The Lack of Slavery May Be Hurting Economic Growth; Or, How to Miss the Forest of Human Flourishing for the Trees of GDP Growth.

On July 13th, Tyler Cowen published a piece in the New York Times entitled, [“The Lack of Major Wars May Be Hurting Economic Growth”](http://www.nytimes.com/2014/06/14/upshot/the-lack-of-major-wars-may-be-hurting-economic-growth.html?ref=business&_r=1). In it, Tyler suggests that “the very possibility of war focusses the attention of governments on getting some basic decisions right – whether investing in science or simply liberalizing the economy. Such focus ends up improving a nation’s longer-run prospects.” This is the necessity is the mother of invention argument. The focus of the argument is that man will just sit around doing the same thing he did yesterday unless he is forced to change his behavior by some pressing need.

To his credit, Tyler does suggest that more peace even with lower growth may be better than more growth but with the cost of added war deaths. Still, he surveys academics who are seeking to revive an understanding that war may be good for GDP growth. To show why this is a dangerous path to go down, I will (sarcastically) substitute “slavery” for “war” in the following parody article:

**The Lack of Slavery May Be Hurting Economic Growth**

In the first quarter of 2014 the US economy contracted by a 1% annualized rate. Why is it that the US economy grew so quickly in the 1800’s and how can we recreate that growth? The World Bank reports that between 2000 and 2005 real per capita income rose 1.46% a year while it rose just .07% a year between 2006 and 2010. Between 1840 and 1860, southern states’ per capita income rose at a rate of 1.7% per year. One key difference between the antebellum South and now is their use of slave labor. Perhaps scholars may wish to reappraise the benefits of slave labor.

The Egyptians built large pyramids and public works with slavery. King Solomon used slaves to build a temple and other public works. All roads don’t lead to Rome because they were built by free men. The Great Wall of China could not have been built without slave labor. Without that wall, it would be boring to look at the earth from a spaceship. [(Never mind that you can’t really see it from space).](http://www.universetoday.com/25364/can-you-see-the-great-wall-of-china-from-space/) Slave cultivated cotton, tobacco, rice, sugar, and indigo drove the southern economy for decades.

This week the BLS reported that [Americans spend more time sleeping than working.](http://cnsnews.com/news/article/terence-p-jeffrey/bls-americans-average-sleep-twice-many-hours-they-work) This preposterous development would never be true in a country with slavery. If one man could benefit from the work of another, you better believe the latter is going to be forced to work a solid sixty to eighty hour work week. In the mid 1800’s, male US slaves worked on average 70 hours a week. Slave women averaged 60 hours of work a week. Even slave children averaged 40 hours or more of work per week (Roger Ransom and Richard Such, *One Kind of Freedom* 1977). Furthermore, slaves were forced to work in the gang labor system which helped to make slave agriculture 28% more efficient than free agriculture (Robert Fogel and Stanley Engerman *Time on the Cross* 1974).

The employment to population ratio for US adults aged 16 and over in May was 58.9%. Under slavery, the employment to population ratio was 100%. As soon as slaves were emancipated, the gang labor system disappeared and free blacks reduced their hours worked by a third.

Outside of a few exceptions, there are not many industries that even employ children any more. At age eight I was working a paper route six days a week. That doesn’t happen anymore. We could speed up the economy by putting these unproductive eaters to work. I have four kids who could really use a job.

Come to think of it, poverty and starvation used to be really good motivators for innovation and work. If one starved if they refused to work in the fields, people had a tendency to show up for work. As mankind has decreased their poverty rates, their hours worked have fallen which has been a drag on economic growth.

It turns out that the use of sticks may be an effective way to increase GDP. Whether a master uses a whip, or a foreign enemy points the tip of their spear (or nuclear war head) at one’s head, one may respond with more work and do so with greater intensity. The threat of starvation may in fact yield advancements in farming and certainly helps employment rates.

To summarize, the problem with our economy is that we don’t want to kill/enslave others like we used to. People are so rich they cannot even be bothered to get out of bed to go to work. This massive existence of peace and wealth is ruining the economy. If only we were poorer and meaner we could have faster economic growth.

With the pace of automation we are experiencing it won’t even be long until robots are doing all of our work for us. Then where will the economy be? At least we can enslave robots. They are not yet a constitutionally protected class. Maybe we have our robots attack your robots…..