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increase of the duties on corn; Professor Schmoller, angering the deductive economists by his Olympian survey, and yet continually criticised for his "compromising" spirit in practical affairs; the Stumm attack, which for a time brought the old associates together again; the creation of a new society for propaganda, the *Gesellschaft für Sozial Reform*, and the doubt whether the *Verein* may not have outlived its usefulness—here are subjects enough for a philosophic pen. And then the large significance of the whole—the place of the university in modern German life, the place especially of the scientific (or, at any rate, of the disinterested) student of economic affairs in a society rapidly transforming itself in the ways of modern capitalism—here is a theme which some day, we will hope, will be adequately treated. But on topics like these Dr. Else Conrad can hardly be expected to have seriously thought as yet. Meanwhile here are some stones for the building, put ready for a future user. And if I have seemed to be chary in praise for preliminary work of this kind, I would like to put the balance right by saying that it is the spirit of patient system which such dissertations breathe that we need above everything else just now to acclimatise in our English universities.

W. J. ASHLEY

Die Konzentration in der Eisenindustrie und die Lage der reinen Walzwerke. Von Heinrich Mannstaedt, Dr. phil. et rer. pol. (Jena, Gustav Fischer, 1906. Pp. 63).

THIS excellent little pamphlet gives an admirable survey of the German iron industry of the last hundred years. The object of the author is to study the condition of the "pure" rolling mills, *i.e.*, those not connected with blast-furnaces or steel smelting plants, in the face of the great concentration of the iron and steel trades into kartells. There is no problem more bitterly disputed in iron circles in Germany alike in the Press and before the Kartell Commission. It does not exist to the same extent in this country, though Mr. Axel Sahlin a few years ago gave a lugubrious forecast of the future of the "pure" blast-furnaces and "pure" rolling-mills. Concentration in the iron industry has passed through three stages—the growth of the unit, extension to embrace other branches of the industry, and commercial alliance. In 1871 there were 213 blast-furnace works in Germany, employing 23,191 workmen in the production of 1,563,000 tons of pig-iron; in 1904, 100 works produced 10,058,000 tons with the help of 35,284 workmen. Even in the 'fifties there

were some comparatively large "mixed" works, but the opportunity of large-scale industry only came with the invention of Bessemer. On the one hand the utilisation of the blast-furnace gases for heating the blast and the technical improvements which followed in the wake of that great discovery made a large output of pig-iron possible; on the other hand the use of fluid iron in the converter was a cheap way of turning large quantities of iron into steel. The difficulties of finding suitable ore at prices which compared with those in England delayed the development of the German steel industry until the invention of the basic process by Messrs. Thomas and Gilchrist allowed use to be made of the cheap and abundant ores of Lorraine and Luxemburg. The tendency was to add steel works to blast-furnaces in order to use the pig-iron molten instead of having to remelt it when cold. In proportion as steel ousted wrought iron the puddling works converted themselves into pure rolling mills, purchasing their raw material from the steel works. At first they got their supplies of ingots cheap owing to the competition of the steel makers, but the introduction of the soaking-pits (invented by Mr. Gjers, of Middlesbrough) into Germany in the 'nineties made it possible to roll large iron forms with the original ingot heat without reheating. The steel works promptly set up their own trains of rolls in order to exploit this new source of saving, and the day of trouble for the pure rolling mills began. Finally, another great advantage was given to the mixed works when, working on the ideas first put abroad by Mr. B. H. Thwaites, German inventors used the waste furnace gases in gas engines for the blast, driving the rolls, etc. Dr. Mannstaedt measures the advantage possessed by a mixed works over a pure rolling mill at 14.87 marks per ton of raw steel. To equip a new steel works with ore and coal fields, etc. costs £2,750,000 for a production of 3-400,000 tons per annum. Such is the extent to which technical improvements have forced consolidation.

When the depression of trade set in in 1901 the home market was relieved by a gigantic export of half-stuff and finished goods, but two factors contributed to cause an increased output—the utilisation of blast-furnace gas in gas engines, and the desire of those who foresaw the necessity for a steel kartell to extend their works for the purpose of securing a large quota in the union when it took place. Out of the bad times arose the great kartell of the mixed steel works which by its policy has awakened so much bitterness. Dr. Mannstaedt considers that its technical superiority is so great that none of the means proposed for the

defence of the pure rolling mills can be effective. Yet he admits that the speedy disappearance of these works would create too much local suffering and disturbance, and he urges that they should form kartells and enter into alliance with the Stahlwerksverband. It would suit the great union to keep them in existence, at least for a long time, for they would act as a fly-wheel to the industry, obtaining employment in good times and standing idle in periods of depression. The latter part of the pamphlet is based on the discussions before the Kartell Enquiry. Altogether, Dr. Mannstaedt is to be complimented on a thoroughly good piece of work.

HENRY W. MACROSTY

Einfache und Höhere Arbeit. Eine sozialpolitische Untersuchung zum Arbeitsvertrag des Bürgerlichen Gesetzbuches.
VON DR. WALTER HESS. (Jena: Gustav Fischer. 1905.
Pp. 77. Mk. 2.)

THIS book examines the question whether the ancient distinction between *operæ liberales* and *illiberales* can be maintained. As far as the law of Germany is concerned, the answer has been given in the negative by the enactments of the "Bürgerliches Gesetzbuch." But inasmuch as public opinion and usage do not accept this verdict the author feels justified in examining the question further. The law distinguishes in the whole field of human labour only two kinds of agreement between the parties interested: (a) the service-contract, where the worker agrees to give his services, and his services only, and must be remunerated irrespective of his achievements; and (b) the work-contract, where the actual result only is considered and paid for. The former is strictly regulated by law down to the minutest particular, and the workman is protected at all points and made immune against risk of any kind. In the latter both parties to the contract are practically unhampered by legal restraint. The distinction fails, however, according to the writer, inasmuch as the principle of division does not go to the root of the matter. The service-relation includes not only workmen but teachers, officials, and professional men who are capable of safeguarding their own interests, and for whom the protection accorded by the law is not only superfluous but likely to prove vexatious. On the other hand, the work-contract applies to all home industries, the workers in which are often as much at the mercy of the employer and as little fitted to bear risks as any day labourer. The true distinction