principle by which to judge. Who is to be the judge, and what is the principle involved?

Would it be fair to make Jones the sole judge, empowered to force upon Smith whatever terms of trade he shall dictate? Hardly; for to do so is to deny Smith all rights of ownership of the corn he has labored to produce. It would allow Jones to confiscate Smith's property.

Would it be fair to make Smith the sole judge? No—and for the same reason.

## THE HISTORICAL CONCEPT

HISTORICALLY, the concept of "a just price dictated by a disinterested third party" has usually been offered as the solution of this seeming dilemma. This concept has persisted in the affairs of man since earliest times—since ancient man first congregated into groups of three or more, thus making it possible for one person to interject himself into the economic affairs of two other persons. Let us say that the third party in this instance is Joe Doakes, a new and distant neighbor. Joe seems to be qualified to render justice since he is "disinterested, impartial, unprejudiced, and objective." He might be called the "public representative." Shall it be left to Joe to decide what is a fair price?

Joe's presumed qualifications for judging what price is fair—being disinterested, and



all that—are precisely the reasons why he is not really qualified at all. He has not one iota of right to speak as an owner because he has done nothing to produce either the furs or the corn. He has no relevant information except what he might obtain from Jones and Smith. They alone can know their own wants, and whether, at each specified price, they should keep what they have produced or exchange it. At best, Joe knows less about it than does either Jones or Smith.

Bluntly and in simple terms, Joe is unqualified for the job of determining a fair price; and furthermore, it is none of his business. To empower him to throw the bargain this way or that is to grant him the equivalent of ownership of both products; and by the test of who has produced them and who owns them under private property, he deserves no such right. At best, he is an interloper; at worst, he is an outright racketeer, holding a power by which he can demand a bribe from either or both parties.

What is wrong with this theory of an impartial judge determining what price is fair? Why is this any different from a judge in a court of law who presides, let us say, in a civil suit concerning an alleged violation of contract?

Such a civil suit involves an impasse of conflict, in which one or the other side must lose by a judgment of "guilty" or