

On Monopoly

If one's business were immune from competition, what incentive does he have to increase quality, lower prices, and innovate change? What incentive does he have to decrease quality (thereby lowering his costs), raise prices, and stifle change? What happens to these incentives if this business owner may also force others to buy his goods or services? Is he likely to care about customer satisfaction? Is he likely to ensure his goods or services are needed for the foreseeable future? Is he likely to manufacture an increasing need for his goods or services? We can all easily imagine a monopolistic greedy businessman wreaking havoc in the economy by offering shoddy products for higher and higher prices without regard to customer satisfaction or well-being. What incentive does he have to behave beyond the preservation of his own life? He's seemingly immune from bankruptcy. Of all the horrors we could imagine from such a businessman, what if we imagine also his monopolistic business as a provider of law and order? Then what horrors should we reasonably expect? And that's today's two cents.

Skyler.