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Junker, Bauer and Landarbeiter, or even of their mediæval predecessors; he must have his version of the beginnings; and here, with all his apparent originality of argument, he is but repeating what he had learnt from Waitz and Sohm and the rest. His reputation is so great that it required some little courage for Professor Knapp to urge, however politely, that his whole doctrine of origins is mere hypothesis, and that another explanation might suit the facts equally well. But this is what he does here. The notion of Meitzen and others that the laying out of *Gewanne* and *Hufen* (*furlongs* and *virgates*) was *intended* to produce equality of holdings among free peasants, he properly declares far too "rationalistic" for such times. He calls in question the supposed freedom and equality of the peasants; at any rate, as he shows, it is not a necessary presupposition of the open-field system. And the notion that the village with open fields is something specifically German while the isolated homestead is specifically Celtic is, he points out, much less obviously probable than that each corresponds to the geographical conditions under which it was the most advantageous method of settlement.

As I hinted above, Professor Knapp and his school are still in the stage of criticism. But we may assuredly expect that they will go on to more positive work upon the earlier centuries. They are at any rate free from any inclination towards "Romanist" exaggeration; they are not likely to see the Roman *villa* in Germany unless they are compelled to! Only a few years ago English writers who ventured to cast doubt on the "free Teuton" view of things were "anti-Teutonic iconoclasts" even in England; with Professor Hildebrand and Professor Knapp to keep us company, we may now feel tolerably comfortable.

W. J. ASHLEY

System der Nationalökonomie. Eine Lesebuch für Studirende, von GUSTAV COHN, ord. Prof. der Staatswissenschaften an der Universität Gottingen. Dritter Band: *Nationalökonomie des Handels und des Verkehrswesen.* (Stuttgart: Encke. 1898. Pp. vi, 1030.)

PROFESSOR COHN pleasantly remarks in his preface that, now that production-on-a-large-scale with division of labour has so successfully solved the problem of text book manufacture, he has had his doubts whether it was worth while for the independent craftsman to go on with his task. This is, of course, a more or less ironical allusion to the great co-operative publications associated with the names of Professors Schönberg and Conrad. But Professor Cohn need have no mock modesty. So long as he continues to write as well as he does, his treatise will easily hold its own by the side of the specialist monograph or the jejune dictionary article. It is emphatically a *Lesebuch*, as its author calls it,

But there is another quality required for readability besides an easy

flowing style, and that is the merely physical one of a tolerable weight. These, more than one thousand, pages are so ponderous that the reader is compelled to sit up to a table to read them with any comfort. Fortunately for the reviewer, the unbound burden fell asunder in the midst at an early stage in his labours. Either the author should have thrown over some of his materials,—and it may be remarked that there are a good many pages of statistics which could very well have been boiled down into a couple of lines,—or, as there is going to be a fourth volume in any case, he should have had the courage to give us five.

That coming fourth volume suggests the remark that the very scope of this present instalment of the *System* is in itself significant. The only previous work it can be compared with is the third volume of Roscher's *System*, which first appeared in 1881. But that was the "Nationalökonomik des Handels und Gewerbflusses." Now Professor Cohn has to postpone the subject of Industry altogether. And this is due not only to the rise of new and interesting forms of commercial organisation, but still more to the place which Professor Cohn gives to Transportation. It occupies more than 300 pages of this volume, and it is even put by the side of Trade on the title page. We may see here both the author's personal interest in the subject, and a realisation of its growing importance in modern life.

To review the book at all adequately would demand the knowledge of a specialist in two or three different fields, and the expenditure upon the task of several weeks of labour. But such criticism a book can very seldom get; and it usually has to wait for the test of actual use in class-work or research. Certainly the present writer cannot claim to have read more than a fourth of the whole. But that is not so unfair to the author after all. The chapters devoted to Transportation are, as he tells us, a summary of his work for the last twenty-five or thirty years. Professor Cohn has long been known as an authority on railways in general and English railways in particular; and every one who enters upon the study of that subject will be well advised to begin it here. And as to the rest of the book, each chapter stands on a tolerably independent footing and may properly serve as a specimen of the author's method and powers. The term "System" is, perhaps, a little misleading. Professor Cohn, indeed, has no system, in the sense of a body of closely connected ideas, dominating the whole structure; on his own principles, if I remember them rightly as set forth in his first volume, he could not have one.

To judge then of the whole from several of the parts, the thing that strikes one about it is its intense and all-pervading nationalism. This is shown, to begin with, by the nature of the contents. The book follows the useful practice of German treatises in giving us a great deal of actual information about commercial matters. But these matters are mainly German; the phenomena of other countries are brought in chiefly by way of illustration or to stimulate German effort. The book which shall draw the large outlines of the world's commerce with none but scientific prepossessions is still to be written. In the second place,

the outcries of particular German classes which find themselves endangered by recent developments make themselves very audible. The fate of the small shopkeeper, for instance, between the large store on the one side and the co-operative society on the other, gives occasion for much discussion altogether in place, and for some exhortation (to reform in business methods) which is probably thrown away. The mere fact that here and elsewhere whole pages are devoted to general advice, in striking contrast to the severe compression of the "purely scientific" argument, speaks loudly enough for the practical character of the treatise. But, above all, the nationalism of the book is apparent in the stress continually laid upon commercial rivalry with England. How great has been Germany's commercial progress since the re-establishment of German unity, how in this direction and that Germany is catching up with England, these are themes which our author, naturally enough, enjoys expounding; and if they know their business the writers of *Made in Germany* and similar works will not be long in making capital out of him.

Professor Cohn is one of those who believe that England owes its commercial greatness not at all to free trade, but to a consistent protective policy pursued for more than two centuries, which placed her in such a position of superiority that she could at last safely adopt free trade. It is, he holds, the interest of Germany to follow England's earlier example rather than her later, until she arrives at a stage when she also can dispense with artificial stimulus. And he supports his contention, which is as old as List, by an appeal to Dr. Ehrenberg's recent and remarkable book on Hamburg and Queen Elizabeth. Not even Mr. Froude had a more exalted notion of the services of the Tudor monarchy to the English people. Starting distinctly behind Germany in the sixteenth century, it was, according to Dr. Ehrenberg and Professor Cohn, the systematic policy of the Tudor sovereigns which initiated the movement that soon placed England in the van.

This is a view of the case which probably has a good deal of truth in it, and which is so seldom taken in England that it is worth while seriously considering it. But surely both authors exaggerate. Suppose we grant that there was nothing in national character to help to explain the facts, is geographical situation to go for nothing? Is what we have been accustomed to say about the effects on Germany of the diversion of the main line of European traffic from the Mediterranean and the South German and Rhenish cities to the Atlantic and Indian Oceans altogether devoid of pertinence? For the student of the economic history of the sixteenth century has to explain, not only the rise of English trade, but the much more rapid rise of the commerce of the United Netherlands, a country which certainly was neither quick nor very successful in securing a unified administration. Or again, considering that it was the Merchant Adventurers who created modern English commerce, and that the business of these Merchant Adventurers was to export English cloth, is there nothing to be said for the

English climate which made the country so suitable for the production of wool?

The same tendency towards exaggeration is to be noticed when Professor Cohn comes to close quarters with the free trade doctrine. In the form given to it by Adam Smith and perfected later by Ricardo, it rests, as he truly observes, on the assumption of the existence of natural differences between the productive capabilities of different nations. But this, he declares, is an "abstraction," which disregards the facts of history. Instead, however, of temperately repeating the familiar and true argument that the advantage of one country over another *may* be due only to an earlier start in that particular direction, he proceeds to minimise natural differences almost to the point of denial. He recognises, indeed, the importance of climatic differences between the temperate and the torrid zones; but the example of beet-root sugar is adduced to show how even the gravest climatic difficulties may sometimes be overcome by the progress of technological knowledge. True: and we are tempted to repeat Adam Smith's old joke about the possibility of producing excellent wine in England. But then comes the question of cost. Is it not at least arguable that the money spent by Germany on sugar bounties could have been more profitably spent in other ways? It is really a case where patriotic generalities carry one but a short way.

Again, Professor Cohn recognises geological limitations. But absolutely the only examples he gives (pp. 414-5) are furnished by gold and silver. Of course Germany, of which he is thinking chiefly, has iron and coal. But what about Italy, for instance? The fact is that the general temper of Professor Cohn's argument, while natural enough as a reply to "Manchester men," if there are any still left in Germany, is hardly satisfactory as addressed to the modern economist who is decently acquainted with the literature of the subject. The modern economist no longer believes in any abstract principle of freedom of exchange at all times and places: he recognises that governmental action can do much,—indeed he is likely to have a bias in favour of it: but he recognises also the practical and political dangers which beset protection; and he needs to be convinced, not of the possibility of a certain proposed piece of protection being wise, but of the probability.

But I would not give the impression that Professor Cohn's work is merely a piece of special pleading. It has, indeed, a certain one-sidedness, but it has many solid qualities, and it is an excellent example of a kind of economic work well worth doing but hardly represented as yet in England. In view of recent discussion in England and America about Trusts, special attention may be called to the account on pp. 148-9 of the Coal Syndicate in the Lower Rhineland and Westphalia. And in view of recent aspirations in England towards "commercial education" it may be well to read Professor Cohn's scathing criticism of German commercial academies (pp 9-14), written, doubtless, with half an eye to the instruction of his Imperial

master. Professor Cohn would perhaps have modified his remarks on p. 183 as to the advantages which the small shopkeeper possesses in his nearness to the customer if he had been acquainted with "Lipton's".

W. J. ASHLEY

Betterment and Municipal Improvements. By J. H. ROMANES, W.S. (Edinburgh: Blackwood and Sons. 1899.)

THIS pamphlet contains matter read to the Scottish Society of Economists. For a purely academic debate such as we may suppose the author to have opened, few things can compete with betterment. The subject bristles with points of controversy visible to the naked eye even of the mere theorist. To the practical administrator it is not of much interest, for the simple reason that very little property ever is bettered by the kind of improvements in aid of which betterment charges are claimed. Mr. Romanes distinguishes betterment charges from private improvement rates or charges by saying that betterment is an increase of value resulting from an improvement undertaken in the interests of the public generally, while private works or improvements are undertaken for the benefit of the property taxed. This can scarcely be correct. If it were, a jealous legislature would not have empowered local authorities to meddle with private works at all. The difference seems rather to consist in the fact that "private works" supply certain necessary adjuncts to dwellings and other buildings, while "betterment" improvements provide advantages which are not necessary though they are valuable. Consequently in regard to private works nobody sees any injustice in the simple rule of charging the whole expense on the property immediately affected, without any consideration of the value added to the property, which may be more or less than sufficient to counterbalance the cost of the works, while in regard to betterment charges the amount of value added is the important question on which everything hinges. It is necessary to decide whether the local authority is to be allowed to take the whole of the added value, irrespective of the cost of the improvement, or only a portion of it either fixed arbitrarily or determined in some way by the cost of the improvement. The present decision of Parliament is in favour of an arbitrary limitation to one half the added value, but whether this proportion would be granted if the cost of the improvement were likely to be less than one half the added value it is impossible to say, as no such case has yet arisen. Mr. Romanes does not tackle this question of limitation, nor does he attempt to say why compensation should not be given (up to one half) for worsenment. The present arrangement by which the worsenment of one property is set off against the betterment of another if the two belong to the same person, but not if they belong to two different persons, is clearly indefensible, and in serious cases might easily lead to the owners of the worsened properties selling them to the owners of the bettered just before a scheme came into operation.

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