

## HIGH PRICES.

From a Sermon by the Rev. Herbert S. Bigelow, as Printed in the Ohio Journal of Commerce.

The cause of high prices can be divided into two parts—first, what is not the cause, and second, what is the cause?

First of all, the increased production of gold is not the cause, neither is the tariff, so I cannot be preaching either Republican or Democratic politics.

Gold is the measure of all values. Cheap gold must raise all prices alike. You make hats; I make shoes. Hats are \$5, so are shoes. Suppose that hats go to \$10. What difference is that to me, if shoes go to \$10? Prices are nominally high, but I can still get a hat for a pair of shoes. If hats went to \$10, while shoes remained the same, I would be injured; but if this were the case, cheap gold could not be the cause, for cheap gold necessarily means increased prices of everything of which gold is the measure of value; that is, of all labor products and of all labor also.

The tariff, then, say some. This also is a fallacy. Suppose by reason of some unaccountable increase in the demand for shoes my shoe business suddenly became twice as profitable as your hat business. You do not make hats because you want hats. You make hats because you want money. If you can get money more easily making shoes, you will quit the hat business. If you do not go into the shoe business, enough others will, to bring my profits down to the average return.

But suppose this increased profit in the shoe business were due, not to an increased demand for shoes, but to a tariff on shoes. Will not the advantage due to the tariff invite fresh competition just as certainly as though it were due to something else? What, then, is the cause? Let us look at it before we give it a name.

You may raise the price of your hats as high as you like, but how can you compel the public to pay your price? You cannot, unless you can prevent others from making and selling hats more reasonably.

Notice now the ways of doing this. If you can get a patent on something that the people want, you can charge a high price because the patent makes it impossible for the public to buy of anyone else.

Or you may get a franchise fixing some unreasonably high price at which you are given the exclusive business of selling goods. If you have hats or shoes to sell, of course you will not be foolish enough to expect such a grant. But if you are selling gas or electricity or street car transportation, you will seek a franchise which will protect you from competition while it permits you to charge enough to pay the customary widows' and orphans' dividends.

Again, you may engage in some business, like

railroading or the manufacture of woollens, which, while not resting on any legal privilege, nevertheless requires such vast investments of capital that combination is easily possible, and, through the formation of trusts or by secret understandings, iniquitous profits may be reaped.

Finally there is one other way. Get the possession of something which men have to have, but which cannot be reproduced. If you can find anything answering to that description, get it and you will find that you will have the power to reap where you have not sown.

There is only one thing answering to this description that I know of, and that is land of a certain character. The land of a growing city, ore fields, coal lands, water power lands, are examples of something that cannot be reproduced, and yet they must be had.

These are four ways of making people pay you exorbitant prices—patents, franchises, collusion with your competitors, and the ownership of social value in land. The best name for these four things is monopoly—and arsenic would be a good remedy.

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## BOOKS

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### BERNSTEIN'S SOCIALISM.

**Evolutionary Socialism. A Criticism and Affirmation.** By Edward Bernstein. Translated by Edith C. Harvey. Published by the Independent-Labor Party, 23 Bride Lane, London, E. C. Price 1 shilling net. Also by B. W. Huebsch, New York. Price, \$1 net.

In this book English readers may study the ideas underlying the "revisionist" influence in the Socialist politics of Germany, which began to attract general attention through Bernstein's activities some ten years ago. Opponents of socialism regarded the book when it originally appeared in German (*Die Voraussetzungen des Sozialismus, und die Aufgaben der Sozialdemokratie*) as a fatal attack from within, while old line Socialists denounced it as an abandonment of the fundamental principles of Marxian socialism. The author himself declares his continued belief "in the socialist movement,—in the march forward of the working classes, who step by step must work out their emancipation by changing society from the domain of a commercial landholding oligarchy to a real democracy which in all its departments is guided by the interests of those who work and create."

Bernstein's socialism is distinctly progressive, as opposed to the type which looks forward to a collapse of the capitalistic order. He therefore rejects the policy of segregating socialistic activities from the general activities of democratic reform. Supporting the social growth idea, he