial authority but that of their own private dogmatism. They not only refuse to recognize the right of private thought and personal conscience to be considered in the management of public affairs, but they have abolished the concept of the individual as a private personality and have reduced him to the level of the bee in the hive. To restore the individual to his former dignity as a human being is the urgent need of the day."

A man becomes a slave, if his government denies him the right to worship, think, speak, vote, travel and work as he chooses. Freedom for each individual man is the great source of progress, both materially and spiritually. Possibly the purpose of life on earth is to help human minds and souls, by discovery and challenge, toward spiritual growth and understanding of the natural universe.

During the 6,000 years from the Kings of Babylon and the Pharaohs of Egypt until Columbus discovered America, mankind lived almost always under some form of dictatorship. There were glimpses of freedom in the city states of Greece and the oligarchy of Roman citizens, but these were soon buried under forms of monarchy which governed the world during the Dark Ages until the time of the Renaissance.

Socialists and Communists speak of government ownership of the means of production as the trend of the future; but history reveals that such government ownership is really a return to the Dark Ages. Under the feudal system the government, represented by the local princes and lords of the manor, owned the land and the means of production and governed their serfs in much the same

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manner now practiced by the Communists in China and Russia.

Under these early forms of dictatorship resembling Communism, the standard of living of the common man improved very slowly. The serfs in the 14th century A.D. enjoyed few more advantages either in material possessions or in opportunities for mental and spiritual development than the serfs 6,000 years before under the Pharaohs. Progress really began only when free speech and free commerce opened the doors to the sunlight known as the Renaissance.

The wealth of a nation can increase by only one means - greater production. Wage increases add nothing to production. Production per capita is increased by new labor-saving inventions and by ever greater investment in machinery. This is the way by which Gross National Product of the U.S.A. increased in only one century from less than \$5 billion in 1860 to more than \$500 billion in 1960. The standard of living for each family improved more than sevenfold. Even unskilled workers today enjoy food, health, clothing, entertainment and knowledge undreamed of by most princes in the Dark Ages.

No progress so miraculous ever occurred in any other century or nation. The increased production of this one nation in one century exceeds the total production of goods in all the nations of the world from the days of Babylon to the Renaissance. Freedom for the individual and freedom to compete economically were the seeds of this miracle. The secret lay not in natural resources, for other continents had greater resources which lay undeveloped for centuries. The secret was the system of government and the spirit of the people. The government was unique in the degree of protection for freedom of the individual. The people believed in hard work, honesty and free competition. This system and this spirit gave assurance that capital saved and invested would not be confiscated. Freedom plus incentive for individual imagination and enterprise worked an economic miracle. The same system and spirit used to a lesser degree in other nations produces in those nations also phenomenal progress.

Free competition quickly eliminates inefficiency; but regulation, subsidy and government ownership retard progress by protecting obsolete methods. Growth and invention spring not from security but from freedom, - from a free competitive climate in which the rewards for invention and thrift are protected by a government run by law instead of men. Shortsighted persons seek progress by government regulation; but this produces in the long run only rigidity and stagnation. The controlled economy is the road back to serfdom. Progress is achieved not by government regulation but by free individual competition. The duty of government is to protect the individual in his freedom, not to stifle his initiative.

The number of people employed by the U.S. Government (excluding the postal service) has multiplied more than twelvefold in just fifty years. Just in the past twenty years, Russian Communist Imperialism achieved dictatorships over Poland, Czechoslovakia, Hungary, Rumania, China, North Korea, East Germany, Bulgaria, Albania, Lithuania, Estonia, Latvia, North Viet Nam and Cuba. In 1960 Khrushchev said, "the children of present day America will live in a Communist society."

We are already deeply involved in World War III. It is a war between the Free World and the Communist World for the hearts and minds of men. The battleground is the unsuspecting, disarmed and defenseless living rooms, work rooms, classrooms, board rooms, parish halls, union halls and club rooms of America and other free nations. Today Russia graduates 350,000 men and women annually from its schools of psychological warfare who go out to infiltrate the Free World with the false ideologies of Communism. Today Russia spends more than \$3 billion annually for its propaganda to win the struggle for the hearts and minds of men; - more than ten times the funds spent to propagate freedom.

Voices are needed which can renew our dedication to the ideals of free competition. The true liberal is the man with a law to protect freedom, not the man with a "plan" which creates bureaucracy to restrict freedom of the individual. The true hero of labor is the entrepreneur who invents a new kind of automation, not the labor boss who forbids its use. The true idealist preaches not class hatred but universal love; not redistribute the wealth but multiply the wealth; not more regulation but more freedom; not security but opportunity. The true idealist is the missionary for individual freedom and competition. When our hearts are on fire for the love of freedom for each individual, when we communicate this zeal to our idealistic young people around the world, only then will the trend of this World War III turn from defeat to victory.

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