

EVERYDAY ECONOMICS

A Case and Problem Book

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INTRODUCTION

INTEREST is the basis for all education. Without it the best efforts of the teacher are futile. The realization of this necessity has caused teachers in all fields of learning to stress the pictorial, visual, and concrete in their classes. In recent years the opportunity for this type of instruction in the field of applied sciences has resulted in a growth in vocational courses. Business colleges of the "how-to-do" type have grown with unbelievable rapidity. But they have generally failed to produce the creative thinker or the executive type of mind.

At first, schools of business administration in colleges followed this lead, only to find that the shallowness of their teaching was bringing them into disrepute with their colleagues in the fields of economics and of the other social sciences, the aim of which is to develop the reasoning powers of the student. Within the past few years a new note has been struck. The schools of business have developed the "case-method" of teaching accounting, business administration, finance, sales management, and the other applied phases of business.

This new method has won the respect and admiration of the teachers of economic theory, which has in some instances resulted in their copying the exact form of presentation as well as the idea. We believe this is a mistake in that it fails to take into account the basic difference in the two types of material to be presented. The courses in business administration are essentially factual, and for them "case books" which present additional facts over which the students may ponder have proved of inestimable value. But courses in economic theory are not factual courses. Textbooks for these courses present just enough facts to illustrate the logical steps in the development of a theory of the relationships of these facts. "Case books" for courses in economic theory must be built on lines which correspond to those of the texts themselves, and not on the plan which is needed for courses in business administration.

To meet this need, the plan of this case book is different from that of all of its predecessors in the field. Its aim is to present economic the-

ory in the form in which the students will meet it when they leave the classroom. Sermons, editorials, the proclamations of government officials, popular novels, Rotary Club and labor union speeches, the subtle persuasion of the salesman, the decisions of our judges, the arguments for and against legislation on the floor of Congress — all are packed full of economic theories of varying degrees of soundness.

This case book presents the meat of these various economic theories in short arguments of the type which the student will encounter in actual life. Each item is separate and distinct from each other item and presents some idea with the enthusiasm of the advocate. Here are editorials similar to those in the many journals or newspapers which are pledged to propagandize the ideas of particular groups. Here are quotations from literature insidiously presenting ideas which the authors hope may some day be accepted. Here are one-sided denunciations or meaningless platitudes similar to those frequently delivered from pulpits and by after-dinner speakers. At the outset the cases involve single principles; as the text progresses the cases become longer and more complex.

Few of these items are wholly sound or wholly wrong in their economic theories. Like the ideas of the usual advocate for a particular cause, many of them contain just enough truth to make them seem plausible to unthinking persons. Seen alone in literature or heard from the pulpit as separate entities, most of them would be acceptable to many of our citizens. But presented together the items clash with each other so violently that the students must take sides and prepare to defend their decisions. In this book this intent is furthered by the vehemence of the presentation of the many ideas. In each one the advocate or the opponent of an idea seeks to convert the entire class to his views.

The writers have used this method in their classes with success. No class will unanimously accept all of the conflicting ideas. In family background, previous experience, religious affiliation, business contacts, and school training, the students all differ. The strong presentation of an idea may win the absolute, though unthinking, support of some students while repelling others because of their differing mental backgrounds. Thus, a classroom argument may be precipitated. Interest in the debate may be aroused. But the teacher should have the situation well in hand by virtue of the assignment in the main text

used in the course which has laid the foundation for a sound conclusion from the mental contest.

Most of the cases which have been selected are close to the lives of the students. The writers have sought to avoid those which are not of intimate concern, which, because of the very "distance" from the lives of students, are vague and intangible. A case drawn from the monetary system of India or the policy of a billion-dollar company, is likely to leave the student with the feeling that the theories of economics may be true enough in such situations, but have no relation to the experiences which he has had or expects to have. So he leaves the classroom unable to apply the theories of the text. The aim of the writers of this case book has been to state each idea in such a general fashion that it will find its counterpart in nearly all regions of the United States, depending upon homely language and everyday events for concreteness in presentation.

Although the chapter divisions are those used in Rufener's *Principles of Economics*, this book of cases may be readily used in connection with any introductory textbook of economics. The writers believe that Rufener's text is well adapted to the case-problem method of class discussion, because it is built around the correct basic idea of pedagogy. This basic principle is that new ideas may best be presented by utilizing the existing interests of the students. For instance, in his first chapter, instead of an introduction to the subject through the presentation of economic history, and instead of a dry discussion of such terms as utility, goods, income, etc., Rufener ties up these terms with the student's own desire for a better standard of living and shows their connection with population pressure, size of families, wars, and other problems of current interest. With such a textbook the case-problem method is simplified for the teacher.

R. M. RUTLEDGE

CONTENTS

CHAPTER I

WANTS, GOODS, AND WELFARE

I. SPENDTHRIFT YOUTH	1
II. LET'S ABOLISH THE MIDDLEMAN	2
III. THE MIDDLEMAN: A BENEFACTOR TO SOCIETY	3
IV. BLESSED ARE THE GENTLE FAKIRS	5
V. FARMERS AND LABORERS ARE THE ONLY PRODUCERS	6
VI. THE BUGABOO OF OVERPRODUCTION	7
VII. THE SIREN CALL OF THE BIG CITY	8
VIII. THE MENACE OF SMALL FAMILIES	9
IX. THE SOCIAL CONSEQUENCES OF MICAWBER'S OPTIMISM	10
X. THE ECONOMIC CONSEQUENCES OF WAR	11
XI. "ILL FARES THE LAND . . . WHERE WEALTH ACCUMULATES"	12

CHAPTER II

IMPROVING METHODS OF PRODUCTION

I. CANAL-BOAT PROSPERITY — A CHINESE LEGEND	14
II. THE SOURCE OF CAPITAL IN RUSSIA	15
III. MONEY: THE MEASURE OF PROSPERITY	16
IV. A MONUMENT TO THE BOLL WEEVIL	16
V. STAGES OF ECONOMIC EVOLUTION IN THE UNITED STATES	18
VI. ECONOMIC CONFUSION IN CHINA	18
VII. THE LAND SYSTEM OF FRANCE	20
VIII. THE GOLDEN AGE OF THE GUILDS	21
IX. THE ECONOMIC STATUS OF OHIO IN 1830	22
X. GANDHI AND THE FACTORY SYSTEM	23
XI. THE FALLACY OF DIVISION OF LABOR — TERRITORIAL	24
XII. SHALL THE YOUNG FARMER DIVERSIFY?	25
XIII. THE FALLACY OF DIVISION OF LABOR — INDUSTRIAL	26
XIV. THE PRICE OF INDUSTRIAL PROGRESS	27

CHAPTER III

EXCHANGE, VALUE, AND PRICE

I. GERMAN RYE BANKS IN 1924	29
II. "THE BOMBSHELL HENRY FORD THREW"	30
III. "ALL KINDS OF MONEY" — THE ZERBE COLLECTION	31
IV. PAPER MONEY IN THE AMERICAN COLONIES	33
V. VALUE OR PRICE: THE BASIS OF ECONOMICS	34
VI. "THE LOVE OF MONEY IS THE ROOT OF EVIL"	34

CHAPTER IV

BUSINESS ORGANIZATION AND PROFITS

I. LET THE BOSS EAT HIS MACHINES	36
II. LANGDELL BROTHERS' RETAIL JEWELRY STORE — OPERATING ACCOUNTS	37
III. THE DECLINE OF BUSINESS PROFITS IN 1927	40
IV. ELY'S FOUR DEFINITIONS OF PROFIT	42
V. CAN THE AMERICAN FARM PAY FOR ITSELF AT CURRENT INTEREST RATES?	43
VI. THE DISADVANTAGES OF INDIVIDUAL OPERATION OF BUSINESS	44
VII. THE TERMINATION BY DEATH OF THE SMITH-JONES PARTNERSHIP	45
VIII. WHICH: PARTNERSHIP OR INCORPORATION?	46
IX. THE DISSOLUTION OF THE GILLESPIE-MERRILL CORPORATION	46
X. THE STOCK STRUCTURE OF THE GEORGETOWN PACKING PLANT	47
XI. STOCK OWNERSHIP OF THE AMERICAN TELEPHONE AND TELE- GRAPH COMPANY	48

CHAPTER V

DEMAND AND SUPPLY AND MARKET PRICE

I. THE SALE OF TICKETS TO A FOOTBALL GAME	50
II. INSTRUCTIONS TO A STUDENT BOOK CANVASSER	51
III. A SUGGESTED FAMILY BUDGET — UNITED STATES TREASURY	52
IV. DEFLATION IN CATTLE PRICES IN 1920-21	53

CHAPTER VI

DEMAND AND SUPPLY AND MARKET PRICE (*continued*)

I. VARIATIONS IN THE PRICES OF WISCONSIN POTATOES	54
II. THE PRICE OF INDUSTRIAL PROGRESS	54

CONTENTS

ix

III. THE IMMORALITY OF ADVERTISING	55
IV. MISSIONARIES ARE SALESMEN OF CIVILIZATION	56
V. THE ECONOMIC FUNCTIONS OF SALESMANSHIP	57
VI. THE EFFECT OF THE WORLD WAR ON CONSUMPTION STANDARDS	58
VII. THE FRENCH SALT TAX	58
VIII. THERE ARE TOO MANY SCHOOL TEACHERS	59
IX. THE SUPPLY OF APPLES WILL NEVER OVERTAKE THE DEMAND .	60
X. OUR ECONOMIC ORDER IS ONE OF EXCHANGE-COÖPERATION .	60
XI. THE FANEUIL HALL PUBLIC MARKET	61

CHAPTER VII

DEMAND SCHEDULES FOR PRODUCERS' GOODS

I. THE GOVERNMENT MUST REGULATE PRICES	63
II. DIFFERENCES IN BREAD PRICES DUE TO COSTS OF INGREDIENTS .	64
III. THE COSTS OF BUILDING CONSTRUCTION IN TWELVE CITIES .	65
IV. AMERICAN SUGAR REFINING COMPANY'S ANALYSIS OF SUGAR PRICES	66
V. FARM-LAND PRICES IN TWIN FALLS COUNTY, IDAHO	67
VI. THE PRICE OF CATTLE AFTER THE WORLD WAR	68
VII. FIXED COSTS IN THE RAILROAD AND TELEPHONE INDUSTRIES .	68
VIII. THE "STRIKE" IN THE EVANSTON, ILLINOIS, PUBLIC LIBRARY .	68
IX. THE RESULTS OF CONCENTRATION	69

CHAPTER VIII

COSTS OF PRODUCTION, MARKET PRICE, AND PROFIT

I. FARM TO CITY MOVEMENT SLACKENING	71
II. PROFITS: THE DYNAMO OF BUSINESS	71
III. THE SOUTHERN COTTON FARMER DOES NOT DARE DIVERSIFY .	73
IV. A TAX ON INSURANCE SALESMEN WILL INCREASE THEIR PROFITS	74
V. A BONUS SYSTEM FAILS TO INCREASE BILL'S SALES EFFORTS .	75
VI. PLATITUDINOUS REASONS FOR SUCCESS	76
VII. COÖPERATIVE MARKETING AND PRICE	78
VIII. RESTRICTIONS ON THE PRODUCTION OF RUBBER AND SUGAR .	78
IX. PROFITS IN THE MEAT-PACKING INDUSTRY	80
X. STEADY PROFITS IN DAIRYING	80
XI. ACCOUNTING METHODS IN A RETAIL JEWELRY STORE	81

CONTENTS

CHAPTER IX

COSTS OF PRODUCTION IN AGRICULTURE

I. CROP YIELDS IN THE UNITED STATES ARE INCREASING . . .	82
II. COST OF PRODUCING WHEAT	82
III. EFFECTS OF PRICES UPON MILK PRODUCTION AT RICHMOND, VERMONT	84
IV. A BEET-WEEDER'S PHILOSOPHY	86
V. TAXATION OF STANDING TIMBER AN UNWISE POLICY . . .	86
VI. FARMERS SHOULD CONTROL PRICES	86

CHAPTER X

RENT AND THE PRICE OF AGRICULTURAL LAND

I. FARM-LAND PRICES AT DIFFERENT INTEREST RATES . . .	87
II. THE CHARACTERISTICS OF LAND	87
III. THE HISTORY OF LAND VALUES IN THE UNITED STATES . .	88
IV. THE PRICES OF HOOD RIVER APPLES REFLECT LAND PRICES IN THAT VALLEY	90
V. VALUES DETERMINE THE USES TO WHICH LAND IS PUT . . .	91
VI. SOME LONG-TIME EFFECTS OF COÖPERATIVE MARKETING . .	92
VII. SHEEP AND HAY LANDS IN THE UINTAH BASIN	95
VIII. THE VALUE OF VEGETABLE LANDS IN THE SOUTHERN STATES .	95
IX. THE SOURCE OF PROFITS IN FARMING	97
X. THE CAUSES OF CASH AND SHARE RENTING	99
XI. WHO IS THE MARGINAL PRODUCER?	100
XII. INFLATION IN THE CORN BELT, 1917-22	101

CHAPTER XI

INDIRECT COSTS IN AGRICULTURE

I. CHANGES IN THE RELATIONS BETWEEN LAND AND POPULATION IN THE UNITED STATES	103
II. THE EFFECT OF INCREASING EFFICIENCY IN THE USE OF LAND UPON ECONOMIC RENT	104
III. WHEAT: YEARLY PRICES IN ENGLAND, 1700 TO 1921 . . .	106
IV. CHANGES IN THE VALUE OF FARM REAL ESTATE IN THE UNITED STATES, 1920-25	108
V. DISCOUNTING FUTURE LAND VALUES IN CHICAGO	109

CONTENTS

xi

VI. TAXES AND NET FARM RETURNS	110
VII. "THERE IS NO MONEY IN FARMING FOR THE RENTER"	112

CHAPTER XII

ECONOMIC RENT AND THE UNEARNED INCREMENT

I. MINE ROYALTIES IN ENGLAND SHOULD BE REDUCED	113
II. THE RENTS OF COMPETING CIGAR STORES	114
III. FLOOR ARRANGEMENT OF THE BON MARCHÉ DEPARTMENT STORE	114
IV. A SINGLE-TAX PROPOSAL FOR SEATTLE, WASHINGTON	115
V. HENRY GEORGE: RENTS ROB THE WORKERS	117
VI. HENRY GEORGE: WHAT CLASS OBJECTS TO SINGLE TAX?	119
VII. THE RENT OF STANDING TIMBER	121

CHAPTER XIII

COST OF PRODUCTION IN MANUFACTURING: DECREASING COSTS

I. THE COSTS OF TIMBER PRODUCTION	123
II. INCREASING EFFICIENCY IN AMERICAN INDUSTRIES	123
III. BY-PRODUCTS IN THE MEAT-PACKING INDUSTRY	125
IV. THE CONSTANT GROWTH OF GENERAL MOTORS GUARANTEES STEADY REDUCTIONS IN COSTS	126
V. INCREASING AND DECREASING COSTS IN DAIRYING AND CREAMERY MANAGEMENT	127
VI. THE RELATION OF FARMING COSTS TO DECREASING COSTS OF RAILROAD OPERATION	128
VII. A PROPOSAL TO SUBSIDIZE A SHOE INDUSTRY IN A MID-WESTERN CITY	129

CHAPTER XIV

DECREASING COSTS, INDIRECT COSTS, AND PRICE

I. THE COSTS OF SUGAR PRODUCTION BY COMPETITIVE COMPANIES	131
II. SHALL ADVERTISING IN COLLEGE ELECTIONS BE ABOLISHED?	133
III. "LET THE OTHER FELLOW HAVE HIS SHARE OF THE BUSINESS"	134
IV. A SUCCESSFUL METHOD IN NEW YORK MAY FAIL IN THE SMALL CITY	135
V. JIM BRYAN REDUCES THE PRICE OF BANANAS	136
VI. THE INTERSTATE COMMERCE COMMISSION FORBIDS LOWER RATES!	138

CHAPTER XV

MONOPOLY AND MONOPOLY PRICE

I. MONOPOLY PRICES IN THE BANANA TRADE	139
II. SUBSIDIARY BUSINESSES FOR THE COMMERCIAL HOTEL OF ACTON	139
III. DOES A BREAD TRUST EXIST?	140
IV. A PROPOSAL FOR A DAIRY FARMERS' MONOPOLY	140
V. CONSEQUENCES OF RESTRICTIONS IN THE PRODUCTION OF RUBBER AND SUGAR	142
VI. COMPETITIVE METHODS IN THE OIL BUSINESS	142
VII. A PROPOSAL TO PERMIT IMPORT-BUYING MONOPOLIES	143
VIII. A LOCAL LABOR MONOPOLY IN THE FRUIT BUSINESS	145
IX. IS THERE A MONOPOLY WHICH CAN SET ELECTRICITY PRICES AS IT WISHES?	146
X. AUCTIONING THE ORIGINAL MANUSCRIPT OF "ALICE IN WONDER- LAND"	147
XI. SHALL WE HAVE A SOFT COAL MONOPOLY?	148

CHAPTER XVI

INDUSTRIAL MONOPOLIES AND GOVERNMENT CONTROL

I. WASHINGTON'S CONDEMNATION OF MONOPOLISTS	149
II. J. C. PENNEY COMPANY'S FORM OF ORGANIZATION	149
III. THE AMERICAN FEDERATION OF LABOR CONDEMNS THE SHERMAN ANTI-TRUST LAW	150
IV. A VEGETABLE FARMERS' MARKET	151
V. THE PROPOSED LAW TO REGULATE THE PRODUCTION OF SOFT COAL	152
VI. COMMISSIONER HUMPHREY'S APPOINTMENT TO THE FEDERAL TRADE COMMISSION	153
VII. POWER COMPANIES FORM PUBLIC OPINION	154
VIII. A NEW ECONOMIC ORDER	155
IX. PRICE DISCRIMINATION IN THE SUGAR INDUSTRY	158
X. SHALL INDUSTRY BE REGULATED?	159
XI. THE LABYRINTH OF PRICE MAINTENANCE	160

CHAPTER XVII

PUBLIC UTILITIES AND GOVERNMENT CONTROL

I. AN ELECTRIC POWER MONOPOLY IS INEVITABLE	163
II. "THE INTERSTATE COMMERCE COMMISSION PERMITS A \$396,750,- 000 ANNUAL STEAL!"	164
III. COST OF REPRODUCTION: A BASIS FOR RATE-MAKING	165
IV. TAX ASSESSMENTS: A BASIS FOR RATE-MAKING	166
V. A "FAIR RATE" CAN NEVER BE SET	167
VI. LEGAL DECISIONS ON PUBLIC UTILITY RATES	168

CHAPTER XVIII

RAILROADS AND GOVERNMENT CONTROL

I. THE EGG PRODUCERS' ASSOCIATION OUTWITS THE RAILROADS	171
II. THE COMPLEMENTARY RELATION IN AGRICULTURE	171
III. SPECIAL RATES ON RAILROADS	172
IV. THE BASIS FOR RATE-MAKING IS UNJUST	173
V. TRAMP STEAMERS SET OCEAN FREIGHT RATES	174
VI. THE ESCH-CUMMINS LAW MUST BE REPEALED	175
VII. THE INTERSTATE COMMERCE COMMISSION SHIRKS ITS DUTY	176
VIII. THE GOODING LONG-AND-SHORT-HAUL BILL	177
IX. THE PLUMB PLAN FOR THE OPERATION OF THE RAILROADS	178

CHAPTER XIX

DEMAND SCHEDULES FOR LABOR

I. THE PRESENT WAGE SYSTEM IS UN-CHRISTIAN	182
II. WAGES IN THE BUILDING CONSTRUCTION INDUSTRY	182
III. DID IT PAY THEM TO STRIKE?	183
IV. A SUCCESSFUL CONTRACTOR PAYS MORE THAN THE UNION SCALE OF WAGES	183
V. MUTT AND JEFF UNDERSTAND THE LAW OF WAGES	184
VI. THE DROP IN WAGES IN 1920	184
VII. VARIATIONS IN WAGES PAID IN DIFFERENT FACTORIES IN AN OHIO CITY IN 1921	185
VIII. "THE LAST SHALL BE FIRST, AND THE FIRST LAST"	186

CONTENTS

CHAPTER XX

DIFFERENCES IN WAGES

I. A CIVIL ENGINEERING GRADUATE OF THE UNIVERSITY OF ILLINOIS (1911) FAILS TO SECURE A POSITION	188
II. THE WAGE SYSTEM OF RUSSIA SHOULD BE ADOPTED IN THE UNITED STATES	189
III. "ALL MEN ARE CREATED EQUAL"	189
IV. GOD SAVE AMERICA FROM CLASS CONSCIOUSNESS!	190
V. "I AM THE MASTER OF MY FATE"	191
VI. EVERY MAN HAS A RIGHT TO A DECENT LIVING	192
VII. "A CHILD'S BILL OF RIGHTS"	193

CHAPTER XXI

LABOR ORGANIZATION

I. STRIKES DO NOT BENEFIT THE LABORING CLASS	194
II. A UNION OF COLLEGE PROFESSORS	194
III. MAINTAINING WAR-TIME WAGES BLOCKS THE WHEELS OF PROGRESS	196
IV. CAN UNIONIZATION MAKE WAGE SCALES MORE UNIFORM? .	197
V. YELLOW DOG CONTRACTS FORCED BY THE NEW YORK CITY INTERBOROUGH RAPID TRANSIT COMPANY	197
VI. COURT INJUNCTIONS MUST BE ABOLISHED	199
VII. THE GENERAL STRIKE IN SEATTLE IN 1920	201
VIII. TWO LIBRARY ASSISTANTS INCREASE THEIR INCOMES . .	201
IX. A CONTRACTOR BOWS TO THE LABOR UNION	201

CHAPTER XXII

LABOR LEGISLATION

I. CHILD LABOR LEGISLATION IN THE UNITED STATES . . .	203
II. THE BAKERS' CASE: UNITED STATES SUPREME COURT DECISION .	205
III. INDUSTRIAL ACCIDENTS CAUSE LOSSES TO EMPLOYERS . . .	207
IV. MAY THE POLICEMEN JOIN THE AMERICAN FEDERATION OF LABOR?	208
V. THE EAGLES' OLD-AGE PENSION BILL	210
VI. THE INTERNATIONAL LABOR BUREAU OF THE LEAGUE OF NATIONS	210

CONTENTS

xv

VII. THE MASSACHUSETTS LEGISLATURE REJECTS THE BOSTON HOUSING BILL	211
VIII. WORKING MEN'S COMPENSATION LAWS	212
IX. COMPULSORY ARBITRATION IS IMPRACTICABLE IN THE PRESENT ECONOMIC ORDER	214
X. THE "JONES BILL" TO BUILD PUBLIC WORKS IN PERIODS OF UNEMPLOYMENT	215

CHAPTER XXIII

INTEREST, THE PRICE OF LOANS

I. WHO ARE PROSPECTS FOR LIFE INSURANCE?	217
II. THE ECONOMICS OF MERCHANDISE CREDIT	218
III. ADVICE TO THE LOVE-LORN IS NOT ACCEPTABLE	218
IV. IS INSTALLMENT BUYING ECONOMICALLY JUSTIFIABLE?	219
V. IS IT POSSIBLE FOR A MAN TO BORROW PROFITABLY AT 22 PER CENT INTEREST?	220
VI. A PAWN-SHOP DEAL	221
VII. CHANGES IN INTEREST RATES IN 1927-28	221
VIII. THE LANGDELL BROTHERS' ACCOUNTING SYSTEM	222
IX. NATURE AND DISTRIBUTION OF EARNINGS, ORPHEUM CIRCUIT, INC., 1924	222

CHAPTER XXIV

PRODUCERS' LOANS AND THE RATE OF INTEREST

I. A WAGE CONFERENCE DISAGREEMENT	225
II. SENATOR BROOKHART WOULD SET INTEREST RATES	226
III. CAN THERE BE TOO MUCH SAVING?	228
IV. A PARENT-TEACHER MEETING DISCUSSES THE SAVING HABIT	228
V. THE RATE OF INTEREST IN FRANCE SINCE 850	230
VI. REAL WAGES SINCE THE DAYS OF CHARLEMAGNE	230
VII. FEDERAL RESERVE BANK REDISCOUNT RATES SINCE 1920	231
VIII. PRO-BOULDER DAM ARGUMENTS	232
IX. RECLAMATION IN THE SOUTH IS UNECONOMIC	232
X. THE JUSTIFICATION OF THE PARTIAL-PAYMENT PLAN	234
XI. ANALYSIS OF PARTIAL-PAYMENT COSTS FROM SEARS-ROEBUCK CATALOGUE	235
XII. OVERCAPITALIZATION IN THE COAL INDUSTRY	236

XIII. PUBLIC CONSTRUCTION RAISES REAL WAGES	237
XIV. THE FEDERAL FARM LOAN ACT INJURES FARMERS	238

CHAPTER XXV

THE QUALITIES AND QUANTITIES OF MONEY

I. THE GOLD STANDARD EXPERIMENT HAS FAILED	240
II. A BILL TO SUBSIDIZE THE PRODUCTION OF GOLD IN THE UNITED STATES	241
III. GOLD THE LAST AUTOCRACY	243
IV. THE QUANTITY THEORY OF MONEY IS A MYTH	244
V. INFLATION DURING THE CIVIL WAR	246
VI. A PETITION TO FINANCE THE WORLD WAR WITHOUT BOND ISSUES	247
VII. PROFESSOR FISHER'S STABILIZED MONEY PROPOSAL	248
VIII. MACAULAY'S DESCRIPTION OF THE EFFECTS OF BAD COINAGE	249
IX. FLUCTUATIONS OF PRICES UNDER THE GOLD STANDARDS	250
X. WHY WAS IT MONEY?	252

CHAPTER XXVI

SILVER MONEY IN THE UNITED STATES

I. THE "NAPOLEON FRANCS" OF FRANCE	254
II. LEGAL TENDER IN A DISPUTE OVER RENT	254
III. SAVINGS DEPOSITS REFLECT A CITY'S PROSPERITY	255
IV. COMPENSATORY ACTION OF BIMETALLISM	256
V. WILLIAM J. BRYAN'S "CROSS OF GOLD" SPEECH	257
VI. SILVER, AS A COMMODITY, IS ON A RAMPAGE	258
VII. THE PITTMAN BILL TO STABILIZE THE PRICE OF SILVER	259

CHAPTER XXVII

GOVERNMENT PAPER MONEY

I. BARBER SHOPS PAPERED WITH CONTINENTAL CURRENCY	262
II. "GENERAL" COXEY PROPOSES TO IMPROVE CONDITIONS	263
III. A. THE WAGE SYSTEM OF RUSSIA SHOULD BE ADOPTED IN THE UNITED STATES	264
B. "THE BOMBSHELL HENRY FORD THREW"	264
IV. THE ASSIGNATS OF THE FRENCH REVOLUTION	264
V. GERMANY'S ABILITY TO PAY AND THE INFLATION OF THE MARK	265

CONTENTS

xvii

VI. AN INFLATION OF THE FRANC HELPS BUSINESS	267
VII. COLONIAL PAPER MONEY	268

CHAPTER XXVIII

BANK DEPOSITS AND BANK NOTES

I. BANK INTEREST RATES VARY BY TOO WIDE MARGINS	269
II. PYRAMIDING THE CAPITAL STOCK OF A BANK	270
III. PROMOTING A CHAIN OF FARMERS' BANKS IN THE NORTHWEST	270
IV. MUST A BANK BE CONSERVATIVE IN ORDER TO PROTECT OTHER PEOPLE'S MONEY?	271
V. THE PRACTICE OF DISCOUNTING NOTES IS UNJUST	272
VI. COLLEGE PROFESSORS MUST EXPECT TO PAY HIGHER THAN NORMAL RATES OF INTEREST	272
VI. STEMMING THE TIDE OF WHEAT-STATE BANK FAILURES	273
VIII. BANK DEPOSIT INSURANCE	274

CHAPTER XXIX

BANK CREDIT AND BUSINESS CYCLES

I. THEORIES OF BUSINESS CYCLES CLASH WITH EACH OTHER	276
II. IS THE COMING YEAR TO BE ONE OF PROSPERITY OR ONE OF DE- PRESSION?	278
III. BANKS SEEK A MARKET FOR THEIR MONEY	280
IV. WILL MONEY BECOME TIGHT?	281
V. THE CRISIS IN THE FLORIDA LAND BOOM	284
VI. DEFLATING THE BOOM IN 1920	286
VII. BANK CREDIT FOR BUILDING PURPOSES DISAPPEARS	287
VIII. WHO STARTED THE PANICS OF 1857, 1893, AND 1907?	287

CHAPTER XXX

GOVERNMENT REGULATION OF BANKING IN THE UNITED STATES

I. THE SEASONAL MOVEMENTS OF MONEY AND CREDIT IN THE UNITED STATES	290
II. THE PURCHASE OF UNITED STATES GOVERNMENT SECURITIES BY THE FEDERAL RESERVE BANKS	292
III. THE FEDERAL RESERVE SYSTEM IS UNDER FIRE AGAIN	294
IV. THE WHIRLING PYRAMID OF CREDIT	296

V. BRITISH CRITICISM OF OUR FEDERAL RESERVE POLICY . . .	303
VI. SENATOR BROOKHART WOULD SET REDISCOUNT RATES . . .	307

CHAPTER XXXI

RISK, INSURANCE, AND SPECULATION

I. INSURANCE DECREASES PROFITS	308
II. DOES AN INSURANCE AGENT PRODUCE?	309
III. SPECULATION SHOULD BE PROHIBITED	309
IV. PATTEN CORNERS THE WHEAT MARKET	310
V. THE USES AND ABUSES OF SPECULATION	311
VI. KRIEBEL AND COMPANY'S BUCKET SHOP	313
VII. A BANK ASSISTS A SPECULATOR	315
VIII. RESERVE BANK POLICIES	315

CHAPTER XXXII

CLEARINGS, COLLECTIONS, AND EXCHANGE

I. "KITING" A CHECK	318
II. CLEARING-HOUSE CERTIFICATES IN 1907	319
III. BANKS AS CLEARING HOUSES	321
IV. DON QUIXOTE AND MICAWBER USE COMMERCIAL PAPER	321
V. HOW MAY MONEY BE CARRIED BY A TRAVELER?	322
VI. COLLECTING ACCOUNTS THROUGH BANKING CHANNELS	323
VII. ENFORCED PAR COLLECTION	324

CHAPTER XXXIII

FOREIGN EXCHANGE

I. CANADIAN-UNITED STATES EXCHANGE AND THE BALANCE OF TRADE	326
II. WHOLESALE PRICES IN SELECTED COUNTRIES	326
III. CANADIAN-UNITED STATES EXCHANGE RATES	328
IV. GREAT BRITAIN'S "CROSS OF GOLD"	329

CHAPTER XXXIV

INTERNATIONAL TRADE

I. THE CHIEF MARKETS AND SUPPLIERS OF THE UNITED STATES	332
II. OUR FOREIGN LOANS AND TARIFF REDUCTION	333
III. INVISIBLE AND VISIBLE ITEMS IN OUR TRADE BALANCE	333