

island, whereupon the preacher suggested to the workingman that they exercise their right as a majority to decide the question and to bring about justice on the island. But the workingman refused to listen and still stuck with the owner. If it is true that the only sin is ignorance, what a lot of sinners there must be in Congress, Mr. Bigelow remarked.

Following the speeches, the members offered an informal vote of thanks to their host and hostess and the speakers, for the most enjoyable meeting of the season.—GERTRUDE E. MACKENZIE.

BOOK REVIEWS

A CONFUSED PROFESSOR

"Your Taxes." By William J. Shultz. 12mo., clo. 280 pp. Doubleday, Doran and Co., Garden City, Long Island, N. Y.

Prof. William J. Shultz has given us some interesting facts in this volume of nearly three hundred pages. But most of these facts are well known. He tells us that fifteen billion dollars are contributed to the "greatest spending agency on earth," and he lists the various kinds of taxes of which this almost inconceivable sum is composed. He is more concerned with the amount and variety of these taxes than with fundamental principles in the light of which the problems he summons for review must be considered. Why we act that way does not seem to concern him.

He rolls around his tongue these items like sweet morsels. We look in vain for any conclusions from the facts—any fixed conclusions based on laws or principles. It is all Gradgrind stuff.

We wonder whether such books that teach nothing, are not concerned about principles, do not discriminate between what are legitimate sources of taxation and seek merely to astound the imagination by a parade of figures are worth while. If there is any semblance of constructive suggestions it jumps out at us from one of the pages in which the author advises us to join a taxpayer's association. But these taxpayers have no more fundamental knowledge of the subject than the author himself. How shall this help to solve the problem when these tax associations know as little as the professor? Prof. Schultz does attempt to discriminate between taxes on land (why does he not say land values?) and taxes on houses, but even here he is confused. He says, "A government could levy a tax on land so heavy that it practically confiscated all land rent and the landlords could not pass one cent of it on to the tenants."

As a matter of fact it is the user of land who pays the rent. He pays all of it whether taxed or not. The landlord cannot charge his tenant anything additional by reason of the tax. He is already getting all he can.

On page 29 he says: "Some one desperate to find a home, offers your landlord a slightly higher rent than you have been paying, and to keep your house you have to meet his figure. All over the city rents begin to rise . . ."

It will be news to the student of taxation that a rise in rents follows any such course. Rent arises from social activities and increase in production. The author cannot make up his mind whether taxes destroy or check the growth of capital, though it would seem clear enough that any diminution of capital in production would have that effect.

Nor does the Professor seem to have made up his mind whether the government has the right to tax anything in any way it pleases. There does not appear to be any moral principle involved anywhere.

The Professor only states a principle to abandon it the next minute. He dismisses the "benefit theory" of taxation. He thinks the "ability" theory was "formulated by scholars." He says it "bears the stamp of 'greater intellectual refinement' [*sic*] and an engaging tenuous vagueness." He says there is no reason in support of either proposition, still keeping up the merry-go-round, putting up tenpins to knock them down. We wonder now if Prof. Shultz is just amusing

himself, or is what we have called him, "a confused professor." Or is his case one of ethical shortcoming as appears in the difficulty he experiences in accepting the concept of "justice in taxation." And because economists have come to no conclusion he will come to none and advises his readers to accept none. There is something more than confusion here—a moral myopia.

After making what looks like a defense of free trade he veers again in the chapter entitled "Revolution by Taxation." There is little of value in the chapter and much that is inconclusive and will read as well backward as forward.

After giving it as his opinion that high taxation has never destroyed any business, he says, "Several chain stores in Louisiana have already closed some of their branches," again veering his position in order to make his confusion constant and consistent.

Prof. Shultz thinks the disparity in incomes is corrected by our tax system, evidently thinking that a tax on higher incomes or on large aggregations of wealth is a remedy for the inequality in distribution still keeping to his confused theorizing and facing fundamental facts with calm complacency.

We are amused where some readers will be shocked at the following "When a new income tax proposal is before your Congress or your State legislature throw your weight . . . make your contribution to a lobby fund and fight—fair and foul—against the opposing lobbies. This is the first instance we recall of any professor advocating "foul" means to escape taxation. Is it any wonder that in the absence of any moral principle to guide him in the collection of revenue, this open and very candid suggestion of foul means is not only condoned but explicitly recommended.

And what shall be said of this: "While a stupidly drawn, inherently iniquitous measure it will gain popular acceptance if its administration is wise and efficient." That is to say, if an iniquitous measure is wisely administered it is not so bad and may be borne with equanimity. This is the inescapable assumption.

It would probably be a waste of time to point out to Prof. Shultz that the problems that trouble him are to be solved by discriminating between what is public and what is private property. He gives no hint of this and hence his confusion.

On page 177 we are arrested by a sentence. He is speaking of inheritance taxation, but it will apply quite as aptly to all the problems he treats of, and it is this: "There is no answer to the question—except those dictated by your preconceptions and prejudices."

On page 212 he says: "I am not concerned with lightening the tax burden on property owners or preventing the burden from becoming heavier."

What then is he attempting to do? Again he says (he is speaking of property taxation): "No one seems to have any solution for the problem."

It becomes, therefore, increasingly difficult to explain why he wrote the book.—J. D. M.

A USEFUL BOOK

"American Political and Social History." By Prof. Harold Underwood Faulkner of Smith College. 8vo. 772 pp. Croft's American History Series. F. S. Croft and Co., New York City.

Here is a work we can commend without qualification. It is a great panorama of the birth and progress of a nation that is unfolded, and with excellent effect.

The author maintains the democratic outlook from the start of the narrative, which begins with our colonial history and is brought down to the World War and the Roosevelt New Deal. Always it is sure-footed, as when he says, tracing the early history of our trade "Of all civilizing influences none is more potent than commerce. Or when seeking for an explanation of the growth of Great Britain and her success in her colonial enterprises, he says, "Not the lead of the advantages of England was that the development of nationalisms

the growth in strength of her national government were not accompanied, as in France and Spain, by the loss of popular representative agencies."

The book is history, not theory, so we are prepared for a recital of facts and only incidentally for controversial points. The reader accompanies the author on the migrations which resulted in the establishment of flourishing communities in the New World. But he says it is to be observed—and the author never loses sight of it—the governing impulse was the quest for greater freedom.

We catch revealing glimpses of the leaders of these empire builders, and read many familiar and unfamiliar names. William Penn stands out for his magnificent toleration, for unlike some of these early leaders among the colonists he demanded the same freedom for others that he claimed for himself and his followers. The like-minded Roger Williams comes in for a word of commendation.

It does not appear to Prof. Faulkner that the "great cavalier exodus" to Virginia, stressed by John Fiske, ever took place, and he says that the emigration to Virginia as elsewhere came from the middle classes of society.

With keen insight our author points out that vagrancy, theft and homicide were infrequent in colonial times and says, "the population is too sparse, the people too dependent upon one another, and the economic opportunities too great (the italics are ours) to foster this sort of crime."

He touches on the industrial panics of the nineteenth century and says they were due primarily to over-expansion in the development of transportation facilities, and the mania for canal building which commenced in the early twenties and reached its climax in the later thirties and with which had gone a corresponding speculation in land, which meant an inevitable economic collapse." (Again the italics are ours.) The panic of 1837 Prof. Faulkner calls "America's first major economic depression."

He quotes Prof. Turner as follows: "Up to our own day, American history has been to a large degree the history of the colonization of the Great West. The existence of an area of free land, its continuous session, and the advance of American settlement westward, explains American development."

On page 254 Prof. Faulkner says once more: "Although panics have been chiefly due to over-expansion in transportation facilities and over-speculation in public lands, other factors, particularly the inflation in currency and banking, have contributed." We may point out that these are secondary and proximate causes, and are greatly intensified by the primary cause. Without further recommendation we select Professor Faulkner to write a much needed work "The Cause of Panics."

He refers to the panic of 1857 as due to the same cause. The reader will remember that there was a speedy recovery from this panic.

On page 669, speaking of the land boom preceding the depression which we are now living, Prof. Faulkner says, "Every panic has been characterized by large scale land speculation."

Inevitably followed, we may add, by recurring collapse.

When Prof. Faulkner gets down to the New Deal he has some interesting things to say. He keeps his judicial pose, but he does say on page 687: "No part of the New Deal programme aroused more criticism than that pertaining to agriculture. The destruction and hoarding of food stuffs at a time when millions lacked sufficient food were difficult to justify."

Reverting to the purely political aspects of our history treated in this well considered work, it is well to remember that the birth of the nation was fraught with the conflict of different theories. The powers of the president were a subject of controversy, and Prof. Faulkner quotes an historian who says (and our author seems to endorse the statement): "An attempt to define the powers of the presidency as Roosevelt has defined it would have been considered in tyranny in 1788." This period and the bitter conflicts in Washington's official family are recited with intelligence and discernment.

It is impossible to review so large and fine a book within the limits permitted us. So we shall content ourselves with saying that the work is a task superlatively well done.

Henry George is mentioned four times and quoted rather significantly in one part of the work. There is a fine tribute to Jefferson on page 162, and there is a splendid bibliography included as an appendix.—J. D. M.

A SCANDAL SHEET OCTAVO

"America's Sixty Families." By Ferdinand Lundberg. 8vo. 544 pp. Price, \$3.75. The Vanguard Press, New York City.

Here is a book which Mr. Ickes, Secretary of the Interior, started off to a good sale in a somewhat inflammatory and flamboyant public speech.

If we refer to this work as "a scandal sheet" it is because we are irresistably impelled to this designation. For these families are selected as "terrible examples," as if there were some moral obliquity in the accumulation of great fortunes, and that even the marriages among these families are determined with a view to the consolidation of these great accumulations.

It is perfectly natural that alliances should occur almost exclusively within the groups where men and women commingle. It is conceivable that these unions should be the result of attraction and affection without regard to any other consideration. It is preposterous to think that love between the sexes among these sixty families vary much more than in other and more moderately endowed social groups. And it is even permissible to think that there is as great a number of happy marriages among these sixty families as may be found elsewhere.

It is true that a considerable portion of these family fortunes have been fused by marriages, and Mr. Lundberg gives many pages to the recounting of these unions. But again we ask, what of it? The economic set up is not changed. Rent still flows to the privileged class whether they are few or many; the ownership or control of natural resources remains in the hands of the same monopolistic powers over capital investments. Labor goes to work only on the permission of these owners of the natural resources. Their powers reside in the ownership of the sources of supply, not in marriages, incorporations, or combinations in themselves.

Whether the number of those who control the wealth of the country be six, sixty or six hundred is of no importance whatever. The important thing is the ownership and control of the natural resources. "I believe it cannot be gainsaid," says Mr. Ickes, "that about one-half of the wealth of the country is in corporate form and over one-half of it is under the dominion of two hundred corporations."

These figures are loose enough, but we shall probably make no great mistake in accepting them. But whether they are in corporate form, or individually owned or controlled, makes not the slightest difference. It makes no difference if the individuals who control natural resources are able to add Inc. after their names. There are many corporations in the country which find difficulty in paying their office rent.

Such talk is plain demagoguery, no less so because it is quite unconscious, springing from a gross ignorance of the laws of wealth distribution. The reception accorded the work is significant of the same general ignorance. The *Nation*, which obstinately refuses to recognize the situation, reviews Mr. Lundberg's "Sixty Families" under the title, "Wealth Against Society." Here is unconscious confusion, for how can wealth be inimical to the best interests of society?

It is not of course. *The power of wealth is a borrowed power.* It derives any influence it has for evil, not in its accumulations, but in its control of natural monopolies. If it is able to acquire the control of educational institutions, newspapers or venal editors, to carry on an effective propaganda, it is desirable that we seek for more funda-