

## OPAX and History

PRICE REGULATION is an ancient practice. It antedates by many centuries the totalitarianisms of Hitler, Mussolini and Stalin, whose laws and methods may be the source material for our own Leon Henderson in framing his proposed price control plan. Far more informative are the ancient experiments in controlling the natural operations of the market because their results, economic and social, are subject to proper historic evaluation.

It is recorded that Athens and Rome went in for "lids" on prices. Guilds in the middle ages fixed the prices of both labor and commodities. Leon ought to have little difficulty in ascertaining the number of officials necessary for the enforcement of the laws, something about the illegal trading that ensued, what effect they had on the law-and-order of the times, how production was curtailed, and what happened to the economy of the people. Also, if he has time, he might reflect on the fate of those civilizations.

Ferdinand and Isabella tried out the scheme rather effectively in the fifteenth century. Analogy between that Spain and our "unlimited national emergency" goes somewhat beyond the matter of price-fixing. In the first instance, Spain also was at war, several wars, in fact. Industries were encouraged by subsidies; the shipping business was particularly favored. There was a sort of AAA to stimulate the development of merino sheep herds.

But what Leon would be most interested in right now is the system of *tasas* (fixed prices) practiced by these enlightened monarchs. No commodity or service in Castile was overlooked. Our current price regulator need not go beyond the *tasas*, for the present, but later on he might want to know that price control was accompanied by standardization of production. "The weaver, the fuller, the armourer, the potter, the shoemaker were told exactly how to do their work," records the *Encyclopaedia Britannica*.

Spain got along pretty well with this system for a time, in spite of the consequent swarm of corrupt government officials. But after a while, say the historians, Spain became a rather poor country to live in; in fact, the Spain of the sixteenth century was characterized as one of the two "most beggarly nations in Europe."