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a critic of the theory of rent—the late Dr. Todd—and which, if true, would be fatal to it. Happily, this particular statement in nowise affects the soundness of Mr. Hobson's general argument.

The longest chapter in the book (chapter xi.) reiterates the argument contained in other of our author's writings on the question of "over saving," or "under consumption." The matter has been sufficiently discussed, and it is only necessary to say that as Mr. Hobson's theory involves him in a difficulty which need not have been encountered, so his skill in argument and the still more glaring defects of his opponents' position supply him with a fairly satisfactory mode of extrication. It should be added that the same chapter contains admirable analyses of the agencies that contribute to the formation of actual tariffs, and of the motives that underlie the agitation for tariff changes.

C. F. BASTABLE

Work and Wages. Part I. Foreign Competition. By SYDNEY J. CHAPMAN, M.A. (London: Longmans, Green, and Co. Pp. xxxvi. + 301. 1904.)

THIS book is intended to be the first part of a sequel to Lord Brassey's *Work and Wages*, and *Foreign Work and English Wages*, and to consider the problems there treated in the light of modern experience. The volume before us is only an instalment; for a second, dealing with "Labour and Capital," is to follow, we hope after no long interval. To the student of economic ideas as well as to the student of economic history the reading and comparison of the older and of the present work will be full of interest and instruction. *Work and Wages* was published in 1872, at the time which Dr. Cunningham has recently called "the Great Divide," when the rapid economical progress that marked the era 1850–1872 had not passed its culmination, and the series of problems which have suddenly assumed a political aspect, after having engaged economists for many years, was as yet unconceived. Prof. Chapman studiously and successfully avoids any treatment of the fiscal question, though he supplies much material for its consideration, and sets himself to the simply defined task of observing how the British nation stands and has stood, in comparison with its foreign rivals, in respect of the various factors which make for efficiency in industry. The factors dealt with are mainly, accessibility of

raw material, facility of transport, and efficiency of management, labour, and dealing.

Those who expect any simple answers to the questions, Are we as efficient as our neighbours? and, Have we gained or lost, in this respect, relatively to them in recent times? will be disappointed. The questions are highly complex, and there is no general answer, such as there may have been thirty years ago. An examination is conducted of those industries in which the nations have entered as competitors, notably of iron and steel manufacture, of shipbuilding, of engineering, of cotton and of wool. In some cases the verdict is for us, in some for the United States or for Germany. But even when this subdivision by industries is made, the answers are many-sided. No one can compete with us in the finer cotton-spinning and manufacture, though we are equalled in the coarser work. Our workmen in the shipbuilding yards are the best in the world, but the mechanical organisation is on a grander scale in the United States; and so, throughout the industries, the prize is divided. On an impartial survey of the industrial world it would seem that other nations, with better supplies of raw material, a freer field of enterprise, with our experience to start from, but unhampered by our traditions, might be expected to have made great strides in our wake, and before long to pass us in many paths; and, in fact, our author, who throughout keeps careful regard to economic and historical perspective, shows that this process has taken place. Developments have been, for the most part, on natural lines, though their dates, directions, and rapidity have been influenced by tariffs. On the whole, it is greatly to the credit of our manufacturers and workmen that we still have pre-eminence in many directions.

No book can deal in detail with the whole complex of industry, and in this the treatment is unequal, and in some cases fragmentary. The clothing trades and the less important textiles are dismissed very summarily. Agriculture is not touched on, nor are the building trades. Paper is relegated to three pages, while confectionery has no place. To some extent Prof. Chapman is editor rather than author, for he does not assume personal omniscience of the diverse processes and manufactures devised by man for economic ends, but rather selects accounts by the best experts. He has, however, done far more than select; he has brought his authorities into close line with one another, made consecutive accounts out of heterogeneous material, and illuminated the whole by close economic reasoning. His methods of preparing

and stating his case may be contrasted, with much advantage, alike with those of the Tariff Commission and of the contributors to *British Industries under Free Trade*.

The work is necessarily based to a great extent on statistical material, and, so far as we can judge, the possible sources have been well exploited; but the result is a sad revelation of the insufficiency of statistics for the task. There is no homogeneity in the information for the various countries, either in dates, arrangement, or definition of terms. Nothing can be done to amend the dates, but it may be submitted that in order that comparisons may be valid, they must rigorously extend over the same dates in the countries dealt with, and the comparison of all the parts should synchronise. Because these rules could not be observed the line of statistical argument is frequently difficult to follow, and sometimes nearly indefinite. As regards arrangement, our author has been, in many cases, too easily contented with his material; the earlier pages of the chapter on cotton are very difficult reading, and the various sets of estimates on pp. 60–61 are very confusing. What does “cost” in general mean when contrasted with “lowest cost”? The statistics are not sufficiently digested before presentation. We are given too often the raw material, without an attempt at that finish which our author claims as the specialty of English manufacture. Page 94 conveys no meaning to those who are not experts on blast furnaces. On p. 160 metric and English measurements are given in the same table, in spite of the strictures on the similar methods employed by commercial travellers. It is true that considerable efforts are made to secure uniformity of definition, but perhaps some useless estimates are included when uniformity is not possible; *e.g.*, p. 215, and perhaps pp. 81, 82. Our main quarrel is, however, with the loose use of averages, and we hope that it is not too late to avoid in the following volume such statements as “wages . . . averaged only £2 8s. to £6 15s. a month,” even though such a meaningless phrase is contained in the original from which the figures come. It was surely not necessary to leave Prof. Hasbach’s statement that wages for weaving in Lancashire are “12s. to 24s. weekly” (p. 164), without expansion. Before leaving the statistics it should be said that the table quoted on p. 11 indicates that real wages doubled in the half-century 1840–91, not that they increased “fifty per cent.” Again, we do not agree that the difference between cost of living in England and on the Continent can be treated as insignificant, because unknown (p. 19).

The great merits and interest of the treatment of the various trades must be left for readers to find for themselves; we can only allude here to some points of special interest. In the contrast between English and American methods the ready enterprise of the Americans is traced to the ever-widening market, due to the continuous growth of populated area. When the demand for new products is continuous and increasing, *entrepreneurs* have confidence in investing capital in new experiments. In England the proportion of old and fixed capital is greater, the natural growth less rapid; so that she excels mainly in standard and permanent products, while America is first in the newer inventions, and does not produce goods which will never wear out, but block the way of useful alterations. Again, the American manufacturer can count on an output on an immense scale, if he makes a hit at all, and obtains all the economics of standardisation, while the Englishman works for a more restricted market. This is not so disadvantageous as appears at first sight, for the method of standardisation prevents ready adaptation to a customer's wants, and several interesting cases are given, where the scale of production which gives best returns to the manufacturer, or convenience to the customer, is exceeded by the one country or the other. So far as there is a moral to the book, it is that the main condition of success in manufacture is adaptability, elasticity, readiness to cope with continual changes in condition and environment.

Methods in which it would seem expedient that we should imitate America are the stimulation and encouragement of originality and invention among workmen, and the appointment of agents to watch the performances of machines when sold. "The American seller will call at intervals to observe his machine at work. . . . If its performances are below its capacity, he will explain what changes ought to be made in handling it. The result is that those who would otherwise be afraid of introducing a new tool . . . find the path off the beaten track made so easy for them that they no longer hesitate to commit themselves to it" (p. 130). "The American is a splendid salesman" (p. 255).

We have not space to describe our author's masterly analysis of the cotton trade; but we wish to suggest that he gives an unduly pessimistic account of our woollen manufacture by omitting the very satisfactory statistics of raw wool consumed. It seems certain, from the analysis of the statistics given in the recent study, "Gain or Loss?" published at Bradford, that the statistics of foreign trade are completely misleading; for £1 worth of woollen

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goods exported means an increasing value of manufacture, because of the fall in price of the raw material, while a yard of cloth means a commodity of increasing intrinsic worth.

Whether, on the whole, the book supports an optimistic or pessimistic view of the progress of our industry, is difficult to say. The world's division of labour has changed rapidly since the publication of Lord Brassey's books. Our methods appear to suit our conditions much better than some critics would allow; we have a firm hold on many important industries, though our time of monopoly is passed. No one who wants to form a reasoned opinion on this and similar questions can afford to neglect the well-informed and impartial summary of the facts which Prof. Chapman offers us.

A. L. BOWLEY