

Whilst the landlords are fighting to substitute the disability-to-pay rule for the ability-to-pay principle, the industrialists are winning parliamentary battles in another fight to reduce the tax load on machinery in the State of Massachusetts' Monumental Mentality. "Work for thousands" is promised *if* this machinery tax bill is enacted; foreign manufacturers have packed their factories into their satchels, at their home ports, and are "ready, willin' and waitin'" to sail into Massachusetts where machinery will be practically exempt from taxation.

The experts again forget to remind us that the indirect tax load, formerly carried by Massachusetts' products to all parts of the world under the machinery-tax law of passing-the-buck to the consumer, must be matched by another source of, or additional, taxation upon the remaining wealth in Massachusetts; and the income tax field seems to be the goat in view. With grand gusto, our legislators hail the abolition of taxes on machinery as a most necessary hyperdermic for strangled business; having one-way, one-idea, one-track minds—they give no thought to the thus-shifted burden under the old, vicious order of tax methods. With loud acclaim they cheerfully cut the throats of income-owners so that non-resident operators of machinery may enter our State and profit at the expense of other victims.

Perhaps this is progress; progress by vicarious atonement. Anyway, it's all "according to experts"—experts educated in a university now covered with three hundred years of moss—experts who have been reared on the greatest of brain-food, the sacred cod—experts without ability-to-think who believe in ability-to-pay taxes.

THE SCIENCE OF BEFUDDLING

None but the best is good enough for our "best universities"; accordingly our best-by-far university of these United States has imported the fruits of the best British mind in the matter of text-books on the subject of "The Science of Prices."

"The Science of Prices" is a book replete with revelations. All that one needs is the price of the book. One is then ready to absorb a complete course of instruction in the science of becoming befuddled.

We reach the second paragraph only, on page 1, when we are readily informed that "The principles of economics are now well established, but they have to be applied under conditions which vary from one country to another, and are constantly changing." This professorial pronouncement gives us pause. The principles of economics are now well established, but . . . canteloupes and ice cream, or any other food; breech-cloths versus scanties or other "shorts"; grass huts versus Empire State buildings; in fact, any form of food, clothing or shelter, which are the fruits of human industry, gravely modify the now well-established principles of economics contingent upon which country is under scrutiny. We must therefore enter into the field of economics with our fingers crossed.

The honorable John A. Todd, M.A. (Oxon.), B.L. (Glasgow); principal of the City School of Commerce, Liverpool; sometime lecturer in economics, Balliol College, Oxford; late professor of Economics and Commerce, University College, Nottingham; formerly of the Khedivial School of Law, Cairo; and author of divers books, informs us that his master's expositions (the late Alfred Marshall) "have unfortunately proved very difficult to young students. . . ." hence Prof. Todd's "Science of Prices."

We feel assured that "The Science of Prices" will be plain sailing, though we are advised that notwithstanding that "Economics has been taught as a science or preached as a gospel for at least 150 years, its teachers do not seem even yet to have agreed upon a definition of the science, nor even upon its name, for the old name of Political Economy and the new name Economics or Economic Science seem still to be used indifferently." Todd's master, the late Alfred Marshall, offers the following definition:—

"Political Economy or Economics is a study of man's actions in the ordinary business of life. It enquires how he gets his income and how he uses it."

This definition may account for the house-wifely custom of watching the spouse's weekly pay-envelope and of strictly checking-up on his two-bits spending-money. It is very interesting to learn the origin of housewives' habits which seemingly pass from mother to daughter without effort or intent.

In order to clarify Marshall's definition, Todd informs us that "The subject matter of the science of economics is (elliptically) wealth . . ."

It must be elliptical; not circular, nor square, nor rhomboidical, nor of an icosahedronical form. We shall consider it only elliptically. It is well to cling to simple methods.

As we get fairly into our stride we find that "Money measures human motives." Again the old custom of allowing the spouse two-bits for spending money comes to mind. In fact, Todd uses man and his weekly tobacco to illustrate the money measurement of human motives. "It is impossible to tell *how much* any man wants any particular thing, such as a pound of tobacco . . . but it is comparatively easy to find out how much that man is prepared to *pay* for the tobacco."

Reverting to Marshall's definition of Political Economy—"It enquires how he gets his income and how he uses it"—we find that perhaps the housewife is the original political economist. *She* knows, before the week begins, just how much her spouse is prepared to pay for a pound of tobacco; because not only his tobacco, but his beer and ale, his attendance at the cricket games, his frequenting of the "shifting picture" music halls, as well as all his other boisterous and rioterous extravagances, *must* come out of his two-bits or, we should say, "one bob."

Having thus demonstrated that "Economics becomes

the science of measurable motives, and as the means of measurement is price, it becomes by implication the Science of Prices, or the Theory of Values." Q. E. D.

Knowing where we stand, at this point, we may now sink a little deeper into the subject matter.

"Man's wants include a great deal more than food, clothing and housing. To take only the question of housing, it is not enough that he should have a house to live in. He must also have some one to keep his house for him, to cook his meals, make his bed, and so on . . . " To say nothing of putting out the cat, ordering extra milk, paying the paper-boy and being ever ready to receive Single Tax literature from the postman when he rings twice. All these details must be borne in mind by the student of economics, though they are not specifically mentioned, if he would master this much simplified treatise.

"The duty of the economist is to inquire into facts, not in the first place to discuss the right or wrong of things . . . This danger of the scientific accuracy of the economist's conclusions being spoilt by moral or political bias is well illustrated by the disfavor into which economics fell during the nineteenth century, through its coming to be identified in the minds of the working classes with class interests. They felt, and with some reason, that the economists were always on the side of the capitalists and employers . . . "

"The economist, as such, therefore, must not take sides. . . . "

If Tom White, on the right of the professor of political economy, says that Single Tax is sound economics, while Bob Brown, on the left of the professor of political economy, says that Single Tax is not sound, then the professor should remain discreetly silent because morals should not be permitted to enter the debate (assuming that the professor knows his morals).

As a further aid to simplification, in the Science of Prices, it is advisable to consider the inductive and deductive methods, economics as distinguished from political economy, intention and extension, subjective values, intrinsic values, relative values, personal versus national wealth, production as distinguished from negative production, and labor apart from services. With all these factors at our disposal, and knowing that "economic laws are not exact," we shall have no difficulty, in becoming scientifically befuddled.

"All wealth consists of desirable things or 'Goods,' but not all 'Goods' are to be reckoned as wealth." Goods may be either *material* or *personal*, and personal goods may be *external* or *internal*. Goods may also be *free* or *exchangeable*.

"Clearly, personal internal goods must be excluded (from wealth) because they are entirely personal to the man himself, and cannot be transferred to any one else."

Scotch and soda clearly falls into the category of "personal internal goods."

Again, *free* goods must be excluded from wealth. Free

goods are the gifts of nature. One cannot sell ice to the Esquimaus.

Round by round, the Science of Prices is thus far a knockout.

"Man cannot create matter; he cannot make anything except out of something else . . . " This includes confusion. It would be impossible to establish the Science of Befuddling without the prior existence of collegiate political economy.

There is much more to be gleaned from "The Science of Prices." Up to now we have briefly surveyed naught but the preliminary definitions. The next chapter, on the Puzzle of Value, is a choice product.

Yes, indeed, much more might be said, but we have already said enough on the Science of Befuddling.

MASSACHUSETTS' MACHINATIONS

With its customary keenness of intellect—with its customary promptness and dispatch—after 300 years of throwing monkey-wrenches into Massachusetts' economic machinery—the Commonwealth of the Sacred Cod now issues a mandate drastically reducing the tax on machinery from 4.2 to $\frac{1}{2}$ per cent.

It just simply *had* to be done. And the reason? |

Machinery marches on! It marches out of our factories—out of our cities and towns—out of our State—out into distant lands and onto foreign soils—out where the west begins—down where the south a-sings—out into the far east.

"Somethin's gotta be done," sez the Legislature—in its wisdom. "The ability-to-pay operation wuz a success but the patient died."

Hence the reduction of taxes on machinery.

Right away the cities and towns squawk to Papa Legislature about their "loss of revenoo," and Papa sez he'll "*contribute* to make up the loss, so that the burden of the rebate will not fall *entirely* upon other taxable property of the communities."

'Aint our Papa just grand? The old rascal has socks and socks of wealth hidden away somewhere. Where?

So we're starting our last round-up. We aim to corral our wandering looms, lathes and linotypes—we aim to bring back them all to the fold—back to proud, old Massachusetts and its quaint, colonial culture—back to bigger, better, busier Boston's baked beans and brown bread—back to quaint Cape Cod's chlorinated clams and succotash.

"Nobody needs to dwell upon the benefit that will result," says an editorial sage, "from the check on the departure of industries or from the coming of new ones."

No *greater* taxes (maybe) on any other industry, says Papa Legislature, and much *less* taxes on machinery in particular. The theory is—never tax a man when he is down, but tax him plenty until you get him down and out; whereupon you declare a ten-minute recess until he gets his second wind and, simultaneously and graciously,