

Peaceable Conflict Resolution



Scarcity is the condition where human wants exceed the means to satisfy those wants. Human wants seldom reveal their bounds, while the means to satisfy human wants are indeed limited. As a result, scarcity's enduring legacy is conflict, and one of the conflict issues is: who will have use rights to goods and services?

A tiny example of conflict, amongst millions, is California's coastline. California may have thousands of acres of beachfront property, but there might be tens of millions of families who want to reside on those beachfront properties. Given that there is not enough to satisfy the wants of all of those tens of millions of families, some will have to make do with their wants not being satisfied. It also means there will be conflict, namely who will have their wants satisfied and who will not.

Whenever there is conflict there must be conflict resolution, in our example a mechanism for deciding who will have the right to reside on beachfront property. It so happens that conflict is resolved through the market mechanism. Whoever is willing and able to bid the highest price wins the right to reside on beachfront property. The conflict is resolved so peaceably that it goes unnoticed by the rest of us. There are no demonstrations, court battles, or political lobbying, not to mention armed conflict by people disgruntled by the outcome.

The market mechanism is not the only way to resolve conflict. Another method of conflict resolution is government fiat, where the state decides who has the right to reside on beachfront property. Government officials could employ criteria such as age, family composition and size, length of state citizenship, or most anything else.

Because it is not economic criteria that decide who has the right to reside on beachfront property, of necessity it must be noneconomic criteria. As such, it will pay people to organize and lobby government to use criteria that favor them most. Homogeneous groupings are often the most effective coalitions to lobby politicians and government officials. These groupings may be based on class, race, religion, region, age, and most any other noneconomic attribute. Coalitions created on these bases have been some of the most violent and divisive known to mankind.

Government Increases Conflict

When government decides who gets what, the potential for open conflict is enhanced. In contrast, the market mechanism reduces that potential. People have intense preferences for many goods and services. For example, some people have a strong preference for Ford cars, while others have just as strong a preference for Volvos. However, we have never seen those with Ford preferences picketing Volvo sales offices and vice versa. Persons with preferences for Fords buy Fords, and those with preferences for Volvos buy Volvos. Con-

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flict between Ford lovers and Volvo lovers could easily be produced by having government decree that either Fords or Volvos will be produced, but not both.

If one were asked to identify the areas of greatest conflict in America, and for that matter anywhere else, it would be where government decides who gets what and how things are done. For example, many parents have intense preferences regarding the schooling of their children. Some parents want their children to have a morning school prayer, while other parents find prayers in school intensely offensive. When there is public financing and production of education, there will be either prayers said or no prayers said in school. One set of parents will not have their preferences realized, resulting in increased potential for conflict. The courts, Congress, and street demonstrations have been the venues for that conflict.

The market mechanism might reduce conflict over prayers in school simply by recognizing that while some have argued the possibility of a case for public financing of schools, there is no case whatsoever for public produc-

tion of schools. Thus by giving each parent with school-age children a voucher the parent who prefers prayers in school would send his child to such a school, while the parent who finds school prayers offensive would send his child to a school with no prayers. The parents, instead of being antagonists, could be friends and have their school preferences mutually accommodated.

Interestingly enough the people in our society who protest the most mightily against conflict and violence are the very ones calling for increased government resource allocation, which contributes to the potential for conflict and violence. They fail to recognize or even contemplate why our nation, with people of every race, ethnic group, and religion, has managed to live relatively harmoniously, while in their countries of origin people of the same groups have been trying to slaughter one another for ages. A good part of the answer is that in the United States it did not pay to be a Frenchman, a German, a Jew, a Protestant, or a Catholic. The reason it did not pay was that for most of our history government played a small part in our lives. □