New Appointment

The School is pleased to announce the appointment of Nicholas deBelleville Katzenbach as Professor of Law, effective July 1. Mr. Katzenbach is currently a member of the faculty of Yale Law School.

Professor Katzenbach, who was born in 1922, received his B.A. degree from Princeton University in 1945. He was graduated from Yale Law School in 1947 and then spent the period 1947-49 as a Rhodes Scholar at Oxford University. He practiced with Katzenbach, Gildea and Rudner in Trenton, New Jersey, during 1950, during which period he was also lecturer in law at the Rutgers University Law School.

From 1950 to 1952 Professor Katzenbach was counsel to the Department of the Air Force; he served that agency in a consulting capacity during 1952-54. In 1952 he became associate professor of law at Yale University and has been a member of the Yale Law Faculty since that time. He has worked in Contracts, Conflicts, and Equity, but his major field of interest is International Law, with special emphasis on International Trade and Investment.

The Compleat Attorney

Among the early legal treatises housed in the Law Library are several offering advice to the layman and student. The Complete English Lawyer, by a student of the Inner Temple, is subtitled Every Man His Own Lawyer, which gives some idea of the intended scope of the work. In the Preface the author writes: "Though it be not necessary for every man to be a Lawyer, yet it is surely incumbent upon every one, that he should possess some knowledge of the Laws under which he lives, especially those who have any claims to a polite or liberal education."

The unidentified author of The Practick Part of the Law Shewing the Office of a Compleat Attorney, published in 1654, also apparently intended that his reading audience should extend beyond the legal profession. He sets out briefly the name of each action, the type of injury which can be remedied by the action, and the fees of the court wherein such action would be filed. For instance, in describing the uses for actions upon the case, we are told:

These Actions are very numerous, and grounded upon several occasions, as for scandalous words, for promises not performed, for special nuisances, etc. The Process upon them are: first an Original, and then by way of capias, if you can arrest upon the first Process, if not, then you may proceed to the Outlawry, as before in Debt, only the charge will be more in respect of the length of your process, and for return of those Writs, you must return (that the Defendant hath nothing within my Bayliwick thereby he may be attached) this for the Original; and for the Capias and other process (that the Defendant is not found within my Bayliwick).

For the information of the layman and the encouragement or otherwise of students, Sir John Dodderidge set forth the qualities of mind necessary to the successful practice of law and the methods by which law ought to be studied. Sir John, a justice in the Court of King's Bench, in his English Lawyer (published 1631) sets forth the requirements thus: "sharpness and dexterity of wit," "soundness of memory," and "prompt and ready delivery by way of speech." These three are gifts of nature, to be contrasted with "those qualities which are acquired by industry." It will come as no surprise to law students to find that Dodderidge considers knowledge of the law as a quality acquired by industry. He also favors a good general education as background, wherein the lawyer-to-be can acquire among others a knowledge of Latin and logic.

Between the lawyer and the student stages came traditionally the clerkship. A handy guide for this stage was The Young Clerk's Tutor, so handy in fact that it went through at least thirteen editions. The Law Library edition was published in London in 1693 and begins with four pages of plates demonstrating the difference between court and chancery calligraphy. The young clerk is further advised on the formalities of drafting contracts,
wills, and deeds. And, in case our young clerk did not benefit by Dodderidge's advice on Latin, the latter part of this handbook is devoted to tables of English names, titles, and professions in their Latin forms.

One student of English law had a good opportunity to show his knowledge. In the famous Doctor and Student dialogues between a student and a Doctor of Divinity, the issues discussed relate primarily to statutes and common-law practices which may be argued to infringe on church law or the rights of conscience. The author, Christopher Saint Germain, of the Inner Temple, was engaged in debate with a sergeant-at-law soon after the publication of the work in 1518. The particulars of this debate over the twelfth chapter of the first dialogue were set forth in Hargreave's Collection of Tracts. The work was also favorably cited in Reeve's History of English Law and in Blackstone's Commentaries. Doctor and Student was included in the 1604 edition of Glanville's Tractus de legibus in Latin text. The Library also has the seventeenth edition in English text printed in London in 1787.

The Lawyer in the International Field

By MAX RHEINSTEIN
Max Pam Professor of Comparative Law

American interests and activities transcend the boundaries of the nation. Individuals travel into foreign countries for business or pleasure; family ties extend across national boundaries; private assets are held abroad; residents of foreign countries may be called to succeed to the wealth of an American national, and vice versa. Business relations extend all over the globe. Foreign firms buy and sell in this country; American firms export their goods to foreign markets and import from abroad raw materials and manufactured products. Credit transactions and investments are made between nations; in recent decades numerous American firms have established foreign plants, sales agencies, or other branches. Shipping and air traffic connect the nations. Protection for patents, trade marks, and copyrights must be sought and obtained the world over. In all these activities lawyers are needed as advisers, negotiators, draftsmen, arbitrators, and counsel. Legal problems also arise continually in the international activities of the government. They have been important in the traditional conduct of diplomatic and consular business and have multiplied as international governmental activities have increased in recent times. Intricate legal problems have, indeed, arisen in such activities as the formulation and implementation of the Marshall Plan, the Point Four Program, the activities of NATO and SEATO, offshore procurement, economic aid to foreign nations, the occupation of enemy territory during and after hostilities, the maintenance of military and naval bases in foreign countries, etc. Finally, a new field has arisen for the international lawyer in the activities of those international agencies which, not belonging to any single nation, are charged with tasks of a specifically international character, such as the United Nations, the International Labor Office, the United Nations Educational Scientific and Cultural Organization (UNESCO), the International Aviation Authority, the International Bank, the International Monetary Fund, the International Institute for the Unification of Private Law, the International Health Organization, and the International Food and Agricultural Organization. In addition to these international agencies of recent origin, there also exist quite a few older ones with well-established traditions in important fields, such as the World Postal Union, the International Copyright Office, the International Bureau for the Protection of Industrial Property, the International Whaling Bureau, the International Bureau of Standard Weights and Measures, and the Pan American Union. In many of these organizations lawyers are among the members of the several national delegations to the governing bodies; in most of them lawyers are on the permanent staff as international civil servants, just as they are found in the governing bodies and in the permanent staffs of such non-governmental organizations as the International Chamber of Commerce or specialized international trade associations.

Even by foreign governments American lawyers are increasingly used not only in negotiations for American credits but quite generally before American legislative bodies, whose activities have come deeply to affect the interests of foreign nations.

The sphere of activities of the international lawyer is extensive and varied. The opportunity for trial work or judicial action is, of course, more limited than in the national field. Only one American at a time can be a member of the bench of the world's most illustrious tribunal, the International Court of Justice, and very few lawyers can satisfy the dream of pleading a case before it. The Nuremberg experiment of international criminal justice will, let us hope, not be repeated. If a case is to be tried before the court of a foreign country, the American party will regularly be represented by a lawyer of that country, but an American lawyer may have to instruct him or to act as his consultant. At almost all times we can find at work some international tribunal or claims commissions. According to an estimate recently made by a committee of the American Bar Association, some fifty thousand cases have been decided by international tribunals during the last twenty-five years. Even more extensive is the work of those numerous unofficial arbitration boards in whose activities American lawyers are engaged as arbitrators or party representatives. But the great bulk of the international lawyer's work consists in giving advice, in negotiating, and, above all, in the exercise of the art of draftsmanship.
The work of the international lawyer is fascinating. It offers great rewards, intellectually and professionally. It also requires special skills and knowledge and, above all, the ability to deal with people whose general outlook may differ considerably from the American. Proficiency in foreign tongues is a precious asset. In many cases it will also be necessary for the American international lawyer that he has familiarized himself with the so-called civil law, that is, that legal system which constitutes the base of the laws of practically all countries of the world outside the United States and the British Commonwealth. The American lawyer can easily carry on a legal discourse with a lawyer from England, the mother country of the Anglo-American common law, or with a lawyer from any other country whose law is derived from the same source, such as Canada, Australia, India, Pakistan, or Burma.

But let our American lawyer try to carry on a legal discussion or negotiations with a lawyer from Mexico, Brazil, France, Germany, Egypt, Japan, the Union of South Africa, or the Soviet Union. Even if both parties are equally fluent in the use of the English language, they will find it difficult to understand each other. The concepts and mental processes used by one are not those of the other. At best, the parties will need much more time to understand each other than two common-law lawyers. Quite likely they may not reach an understanding at all; at worst, they may believe to have understood each other only to find out later that they have used the same words in different senses or have otherwise talked at cross-purposes. The reason lies in the fact that the conceptual framework and the methods of legal thought are different in the civil law countries, whose legal system originated upon the continent of Europe and now constitutes varying combinations of rules, methods, and concepts developed in ancient Rome, with medieval customs and modern ideas of the Enlightenment, nineteenth-century rationalism, and twentieth-century technology and policy. While in the solution of practical cases common law and civil law often reach the same results, the mental ways in which these results are reached are different—so different, indeed, that it is not easy for a lawyer trained in a legal system of one family to understand one who has had his training in the other.

To make the American lawyer aware of these differences and give him an introduction into the fascinating world of the civil law, law schools are offering courses or seminars in comparative law. For those who seek a more detailed professional training in the civil law, the University of Chicago has designed its Foreign Law Program, which is open to graduates of high standing of its own as well as of other recognized American law schools.

For a long time American international legal practice was concentrated in a comparatively small number of law firms in Washington, New York, and a few other seaports. As business firms of inland regions have begun more extensively to deal directly with foreign suppliers and customers, international legal business has tended to be less centralized. With the development of the St. Lawrence River Waterway, international practice of law is expected to expand considerably in the Middle West.

**International Law Conference**

During the Spring Quarter, The Law School sponsored a Conference on International Law and the Lawyer. The conference was held in conjunction with the annual regional meeting of the American Society of International Law, which is celebrating its fiftieth anniversary this year. The speaker at the afternoon session was George W. Ball, of Cleary, Gottlieb, Friendly and Ball, Washington; commentators were David M. Gooder, of Lord, Bissell and Brook, Chicago, and Professor Ferdinand F. Stone, director of the Institute of Comparative Law, Tulane University Law School. Professor Allison Dunham, chairman of The Law School's Conference Committee, presided. The subject of the session was "The Lawyer's Role in International Transactions."

The evening session of the conference was devoted to "International Law and Treaties in National Courts." Quincy Wright, Professor of Political Science at the University of Chicago and president of the American Society of International Law, was the featured speaker. Professor Malcolm Sharp was the commentator for this session, which was presided over by Max Rheinstein, Max Pam Professor of Comparative Law.
Law Building Project Announced

On April 25, 1956, plans for the projected new Law Building were publicly announced at a dinner at the Palmer House attended by more than five hundred alumni and friends of the Law School.

Glen A. Lloyd, '23, chairman of the Board and chairman of the Law School Committee, which is heading the campaign for funds for the building, presided. Edward H. Levi, Dean of the Law School, described the current program of the School and outlined recent developments. Edward L. Ryerson, Chairman of the Board of Trustees of the University, reported on the progress of the University of Chicago Campaign, of which the drive for funds for a new Law Building is a part. Chancellor Lawrence Kimpton discussed his conception of what the University should be like and the importance of The Law School in that over-all picture. Herbert Emmerich, director of the Public Administration Clearing House, described the organizations housed in the Clearing House and emphasized the extent of fruitful co-operation and mutual assistance between those organizations and The Law School; such co-operation has already begun and can be greatly expanded when the School's new facilities are available. E. Smythe Gambrell, president of the American Bar Association, expressed gratification at the extent of co-operative work already under way between the Association and the School. He stated that such joint accomplishment would expand greatly when the School became the immediate neighbor of the Bar Center. Professor Sheldon Teft described the facilities of the projected new Law Building, illustrating his remarks with photographic slides.
Alumni of the School, with their wives and other guests, at the dinner on April 25 at which plans for the new Law Building were announced.
Glen Lloyd Elected Board Chairman

The Law School notes with pride the election of Glen A. Lloyd, '23, as Chairman of the Board of Trustees of the University of Chicago. Mr. Lloyd becomes the sixth Chairman of the Board since the founding of the University, and his election marks the second time an alumnus of The Law School has been so honored. Laird Bell, '07, was the fourth Chairman of the Board.

E. Smythe Gambrell, President of the American Bar Association, with Glen A. Lloyd, '23, Chairman of the Board of Trustees and presiding officer at The Law School Dinner.

Puttkammer and Sears To Retire

At the end of the current academic year, Professor Ernst W. Puttkammer, '17, and Kenneth C. Sears, '15, will reach the retirement age and become Professors Emeriti.

Professor Puttkammer became a member of the Faculty of The Law School in 1920; Professor Sears, in 1926. Elsewhere in this issue, in the collection of Faculty biographies, will be found brief outlines of their distinguished careers.

During the Spring Quarter a dinner was held in honor of Messrs. Sears and Puttkammer; their former students overflowed from the main dining room of the Quadrangle Club into two adjoining rooms. Clay Judson, of the Class of 1917, spoke on behalf of Professor Puttkammer's class. Morris E. Feiwell, '15, president of the Law School Alumni Association, spoke on behalf of Professor Sears's classmates. The Honorable Ivan Lee Holt, Jr., '37, of St. Louis, spoke for the many hundreds of Law School Alumni who had been students of both men.

Special provision has been made in the plans for the new Law Building for the inclusion of offices for Professors Emeriti.

Report on the Class of 1931 after Twenty-five Years

By WILLIAM G. BURNS, '31

The class of 1931 was the second largest in the history of The Law School. Upon graduation, some of us wondered why we had been so eager to become lawyers. The market for law-school graduates was at an all-time low in 1931; jobs of any kind were scarce. However, the record shows that the unusual challenges which faced us upon graduation were successfully met.

A few general comments may be of interest. Unfortunately, they are based upon incomplete returns, because questionnaires were answered by only half of the members of our class.

There were 115 members of the Class of 1931. Of these, approximately 65 are located in the Chicago area, 7 in New York City, 4 in Washington, D.C., and the remaining members are scattered throughout eighteen states.

Most of our classmates are still in the active practice of law. Many are practicing alone, and several are members of large firms in our largest cities. A few of the members occupy prominent positions in business and in government service.

Five members are law professors. One is a justice of the Supreme Court of the State of Illinois (two other justices of that court are also graduates of The Law School).

It is gratifying to note that distinguished military records were established during World War II by several of our classmates and that many of them have given generously of their time and efforts to various civic, professional, and other worthwhile organizations.

The following information, admittedly incomplete, has been taken from questionnaires recently returned:

BARNARD, GEORGE HUGH. Partner of Barnard & Barnard, 39 S. La Salle St., Chicago. Served four years in the Navy during World War II, with rank of commander; received Bronze Star and two commendation ribbons. Wife is Mary Hartline of TV fame. Home address: 181 E. Lake Shore Dr., Chicago.

BELSHEIM, EDMUND O. Dean of College of Law, University of Nebraska, Lincoln, Nebraska. Married and has two daughters and a son. Home address: 3838 Sheridan Blvd., Lincoln, Neb.

BLATTFERG, ABBEY. Assistant State's Attorney of Cook County, Illinois; head of Trial Division for Financial Fraud cases. Served in the Military Police of the Army for over two years during World War II. Married and has a son and a daughter who are twins. Office address: 2600 S. California Ave., Chicago. Home address: 752 Junior Terrace, Chicago.

BURNS, WILLIAM G. Partner of Bell, Boyd, Marshall & Lloyd, 135 S. La Salle St., Chicago. Vice-president of The
Law School Alumni Association; lecturer at The Law School during Winter Quarter, 1956; member of school board of Kenilworth School District. Married and has three daughters and two sons, with ages ranging from two to sixteen years. Home address: 320 Cumberland Ave., Kenilworth, Ill.

CRAIN, GILBERT R. Partner of CRAIN & Colvin, 141 W. Rowson St., San Benito, Texas. Attorneys for city of San Benito and other public bodies. Served during World War II as rent control director for the OPA for Cameron and other counties in Texas. Married and has one son, age eighteen. Home address: 190 Crawford Dr., San Benito, Tex.

DAVIS, CHARLES H. Justice of the Supreme Court of the State of Illinois. Practiced law in Rockford, Illinois, until his election to the Supreme Court in 1951; member of firm of Thomas & Davis, Rockford, at time of his election. Home address: 1530 National Ave., Rockford, Ill.


DORFMAN, ISAIAH S. Partner of Dorfman, DeKoven & Cohen, 38 S. Dearborn St., Chicago. Served in Office of Strategic Services, European Theater, World War II. Formerly served as regional attorney, NLRB, Chicago; chief, Special Litigation Unit, NLRB, Washington, D.C.; and special attaché to United States Minister to Sweden. Married and has three sons, ages seventeen, fifteen, and nine. Home address: 165 Maple Hill Rd., Glencoe, Ill.

DRUCKER, ARTHUR. Practicing law at 27 W. Washington St., Chicago. Member of Law Institute and Decalogue Society. Married and has two children. Home address: 7011 S. Euclid Ave., Chicago.


FREDERICK, WILLIAM McD. Partner of Younge, Frederick & Rutherford, Commercial Bank Building, Peoria, Illinois. President, Peoria Public Recreation Commission; attorney, Pleasure Driveway and Park District of Peoria; director of Allied Foundation, Forest Park Foundation, Peoria Art Center, and Peoria Arts and Science Center. Active participation in various other civic organizations. Served as lieutenant colonel, Counter Intelligence Corps, European Theater, during World War II. Home address: 1424 N. Cole Ct., Peoria, Ill.

FRIEDA, GEORGE W. Practicing law at 710 Cascade Building, Portland, Oregon. Secretary, Multnomah County (Portland) Bar Association, 1936; court administrator of Military Government Courts for Wuerttemberg-Baden, Germany, 1945; president, Intermediate Military Court (for Germans and Displaced Persons) of Wuerttemberg, Germany, 1946; occasional member of Practice and Procedure Committee of Oregon State Bar Association; president, Young Democratic Club of Multnomah County, 1939; president, Jackson Club of Oregon, 1941; state representative, Oregon Legislature, 1937-39; delegate at large from Oregon to Democratic National Convention of 1948; commissioner, Portland Public Housing Authority, 1952-55; former president, Portland University of Chicago Alumni Association; former trustee, World Affairs Council of Oregon; president of Temple Beth Israel of Portland, 1956. Private through captain, United States Army, 1942-46. Received three battle participation stars and certificate of merit from General Lucius Clay. Home address: 901 S.W. King Ave., Portland.

GORDON, MILTON A. President of Television Programs of America, Inc., 477 Madison Ave., New York City, a company engaged in the production and distribution of motion-picture films for television. Some of the TPA programs now on the air are "Lassie," "Private Secretary," "Halls of Ivy," "Count of Monte Cristo," "Captain Gallant of the Foreign Legion," "Fury," "Stage 7," and "Ramar of the Jungle." Married and has a son, age thirteen, and a daughter, age eleven. Home address: 3101 Palisades Ave., Riverdale 63, N.Y.

GREEN, THOMAS F., Jr. Professor of Law at the University of Georgia Law School, Athens, Georgia. Member of Georgia Prison Study Commission by appointment of governor. Served during World War II as state attorney for Georgia OPA and later in office of Solicitor, War Food Administration, Washington, D.C. Received Ross Essay Award from American Bar Association in 1940. Author of articles appearing in several law reviews. Taught during summers at several law schools. Married. No children. Home address: 376 Parkway Dr., Athens, Ga.

GROSSMAN, DAVID C. Purchasing agent for L. A. Goodman Manufacturing Company, 131 W. 63d St., Chicago. Served as a private in the Army during World War II. Married and has three children, the oldest attending high school and the youngest kindergarten. Home address: 8140 S. Vernon Ave., Chicago.

HOPKINS, JOHN E. Partner of Hopkins & Hopkins, Odd Fellows Building, Rensselaer, Ind.


HUNTER, J. RICHARDS. Partner of Jones, Hunter & Dunn, First National Bank Building, Hutchinson, Kansas. President, Reno County Bar Association, 1946-47; member of Committee on Legal Institutions, Committee on Legal Education and Admission to the Bar, and Professional Ethics Committee, Kansas State Bar Association; member of State Committee of the Section of Judicial Administration, American Bar Association; first assistant county attorney, 1935-39; city attorney of Hutchinson, 1939-43; city attorney of South Hutchinson, 1946 to date. Married and has two daughters and a son. Served in United States Army, Security Intelligence Corps, 1944-45. Other interests include: board member, president and attorney, Hutchinson Public Library; president (two years), Community Concerts Association; member of Kiwanis

(Continued on page 23)
Taxation and the Economy, 1956
By PROFESSOR WALTER J. BLUM
The University of Chicago Law School

I
As economic conditions in the country have changed, we have seen a shift in the economic ideas which enjoy public prominence in the area of tax policy. The old standbys of course remain on the scene. We will always be reminded by somebody that taxes should not be so high as to impair incentives or impede savings; and we will never be without the advice that taxes should not be so high as to be confiscatory. But, while these and other ancient maxims are always present, it nevertheless is true that there are vogue ideas, and the economic ideas which are in the forefront of public discussion of tax policy quite naturally are closely related to the economic conditions of the period.

During the depression of the thirties there was a great deal of talk about a gap between the effective demand in the private part of the economy and the level of demand required to sustain a high level of employment. This gap was ascribed to various factors, particularly to the belief that our society had matured and that there were no longer profitable uses for the whole amount saved by the population each year. If high employment was to be attained, it would be necessary for the government to bridge the gap by operating at a deficit and thereby create additional effective demand. This thinking produced or encouraged the advocacy of certain tax policies which, it was said, would tend to minimize the gap in the private sector of the economy and thus hold down the size of the government deficit seen as needed to close the gap. It became popular to urge adoption of a highly progressive tax structure in order to redistribute wealth and thereby reduce savings and increase spending by consumers. There was much talk about placing a tax on inactive income—that is, income which was saved and not spent. And also in vogue was the thought that taxes on consumption should be pared down or eliminated.

As we moved into the period of the second World War, these guides for tax policy fell into the background. The principle which advanced in popular acceptance was that taxes were needed to mop up private purchasing power in order to avoid more inflation. But the ideas which had been popularized in the thirties had not died out by any means. With the slight recession in the late forties they again began to be proclaimed. Even today, after years of high employment and near-balance in the government's budget, they have considerable vitality. And I have no doubt that they would regain prominence were our economy to suffer any substantial downturn.

At the moment, however, a number of other guides for tax policy are enjoying increased attention. Each of them was expressed, in the words I quote, in papers submitted last year to the Subcommittee of the Congress-
al Joint Committee on the Economic Report which was studying the subject of Federal Tax Policy for Economic Growth and Stability. It is these guides which are my subject; and in the course of considering them I will have an opportunity to pay my respects to the older ideas which I have mentioned.

II
We frequently hear today that tax policy should be shaped to encourage a high level of business spending, because that is needed to maintain a high level of employment. It is said that "business investment in new producing facilities is a key ingredient of prosperity ... if for no other reason that that about one-fourth of our industrial workers, and by and large the best paid industrial workers, are engaged in producing and installing capital equipment." And further we are told that "it is almost a 'natural law' of economics that depression and unemployment are very difficult to avoid unless private capital outlays are reasonably well maintained." The prescription for tax policy which emerges from emphasizing these propositions is so evident that it hardly needs elaboration. Taxes which discourage business investment should be given high priority whenever taxes are reduced.

The difficulty with this narrow view of the economy is that it can always be matched by an equally narrow view which has from time to time enjoyed great popularity. If high business spending is needed for prosperity, it can with like force be asserted that high consumer spending is essential. The observation that a large part of the working population is tied in with servicing business spending can be topped by noting that a larger fraction is connected with servicing consumer spending. And the quasi-natural law of economics linking high business spending and prosperity is no more potent than the semi-natural law equating prosperity and high consumer spending. Thus it can be argued that we should have a different tax policy: When taxes are cut, those which impede consumer spending deserve a high order of priority.

These competing prescriptions of course virtually exhaust the inventory of taxes, since almost all taxes can be found to interfere with business spending or with consumer spending. As appreciation of this has increased, another idea has been coming to the front. "The problem involved," it is said, "is one of maintaining a balance between capital investment by business and spending by consumers which keeps both on a relatively even and expanding keel." This thought has a ring of moderation and reasonableness (and, one is tempted to say, balance as well). But as a prescription for tax policy it leaves something to be desired. Suppose that the economy falls considerably from full employment. If it is thought that tax reduction is in order, how do we know whether maintenance of the "balance" between business investment and consumer spending calls for reduction of those taxes which most inhibit the former activity or
those which most deter the latter? Do we try to reduce these two groups of taxes in that proportion which reflects the relative fall-off in consumer spending and business investment? If so, we must be asked to assume that the previously existing relationship between consumer spending and business spending was the "right" one for a high level of employment. This, however, would be hard to swallow, since we have experienced prosperity with various ratios in the past. On the other hand, if we are not to restore some former ratio, how can we ever tell what mixture of tax cuts is proper for the "balance" required by the prescription? Obviously, there would be no way to tell. And, in any event, can we possibly think it would be good for the everyday workings of our tax system if we kept juggling our taxes in an attempt to maintain such a mythical balance?

These questions suggest what I regard as the only useful guide to understanding the problem. If the economy falls off, and it is thought necessary to reduce taxes to restore demand (and this is a point I will consider later), I submit that any tax reduction will serve the purpose as well as any other tax reduction of equivalent magnitude. A dollar increase in investment by business is just as potent in restoring total effective demand as a dollar increase in spending by consumers. It of course will be necessary to decide which taxes are to be cut; but, in reaching that decision, there is no need to be encumbered by meaningless conceptions of "balance" between various types of demand in the society.

III

Another idea that has been gaining in popular acceptance is that a maximum amount of economic growth is desirable, so that an hour of labor will produce the greatest amount of economic goods. It is clear that such economic growth requires business investment; it is mainly through society's acquisition of capital that the productivity of labor can increase. A program for maximizing capital growth through business investment would seem to call for a tax system which least retards savings and most encourages enterprise.

The attractiveness of forcing economic growth is easy to trace. To some extent it stems from the obvious fact that our people are materially much better off today than twenty years ago. A good portion of the one-third who were thought to be below the poverty line are regarded as having crossed over it; and it is the increased productivity of the country which seems to have made this transformation possible. It is not too great a stretch of the imagination to visualize the complete elimination of poverty (whatever that may come to mean) if the rate of increase in our productivity is sustained or augmented. The attractiveness of a high rate of growth may in part also derive from a belief that steady inflation in our economy can be avoided only by way of such growth. "Without continuing increases in productivity," it is said, "money wage increases are . . . likely to lead to corresponding increases in the price level." But overshadowing these considerations is the thought that maximum growth is required to preserve our position in respect to Russia. Today there is a widely held view that economic power will decide the future of world politics.

Now it is somewhat awkward to take a stand against economic growth. In a country in which material wealth is highly regarded, economic growth is generally accepted as an unvarnished good. The very term "productivity" has a ring of virtue. I do not wish to challenge the contribution of increased productivity to man's happiness, and I most certainly do not deplore our material gains. But surely it is conceivable that there can be too much of a good thing. We not infrequently have been reminded that for several decades Russia has force-fed its economic growth by starving consumers of goods and services. To be sure, our standard of living is at a considerably higher plane; but it nevertheless is true the maximization of our economic growth would be at the expense of contemporary consumers who would be compelled to do with less goods and services than otherwise. By stinting now, we probably could enable the next generation to trade in houses every year as we trade in cars. Thus the pertinent question is: Do we want forever to hold down present enjoyment for the sake of greater consumption in the future? And, in weighing this issue, we should not overlook the consequences of rapid change itself. At least we should ask ourselves whether we want to move toward greater automation and the four-day or the three-day week as rapidly as possible, and whether social values could be better conserved by a slower rate of progress? Regardless of how we answer these challenges, the point remains that maximum economic growth is not without its drawbacks.

Moreover, the argument advanced in its behalf must not be accepted uncritically. If maximization of productivity were to provide more persons in the future with more goods and services than they otherwise would have, it nonetheless would be surprising to find that future generations are free of concern over the have-nots. Once the subsistence line has been crossed by virtually every one, poverty appears to be a relative condition, associated not so much with the wealth of the society but with its distribution. On even weaker ground is the argument that forced economic growth is required to prevent inflation in an economy in which there are institutional pres-

Ross Lecture

The School was recently host to Alf Ross, professor of law at the University of Copenhagen. Professor Ross's work has covered a wide range, although he is noted primarily for his work in international law. On the occasion of this visit he delivered a public lecture on "The Use of Blood Types as Evidence in Paternity Cases."
THE FACULTY OF THE LAW SCHOOL


ALLEN H. BARTON, Assistant Professor of Sociology. A.B. 1947, Harvard University; graduate study at Columbia University, 1947-53. Lecturer in sociology and director of research project on Sociological Problems of Economic Planning, University of Oslo, 1948-49; instructor in sociology and research associate on problems of advanced training in social research, Columbia University, 1953-54.


WILLIAM W. CROSSKEY, Professor of Law. A.B. 1923, LL.B. 1926, Yale University. Admitted to practice in New York, 1928. One year with Chief Justice Taft of the United States Supreme Court; two and one-half years with Davis, Polk, Wardwell, Gardiner and Reed, New York City; one year with Allied Chemical and Dye Corporation, New York City; four years with Milbank, Tweed, Hope and Webb, New York City. Author, Politics and the Constitution in the History of the United States (2 vols.; University of Chicago Press, 1953).

AARON DIRECTOR, Professor of Economics. Ph.B. 1924, Yale University; 1927-30, University of Chicago. Instructor in economics, University of Chicago, 1931-35; visiting professor, Howard University, 1945-46. Editor, Defense, Controls, and Inflation (1952).


KENNETH C. SEARS, Professor of Law Emeritus. A.B. 1913, University of Missouri; J.D. 1915, University of Chicago. Office of Attorney General of Missouri, 1913–17. Practiced in Kansas City, Missouri, 1917–19. Assistant professor, associate professor, and professor of law, University of Missouri School of Law, 1919–25; visiting professor, summer sessions, Columbia University, 1923 and 1925; Summer Quarter (second half), University of Chicago, 1924; summer session, University of Wisconsin, 1926; Yale Law School, 1925–26; summer quarter, Stanford University, 1929, 1948; summer quarter (first half), University of Colorado, 1939. Member, American Bar Association. Author, Cases on Administration Law (1938); co-author, May on Causes (4th ed.); Revised Cities and Villages Act [Illinois] (1941).


Committee Members
for the
Chairmen
for students
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Los Angeles;


HANS ZEISEL, Professor of Law and Sociology. Dr.Jur. and Dr. Rej.Pol., University of Vienna. Lecturer, Department of Sociology, Columbia University; lecturer, New School for Social Research; instructor in economics and statistics, Rutgers University. Director of research development, McCann-Erickson, Inc.; director of research, Tea Council. Author, Say it with Figures (Harper & Bros., 1947); Marienthal: A Sociological Study of Unemployment (Leipzig: Hirzel, 1932) (with Marie Jahoda).

The Moot-Court Program

The Hinton Competition is a student-administered moot-court program which supplements the moot-court work required of all students as a part of the first-year tutorial program. Prizes are awarded to the winning team; it is also the custom to recognize the best brief submitted in the qualifying rounds and the best oral argument. The students in charge of the competition, and the results for the academic year 1955–56, were as follows:

Chairmen for 1955–56: DONALD SCHINDEL and MARVIN SILVERMAN

Committee Members for 1955–56: RICHARD BERRYMAN, MERCER COOK, LEWIS GINSBERG, RUDOLPH HUSZACH, JANICE MARK, ROBERT NAVEATIL, PETER SVASLIAN, ALAN SWAN, WILLIAM VAN ARSDIEL, and FREDERICK YONKMAN

Winners of the Hinton Competition for 1955–56: WALTER BISON, BERNARD FRIED, and WILLIAM VAN ARSDIEL

Representatives of the School in the National Competition: LEWIS GINSBERG and LAWRENCE RUBENSTEIN

Representatives of the School in Next Year's National Competition: TERRY F. LUNSFORD, ALAN C. SWAN, and FREDERICK YONKMAN

Best Brief in the Qualifying Rounds: By the team consisting of RICHARD B. BERRYMAN, DALLIN H. OAKS, JOHN A. RADCLIFFE, ALAN C. SWAN, and FREDERICK YONKMAN

Best Oral Argument in the Qualifying Rounds: TERRY F. LUNSFORD

The chairman for the academic year 1956–57 is Richard B. Berryman.
The Visiting Committee

The Visiting Committee of the University of Chicago Law School was established several years ago for the purpose of making available to the School the advice and assistance of eminent members of the Bench and Bar, both alumni and graduates of other law schools.

The School is pleased to announce that six distinguished lawyers, whose names follow, have accepted membership on the Committee.

George E. Hale, '40, of Wilson and McIlvaine
Ben W. Heineman, Chairman of the Board of Directors of the Chicago and Northwestern Railway
Charles R. Kaufman, of Vedder, Price and Kaufman
Kenneth F. Montgomery, of Wilson and McIlvaine
Erwin W. Roemer, of Gardner, Carton, Douglas, Roemer and Chilgren

The Honorable Ulysses S. Schwart, Illinois Appellate Court

The current membership of the Visiting Committee is:

Henry F. Tenney, '15, Chairman, of Tenney, Sherman, Bentley and Guthrie
Laird Bell, '07, of Bell, Boyd, Marshall and Lloyd
Richard Bentley, of Tenney, Sherman, Bentley and Guthrie
Laurence A. Carton, '47, of Gardner, Carton, Douglas, Roemer and Chilgren
Andrew J. Dallstream, '17, of Dallstream, Schiff, Hardin, Waite and Dorschel
Herbert C. DeYoung, '28, of Miller, Gorham, Wescott and Adams
James H. Douglas, Jr., Undersecretary of the Air Force
The Honorable S. B. Epstein, '15, Judge of the Superior Court of Illinois
Owen Fairweather, '38, of Seyfarth, Shaw and Fairweather
Morris E. Feiwel, '15, Vice-President of the American National Bank and Trust Company
The Honorable Hugo M. Friend, '08, Justice of the Appellate Court of Illinois
Dwight P. Green, '12, of Kirkland, Fleming, Green, Martin and Ellis
Tappan Gregory, of Gregory, Gilruth and Hunter
Clay Judson, '17, of Wilson and McIlvaine
William L. King, '17, of King, Robin, Gale and Pillinger
Glen A. Lloyd, '23, of Bell, Boyd, Marshall and Lloyd
Edward D. McDougal, Jr., '23, Vice-President and General Counsel of International Minerals and Chemical Corporation
Frank J. Madden, '22, of the Illinois Bar
Louis M. Mantynband, '20, of Arvey, Hodes and Mantynband
Frank D. Mayer, '23, of Mayer, Friedlich, Spiess, Tierney, Brown and Platt

Paul H. Moore, '23, of Winston, Strawn, Smith and Patterson
Thomas R. Mulroy, '28, of Hopkins, Sutter, Owen, Mulroy, and Wentz
Bernard Nath, '21, of Sonnenschein, Berkson, Lautmann, Levinson and Morse
Casper W. Ooms, '27, of the Illinois Bar
Norman H. Pritchard, '09, of Pritchard, Heath, Montgomery and Pennington
George A. Ranney, Jr., of Sidley, Austin, Burgess and Smith
The Honorable Walter V. Schaefer, '28, Justice of the Supreme Court of Illinois
Sydney K. Schiff, '23, of Dallstream, Schiff, Waite and Dorschel
Forest D. Siefkin, '19, Vice-President and General Counsel for International Harvester Company
R. C. Stevenson, '25, of Stevenson, Conaghan, Velde and Hackbert
P. Newton Todhunter, '37, of Todhunter and Ickes
Harry N. Wyatt, '21, of D'Ancona, Pflaum, Wyatt and Rikkind

The Law Review

The Board of Editors of the University of Chicago Law Review for the academic year 1956-57 will be as follows:

Managing Editors
Dallin Oakes
Editor-in-Chief
B. Z. Goldstrich James Liebeler Terry Sandalow

Associate Editors
Ronald Aronberg
Kenneth Dam
Stanley Block
Curtis Everett
Martin Bogot
Howard Krane
Miriam Chesslin
Peter Lederer
Robert Claus
Sidney Rosenfeld
George Cowell
Harry Sondheim

Alumni Luncheon

On Friday, June 1, during the annual University Alumni Week, The Law School was host to its alumni at a luncheon in the Law Library. The portraits of Professors Puttkammer and Sears were unveiled for the first time. Professor Puttkammer then inducted into the Order of the Coif the new members of the order: Preble Stolz, Ingrid L. Beall, Robert C. Poole, Richard W. Power, Nancy Marquis, George Miron, and Lewis R. Ginsberg. After the buffet lunch, the alumni and their guests heard a discussion of recent Supreme Court cases by Professors Brainerd Currie, Allison Dunham, and Philip Kurland.
In Memoriam

The School notes with regret the recent deaths of three of its eminent and devoted alumni.

Leo Spitz was a member of the Class of 1910. He practiced law in Chicago for many years, representing primarily motion-picture interests. The firm of Spitz and Adcock, of which he was senior partner from 1933 to 1943, is probably the one with which he was most closely identified. During the middle 1930's, while still engaged in the active practice of law, Mr. Spitz became president of RKO-Radio Pictures. At about the same time he served the state as chairman of the Illinois Racing Commission. In 1943 he became chairman of the Board of Universal-International Pictures Corporation and at about that time moved his residence permanently to California. He continued his association with Universal-International until shortly before his recent death.

The Law School is greatly indebted to Mr. Spitz for his continuing interest and support over several decades and for the very generous provisions of his will. After the termination of certain life-estates, a portion of the corpus of a trust fund established by the will is to go to the University of Chicago for the endowment of a chair in the Law School.

Frederic A. Fischel was a member of the Class of 1905, which was the first group to have had all its legal training at this Law School. He practiced law in Chicago for more than a half-century, since 1919 with the firm now known as Fischel, Kahn, Heart and Weinberg. He was widely active in social and religious work and was always much interested in the program of the School. He was a member of the Board of Managers of the Chicago Bar Association but is probably best remembered for his work with the Association's Grievance Committee, both as a member of the committee and as counsel for those involved in the grievance procedures.

Frank N. Richman served as a judge of the Supreme Court of Indiana from 1940 through 1947. He was graduated from The Law School in 1909. In his active practice he became widely known as a specialist on labor law. His great variety of public service activities included many years of work with the Red Cross, the Rotary Club, the Presbyterian Church, and the Youth Foundation and Historical Society in his home town of Columbus, Indiana. He was also active in the affairs of the American Bar Association, the American Judicature Society, the Indiana State Bar Association, and the Bartholomew County Bar Association. Near the end of his stay on the Indiana Supreme Court, he served as a member of one of the tribunals which tried German war leaders at Nuremberg. After leaving the court, he became a professor at the Indiana University Law School, where he taught until his retirement in 1952.

Note on Faculty Publications

The Free Man's Library, by Henry Hazlitt, a "bibliography of outstanding books on the philosophy of individualism, free trade, free enterprise, free markets and individual liberties," lists two publications by members of The University of Chicago Law Faculty: Blum and Kalven, Jr., The Uneasy Case for Progressive Taxation, and Simons, Economic Policy for a Free Society. The bibliography also includes Nutter, The Extent of Enterprise Monopoly in the United States, 1899-1939, a study which was in part supported by funds from the Law and Economics Research of The Law School.
Faculty Notes

Since the time the School was founded, it has been a tradition that members of the Faculty participate widely in the affairs of the organized Bar, work with practitioners and public agencies, and cooperate with other educational institutions. Typical of this approach is the number of public appearances made by members of the Faculty thus far this year. The selection which follows may serve to give an idea of their scope.

Professor Allison Dunham spoke on "Lawyers and Legal Research" before the Princeton Pre-Law Society and "Aesthetics and the Constitution" before the Real Property Committee of the Chicago Bar Association. At a meeting of the Wisconsin State Planners Association he discussed "The Legal Implications of the Master Plan." During the annual meeting of the Illinois State Bar Association, Professor Dunham presented a discussion of "The New Civil Practice Act and Real Estate Transactions"; later, during the course of the same meeting, he talked informally at a breakfast meeting of the alumni of the Law School.

Professor Hans Zeisel recently read a paper on "Sociology of Law" before the Graduate-Faculty Seminar of the New School for Social Research and presented the second lecture in a series of seminars on "Sociology of Law" before the combined faculties of the Law School and the Sociology Department of Rutgers University.

Max Rheinstein, Max Pam Professor of Comparative Law, gave the featured address at the most recent quarterly meeting of the Chicago Bar Association. His topic was "International Legal Studies: Recent Developments in the United States."

Professors Bernard Meltzer and Philip Kurland appeared on N.B.C.'s "New World" program, which replaces the old "University of Chicago Round Table"; they discussed the Fourth Amendment. Professor Meltzer also addressed the Management Development Center of the University of Chicago Industrial Relations Center on the subject of "Government Intervention in Labor Disputes" and lectured on the rules of evidence in the advanced training course conducted by the sheriff of Cook County. During the course of the annual meeting of the Iowa State Bar Association, Professor Meltzer spoke informally to a group of Law School alumni on the program and plans of the School. It should be noted that Henry Te Paske, '29, is now president of the Iowa State Bar Association.

During the annual meeting of the Illinois State Bar Association, Professor Brainerd Currie participated in a panel on the new Illinois Civil Practice Act. He also edited the "Trial Briefs" published by the Section on Civil Practice and Procedure of the Association in the February, and March, 1956, issues of the Illinois Bar Journal.

George W. Ball, of Cleary, Gottlieb, Friendly and Ball, Washington, D.C., speaking to the afternoon session of the Conference on International Law and the Lawyer.

As part of the observance of the Marshall Bicentennial, Professor William Winslow Crosskey lectured on Chief Justice John Marshall in the course of The Law School series on "Justices of the Supreme Court" and again at the annual meeting of the Association of American Law Schools.

Wilber G. Katz, James Parker Hall Professor of Law, spoke to the Association of Prison Chaplains on the subject of "Moral Theology and the Criminal Law"; he also addressed the Christian Frontier Fellowship on "Christian Criticism of the Modern Corporation."

Professor Fred L. Strodbeck delivered a paper, "A Symmetrical Order Statistic, r, for Use in the Analysis of Ranked Data," at the annual meeting of the Institute of Mathematical Statistics.

Professor Aaron Director gave a series of lectures on "Competition, Enterprise, and Monopoly" at the Institute on Freedom and Competitive Enterprise sponsored by Claremont Men's College.

Professor Karl Llewellyn spoke at Temple University's Law Day Dinner on "The Challenge to the Law Graduate," and at Grinnell College he delivered a lecture to the general student body on the subject of "The Law and You." He delivered the theme speech at the University of Michigan Law School's Conference on Legal Research and spoke at a Harvard Law School Forum on The University of Chicago Law School's jury research project.
Taxation

(Continued from page 9)

sures for wages to rise. During the last fifteen years it is true that money wages have risen while productivity has increased, or while the dollar has declined in value, or while both changes have occurred. From this experience, however, it cannot be concluded that money wages would rise in the absence of such other changes. A non-
economically dictated wage rise—that is, one which occurs without an increase in productivity or a decrease in the value of money—could occur only through further restricting entry into the labor force. Such a situation simply is not reached by my crystal ball. Finally, as to the military importance of maximizing economic growth, it might well be that nuclear weapon development has outmoded the doctrine which equates military might with economic power. While we might not be qualified as military strategists, we need not blind ourselves to the evolving possibility that from now on any major war would be decided in its first few hours.

IV

In the face of these considerations it is not surprising that the notion of a "balanced" economic program should make its appearance in this context also. Just as we are told that, to maintain a high level of employment, there must be a balance between consumer spending and business investment, so we are advised that a sound program of economic growth demands such a balance. "A steady rate of economic growth . . . requires that consumption and investment both increase in step with each other. Neither can outrun the other without causing trouble." And we are then informed, "from the point of view of tax policy, . . . a maximum [sound] rate of economic growth . . . means a balanced distribution of the tax load between business and consumption taxes."

I am not sure that I know what it means to say that neither investment nor consumption can outrun the other without causing trouble. Suppose that for some reason consumers on the whole decided that they wanted to consume more—meaning that they demanded more goods at existing prices—and suppose that for some strange reason enterprisers in the aggregate decided that they would not increase the existing capital plant. I would assume that prices of consumers' goods would tend to rise on the average, but this is hardly trouble. Or take the converse situation. Suppose that enterprisers decided to increase existing productive facilities but that consumers decided they did not want to consume more at prevailing prices. Here I would assume that prices of consumers' goods would fall and that some investment would turn out to be less profitable than expected—but this likewise does not add up to trouble. Perhaps those who see trouble envisage that prices will not fall and clear the market and hence that production (and employment) will decline; or that, even if prices do decline, the community nevertheless will not respond by purchasing more, and therefore that production (and employment) will decline. No doubt such happenings might spell trouble if the monetary authorities closed their eyes to them or acted perversely. But the facts are that we do have central control over our money system and that the controllers are in a position to act. It would be misleading in the extreme to base analysis and policy on a view which simply ignores these facts.

Even assuming, however, that optimum growth requires the thing called "balance," were we to rest tax policy upon this principle, we would again confront the problem of divining what constitutes a balance. Let us suppose that we want to have optimum growth for the next decade; and let us assume that the government will undertake to follow policies designed to maintain on the average a relatively high level of employment throughout the period. Our problem is to decide what kinds of taxes should be imposed, whatever the revenue goal might be. "Anti-investment" taxes, it is true, will retard economic growth as compared with "anti-consumption" taxes that produce equal revenue. But, whatever kinds of taxes are selected, the community can then decide for itself, under the tax conditions which prevail, how much it wants to consume and how much it wants to save and invest. There is no reason for believing that enterprisers will more likely fail to equate savings and investment under one type of tax system than under any alternative type. Thus how can it be said that a balance between investment and consumption is any more likely to be brought about by one set of taxes than by any other set producing an equivalent revenue? In brief, while in the long run tax policy certainly can affect the level of investment, it is hard to grasp how it can improve the balance between investment and consumption—assuming, of course, that we know what such a balance is.

A wholly fanciful question perhaps will illuminate this point. Assume that we were so fortunate as to live under a system in which the government could support its operations without collecting any taxes and that the community decided for itself how much it wanted to consume and to save. Is there any reason for believing that the government, if it were to interfere, could or would make a better decision on this issue?

V

Another theme which is thriving today is that, if employment sinks below prevailing high levels, the government should reinvigorate the economy by cutting taxes. This view is substantially the modern version of the old depression notion of a gap between income at a high-employment level and spending for consumption and investment. In the thirties it was argued that government deficits were needed to close the gap and restore high employment. The newer version is that a fall in employment indicates a gap is in the process of developing, and
therefore tax reduction to produce a deficit is called for to span the gap and restore the previous high level of employment.

This idea understandably has considerable popular appeal. Paying taxes is hardly ever a pleasure, and any reason which can be found for reducing them almost always is assured of a large sympathetic audience. Especially is this the case where the "reason" seems scientific and where signs of increasing unemployment are appearing. The theme, moreover, is based upon a sound observation. When employment is falling, an increase in spending by consumers or in investment by business will tend to firm up employment. No one will deny that, all other things being equal, such an increase in these circumstances is an unmitigated good.

But the crucial question at this point is whether we should use high employment (or full employment) as the criterion for action by the government. Several serious difficulties are immediately encountered. In the first place, there is considerable ambiguity about what constitutes high employment. Not only will men disagree as to what percentage of the labor force must be employed to have employment high but the size of the labor force itself is somewhat indeterminate. There are, for example, numerous persons who might seek employment when wages are relatively very high but who are content to be homemakers or to retire when wages are somewhat less high. In addition, there are countless others who normally are primarily interested in part-time employment but who might be induced to work longer hours for premium pay. Thus any over-all figure about the number of unemployed is bound to mask the uncertain and fluctuating aspects of that unit which is called the "laboring force."

Putting this matter aside, there is the further difficulty that, when employment falls, there is no way of knowing whether the economy is about to suffer a further decline in employment or is about to become reinvigorated. This will depend upon what millions of consumers and enterprisers decide to do; and, if there is anything that is unequivocal in recent economic history, it is that the professional prophets have usually been more wrong than right in predicting how consumers and enterprisers in the aggregate are about to behave. The significance of this point cannot be understated. If the private sector of the economy were about to increase its spending and investing, and if the government at the same time were to augment demand, the combination could well cause demand for goods to outpace supply. The general price level would then tend to rise—meaning the dollar would tend to go down in purchasing power—unless steps were taken to offset the forces at work. Even in the best of hands such a program would produce a considerable degree of instability or inflation over the years.

However, those who would have the government act whenever employment falls from its high level do not always regard milder inflation as undesirable. We are counseled that "it is not probable that we can achieve in the next twenty years anything like the growth we are capable of without some moderate increases in wholesale and consumer prices." And lest we become too concerned about the injustice of the arbitrary redistribution of wealth that accompanies an inflation, we are assured that "it is fair to say that, under the protection of social security payments, the problem of the impact of price changes on the fixed-income group has become negligible."

I am somewhat at a loss to know how to respond to the argument that the reshuffling of property by government through inflation is not so bad now that government can be counted upon to take care of most people by adjusting social security payments upward. Perhaps it is best just to assume that in such a climate of opinion all long-term fixed-income contracts in time would come to be made on the assumption that a fairly constant degree of inflation lies ahead and that therefore the transition to a steadily inflationary economy would hurt only those who happened to have made their fixed-income contracts before they realized that the change-over had taken place. Be this as it may, I pass over the issue of justice and turn to the basis for urging that we subject ourselves to the inconveniences (if not the injustices) of inflation. And, in doing so, I merely note in passing that a "little" inflation is not a self-defined thing. We can come reasonably close to agreeing whether or not the dollar is in fact staying constant in value; we are likely to have much less success in reaching agreement as to when an inflation is only a "little" one.

At bottom of the acceptance of inflation as an economic necessity is the view that, in a society which has sticky wages and prices, a continuous high level of employment cannot be had under conditions of monetary stability. Now it may be that the rigidities in our system make it somewhat more difficult for the monetary authorities to keep constant the value of the dollar; that is, to stabilize the dollar, they perhaps might feel impelled to act more often and more decisively than they would under a more flexible price system. But there is no indication that the rigidities in our society render stabilization impossible or impractical. In fact, the record of the past few years is strong evidence to the contrary. Once stabilization has been achieved and becomes an acknowledged goal, there is every reason to believe that consumers will mold their spending habits and enterprisers will conform their investing habits to an assumption of continued stability. We have already observed that the willingness of consumers to buy and of enterprisers to invest rests on their expectations as to the future. If, when the price level begins to slip, they expect that it will continue downward, they likely will retrench, and thus a further decline will ensue unless the contraction is otherwise counteracted.
But if, on the contrary, they expect that the value of the dollar will remain generally constant, a slight downward movement will likely encourage them to expand their spending and investment before the dollar has firmed up again. In other words, if the community has confidence in the over-all stability of the dollar, we should anticipate that people will respond to every slight change in value in such a way as to counteract that change, thereby aiding in the preservation of stability.

VI

This suggests that what is most needed is not a policy of deliberate inflationary pressure but one designed to produce monetary stability and maximize the community's confidence that such stability will be maintained. Toward these ends a great contribution can be made by such built-in counterweights as the income tax and unemployment compensation. This combination automatically reduces tax collections and increases government disbursements as the economy begins to fall and automatically increases tax collections and reduces government disbursements when the economy begins to rise beyond the high-employment-stability level. It is conceivable that built-in stabilizers plus adequate confidence in them might in time alone be sufficient to achieve the goal of continued generally high employment under a stable price level, provided that the quantity of money is regularly increased each year by a set percentage to accommodate normal growth in the economy. At present, however, the needed degree of public confidence perhaps can be obtained only by having the government take some positive action to bolster the economy whenever the price level begins to slip. Under these conditions the central question is whether the positive action should take the form of making a monetary adjustment—that is, increasing the supply of money—or the form of a fiscal adjustment—that is, cutting taxes and/or increasing government expenditures in order to produce a deficit which will be financed through the creation of additional money.

As a matter of mechanics I see no reason why either of these two methods cannot be made to work. Both are means of controlling the quantity of money, which, after all, is the most decisive and perhaps the only significant factor determining the price level. Nevertheless, there are two strong reasons for concluding that we should put our primary reliance on monetary action.

One consideration is that monetary adjustments can be made far more quickly than fiscal adjustments and that the monetary control mechanism is capable of more refined degrees of adjustment. This is not to say that the monetary authorities cannot make the mistake of over-compensating for a slight decline in the price level. It is only to say that the likelihood of overshooting the mark is greater where the cruder fiscal adjustment method is utilized. When tax cuts are in the air, there is a strong temptation to deal in wholesale quantities. Furthermore, as a practical matter the correction of an overdose would seem to be more easily accomplished by tightening up on the money supply than by increasing taxes which only recently had been reduced. The fact is that elections do take place every two years.

The other consideration runs deeper. One of the most difficult decisions facing our society is that of determining what activities are to be undertaken by the government. This will always be a highly controversial question, because people will differ in their estimate of the values to be derived from particular governmental activities. Nevertheless, if the decision is to be made on a rational basis, those who make it must weigh the values thought to be involved against the costs entailed. As rough as it may be, this judgment can reasonably be made so long as it is assumed that each governmental expenditure will have to be covered by tax revenues and hence paid for by taxpayers. The real virtue of balancing the budget (at a satisfactory level of employment) thus is that it provides the foundation for making a rational choice about the dimensions of government operations. To call for a change in taxes not because of a revised decision regarding the value of government expenditures but in order to alter demand conditions in the economy is practically to destroy this foundation. How can we sensibly pass on the merits of a proposed new government expenditure when we are told that it will cost us nothing, since a deficit is needed to jack up demand in the economy? And, if it is not feasible to make this judgment, how can we possibly expect to confine the activities of government to proper boundaries—whatever we conceive of them to be?

VII

By now it doubtless will be felt by some that here, indeed, is a strange thesis from one who professes to have a special interest in taxation. Its thrust is that, in setting taxes, we should not be concerned with the relative strength of spending by consumers and investing by enterprisers, that we should not be guided by any conception of a maximum or balanced economic growth in our society, and that we should not try to adjust the general level of taxes in order to preserve a high level of employment. If we follow this advice, what is left to us as a guide in the realm of tax policy other than making sure that our tax system serves as an automatic built-in stabilizer? My answer is simple: Within very wide limits our chief guide should be that of equity. We should, in other words, seek that arrangement of taxes which results in the fairest distribution of the burden among the members of our society. And, if it be said that this is too indefinite a standard, my only reply is that we are less apt to do damage if we follow our notion of what is just than if we determine our taxes by following some economist's crystal ball or some expert's will-o'-the-wisp.

JERISLD, GERHARDT. S. Partner of Tatge & Jerisld, 33 S. Clark St., Chicago. Served on Legal Education and Corporation Committees of Chicago Bar Association; director and member of Executive Committee, United Charities of Chicago; member of Finance Committee, Lutheran Child Welfare Association. Married and has two children, a son and a daughter. The son is a student at the University of Chicago and the eldest descendant of Jerry's parents to be a University of Chicago student. Home address: 9206 Longwood Dr., Chicago.

JOHNSON, ELLIOTT A. Financial Vice-President and General Counsel of Schlumberger Well Surveying Corporation, 500 Gulf Freeway, Houston, Texas. Member of Houston City Council, 1945-46; served as acting chairman of a Citizens' Charter Committee which brought city-manager government to Houston in 1942 with the election of a mayor and council of outstanding civic and business leaders. Now serving on boards of American Petroleum Institute, National Travelers Aid Association of America, Texas Manufacturers Association, YMCA, South Texas College, Better Business Bureau, First Presbyterian Church of Houston, and various other local and national organizations. Married and has two daughters, ages seventeen and seven, and a son, age fourteen. Home address: 502 W. Friar Tuck Lane, Houston 24, Tex.

JOX, MARSHALL J. Professor at Valparaiso University School of Law, Valparaiso, Indiana. Member of Committee on Improvement of Civil Procedure, Indiana State Bar Association; chairman, Board of Zoning Appeals, Valparaiso. Revised several volumes of Blackfield, *Automobile Law and Procedure.* Married and has three children, ages twenty-one, seventeen, and thirteen. Home address: 822 Laporte Ave., Valparaiso, Ind.

KING, WARREN E. Member of Warren E. King & Associates, Certified Public Accountants, 228 N. La Salle St., Chicago. Lays claim to being the "degreeeest" alumnus (Ph.B., J.D., M.B.A., and C.P.A.) and a member of one of the country's finest nonprofessional string quartets, the Business Men's Quartet, which gives recitals and concerts throughout the Midwest. Formerly on faculty of Illinois Institute of Technology as lecturer in Graduate School, Department of Business and Economics. Formerly an officer and director of the Chicago Business Men's Orchestra. Married and has two children, a son, thirteen, and a daughter, seven. Home address: 5408 N. Virginia Ave., Chicago.

KIPLINGER, JEAN R. Partner of Kiplinger & Kiplinger, Rushville, Indiana. Married and has two daughters and two grandchildren.

KRANZLER, GEORGE A. Partner of Kranzler & Kranzler, 1 N. La Salle St., Chicago. Married and has three children: two sons, ages seventeen and fourteen, and a daughter, age seven. Home address: 6341 N. Central Park Ave., Chicago.

LEYI, JULIAN H. Executive Director, South East Chicago Commission, 1400 E 53d St., Chicago. The principal function of this Commission is to assist in maintaining standards of housing in the area adjacent to the University of Chicago and to participate in long-range planning for improvement of that area. Married and has a son, age fourteen, and a daughter, age twelve. Home address: 5622 Woodlawn Ave., Chicago.

LIGTENBERG, JOHN. Partner of Rugen, Ligenberg & Goebel, 134 N. La Salle St., Chicago. Member of All-Chicago Civic Advisory Committee. Married and has one daughter, age fifteen. Home address: 7633 South Shore Dr., Chicago.

LISOWSKI, THADDEUS J. Practicing law at 816 N. Ashland Ave., Chicago. Served during World War II in AUS, Department of Finance, 1942-45. Married and has three children, ages thirteen, four, and two. Home address: 6510 N. Hiawatha Ave., Chicago.

LIVINGSTON, VIRGIL. Partner of Toft, Fitzsimmons & Livingston, 231 S. La Salle St., Chicago. Has participated in many civic, church, fraternal, and youth activities. Married and has a son, fourteen, and a daughter, twelve. Home address: Flynn Creek Dr., Barrington, Ill.

LOWRY, HYRUM D. Member of Lowry, Kirton & Bettiyon, 519 Boston Building, Salt Lake City, Utah. Has maintained an active practice since admission to the Bar but prior to 1953 spent most of his time in public office: assistant county attorney, assistant district attorney of Third Judicial District, assistant United States attorney, and assistant commissioner of Motor Carrier Claims Commission. Since 1953 has devoted all his time to private practice. During World War II served as appeal agent for local draft board. Married and has three children. Home address: 1718 Atkin Ave., Salt Lake City, Utah.

McGRAW, DUUMONT W. Partner of Mayer, Friedlich, Spiess, Tierney, Brown & Platt, 231 S. La Salle St., Chicago. Lieutenant commander in the United States Navy during World War II. Spent most of the war on staff of Commander of Seventh Fleet and doing operations and intelligence work with PT boats in New Guinea and Philippines. Married and has a daughter, age eight, and a son, age six. Home address: 121 Michigan Ave., Highwood, Ill.

MACGUINEAS, DONALD B. Trial Attorney in the Civil Division of Department of Justice, Washington, D.C. Represents the federal government in the federal district courts and courts of appeal. Recently argued his first case in the Supreme Court. Cases handled are mostly injunction and declaratory judgment suits challenging validity of administrative action or decision or constitutionality of acts of Congress. Supervises about fifteen other attorneys handling similar cases. Married to a graduate of the University of Chicago. Has one son of high-school age. Other interests include gardening and "hi-fi" record-playing. Home address: 5505 Wilson Lane, Bethesda, Md.

MILLER, SAMUEL W. Associate of Owens, Owens & Rinn, 100 N. La Salle St., Chicago. Married and has two children, ages eight and five. Home address: 8153 S. Langley Ave., Chicago.

MINER, ARTIE U. Assistant General Attorney for Union Pacific Railroad Company, 10 S. Main St., Salt Lake City, Utah. General practice from 1931 to 1941; assistant attorney general for Utah, 1941-44; attorney for Union Pacific Railroad Company since 1944. General counsel and a director of the Commercial Bank of Utah; part owner of a family corporation which owns and operates one cattle ranch of approximately 6,000 acres and two smaller ranches; former co-chairman of fact-finding committee on School Survey Commission set up.
by the governor and the legislature of Utah to study school problems; now a member and on Executive Committee of Local Government Survey Commission set up in same way to study local government; active in church work and Boy Scouts. Married and has a daughter, eighteen, and three sons, ages fifteen, twelve, and eight. Hobbies are fishing and hunting. Home address: 966 Military Dr., Salt Lake City, Utah.

OVERTON, ELVIN E. Professor of Law and Secretary of College of Law, University of Tennessee, 1505 W. Cumberland, Knoxville, Tennessee. Member of Public Relations Committee, Knoxville Bar Association. Obtained S.J.D. degree, Harvard Law School, in 1933. Taught in law schools in Georgia, Tennessee, Arkansas, Oregon, and Pennsylvania. Dean of Mercer Law School, 1937–41. Enjoys teaching and does some consulting work for attorneys. Active duty in United States Naval Reserve for three and a half years during World War II. Lieutenant commander on separation from active duty. Recently advised of selection for promotion to commander. Married and has a son, age eighteen, and a daughter, age seventeen. Home address: 1307 Woodcrest Dr., Knoxville, Tenn.

PERLMANN, MORRIS C. Partner of Polisher & Perlmann, 1420 Walnut St., Philadelphia, Pennsylvania. Spent three years with Internal Revenue Bureau. Married and has two daughters: one, age twenty-two, married to a prospective lawyer; the other, age fifteen. Home address: 146 Trent Rd., Philadelphia, Pa.

ROSENSTEIN, HAROLD A. President of Conway Credit Corporation, 127 N. Dearborn St., Chicago. Member, Decalogue Society; vice-president, Temple Isaiah Israel; president, Weissman Medical Research Foundation; past president, Jewish People's Convalescent Home. Married and has a son, age twenty, and a daughter, age sixteen. Home address: 5412 Hyde Park Blvd., Chicago.

SCHNEIDER, EMANUEL JOHN. Partner of Seidner & Seidner, 10 S. La Salle St., Chicago. Awarded Silver Beaver by Boy Scouts for distinguished service to Boyhood. President of Youth Center Neighborhood Association; director of YMCA; member of Executive Board of Boy Scouts; member of Selective Service Board during World War II. Married and has two sons, ages seventeen and fifteen, both of whom are Eagle Scouts and have earned major letters in swimming. Home address: 1948 E. 72d Pl., Chicago.


SNEED, ROBERT A. Director of Land Acquisition, Chicago Housing Authority, 608 S. Dearborn St., Chicago. In eighteen years with CHA has handled acquisition by purchase or condemnation of over $20,000,000 of real estate in Chicago. Commissioned as a second lieutenant in Reserve, 1929. On duty during World War II from 1942 to 1946 and attained rank of major. Now lieutenant colonel, National Guard, Staff Judge Advocate, 33d Infantry Division. Married and has two children, a son, nineteen, and a daughter, sixteen. Home address: 949 Spruce St., Winnetka, Ill.


TELEGANSKY, MORRIS S. Practicing law at 105 W. Adams St., Chicago. Served in United States Navy, 1944–46. Married and has two daughters, one a senior at Northwestern University and the other a senior in high school. Home address: 7633 Essex Ave., Chicago.

WEINSOLOW, SAUL. Sales Manager, Baloyan Mills of California, Inc., 15035 Califa St., Van Nuys, California. Served during World War II as major, Air Force Intelligence; overseas combat three years, heavy bombardment. Married. Has three French poodles. Home address: 15071 Del Gado Dr., Sherman Oaks, Calif.

ZORNOW, HERBERT F. Practicing law at 231 S. La Salle St., Chicago. Village attorney for Riverdale, Illinois, for more than twenty-five years; attorney for Riverdale Park District; director of First Trust and Savings Bank of Riverdale and Dolton-Riverdale Savings and Loan Association. Lieutenant in United States Navy for three years during World War II. Married and has one son, age nineteen months. Home address: 14840 Woodlawn Ave., Dolton, Ill.

Federal Tax Conference

The Law School will sponsor the Ninth Annual Federal Tax Conference, which will take place on October 24, 25, and 26, 1956. The program of the three-day Conference will include an address by the Commissioner of Internal Revenue, a mock trial designed to illustrate tax litigation procedure (the trial will be presided over by the Honorable Allin Pierce, JD'23, a Judge of the Tax Court of the United States), and a substantial number of papers and panel discussions on a variety of tax problems.

Chairman this year of the Conference Planning Committee is William N. Haddad, of Bell, Boyd, Marshall and Lloyds; Law School participation in the Conference is under the direction of Professor Walter Blum. Inquiries concerning the Conference should be directed to Assistant Dean James M. Ratcliffe, at the Law School.