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Unternehmertum oder Gemeindebetriebe? By EMIL SCHIFF.
(Leipzig : Duncker und Humblot. 1910. Pp. iv. + 80.)

THE title of this book is somewhat deceptive, as it contains no complete discussion of the case for and against municipal trading ; it is really a reply to Lord Avebury's book *On Municipal and National Trading*, which has recently been translated into German. Mr. Schiff is chiefly occupied with combating Lord Avebury's vigorous attacks on the municipalisation and the nationalisation of trading undertakings. He adopts a more or less intermediate position between that of the extreme Individualists and that of the extreme Socialists, but it is difficult to say exactly what his attitude is, as he never deals with the general principles concerning the proper limits of State management of industries. He contents himself with approving of what is being done in Germany at the present time, and mentions in particular municipal water, gas, electricity and tramways, and State railways, telegraphs and telephones. On the other hand, he holds that the manufacturing industries are best left to private management.

Mr. Schiff finds fault with some of Lord Avebury's statistics, but, unfortunately, his own are by no means beyond reproach. For example, Mr. Schiff points out quite rightly, that Lord Avebury is not justified in asserting that private management is preferable to municipal management merely because the price of gas charged by certain companies is less than the price of gas charged by certain municipalities, as no proper allowance is made for the differences in the price of coal and no allowance at all for differences in the cost of the land on which the works are erected, for differences in the size of the supply areas, for differences in the meter rents charged, and most important of all, though Mr. Schiff does not mention this point, for differences in the prices which can be obtained for the by-products, which depend almost entirely upon local conditions. Having denounced Lord Avebury's English figures, Mr. Schiff proceeds to quote some German figures of exactly the same character, and to which all the same objections can be made, with a view to showing that certain municipal gas works are more efficient than certain private gas works ! With the same object in view, he compares the prices charged in different towns for electric current for lighting and power purposes, without making any allowance for the great differences in local conditions (*e.g.*, cost of coal, size of

supply area, character of the demand for current), or for the various methods of charging for electric current.

Perhaps the most remarkable statistics in the book are those relating to the safety of railway travelling in Great Britain, Prussia and the United States. In what concerns this country, we are informed that 73 persons lost their lives in the Tay Bridge disaster, and that in 1889 80 persons were killed in one railway accident alone. In Prussia in 1903 of every ten million railway passengers only four were killed on the average. In the United States, during the administrative year 1906-7 (11,839 people were killed and 111,016 injured in railway accidents. It need hardly be said that, as these figures are absolutely incomparable, no one can gather anything from them about the comparative safety of railway travelling in Great Britain, Prussia and the United States.

Although some of Mr. Schiff's arguments are not very sound, most English readers, who hold moderate views about municipal trading, will consider that he has succeeded in answering Lord Avebury's arguments, although they may not be prepared to accept Mr. Schiff's views about the desirability of nationalising British and American railways, as he has hardly made sufficient allowance for the special conditions of those countries.

DOUGLAS KNOOP

Enterprise and the Productive Process. By FREDERICK B. HAWLEY. (New York and London : G. P. Putnam's Sons. 1907. Pp. xiv. + 467. Price, \$1.75.)

IN this book Mr. Hawley presents his views with regard to some of the fundamental terms and ideas of economics. In the first place, he wishes to narrow considerably the generally accepted scope of economics. Instead of such a definition as Dr. Marshall's that economics is the study of mankind in the ordinary business of life ; that it examines that part of individual and social action which is most closely connected with the attainment and with the use of the material requisites of well-being, he desires to substitute the definition that economics is the science of industrial income. He wishes to exclude the consideration of individual and social activities, as distinguished from economic activities, and therefore to omit, amongst other things, the whole of that branch of economics known as consumption, and to regard economics as the science concerned with the creation of exchange value.