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and nearly as much to that of Germany; the Austrian industry occupies twenty-eight pages, and a hurried glance at France and the United States takes eight pages. The principal theme is that the Lancashire industry has thriven on its specialisation, the division of the trade according to the stages of production being followed by a specialisation of factories which confine themselves to a few products. This development has brought into existence a strong merchant class which integrates the whole industry, brings its various parts into harmonious relations with one another, and equates production to the shifting demands of the market. The combination movement has spread only in the bleaching, dyeing, and printing trades, where "horizontal" combination has made possible a more thorough specialisation of works. This complicated system of sharing the industrial and commercial risks of production has enabled manufacturers to devote themselves to the complete mastery of their technical and labour difficulties. This part of the book is practically a summary of the recognised authorities, but it is a very good summary. It might have been worth the author's while to point out that specialisation is also fostered by the existence of a strong trade in yarn, both for export and for the home hosiery and woollen industries, and by the ease with which new men can enter the industry as commission spinners and weavers. The Fine Cotton Spinners' and Doublers' Association, Messrs. J. and P. Coats, Ltd., and the English Sewing Cotton Co., Ltd., bulk largely in the spinning and doubling sections of the trade and are combinations.

The sections dealing with the German and Austrian cotton industries will be of great interest to the British student, as they deal with facts much less well-known. It is very clearly shown how the Continental trade suffers from the lack of specialisation and from the weakness of the merchant class. Incidentally, it is plain how difficult it is for an industry to escape from its historical development; the absence of one district specially favoured by climate has prevented the local concentration of the German industry and has brought all the other weaknesses in its train.

H. W. MACROSTY

Elements of Economics, with special reference to American Conditions. By H. R. BURCH, Ph.D. and SCOTT NEARING, Ph.D. (New York: The Macmillan Company. 1912. Pp. xvii + 363.)

THIS book, intended for those beginning the study of economics, claims attention for its method of treatment rather

than for originality of thought. In arrangement the traditional plan has been followed of dealing first with the nature and consumption of wealth, and then with production, exchange and value, and distribution. Within these limits, however, the order of treatment is not always beyond criticism. Thus, to treat unemployment in connection with the factors of production before the theory of value has been studied, makes it unlikely that its nature and causes will be appreciated; and to consider taxation under the head of exchange of wealth, obscures many of its most important aspects.

The book has many good features. The exposition is clear and vivid. Examples, mainly drawn from American conditions, are freely and aptly introduced, and serve to emphasise throughout that economics deals with man as he is, and in the ordinary business of life. Precision of expression, at times approaching dogmatism, is another praiseworthy characteristic, for with beginners qualifications and exceptions lead, as a rule, only to confusion. But in one requisite of a good text-book the book is lacking. It is important with beginners to emphasise the relative importance of different parts of the subject, and this can generally be done only by judicious omission. By attempting to include too much the authors have made the book scrappy. The chapter on foreign trade is quite inadequate, the doctrine of comparative cost not even being mentioned, and the incidence of taxation is dismissed in eight lines. On the other hand, whole chapters are devoted to a superficial discussion of the technical aspects of soil fertility and the production of new species.

These defects might perhaps be remedied under the direction of a good teacher. More serious, however, is the fact that the student is unlikely to realise the fundamental importance of the theory of value. To start from the proposition that immaterial wealth differs from material wealth, in that it cannot be exchanged, and that economics is primarily concerned with material wealth, paves the way to difficulties. Nothing is more important than for the beginner to realise that services of all kinds can be exchanged, and until this is grasped the theory of distribution will be found hard to understand.

As it is, the present book neglects the application of the theory of value to distribution, and an essential key to the economic mechanism is therefore never placed in the student's hands. Moreover, no attention is paid to the influence of different periods of time on the extent to which the various forces determining value operate; nor is the fundamental similarity of rent,

interest, and wages emphasised, or their differences ascribed to differences in the nature of the supply of land, capital, and labour.

One or two other features of the book deserve mention. There is a useful analysis of the subject-matter prefixed to each chapter, and topics for class discussion are given which may stimulate the imagination of the teacher. The references to books would have been more valuable if chapters or sections in a few standard books only had been indicated. To send the student to Karl Marx, or the *Origin of Species*, without further explanation is to court disaster.

W. G. CONSTABLE

Elements of Socialism: a Text-book. By JOHN SPARGO and GEORGE LOUIS ARNER, Ph.D. (New York: The Macmillan Company. 1912. Pp. iv + 382.)

A GOOD text-book on Socialism has long been wanted, but it is doubtful whether this book fills the gap.

In some ways it is an improvement on many existing books of a similar kind, for it aims at a vigorous presentation of all the most important aspects of Socialism—as a criticism of existing society, as a philosophy of social evolution, as a political and social ideal, and as a movement in the world to-day. The most useful parts of the book will probably be found to be those dealing with the ideals of Socialism, and the history and present position of the Socialist movement. It is perhaps unfair to expect too much in a text-book, but the authors do not explain satisfactorily the Socialist attitude on two important problems likely to arise in a Socialist society: how to secure incentives to labour and to the accumulation of capital. The latter question is not touched upon at all, but it is clear that if the State is to control the principal agencies of production and exchange it will have to settle where its capital is coming from, whether it is going to pay interest thereon, and, if so, how much. Also, no indication is given as to whether Socialists hold as a principle of distribution “to each according to his works” or “to each according to his needs.”

The section dealing with the Socialist movement omits one or two important matters. The Revisionist movement in Germany is touched upon, but not explained; and in the case of France, the General Confederation of Labour, and the doctrines for which it stands, are not mentioned.

In those parts of the book which deal with Socialism as a