

# Swift Flight to Ruin — *but so Gay*

THE LAW AND THE PROFITS,  
by Prof. C. Northcote Parkinson,  
Illustrated, 246 pages, Houghton,  
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Reviewed by William S. O'Connor

A POPULAR and scholarly thesis expounding the logical and inescapable consequences of ill conceived taxation would be a notable literary achievement. An engagingly satirical and witty narrative lampooning the fatuity and futility of "liberal" politicians and economists would be novel and entertaining. The skilfully fused combination of both makes *The Law and the Profits* stimulating and provocative reading.

The terse wording of Parkinson's Law, "Work expands to fill the time" is matched by the thrifty clause, "Expenditure rises to meet income," his second law. As sensible business men ruefully acknowledged the likenesses of their own overmanned organizations in the sharply drawn delineations of the author's first popular best-seller, so, we hope, will the taxpayers recognize the image of that monster leviathan, the state, depicted in all its extravagance in this matching volume.

Public, unlike private spending, the author observes, is not limited by a fixed income. Large imposts necessitated by war are not rescinded in peace times. Excess government employees are retained to fill possible future shortages. Department heads know that what their economy might save would be wasted elsewhere. Antiquated accounting is useless as a control measure. Investigations cannot penetrate the united protective front of civil servants. Potential public revenues are regarded as limitless and expenditures rise to meet the take. Normal budgeting is reversed. The

revenue is first ascertained and then the budget. ". . . To the original confusion of the accounts has been added the babble of consultants and the jargon of the London School of Economics."

The development of taxation is traced from the earliest tolls levied at strategic geographic barricades on passing travelers and merchants (perpetuated in modern tariffs) through the exactions of feudal barons on land tenure (likened to blackmail paid to gangsters) through levies on produce to the final plundering that knows no limit, income and death taxes.

Taxes, it is significantly noted, can be divided into two categories ". . . those we impose on ourselves and those we inflict upon other people." The first are self-limiting, the latter are limited only by the collapse of society. The graduated tax admirably illustrates the latter type—a tax paid by the minority and voted by the majority.

A country burdened with high taxation loses its significance in world affairs and its citizens suffer loss of personal freedom. How ominous for our own future is the quoted warning of Thomas Jefferson, "If we can prevent the government from wasting the labor of the people, under the pretense of caring for them, they will be happy."

Penetratingly, the author dissects and analyzes the tax structure and the bureaucratic distribution of tax revenues. False slogans have become conventional axioms, e.g. there should be no limit to potential taxes on the principle the more spent the better the result.

Taxes intended to promote equality destroy individuality, freedom and hope. The wealthy are impoverished

and the tax burden is shifted to the poor. Family fortunes can no longer be perpetuated with consequent loss of stability. Projects worthy in concept are perverted by government. Money spent for dissemination of knowledge, a purpose admirable in theory, proves wasteful and distorted in practice. Teaching, the art of making a difficult subject easy to learn, degenerates into educationalism that makes the understanding of a simple subject practically impossible. Educationalism, like work, expands to fill the time available. Years are wasted where weeks would suffice.

Our own lavish spending is not confined to domestic projects. We awkwardly court the ingratitude of other nations with persistent gratuities. George Washington's words should have warned but have not deterred us, "It is folly in one nation to look for disinterested favors from

another . . . it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more."

Out of this misguided routine of tax and spend is developed a fiscal policy motivated by envy and a sense of freedom is replaced by the spirit of dependence. We have traded freedom for security but the grave question persists how secure is our current security?

The author might have recalled the astute observation of de Tocqueville witnessing the trials, triumphs and growing pains of democracy. Men first seek freedom and then being inadequate to support the burden of independence compromise on equality, an attribute of both democracy and communism. In one it tends to lift all to an even higher level, in the other, all are degraded to the lowest status.

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#### "THE SECRET OF SOVIET SUCCESS"

A fundamental difference between the Soviet Union and Western countries is that the Russians have nationalized land. The implications of this are tremendous, for they have, after a fashion, made land common property, and by so doing have liquidated the speculator in natural resources. We cannot trace the relation of cause and effect that must have followed from such a radical change in land tenure, and are only able to reason deductively from the general principle that equal rights of all citizens to the resources of a country are conducive to progress.

Do not mistake these remarks for a defense of communism. They are only an attempt to explain *The Secret of Soviet Success* (title of a book by the Red Dean of Canterbury, who holds that the secret lies in a planned economy). The secret does not lie in a planned economy but in the nationalization of natural resources, and the Russians have progressed in spite of and not because of, their planning. We do not have to adopt communism to achieve common property in land. There is a better way that does not involve the nationalizing of the factors of production and the regimentation of labor—a way that embodies the full expression of the American genius for getting things done by using the tremendous force of free enterprise for progress.

How it can be done is fully explained in Henry George's *Progress and Poverty* and in the teaching of the Henry George School.

One thing is almost certain—we will either make land common property in a way which will allow us to retain our democratic freedoms, or it will be done in spite of us by forces subversive of freedom, and the age-old struggle against tyranny will have to begin all over again.

—Urquhart Adams