

the growth in strength of her national government were not accompanied, as in France and Spain, by the loss of popular representative agencies."

The book is history, not theory, so we are prepared for a recital of facts and only incidentally for controversial points. The reader accompanies the author on the migrations which resulted in the establishment of flourishing communities in the New World. But he says it is to be observed—and the author never loses sight of it—the governing impulse was the quest for greater freedom.

We catch revealing glimpses of the leaders of these empire builders, and read many familiar and unfamiliar names. William Penn stands out for his magnificent toleration, for unlike some of these early leaders among the colonists he demanded the same freedom for others that he claimed for himself and his followers. The like-minded Roger Williams comes in for a word of commendation.

It does not appear to Prof. Faulkner that the "great cavalier exodus" to Virginia, stressed by John Fiske, ever took place, and he says that the emigration to Virginia as elsewhere came from the middle classes of society.

With keen insight our author points out that vagrancy, theft and homicide were infrequent in colonial times and says, "the population is too sparse, the people too dependent upon one another, and the economic opportunities too great (the italics are ours) to foster this sort of crime."

He touches on the industrial panics of the nineteenth century and says they were due primarily to over-expansion in the development of transportation facilities, and the mania for canal building which commenced in the early twenties and reached its climax in the later thirties and with which had gone a corresponding speculation in land, which meant an inevitable economic collapse." (Again the italics are ours.) The panic of 1837 Prof. Faulkner calls "America's first major economic depression."

He quotes Prof. Turner as follows: "Up to our own day, American history has been to a large degree the history of the colonization of the Great West. The existence of an area of free land, its continuous session, and the advance of American settlement westward, explains American development."

On page 254 Prof. Faulkner says once more: "Although panics have been chiefly due to over-expansion in transportation facilities and over-speculation in public lands, other factors, particularly the inflation in currency and banking, have contributed." We may point out that these are secondary and proximate causes, and are greatly intensified by the primary cause. Without further recommendation we select Professor Faulkner to write a much needed work "The Cause of Panics."

He refers to the panic of 1857 as due to the same cause. The reader will remember that there was a speedy recovery from this panic.

On page 669, speaking of the land boom preceding the depression which we are now living, Prof. Faulkner says, "Every panic has been characterized by large scale land speculation."

Inevitably followed, we may add, by recurring collapse.

When Prof. Faulkner gets down to the New Deal he has some interesting things to say. He keeps his judicial pose, but he does say on page 687: "No part of the New Deal programme aroused more criticism than that pertaining to agriculture. The destruction and hoarding of food stuffs at a time when millions lacked sufficient food were difficult to justify."

Reverting to the purely political aspects of our history treated in this well considered work, it is well to remember that the birth of the nation was fraught with the conflict of different theories. The powers of the president were a subject of controversy, and Prof. Faulkner quotes an historian who says (and our author seems to endorse the statement): "An attempt to define the powers of the presidency as Roosevelt has defined it would have been considered in tyranny in 1788." This period and the bitter conflicts in Washington's official family are recited with intelligence and discernment.

It is impossible to review so large and fine a book within the limits permitted us. So we shall content ourselves with saying that the work is a task superlatively well done.

Henry George is mentioned four times and quoted rather significantly in one part of the work. There is a fine tribute to Jefferson on page 162, and there is a splendid bibliography included as an appendix.—J. D. M.

A SCANDAL SHEET OCTAVO

"America's Sixty Families." By Ferdinand Lundberg. 8vo. 544 pp. Price, \$3.75. The Vanguard Press, New York City.

Here is a book which Mr. Ickes, Secretary of the Interior, started off to a good sale in a somewhat inflammatory and flamboyant public speech.

If we refer to this work as "a scandal sheet" it is because we are irresistably impelled to this designation. For these families are selected as "terrible examples," as if there were some moral obliquity in the accumulation of great fortunes, and that even the marriages among these families are determined with a view to the consolidation of these great accumulations.

It is perfectly natural that alliances should occur almost exclusively within the groups where men and women commingle. It is conceivable that these unions should be the result of attraction and affection without regard to any other consideration. It is preposterous to think that love between the sexes among these sixty families vary much more than in other and more moderately endowed social groups. And it is even permissible to think that there is as great a number of happy marriages among these sixty families as may be found elsewhere.

It is true that a considerable portion of these family fortunes have been fused by marriages, and Mr. Lundberg gives many pages to the recounting of these unions. But again we ask, what of it? The economic set up is not changed. Rent still flows to the privileged class whether they are few or many; the ownership or control of natural resources remains in the hands of the same monopolistic powers over capital investments. Labor goes to work only on the permission of these owners of the natural resources. Their powers reside in the ownership of the sources of supply, not in marriages, incorporations, or combinations in themselves.

Whether the number of those who control the wealth of the country be six, sixty or six hundred is of no importance whatever. The important thing is the ownership and control of the natural resources. "I believe it cannot be gainsaid," says Mr. Ickes, "that about one-half of the wealth of the country is in corporate form and over one-half of it is under the dominion of two hundred corporations."

These figures are loose enough, but we shall probably make no great mistake in accepting them. But whether they are in corporate form, or individually owned or controlled, makes not the slightest difference. It makes no difference if the individuals who control natural resources are able to add Inc. after their names. There are many corporations in the country which find difficulty in paying their office rent.

Such talk is plain demagoguery, no less so because it is quite unconscious, springing from a gross ignorance of the laws of wealth distribution. The reception accorded the work is significant of the same general ignorance. The *Nation*, which obstinately refuses to recognize the situation, reviews Mr. Lundberg's "Sixty Families" under the title, "Wealth Against Society." Here is unconscious confusion, for how can wealth be inimical to the best interests of society?

It is not of course. *The power of wealth is a borrowed power.* It derives any influence it has for evil, not in its accumulations, but in its control of natural monopolies. If it is able to acquire the control of educational institutions, newspapers or venal editors, to carry on an effective propaganda, it is desirable that we seek for more funda-

mental springs of domination. Again we must repeat that the power of wealth is a borrowed power. Why will not Mr. Lundberg see this? Why will he say: "More and more it is becoming plain that the major political and social problem of today centers about the taxation of great wealth."

Some day a book will be written subjecting to a real analysis the great fortunes that have grown up in America, separating their parts as a chemist might. The writer will take some great fortune and dissect it into its various parts, placing on one side what is derived from natural resources, tariffs, patents, etc., direct and indirect control of natural monopolies, and the remainder due to superintendence or managing ability. His readers will be surprised at what little remains of these great fortunes. It will be clear that what remains is an earned fortune and belongs to the individual or individuals who made it. *It will be all wages.* A parade of great fortunes such as Mr. Lundberg has given us, while ignoring everything that is fundamental, will not help us any.

The writing of such a book will not be easy. It will demand the possession of special faculties and above all an understanding of the laws of political economy which determine the rise of great fortunes.

At present there is no one we can think of able to write such a book. As long as we are obsessed by phantoms of the real, our reasoning, ignoring as we do the fundamental relations of man to the land, we shall be the prey of shallow sensation-mongers who now have the field all to themselves.

This work of Mr. Lundberg is well written. It will be read with interest by young lady typewriters and stenographers and by Mr. Ickes and Walter Winchell. But it doesn't contribute one iota to the knowledge of how these fortunes were amassed, what they consist of, or what shall be done about it, if anything.

We have said that Mr. Lundberg's remedy is to tax them. But they are already heavily taxed. And the question arises if their power is an evil one why are not these evils pointed out? We should know how they got it and just how the getting of it hurts others. If you should confiscate everything that is possessed by them, will not other families take as much more as these sixty families take, institutions remaining as they are and the distribution of wealth being unchanged?

It is an amazing factual history, frankly an attack on the rich, whom the author calls a "psychopathic" class.

These great fortunes and their vulgar display are interesting but as we have said not important. They flow to the recipients and are accepted as a matter of course. But anyway, it is doubtful if any appreciable number understand it. That they fight for the retention of their privilege is natural enough, but they do so with the convictions that these privileges are *rights*. They are as ignorant of the principles of political economy as the men who write text-books about it, or as Mr. Ickes himself is.

It is for the reasons set forth that books like "America's Sixty Families" are not particularly useful in the economic scene however well written, and that it is well written we concede. The evil of books of this character is that they add fuel to the class struggle without the slightest reference to a reasoned solution, or to the fundamental principles that underlie the problem. Gustavus Myers' "History of Great American Fortunes," in the first hundred pages of which he traces the real genesis of great accumulations, has done a much better job, in a more dignified way, and with a somewhat firmer grasp upon economic principles.

Our quarrel is not with the facts as set forth by Mr. Lundberg. These we accept as substantially correct, though terribly colored with indefensible implications. It is a picture of American plutocracy that is impelling. The parade of the names of those possessed of great wealth, a sort of

"Moses and Aaron,

Paul Jones, and old Charon,"

is not especially illuminating. But it will just carry Mr. Ickes away with it. It has.—J. D. M.

FROM A NEW ANGLE

"Taxation Turmoil." By W. R. B. Willcox. Small 12mo. 99 pages. Price fifty cents. Eugene, Oregon.

The reader can the more readily get the drift of Mr. Willcox's argument by the following quotation from page 60:

"The constant reiteration of rent as payment for the use of land and the evils which result from the failure of government to collect the rent, has led many people to regard the correction of social and economic ills, fundamentally, as a land question. Much has been written in support of this view. It lies at the root of the social and communist insistence upon the governmental ownership of land. Even when socialists do not go so far as that, it convinces many of them of the necessity for governmental *control* of land. All of these ideas lead to the theory of a planned economy as essential to the establishment of a classless social order and presupposes some form of collectivism."

This is deplorable if true. But there *is* a Land Question, a Rent Question, and a Tax Question, and the solution is all contained in the remedy Mr. George proposes. We do not believe that those who advocate the taking of economic rent for public purposes as a solution of the land question are in the least danger of being led into any form of collectivism.

Of course the public collection of the economic rent can be defended with little reference to land, and if Mr. Willcox, or any one else, wishes to do that we say, "God speed him." This question is so large a one that it can be approached from many angles, and if one is not enamored of his own subtleties, as we fear is often the case, there is no objection to a different approach to the goal which Mr. George frankly admits was his destination.

We are even willing to believe that a presentation of the remedy from the angle taken by Mr. Willcox will appeal perhaps more readily to a certain order of minds. But it is only a partial statement and leaves something further to be said—much more indeed.

Of course Mr. Willcox has made out a good case. We agree with most of it, save for the part we have just quoted. That we can make it a more convincing argument as a rent question than as a land question may well be doubted. But a number of doors swing open, and it is indicative of the universality of the problem that there is room for several kinds of orthodoxy, perhaps several kinds of heresy, as well. A great truth has many doors. When Mr. Willcox says, "It is not the private possession of land that is wrong but the private possession of rent," he is both orthodox and correct.

We cannot better conclude this inadequate review of an able work than by giving the following from page 135:

"If faced with evidence of popular knowledge of the actuality, beneficence of the natural function of rent, and of the insidious malignancy of all taxation—what counsel of individual justice, of social efficiency, or legal efficacy, or of morals, ethics or religion, could be brought to oppose the recovery of all of the rent for all of the people and the abolishment of all taxation?"—J. D. M.

LACKS A GUIDING PRINCIPLE

"The Folklore of Capitalism" by Therman W. Arnold. Yale University Press.

If one takes up this book, as the writer of this review did, with the idea that he is to be treated to a sort of Machavellian exposure of how the modern world is run, he will not be disappointed. As the author says, the book is an application to a broader field, the field of business and of economics, of the same point of view represented in an earlier book, "The Symbols of Government." The book may be called a treatise on the text. "The children of darkness are visible in their generation than the children of light," but is it too entering, too fascinating, to be called a treatise. A sample of his writing is useful in making up one's mind whether to buy the book or not.

"We have seen that the growth of great organizations in America occurred in the face of a religion which officially was dedicated to the preservation of the economic independence of individuals. In such a situation it was inevitable that a ceremony should be evolved which