Publishations of the National Bureau of Economic Research

INCOME IN THE UNITED STATES


Volume II. A report giving in full the methods and estimates to which the results shown in Volume I are based. Size 9½ by 6 inches, 460 pages, 22 tables, 35 charts and indexed. Bound in cloth, $15.50 post-paid. (Out of print.)

DISTRIBUTION OF INCOME BY STATES IN 1919

A study of the share of each state in the national income with a special analysis of the anomalous and relative importance of the various productive factors in the income of each state. Size 6½ by 4 inches, 20 pages, with 12 maps and 1 table. Bound in cloth. $1.25 post-paid. (Third printing.)

BUSINESS CYCLES AND UNEMPLOYMENT

Results of an investigation made for the President's Conference on Unemployment, by the staff of the Bureau with 20 collaborators. Twenty-one topics covered. This report summarizes the known facts of unemployment and describes the various phases of the business cycle, and the social and political consequences of cyclical unemployment. Size 9 by 6 inches, 226 pages, with 56 tables, 36 charts, and indexed. Bound in cloth. $4.10 post-paid.

EMPLOYMENT HOURS AND EARNINGS IN PROSPERITY AND DEPRESSION

Results of an inquiry conducted by the National Bureau of Economic Research, with the help of the U. S. Bureau of Labor Statistics, and the Bureau of the Census, for the President's Conference on Unemployment. It is a comprehensive report on the special needs of all persons interested in the study of labor conditions; its effects on the national wealth; and the labor cycle. Size 9 by 6 inches, 147 pages, illustrated with 71 tables, 16 charts, and indexed. Bound in cloth. $3.10 post-paid. (Second printing.)

THE GROWTH OF AMERICAN TRADE UNIONS, 1880-1923

Results of an investigation of trade union membership by year; its fluctuations with the business cycle; conditions; women in trade unions. Contains also a detailed analysis of the total working population of the United States. Size 9 by 6 inches, 170 pages, illustrated with 27 tables, 16 charts, and indexed. Bound in cloth. $3.80 post-paid.

Copies of available reports may be obtained upon request from:

The National Bureau of Economic Research, Inc.
474 West 24th Street, New York City

The National Bureau of Economic Research seeks Data to Throw Light on Marketing and Taxation Problems

Where in the United States are the people most uniformly taxed? Do States have a large number of automobiles per capita? How is the income of citizens living in rural homes? If States having equal total incomes furnish equal potential demands for articles of necessity for export? In a given state wage rates in one industry are higher, are wages and salaries in other lines of activity also above normal? Under what conditions of the questions that will be answered in the forthcoming report of the National Bureau of Economic Research, "Income in the Various States."

How purchasing power of the people in New York State compares with that in Pennsylvania, in New Mexico, in Illinois and in all other States, and whether the new sales taxes will be authoritatively shown in the report of an investigation now being completed by the National Bureau of Economic Research, 474 West 24th Street, New York?

In addition to showing the changes in total cash income received by the inhabitants in each state from year to year, this report will indicate the changes in the buying capacity of these cash dollars in respect to various classes of goods.

Useful Results Expected

By furnishing more scientific data than is now available, this report, if it expects to have a beneficial result in helping to eliminate some of the waste now caused by local and State sales taxes, will contribute to the simplification of legislation issues clearer; and to aid all who are desiring of understanding more clearly the economic factors that are influencing the extent of sales taxes.

Entitled Income in the Various States, Its Amount and Distribution, this report, if it is to fulfill the expectations of the people, will be of the utmost value in furnishing data for the enlightenment of the people as to the importance of the income of the years 1909 to 1918, and in extending the range of these years at least another 10 years.

Income as used in this report is defined as the sum of the incomes of the persons making up the families that are accounted for in terms of money. If every individual kept an accurate set of accounts, the value of his income would be his net money income for the year, and if all these net money incomes were added together, the resulting total would be the income of the whole country. No such study has ever been made before.

Facts Relate to 40,000,000 Persons

These facts are important because of their direct bearing on tax returns. They involve research far more complicated than merely collecting statistics, which can be done by Governmental departments. They represent as nearly as possible, the actual income of the American people, spread over or imposed on the Districts and States as shown by the census of United States.

The determination of "actual income," requires the study of the facts relating to the income of over 40,000,000 persons. The net money income of these persons amounts to $72,000,000,000 and they must be studied in order to make this accurate. The only true method for estimating income is through the system of income receivers in the States. The determination of "actual income," requires the study of the facts relating to the income of over 40,000,000 persons. The net money income of these persons amounts to $72,000,000,000 and they must be studied in order to make this accurate. The only true method for estimating income is through the system of income receivers in the States.
NATIONAL BUREAU OF ECONOMIC RESEARCH, INC.

The great variety of climatic conditions and the differences in the distribution of natural resources, together with certain historic factors governing the distribution and the composition of the population, determine the economic sections of the United States to develop along distinctly different economic lines. The development is, of course, not yet at an end.

It is apparent that no single factor can be used with sufficient degree of accuracy to account for the economic behavior of the various sections of the United States. The sources of income in each state are different and what is true in one state is not necessarily true in another. Further, the income produced in each state does not correspond with the amount of profits or income derived from the state. To Mr. Maurice LeVasse was assigned the task of compiling these state statistics, and how they were mounted is described in detail in the second section of the report.

Natural resources, composition of population, advantages gained by proximity of settlement and development, strategic position with respect to shipping and marketing, specialization of capital in older communities form one set of factors. Affecting income individually, and the industrial composition of different localities is responsible for the relative economic status of the total income.

Where one or more industries, or groups of industries form the chief support of the population, fluctuations affecting these individual industries may exert great influence upon the income in the states. Such fluctuations may, in any year, bring the average income of the people of a state normally belonging in a higher class, down to, or even below, the average income of the states usually characterized by low income.

Period Covered by this Report

No year is a normal year for all industries, and consequently conditions obtaining in any one year cannot be accurately ascertained as being fully representative of the economic status with respect to income. The data for a series of years must be analyzed for this reason. For the three years 1899, 1910, and 1921 were grouped and carefully studied for the period of the investigation.

Dr. William L. Thorp, in his Business Almanac, now being prepared for the National Bureau of Economic Research in connection with its forthcoming analyses of business conditions, has provided an excellent index of business activity, which the writer adopted for the method of putting of new securities. Speculation, Money tightening, Prices, New issues, Wholesale prices, Trading, Prices high, Money tight, Rapid declines, Buying Spring, Spring to stage action, Many failures, Moderate crops, 1921-22 depression, Winter prices low.

We see that, for the country as a whole, the period selected presents almost a complete cycle, with the turn around the latter part of 1919 and the beginning of 1920 and the beginning of 1921.

Presentation of the Material

The report now in preparation, which will form a volume of considerably over 300 pages, is intended to be chiefly a statistical presentation of the more salient factors pertaining to the income of the various sections of the United States, its sources, and geographic distribution. Only the more important factors will be selected for presentation, but even in the selected material, the reader will be struck by the forty-nine geographic units covered in this is intensively important in the recognition that the writer feels to do justice to all the points of interest revealed by the data.

New Data to Aid Students of Income and Taxation

The view is widely held that in a democratic country, there can be no healthy national government unless a majority of the people feel that they contribute materially towards its support. However, it is equally clear that taxation should be graduated in accordance with the ability of the citizens to pay. A careful study of the basis for the apportionment of taxes is income.

The writer is of the opinion that the states should choose between the "pay as you go" policy and that involving the imposition of a progressive income tax policy. Depending upon the economic state of a given public project through added taxation, the risks of an income tax may be deferred to some future date and generation. How does the burden of taxation in the given state compare with that of other states?

The problems of the student of taxation have, therefore, been considered in the preparation of the forthcoming report of the National Bureau of Economic Research on income in the Fortress States. It is hoped that the analytical tables appearing in the last chapter will be of great value. From these tables, an attempt has been made to view the income of the people in each state as many angles as is compatible with reasonable accuracy.

Income Data as Applied to Marketing Problems

Aside from being an aid in measuring the economic status of the people in the various states, the geographic distribution of income may be made to serve an important function in the marketing of goods.

However, not all the income received is spent for consumption goods, and the portion of income used does not vary in exact proportions to the total income, particularly in the case of the various states.

To measure the ability of the people to purchase consumption goods, an attempt is made carefully to fit the special problems at hand. The needs of investigators along the various lines have been given careful consideration in the preparation of the forthcoming reports of the National Bureau of Economic Research. Not only in the final summaries and in the analytical tables, but also in the section which deals with the section of income of states, data will be found that should prove helpful in the solution of these problems.

Practical advertising and sales research experts who have followed the work of the National Bureau of Economic Research have volunteered the statement that information such as the Bureau is developing is of the greatest importance to them and to all who are concerned with the capacity of consumers in the country,

(a) to buy goods of various sorts;
(b) to buy goods to make and consume useful projects;
(c) to bear taxation;
(d) to plan for income taxation projects.

Numerous requests for just such data have been received by the National Bureau of Economic Research and advertising agencies, manufacturers, public utility operating companies, individual business, and various governmental agencies. In the distribution of the final report, an attempt will be made to distribute it to business firms, advertising agencies, manufacturers, public utility operating companies, individual business, and various governmental agencies.

Contributors Receive Publications

Persons who wish to receive copies of all the future publications of the Bureau may enroll as contributing subscribers. In addition to receiving the publications, the contributing subscribers will be kept in touch with the work of the Bureau. They will be given a complimentary copy of license in the Fortress States, as well as a report on trends during a full year of data from subscription.

Topics in Texts and in Tables of Income in the Various States

The data collected and summarized in the forthcoming report of the National Bureau of Economic Research have been computed and summarized in the preparation of the forthcoming report of the National Bureau of Economic Research.