

## BOOK REVIEWS

### THE DIALOGUES OF BECKWITH

"The Answer of Nature Herself to the Riddle of the Ages," by L. D. Beckwith. Published by the Author, Stockton, Calif. 1941. 219 pp. \$2.50.

This neat little volume, attractively bound in flexible leather, is Part I of a proposed two-part treatise on the science of economics by Mr. Beckwith. "Written from Nature's Notes by L. D. Beckwith" is the modest manner in which the authorship is set forth, indicating the approach to be an effort to uncover the natural laws underlying economic phenomena.

In his introduction, Mr. Beckwith relates the evolution of his ideas—the impetus given by Henry George, the direction indicated by G. McM. Ross, and the revisions offered by W. R. B. Willcox, Emil O. Jorgensen, and Robert J. Otto—the contingent recently named the "Western" school, because of their divergence from the orthodox Georgan-Ricardian school.

The presentation of the subject matter is in the form of short pithy dialogues—over a hundred of them—a technique familiar to readers of Mr. Beckwith's paper, *The Forum*. In conversations between the author and various people—a college sophomore, a unionist, a farmer, a technician, etc.—the arguments unfold. In this volume, says Mr. Beckwith, the outlines of his philosophy are set forth. The proposed second volume is to consist of illustrations of his principles.

Mr. Beckwith holds that economics is a science as exact as any, that Nature has provided for the needs of the body politic, and that selfishness is not an "anti-social" instinct, but a constructive factor in society. With this outlook we will not quarrel. Mr. Beckwith also accepts most of Henry George's economic doctrines, including his proposal to collect the rent of land for public services; and we commend the author for his work in propagating these ideas. However, there are some features of Mr. Beckwith's economics that depart from the orthodox Georgan viewpoint. He holds that rent is not at all due to natural fertility; that it has nothing to do with land as such, but is purely the result of social activities. He contends that rent enters into the price of products. His definitions of economic terms diverge from those we accept. (For instance, labor is "any human effort." Land is not thought necessary of definition.) These and other views of our Western friends have been discussed from time to time in the pages of *LAND AND FREEDOM*, and we will not in this review attempt an analysis. We will say, however, that we do not accept these departures from the Georgan system, believing that the economic philosophy of Henry George is completely sound.

Nevertheless, we are in sympathy with Mr. Beckwith's suggestion that George, like Columbus, has opened a new world, and that all progress in economic thought will develop from the discoveries he made. We do believe that there is a great deal to be done in this direction, and we give Mr. Beckwith full credit for his thought-stimulating ideas in this interesting volume.

### THREE DECADES OF TAX COLLECTIONS

"Tax Yields: 1940." Tax Institute, University of Pennsylvania, Philadelphia. 1941. 149 pp. \$2.50.

This is the fifth in an annual series of books published by the Tax Institute presenting federal and state tax collection data. The present volume contains not only tax yields for 1940, but also an investigation of federal data from 1911 to 1940 and state data for the decade 1931-1940.

The work of bringing together the complete tax returns of the forty-eight states is a new contribution. As the foreword tells us,

"This is the first time actual collection figures for the entire period have been made available from any source. This period is, however, one of the most significant of any in our fiscal history from the standpoint of state tax developments." A glance at the charts giving the state collections reveals the significance of the developments, numerous new taxes hitherto not resorted to having been widely adopted by the states—notably taxes on sales, trucking, oleomargarine, chain stores, racing, etc. With the steady rise of these consumption and indirect taxes, there has been a corresponding *decrease* in real estate taxes in most of the states. In Michigan, for instance—where the Real Estate Board has been agitating for a tax limitation law—the state real estate tax has decreased from \$27,135,177 in 1931 to \$775,634 in 1940. Developments in this direction we can only regard with apprehension.

The Tax Institute has yielded to the conventional classification of taxes (following the system of the State Tax Guide Service). Thus under the heading of "property taxes" we do not find any distinction between land and improvements. As a matter of fact, the states often make no distinction between "real" and "personal" property taxes, since these are usually collected by local governments and passed on to the states. Of course, local tax data, which cover a tremendous field, are not presented in this volume. Ferreting out figures for the some 165,000 local taxing units in this country would be a Herculean task! But it would probably yield no more promising trends than are apparent in the federal and state data.

An interesting phase of the "Tax Yields" study is the comparison of figures over the thirty-year period covered: "Total tax collections have increased from \$2,696,995,570 in 1911 to \$12,872,689,886 in 1940, or almost five times as much as in 1911. Federal tax collections have increased from \$644,197,000 in 1911 to \$4,860,524,000 in 1940, or about seven-and-a-half times as much. State tax collections have increased from approximately \$300,000,000 in 1911 to \$3,267,165,886 in 1940, or almost eleven times as much as in 1911." But even these 1940 figures will seem puny when the data for 1941 and the coming years are presented! A little forecast of what we are to expect appears in one of the charts tracing the federal collections from 1911 to the estimated collections in 1942. At the end of 1940, income and profits taxes amounted to \$2,200 millions; at the end of 1942 they are expected to reach \$4,500 millions.

"Tax Yields: 1940," with its many tables and diagrams, and its analysis of the data, provides a succinct yet comprehensive picture of the present tax scene. Dr. Mabel L. Walker, Director of the Tax Institute, has done a conscientious piece of work. For those who would be fully informed about tax data, this is an indispensable volume.

## CORRESPONDENCE

### OBJECTIVE ETHICS VS. EXPEDIENCY

EDITORS *LAND AND FREEDOM*:

In the first issue of the new Georgan venture, *The American Journal of Economics & Sociology*, Dr. Geiger states the necessity for some kind of ethical evaluation in making decisions. "They involve valuation," he states, "i.e., choice between alternatives, preference among competing interests, saying yes here and no there. And this process of selection, a process that automatically establishes a system of values, is precisely the technique of ethical decision." This, I believe, is indicative of the conscious need for an objective system of evaluation evident among Georganists.

All this by way of preface to some comments I would like to make on the stand taken by the editors of *LAND AND FREEDOM* on the war