

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

question as evidenced in their editorials and their comments on the article by Mr. Sanford Benjamin.

I have no way of knowing whether the editors accept the validity of an objective criterion or subscribe to the basic principle that the end does not justify the means, without which any attempt at moral evaluation is worthless. But from the standpoint of one who does accept this I would like to state that the question of whether or not participation or non-participation in the present war will or will not favor the Georgeist cause must take secondary place behind the more pertinent question as to whether one can in conscience use modern methods of war to further any cause.

Georgeist teaching is permeated with moral judgments, so much so that one may consider Georgeism primarily as an ethical system. With this in view, to reject the moral issues involved in modern warfare on the assumption that they are not specifically Georgeist and are unrelated to economic teaching appears to be a very illogical viewpoint indeed.

If a question to be faced by Georgeists is this—should violence be the means to a realization of the revolution?—then also it is feasible that the larger question—shall modern warfare be a means to freedom?—be examined. So far the editors seem to content themselves with the usual arguments for defense—how we are to react at what is happening to us. But there is the positive consideration—what are we being asked to do to others? If we must become intolerant to kill intolerance, if we must spread hate propaganda to destroy hate, if we must use poison gas, or bomb open cities or have recourse to all the horrors of modern warfare (and how can we wage a war otherwise today?) then it is time to ask—are these things fitting in with an objective system of valuation or is such a system a luxury of peace to be discarded under the fury of a war psychosis?

I am not suggesting that a Georgeist *must* be a pacifist, but I am inclined to believe that a reexamination of the causes of war and a realization that we are being asked to preserve a system whose false idea of freedom has and will again lead to economic slavery and fascism should cause us to pause and reconsider not only these things but what is after all the basic question—can we in conscience make use of an immoral means even if the outcome were the full realization of the Georgeist cause?

Clarks Summit, Pa.

ROBERT C. LUDLOW

TAKES ISSUE WITH PRAISE FOR PIUS XII

EDITORS LAND AND FREEDOM:

To those of us who have been hoping that the conclusions of Henry George might some day develop into something more tangible than a minor protest, Comment and Reflection in the July-August issue of LAND AND FREEDOM is a far from reassuring sign. Are the findings of Henry George so lacking in fundamentals that a publication devoted to land reform actually rejoices in the broadcast of generalities by the head of an institution whose major events are behind rather than ahead? While the writings of Henry George are not altogether free of generalities, he did offer a democratic plan of action—a plan that is in no need of inspiration from civilization's most conspicuous beneficiary of land monopoly. The celebrated vows of poverty and chastity have enhanced rather than impeded a world-wide accumulation of landed estates and other forms of material wealth. The wealth of this institution can only be estimated, for it is answerable to no authority but itself. Where men have not been conditioned to respect the organization headed by the Pope, they fear its political and economic power.

Are the editors of LAND AND FREEDOM so innocent of what has been happening not only through the ages but at the present time that they should consider it ungracious to complain because "His

Holiness" did not offer specific remedies for our "civilized" ills? Apparently, the editors of LAND AND FREEDOM need to be reminded that somebody must come to grips with the society dominated and controlled by the Roman Church before the simple proposal advanced by Henry George can become a democratic reality. Be fully persuaded, that the world's wealthiest organization will resort to every artifice that 2,000 years of experience have generated before it will give up a single acre of ground or pay a dime of tax, single or otherwise.

Let us not deceive ourselves concerning the challenge to be faced. We should neither over-estimate nor cringe before any adversary irrespective of honeyed phrases or extravagant claims to supernatural authority. So long as a piece of soil can be priced, taxed and monopolized by every whim of attitude, place and circumstance, there can be nothing but economic instability, rampant corruption and war among the nations.

These days so oppressive to many and difficult for most of mankind, are not the offspring of some mysterious fiend at work in the earth, the sea or the heavens. These anxious moments are, on the contrary, but the inevitable result of many a yesterday of under-world techniques employed by men in politics, industry, religion. At a time when religion should be of genuine service as an elevating influence in a war-shattered and dictator-infested world, there are nothing but hollow gestures with which to speculate upon the more devastating consequences of "civilized" blundering and neglect. Out of these blunders of men, the dread spectres of dictatorship, militarism and universal squalor are now stalking the earth. When the observance of organized religion is largely confined to special days, ecclesiastical psychosis and political manipulation, the voice of a leader of organized religion is not an element to be conjured with in this hour of man-made uncertainty, dread and actual horror for untold millions.

Chicago, Ill.

N. B. KROHN

THE AFFAIR NOCK-BRYANT-BERNSTEIN

EDITORS LAND AND FREEDOM:

A recent review of "Unfinished Victory" in your paper, by Mr. M. J. Bernstein, might well have shown the Georgeist points made by Mr. Arthur Bryant, the author.

A statement by T. E. Lawrence (from "Lawrence in Arabia") precedes the first chapter pointing out the struggles of the young men who sought ideals in the World War. When they won, the old men then came out and reconstructed the world as they knew it. Lawrence says that he and the other young men stammered that they had fought to make a better world on earth. The old men thanked them and had no further use for their ideals.

The thesis of Mr. Bryant is that wars have economic causes, and that those who seek to improve the world by other than economic means or solutions will be as disappointed as Lawrence.

This is Henry George's thesis: You cannot solve the cause of war—poverty—except through what George called the one panacea, Freedom, and you can't get that without the public collection of ground rent.

Bryant does a creditable job of showing that the longer a war, the less likely are ideas of justice and freedom to flourish afterward. This is complementary to George's analysis of Malthus, whose solution for the problem of poverty was the four horsemen, war, disease, pestilence and famine.

Some questions given by Mr. Bernstein in his review were given to prove Mr. Bryant anti-Semitic, but on rereading "Unfinished Victory," it appeared to me that Mr. Bernstein had extracted quotations out of context which indicated they were not anti-Semitic.