



REPEAL!



The Way You Never Hear About

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THE temper of Oklahomans today is up over the question of prohibition. The imperturbable activities of the state's bootleggers, the heftiness of its neighboring states' liquor-aided treasuries, and finally, the election of an action-promising governor are factors which are once more causing Oklahomans to re-evaluate their state-old decision for prohibition.

In the remarks which follow, let it be understood that there is no intention either to support or reject repeal of our prohibitory laws. These remarks bear solely upon the subject of regulation should repeal be approved. Logically a discussion of such matters should wait until the voters decide whether they want repeal. But, unfortunately perhaps, any constitutional amendment which will legalize the sale of intoxicating liquors will also provide some plan for sales control and regulation. And any such plan will become a part of our fundamental law.

Here, the case for state-owned and operated stores is briefly presented primarily because, thus far, it has received little, if any attention in the state's media of news dissemination. Rather obviously it deserves consideration simply because more than a third of the "wet" states regulate and sell liquor through state-owned stores, and are apparently well satisfied with the results.

It would be difficult, of course, to classify voters with respect to their opinions on the repeal issue. Extremes are readily recognizable—those who under no circumstances would support repeal, and others who would vote for any proposal tagged wet.

There is also a third group of voters, less dogmatic and probably constituting the balance of power, who will impose exacting conditions upon their support of any repeal program.

In general they may be expected to insist upon a system of sales control which,

1. Will offer no encouragement to increased consumption of intoxicating liquors, and

2. Will produce the maximum amount of public revenues.

The principal argument for repeal may be stated in these words: that liquor be made available through *legal channels* to those who insist upon having it, legally or otherwise, and at a price sufficiently low to discourage bootlegging and racketeering.

The advocate of state-owned stores takes the position that the private dealer is interested in enhancing his sales by the very nature of his enterprise and that consequently there is increased consumption by the public. He may also point to the fact that the cost of regulating and policing the private dealer, as distinguished from other aspects of policing the liquor traffic, constitutes a considerable burden upon taxes derived from private sales of liquor.

State-owned stores, on the other hand, or those assigned to manage them, will not be directly concerned about increasing the volume of turn-over.

The case for state-owned stores, when considered as a source of public revenues, is impressive. Kansas, whose experience with stores has been widely publicized in Oklahoma, received last year from gallonage and enforcement tax revenues the modest sum of \$3,500,000.

The income of a few of the seventeen states operating their own stores (1957) are indicated in round figures in the following table:

Iowa	\$8,900,000
Oregon	15,000,000
Virginia	16,800,000
Washington (profits and taxes)	17,000,000

Estimates, made in 1956, indicate that in Ohio net collections from liquor stores amounted to \$39,500,000; in Pennsylvania, \$95,000,000; Alabama, \$17,000,000; North Carolina, \$24,000,000; and West Virginia, \$14,000,000. As a producer of public revenues, state-owned stores, it appears, lead by a wide margin

State owned and operated liquor stores

are commonly objected to on the ground that they are socialistic: that is, no action should be taken which interferes with or displaces private enterprise.

It does not follow, however, that either the achievements or advantages of the private enterprise system are questioned by calling attention of the unique character of the liquor business.

It ought to be freely admitted that the consumption of intoxicants, whether obtained legally or illegally, creates a disproportionate number of problems—police and welfare problems in painful variety. And no one, perhaps, will deny that the regulation and control of the liquor business is more involved and vastly more expensive than most forms of business enterprise.

For this reason, the advocate of state stores contends that any profits from liquor sales should go to the state and its political subdivisions. It is, in his mind, the only way in which the public can, in some measure at least, recover the cost of regulation and control, and the increasing outlay for welfare programs, the need for which can in part be traced to the sale and consumption of intoxicating liquors.

While many thoughtful observers may agree with this argument, they are reluctant to accept any plan of state sales because of a fear that politics would offset advantages.

Probably, as long as liquor is sold, politics will be manifest. And it is a mistaken notion that recourse to private stores, package or otherwise, will avoid this condition.

There is no convincing evidence that politics is a greater problem in the management of state stores than in the regulation and policing of private stores. Furthermore, the former provides the most effective additional means of discouraging bootlegging—the control of liquor prices.

As citizens of the Union's last dry state, Oklahomans have an opportunity to consider all aspects of repeal. It is an opportunity they should avail themselves of immediately in this signal year.