

was paid to the footnotes than to the text. To give one example among many, on page 94 there is an excellent outline of the famous California railroad tax litigation which settled a vital principle in American taxation. This is indexed under a paragraph headline "Corporation Taxes," a catch-word one would not readily think of, and not under railroads at all. An example of a different kind is that the census reports on wealth, debt, and taxation are quoted on page 41 (and probably elsewhere) but are not mentioned on page 238, which is the only reference to them given in the Index. Without further specification we may say that the Index is so poor and a good one is so necessary that the publishers would be justified in requiring it to be done all over again.

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Budget-Making in a Democracy. By EDWARD A. FITZPATRICK.

New York: The Macmillan Co., 1918. Pp. x+317. \$1.50.

There has been much discussion of a budget system, both popular and scholarly. Various budget proposals have been presented inspired chiefly by the phenomenal increase in public expenditures. They are advocated in the interests of public economy since they essay to check the prodigious governmental outlays.

Mr. Fitzpatrick presents a new view of the budget. He does not quarrel with the enormous and rapidly increasing expenditures of government, but accepts Wagner's law that with advanced industrial society must come increased expenditures. He thus shifts the discussion from absolute or per capita amounts and increases to social efficiency. The final test and justification of public expenditures are summarized in these words: "Social energy expressed in public funds must secure in terms of social welfare results greater than the same expenditures privately made." It may be said in support of Mr. Fitzpatrick's exposition that in popular discussions of the budget too much emphasis has been laid on the accounting side of public expenditures with an almost total disregard of the underlying broader aspects of social welfare. To borrow from Professor Cooley, we have counted the seconds with care, but are hardly in a position to tell what time it is.

But more than that, we have been so intent upon "cutting" expenditures that we are on the verge of disregarding the fundamental principles of our government. If economy could be attained by an executive

budget, be it through false parsimony or better administration—we cared little which—we were willing to upset our democratic institutions. This trend of thinking is patently evinced in the various proposals which have come before the public. It is urged that executive budget proposals should come before our legislatures with a strong presumption of inviolability encumbering them in the exercise of their right of final determination. Hampering legislatures which are the representatives of the people in the use of their conclusive judgments is incompatible with democratic institutions. Mr. Fitzpatrick's book coming at this time makes his discussions singularly pertinent. When for four years the world's horizon has been clouded ominously by the threat of autocracy, *Budget-Making in a Democracy* puts the question *quo vadis* very relevantly.

Mr. Fitzpatrick is an ardent supporter of the budget, but his logic comprehends more than simple parsimony, nor is he oblivious of democratic prerequisites. Briefly, Mr. Fitzpatrick's proposal proceeds from the basis "that the functions of the administration, including the executive, in budget-making is preliminary, preparatory, advisory, and the function of the legislature is determining and conclusive." The administrative departments prepare the budget proposals which finally come to the chief executive where, with the exception of the estimates of administrative commissions and the judiciary, they are reviewed and sent to the legislature. The budget proposals formulated in lump sums according to services or functions are presented to the legislature without any "artificial restrictions." Appropriations should be voted "continuing" as they correspond to "permanent" services. A discussion of budget proposals in the committee of the whole has a distinct advantage over floor and committee discussions. The public shall be invited to participate in legislative consideration. For purposes of adequate presentation and defense proper administrative officers shall have the privilege of the floor. To insure intelligent criticism the minority shall have power to collect information independently of administrative machinery and to summon administrative officers for interpellation.

Mr. Fitzpatrick's proposal is simple; it requires few legislative changes and no constitutional amendments. It is adaptable to national and state governments alike. Much illustrative material adds to an interesting presentation and all in all the book is one of the best contributions to the budget discussion.

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