BOOK REVIEWS

THE MENACE OF RECOVERY*

This book carefully details the history of the Federal recovery programme as it was developed and applied up to the end of 1933. Eleven chapters cover the historic details, accompanied occasionally by comments which indicate the author's critical points of view, and a last chapter sums up Mr. MacDonald's appraisal of results and his beliefs as to the inevitability of what amounts to a Presidential Dictatorship, marked with a pronounced State Socialist interest. An appendix furnishes significant extracts from the emergency banking, the agricultural adjustment, the securities, the home-owners and the national recovery acts, and the laws passed relating to the Tennessee Valley Authority, and gold contracts and legal tender. An index to contents is included.

The writer of this review has not seen anything referring to the present volume, but it can be here testified that in it "the new deal" has been very competently examined and explained.

Among the concluding sentences of the last chapter are the following: "President Roosevelt has staked his political future and that of his party upon the success of a recovery programme which was to bring order out of chaos and place the economic activities of the nation on new and solid foundations. The aim, now that the programme has been unfolded, is seen to be the reorganization of our society on collectivist lines, with the federal government as the central source of authority and Federal power the directing and compelling force. The fruits of the programme (to the end of 1933) have been some artificial stimulation of business and industry, some artificial relief for the farmers, and some artificial mitigation of unemployment and personal suffering, but in their pursuit the administration has become a dictatorship, the public debt has been swollen to unprecedented peacetime proportions, the gold standard as it had existed for ninety years has been abandoned, and the dollar has been left to find its level in the shifting sands of commodity prices. There is no dictionary which defines 'recovery' in such terms."

This useful book should be followed by one which undertakes to show that our people may be led to see that the revolutionary departures which have been made for citizens to agree to give any programme frank and rational attention when the failure of collectivist and state socialist policies, so far adopted by Mr. Roosevelt, make it necessary to turn back if possible to original United States ideas of human association in conditions of freedom and equal opportunity. It may yet be seen that the source of prosperity is human labor when applied without hindrance to natural resources, the fundamental condition being that there must be a natural division of labor products. A natural and ethical division is demonstrable. There must be the full share of workers and the managers which they really employ. There must be a return to the owners of wealth (labor products) used to aid production, such return covering both replacement and the market rate of interest which may from time to time arrange itself without legislative attention. There also will be a surplus to which neither labor nor "capital" are entitled—the item of "economic rent," or annual rent of land. This surplus is properly a concern of the whole social aggregate, and can be ethically used for public purposes after being gathered with that expectation in mind. An end can be made of codes and price-fixing, of subsidies and processing taxes, of rules for methods of labor organization and the fixing of minimum or any other kind of wages.

Thirty-five or more years ago Henry George, who is entitled to be considered as absolutely unique in his equipment and methods of economic analysis and scientific explication, was subsidized and set apart for the very purpose of laying the foundation of a just social order, and his book, only partly unfinished, is available in any quantities for which a demand is created. Free from financial embarrassment by reason of the financial assistance of two business men, he gave his best to the world, and it is high time right now that American citizens, with or without the hearty co-operation of President Roosevelt, should begin another economic research, to start where George left off in his search for truth to be developed by a scientific examination of the natural laws which are concerned with the distribution of good things —with abundance and not scarcity—with leisure and a chance to enjoy it without fear or favor, and without dread of want or lack of gainful employment.—GEORGE WHITE.

*The Menace of Recovery. By William MacDonald; cloth, 400 pp. Price $1.75. The MacMillan Company, N. Y. City.

DOLLARS AND SENSE

This book is a practical questionnaire with answers covering the realm of finance including debts, monetary standards, inflations, currencies, etc. It deals with economics as an underlying base of all finance and business. It puts in simple terms technical financial language so that anyone who is interested may understand.

The author displays not only a clear detailed knowledge of economics and finance but a broad knowledge of their applications. If this book is read carefully and the information digested the reader will have an excellent background for a keen appreciation of current financial events and policies.

Examples of this series of questions (and answers) taken at random are: What is money? What is the purpose of the National Industrial Recovery Act? What is its Constitutional base?—its provisions?—its weakness? Other questions are what are bank deposits, ear-marked gold, call loans, stocks and bonds?

Separate chapters in questionnaire form, are devoted to simplifying inflation, guarantee of bank deposits, public works, devaluation of the gold dollar, and the public debt.

The last few chapters are especially illuminating, dealing, as they do, with such intricate subjects as taxes, taxation, the tariff wall, etc. The followers of the philosophy of Henry George might find some minor points debatable but otherwise thoroughly approve the book and its integrity of purpose.

In considering the problem of taxation the author is vivid, stressing the power of taxation for weal or woe. He is very clear in stating that certain taxes may be shifted, enriching some at the expense of others, and in emphasizing the "Single Tax" cannot be shifted, he voices a vital truth.

Also one finds varied brief explanations of different tax systems and social movements, their strength and weakness. It is evident that the author makes no attempt to give a complete picture as his personal appraisals of these are sometimes contradictory.

In recommending this book we note some deficiencies and ignore some important lapses, but in most respects and as a whole we believe it to be the best book of its kind as yet brought to our attention.

The sentiment expressed is one of the concluding paragraphs which we quote in part should appeal to all:

"Our descendants will look back upon this day of starvation wages, long hours, child labor, ruthless competition, bulging quarries and hungry men with the same incredulity that comes over us as we look back upon the unrestrained violence and cruelty of the Middle Ages."

C. H. KENDAL.

*Dollars and Sense. 172 pp., cloth. Price $1.75. John Day, Inc., N. Y. City.

Correspondence

RATS!

EDITOR LAND AND FREEDOM:

We read of efforts by government to reduce surpluses. We are paying farmers to refrain from raising wheat or cotton or hogs. We are paying others to plow under every third row of cotton, and the end is not yet.

Surpluses are just beginning. I would plead for consideration of a plan I am about to disclose. It seems very strange that the monu-