

Number 8

Archivaria

Articles

- Barbara Craig
Records Management and the Ontario Archives, 1950-1976
- Jay Atherton
The Origins of the Public Archives Records Centre, 1897-1956
- Marion Beyea
Records Management: The New Brunswick Case
- Richard Bishop
Micrographics at Toronto City Hall
- Lionel Bell
The Archivist and his Accommodation
- Thomas Flanagan
Archives: An Economic and Political View
- Richard Kesner
Labour Union Grievance Files: An Appraisal Strategy
- Alfred Wagner
The ICA: Catalyst of International Archival
Cooperation and Promotion

Potpourri

Pandora's Deedbox (James Reaney)

Counterpoint

The Access Dilemma (Don Page); University Archives: An Academic
(David Rudkin)

Communications

Rescued from the Permafrost; Archives in the Kitchen; Our Metis Heritag
dian Inventory of Historic Building; An Architectural Chronicle, 1829-19

Book Reviews (see following page)

Directory of Advertisers

Notes on Contributors

Archives: An Economic and Political View

by THOMAS FLANAGAN¹

Archives are economic institutions because they use scarce resources—land, capital, labour, and raw materials—to achieve human objectives. The resources used for such purposes could be employed elsewhere, making other contributions to human welfare. Ideally, society will invest in archives up to the margin where an increment of spending in this field will yield a smaller benefit to society than will some other investment. This optimum is impossible to specify in practice; but to mention it reminds us that, as with all activities, the value of greater spending on archives has to be compared to the hypothetical cost of foregone opportunities. Archives are also political institutions in that government is playing an ever larger role in this field, either through direct operation of public archives or through subsidy of private and semi-private activities. Hence political science may also have something to contribute to the understanding of archives by setting archives within the general context of public services. Experience from economics and political science may help to resolve some archival difficulties which may seem intractable as long as they are viewed *sui generis*.

Probably the largest part of archival activity in Canada is still the result of private initiative. Individuals spontaneously save family correspondence, pictures, and records. Such preservation is usually not archival in the normal sense, since there is no provision for public access. However, some distinguished families with large holdings allow access to researchers as a regular matter, and others might do so if asked. In any case, these family collections often end up in

¹ A version of this paper was presented at the Fourth Annual Conference of the Association of Canadian Archivists, University of Saskatoon, 3 June 1979. The author notes that "this effort is frankly speculative" and is not based on qualitative or quantitative data. "However, theoretical considerations of this kind may serve to suggest what sort of empirical research would be useful. It should also be noted that the author is not a professional archivist but a political scientist who knows archives solely from the user's point of view. Presuming to speak from this perspective may produce naive errors but may also introduce considerations that might not normally occur to professionals in the field. The author should also mention his basic position, which is a commitment to free markets and the private sector. Government intervention is not rejected in principle, but it should be justified according to certain well-known principles of "market failure". It is assumed that the function of government in a free society is primarily to enforce rules of just conduct and secondarily to provide services which for one reason or another are not offered by the market in the desired amount." See generally F. A. Hayek, *The Constitution of Liberty* (Chicago, 1960) and Milton Friedman, *Capitalism and Freedom* (Chicago, 1962).

institutions sooner or later. Another aspect of the private sector is the record-keeping of corporations, labour unions, hospitals, churches, and so on. The intention is usually just to keep records necessary to do business, but the result is often an invaluable archival collection. Many, though not all, such institutions offer generous access to researchers. Still another part of the private sector is the activity of private collectors, who seek out and purchase documents, photographs, etc. Many motives are involved, including pecuniary gain, and public access may or may not be possible. But in any case, a market exists and prices are set for so-called prestige items.

Beyond the purely private sector is an archival realm that might be called semi-private (or semi-public). It is constituted in its purest form by non-profit organizations which use private funds to acquire and preserve archival materials and to make them available to researchers. An outstanding example in Canada was the Glenbow-Alberta Institute before it became so closely linked to the provincial government. Less pure examples would be universities which may use a mixture of private and public funds to build collections. The semi-private sector is characterized by private initiative and organization coupled to public subsidy. This has assumed numerous forms, such as tax-exempt status for the organization, tax write-offs to donors of money and manuscripts, and grants from the public treasury. Archives and museums have shared in the general twentieth-century trend of philanthropic institutions to become dependent on government. Thus, the semi-public sector, though still important, seems to be merging with the public sector.

The public sector *per se* consists of government-financed and operated institutions. One of their jobs is to keep the government's own records, which is the traditional task of state archives. But increasingly in modern times, public archives have set out to acquire a broad range of materials from private sources in the aim of producing "a mirror of society in which citizens can see themselves in the context of the continuous images of earlier generations"². This goal provides a broad, indeed potentially unlimited, mandate to collect records of all types. Greater amounts of money to acquire larger collections will allow the "mirror" to reflect an ever-increasing multitude of details.

This brief survey reveals a number of conclusions. First, that archival activity is spontaneously generated in modern society without any government involvement. Second, that governments intervene both indirectly and directly to increase the volume and influence the direction of archival activity. Third, that the public sector seems to be growing, especially at the expense of the semi-private sector. (Impressionistically, the private sector seems more vigorous in Canada than ever before). The growing role of the public sector in archives raises the theoretical question of what government's role in this field ought to be. It is not self-evident that government should do something which is already being done by the private sector. It is one thing for the state to keep its own records, but quite another for it to become the record-keeper of society. This new level of activity is justifiable only if there is good reason to think that the private sector is subject to inherent limitations.

2 Ian E. Wilson, "A Conspirator Replies," *Archivaria* 6 (Summer 1978), p. 187.

ARCHIVES AS A PUBLIC GOOD

The most widely accepted rationale of government intervention is based on the theory of "public" or "collective goods."³ Most things which men desire are "private goods" like food, clothing, and shelter. They are divisible into units which can be consumed separately. Food which I eat or clothing which I wear is not available for consumption by others. But there are also many important public goods, which are not divisible and which are not consumed in the process of use. The classic example is the light from a lighthouse. There is no way for consumers to exclude each other from enjoyment of particles of this good by dividing it into discrete units; nor is it used up by those who enjoy it collectively. Other common examples of public goods are national defense, police and fire protection, and environmental preservation.

The fundamental theorem of free-market economics is that private goods are optimally supplied by the market; that is, the best possible matching is created between the array of desires of consumers and the factors of production available to meet these desires. But this principle does not apply to public goods because of the problem of "externalities". Public goods, by definition, cannot be subdivided and hence cannot be captured within the boundaries of normal market transactions. They tend to have external or neighborhood or spillover effects on third parties. In the example of the lighthouse, all ships within its range automatically receive its benefit even if their owners have not contributed to erecting the facility. Similarly, all residents, even those who pay no taxes, receive the benefit of national defence or of law enforcement.

In general, where such externalities exist, the market tends not to supply as much of the goods as people actually desire. Each person has an incentive to hang back, to wait for someone else to take the initiative, and then to enjoy the benefits as a "free rider". The standard remedy for this dilemma is coercive government action to collect payments from those who receive external benefits. It would not be profitable for an entrepreneur to erect a lighthouse, but government can do so and pay for it by an appropriate tax on shipping. The aim of such government action is to achieve the optimal satisfaction of desires which the market cannot achieve in this instance because of technical reasons, namely externalities and free-riding. The principle has been generally accepted since Adam Smith wrote that the sovereign has the

duty of erecting and maintaining those public institutions and those public works, which, although they may be in the highest degree advantageous to a great society, are, however, of such a nature, that the profit could never repay the expence to any individual or small number of individuals, and which it therefore cannot be expected that any individual or small number of individuals should erect or maintain.⁴

Does this principle apply to archives? In one sense, no. The materials which archives collect are obviously private goods. An archive which owns a valuable letter, map, or photo thereby excludes other archives from possession. Further-

3 There is a large literature on the subject. See for example James M. Buchanan, *The Demand and Supply of Public Goods* (Chicago, 1968).

4 *The Wealth of Nations*, III.

more, such materials are fragile and deteriorate through use, as all good archivists know.

But archival materials seem more like public goods when we look not at their physical form but at their content, which is information or knowledge. Documents have an intrinsic worth like diamonds or gold, but they are also prized because of their contribution to knowledge which is in certain respects a public good. It is true that it can be divided and kept secret, as in the case of industrial secrets. But hoarding usually has little benefit; and as soon as knowledge is put to work, others see the results and, through inference, are often able to derive the original knowledge. Thus, new products are quickly imitated—or would be, if it were not for patents, which are a device to cope with externalities of knowledge. Knowledge, moreover, is not exhausted by use; in fact, the opposite is true. Dissemination of knowledge tends to enrich it, so that someone exceedingly remote from the originator of an idea may derive great benefit from it in a way the originator could never have foreseen. For these reasons, modern governments are all deeply involved in the promotion of knowledge, especially of pure research whose application may not be readily apparent. There is consequently an *a priori* case for support of archival activities as part of larger public support of knowledge.

However, this conclusion is only the beginning, not the end of analysis. We must look more closely to see where market failures are likely to occur and what the appropriate remedies might be.

First, the market seems able to function for prestige items like the letters and diaries of famous men, rare maps, ancient manuscripts, and the like. These items will be privately acquired and preserved because of their intrinsic value. Indeed, they may be better preserved in the hands of a private collector, who has only a few such precious objects and treasures them greatly, than in the keeping of a large public institution with many responsibilities. But if the object of archives is really to produce "a mirror of society," it is evident that large volumes of material, not intrinsically valuable, will have to be preserved. In this endeavour, the knowledge aspect of archives will come to the fore, and here we would expect the market to work less well. Some material will be spontaneously accumulated, but not nearly the amount desired by the historical and social sciences.

An additional way in which government intervention might improve upon the market is through the reduction of "transaction costs". Some things can be provided either as private or public goods, like roads, which were at one time built as toll roads by entrepreneurs but which are now generally a free public service. The advantage of the latter approach is to escape the time and effort that would be spent purchasing access to a network of private roads. An analagous problem exists with archives. Even if the private sector could preserve all the materials required for the "mirror of society," access by researchers would be a formidable task. Simply to locate relevant collections would be time-consuming enough. Then, travel to many different locations would be necessary, plus negotiations with all the different owners. There seems little doubt that the value of archival collections is greatly enhanced by the aggregation of related materials in one place. Government action to achieve such aggregation would certainly be justified by the theory of public goods; for the aggregation is unlikely to occur

spontaneously in the desired amount, since we are concerned not with prestige items but with ordinary, unprofitable materials whose only value is their relation to knowledge.

This strong case for a governmental role in archives does not necessarily imply the creation of public archives. The state has many means at its disposal to achieve its objectives. One approach would be indirect subsidy of the private and semi-private sector through the tax system. This is currently done in Canada through the tax shelters which can be created through donations of materials to archives. The technique seems to be effective in encouraging the preservation of near-prestige items which might not be worth saving in the absence of tax benefits. In effect, government is enlarging the number of prestige items. There are also probably benefits in aggregation since donation to an institution is required to obtain the tax deduction. A second approach would be governmental support of semi-private institutions. Tax deductibility of private financial contributions is one technique; direct grants for operating costs or capital construction is another. Both methods are used in Canada. A third approach is direct public operations of institutions. A strong argument in favour of this method is that government must maintain an expensive record-keeping operation for its own benefit. Economics of scale may be achieved by grafting the systematic collection of private materials onto the preservation of public records. Indeed, private citizens since ancient times have often voluntarily deposited their papers for safe-keeping in government archives.

These three methods of government support of archives are all effective in supplementing the market. Further, none is incompatible with the market in the sense that it would tend to destroy private activity. This danger might arise from public archives if they were converted into government-enforced monopolies with an exclusive mandate for archival work (*cf.*, the model of the post office in delivering letters); but there are no such proposals on the horizon.

The fact that all three strategies of government support are theoretically acceptable and useful does not mean that they are all equally desirable in practice, for practicability is a question of time, place, and circumstance. Rather than going further into this issue, it might be more useful to examine the practical problems which can be expected to arise from a government commitment to supporting archives. Some of these are general problems which are apt to arise whenever government subsidizes anything. Others are narrower problems arising from the organization of archives as a public service. Emphasis on these is warranted because large-scale public archives, even if they are not the best theoretical solution to all problems, have been solidly established in Canada and are clearly here to stay. General considerations of economics and political science, derived from the study of other public services, can reveal something about the kinds of difficulties that public archives will inevitably face.

CAPTURE OF SUBSIDY

One class of problems is potentially present whenever government subsidizes any activity. The subsidy is meant to increase the volume of the activity, but it is possible for strategically located groups to capture some or all of the subsidy so that the intended effect does not take place, at least not to the desired degree.

Subsidies to archives are intended to increase the volume of collections and make them more accessible to users. One can, however, think of at least two groups who might succeed in diverting the subsidy to themselves.

One group is the present owners of potential archival materials, particularly of prestige items. If public money is used to purchase these items, there will be a tendency for their market value to rise. This is a "demand stimulus" effect, well-known in other fields. For example, when the government of Canada introduced a capital gains tax in 1971, owner-occupied housing was exempted. The effect of this subsidy to homeowners was to make such housing a more attractive proposition compared to other investments which were now subject to capital gains tax. Demand for purchase was stimulated without a concurrent increase in supply. The result was a quick rise in market price, with a substantial windfall profit to present owners at the expense of future owners.⁵

The situation of prestige items is similar in that their number is limited. The limit is not inflexible, because higher auction prices will draw hitherto unknown items onto the market. But since prestige is produced by an item's great age or its association with a famous person, there are definite constraints on supply. It seems likely that flooding the auction market with public money, especially if multiple public institutions are bidding against each other, will drive up prices without a corresponding increase in supply, leading to windfall profits for present owners.⁶ This analysis suggests that, contrary to Bernard Amtmann's impassioned appeals,⁷ the private market should be left to its own devices. Public money should be used to achieve those purposes which the market does not serve well, namely preservation of non-prestige items, aggregation of collections, and facilitation of access. Open market purchases cannot be ruled out since they may be useful to fill holes in an existing collection or to complement related collections. They should, however, be carefully watched and kept to a small scale. There is no reason why public institution should not raise money from private donors for the acquisition of prestige items. This is money that might not be forthcoming for routine archival activities and thus constitutes a net increment.⁸

Another group that might be able to capture part of the subsidy is the employees of archives. Strong public service unions, such as firemen, policemen, and teachers, have shown that they can obtain wages substantially above market levels; their power has greatly contributed to the precarious financial position of

5 David B. Greenspan, *Down to Earth: Report of the Federal/Provincial Task Force on the Supply and Price of Serviced Residential Land* (April 1978).

6 Because of my interest in Louis Riel, I have kept track of the results of auction sales of his papers in recent years. It is hard to believe that the high prices, evidenced below, are unrelated to the purchasing attempts of public institutions, even though private collectors have often won the auction.

Date of Sale	Item	Purchaser	Price
1969	Draft of pamphlet (32 ms. pp.)	PAC	\$16,000
1973	Rebellion diary (53 ms. pp.)	Private	\$26,500
1977	Letter (2 ms. pp.)	Parks Canada	\$ 3,500
1978	Letter (2 ms. pp.)	Private	\$12,500

7 Bernard Amtmann, "An Open Letter to Canadian Archivists," *The Canadian Archivist* 2 (May 1974), "A Conspiracy Against the Canadian Identity," *Archivaria* 5 (Winter 1977-78): 191-194.

8 The Canadian Authors collection of the University of Calgary Library has been partially built in this manner.

cities like New York or Cleveland.⁹ An infusion of public money under such circumstances may increase the earnings of the strategic group without enlarging the volume of service to the public. Something like this seems to have happened in American professional theatre in the early 1970s, when large grants from the National Endowment for the Arts produced considerable earnings increases for professional actors without greatly increasing the number of performances.¹⁰

Whether this will happen in any particular case depends upon the legal rights, organizational strength, and militancy of the unions and professional associations concerned. So far, archivists have not been notorious for their aggressiveness. But the prospect of such a capture of subsidy can never be discounted as long as wages and salaries are determined by collective bargaining rather than by market forces.

ABSENCE OF MARKET DISCIPLINE

The greatest virtue of the market is that it automatically balances men's desires for the many different goods and services which can be produced by a civilized society. It does not produce the maximum number of, say, shoes but the optimum number in relation to other commodities that are also desired. Market allocation works well for private goods but less well for public goods, for the reasons discussed in a preceding section. Hence the resort to subsidy and government action. But unfortunately there is no way, apart from market allocation, which has ever been devised to solve the allocation problem for public goods. It is easy enough to say that society should invest in lighthouses or police protection or archives up to the point where the marginal increment to human welfare is less than from some alternative investment; but there is no way to calculate that marginal point.

Typically, this leaves those with a vested interest in a public good always able to argue that "more" is needed. Professors and researchers argue for greater subsidies to research, policemen and safety-conscious citizens agitate for more to be spent on law enforcement, and so on. Since there is no theoretical way to balance these claims, politicians must allocate public revenues more or less intuitively, often simply continuing past patterns of expenditure. When the market performs its allocative function, no particular person can be blamed, since the market is only an abstract name for many individual decisions; but when government must allocate public funds among competing claims, politicians are bound to be subjected to pressure to decide in a certain way.

It has recently been said about the fine arts that "creative individuals will always be able to conceive of more artistic productions that can be financed, no matter how much money is available to them."¹¹ The same is true in all fields, including archival work. There will always be something new—oral history, collection of comic books, or whatever—which has some merit. (Almost every activity has *some* merit.) The problem is to choose the most meritorious of competing uses. Politicians will have to make this choice, *faute de mieux*. But they will never be able to explain to the satisfaction of archivists why deserving

9 Daniel Orr, "Public Employee Compensation Levels," in A.L. Chickering (ed.), *Public Employee Unions* (San Francisco, 1977) 2nd ed., pp. 131-144.

10 Dick Netzer, *The Subsidized Muse* (Cambridge, 1978), pp. 105-106.

11 *Ibid.*, p. vii.

projects had to be ignored in favour of national defence, or cleaning up the Great Lakes, or some other public good—because there is no ultimately satisfying reason for such a decision.

The result is paradoxical. Subsidized activities tend to grow larger over time, but vested interests are never satisfied. No matter how large the subsidy, it never seems to be adequate. This is a financial version of Parkinson's Law in which work expands to consume the available subsidy. Archives are clearly not immune to this syndrome, particularly if they conceive of their mandate as producing "a mirror of society".

The problem is compounded when subsidized activities are performed as a public service through government agencies. Those who administer such agencies have every incentive to expand their scale of activities.¹² The prestige and salary of any administrator are usually determined by the size of the operation over which he presides. Managers in private business seek to advance their careers by improving sales or productivity, i.e. they strive for success in the market. Government administrators usually do not have this option; their path to success involves increasing the size of their departmental budget in the annual appropriations. Thus, the "invisible hand" or inner logic of public services contains an impetus for growth.

This does not imply, however, that all public service agencies will be able to grow. They must compete with each other for shares of the public budget. The position of archives vis-à-vis other government agencies is not likely to be particularly strong, since the clientele of archives is limited to scholars, researchers, amateur historians, and the like. The resultant situation is indeterminate: archives may or may not grow relative to other agencies, depending on a host of political factors. The one safe generalization is that, no matter how large or small the archival budget, it will never seem quite enough to those in the field.

STABILITY AND INNOVATION

Government subsidies usually begin as innovations. Money is committed to serve some purpose which, it is felt, has not been adequately served in the past by the market. But it is difficult for the innovative character of a subsidy to persist very long. The new activities are dependent on the subsidy for their very existence, unless they can find private support (and if private support had been readily available in the first place, either through the market or through donors, a public subsidy would not have been necessary). The creative impetus of the subsidy is soon spent in the maintenance of existing programmes which would perish without it.¹³

This universal problem of subsidy is even more acute when public services and civil servants are involved. The modern state has almost everywhere adopted staffing policies based on merit recruitment, advancement in service, and job security or tenure. This policy has the merit of reducing nepotism and patronage, but it has its own drawbacks, one of which is rigidity. It is virtually impossible for public institutions to lay off or discharge employees; staff reduction must occur

¹² James Buchanan, "The Politics and Bureaucracy of Planning," in A.L. Chickering (ed.), *The Politics of Planning* (San Francisco, 1976), p. 263.

¹³ Netzer, pp. 172-177.

gradually through attrition. It is not quite, but almost, as difficult for a government agency to change its priorities radically, to abandon one activity in favour of another. Even when such a change might be clearly desirable, it will face many obstacles. There will be an external constituency of consumers or clients who will protest politically; there will also be an internal constituency of civil servants with a stake in the on-going program. They may stand to lose much in terms of prestige and seniority if their programme is shut down.

Consequently, public service agencies tend to innovate by adding new programmes to existing ones without curtailing the latter. Innovation is possible in an era of growth but much more difficult in a time of stable or declining budgets. This has been exemplified in recent years by the inability of universities to cater to the changing preferences of students precisely because the levelling-off of enrolments has made overall growth impossible. In principle, one would expect public archives to face the same problem, except that their clientele is not so volatile as undergraduate students.

Government's tendency to rigidity is one of the most powerful arguments for maintaining healthy private and semi-private sectors in various areas of endeavour. It is probably true that at any given time government can do an excellent job of providing a currently understood and desired service. But creative innovation is more likely to come from other sources.¹⁴ In the archival field, one need only point to the magnificent collections of the Glenbow-Alberta Institute, assembled at a time when neither the government of Alberta nor public opinion in that province was concerned with archives. Now the provincial government has a major stake in the field. But who will be the Eric Harvey of tomorrow, collecting and preserving things which today's conventional wisdom does not find worthwhile to save?

The conclusion is that government should try to promote pluralism in archival institutions. Taxation and other policies to assist the private and semi-private sectors are perhaps more, not less, essential as the public sector expands. Otherwise the subsidized public sector may come to dwarf the others.¹⁵ Reliance on the private and semi-private sectors for innovation will be complementary to the stability of the public archives.

PRICING POLICIES

Public goods are usually offered to users free or at a nominal charge. Obvious examples are police and fire protection; access to public parks, beaches, and campgrounds; use of streets and highways; instruction in public schools; and so on. The cost is generally borne out of general tax revenues, or occasionally by special taxes designed to weigh more heavily on users, like the gasoline tax which financed construction of the American interstate highway system. This approach to pricing is rational to the extent that the goods in question are purely public, i.e. indivisible and not used up by enjoyment. It would be hard to know how to set a price on the light from a lighthouse. Yet, most public goods in reality are at least partially like private goods. A fireman putting out one fire cannot respond to

¹⁴ Hayek, p. 287.

¹⁵ Witness the fate of Canadian universities since World War II.

another alarm; vacationers throng to parks and beaches, leaving no room for others; cars fill up even the biggest highways, creating rush-hour traffic jams.

Where a public good is less than pure, its provision at zero or nominal price will always tend to create three problems:

Equity: few public goods are used to the same extent by all citizens. Those who live near national parks get a chance for unusually frequent visits; those who own much property receive disproportionate benefit from police and fire protection; opera lovers receive a special benefit from subsidized opera performances. If the state offered only one or a few public goods, the problem of equity would be extremely serious; but where a wide range of public goods is available, it might be argued that rough justice is done, since each person will avail himself of opportunities according to his taste.¹⁶ This argument is not negligible, but it still may be true that equity would be better served if more public goods bore prices commensurate with cost, so that users would pay for benefits directly received.

Efficiency: men, as self-interested creatures, are on a look-out for bargains. People naturally rush to take advantages of underpriced services. This leads directly to difficulties in the efficient allocation of resources. If a person with a cold visits a doctor because Medicare makes that visit free, and if all the doctor can do is to repeat the common-sense advice, "Take two aspirins and go to bed," the expensive resource of the doctor's time has been inefficiently allocated. A functioning price system furnishes signals to consumers about which commodities are relatively abundant and hence cheap, and which are relatively scarce and hence expensive. A zero or nominal price makes scarce commodities seem more abundant than they really are, interfering with rational decisions on the part of users.

Queueing: this inefficient allocation, if it is severe enough, leads to the phenomenon of queueing. Market prices automatically match demand to supply and vice versa; in other words, they perform the function of rationing scarce commodities. That function must be performed, since we live in a world where everyone cannot have everything. If rationing is not performed by pricing, other means will have to intervene, such as bureaucratic discretion. In the absence of such authoritative allocation, queueing, or rationing on a "first-come, first-served" basis will arise. Queueing is a pervasive aspect of the provision of public goods. Overcrowded campgrounds, jammed highways, clogged court systems, congested airports—these are daily facts of life to all of us. Yet the explanation of the facts is often not understood. For example, social critics rail against the automobile, saying that it is impossible ever to build enough roads to satisfy drivers, so the attempt should not even be made. They are partially correct. It is almost impossible to have enough roads, or enough of anything else, *as long as their use is free.*¹⁷

Do these three types of problems have any relevance to archives? The answer is yes, although in varying degree:

¹⁶ F.A. Hayek, *The Mirage of Social Justice* (Chicago, 1976), pp. 6-8.

¹⁷ George Hilton, "American Transportation Planning," in Chickering, *The Politics of Planning*, pp. 145-173.

Equity: those who derive direct benefit from archives are the researchers who use them free of charge. In Canada, only a very few of these users are able to reap large profits through sale of resultant writings. But many users, namely those on university staff, are generously rewarded by their employers for publications based on archival research. Assume that a hypothetical junior professor receives a merit increment of \$1000 for publishing a book at age 35. He will receive that amount annually until retirement, after which it will exercise a favourable effect on his pension. Such rewards are not insignificant. Under the circumstances, a user's charge might be a step in the direction of equity.

Efficiency: it is probably true that, because of zero pricing, researchers will use archives more inefficiently than they could if there were a cost attached. That is, they probably make more visits to the archives, place more demands on staff, peruse more collections, use less of their own time for careful preparation, and in general take advantage of the panoply of free services at their disposal. Other types of researchers, in contrast, do not enjoy this luxury. Public opinion surveys cost money, as do laboratory animals or scientific instruments. Researchers in these fields must make hard economic judgments to compare the cost of obtaining data against expected value of the results. In principle, there is no reason why archival research should not be treated the same way. Access to much-used or expensive collections could be priced higher than access to less desired papers. Such pricing would introduce a note of reality into the endless pursuit of factual knowledge which characterizes some disciplines today. Charges of this type would in many instances not weigh directly upon the researchers because they would become line items in research grants or contracts. However, they would still perform the functioning of signalling that not all archival resources are equally abundant or valuable and thus might promote more efficient decisions about what should be used by whom.

Queueing: this problem is more theoretical than real, given the present level of usage of Canadian archives. The only instance known to me involves the Public Archives of Canada, where it can be hard to find a seat at times of peak demand, and where it can take months to fill orders for xerox copies of documents. This latter problem is already a serious nuisance to researchers. One way to resolve it would be to introduce a realistic price system. A similar policy might become necessary for other services of the Public Archives of Canada, and indeed at other archives, if demand continues to grow.

The notion of introducing prices into archival usage may strike archivists as bizarre, for the ideal of free service is deeply entrenched. But as the Nobel Prize winning economist Milton Friedman has entitled one of his books, "There's no such thing as a free lunch." We live in a world of scarcity where all services can be provided only by taking resources from some other potential use. Archives are not exempt from the economic principles which govern other areas of human endeavour.

Résumé

Plusieurs pensent, y compris les archivistes eux-mêmes, que les services en archivistique sont une ressource culturelle dont on peut jouir à titre gracieux. Un politologue propose que les services en archivistique soient envisagés dans un contexte économique et politique où les demandes du marché domineraient. Il suggère que dans un avenir rapproché, des frais pour services rendus en archivistique soient exigés.