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THE ECONOMIC RESULTS OF  
PROHIBITION

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SOURCE OF DATA:  
*The Atlanta Journal*, December 19, 1929. Prices quoted per case, per gallon, per Imperial quart, per short quart, per "fifth," and per pint have all been converted to prices per quart. In only one case, Los Angeles, is Bourbon classed with gin, rye and rum, on account of a price much below that of Scotch, whereas in other cities there is little difference between these two liquors. Quotations in any city between the ranges given are omitted.

TABLE 72  
 PRICES OF ALCOHOLIC BEVERAGES AT VARIOUS PLACES AND DATES,  
 1926 TO 1930

Place	Beet Per glass	Per quart	Domestic per quart	Imported per quart	Kind of spirits
Burlington, Vt.		\$2		\$6-\$10	whisky
New York City			\$5	8	whisky
Mohawk Co., N. Y.			1 1/4		brandy
Wilkes-Barre, Pa.				5	corn
Buffalo	.10	.10-15	2		Scotch or rye
Philadelphia			2-5		gin
Virginia			4-5		corn
West Virginia			3/4-2		corn
South Carolina				5	Scotch or rye
"					corn
Atlanta			1 1/4-4		corn
Georgia (rural)			7/2		brandy and whisky
South Bend, Ind.			4-8		whisky
Detroit			1	5-6	whisky
Ecorse, Mich.	.20	.20-.60		3-3 3/4	whisky
Chicago	.25	.25	1	8 1/2-10	Bourbon
Wichita, Kans.			8		whisky
New Mexico			1 1/2-3		rye
"				5-6	Bourbon
San Francisco	.25-.50			5 1/2-8	Scotch and rye
Average		\$1.10	\$3.26	\$6.21	(by the drink)

SOURCES OF DATA:  
 Burlington, New York City, Mohawk Co., Buffalo, Philadelphia, South Carolina, South Bend, Detroit, and New Mexico: articles by John P. Kennedy, William G. Shepherd, and others, in *Collier's*, October 27, 1928, and May 4, May 18, and June 1, 1929.

applying estimated average retail prices to estimates of the consumption of alcoholic beverages.

*The Prices of Alcoholic Beverages.* Varying degrees of enforcement, varying conditions of production and sale and the absence of openly published quotations make it very difficult to estimate with confidence the average or typical prices of alcoholic beverages since the adoption of prohibition. There are available, however, three collections of price quotations in various parts of the United States in 1929 and 1930.

One of these collections was published in December, 1929. Most of these prices are given in Table 71, liquors of presumably similar quality being grouped together. Aside from the prices given in this table, beer was quoted in Chicago at \$85 per barrel, champagne in New York at \$90 to \$135 a case, cognac in New York at \$11 to \$15 a quart, and cognac in New Orleans at \$4.50 to \$5 a quart.

TABLE 71  
 PRICES OF ALCOHOLIC BEVERAGES IN FOURTEEN CITIES IN DECEMBER, 1929  
 (dollars per quart)

City	Wines, cordials and brandy	Bourbon, Scotch, Tequila and whisky	Gin, rye rum and Bourbon	Synthetic gin, corn, moonshine and alcohol
Boston	3	5 1/2-7	4	1
New York	3-6	4 1/2-12	7	1-2 1/2
Washington		10-12	3 1/2-6	
Buffalo			6	
Chicago		15-20		2 1/2-3 3/4
Twin Cities		9		3 3/4-4
Des Moines		7	2 1/2	
Seattle	1 1/2	8	5	3
Butte	5/6-3	7 1/2-9 1/2	1 1/4-5	3
San Francisco		7	3 1/2	2-3
Los Angeles	3/4-2 1/2	7-12		
Dallas		6 1/2-10		4
New Orleans		5	4 1/2-5	2
Memphis				
Average	\$3.14	\$8.93	\$4.66	\$2.91

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New York and Ecorse: New York Times Magazine, July 27, 1930, and July 14, 1929.  
 West Virginia: Francis Pridemore, in *The North American Review*, July, 1929.

Georgia (rural): Walter W. Liggett, in *Plain Talk*, May, 1930.  
 Wichita: *Wichita Eagle*, January 17, 1926.

Wilkes-Barre, Virginia and Atlanta: prices quoted to the author in 1929 and 1930.

Quotations by the case, gallon or pint have been converted to the price per quart.

The second set of price quotations on alcoholic beverages is a collection made by the author from newspaper and magazine articles and from prices quoted him personally, mostly in 1929 and 1930. These quotations are given in Table 72.<sup>7</sup>

The third collection of price quotations was made in July, 1930, and is more extensive than either of the two given above. In order to obtain the best possible sample of liquor prices throughout the country, the author sent a questionnaire to the editors of 130 newspapers in the leading cities, asking if a reporter familiar with conditions could give prevailing quotations in his city. Replies were received from 33 cities, for some of which the data given were rather meagre, but for others quite complete. These quotations are given in Tables 73 to 76 in the form of price ranges for domestic and "imported" beer, wine and spirits. Due to the varying qualities of liquors sold under the same name, and the varying sorts of liquors sold in different parts of the country, it has not been practicable to compute average prices of specific varieties.

Quotations were received in terms of many quantity

<sup>7</sup>No systematic effort has been made to discover price quotations in magazines and newspapers. Were this to be done the list could doubtless be much extended, but it is not believed the average prices thus obtained would vary greatly from those given in Tables 71 to 76.

TABLE 73

PRICES OF ALCOHOLIC BEVERAGES IN JULY, 1930, IN THE UNITED STATES  
 (cents per glass or drink)

City	Beer	Wine	Spirits
New Bedford	5		15-50
Worcester			15-75
Schenectady	15	25	50
New York	15-50	10-50	25-100
Newark	10-40	10-25	10-100
Baltimore	15-25		15-75
Washington	25-35		25-50
Richmond			25
Charleston			25-50
Miami		10-25	50
Atlanta		25	15-25
New Orleans	25	20	25-50
Detroit	25	25	25-50
Flint	25-50		25-50
Cincinnati		10	50
Columbus	25	50	15-50
Pittsburgh	25		10-25
Youngstown	20-25		25-100
Fort Wayne	25	25-50	25-75
Chicago	25	25-50	
St. Paul	25-35		50
Oklahoma City			50
Dallas	25		25-50
Houston		25-35	25-50
San Francisco			

SOURCE OF DATA: newspaper reporters in the various cities.

units: bottles of varying size, pints, quarts, fifths, Imperial quarts, gallons, and cases of varying size, as well as by the glass and the drink. Except for prices per glass or drink, all of these quotations have been reduced to prices per quart. Quarts have been assumed to be United States standard quarts, though some of them are probably short quarts of 25 or 26 ounces. Bottles with the size not specified have been assumed to hold one quart, but some of them, especially in the case of beer, are probably only

TABLE 74

PRICES OF BEER IN JULY, 1930, IN AMERICAN CITIES  
(dollars per quart)

City	"Imported"	Domestic
New Bedford	1.00*	
Worcester	1.25-2.00	.15-.20
Schenectady	1.25-1.50*	.25-.40
New York-1	1.10-2.00*	.30
New York-2	.67-1.50	
New York-3	2.00 up	.33-.83
Newark	.25*	.50
Baltimore		.13*
Washington		.40
Charleston		.25*
Jacksonville	.50*	.08*
Miami	1.00*	.25*
Atlanta	.50-.67*	.08-.25*
New Orleans	1.50	.25*
Louisville	.50-.67*	.40-1.00
Detroit	.50-.67*	.30
Flint		.50*
Cincinnati	1.00	.40-.50
Columbus	.50	.25-.50
Pittsburgh	1.00-1.50	.40
Youngstown		.25-.75
Toledo		.15-.75*
Fort Wayne	1.00-1.50	.12-.25
Chicago	.75-1.00*	.45-.50*
St. Paul		.35-1.00
Tulsa		.20-.35*
Oklahoma City		.50-.70
Dallas		.21*
Houston		.21-1.00
San Francisco		.75-1.00*
Spokane	2.00	
Average	1.09	.40

SOURCE OF DATA: newspaper reporters in the various cities. Prices marked (\*) are per bottle of unspecified size. Many of these are probably pint or 12-ounce bottles, though assumed to be quarts in computing the average. The three quotations in New York City are from reporters on three newspapers.

TABLE 75

PRICES OF WINE IN AMERICAN CITIES IN JULY, 1930  
(dollars per quart)

City	"Imported"	Domestic
Worcester		.75-4.00
Schenectady	2.50-6.00	.50-1.25
New York-1	7.50-12.00*	1.25-5.00
New York-2		.75-1.25
New York-3	5.00-30.00*	.75-3.50
Newark	3.50-10.00	1.00-3.00
Baltimore	4.00	3.00
Richmond		1.00
Charlotte		
Charleston	5.50-6.67	2.00
Jacksonville	5.00-6.00	1.00-2.00
Miami	3.00-7.00	.50
Atlanta	2.00-3.00	3.00
New Orleans		1.00-3.75
Louisville	2.50-4.00	1.25
Detroit	8.33-10.00	
Flint	3.50	1.00
Columbus		.75
Pittsburgh	5.50-6.00	.60-2.00
Youngstown		
Toledo	18.00*	
Fort Wayne		.50-10.00
Chicago	Up to 25.00*	.75-2.50
St. Paul		1.00
Tulsa		5.00-7.50
Oklahoma City		.75-1.00
Houston		1.25
San Francisco	7.50-10.00	1.00
Average	\$5.37	\$1.78

SOURCE OF DATA: newspaper reporters in the various cities. Prices marked (\*) are for champagne and not included in the average.

These assumptions tend to make the quotations given in the table lower than they are in reality. On the other hand, averages for all cities have been computed from the mid-points of the range for each

TABLE 76

## PRICES OF BEVERAGE SPIRITS IN AMERICAN CITIES IN JULY, 1930

City	"Imported" (dollars per quart)	Domestic
New Bedford	5.00- 8.00	2.00-12.00
Worcester		
Schenectady	6.00-10.00	1.66- 3.75
New York-1	6.00-10.00	3.33- 6.00
New York-2	5.50-15.00	2.00- 8.33
New York-3		
Newark	2.00-10.00	2.00- 5.00
Baltimore	8.33	1.50- 6.00
Washington		3.00- 8.00
Richmond	6.67-10.00	1.25- 3.00
Charlotte	5.00-10.00	1.25- 4.00
Charleston	4.00- 4.50	.62- .75
Jacksonville	5.00	.50- 3.00
Miami	4.00- 5.00	1.00
Atlanta	7.00- 9.00	1.50- 3.00
New Orleans		4.00- 8.00
Louisville		1.25- 8.00
Detroit	6.00-10.00	4.00- 8.00
Flint	6.00- 8.00	2.00 up
Columbus	7.00- 8.00	4.00- 4.75
Pittsburgh	4.00-12.00	1.00-16.66
Youngstown	8.33-10.00	1.50- 6.67
Toledo	7.00-13.00	2.00- 5.50
	5.50	
Fort Wayne	6.66-14.00	.50-11.00
Chicago	10.00-13.00	2.00-10.00
St. Paul		1.00-12.00
Des Moines	8.33-11.67	
Wichita	6.25	3.00
Tulsa	15.00	5.00
Oklahoma City	10.00-14.00	2.00- 4.00
Dallas	10.00-14.00	3.00- 6.00
Houston	3.00- 8.00	2.00
San Francisco	6.25	1.00- 5.00
Spokane		2.50- 8.33
Average	\$8.17	\$4.01

SOURCE OF DATA: newspaper reporters in the various cities.

city, and since it is probable that more liquor is sold at prices in the lower half of the price range than at prices in the upper half, this tends to raise the computed averages above the true averages.<sup>8</sup> The width of the price range in many cities is notable, and is due partly to widely varying qualities of liquor, partly to the class of patrons making the purchases, and partly to the varying quantity units in which purchases are made.

In Table 77 the price averages from the three sets of quotations are brought together so that they can be readily compared. It may be noted that the agreement is remarkably close, considering the differences in their scope and the methods of collecting them. Since the set collected by the author from newspaper reporters is the most extensive, it will be used for computing, along with estimates of consumption, the national expenditure on alcoholic beverages in recent years. For this purpose we need to obtain an average of the "imported" and domestic spirits. Were the quotations of "imported" spirits those of genuinely imported liquor, we would omit them altogether, since only a small part of the liquor consumed in the United States is actually imported. A number of the reporters sending in quotations stated that the prices given for "imported" liquor were for domestic liquor sold as imported, or of imported liquor "cut" with domestic alcohol. Undoubtedly a considerable quantity of liquor is sold at these "imported" prices, but any estimate of the relative quantity sold thus is arbitrary. To assume that one-tenth of the total is sold at the "imported" prices is, we believe, conservative, and the weighted average in the last column of Table 77 is computed on this basis.

<sup>8</sup> In three cases, domestic wine in Fort Wayne and Tulsa and domestic spirits in Pittsburgh, the highest price has been reduced to that given for other cities, so as to avoid the inclusion in the average of abnormally high prices.

TABLE 77

AVERAGE PRICES OF ALCOHOLIC BEVERAGES IN THE UNITED STATES  
1929-1930

	(dollars per quart)		Weighted average of quotations from reporters
	Quotations collected mostly from the New York Times and journals	Quotations collected from newspaper reporters	
"Imported" beer .....	1.10	1.09	.47
Domestic beer .....		.40	
"Imported" wine .....		5.37	
Domestic wine .....	3.14	1.78	2.14
"Imported" spirits .....	8.93	6.21	
Domestic spirits .....	3.79	3.26	4.43

## SOURCES OF DATA:

Averages of sets of quotations: Tables 71-76, *supra*, pp. 152-58. The most expensive class of spirits in Table 71 is assumed to be the same as the "imported" spirits in the other sets of quotations; and the other two classes considered comparable to the domestic spirits of the other sets.

Weighted average of quotations from newspaper reporters: computed from the preceding column by giving "imported" and domestic liquors weights of 1 and 9, respectively.

To estimate annual expenditures on alcoholic beverages we ought to have prices such as the above for each year since the adoption of prohibition, since there have undoubtedly been considerable price changes from time to time. However, it has not seemed feasible at the present time to collect any extensive series of prices for several years past; and only one series of price quotations covering the entire prohibition period has come to the author's attention. This series is the index number of gin in Washington published by the Crusaders. No method is available of testing the reliability of this index, nor of its applicability to other parts of the country, nor to other varieties of alcoholic liquor. Judged, however, in the light of the known relation between supply and price, it does not appear to be an unreasonable estimate of the probable price changes of alcoholic beverages generally since 1920.

In Table 78 this index number is given, together with the weighted average price of liquors in 1930 adjusted by it for each of the preceding years.

TABLE 78

INDEX OF PRICE OF GIN IN WASHINGTON AND ADJUSTED PRICES OF ALCOHOLIC BEVERAGES IN THE UNITED STATES

Year	Index of price of gin in Washington	Spirits	Adjusted estimate of prices of alcoholic beverages per gallon	Beer
1920	315	\$10.73	\$5.19	\$1.14
1921	220	7.50	3.62	.80
1922	190	6.47	3.13	.69
1923	150	5.11	2.47	.54
1924	150	5.11	2.47	.54
1925	150	5.11	2.47	.54
1926	140	4.77	2.30	.51
1927	130	4.43	2.14	.47
1928	150	5.11	2.47	.54
1929	140	4.77	2.30	.51
1930	130	4.43	2.14	.47

## SOURCES OF DATA:

Index of price of gin: read from chart distributed by The Crusaders, Washington, D. C. (released for publication April 12, 1931).

Adjusted estimate of prices of alcoholic beverages: 1930 price adjusted in accordance with the index of price of gin.

Retail prices, however, must be modified to take account of liquors produced at home at low cost. At home and in small stills, with little or no wages and little overhead, alcoholic beverages can be produced at lower costs than those estimated in Table 67. The total cost of materials for making five gallons of beer, using hop-flavored malt syrup, yeast, and sugar or sugar and syrup, and including the cost of bottle caps, but not bottles, all purchased at retail, was in 1929 about \$1.50. This is 30 cents a gallon.

If wine grapes were purchased at auction in the autumn of 1929 at the average price of \$1.17 per lug of about