

Calvin Coolidge Says:

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NORTHAMPTON, Mass., July 29.—The European cartel for maintaining an arbitrary price for steel has been abandoned. The plan failed. Some years ago our government was trying to fix a price for silver. More recently the British were trying to control rubber. In Brazil it was coffee, in Cuba sugar, and in Canada the wheat market. Our producers tried to hold the price of copper, and the Farm Board went into wheat and cotton.

None of these efforts has been a success. It is not possible to repeal the law of supply and demand, of cause and effect, or of action and reaction. Value is a matter of opinion. An act of Congress has small jurisdiction over what men think.

When the consumer buys a product it goes out of the market and disappears. When private or public agents buy to fix an arbitrary price the product is still in the market, every consumer knows it and waits for the resale. The price can be held only as a local or temporary expedient which usually makes matters worse. But because all of us are bigger than some of us, not even the United States Treasury is powerful enough to put an arbitrary price on the great world staples with any permanent success.

CALVIN COOLIDGE