

The Low Cost of Living

By CHARLES J. ROSEBAULT.

IT is the low cost of living that threatens the foundations. Does the statement provoke derision? Mayhap—but only from the unthinking. Nothing can be more easily proved.

Take, for instance, a few random conversations on the Brokers' Favorite out of Montclair on a recent morning. Two of its most distinguished citizens, Strong and Weekes, are seated together in the smoker. Weekes is inclined to be moody and irritable, which is surprising for so sturdy an optimist. Strong says as much and suggests that his friend take a golfing holiday. Weekes has to repress his emotions before he can reply with anything like his usual suavity.

"Did you see what happened to Invincible Trading Company yesterday?" he asks darkly.

Strong loses his own flippant cheerfulness for the moment and there is a pained expression in his eyes as he admits that he almost went blind following the rapidly descending quotations on his office ticker. It had been so unexpected. For weeks I. T. had been riding the financial seas like one of those hydroaeroplanes that breast the billows and then suddenly shoot to the skies; but something must have gone wrong with the engine or the steering gear, for, just as everybody was turning his eyes to the clouds in anticipation of its ascent, it had made a nose dive and was still seeking bottom when the gong brought down the curtain for that day. It was the possibility of discovering a wreck when the show went on that had made breakfast such an unpleasant function for Weekes that morning.

"I suppose," he observes gloomily, "they've given it a dose of this deflation medicine. That's the latest way of taking the joy out of living."

Everything he possessed has been subjected to the same treatment—malpractice, he called it—and with the same result. Like everybody else he bought freely in the period of optimism. Price had no significance—the high of today would seem absurdly low tomorrow. It was with stocks as with motor cars, hats, shoes and the whole long line of essentials and luxuries. The question was not what did they cost but could they be got.

"Everybody was talking about the cost of living even then," Strong remarks.

"And having the time of their lives," retorts Weekes. "Now the cost of living has been started on the toboggan and where are we? I'm loaded up with all sorts of things I could buy over again for a good deal less than I paid for them, and the end of the slide looks far away. Last night I dreamed I had been caught up in a cyclone. When I woke I realized it was only the wind escaping from my various possessions."

In the car ahead Mrs. Strong and Mrs. Weekes are upon the same subject. They happen to be sisters, so their confidences are unrestrained. No need to hide the fact that they had been hoarding a bit in the time of scarcity or that they had miscalculated as to the future of prices.

"I still have over a hundred pounds of sugar, Nell," Mrs. Strong confesses. "How much have you?"

"About the same. The worst is, our house is so full of all sorts of truck I had to put it in the cellar, where it has gathered moisture. I don't know what to do. And, Lily, I can buy it for 10 cents a pound—it cost me 21!"

The pathos of that confession! But it is only the beginning. There has been a coolness in the relations with Friend Husband since the price began to slide. She has maintained all along that he should have foreseen the slump. That was his rôle in life. He was always playing the prophet to his customers, so why couldn't he do a little predicting at

home? Yet, when she had ventured gently—oh, so gently!—to intimate as much, he had lost his temper and accused her of having nagged him into using up all his influence with a customer who was in the sugar business to sell her the stuff—at that ridiculously high price. Men were always unreasonable!

Mrs. Strong has a more tragic tale. Domestic differences are all in the day's tribulations and appear and disappear with monotonous regularity, but she has broken with her old grocer, who refused to take back any of her sugar at the price she paid him, and his is the only shop in the town that is really convenient for her.

However, sugar is a mere incident. There is her mink coat, for which she paid \$4,000 only a year ago. The furrier was haughty then when she had mildly asked whether that price wasn't a bit elevated and had almost refused to wait on her. He had practically accused her of ingratitude in not realizing that he was doing her a favor to let her buy the garment at all, and she had really feared he was going to take her name off his books. Now she had seen the absolute duplicate at \$2,400 and the salesman had showed a willingness to bargain at that! Could any woman be expected to keep her disposition after such experience?

But we must not play the eavesdropper any longer. Nor it is necessary. The whole world rings with the outcry against the low cost of living. Here is no exaggeration. Only the other day the cables carried the weird report that the low value of the franc in American exchange was due to the fact that the French importer and the French manufacturer were faced with ruin through the fall in values of materials. A public ignorant of the laws of economics was demanding lower cost of living, which entailed lower prices all along the line from maker to retailer. Like the same public in America, they were shouting "Profiteer!" and refusing to buy.

Oh, that word profiteer! What a world of hypocrisy is skulking behind

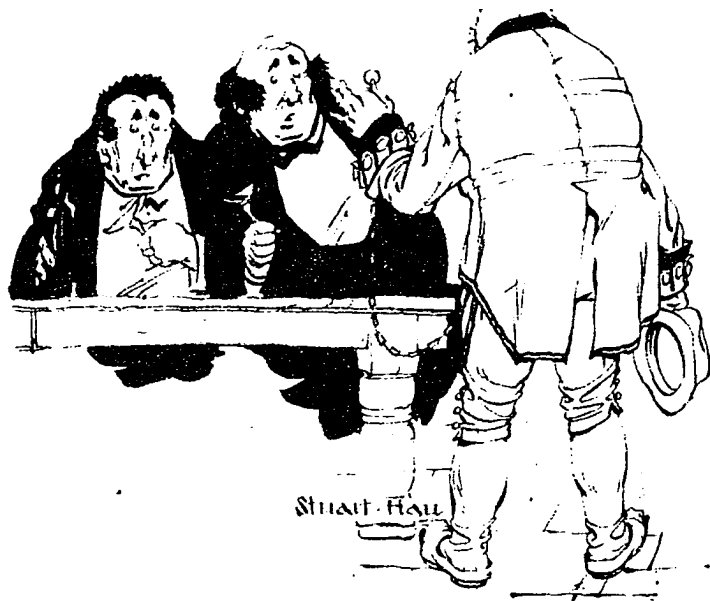
done likewise, would have been forced into bankruptcy had they surrendered to the importunities of the public, so they appealed to the big financiers for aid. These cunning ones devised a plan for depressing the exchange which in turn automatically kept up the number of francs required to secure a given article.

When the present stocks of the importers and manufacturers have been worked off the franc may be expected to improve. Very likely some people, who are not proficient in economics and finance, may not understand this, but please remember that it is the cable and not I who should be held responsible.

Is not the demand for a low cost of living raising the deuce in Italy, Austria, Germany, Russia and even England? Is not everywhere visible the spectacle of the possessor of goods who won't give them up on a falling market and of obdurate purchasers whose nostrils are filled with the flavor of anticipated bargains? Everywhere peoples divided against themselves, a sad contrast to those happy days when everybody was eager to buy—buy—buy!

In our own glorious and greatly favored land the one-time spirit of trust and confidence has given way to suspicion and mistrust. No longer does Jones listen with rhapsodic attention to inside information—not even when it emanates from tried and trusty Robinson. Rather the woods are full of Joneses who want to know about that tip on Castor Oil, Limited. "Didn't you say it had a book value of \$2,000 a share?" asks Jones. "I got it direct from the President," is the ready answer. "You wouldn't like to take over my few shares—only two hundred. Bob, at the price I paid?" Jones queries insinuatingly. "I've got all I can carry now," is the pained reply, and the friendship of a lifetime is disrupted forever.

Take this from the diary of a perplexed manufacturer: Last year this time he was oversold. Working double shifts he could not get his goods out fast enough. Price was no object, nor, consequently—were wages. Today his machines are



I have had to surrender my keys.

ernment did not take in super and excess profits taxes has been swallowed up in depreciation of inventories. Then there is something to be charged to celebration.

If there are still those who doubt the efficiency of the arguments already adduced, surely this matter of celebration ought to be convincing. Is anybody now taking Wife to the jeweler with the admonition that she must not restrain her inclinations even the slightest, but just go the limit? Have you observed any man with a bored, indulgent air saying loudly to the overworked salesman behind the diamond trays, "My wife can't make up her mind whether she wants a necklace of diamonds, pearls, or emeralds—so we'll just take all three"? Not lately—but a year ago the dictaphones at Tiffany's wore out monthly absorbing that type of speech.

Nor is the débâcle in generosity confined to captains of industry and financial primates. Even the chauffeurs have noted the departure of the halcyon days and elysian nights. No longer does the bill for repairs pass uninspected. Instead of corona coronas the boss passes out the kind he bought for distribution among the Italian laborers on his farm. There is no longer a dollar to help pass the evening while the family is at bridge or the theatre. The boss's friends are shy on tips, too. In fact, the only way to make a little on the side is in competition with the taxis—when one can feel safe in taking that chance.

Under the circumstances even a chauffeur has to retrench. It is not uncommon to hear him complain that he can no longer indulge in box parties at the Hippodrome on his nights off. On a recent rainy night, when two of them were sheltered under the porte cochère of my hotel, I heard one say: "The Missus? Say, Jim, that woman had the nerve to ask me to beat the carpets. Ye'd think I was her hired man!" "Just as had here," returned his companion. "Mine has changed her butcher and it's cold storage chickens and frozen meat for all hands. My wife says they ain't worth bringing home—but it puts a crimp in the wages to have to buy for yourself."

I hesitate to credit a rumor said to have originated within the very portals of the most exclusive of the butlers' clubs and pass it along merely to indicate the state of mind which makes possible the creation of such reports. A member noted for his conservatism and reserve, which have kept him constantly associated with our very best families, is said to have come staggering into a meeting of the board of governors of the club one night recently in a condition suggesting knockout drops. "It's come at last, gentlemen," he announced, before collapsing entirely; "we will have to buy our own liquor. I have had to surrender my keys to the wine cellar and"—leaning forward, white of face, he whispered hoarsely—"I am credibly informed that the lock is to be changed every ten days."

The sensation and the outbursts of indignant protest may be imagined.

In the very darkest days of the war, when the Hoover rationing infamy wrung the withers of every self-respecting butler, no such indignity had been attempted. It simply could not be. Before the board adjourned the members unanimously resolved to resist to the last drop—in bottle or keg. Their honor had been assailed, their time-honored privileges attacked and, besides, they couldn't afford it, with the present dip in tips and honorariums and the manifest determination of the hard-hearted employers to cut in every direction—possibly even to reduce salaries.

"Would you believe it, gentlemen," one dignified member is quoted as saying, "when I spoke to my mahster about the shabby condition of my livery he actually had the unmaunerliness—I can call it no less, gentlemen—to suggest that I look in at the ready-made department of Blank's dry goods shop!"

Naturally, every one dissolved in tears at that, and it required a vigorous circulation of the pocket flasks to make possible an orderly adjournment.

The shadow of the lower cost of living is upon the lesser laborers likewise. Even the servant in the house, surely a profiteer if ever there was one, is beginning to doubt that silk underwear is a normalcy. I have in mind the recent arrival of a ship from the Emerald Isle when several of the young ladies in line at the entrance to the Ellis Island ferry actually refused to pay the usual \$5 to the runners who carry messages from the newly arrived to their impatient relatives in Manhattan. This resistance to a time-honored graft is significant of the growing caution in these double-handed spenders.

Lack of space alone prevents the presentation of all the evidence in the case. I have but skimmed the surface. From every walk of life could be adduced testimony showing beyond the possibility of denial how we all flourished—a veritable forest of green bay trees—under the much-maligned high cost of living—the period of optimism and high hopes, of daring imagination and far-flung enterprise—and how we are losing courage and initiative with the reversal of conditions.

Of course, there may be the hypercritical who will assert that there is no low cost of living, that the American dollar is still debased and dishonored and cheated of its true worth, that the profiteer is still abroad in the land and unashamed, and that we are bumping on the rocks because there is no real abatement in high prices, ergo, none in the cost of living. Pity the near-sighted! It is not the remaining high prices, the continuing demands of retailers, labor, servants and landlords that bring the present blight upon existence. It is the universal conviction that these are all doomed, that the trend is all downward, that it cannot be resisted for long by even the stoutest, and that the low cost of living is on the horizon and moving ever closer, which is upsetting the body politic.



"Ye'd think I was her hired man!"

it! The men who bought three suits of clothes at \$200 a suit—convinced that sheep were going to disappear and there would be no more wool—when they had no immediate use for more than one, flung opprobrium at the tailor, who passed it on to the wool merchant, who flung it over his shoulder at the jobber, whence it went to the manufacturer, the sheep raiser, the shepherd, the chap who sold the seed from which the grass was grown which nurtured the baabaas, the railroad which charged for the freight in various directions—a new theme for the house that Jack built. And, as with wool, so with all things. Is there among us one who may truly say, I am without sin?

But to return to the French and the world aspect of our subject. As the story goes, the French importers who had bought raw materials in the heyday of the high cost of living, and the manufacturers, who had

barely moving. There's a big stock on hand—and a big loan waiting to be paid at the bank. He has cut his prices in half, for our heads of industry are readier to take their medicine than are the Europeans. His goods are actually offered at below pre-war prices. But there are no buyers. "It is being overdone," he cries indignantly. "There's been so much howl about the high cost of living that people don't want to pay anything. They expect me to give my goods away."

And the profits of yesteryear—ah, where are they? Gone a-glimmering for him as for so many. Is it generally known that the average manufacturer and merchant who was wading in war profits last New Year's now thinks himself lucky if his average from the outbreak of the war to date is equal to his pre-war average? There are practically no war profiteers left. What the Gov-