

bered, however, that the basic cost is that of labor and that this cost is not measured solely by the amount paid to a man for a day's work, but by his efficiency. The era of expansion is bound to continue so long as excessive issues of money remain in circulation. Some years ago the average per capita of circulation in the United States was about twenty dollars, now it is over fifty dollars. This will be remedied in the course of time by a gradual repayment of the national debts and the withdrawal of superfluous currency. Europe and the rest of the world cannot buy unless they sell, and as they are working under the pressure of necessity, we must expect that their purchases in the future will decidedly decrease, though perhaps not immediately, and that their production must necessarily increase. The reflex action of this improvement of conditions abroad will benefit this country by a reduction in the price of food and manufactured products.

Since the signing of the Armistice the general tendency of American crude drugs has been to greatly advance in price, and this tendency will continue for the next several months. Chemicals have a tendency to decline and European crude drugs will be obtainable at lower prices as soon as they can finance shipments and transportation can be arranged. It is true, however, that in many cases the goods they have to offer are old stock, which would seem to indicate that during the recent years of the War, the crops were not generally gathered.

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#### PERMISSIVE PRICE MAINTENANCE.

The Trade Commission has reached the following conclusions relative to Price Maintenance and has accordingly addressed the Speaker of the House:

- (1) That producers of identified goods should be protected in their intangible property right or good will.
- (2) That the unlimited power both to fix and to enforce and maintain a resale price may not be made lawful with safety.
- (3) That unrestrained price cutting is not in the public interest.

Bills now pending before the Congress may well be made to meet the difficulties of the situation if amended to provide for a review of the terms of resale contracts and a revision of resale prices by a disinterested agency.

Therefore, it is recommended that it be provided by law that if the manufacturer of an article produced and sold under competitive conditions desires to fix and maintain resale prices, he shall file with an agency designated by the Congress a description of such article, the contract of sale, and the price schedule which he proposes to maintain, and that the agency designated by the Congress be charged with the duty, either upon its own initiative or upon complaint of any dealer or consumer or other party in interest, to review the terms of such contract and to revise such prices and that any data and information needful for a determination be made available to such agency.