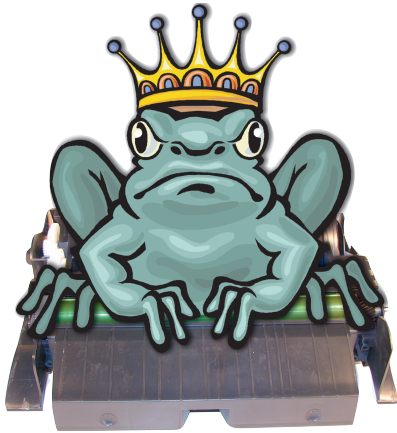


The Prince and the Squire: A Modern-Day Fairy Tale

Once upon a time there was a prince. The prince was very clever and invented a magic machine that helped the people do their work more quickly and efficiently. The prince rightly became very rich selling these machines to the people. He became even richer selling special magic powder that the machines ran on. But he told the people they could only buy the magic powder from him. He said the machine would not operate with any other kind of powder. And he said that even though the people were purchasing the machines from him, they did not really own them. He said that once the magic powder was gone, you had to purchase a new machine. And he said he would send his armies out to punish those who used other powder in their machines. And the powder was expensive.

A humble squire lived in the kingdom. He had a machine that he had purchased from the prince. The squire paid a fair price for the machine and believed he owned it. Now the squire was also very clever. He did not believe the powder was magic. He had an idea that he could put his own powder in his machine and it would work again. When his machine was empty of magic powder he would use whatever powder he wanted, regardless of what the prince said. So he did. The squire tried less expensive powder in his machine. And it worked. The squire continued to use less expensive powder until his machine finally wore out. Then he bought



a new machine from the prince and modified it to use the powder of his choosing. And so on and so on over time. And the squire saved much money.

Soon others noticed what the squire was doing and decided they would like to use the powder of their choosing. The squire began to modify machines for others, allowing them to buy less expensive powder. The squire became quite wealthy himself and the people began to save money. It was an equitable arrangement. Some of the people liked the prince's powder and continued to buy it. Still others were afraid of the prince and bought from him out of fear. But there was beginning to be freedom of choice.

The prince became very angry when he found out people were using less expensive powder in their machines. He had become greedy. He wanted all the powder business, every bit. Each time he introduced a new machine, he found other clever ways to stop people from using their own powder. But each time the squire designed a way to use alternative powder. And this made the prince even angrier. He began to become evil.

So the prince sent out his armies to stop the squire. But the prince's armies were not powerful enough to keep all the people from saving money and resources. So he sent his barristers to petition the King to make the squire stop selling powder. "But," the King said, "is it not better if the people who have purchased the

machines from you have a choice?" "No," said the prince. "I have invented the machine and I deserve all the powder business. I have cleverly told the people that they do not own their machines even though they pay for them. And I have even come up with clever technical methods to stop the people from using less expensive powder. But they find a way to use it anyway. Because I am so clever the people do not deserve a choice."

So the King summoned the squire. And he asked him why he did not heed the prince's continual calls to stop selling powder. "Your Majesty," said the squire, "the prince is entitled to sell his powder, but so am I. You have created a free enterprise system. There is a demand from the people for my powder just as much as for the prince's. And my powder saves the people money. And it extends the life of the machine, saving resources."

"But," said the King, "what about the prince's claim that the people do not own their machines? What about the clever technical methods he has employed to stop you?"

"Your Highness," said the squire, "the people pay a fair price for their machines, even more than for competing models. Just because the prince says the people do not own the machines they purchased with their good money, does not make it so. And the technical methods are just a way to keep more powder business. I too am clever. I have found other ways to make the machine work with my powder in spite of the prince's methods. Your Honor, I believe the people should be provided a choice and am willing to compete fairly to do so. No more and no less."

And so the King decides ... **□**