

533

The Birth Of A Capitalist

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WHEN THE new superintendent came to the orphanage where I was reared, he found that we kids were not allowed to earn or have any spending money. So one of the first things he did was to tell us that if we were able to earn any money in our spare time, we could keep it or spend it as we pleased. We listened. But since none of us knew how to go about earning extra money, nothing happened. Then one 15-year-old boy had a brilliant idea.

We were all attending a movie. The program included a "short" on fishing. All of us saw a group of fishermen in the movie pay cash for live bait — minnows. But only one of us was able to apply this idea to our own situation.

"We have a creek full of minnows," Jack pointed out to the rest of us. "Why can't we earn money by selling live bait to the fishermen at Timber Lake?"

We just listened. Even when the possibility was explained to us, it still didn't register. So Jack worked out his plan alone. He knew that the variety of minnows called *chubs* was best for bait, because we

had used them when fishing in our own small pond. So Jack went to Timber Lake to check the demand and price for chubs. The rest of us continued to wait and watch, skeptically.

JACK FOUND that the demand was good and the going rate was fifty cents a dozen. His sales talk to the fishermen was simple and effective. He just said: "We sell chubs for thirty-five cents a dozen out at the orphanage."

The next day there were eleven customers, not enough chubs to go around, and much confusion. Then the superintendent stepped in. He organized seventeen of us into a company with Jack as the president. Jack's job was to count and store the minnows we other kids caught, sell them to the customers, and keep the books on the project. We all agreed that Jack should keep a nickel from each thirty-five cent sale he made for us. The money was divided from time to time, each of us getting whatever percentage the books showed he had contributed.

All of us were happy. We now had spending money for candy,

cokes, and vital things like that. But then we discovered that the president of our company, the boy who had thought up the idea, got more money than any of us! And frankly, we didn't like it.

WE COULD see the logic behind giving the most money to the fellow who caught the most minnows, but none of us could see why the president should get more than even the best fisherman. After all, what did he do? Did he catch any chubs? Did he have to wade in the water and get his shoes and overalls wet? As far as we could see, all he did was take for himself a part of our earnings. And we were on the verge of a small revolution when the superintendent entered the picture again.

He said: "Before Jack thought up this idea, none of you had any money." That was true.

"Has he taken anything from you that you had before?" No he hadn't, since we didn't have anything before.

"Would you have any spending money now, if he hadn't showed you how to earn it?" I wasn't sure about that. Since it was such a simple idea, I secretly felt that I would have thought it up the next day, if Jack hadn't beat me to it. Anyway, suppose he did think it up? That was two months ago!

"Do any of you care to quit your

job with the company?" the superintendent asked. None of us did, because then we might be back where we started — with no money at all.

"If any one of you wants to quit, you can do so and go into business for yourself, find your own customers, sell your own minnows, and keep the entire thirty-five cents." But the superintendent got no takers on that suggestion. None of us wanted to take the risk of losing a reasonably sure thirty cents for the mere possibility of gaining an extra five cents. All we had in mind was a more equal split of the company's income.

The superintendent concluded: "It seems to me that none of you should begrudge the fact that Jack gets about three times as much money as most of you. Without him, you would probably have less than you now have, and possibly you wouldn't have any."

I CAN SEE now that the superintendent was trying to explain to us that, as far as we were concerned, Jack had created a new source of wealth. He was trying to tell us, in a nice way, that Jack's brain was more valuable than our brawn. He was pointing out that while Jack was making a considerable amount of money for himself, he was also making money for the rest of us. But I couldn't see that when I was

sixteen years old. All I could see was that Jack had more money than I had; that I worked harder and longer than he did; and that he was taking an unfair share of *my* money. And, logic or no logic, we kids would have changed that situation if it had been put to the test of a majority vote.

NO ONE expected us teen-age kids to be deep-thinking economists. We operated mostly by emotion and feeling instead of reason and logic.

While most of us outgrew that immaturity, some didn't. And they found many other grown men and women — voters all — who agreed with them that the government should use taxes and subsidies to make all incomes more equal.

I wish there were some way I could convince those people of this idea: Even from the materialistic viewpoint of their own selfish interests, they would be better served by not taking the capitalists' profits away from them.