

PROFESSOR GUNNISON BROWN On Economic Science and the Common Welfare

The supply of college text-books on political economy which do not present that subject from an extremely conservative standpoint is very limited. We, therefore, welcome a sixth edition of Professor Harry Gunnison Brown's treatise.* The author is Professor of Economics in the University of Missouri and his students are fortunate in having this manual at their disposal. The present edition, although revised in places, is substantially the same as the previous one.

The presentation is attractive and likely to stimulate attention. The first part of the book deals with a number of practical problems such as Monopoly and Monopoly Prices, Trade and Protective Tariffs, Regulation of Railway Transport Charges, and Trade Cycles, which are important in themselves and which provide an introduction to the second part which deals with the theory of value, and with the general problem of the distribution of wealth as between rent, wages and interest.

If any criticism might be offered of the first part, it is that perhaps an undue stress is laid upon banking and monetary influences in the causation of the trade cycle. The reviewer admits the necessity for a sound banking and currency system, but, even if we accept the proposition that the immediate cause of the depression is the credit crisis, more stress might be laid upon the speculative increase in land values which is the ultimate cause of the credit crisis itself. On the other hand, Professor Brown submits an effective reply to the theory that business depression is caused by excessive saving.

The chapters dealing with the causes of interest and the rate of interest are somewhat stiff reading, but the chapters dealing with wages and the rent of land are wholly admirable. The latter sets out the case for taxation of land values and deals with the objections of economists and others in very convincing fashion. Particularly useful is Professor Brown's skilful exposure of the various specious pleas which are made for reducing taxation on real estate, involving as they do reduction of taxation on land values. He very properly points out that increase of the income tax, which so many people regard as the ideal method of taxation, if it leads to reduction of taxation on land values will make the lot of the common man worse than it is at present by increasing the price which must be paid for access to land. His treatment also of the advantages which would accrue to the farmer from more taxation of land values and less taxation of human effort is of great value, especially at the present moment when so many people, both in this country and the United States, are advocating policies whose only ultimate effect must be

to increase land values and make the position of the farmer worse than before.

The direct and practical handling of these and other topics makes this a book of great value, even to those who may not desire to study the more abstract aspects of economic theory.

Accompanying this book is an 85-page supplement of "Questions and Problems" arising out of the subjects treated. This is one of the best things of the kind that has ever been done. The student will find it invaluable for self-examination, and the ordinary reader will find it stimulating as indicating the kind of question one ought to be able to answer if one really has a grounding in economic science. It may be added that the supplement is not a mere repetition of what appears in the book but introduces some valuable new matter.

F. C. R. D.

* *Economic Science and the Common Welfare.* By Professor Harry Gunnison Brown. Lucas Brothers, Columbia, Mo.