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universally allowed in certain circumstances, would on the whole tend to the general good."

CARVETH READ

Local Government and State Aid. By SYDNEY J. CHAPMAN, M.A.
(London : Sonnenschein. 1899.)

MR. CHAPMAN has, in this essay, fully grasped and fairly stated the dimensions of his subject. He does not try to discuss local taxation apart from the services which cause local taxation, and he does not try to discuss the relationship of local taxation to imperial taxation apart from the relationship of local services to imperial services. It is true that he limits his investigation of these subjects to the barest facts and to the most obvious examples; but it is important, above all things, that whatever the causes of his essay being limited in extent, they have not weighed against the true method of investigation. We note this fact thus prominently, because of the almost universal practice of inquirers into local taxation, neglecting the elementary principle of studying it, namely, as an essential part of local government, and instead of this, studying it as a branch of economics standing apart by itself.

With much of Mr. Chapman's essay we are in cordial agreement, if we do not always agree with his particular mode of expressing all the propositions he lays down. Occasionally, for instance, he borrows a term from other sciences with most disastrous and tantalising results, as when he is performing the very necessary duty of definition of terms he explains that the expression "'district governments' will be applied when it is desired to summon attention to the primitive political cell." Nothing could be more unfortunate than the three last words of this sentence. They belong, of course, to the science of anthropology, and do not in any way explain Mr. Chapman's meaning, and we draw attention to them only to emphasise what appears to be a growing danger in the indiscriminate use of terms and phrases which, having become more or less popular by their use in one science, are loosely used for the purposes of another and wholly different science. It need hardly be said that there are no "primitive political cells" connected with local government and State aid.

After a short introductory chapter, Mr. Chapman discusses the distribution of work between local and central governments, and he puts the case clearly and strongly, rightly concluding, we think, that "the future of representative government—and in this is involved the future of civilisation—is wrapped up in the future of local self government." Probably, too, Mr. Chapman is right in his conclusions that the control of the county over the district is curtailed by the friction which control induces, but we are hardly disposed to agree that his excellent definition of what local services should consist of is assisted by his suggestion that uniform administration must necessarily be the

result of State government. If State government is wisely managed, it will be, and must be, as elastic as possible in all its branches, as must local government be. Uniformity of administration is as disastrous to one as to the other, and a treatise which views the subject apart altogether from history, should not give countenance to such a suggestion.

In his chapter on the distribution of cost and the grounds for subventions to local bodies, Mr. Chapman seems to us to drive his analytical method too hard—to assume *à priori*, that because State subventions exist, they are therefore right and only want putting on a correct basis and in their correct place in the system. Like all analysts, he depends too much upon the result of minute analysis into original elements, whereas there is the analysis into group factors which necessarily precedes this.

The limited taxing capacities of local governments are dealt with very well, but we quarrel with Mr. Chapman's definitions of the local licenses, handed over to local taxation by the Act of 1888, as an example of the *additionel* system. They are purely and simply local taxes formerly appropriated by the State government, and now properly handed over to the localities, just as the inhabited house duty is a local tax still improperly left in the hands of the State government.

On the question of incidence of local taxation, Mr. Chapman is perhaps less happy than in any part of his essay. He begins by one or two very clear definitions of incidence as it affects the tenant and the owner, and he then, after all, comes to the lame and inaccurate conclusion that, "*in the long run*, the rate is divided between land-owner and tenant." All through this very difficult part of his subject, indeed, Mr. Chapman appears to us to just grasp at the correct conclusion, and then to escape from it by some remarkable statement, such, for instance, as that imperial taxes "are not merely remunerations for services," or that railways are overrated and "fleeced more than is justified by the benefits they derive from the services of local authorities." Surely these two propositions, calmly taken as generally proved, are capable of very serious objections on grounds that, elsewhere in this treatise, Mr. Chapman himself clearly establishes. And finally, when we find Mr. Chapman's definition of the aims of local taxation to be, "to tax occupiers, ground-rent holders, and consumers," we only perceive the result of the confusion between half-grasped conclusions and half-considered illustrations.

On the present system of subventions, Mr. Chapman is rightly severe, and we agree entirely with him as to the absurd and iniquitous system which was started in 1888, though we more strongly condemn the still more absurd and iniquitous systems which have grown from it, as, for instance, when Mr. Long announced from his place in Parliament that because local authorities received more from the grants now than they did in 1888, it was right and proper to compel them to pay the rates on tithes, not in proportion to the amount of tithes in each

county, but in proportion to the amount of grants each county received from the State !

Altogether, in this treatise, although we have had to differ from some of its conclusions and some of its methods, the student will find a careful, thoughtful and able examination of a very complicated subject—an examination which places in the hands of all caring to study the matter much that is most helpful, much that is indispensable. And if we have ventured to disagree with Mr. Chapman in no uncertain manner, it is the disagreement of respect for a cautious and able investigator. Mr. Chapman has taken a comprehensive survey of his subject. He has adopted the analytical method of treatment, and has come to his conclusions after close examination of details, and once more the irresponsible methods of politicians, aided by the inefficient criticism of Government departments, stands condemned by the light of expert research. The objections which we have raised to Mr. Chapman's conclusions in no wise affect the final results. Our objections apply to some of the intermediate stages, and amount to this—that Mr. Chapman has not gone far enough along the lines he himself has started from. If he had proceeded as far as he could have gone, his results would have been far more conspicuous, but they would have been of the same character. And we cannot help asking how long it will be before the Government will recognise such criticism as this, and whether the Royal Commission now sitting will report fully on scientific lines, or will follow the old lines and give the world a political report.

LAURENCE GOMME

Dictionary of Political Economy. Edited by R. H. INGLIS
PALGRAVE, F.R.S. Vol. III., N—Z. (London : Macmillan
and Co. 1899. Medium 8vo. 762 pp. Price 21s. net.)

Plaudite ! The third act is over, and the first Dictionary of Political Economy to be completed in the English language is before us. The list of contributors is a brilliant one. They have played their parts well, and the editor has managed them with great ability. Though he has himself written very little for the Dictionary, his influence in it has been felt throughout, and his leisure has for many years been absorbed in unremitting attention to the work, which will remain his lasting monument. A word of thanks is also due to the publishers for their public spirit in making themselves responsible for so considerable an undertaking. If its success is at all commensurate with its deserts, they may congratulate themselves upon a very valuable venture. No working economist can afford to be without this Dictionary. To consult it is to save time. If we do not find in the compass of an article all we need to know on a given subject, we are always supplied with references to more ample sources of knowledge. Hitherto, many of us have wasted half our labour in vainly searching for the proper books or reading the wrong ones. Much of this should now be at an end.