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subject. On the other hand, the chapters are of unequal merit, are apt to overlap, and fail to give that clear impression which results from unity of design and unity of authorship. The usefulness of the work is increased by the inclusion of a comprehensive bibliography.

C. K. HOBSON

Free Trade, The Tariff and Reciprocity, by F. W. TAUSSIG, Ph.D., Litt.D., Henry Lee Professor of Economics in Harvard University; sometime Chairman of the United States Tariff Commission. (New York: The Macmillan Company, 1920. 8vo. Pp. 219).

WHOSO will be wise in the policy of Customs duties let him ponder the writings of Professor Taussig. Historian of the United States Tariff, ex-Chairman of the Massachusetts Tax Commission and of the United States Tariff Commission, he has studied the facts from the life and is as full of matter as an egg is of meat. Add a mastery of theory, a power of lucid exposition, and a balanced but decisive judgment, and we have all the requisites of a good guide. The publisher's announcement on the cover of the present volume that "the war has rendered virtually obsolete all earlier discussions of the Tariff" is not a felicitous recommendation of eleven reprinted articles, for the most part published before the war, one of them reproduced "without change from the *Quarterly Journal of Economics* for October, 1892." So far from being virtually obsolete the articles set time at defiance. The strong salt of realism preserves them from decay.

The author "would not have the reader infer that he is an unqualified Free Trader," but he says the same thing of Adam Smith with whom he is in very good company as a "qualified" Free Trader in the sense in which we speak of a qualified professional man. His reservations are cold comfort for the Protectionist. "The case in favour of free trade has indeed always seemed to me *primâ facie* strong; and prolonged investigation and reflection have served to confirm me in this opinion. There may be offsetting advantages which rebut the presumption . . . The young industries argument seems to me still to point to some possibilities of ultimate gain. Again, there are political and social arguments as to the avoidance of extremes and of undue fluctuations in industry." But the practical conclusion is in favour of pruning the American protectionist system, of a gradual movement to lower duties, and of the abolition of such duties as cannot justify their continuance. We doubt whether much protection in the

United States of to-day would survive the acid test last suggested.

The Free Trader will find in these articles an arsenal of facts in condemnation of particular forms of protection, and will be gladdened by the scathing and destructive analysis of "scientific tariffs" based upon costs of production. The essay, "How Tariffs Should not be Made," is a useful warning to politicians, and the discussion of Tariff Commissions and what can or cannot be expected of them derives peculiar force from the author's experience. A good example of Professor Taussig's skill in historical investigation is afforded by his research into the authenticity of the phrase attributed to Abraham Lincoln: "When we buy manufactured goods abroad we get the goods and the foreigner gets the money. When we buy the manufactured goods at home, we get both the goods and the money." The Professor tracks down the birth of the phrase to 1894 and shows that it originated with R. G. Ingersoll. "The economist," he says, "breathes a sigh of relief on finding that Lincoln's great name cannot be associated with it"—a view more bluntly expressed by my old friend Horace White when, some years ago, he wrote to the *New York Evening Post* "My reason for thinking that Lincoln never said this is that he was not a fool."

The reader will turn with interest to the last article in the book, "Tariff Problems after the War," but will find in it nothing beyond the views current and dominant in economic circles here. The old absolute Free Trader who would not admit that there are or can be any circumstances which justify even a temporary departure from Free Trade was almost extinct before the War. Most things in this world are relative. The feeling of relativity in Free Trade is strong in some economists and weak in others, but so long as their minds are open to consider judicially and scientifically the pros and cons of a particular case in fulness of detail, they are in keeping with the attitude of Professor Taussig.

HENRY HIGGS

Effects of the War on Money, Credit and Banking in France and the United States. By B. M. ANDERSON, Jun., Ph.D. (New York: Oxford University Press. 1919.)

THIS book is one of a series of preliminary economic studies of the war for which the Economics and History Division of the Carnegie Endowment for International Peace is primarily responsible. Professor Anderson completed his work in the autumn of 1918, so that the survey does not cover quite the whole