BOOKS AND PAMPHLETS

DEMOCRACY VERSUS SOCIALISM. *By Max Hirsch. New York. The Robert Schalkenbach Foundation.* 1948, 470 pp. $3.00.

The incessant demand for Max Hirsch's *Democracy Versus Socialism* from those who fail to find in newer books a thorough exposition of the subject, was virtually a mandate for the publishing of the fourth edition of this old classic. In November, 1948, the books rolled off the presses and almost before the ink was dry on these much-sought pages, a quarter of the number printed had been sold.

In this monumental work the author analyzes socialism from both the economic and ethical viewpoints.

With scientific thoroughness he traces the existing social conditions and tendencies which have enhanced the attractiveness of socialism and made its progress possible. Then, point by point he dissects the Marxian doctrines and shows the inevitable outcome of a Socialist economy.

Published first in 1901 *Democracy Versus Socialism* has done yeoman service for almost fifty years. Its author, a contemporary of Henry George, spent much of his life in Australia but traveled widely in other countries. The fruits of his observations and wide reading are richly distributed throughout his work.

—V. G. PETERSON

THE DIFFICULTIES OF A BEAK, *Henry George League, Melbourne,* 40 pp.

"E. W. C." we suspect, is none other than Edgar W. Culley, one of the shining lights of the Australian Georgist world. A "beak," be it further explained, is a "stipendiary magistrate," if that helps. In this pamphlet E.W.C. invites his readers to "come on to the Bench with me and take a look at close quarters at the working out of a few of our modern laws which may look right enough on paper." Included are illuminating essays on laws pertaining to labor, property, farmers, transportation. The "beak" demonstrates that much of our legislation (American as well as Australian) is loaded in favor of privilege and against basic human rights. Also included are some words of sound advice to those who would further the cause of freedom and justice.

—ROBERT CLANCY

ECONOMIC SYSTEMS. *By Harold G. Moulton, Washington, D. C. The Brookings Institution,* 1948.

This pamphlet deals with Free Enterprise, Communism, Socialism, Hybrids, and Regulation Compatible with Private Enterprise. It is Chapter VI of a book on "Controlling Factors in Economic Development," in which the author proposes to analyze forces responsible for economic progress. The volume is to be in two parts; the first dealing with the past, and the second with the future. *Economic Systems* traces the history of free enterprise, which is commonly believed to be *laissez faire*. Moulton states that private enterprise in its entirety never was characteristic of the economy of nations, but there was a degree at least of centralized control and regulation for the purpose of curbing monoply. However the generally acknowledged system of the nineteenth century and early twentieth purported to be free-enterprise.

Distinctions between communism and state socialism are clearly set forth in their present day connotations. That increasing government control has brought about hybrid systems, according to Moulton's findings, was not the result of conscious planning by economic theorists or social reformers, but rather a drift as a result of world depression. Applying this to the United States and referring to the New Deal program, real recovery was not achieved and unemployment continued, until World War II. Such reform measures do not get at basic principle of free enterprise, says the author. He goes on to bring out the intended goals of the Roosevelt program were curbing of monopoly and abuse in big business, public ownership supplanting private enterprise in certain fields, the securing of prosperity via increased income of the masses and the lowering of income of the classes, and control of business cycles by monetary policy. However no mention is made of what the "basic principle of private enterprise" really involves.

It is pointed out that our government is not constituted to permit of unified control, and before expounding the author wished to have it clearly understood that at this point he is not concerned with methods for preventing industrial depressions, but only government control of the economic system. The analysis following reaches the conclusion that a controlled economy is incompatible with our governmental system thus effective administration is not possible, as a central national authority with a master plan is required for successful operation.

The remainder of the chapter deals with regulation compatible with private enterprise. It treats of "natural" monopolies and while, of course, divergence of opinion enters here, nevertheless a logical presentation is set forth, concluding that regulation, rather than communism, socialism, or hybrid systems of control will insure individual liberty. The third choice here appears to be between modified totalitarianism and unrestricted free-enterprise. This is another instance where the complete phrase *"Laissez faire, laissez allar"*, "Clear the ways and let things alone!" has been overlooked. However, I am left with a desire to pursue further the author's treatment of the subject, especially Chapter X of the larger work, "Can Depressions be Prevented?" in order that I might compare this with the treatment given by others.

—JOHN T. TETLEY

LAND VALUE REFORM IN THEORY AND PRACTICE, *By James Dundas White. London. Land and Liberty Press,* 1948, 61 pp. 3 pence.

Mr. White, author of other useful books on this subject, begins the present work with an outline of the principles underlying land-value reform. The first principle is that all men have a right to the use of the earth, that the land of a country "should be treated as the common inheritance of its people." The author believes in "beginning at home" and sets forth a proposed National Land Rent Bill, which is designed specifically for Great Britain, and which contains provisions for land valuation, registering, and collection of rent. Explanatory notes are appended, including a discussion on Annual Land-Value versus Capital Land-Value. Mr. White discards the latter as tending to diminish as land-values are taxed, and advocates the former, defining it as "the best annual rent that could reasonably be obtained for the land . . ." Thus he establishes that the reform advocated is in the nature of rent payment rather than a tax.

—ROBERT CLANCY

EL MUNDO DEL FUTURO (The World of the Future) *By Carlos P. Carranza. Buenos Aires. Libreria Madrid,* 220 pp. 5 Argentine Pesos.

It is quite encouraging to find Henry George's thought so well understood and appreciated abroad, as it is in this book with the subtitle, "American Capitalism or Russian Communism?"

With the light that Henry George throws on our economic system, the author analyzes the economic and social system as it exists in countries like the United States and in the Soviet Union, which he visited in 1936. He considers our system largely a private monopolistic system, and theirs a state monopolistic system. As regards government, he believes that a decentralized, democratic government, with emphasis on the rights of the individual and of minorities, is the best.

Soviet production, Carranza points out, is much inferior in quantity and quality to capitalist production, especially to that in the United States. However, when he was there in 1936, he found no man or woman deprived of a "decorous means of earning his living," nor homeless, nor did he find any begging or prostitution. There seemed to be "no pariahs." Here on the other hand, he saw the spectacle of "millions of capable youth" entering the struggle for existence with all roads barred.

The author confines himself mainly to dealing with the economic root of the trouble, rather than with the details of the brutal tyranny in U.S.S.R. or the tragic details of our repeated crises and depressions here. He condemns government planning, but does not give much space to the details of our monstrous manner of taxation. He advocates transformation of the tax system of the State so that its income would consist principally of economic rent, the income of the natural monopolies organized as services, and taxes on those activities, the restriction and even the disappearance of which, would be a social advantage. He would do away with artificial monopolies and re-establish competition.

—MATTHEW OSSIAS

Pertinent Comment

By FRANK SALOR

(From The Labor Herald)

The most unfair tax, we would say, is the income tax which is a direct levy upon an individual's productive capacity. The harder he works the more shares of his labor-produced wealth is he compelled to surrender. His very industriousness is penalized more severely than if he had been drunk and disorderly twelve times a year or otherwise been a disreputable citizen. . . . All taxes, license fees, and duties are unfair but some are more unfair than others.