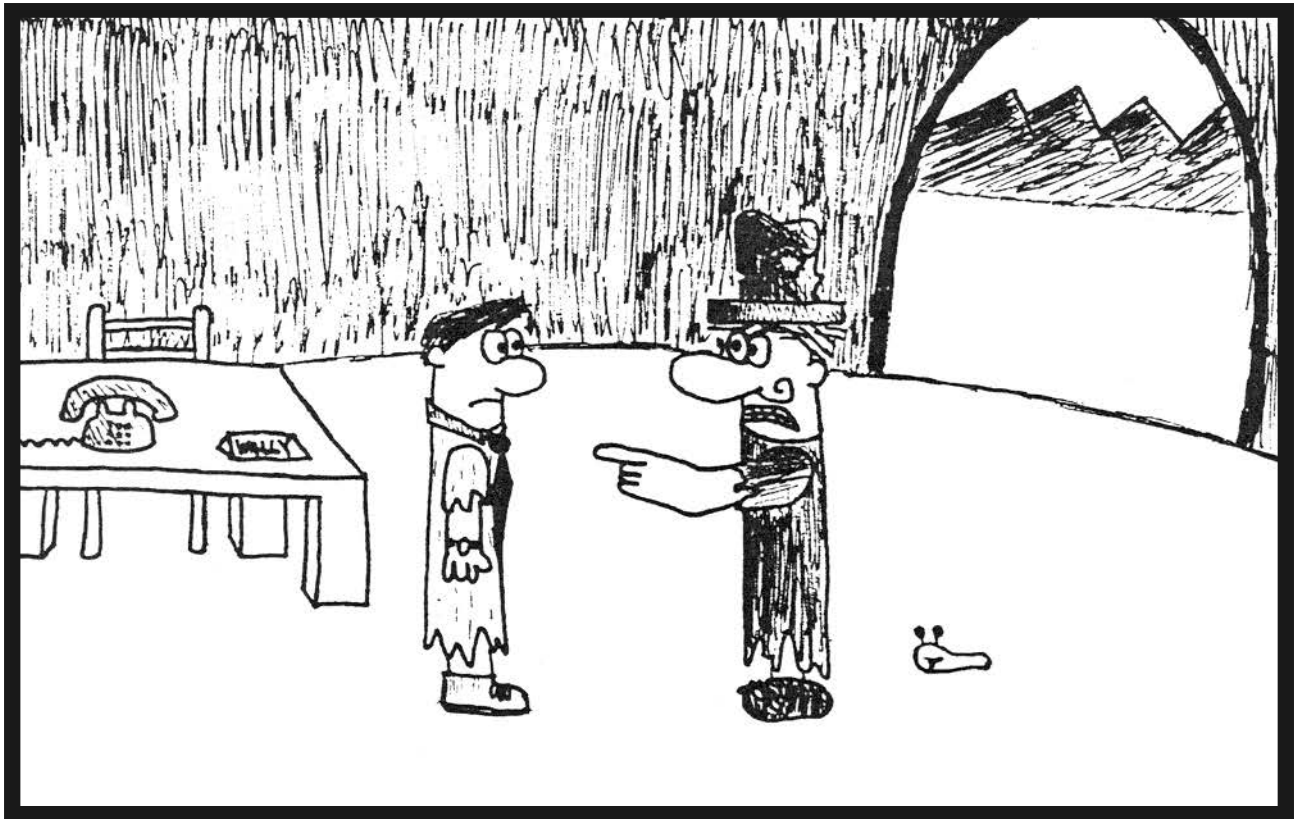


WALLY and the WALNUTS



Where Money grows on Trees
...and everyone is a little bit nuts !

Wally and the Walnuts

An Alternate View of Economics

The Wallyworkers

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Preface to the 2014 Edition

I was one of a group of seven students from Lake Braddock Secondary School who created *Wally and the Walnuts*. The project was coordinated by 8th grade social studies teacher Tina Yalen, who wanted some of her recent graduates to update a manuscript she used called *How Our Economic System Works*. That piece was written by William G. Tapply at Tufts University, and published in 1969.

During weekly summer meetings, *Wally* took on a life of its own. Our pizza-fueled committee would have lively debates about just how silly an economics book could (or should) be. As it happened, I wound up doing the illustrations and all the writing that needed to be done between sessions. But the world-building and characters were the work of the group as a whole.

The first edition was published in 1991—with more printings in 1992, 1997, and 1998. At one point the book was in use across several Fairfax County schools...but fell out of distribution as it began to show its own age. Mrs. Yalen gave her blessing to putting it up on the web in 2002, but I didn't get around to the needed updates until digitizing my personal archives in 2014.

A lot has changed in the decades since the initial publication. Sadly, William Tapply passed away in 2009. I believe I speak for all the Wallyworkers in wanting to dedicate this work to him...for his inspiration and support. By releasing *Wally* under a Creative Commons license, hopefully there will be a new generation of Wallyworkers to develop these ideas even further.

– **Brian F. Dickens, August 2014**

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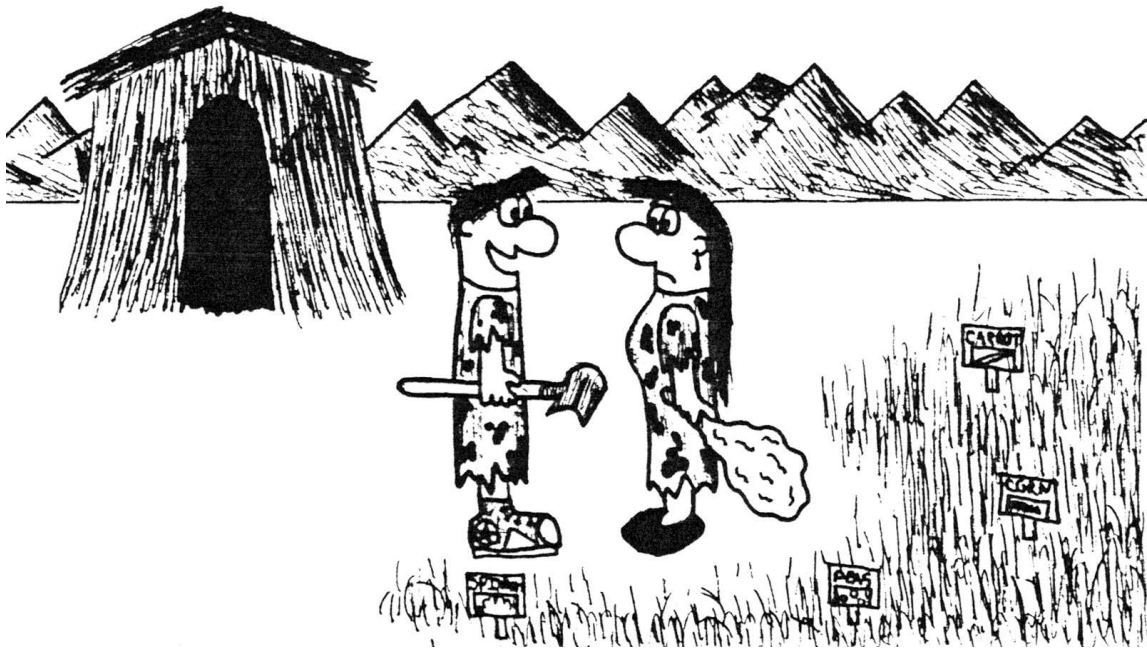
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Chapter 1

The Weeds and the Wolves



A long, long time ago, in a valley far, far away, there lived many poor people. The valley had fertile soil, **plentiful** game, and groves of majestic fruit-bearing trees. Despite the **abundance** of **natural resources**, the valley dwellers remained poor. Each generation lived as the one before, scrabbling

for food in the soil with crude handmade tools and hunting the wild animals with primitive weapons.

They knew nothing of **luxuries**, for every day was devoted to survival. The valley had no schools, theaters, or libraries. They didn't have skateboards, video games, or baseball caps. Struggling to provide the **necessities** in life, such as food and shelter, left them no time to invent such things... they were living completely at a **subsistence** level.

Times were tough, and raids and theft were frequent. So there was little trust among families, and they built their homes far apart from each other. **Co-operation** on difficult tasks was unheard of; anything people needed, they did for themselves. Each villager was completely **self-sufficient**, and if a family could not grow enough food or kill enough animals on its own, it would starve!

One day Marvin, one of the valley's dwellers, was working in the pathetic patch of dirt he called his garden. He heard growls behind him, and when he turned around he saw a pack of vicious, snarling wolves. One of the wolves leapt forward, biting his ankle. In a panic, Marvin jerked his foot from the mouth of the wolf, and dashed back into his hut.

The wolves sniffed around for a long time, searching for a way inside. In the meantime, Marvin waited inside fearfully. After several hours, the wolves finally departed, frustrated and still hungry.

The next day, as Marvin was limping through the valley in search of slow game, he saw a wolf chasing a young woman around her hut. Recalling his previous encounter, he was reluctant to become involved. However, the pain in his ankle enraged him, so he ran up and clobbered the wolf with his trusty club. The woman was startled to see Marvin and was about to run away, but when she realized he had saved her, she decided to stop and thank him.

"Thank you for saving my life," she said shakily, as if the prospect of talking to another person was even more frightening than being devoured by a wolf. "My name is Bianca."

"Err..." said Marvin, who had never been much of a conversationalist. "My name is Marvin. It was no problem, really." He started to limp away, but

she stopped him.

“Wait!” exclaimed Bianca. “It seems that since you did something for me, I should do something for you.” She thought about how she could repay Marvin. Then an idea came to her. “If you are ever having any trouble with wolves, then just call me and I will help you drive them away. Then we will be even.”

Marvin thought this was a fair exchange, so he agreed and went on his way. As it happened, no more wolves attacked him for many days, so he cautiously returned to his gardening. Marvin’s injury made it difficult for him to hunt, and he would have to rely mostly on what he could grow. However, as he toiled, he noticed that the weeds were far too many and he was far too few.

His vegetables would have to succeed, or he would certainly starve. Marvin cursed the wolves, but then considered something he might learn from them. A lone wolf wasn’t that threatening, but they would always come in packs. If wolves could benefit from working together on a task, why couldn’t he? Struck with inspiration, he called for Bianca.

“Bianca, come quickly!” he shouted, as loud as he could. Not long after, he saw her running into view.

“Where is the wolf?” she asked, catching her breath.

“Well, actually, it’s not the wolves who threaten me today; it’s the weeds,” replied Marvin. “I can’t stop them alone, and if my vegetables die, so will I. If you help me, I would consider your debt paid, and my garden and I would be saved.”

“You mean I ran as fast as I could all the way over here. . . for vegetables?” Bianca looked at the club in her hand, and for a moment, considered an alternative use for it. But she realized that what Marvin said made sense, so she agreed. “All right,” she said, grabbing the hoe. “I’ll do it.”

To their surprise, the weeding went quite quickly.

Bianca dug up the weeds with the hoe, and Marvin went along gathering them in a basket. It went so fast that Marvin was way ahead of his daily schedule. Remembering her own overgrown garden, she asked for Marvin’s help in

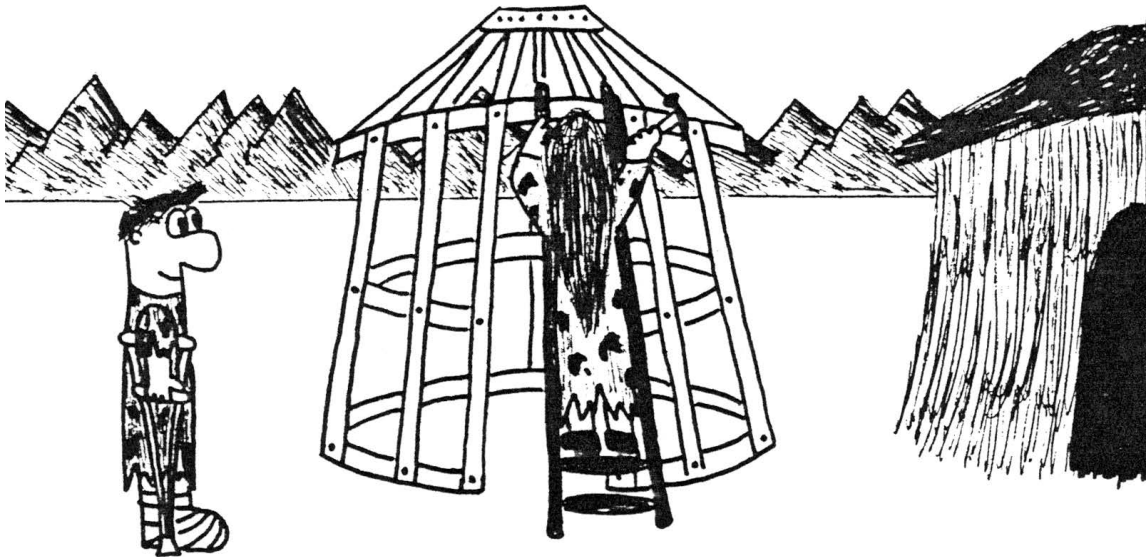
weeding it. Working separately, it had taken each of them several days to weed, but working together, they were able to weed both of their gardens in less than a day.

That night, for the first time in their memories, Marvin and Bianca had some spare time after their meager evening meal. They met in Bianca's hut and talked most of the night. They discussed working together while hunting, repairing huts, and farming.

When they finished their conversation, they had decided to form a **partnership**, excited at the prospect of living easier lives. Although they could not foresee it, this spirit of cooperation would change life in the valley forever.

Chapter 2

Getting It Together



A week later, the wolves returned to Marvin's hut. He was trapped outside without his trusty club. He called for Bianca, but she came too late. Marvin had already been badly bruised and brutally bitten by the time she arrived. As

quickly as she could, she helped him return to his hut and bandaged his wounds.

“Hey, Bianca,” he said thoughtfully, “living so far apart is dangerous. Wouldn’t it be safer if we rebuilt our huts so they would be closer together?”

“Yes,” replied Bianca, “but it took me a month to build my hut. We have to take care of our gardens and can’t spare the time.”

“I’m sure that it wouldn’t take very long if we worked together,” Marvin reassured her.

So they began construction of the new huts, which were even bigger and stronger than before. In addition to moving closer together, they combined and expanded their gardens across the space in-between them to make one big field. This allowed them to plant certain crops in the areas where they grew best.

Cabbage and corn grew best in Marvin’s plot, whereas potatoes grew best in Bianca’s plot. Since each section of the field was being used for the crop that grew best there, their vegetables grew larger and were more plentiful. Also, they had room to experiment with radishes and tomatoes, which they hadn’t previously dared waste space on.

Of course, the proximity of the huts made life much safer. Whenever a wolf attacked one of them, the other would clobber it. This soon proved to be a safer and more **productive** way of life.

As time passed, the rest of the valley dwellers began to look enviously at Marvin and Bianca’s bountiful field. Their corn grew the tallest, their potatoes the largest, and they had the only field that grew tomatoes. Using cooperation, they were able to bring back more than enough game, keep their huts in perfect repair, and still have time left over to sit and talk. They even had enough time to make fashionable hats to wear. . . just for fun!

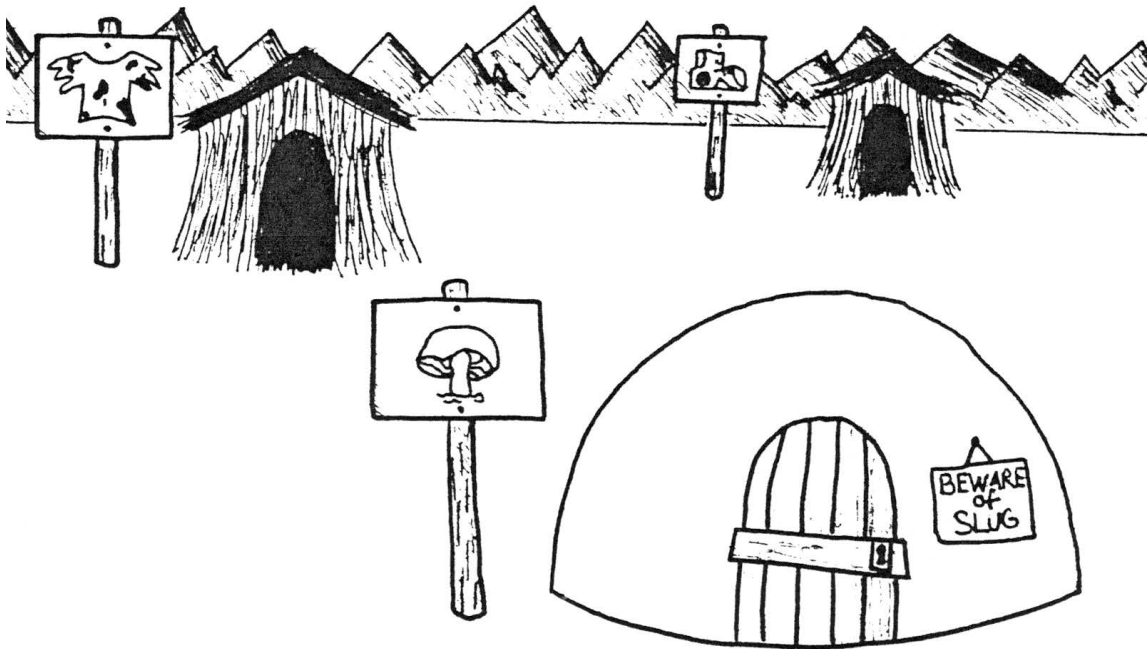
It wasn’t long before other valley dwellers decided that they, too, wanted to live easier lives. So they rebuilt their huts to form a tightly-knit village near the sparkling river, and began to cooperate in small groups. Each group was able to **produce** more and enjoy more **leisure time** than before.

Those who had joined the village took to making hats like Marvin and

Bianca had, to show how well off they were. Soon everyone in the valley wore hats and caps, and they decided to name their new village “Capland”.

Chapter 3

To Each His Own



Since there was no longer any need to work after supper, the villagers used their extra time to relax. They'd play games or make musical instruments, and discuss new ideas in informal town meetings. At one of these meetings, a young man named Bart made a wild **proposal**.

“Why don’t Marvin and Bianca take charge of *all* the farming for the whole village?” he asked. “They have the largest field, and they really enjoy farming. Then Harry and Harvey can devote their time to hunting, because they are without a doubt the best hunters in the valley. Everyone could do what they do best!”

Not many of the villagers paid attention at first, since Bart was something of a practical joker. But the idea was such a revolutionary one that it began to stir a lot of controversy at the meeting. Previously, all cooperation had been done in small groups, but having villagers burdened by so many tasks was **inefficient**. Village-wide cooperation seemed to offer many advantages.

One man named Wally thought this sounded incredibly boring.

“Marvin and Bianca love to farm, and I know Sean over there enjoys making shoes,” he agreed. “But the only thing I seem to be able to do well is grow walnuts. Sure...I like walnuts as much as everyone else does. But I don’t really want to spend my *entire life* growing them!”

This was a good point, but Bart’s idea still seemed to win out in the long run. Though Wally might end up in his walnut grove for five or six hours each day, at least he could take the rest of his time off and not worry about making shoes and shirts! With some hesitation, Wally agreed that this **division of labor** would benefit everyone.

Soon each villager became a **specialist**, working at only one task. Shirley the shirt maker produced things which you could hold in your hands... which were called **goods**. Others like Herb—who repaired huts—performed a **service**. All the inhabitants of the valley were also **consumers**, taking the goods or services of others in return for the goods or services they themselves produced.

There was only one problem the villagers faced with the new system. That was how to distribute all the goods and services they produced, in order to get what they needed. For example: Herb had to get vegetables, shirts, and shoes. How could he exchange his hut-repair services for what he needed?

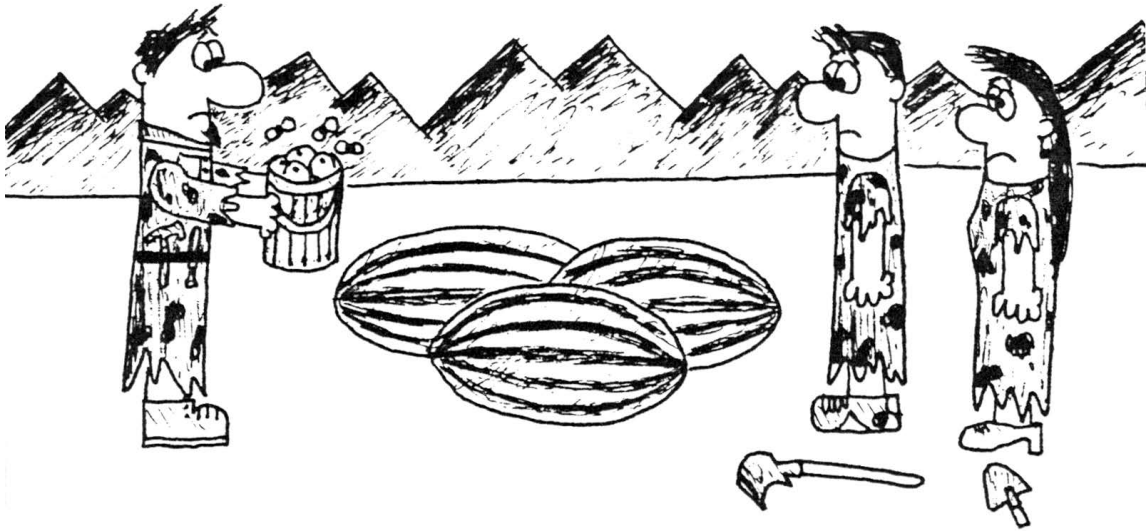
The problem was solved by a process of **bargaining**. Marvin and Bianca would offer Herb a bushel of potatoes for having their huts repaired. Herb

might feel that his service was more valuable, so he could ask for two dozen tomatoes in addition to the bushel of potatoes. Finally they would work out a **compromise**; Herb would fix their huts for a bushel of potatoes and only one dozen tomatoes.

All the villagers adopted this system, which they called **barter** (in Bart's honor). Everyone produced what they did best, but could still consume the goods and services that they needed from the other villagers. Even Smidley, a shifty-eyed man who lived in a cave on the fringe of the village, finally began trading his mushrooms for goods and services.

Chapter 4

Going Nuts



The villagers no longer had to do everything for themselves, and it was easy to find the person who had the goods or services that they wanted. But finding them wasn't enough—sometimes the specialist didn't need what you made to

offer! Frequently, people had to go through numerous **transactions** before they ended up with what they were looking for.

One such example was when Sean needed a new hammer. He approached Tony, the toolmaker, and asked if he would be willing to trade a hammer for a new pair of shoes. Unfortunately, what Tony wanted was a high **quality** shirt. When Sean went to see Shirley, she did not accept the shoes but told him that she needed two heads of lettuce.

“This could go on forever,” muttered Sean. He was so frustrated he decided the hammer could wait!

Dealing with each **product** and service’s **value** also created problems. When Harvey and Harry came back from hunting, they were uncertain as to how many carrots they should charge Marvin and Bianca for a duck, as compared to the number of shirts Shirley could give them for the same duck. Plus, there was no way Shirley could offer “half a shirt” to trade. It was very confusing.

Most of the villagers wanted to get down to making shoes or repairing huts, and they considered negotiation to be a hassle. . . especially if they had to deal with several people to get the one thing they wanted. Yet strangely, Wally seemed to be trading his walnuts for things he didn’t need on purpose, just so he could try and find someone else to trade with again.

“I don’t believe it!” exclaimed Marvin to Bianca. “We’ve got our hands full bartering vegetables all day, because otherwise they’ll rot on the vine. Wally’s walnuts last for years. . . so he could wait however long he wanted, but he spends all day trading.”

Bianca nodded in amazement.

“Something else I heard,” she gossiped, “is that most of the time he just trades it all back for walnuts again. He treats it like a game, where he tries to get more than he started out with!!! Wally is nuts!”

“Wait a second,” mused Marvin. “Since Wally likes this game so much, why don’t we just take all our vegetables to him and get walnuts? They’d last much longer than our vegetables do, and we could focus on farming and spend

less time trading!”

Wally was eager to strike a deal, so Marvin and Bianca swapped their entire harvest for buckets upon buckets of walnuts. They took a few of them to Herb, who they'd been wanting to talk to about building a shed to store their gardening tools in. Herb waved as they walked up, but shook his head.

“I know they're good for me, but I still don't like vegetables!” he said, stepping down from his ladder. “What I could really use right now are some new shirts! So you'll need to go talk to Shirley first.”

Marvin and Bianca showed him that their buckets contained walnuts, not vegetables.

“Well, I don't really want walnuts either,” remarked Herb. “Today, I could use a shirt. Tomorrow... who knows?”

“Come on Herb,” pleaded Marvin, “you know Wally, he's always got tons of stuff he's picked up that he's trying to trade back for walnuts again. If he finds out you have walnuts and you want a shirt, he'll find a way to get that shirt to you.”

“And if you change your mind and decide you want something else, Wally will find that too!” chimed Bianca.

“I guess you're right,” said Herb, scratching his head. “You pretty much can't go wrong with walnuts! If worst comes to worst, I can just eat them.”

It wasn't long before Marvin and Bianca decided to trade their crops for walnuts every time they had a harvest. It made it fairly easy for them, but now if the villagers wanted fruit and vegetables they would have to do their bartering with Wally, since he was the only one who distributed them.

Eventually everyone adopted this strategy. Shirley would go to Wally on the first day of each month and give him all the shirts she had made in return for several bushels of walnuts. Harvey and Harry would take the ducks they had hunted each day to Wally and traded them for walnuts. Herb began accepting *only* walnuts as payment.

They all felt a little bad taking advantage of Wally, but he didn't seem to mind a bit. It was now his job to barter all the products with the villagers. Walnuts had become a **standard** of value for Capland.

Chapter 5

Wallyworth's



Though Wally was glad there was such a large **market** for his walnuts, he soon had his hands full working in the grove *and* being a full-time barterer! Since he found **trade** more exciting, he decided to let his cousin Walter take

over the nut farming. All of his time was now dedicated to being a **merchant**.

Herb built Wally an extremely large hut with extra-secure locks on the doors, where he kept all the hundreds of items he collected. Whenever the Caplanders wanted anything, they could come trade their walnuts for goods at his “Wallyworth’s” **warehouse**, located squarely in the middle of the village.

The villagers saved a lot of time by doing most of their trading with Wally, who was affectionately known as the **middle-man**. It had been wasteful for Shirley, when she needed corn, to have to carry shirts over to Marvin and Bianca’s distant field to barter. With Wally working in-between them, Shirley would have more time to make shirts and Marvin and Bianca would have more time to spend farming.

Of course, Wally did get **compensation** for his work. When Marvin and Bianca brought in a bushel of corn, he would give them three buckets of walnuts in return. Then, when someone wanted that bushel of corn, Wally asked them for four buckets of walnuts. The increase in walnuts collected by Wally in the transaction was what he called **profit**.

So things were going well overall, but there were a few concerns. One of the villagers named Shannon asked Wally for a favor.

“My hut isn’t big enough for all these nuts,” she complained. “And I don’t like having to watch over my door every day to make sure people don’t steal them. Since Wallyworth’s is so large and secure, would you mind holding onto my buckets? I’ll pay you some walnuts as a **fee** if you do it!”

Ever-mindful to new business proposals that could raise his profits, Wally agreed. He started charging a bucket of walnuts for every twenty that he kept safe. Since many villagers did all their trading with Wally, they agreed to **deposit** their walnuts with him. He kept track of how many buckets each villager had in his warehouse on a piece of paper. Most sales and purchases could be done just by updating the paper. . . without ever touching a bucket!

Everyone took notice of the ease with which transactions could be performed at Wallyworths. They were especially interested because ever since using walnuts had become standard, a high percentage of the villagers were

having severe back pain and needed to see Carlos the chiropractor¹. Carrying around several heavy buckets of walnuts wherever anyone wanted to buy something was cumbersome!

Still, not everyone did their all their trading with Wally. They were used to exchanging buckets of walnuts with each other, whenever it was more convenient or they felt Wally's prices were too high. So they held out from joining his safe-deposit system.

Never wanting to lose a potential customer, Wally tried to think of a solution. That night, he began cutting many small pieces of wood into squares, burning a unique letter W on them with a metal brand. He announced his plan the next day at a town meeting.

"I know some of you have been holding out on joining my safe-deposit system, because you want to trade with each other," said Wally. "So I came up with a solution."

He pulled out one of the Wallywoods from a bag.

"This specially marked piece of wood represents one bucket of walnuts," he declared. "Anyone who participates in my safe-deposit system can ask for one of these wood pieces back instead of a bucket. Its an **IOU**, and it can be exchanged at any time for a bucket of walnuts. But you can trade it among yourselves just like it were an actual bucket of walnuts, only it's much easier to carry."

This was great news. Since Wally was a well-known figure whom the villagers could all trust, they began carrying their buckets to Wallyworth's to trade them in. The wood pieces became a **monetary** system, in which something relatively worthless on its own was used to represent something else.

Almost everyone in the valley accepted this new system. Walnuts were still the standard of value, but these special wood pieces had become a **medium of exchange**. . . despite the fact that they had no **intrinsic value**. Only Smidley, who had never trusted Wally, still bartered his mushrooms.

¹Look it up!

Chapter 6

You Want It? I Got It!



With the new monetary system established, and with a standard of value, there was no need for barter anymore. People did not have to worry about trying to trade ducks and shoes and hut repairs for each other. They simply had to worry about trading wood pieces for goods, at a set **price**.

Wally based his prices on a system that he discovered almost by accident. One sweltering summer day, Cathy the coatmaker walked into Wallyworth's with a large supply of coats. Wally wiped the sweat from his brow and loosened the collar of his green polyester suit¹.

"Wally, I have come to sell you my supply of fur coats," said Cathy. "I need ten wood pieces each for them."

He gave her a quizzical look. "Are you kidding? Who would buy coats on a day like today?"

"Oh please, Wally!" begged Cathy, "My husband left me with my fourteen children, who are all sick and starving at home! I need wood pieces now!"

Wally was sympathetic, but knew he could not sell the coats in this weather. Then it clicked: if he bought the coats at a reduced price when **demand** is low, he could store them until winter when demand was high. Then he could sell them at a much higher price, creating more profit!

"I'll tell you what, I'll give you five wood pieces per coat," offered Wally.

Cathy was offended and disappointed at his counter offer.

"I've worked hard on these coats!" she said angrily. "I could easily sell them for fifteen wood pieces this winter!"

"But didn't you need the money now?" said Wally suspiciously. "What about your children?"

Cathy grumbled and took the money, and Wally put the coats in storage.

This **supply and demand** relationship also held true in his transactions with Marvin and Bianca. For example, if the tomato season was bad, Wally would be willing to give many wood pieces to Marvin and Bianca for only a few of the tomatoes. However, if the tomato crop was larger, Wally would give them fewer wood pieces for the same number of tomatoes.

From this point on, supply and demand was what determined the prices in Wallyworth's. If there was not a very high demand for a particular product,

¹The specialty of Taylor the Tacky Tailor.

prices dropped and the producer risked losses. On the other hand, if there was a great demand for a product that was available in only limited quantities, prices would climb and profits would rise. The villagers also discovered that besides affecting their **purchase** costs, it also affected their wages.

Due to the high demand for products in the village, numerous employers hired some of the younger villagers to work in their shops and factories. Some of the workers performed difficult tasks such as stitching shirts or painting pottery. Others had jobs that were extremely dangerous, such as digging coal in deep mines in the side of the mountain. Some had jobs that required no skill at all, such as carrying logs from the forest or digging holes for fence posts.

In general, villagers were paid according to the difficulty or danger of their jobs. Those jobs that were easy could be performed by almost anyone. Since the supply of such **unskilled workers** was large, it was not necessary to pay much to get them. On the other hand, a much smaller supply of **skilled workers** existed who could perform the difficult task, so the value of their services was considerably higher. Since there were not that many people who were willing to work in the coal mines, those who did were well paid.

So the **law of supply and demand** determined the pay workers would receive, just as it determined the value of goods on the market.

Chapter 7

If You Can't Beat 'Em...



Since everyone needed shirts, and Shirley was the only shirtmaker in the valley, she was very **prosperous**. However, she began to spend more time relaxing, and put less effort into her shirts. One particular villager, Sheldon, was examining one of her shirts on a rack at Wallyworth's one day.

“You know something Wally?” he said, pointing at the several loose seams and the uneven fabric. “Shirley has become really careless. I did much better than this before the division of labor, and I still can. Look at this shirt I’ve got on. I sewed it myself, and it’s a hundred times better than Shirley’s. Not only that, but Shirley charges such outrageous prices! I’d sell my shirts for half as much!”

Wally looked at the shirt Sheldon was wearing, which was indeed good quality. “You’re right. Maybe you should have been the village’s shirtmaker instead of Shirley. But I don’t think she will quit.”

“She won’t have to,” replied Sheldon. “I’m going to make shirts anyway. When the villagers see how much better my shirts are than hers, and how much cheaper they are, they’ll start buying mine.”

So Sheldon began to make shirts in competition with Shirley. In order to sell his shirts, Sheldon asked for fewer wood pieces. In addition, his shirts were of a much higher quality. The villagers thought that Sheldon’s shirts were a better deal, and soon Shirley lost many of her customers.

“What can I do?” wondered Shirley. “I can’t stitch as well or as quickly as Sheldon can.”

Looking at Sheldon’s shirts at Wallyworths, she noticed that they all looked about the same. So that day, Shirley took many animal skins and began preparing them in different ways. She came up with many different styles, which could appeal to a wide variety of the villagers.

Even though Shirley continued asking the same amount for her shirts, some of the more fashionable villagers began buying them again. They liked the fancy designs and the patterns she used. However, **frugal** consumers who wanted their shirts for as little as possible, continued to support Sheldon.

More and more of the villagers began to compete with other businesses. Hank competed with Herb in building and repairing huts. Shannon began to compete with Sean in the making of shoes. Even Wally began facing competition when other villagers started stores of their own.

However, not all competitions worked out well. One such example was the rivalry between Sean and Shannon. They both made shoes in essentially the same way, and it was hard to tell the difference between a shoe made by Shannon and a shoe made by Sean. The only way they could make enough **money** was to ask for fewer wood pieces than the other was asking. If Sean would ask for six, then Shannon would ask for four.

Soon, it became evident that they would not be able to survive in this way. One day, Shannon approached Sean with a new concept.

“Our competition is hurting us both,” said Shannon. “Suppose you and I make shoes together! We can make all of the shoes for the village. If the villagers want shoes, they will have to buy them from us, and we don’t have to keep lowering our prices to compete with each other.”

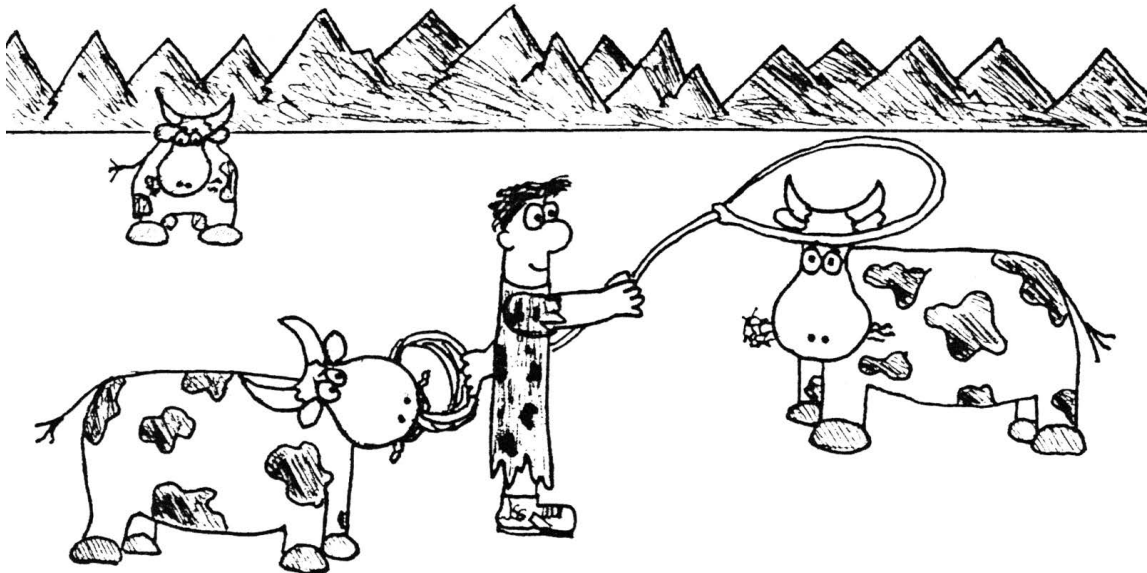
The shoemakers were happy, but the villagers were not as pleased about the arrangement. Shoes suddenly got a lot more expensive! Yet it seemed fair, because of the law of supply and demand. If Sean and Shannon decided to charge TOO much for shoes, people could go back to making their own or just going barefoot.

But some villagers noticed a suspicious pattern whenever someone tried to make shoes in competition with S&S. Sheldon and Shannon would lower their prices for a short period of time, or work harder to make higher quality shoes...but only enough to drive the new competition out of business. Then they would raise their prices again, or start being sloppy.

This **monopoly** was a source of great **wealth** for the two shoemakers, but it didn’t seem to help the village.

Chapter 8

Walnuts on the Range



As the villagers found new and improved ways to perform their services and to produce their goods, they earned more wood pieces. They were earning much more money than they required for just their **basic needs**. The people of

the valley also had more spare time, so they developed new **wants**. Caps and hats were no longer the only luxury that they allowed themselves!

Some of the creative villagers began to invent and manufacture games and sell them. The most popular one was the board game conceived by Greg and Gary while walking near Marvin's garden, inspired by Sean and Shannon's successful monopoly of the shoe market. Toys were also produced to meet the demands of the village's children, such as "Walnut Grove Kids" and the "Nutendo" game system.

As their spare time increased, the Caplanders developed even more **efficient** ways of doing their jobs. They invented new tools and simple machines. Their huts were kept in good repair and there was plenty of food and clothing. They had increasingly more money to spend.

While their **standard of living** improved, so did the health of the villagers. Fewer people were getting sick or starving. . . and **life expectancies** increased as well. These advancements, as well as the increases in **disposable income**, fueled the desire for continued **progress**.

One day, a group of young villagers approached Wally with a proposition.

"We want to make you an offer you can't refuse," said Lou, their leader. "When we were exploring the other side of the mountain, we saw large herds of cattle in the distance. We would like to travel to this land to see if we can capture some of these cattle."

They had Wally's attention—as he always wished he had been a cowboy instead of a walnut farmer. Lou continued:

"With these cattle we could set up a new **enterprise** and **earn** a lot of money. But we don't have the wood pieces to **finance** such an expedition. If you will provide us with the wood pieces we need, we will share the profits with you."

Wally thought for a minute. He did have enough wealth that he could afford to risk some of it. Here was a possibility that by investing his wealth he would be able to create more, not just for himself, but for these boys and the village,

too. Caught up in the progressive spirit of the times, he agreed.

“All right, I’ll give you the money you need,” said Wally. “If you are successful, I will take one of every three of the cattle you bring back. If you fail, I will have lost my **investment**. I am willing to bet my cap on this, because the possible rewards are worth it!!!”

In this way, Wally acted as a **capitalist**. He was risking his wealth (or “**capital**”), in the hope of creating more wealth. Since they all stood to profit from the **venture**, Wally believed the boys would work hard and use the supplies wisely.

The group Wally had invested in was gone for a long time. His optimism turned to worry that they had either gotten stampeded or had run off with his money. But in a few weeks they returned bringing many fine cattle, and Wally’s wise investment had been a success.

Chapter 9

A Romantic Interlude



Everyone in the village felt the high spirit of the time, none more than Bianca and Marvin. While working in their bountiful fields, Bianca decided that her relationship with Marvin would be more fruitful if they would finally tie the knot.

Sweetly, she said to Marvin, “My little pumpkin, I know this is going to sound corny, but I feel the time is ripe for us to sow the seeds of our love and let our relationship blossom!”

Marvin, overjoyed by Bianca’s proposal, gently placed a 24 carrot ring on her finger, exclaiming, “Lettuce be married!”¹

The joy of the prosperous village was now complete as word of the wedding traveled through the village grapevine. Everyone was invited, and only Smidley refused to attend; and he missed one of the greatest social events in the history of the valley.

Marvin wore a suit made of the finest skins, while Bianca was ravishing in her exquisite corn silk gown. Barbie the bop and Tiffany the trendsetter, dressed to kill in their most outrageous outfits, flirted with all the Caplander guys, and showed off the newest dance craze, the Walnut Wiggle. They danced until dawn to fine music provided by Denny the DJ.

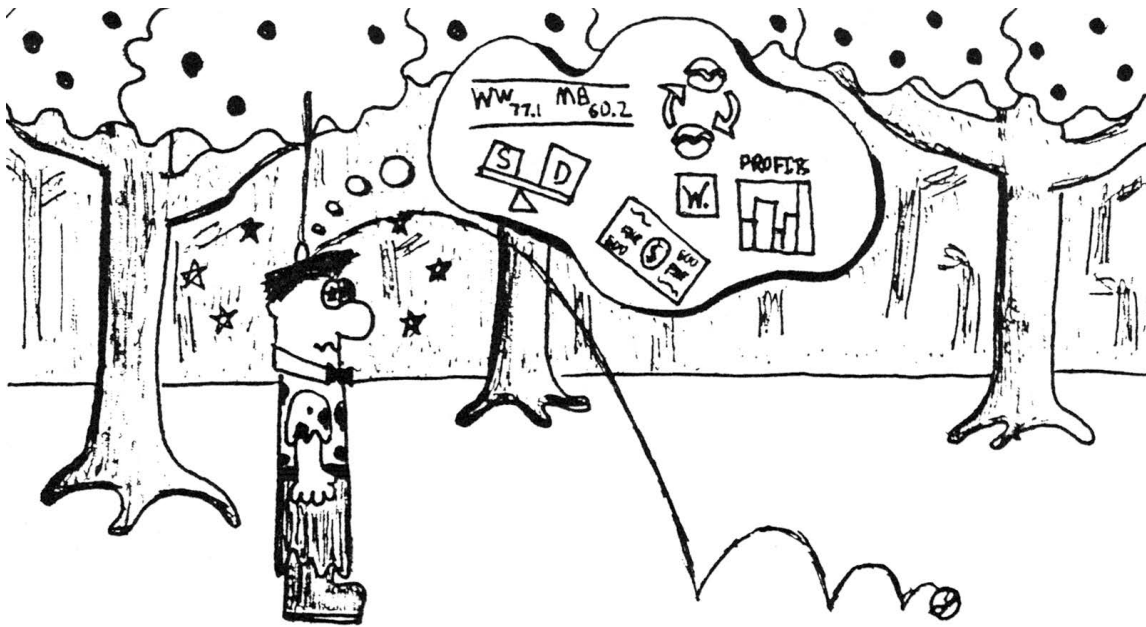
As the Caplanders showered the couple with good wishes, Bianca hurled her beautiful and delicate bouquet of produce high into the air. At once, all of the single women lunged after it. A smiling but rumpled Wendy emerged from the heap victorious, waving the bouquet and batting her eyelashes at Wally.

The celebration came to a close, and contentment filled the air. Exhausted but happy, the newlyweds decided to travel the valley for a few weeks leaving their assistant, Gordo the Gardener, to tend to the fields.

¹Corn overload!

Chapter 10

An Interest in Walnuts



Wally was one of the wealthiest individuals in Capland, and villagers often asked him to invest in their ideas. He could say yes to a few, but since his **funds** were limited, he had to say no most of the time.

This bothered Bart, who was now working at Wallyworths, helping to do the bookkeeping. He'd overheard many of the proposals the villagers made to Wally, and was sad to see how many good ideas were being turned down.

One afternoon he was tallying up the piles of buckets in the **safe-deposit system** of Wallyworth's, when he had an idea.

"Look at all these walnuts being stored and doing nothing," thought Bart. "If the villagers would only trust some of them to me, I'm certain I could pick the winning investments and then pay them for the privilege of using their money."

That night, Bart went home to his house, which was located squarely on the bank of the river. In his cellar, he made several signs which he posted around town:

WANT TO KEEP YOUR MONEY SAFE AND MAKE A PROFIT?
I WILL PAY YOU FOUR PIECES OF WOOD
IF YOU DEPOSIT ONE HUNDRED PIECES FOR A YEAR!
COME SEE BART AT THE BANK!

This seemed too good to be true, and the villagers were extremely curious.

"Do you mean that Bart will pay us money if we store our extra pieces with him?" they asked, not believing their eyes. "Wally used to charge us for his safe-deposit system, but Bart will be keeping our money safe and paying us as well? How is that possible?"

It started to make sense when they saw the other sign that had been posted:

NEED WALLYWOODS FOR NEW ENTERPRISES?
FOR JUST SIX PIECES OF WOOD
I'LL LEND YOU A HUNDRED PIECES FOR A YEAR!
COME SEE BART AT THE BANK!

Everyone benefited from Bart's new idea. Those villagers with extra pieces of wood could deposit them safely with Bart and at the same time make a four

percent profit. Those who wanted to start new businesses could **borrow** money but had to pay Bart six percent. Bart profited because he made two percent on the money he lent. Since Bart was using wallywoods it wasn't creating problems for the currency system of the village, and Wally gave his blessing to the venture.

Soon everyone was heading to the bank to see Bart, who was now known as a *banker*. He made his profits by charging more wood pieces to the people who he made a **loan** to than he offered to those whose money he stored. If four wood pieces a year wasn't enough to get people interested, he'd offer more to store their money. . . and charge more to borrow it. So the villagers called these rates "**interest**".

Many new businesses were started, adding to the well-being of the community. The standard of living continued to rise. Of course, Bart did not extend **credit** to everyone. Some people asked to borrow money for ventures that he did not think would succeed, which could make them unable to pay back their **debt**.

One such instance was when Smidley came to Bart with an idea for a slug farm. Slugs were Smidley's hobby; he always carried around his sharp-toothed-slug¹ named Fang.

"I'm sorry, but I don't think that sounds like a good idea," said Bart. "The people of Capland wouldn't support a slug dealer."

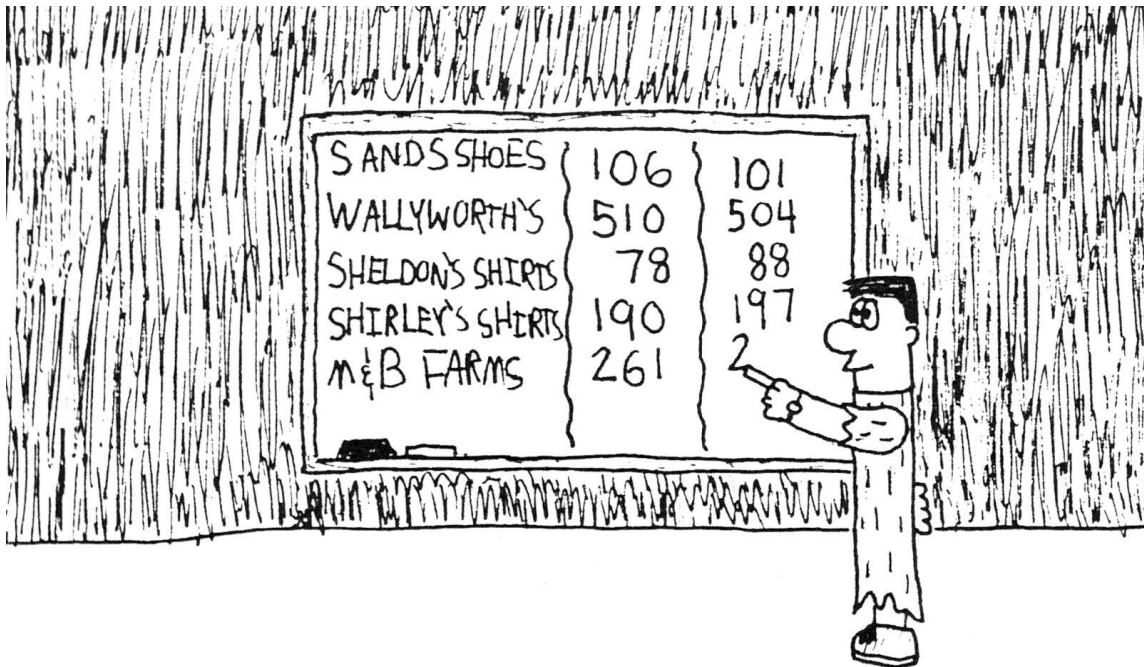
"That's the same thing Wally said about the slug movie production company," shouted Smidley, enraged. "And the slug singing group. This isn't the last you'll hear of me!" Then he ran back to his cave in anger.

Bart occasionally lost an investment. New businesses unexpectedly failed and shops occasionally burned down. But Bart kept enough money at the bank so that a depositor could **withdraw** his or her money at any time. He reasoned that if people came to the bank to withdraw their money, and were told that there wasn't money available, that they'd be coming for his nuts!!

¹*Sluggis fangus disgustingus maximus*, now on the endangered species list.

Chapter 11

Walnut Street Journal



Many more advances were made in the valley, but progress had its price. The population of the village began to outgrow the valley. The shops and gardens could not provide all the goods that the villagers needed.

Harry and Harvey had become so skilled at hunting that game near Capland became **scarce**. Bianca and Marvin complained that they didn't have enough space to expand their gardens and meet the growing demand for food. Even working **overtime**, enough goods could not be produced.

The villagers became so concerned that they called a town meeting, which everyone but Smidely attended. They decided that the only solution would be to explore and settle new territory, so some of the young villagers decided to make an expedition westward into unknown land. Perhaps, like the boys who had discovered the cattle, they might find a source of wealth.

In order to proceed, the group needed capital. Their leader, Lucy, approached Wally.

"Wally," she said, "when the boys wanted to go over the mountain to bring back cattle, you bought part **ownership** in their venture. They shared their profits with you."

Wally listened as she continued.

"We, too, need money to pay for our expenses. We will explore new territory where there will be unused soil, great forests, and game that has never been hunted. We **CAN** make a profit, and we will share our wealth with you if you will share our risk."

"How much do you need?" asked Wally.

She began to list the needs of the expedition. After hearing them, Wally shook his head.

"I'm afraid that I don't have that much extra money to venture, and I don't think Bart at the bank could risk losing that amount. I personally can **lend** you a portion of the money you need, and the bank will probably lend some as well. But that still won't be enough."

Lucy looked discouraged.

"Why don't you try asking the other villagers?" suggested Wally. "I'll bet you can finance your expedition through selling **shares** to many different

people.”

As it turned out, Wally was right. Many of the villagers were eager to see the new venture succeed and to share in its rewards. They, like Wally, risked some of their wealth to finance the expedition. It wasn't long before Lucy had gathered enough money to buy supplies and the journey began.

Those who had invested in the expedition looked upon themselves as owners of the venture, since they had provided the money for it. Of course, many of the villagers shared ownership.

The extent of ownership was determined by the number of shares they had purchased at a hundred wood pieces each. An agreement had been signed that if the venture had made profits at the end of the year, each owner of a share would receive a percentage of the profit, or a **dividend**. The greater the profit of the venture, the more a shareholder would receive.

After a few months, reports from the expedition were especially encouraging, and it was clear that the shareholders would make a small profit in the first year. Many of the villagers who had not invested were now sorry, and were anxious to own a share because they were confident that it would continue to make profits.

Sean, who had not bought a share, went to Wally in order to try and buy his.

“Wally, I will give you a hundred and seven wood pieces for your share in the expedition,” he said.

Since he needed some money to invest in Wendy's new restaurant idea, and would make a profit in the sale, Wally sold his share to Sean. Once again the concept of supply and demand seemed to work in his favor. Other shareholders soon began offering their shares for sale, and many villagers were eager to buy them.

Unfortunately the next month brought disastrous news from the expedition. A violent storm had destroyed many of the explorers' huts and had ruined their supplies. Many shareholders, afraid that they would lose money, were anxious

to sell their shares. Others felt the new settlement would recover quickly, and seeing a bargain, bought the shares at reduced prices.

The idea of selling shares enabled many of Capland's business people to raise large amounts of money to improve and expand their shops. Wealthy villagers began to accumulate shares, also known as **stocks**, in many different businesses. Shares were being bought and sold regularly, with prices **fluctuating** with the demand for them.

Buying and selling of stocks became a popular way of making money, and some people even lived off the profits from their stocks. Some Caplanders went so far as to hire **brokers** who performed stock transactions for others. They took care of this in return for a fee, called a **commission**.

There were so many people who wanted to buy and sell stocks that a special hut was built on Walnut Street where a large slate was kept. It listed the prices stockholders were asking for a share, and the price buyers were willing to pay. During the day, this became one of the most crowded huts in the valley, filled with people anxious to be first to make a good trade.

Chapter 12

Wally's Walnut Woes



One day, Lucy returned to the village with bad news. The expedition was not doing well and needed more money. None of the Caplanders wanted to buy more shares in it because its future appeared unstable. On the other hand, it

was clear that if the expedition did not have more money, all the shares that already existed would become worthless. In desperation, Lucy went to Wally.

“We need money,” said Lucy. “If you don’t give us any, the whole expedition will end in failure, and everyone’s shares will become worthless.”

“All my extra money is already invested, and I can’t risk the bank’s money,” Wally said sadly.

“We only need five hundred wood pieces,” begged Lucy, “and I am sure we’ll be able to repay it very soon.”

An idea came to Wally’s mind, but he had an uneasy feeling about it. “See me tomorrow. I will have the wood pieces. But don’t mention this to anybody.”

That evening, Wally frantically cut up five hundred new wood pieces and burned his special mark on them. He had been gradually introducing pieces of wood as the village’s **economy** expanded, but never before had he put five hundred wood pieces into **circulation** at once.

The next morning, Lucy arrived at Wallyworths, and he handed her a large sack. “You must repay me as soon as possible,” he said anxiously. Gratefully, Lucy promised to do so and left.

Lucy, who had been begging for money the previous day, was now going to all the shops buying supplies. Also, the firewood pile behind Wally’s hut had been drastically reduced, and it wasn’t even winter yet. These odd events did not go entirely unnoticed in the village.

“I wonder where Lucy got all that money,” mused one particularly observant villager named Sherlock, as he casually puffed on his crude pipe.

“I’ll bet she got it from Wally,” said his stout companion, Watson. “He sure is looking nervous.”

“Perhaps. . .” Sherlock stood up, pipe in hand. “. . . YES. . . I believe so!”

“What?! Tell me!” said Watson excitedly.

“Elementary, my dear Watson!” said Sherlock smugly. “Wally made those

new wood pieces for Lucy. Ergo¹, they are effectively worthless, since there are no walnuts backing them up. In fact, if *all* of us went to Wallywoths to try and exchange our wood pieces for walnuts, I conclude that some of us would not get our walnuts back.”

“We’d better hurry and exchange our wood pieces for the walnuts,” said Watson. “That way, we’ll have something of real value!”

The word spread, and soon Bart’s Bank was swarming with villagers who wanted their wood pieces back. They immediately headed to Wallyworths to exchange their pieces of wood for buckets of walnuts. Before long, Wally had to announce that he had run out of walnuts. . . even after giving away his own personal supply.

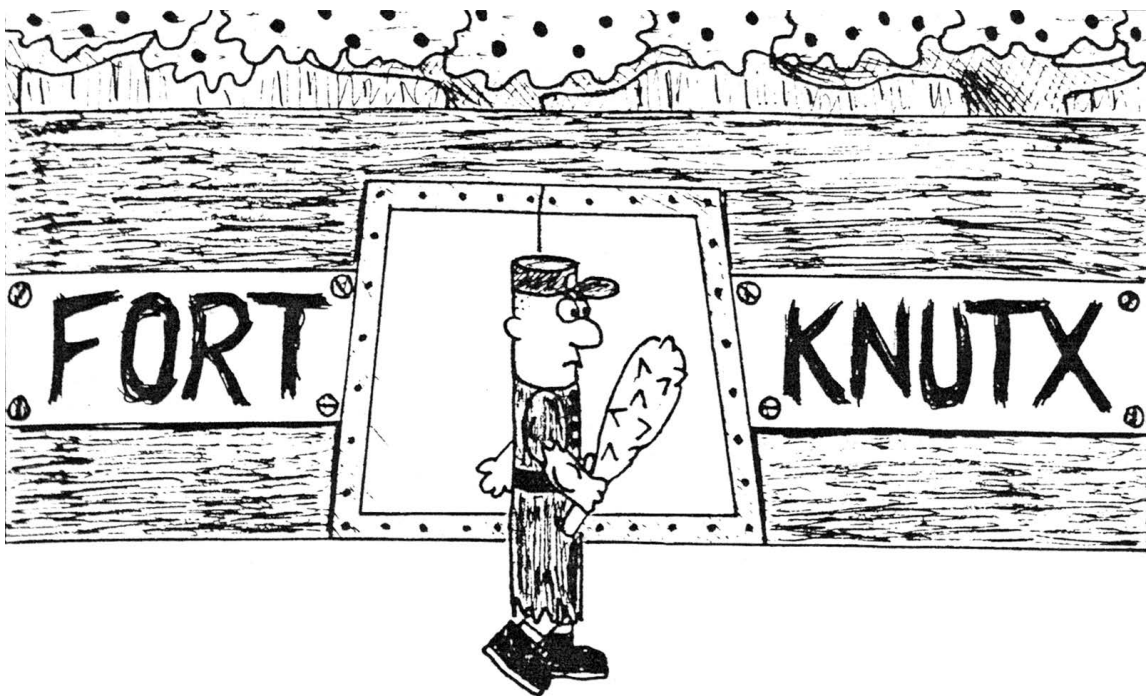
“I am ruined,” moaned Wally, slumped over an immense pile of worthless wood pieces.

The villagers, meanwhile, were caught in the middle. Those who had been fortunate enough to cash in their wood pieces for walnuts were happy to have their wealth safe, and could still buy what they needed. Those who had not been able to cash in their wood pieces cashed in before Wally had run out of walnuts shared Wally’s feelings. They, too, were ruined.

¹Don’t bother looking it up. You’ll never use it.

Chapter 13

Fort Knutx



An emergency town meeting was called to decide what to do about the catastrophe.

“I say we throw Wally in jail!” one man named Rick rashly exclaimed.

“This whole thing is his fault. If he hadn’t given out those worthless pieces of wood, this never would have happened.”

“What good would that do?” asked Ramona, who was widely known for being reasonable. “It wouldn’t solve the problem. Besides, I think that it is our fault because we didn’t prevent the situation from happening in the first place.”

“I agree,” said Ron, who was one of the most respected villagers in the valley. “Wally did what he thought was best; we can’t blame him. Now it is up to us to do something. We need to restore faith in the currency, and I say we cannot have an individual in charge. It is too important and it affects the whole village.”

The villagers murmured agreement. Bianca offered a suggestion.

“This does sound like something that should be handled by more than one person,” she said. “But we can’t keep calling town meetings and holding votes every time a decision that affects everyone needs to be made. What if we voted for people who then voted on our behalf? Marvin and I usually agree with whatever Ron says, so he could represent us.”

Marvin shuffled his feet nervously. “Actually dear, I actually think Rick might have a point this time...”

Bianca’s glare at Marvin indicated there was going to be a discussion back at the garden. But it was decided that a few of the villagers would be chosen to establish some rules. These people made up the legislature of the village, and whenever a new idea or policy was proposed, they would decide whether or not it should become a law, depending on whether they believed it reflected the wishes of the people. Since they represented the villagers in this way, these people were called **representatives**.

Ron, Ramona, Rebecca, and Rick were among those chosen to be representatives. It was now their responsibility to restore faith in the currency. They began to closely examine the problem that faced them. Several ideas were discussed.

“Let’s pass a law that says everyone has to use the pieces of wood as cur-

rency,” suggested Rick, “and throw all the people who don’t accept it in jail!”

“I think that we should make the currency ourselves instead,” said Ron. “If we are going to get people’s confidence, then we are going to need to convince them that things have changed, and the same thing can’t happen again.”

This idea was greeted with much enthusiasm. An innovative representative named Dolores—known for her prior career in making colorful dresses—built on Ron’s idea.

“Our money could be different from Wally’s, maybe print it on cloth and dye it green,” she suggested. “People will have faith in the money if the government makes it. As long as this faith exists, this kind of thing will never happen again.”

A vote was taken, and it was decided that the government would begin making the currency of the village, and would call it the dollar. People could exchange their walnuts for the new cloth money. Although Wally could still operate his store, he would no longer **manufacture** the currency. . . and the government’s store of walnuts was protected at a heavily guarded grove known as Fort Knutz.

It did not seem necessary to store a bucket of walnuts for every cloth dollar in circulation. But the government realized that for a while, it would have to strictly control the **ratio** between buckets of walnuts and dollars. The important thing would be to maintain the value of the dollar and the faith in the government, since only then would the people have faith in the money.

The decision was announced to the villagers, who felt they could trust the new money if the government was in charge. Soon, the walnuts had been exchanged for the new dollars, and they were circulating freely. Wallyworth’s reopened, as did other shops throughout Capland. Transactions also resumed at Bart’s Bank. The economy grew, and Wally once again was profiting.

Before long, prosperity again reigned in the valley. The new government was called on to do many more things for the village, and in order to accomplish them they needed money. Since everyone benefited from government services, it was felt that each villager should contribute to the running of their

government.

One of the two ways the government could raise **revenue** was by **taxing** families according to their incomes and **assets**. The second way was to borrow money from the people. A villager might lend the government some number of dollars. In return, he or she would receive a **receipt** from the government promising to repay the loan with interest after five or ten years.

The government was prompt in repaying its loans on request, and the cause was a good one, so lending money to the government became a popular way of investing. The IOU's or promises from the government became known as **bonds**.

Chapter 14

Smidley's Sinister Scheme



Businesses flourished in the valley; even Smidley decided to accept the new monetary system. Still, his mushroom business was floundering. Although the villagers were extremely fond of mushrooms, they were rarely willing to

pay the **extravagant** prices that he demanded. Year after year, Smidley found himself barely keeping his head above water. One evening, Smidley was going for one of his nightly walks through the valley.

“I need money to start our slug farm,” he suddenly said to Fang, whom he had brought with him. “Wally refused to lend me what I needed. The fool! We’ll get him, Fang. Don’t worry about that. But in the meantime, I’ve got to keep trying.”

He was about to continue his walk when he heard two voices coming up behind him. Without a sound, Smidley crept into the bushes next to the road and listened intently.

“You’ve got to be kidding! A hundred and ten dollars?” said one voice. It was the voice of Betty the bargain hunter.

“Yes, and it’s worth every bit of it,” said Wendy, the wealthy widow. “They’re the new ‘in’ thing from Shirley’s Shop. Let me tell you, my genuine black panther shirt is so durable! And so elegant! Believe me, when I walk down the road in this shirt, people notice.”

“Oh my,” said Betty wistfully. “I’d sure like to have one of those shirts. But a hundred and ten dollars is way more than I can spare for something as frivolous as a fancy shirt.” The voices faded as the two women walked out of sight.

“Yes, Fang,” said Smidley to his slug while stroking its slimy back. “That’s the latest rage—panther shirts. They look just like normal shirts that have been dyed black, if you ask me.” Suddenly, Smidley stood up, almost dropping Fang.

“That’s it! How could I have overlooked it!” he exclaimed. “I can do just that! Come on Fang, let’s go back to the cave.”

So the next day, Smidley went and bought as many of Sheldon’s \$25 economy-priced shirts as he could. He filled a large pot with black dye #5 and water, and mixed them together over a fire. While boiling the shirts in the blackened water, Smidley began writing up many small **labels**.

The next morning, the villagers saw a sign posted outside Smidley’s cave. . .

BLACK PANTHER SHIRTS!
OWN THE LATEST IN FASHION!
JUST SIXTY DOLLARS EACH!

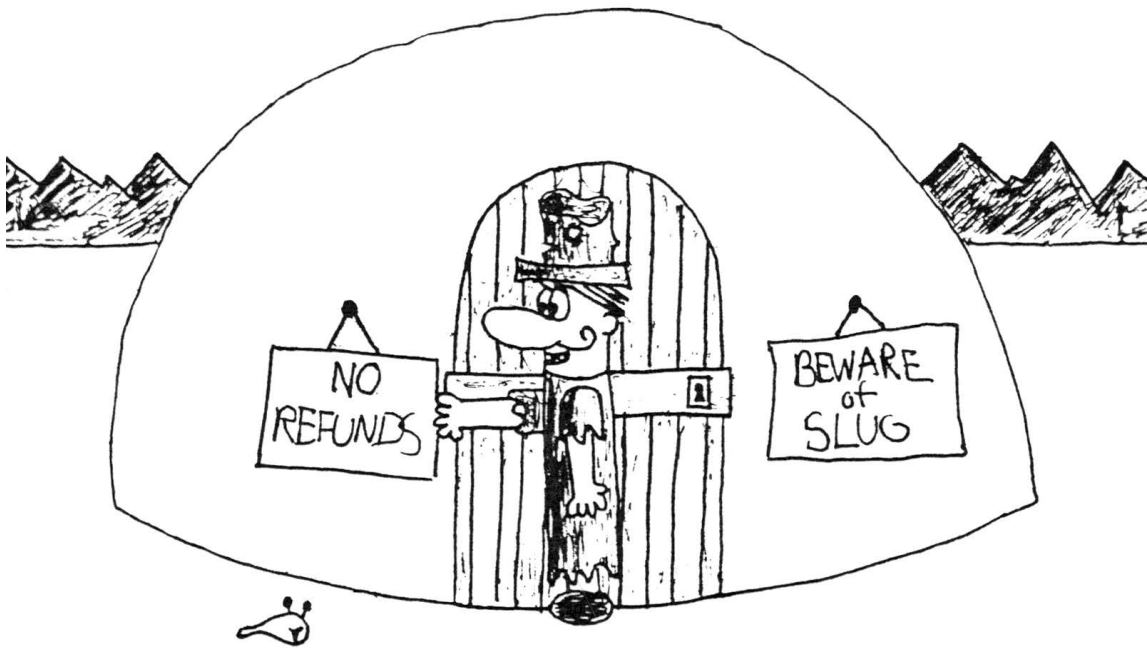
When curious villagers entered Smidley's cave, they saw a large pile of black shirts on the floor. They didn't believe they were really panther shirts until they looked at the labels, which said: "Made from genuine black panther skins!"

"Like, these are so cool! I think I'll like, buy two!" remarked Tiffany the teenage trendsetter. Soon, all of the shirts were sold; Betty bought five of them. Smidley had amassed a tremendous amount of money in just one day! Without so much as a twinge of guilt, he headed for SlugMart to buy supplies for his slug farm.

Meanwhile, Betty was at the river washing several of her new black panther shirts. To her surprise, the color washed right out of them. It wasn't long before they all looked like ordinary shirts. Angrily, she started for Smidley's cave, followed by many other cheated Caplanders who wanted their money **refunded**.

Chapter 15

Fight Back



Soon the angry mob of villagers converged at the door of Smidley's cave. He was busily setting up his slug farm as he heard their shouts.

"What do they want?" he muttered angrily. Outside, he saw a horde of

angry consumers, holding up half-black shirts.

He heard shouts of: “WE WANT OUR MONEY BACK!”,” LIKE THESE SHIRTS ARE SOOO BOGUS!”, “SMIDLEY IS MOST HEINOUS!”, “YOU LIED ABOUT THE SHIRTS!”

With a snicker and a sneer, Smidley pointed to the sign hanging outside his cave:

NO REFUNDS

Dodging a barrage of cheap shirts, he retreated to the safety of his cave. The frustrated villagers went to find Ralph, an influential and fair-minded citizen, who always supported the people of the village when they had a problem. They went to his hut and Betty told him what had happened.

“That definitely was not fair,” said Ralph sympathetically. “You have been cheated, and I’m going to do everything I can to make sure you all get your money back.”

So Ralph asked for a special meeting of the legislature to be held that evening to be focused on Smidley and his **fraud**.

“I think we should throw Smidley in jail!” said Rick, whose solution to every problem so far involved throwing somebody in jail.

“I think we should make Smidley refund everyone’s money,” suggested Ramona.

“That would be a start,” said Ralph. “But we need some way to keep this kind of thing from happening again. Something needs to be done to protect the consumer.”

Everyone agreed to this, with the exception of Smidley, who had been forced by the court to attend the meeting. Then another representative, Robert, stood up.

“First of all, we’ll need a law to ensure that labels contain accurate information. Special rules are going to have to be enforced in the case of animal

products, so that they say what kind of animal it was and where it came from,” he said.

“We should also have organizations that test products, provide information to people who think they’ve been cheated, and bring to court those who use false or deceptive **advertising**,” stated Ralph.

So it was decided that Smidley would have to return the villagers’ money. He would not have to go to jail, because there was no law against what he had done at the time he did it. But now, many groups and laws **guaranteed** the villagers consumer rights.

Despite this new consumer protection, Ralph felt the Caplanders still needed a watchdog to expose and prevent **rip-offs**. He formed a special group, known as Ralph’s Raiders, which served as the voice for consumers.

While the villagers were celebrating their newly obtained rights, Smidley returned to this cave, determined to find new ways to swindle them.

Chapter 16

Pump It Up



The villagers had never felt so prosperous. There was a large market for everything, especially toys and games.

Motivated **entrepreneurs** began to increase **production** by hiring more

workers, purchasing more materials, and expanding their shops. Although this **expansion** was very expensive, they were confident that they would be able to sell everything they produced, and make profits in the long run. There were a wide variety of good jobs available, and the **unemployment rate** was very low.

As the demand for workers grew, they were able to ask for higher wages. If one employer wouldn't pay them what they asked, they could easily find another business owner who would. Shops began running overtime to produce more goods, and those **employees** who worked extra hours were able to earn even more money.

To finance all this expansion, many people came to Bart for loans. At the same time, more and more Caplanders had extra money to deposit in the bank. "Everyone wants to borrow," Bart said to himself. "If I increase my **rates** on loans a little, they will still want the money and I'll make greater profits. Then I can encourage people to deposit money in the bank by offering a higher interest rate on savings."

Due to this expansion, the **stock market** was also very active. Many people were anxious to get involved in trading shares, since the constantly rising values of stocks almost ensured they would make a profit. Soon, even villagers without much money to invest had a good chance of getting money quickly and easily.

One day a group of women were shopping in Darcy's Dress Shop. "Dresses are a lot more expensive than they used to be," complained Betty. "I remember when I could buy two dresses for what I now pay for one."

"What difference does it make?" asked Darcy. "I have to raise my prices as **production costs** increase. I hired three more employees the other day, and material prices went up as well. You all still seem to want dresses, and you are able to afford them."

"It is true that I am able to buy as much as I could before prices began going up," replied Betty. "However, every time I get a raise, prices go up just as much. I am making much more money but can't buy any more goods."

Though their lives were seemingly not affected, the women in the dress

shop felt something was going wrong. But they were not the only people in the village who were concerned.

Many older people in the valley were having a difficult time buying what they needed. All that they had to live on was a **pension**, a fixed sum of money that a retired person received each month. Although prices and wages were constantly increasing, the pension did not, so pensioners were able to purchase less and less as time went on.

Soon, people on pensions and other **fixed incomes** brought their problem before the legislature. “This **inflation** is hurting us,” they said. “We have less **purchasing power** as the value of our money decreases. If it is not stopped, we will not be able to make ends meet.”

Bart also appealed to the legislature to do something about the rampant inflation. Two years earlier, he had lent Sean five hundred dollars at six percent interest. Back then, five hundred dollars could buy many things. But now that Sean had repaid him, the repayment plus thirty dollars bought less than the original five hundred dollars could.

“I keep trying to raise my interest rates, but I can’t keep up,” Bart complained. “I am being paid back money that is worth less than when I lent it!”

Those who owed money were very pleased with this, but those who lent it out were not. Many of the legislators were worried as well.

“Even with the great increases in wages, and with almost everyone having jobs, I don’t think that our economy is healthy,” stated Ramona at a meeting. “Things seem almost out of control. It is as if prices and wages will keep going up forever.”

“The dollar is losing its value,” lamented Dolores. “How many you need to buy the same amount of goods and services keeps going up. It’s very nice that there is expansion and employment, but it’s going to come to a dreadful halt sometime soon!”

Rick had never been very good at math. He scratched his head as he tried to think of something to say about the issue.

“Let’s... let’s throw the pensioners in jail!” he exclaimed. Noticing that everyone was staring at him, he sat down quickly.

“Something does need to be done,” stated Ron. “Sure, a lot of people aren’t suffering—some people are even better off than before. But Bart doesn’t feel that this inflation is fair to **creditors** like him, and others are being hit hard. We can’t just sit around and watch it happen.”

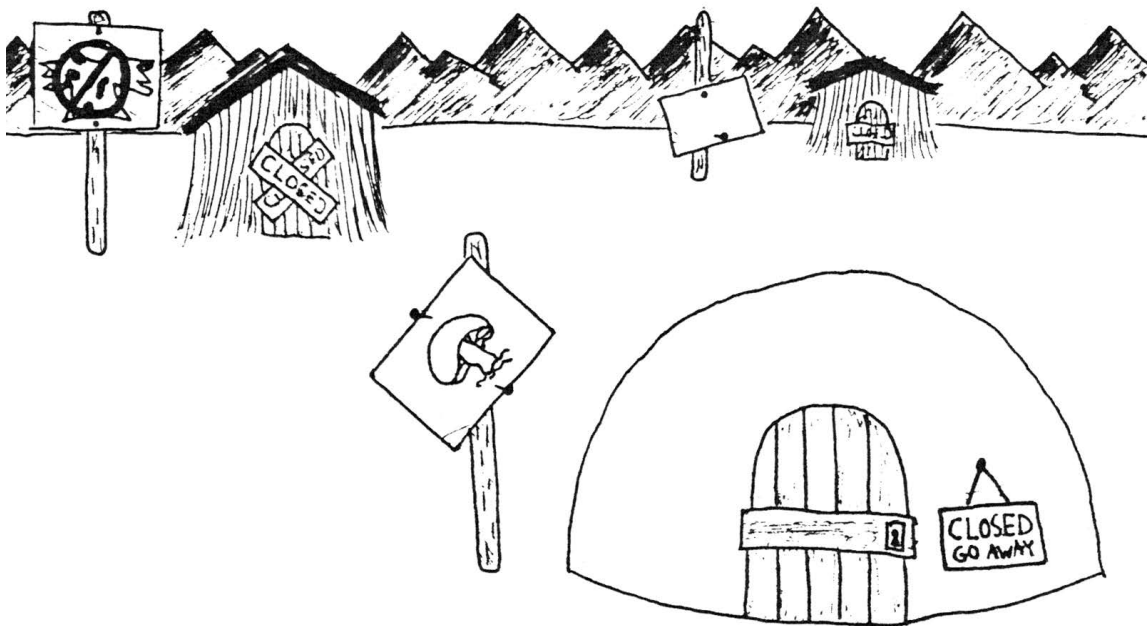
“But what *could* we do?” challenged Rebecca. “The economy goes up and down naturally. We can’t legislate how much employers are allowed to pay their workers, that would be crazy! Through the law of supply and demand, the economy will eventually straighten itself out.”

Since most of the representatives found it hard to argue with Rebecca’s point, the meeting was adjourned. They did not feel that they—as legislators—should get involved. It was the villagers’ right to set prices and wages, and there would certainly be a large amount of resistance if the government tried to intervene.

Yet Ron went away from the meeting feeling uncomfortable. He agreed the government couldn’t tell people what to charge. But at the same time, ignoring the inflation seemed to be very dangerous.

Chapter 17

Black Walnutday



Despite concerns, it seemed that Capland's economy would **prosper** indefinitely. Businesses continued to produce in large **quantities**, and wages continued to rise as well.

It soon became apparent, however, that all was not well in the village. Shopowners realized that although there were more goods and services available, fewer were being sold than ever before. In their efforts to expand production, they had manufactured more than the villagers wanted, or needed.

At the same time, the Caplanders had reached a point where they could not afford the prices that the shopowners were asking. So even though the villagers saw the shelves overstuffed with Sheldon's shirts at Wallyworth's, they would not buy them.

"We don't need any more shirts," they would say. "Especially not at those prices!"

In order to sell their goods, Sheldon and the other manufacturers tried reducing their prices and held **clearance** sales. When they did, they reduced their profits as well. The village had entered a period of wide-scale economic slowdown. The reduced demand for goods and services was being felt at all levels; a **recession** had hit the valley.

It got so bad that one morning, Sheldon called all of his workers together with some unfortunate news.

"I guess we have **overproduced**," he said sadly, "because there is a surplus of shirts that nobody seems to want. As a result, I've had to charge less to sell all of the shirts we have made. Now, if I don't slow things down here in the shop, I'm going to go **bankrupt**."

The anxious workers looked at each other, as they knew what was coming. Sheldon continued:

"Profits have dropped, and I cannot pay Wally on the loan from the bank unless I cut production costs. I'm afraid this means I'm going to have to let some of you go. I have tried to avoid **layoffs**, but I am no longer able to pay all of you. Those of you who do stay are going to have to accept lower wages. I'm sorry."

At other village shops it was the same story, and an increasing number of workers found themselves without jobs. Producers were either cutting costs, or

shutting down their shops completely. Fewer people had money to spend, and this decrease in demand forced prices down even further.

Unemployed villagers began to fill the streets as the economy came to a grinding halt. The village was now in a full-blown **depression**.

Those who had invested money in stocks discovered many of the enterprises they'd invested in were bankrupt or not making a profit. The investors tried to sell their shares, but nobody was interested in buying them, so stock prices also decreased alarmingly. Some investors lost so much of their fortunes that they took desperate leaps out of the windows of their huts¹.

Bart also found himself in an undesirable position. No one was interested in borrowing money from his bank to increase production. The supply and demand connection was again governing the economy of the valley, but with a sinister twist.

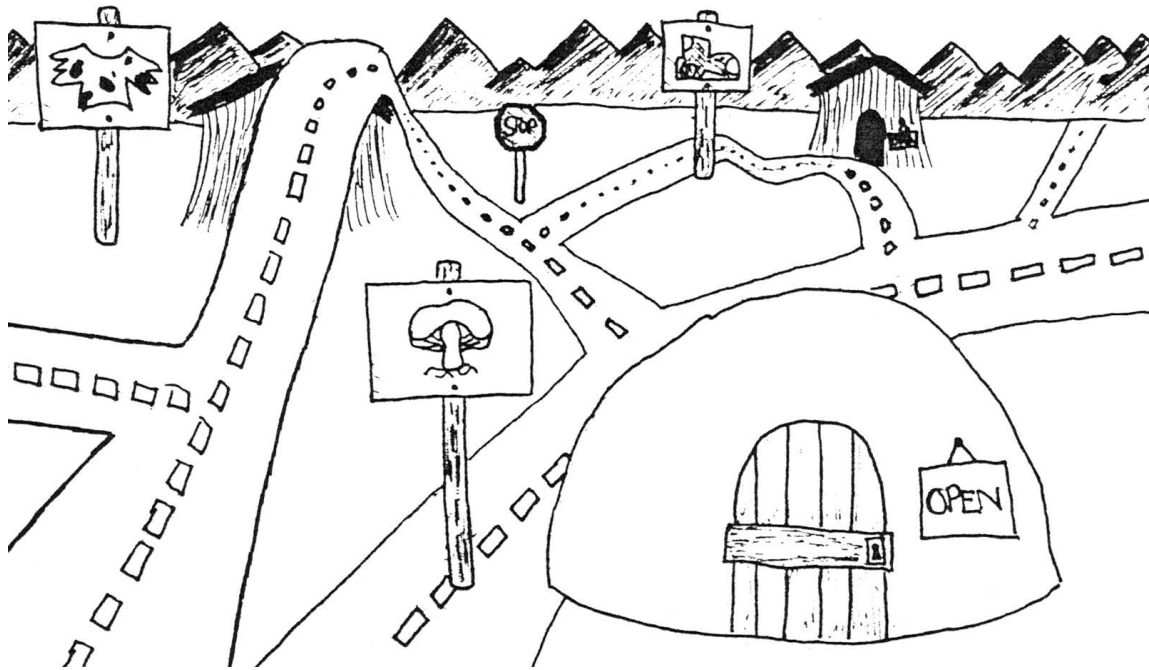
The government of Capland called another meeting. Villagers listened anxiously, hoping for encouraging words. Ron urged for action, but most of the representatives still held the opinion that this was all part of the **business cycle**, and was not a problem the government could solve.

It was decided that the government would lend money to businesses so that they could continue producing goods and pay off their debts. Yet nothing drastic was done to bring the village out of the depression it was in.

¹Fortunately, no lives were lost. All of the huts in the valley were only one story tall.

Chapter 18

On the Road Again



The economic situation continued to worsen, despite the measures taken by the government. The Caplanders clamored for their legislators to help them, and they convened once again. This time, however, the representatives were

ready to listen to what Ron had been saying.

“This cannot be avoided any longer,” proclaimed Robert. “More shops are closing every day. People are going hungry. They cannot get sufficient clothing, and their huts are falling apart. Let’s try Ron’s ideas and see if they work. If they don’t, then we’ll try something else.”

Ron took to the floor.

“More money has to get into circulation,” he stated. “Then there will be a demand for goods and services. If we can do this then shops will reopen, and there will be available jobs.”

“We could make more dollars,” Dolores responded, “But wouldn’t that be just like what Wally did when he printed the wood pieces to try to save the expedition? We saw how *that* turned out.”

“No, printing money is not the answer,” said Ron, shaking his head. “But what if we—the government—created jobs? We could hire workers for the new road project, since we need better roads anyway.”

The legislators murmured among themselves about this novel idea. Ron continued:

“We would pay these people so they would have some money to spend. Then they would go to the stores and buy goods, so that the shop owners would have money to produce with again. They would then rehire their workers, thus giving them money to spend as well.”

“That just might work!” Robert exclaimed. “By the time the roads are finished, we won’t have to worry people losing those jobs, because by then there will be a demand for workers elsewhere. I say we try it.”

The plan was voted on and approved. Soon, a sign announced the availability of jobs on the road project.

Unemployed villagers flocked to the job openings. The village was ringing with the sounds of shovels and picks, as roads connected every part of Capland. These villagers brought home money which found its way into the stores and

shops. The roads also helped ease trade between places that had found it hard to reach each other before.

As the government had predicted, the valley was on its way to **recovery**. It was gradually able to reduce the number of road workers as they moved back to their jobs in the reopening shops of Capland. But they realized they could never again sit idly by and watch the economy collapse.

A special committee was put together to study and advise the legislators about the economy. A careful watch was kept on the unemployment rate, and government projects were started if too many Caplanders lacked work. They monitored prices and wages of essential goods and services and tried to keep them reasonable.

Rather than setting prices for wages or goods, the government decided to limit the interest rates that banks like Bart's could give. If it seemed money was too easy to get and inflation was taking hold, they'd make borrowing harder. If people were spending too much, the government raised taxes. When people were spending too little, it lowered taxes.

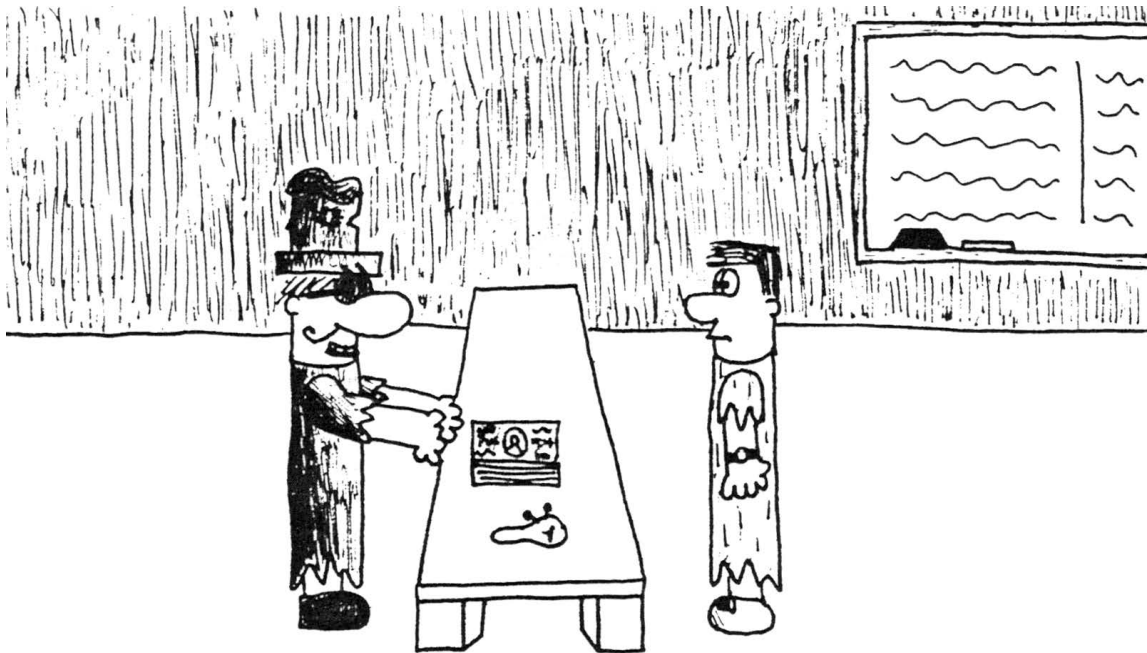
Some of the shopowners felt the government was getting in the way, and not letting them make a decent profit. Yet most Caplanders felt safer from these new protections. Their jobs were more secure, and their income was more likely to enable them to buy what they needed.

Still, the argument about the government's involvement did not die out. People began to group according to their beliefs about the relationship between the government and the economy. Yet they were proud to live in a democratic society where they could live their lives as they chose.

Smidley, however, sat in his cave all day with his slugs. He was not proud of the villagers at all.

Chapter 19

I Know Something You Don't



Smidley had been even more antisocial than ever after the scandal with his black panther shirts. But his **greed** and ambition had not diminished. He had many ideas for money-making schemes, but knew that the villagers would not

trust him because of his damaged reputation. Smidley needed a partner.

He decided to meet with Ivan, a villager who shared his love of slugs and his dislike of the Caplanders. After a serious talk, Ivan agreed to help Smidley look for new money making schemes for a share of the profits.

Ivan worked at Tony's Tool Shop. While he worked, Ivan was always listening to conversations hoping to hear something that could be used in a scheme. On a regular basis, he provided Smidley with valuable tips about things going on in the village.

One particular day, Ivan stopped by Smidley's cave with some news. "Today," he said to Smidley, "Nick the knife maker came by too, wanting to know if Tony would be interested in having their two companies **merge**."

"They want to arrange a Monopoly, eh?" remarked Smidley. "That's a good scheme if I do say so myself. But you know the government these days. Join forces and jack up the prices, they get suspicious."

"Actually they aren't planning to raise prices," Ivan said. "Both of their shops needed a furnace for heating metal, and use essentially the same **raw materials** and tools. If they were to merge, they would only have to operate one furnace at half the fuel cost, and would be able to place larger orders for supplies and thus get cheaper rates from the suppliers. This way they would make greater profits, even if they sold the tools for cheaper."

"That's different." Smidley smiled fiendishly. "So no one knows about this yet except for you and me?" he asked. "Not a person in the village, except Nick and Tony, of course," replied Ivan. "At the end of the month they are going to announce the formation of Tony-Nick-Tools Inc."

"You say they're absolutely sure this T-N-T will be explosive on the market?" asked Smidley.

"They were pretty positive from what I heard," answered Ivan. "Exactly what are you thinking?"

"I'm thinking about how the value of their stocks will go sky high once they announce their little **merger**," said Smidley, twirling his black mustache.

“And we have a golden opportunity to buy shares while they’re still relatively inexpensive. Then we can sell them at the end of the month and make a killing. Buy low, sell high!”

“That’s a good idea. . .” mused Ivan. “But **insider trading** doesn’t seem fair. We have access to information that most people don’t have, because I work for Tony.”

“Since when do we care about what’s fair?” asked Smidley, with an evil look in his eye. “We need to find some money to invest. I could sell all of my mushrooms at bargain prices, and I have some money I’ve been saving for my slug farm. What do you have?”

“All my money is in Bart’s Bank, and that’s not much,” said Ivan. “But we could try to get a loan. . .”

At this suggestion, Smidley became enraged.

“NEVER!” he shouted. “No Wally, and no Bart. Whatever we can raise on our own will be good enough!”

Smidley began gathering together all his money and everything he owned that he could sell, and left his cave, with a black hat and sunglasses to block out the sunlight. Ivan also went back to his hut to gather what he could.

The next day, Smidley walked into the Stock Market with a large bag. “Give me as many shares of Tony’s Tool Shop and Nicks Knifery as eight hundred and thirty dollars can buy,” he said with an evil grin.

During the rest of the month, Smidley bought shares of stock whenever he or Ivan managed to get some more money. When Nick and Tony’s merger was officially announced at the end of the month, many of the villagers were convinced that shares in the new corporation would be profitable. As Smidley had predicted, he was able to sell the shares at almost double the price he had paid for them.

The two split their profits in secrecy at Smidley’s cave the following day.

“I’m going to use my money to buy my slug farm,” said Smidley. “That has

been my lifelong dream. What are you going to do with your share?"

"I'm going to deposit my money in Bart's Bank," said Ivan, after considering the possibilities for a moment. "That way I can make more money."

Again Smidley was angered.

"NO!" yelled Smidley. "BART WILL PAY! I now have enough money to ruin him. I can set up my own bank in competition with him! I have a plan."

"How can you compete with a bank?" asked Ivan, puzzled. "The government limits the amount of interest to control inflation. All banks are the same."

"Unless you get the government to make an exception, and I know just the way," countered Smidley. "Remember how you said Ron stopped by to get a screwdriver at Tony's shop, and he was talking about how the government is interested in finding a way to promote more hut ownership and less risky investment?"

"Right," said Ivan. "He said they want to influence what people are saving their money for without outright telling them what to do. Or something like that, it was loud in the shop."

"If I could convince the legislature that my bank would only lend money for housing and not risky ventures, they might allow me to pay interest rates higher than the normal bank limit."

A gleam came to Smidley's beady eyes.

"Everyone would deposit money in my bank instead of Bart's. He would go BROKE! And imagine all the possibilities for schemes if I've got access to all the money in the bank! But nobody trusts me. Those fools!"

Feeling dejected, Smidley grew silent.

"What if *I* were to run the bank?" asked Ivan. "The villagers and the legislature have no reason to distrust ME. I could go to the legislature tomorrow and see what they think."

"Excellent!" exclaimed Smidley. "You do that!"

During the following week, the idea was approved. Ivan's bank would be able to pay one percent more interest to depositors than Bart could, and they were only permitted to give low risk loans for mortgages.

To get the villagers to trust the new bank, the government set up a special fund to back all of the money that it lent out. If anything happened to the money in the new bank, the depositors' money could be returned from the fund.

Chapter 20

Money For Nothing



After all of the arrangements had been made, Ivan hung two signs outside his hut:

IVAN'S SAVINGS AND LOAN:

NEED A LOAN FOR A HUT?
BORROW FROM US!

... and ...

IVAN'S SAVINGS AND LOAN:
NOW PAYING 12% INTEREST ON DEPOSITS!!
GOVERNMENT INSURED!!

The villagers were skeptical. “Isn’t it illegal right now to pay more than 11% interest?” asked Sheldon.

“For ordinary banks, yes,” replied Ivan. “But we’re a **Savings and Loan Institution** (S&L). A new government approved plan allows us to give higher rates since we only give loans for safe projects like huts.”

“Oh,” realized Sheldon. “...so if the time comes to pay back the money and I can’t repay the loan, you’ll take the hut back?”

“Right, those loans to build huts are special, they are called *mortgages*,” pitched Ivan. “Also, any money you put in is backed by the government, so you can’t lose.”

Almost all of the villagers, who wanted to make as much money as they could and who trusted anything supported by the government, withdrew all their money from Bart’s Bank. He could no longer make a profit and had to go back working as a part-time bookkeeper for Wally.

Smidley walked past the bank, and when he saw Bart’s “Closed” sign, he cackled with glee. He then walked into various stores in the village and came out with large bags, filled with supplies for his slug farm.

“Where did Smidley get all that money from?” Wally asked his cousin, Walter. “I just saw him down at Slug- Mart and he was buying a lot of stuff.”

“Didn’t you hear? He struck it rich in the Stock Market,” replied Walter. “He bought shares in Tony and Nick’s companies before they merged.”

“That’s odd. I didn’t know Smidley had any stocks,” said Wally.

“He went and bought them just a couple of weeks before the merger was announced,” replied Walter. “Not in any other companies, just Tony and Nick’s.”

“That’s pretty strange,” observed Wally, “I wonder why Smidley would have bought those stocks.”

Sherlock, who was just stopping by Wallyworth’s to look at the new spring fashion magnifying glass shipments, broke in. “You know something Wally, I’d bet that the reason Smidley bought those stocks was because of the merger. The stocks in those companies were obviously going to be worth more after the two companies joined.”

“But Sherlock, nobody knew about the merger until after Smidley bought the stocks,” replied Wally.

“Elementary, my dear Wally,” said Sherlock, “Smidley somehow found out about it before the rest of the village knew. Perhaps he overheard a discussion. Or maybe he had a partner who knew Tony or Nick and told him about the merger.”

“THAT’S IT!” exclaimed Wally. “I’ve seen Smidley hanging out with Ivan, who used to work for Tony, but started that Savings and Loan after the merger.”

Everything was falling into place.

“I’ll bet that Smidley gave Ivan the money to start the S&L in return for the inside information,” added Walter. “If Smidley is behind the Savings and Loan idea, then everyone who deposited money in it is in trouble.”

Wally went to see Ron, and told him what he suspected. At the next meeting of the government, the representatives concluded that Ivan had told Smidley about the merger before the public was told. Immediately, Smidley and Ivan were summoned to the Cap-Hut-Tall where the legislature met. When they got there, the legislators demanded that they collect on all their loans and repay all their depositors.

It turned out, however, that Smidley and Ivan had taken most of the money

that had been deposited in their S&L and **embezzled** it for their own purposes. On those few rare instances when they had granted loans, they had given them to people who didn't own property of equivalent value that the S&L could take in the event that the loans weren't paid. Without **collateral**, there was no way to collect on unpaid loans if the money had been spent.

In addition, Ralph said that he had gotten many complaints that Smidley and Ivan had been advertising one interest rate and then charging another. Almost instantaneously, you-know-who jumped up and shouted, "Let's throw them in jail!"

"It's hard to point to an existing law that Smidley and Ivan broke," said Ralph. "But as always, we need to make sure this does not happen again. We need to pass a law that orders stores and banks to put accurate lending information on their credit agreements."

"Also, something needs to be done to keep people from buying and selling stocks in a company based on information they hear from someone inside the company," added Rebecca. "That kind of **insider trading** is not fair."

To this the representatives agreed, and a Truth In Lending Law and an Insider Trading Law were passed. The government still faced the problem of what to do about the Savings and Loan.

"We have to repay those people who put their money into the Savings and Loan," stated Ron. "We gave our word that it was insured. And we need to keep the people's faith in the government."

"Smidley and Ivan spent everything that wasn't lost, and we don't have any more money left in the fund. We'll have to take away the money from somewhere else," replied Robert. "What about the money in the **budget** for education?¹"

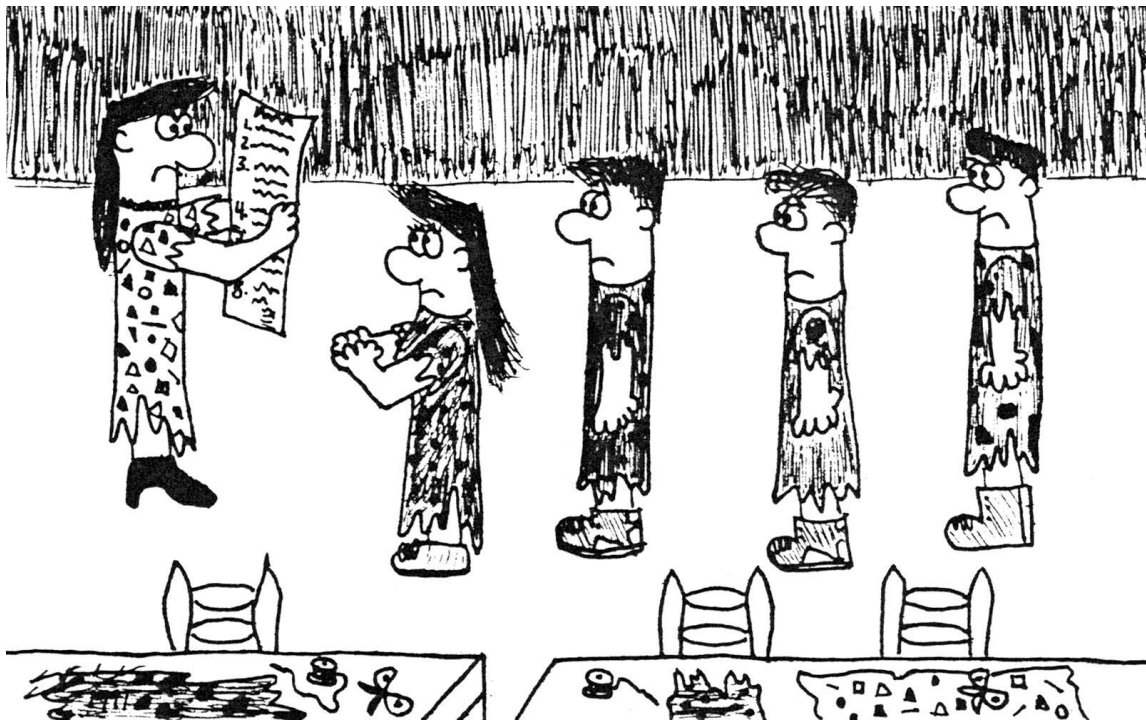
So Smidley and Ivan were forced to give up their Savings and Loan. It took the government many years and many taxpayer dollars to complete the **bail-out**. Bart's Bank went back into business, and although Smidley didn't realize

¹It would be funny if it weren't true.

it, he had once again strengthened the rights of the villagers.

Chapter 21

Enraged Employees



One hot summer day, a few of the workers in Shirley's Shirtmaking Shop began to grumble.

"We work hard in this **sweatshop**, and Shirley doesn't pay us enough,"

muttered Scott, one shirt stitcher.

“Yeah, and I don’t like working on Saturday afternoons,” said another worker named Sally. “I think that Shirley makes us work too many hours, particularly for the wages we make.”

“Well, if you ask me, I think we should have at least two weeks of vacation a year with pay,” added a third worker, Sam. “I’d like to have some spare time to spend with my family and perhaps travel across the mountains.”

“While you’re on the subject, I don’t think it’s fair that Shirley doesn’t pay us when we’re out sick. I jabbed a needle in my finger and missed three days when it got infected. You’d think that Shirley would have paid me something, especially since I injured myself on the job.”

This fourth speaker, Shelly, threw down the shirt she had been working on and turned to the other workers.

“I have an idea,” she said. “Since none of us is satisfied with the way Shirley treats us, why don’t we ask her to raise our **salary** and add some other **fringe benefits** that we feel we deserve. Let’s draw up a list of complaints and requests right now.”

So Shirley’s workers did just that, and when she walked into her shop that afternoon, she was startled to see all of her workers standing around rather than making shirts.

“What do you think you’re doing?” Shirley shouted. “If you don’t make shirts how can you expect to make money?” Shelly handed Shirley the list of **grievances**. She read through it quickly and then angrily tore it up.

“If you think that I’m going to do these things, you are sadly mistaken. If you don’t like working here, you can leave. Shirt stitchers aren’t that hard to find, and there are plenty of them who would be glad to work for me.

You don’t know how lucky you are, having such great jobs.”

With this, Shirley turned around and marched out of the room. The workers shrugged and returned to their work, but they were determined not to let Shirley

ignore their grievances.

That night, they met secretly at Scott's hut. "Shirley may have been right. She can get other workers to take our places. If she does, then we are out of luck, because she certainly wouldn't give us more benefits if she didn't have to.

Seth, who up to this time had been silent, spoke up.

"I've been thinking," he said. "If we stop working and keep other workers from going into her shop, she will have to give us what we want. I think that we ought to quit and tell Shirley that we won't come back to work until she meets our demands. If she hires more workers, then we can stand outside the shop and prevent them from entering."

"The new workers won't realize how badly Shirley will treat them," grumbled Scott. "Besides, it's not fair for those replacements to have our jobs. They're a lot like **scabs** covering a wound. . . it's just on the surface, the injury is still there and it still hurts!"

The following day when Shirley walked into her shop, it was empty. She waited and waited, but her workers did not show up. "Their demands won't be met this way," she said firmly.

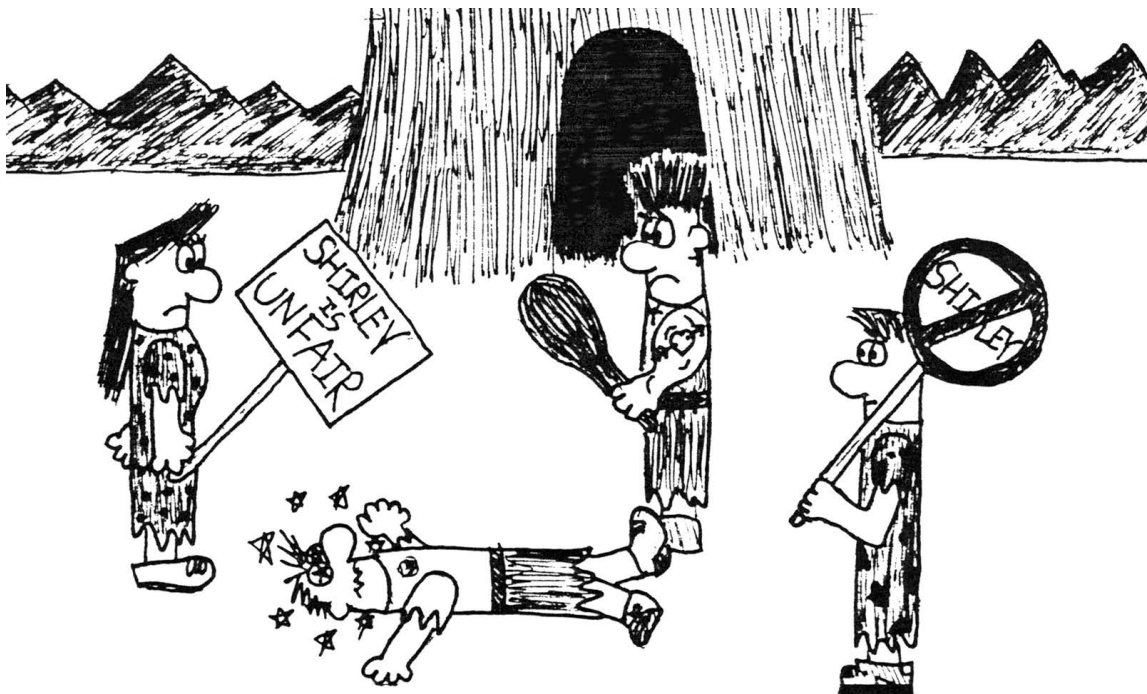
Shirley then posted a sign outside her shop:

WORKERS WANTED—APPLY TO SHIRLEY

Within a few days, all of the job openings were filled and Shirley's Shop again hummed with activity.

Chapter 22

Hell No! We Won't Sew!



The old workers realized it was time to make their move. If they didn't hurry, they would go broke. They gathered together to make plans.

“I say that tomorrow we go to Shirley’s , and stop her new workers from

getting in,” said one worker. “And I’m bringing a club.”

“If we can’t get what we want, we’ll burn Shirley’s shop down!” yelled yet another angry worker.

“I think that we should try to convince the villagers that they shouldn’t buy any of Shirley’s shirts until she has given us what we want,” added another.

They stopped at Wallyworth’s where they talked to the **customers**, trying to persuade them not to buy Shirley’s shirts. Many customers felt sorry for the strikers and agreed to **boycott** her store. Others expressed sympathy for Shirley.

“You should be grateful to Shirley for giving you work,” they said. “She not only makes fine shirts, but she provides **employment** for many of us. You have plenty of money to spend which means that we all prosper in the long run.”

In the meantime, a **picket line** was forming at Shirley’s Shop. While many strikers carried bold signs, others came armed with assorted dangerous-looking clubs. When Shirley’s new workers arrived, they faced a solid wall of determined sewers blocking the entrances to the workshop.

Seeing the huge clubs and fearing bodily harm, most of the scabs kept their distance. The strikers taunted the replacement workers and tempers flared.

“You guys have no right stealing our jobs!” yelled one striker.

“What do you mean stealing your jobs? We’re just here to do work. We need jobs. Walnuts don’t grow on trees, you know!!!”

“Actually, they do,” snapped Scott. “But that’s beside the point. Go find a job somewhere else. You’re not going to get one here. And besides, you wouldn’t want to work for Shirley anyway—trust us.”

Frustrated by the strikers, one brave but stupid scab advanced closer to the picket line. As he approached the line demanding to get through, a picketer with a nasty attitude and an itchy club finger blocked his path.

“How would you like to go to jail for disorderly conduct?” asked the scab defiantly.

“How would YOU like a club sandwich?” replied the striker, promptly delivering a colossal blow to the skull of the scab.

What had begun as a peaceful protest had now deteriorated into a scene of violence and near hysteria. Clubs were flying! The police arrived and restored order; the injured were taken to the clinic for treatment.

The **strike** had already hurt the town economically; this violent turn made matters even worse. Both sides became more determined to hold their ground.

Shirley, of course, was very upset. If she didn't produce shirts, she would lose all of her business to Sheldon, her chief competitor. She hated to see her shop empty and the tools lying around unused.

Shirley had to tell Harry and Harvey that she could buy no more skins until her shop was back in business. She told Tony, the toolmaker, that she couldn't buy any more needles. And she had to tell Bart that she could not repay her loan on time, so the bank had less money to lend.

Soon, everyone in Capland was impacted in one way or another by the strike of the shirtmakers. Yet the strike continued. Although she was losing money every day, Shirley would not talk with her workers.

“I refuse to be bullied!” she declared stubbornly.

Meanwhile, the workers, although living without income, felt that their principles were involved. They would never return to work for Shirley unless she agreed to discuss their grievances and **negotiate a settlement**.

The rest of the villagers, who were not so personally involved, thought it was silly that Shirley and her workers would not sit down and settle the problem. So they sent Wally (who was now president of the village business association) to approach Morton, whose wisdom was respected by all of the villagers.

“Morton,” said Wally, “we feel that if you talked to Shirley and her workers, you could show them how desirable it would be for them to discuss their problem together. Ince people respect you neither side would feel like they were giving in to the other. The workers would have work, Shirley would have

profits, and we would have shirts.”

“I’m worried that both Shirley and her workers have too much pride to propose a compromise,” replied Morton skeptically. “But I’ll try to act as a **mediator**, and see if I can bring them together to settle their problems.”

Morton succeeded where others had failed, by convincing Shirley and to sit down in a meeting with the workers. But after a few hours, it broke up with no settlement being reached.

So he decided to try a different approach. He talked to the workers separately and learned what their demands were. Then he talked with Shirley to get her side of the story. Based on what he learned, he drew up his own proposal which tried to please both sides, **management** and **labor**.

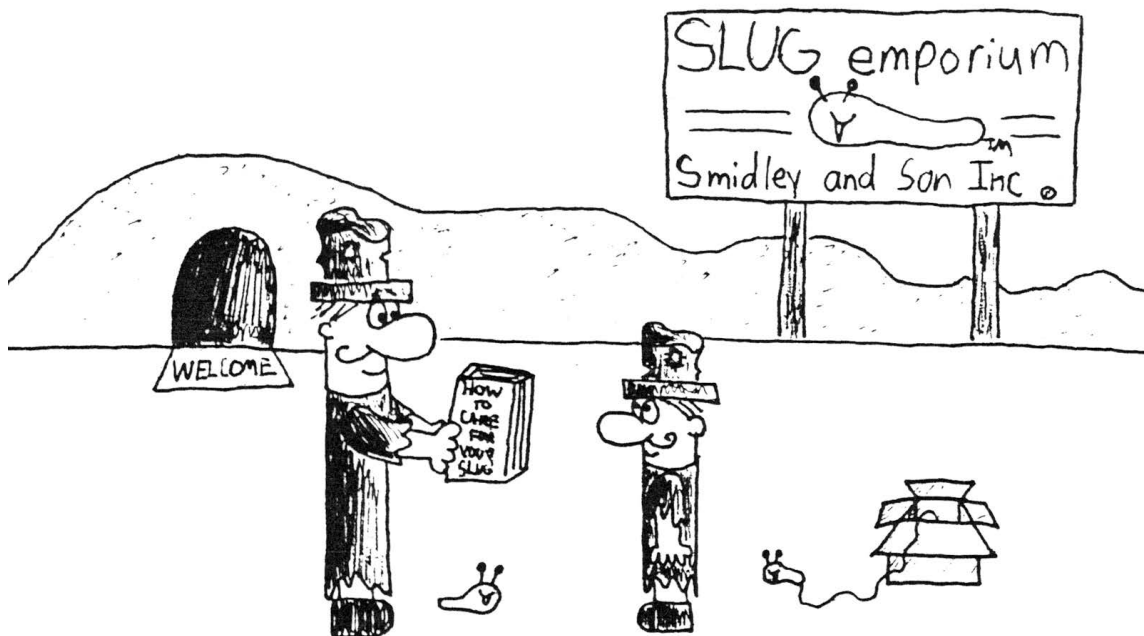
Now acting as an **arbitrator**, Morton managed to bring about a solution to the problem. Shirley accepted the proposal, although it required an increase in the workers’ pay and paid compensation for injury or illness. The workers accepted it even though they still had to work on Saturdays and did not get paid vacation time.

They did learn, however, that uniting had advantages. The workers formed a **labor union**, to help them with future negotiations. Seeing what happened with Shirley and her workers, other labor unions were formed to represent the workers in other trades. This kind of **collective bargaining** became an effective tool in settling labor disputes.

Unfortunately for Sheldon, Shirley was now back in business. Soon Wallyworth’s once again had Shirley’s shirts back in stock. The hunters were able to sell more animal skins, Tony received more orders for his needles, and Wally could make more loans. Capland had survived yet another economic crisis.

Chapter 23

Epilogue



Thanks to a generation of conscientious citizens, the future of Capland was secure.

Wally's descendants inherited his capitalistic instincts and faithfully carried

on his tradition of economic growth and expansion. In fact, they established a Wallyworth's in every major mall, and thus continued to provide goods and services to consumers everywhere.

Branches of Bart's bank provided sound financial advice and capital to millions of trusting customers.

Marvin and Bianca's descendants were equally successful. The small-scale production of Marvin's Gardens grew into a giant agri-business, so productive that it was capable of supplying markets in neighboring valleys.

After a frustrating career as a legislator, Rick retired and found fulfillment as a prison warden. Putting people in jail and keeping them there consumed the rest of his days.

Even Smidley found surprising success in the north country. His dream of creating the world's only "Slug Farm and Emporium" had finally found an audience. The idea held great appeal to these people who had long been searching for a unique attraction to bring in tourists. Northern women, unaware of the scandals in Smidley's past, were impressed with his no-nonsense business attitude and his vast knowledge of invertebrates.

Caught up in the welcoming spirit of the North Country, Smidley decided to settle down. He succumbed to the flirtations of Helga who became his wife and bore him a son, Smidley Jr., a natural slug lover. Junior ultimately became an equal partner in Smidley & Son, exclusive slug suppliers to the world.

And everyone lived happily ever after.

(Except the wolves, who were forever bitter about not getting more acclaim for their role in getting all this started. They're demanding that their agent get them a speaking role in their next book—and be featured beyond chapters 1 and 2.)