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saved us from it. One of the practical questions of the day is whether it is possible to retrieve this culpable neglect, and advocacy so forcible and weighty as that of Earl Grey ought to materially assist in the work.

C. F. BASTABLE

Utilité des Chemins de Fer d'Intérêt Local. Par M. CONSIDÈRE. (Paris, V. Dunod, 1892.)

La Formule d'Exploitation de M. Considère. Par C. COLSON. (Paris, V. Dunod, 1892.)

MONS. CONSIDÈRE divides his book into a theoretical and a practical part. His theoretical conclusions—and Mons. Considère is not only a trained railway expert, but also a *correspondant de l'Académie des Sciences*—may be summarised as follows: Where a branch railway taps the traffic of a new district, it contributes to the revenue of the main line which it joins 140 francs net for every 100 francs gross which it earns for itself. Further, the public gains in direct economy of cost of transport an amount equal to half the gross receipts of the new branch; while the total advantage to the public may be estimated at no less than six times the gross receipts. Finally, capital spent on the construction of local lines is of as great public utility, as if spent on main lines; and if the State expends £3,000 per mile on the construction of a line, whose gross earning power turns out to be only £3 per mile per week, in other words about enough to pay the necessary working expenses, it yet benefits by increased yield of taxes, &c., to an amount which may be estimated as equal to five per cent. per annum on the capital advanced. The arguments in support of these views it is impossible to summarise, the more so that Mons. Considère, writing for Frenchmen, has been able to reckon on a knowledge of railway questions among economists, and a familiarity with economic reasoning among practical railway men, which unfortunately find no analogues here. But it is impossible to deny that his ideas are worked out with a care, and presented with an ability, which go far to carry conviction with them, even though these ideas are, as he himself frankly confesses, widely different from those which have hitherto prevailed on the subject.

It will be noticed that the natural tendency of this argument is to justify the most extreme demands on the public purse for the construction of local railways, in spite of their inability to pay—directly at least—a commercial return on their capital. This danger has roused Mons. Colson, the distinguished author of *Transports et Tarifs*, who is an official of the central Government, to protest that the branch railways on whose statistics Mons. Considère bases his conclusions are neither numerous enough nor typical enough to justify his generalisations; that Mons. Considère exaggerates the direct advantages to the public of a new local line; and that his estimate of indirect advantage is even more exaggerated and rests largely on a confusion between creation of new wealth and mere displacement of old.

The second portion of Mons. Considère's book consists of an argument for a form of lease of local lines by the State to an operating company which shall at once be not too onerous to the State and also make it the interest of the company to develop traffic by increasing facilities while keeping down rates. His formula, which has been introduced by him on several lines in Brittany, and which is becoming commonly known in France as *la formule de Finistère*, commands Mons. Colson's entire approval. In its simplest form it runs thus :—

$$F=1000\text{fr.} + 0\cdot25R + 0\cdot012M + 0\cdot40K.$$

In other words the State pays to the leasing company, (which is bound to run at least three trains each way daily), as *Frais d'exploitation* per kilomètre per annum, 1000 Francs + 25 per cent. of the gross Receipts + 1·2 centimes per ton-kilomètre of Marchandises + 40 centimes per train-Kilomètre. Of adopting a formula of this nature in Great Britain, whose archaic railway accounts still ignore ton-miles and passenger-miles altogether, there can of course be no question. But it is impossible without a feeling of humiliation to compare its flexibility and scientific precision with the naked insufficiency of the bargain between the Treasury and the Irish companies, by which the taxpayer is to construct some 200 miles of line in the west of Ireland and then hand them over *simpliciter* to the existing companies to work, with no guarantee for improvement of service or reduction of rate, except indeed that burning eagerness for reform which is innate in the breast of every Irish railway official.

W. M. ACWORTH

Die Allgemeinen Philosophischen Grundlagen der von F. Quesnay und Adam Smith begründeten Politischen Oekonomie. PROFESSOR WM. HASBACH (Leipzig: 1890).

Untersuchungen über Adam Smith. PROFESSOR WM. HASBACH (Leipzig: 1891).

THE 'philosophical basis' of economics has seldom, if ever, been treated in a separate volume before, even in Germany; and so perhaps the first of Professor Hasbach's books will awake more interest than its more bulky companion. Of 'researches' about Adam Smith there is 'no stint, no stay, no lack'; and they are probably as inevitable in the future as books on Plato and Aristotle. Nevertheless, just because it is a companion to the smaller book, the larger has a certain distinction above the crowd. It is not a general study of Adam Smith; it is a detailed application to Adam Smith of the results of the smaller book. A short sketch of the 'general philosophical bases' will therefore be enough to enable the readers to seize the purport of both books, without dispensing him from the duty of reading them for himself.

The ruling ideas of modern times (says Professor Hasbach) have