Beverage price hike due to bottle bill

You may have noticed that, since you left for Christmas vacation, the price of a soda from one of the Coke machines at MIT has jumped twenty-three cents, from 35 to 45 cents. You might, at first, think that Sal Lauricella, who runs all those machines, had suddenly decided to triple his profits, but it turns out that he's making no more money than he did before. In fact, if you voted in the Massachusetts election last November, the odds are better than even that you have no one but yourself to blame.

On the ballot last November was a referendum on the so-called bottle bill. It provided for a five-cent deposit on most drink containers, to be returned when the container is turned in to a collection center. The bottle bill is intended to reduce the number of drink containers discarded in the environment by forcing people who drink most beverages to pay to have the containers cleaned up. (Does anyone hear the word "Puritan" echoing softly in the background?) The Massachusetts voters approved the bottle bill referendum last November, to become effective this month.

What does that mean? Well, at first glance it means an instant rise in the price of drinks. The distributors can't absorb the cost of redeeming the deposits, so they pass it on to the consumers. Actually, it's worse than that, because the distributors have to pay to have the costs of record-keeping, which adds still more to the cost of the can. From the distributor's point of view, a ten-cent rise in the cost of a drink is not only reasonable, but necessary.

For the moment, you may not place much importance on this fivencent rise in the price of a soda, but necessity doesn't make it a good idea. When this item is added to the fifteen cents you probably spend for a drink, you have no one but yourself to blame. You might, at first, think that Sal Lauricella, who runs all those machines, has suddenly decided to triple his profits, but it turns out that he's making no more money than he did before. In fact, if you voted in the Massachusetts election last November, the odds are better than even that you have no one but yourself to blame.

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