BOOK REVIEWS

Labor Problems: A Text Book. By THOMAS SEWALL ADAMS AND HELEN SUMNER. New York: The Macmillan Co., 1905. 8vo, pp. xv+579.

The authors of this excellent textbook upon labor problems, while hoping that their work may not be devoid of interest for the general reader, add the following statement of their motive in writing:

But it is the requirements of the undergraduate student, and the convenience of the teacher of undergraduates, that have been kept constantly in mind. Where it was necessary, we have sacrificed both interest and general social philosophy in order to present concrete facts.

It may be noted in this connection that American economic writing today is almost entirely pedagogic in motive, rather than scientific. Books are written for the immature vagrant mind of the undergraduate. This purpose is, of course, a highly commendable one, and certainly the work under review is deserving of highest praise. It may be added that the ground covered has not been well covered in any other textbook. The propensity for writing textbooks to cover in greater or less detail every field of economic interest, is, moreover, a natural consequence of the conditions under which American economists work in our colleges and universities, where the prolonged leisure necessary for the prosecution of original research is seldom afforded. In their requirement of teaching our large and small universities still partake rather of the nature of secondary schools than of institutions of higher learning. Obviously the production of excellent textbooks does not at all imply scientific progress. No great European scholar in English, French, or German universities would submit to the exactions made by our American universities. And the converse statement is equally true, that great scholars do not develop where an excess of teaching is exacted. One great scholar delivering a single course of lectures, or none at all, may make a university great in the highest sense, while scores of pedagogues can only succeed in extending common secondary-school methods and discipline to colleges and universities. While welcoming another good textbook in an un-

covered field, one feels, nevertheless that the general conditions which compel American economists to center their interests in the classroom, are calculated to enforce a sacrifice of scholarship to pedagogy.

The scope of this new text is unusually broad, as may be inferred from the following list of topics treated: "Woman and Child Labor;" "Immigration;" "The Sweating System;" "Poverty, Earnings and Unemployment;" "Strikes and Boycotts;" "Labor Organizations and Employers' Associations;" "The Agencies of Industrial Peace;" "Profit-sharing;" "Co-operation;" "Industrial Education;" "Labor Laws;" "The Material Progress of the Working Classes." These several topics are treated historically, with reference to the United States and to foreign countries. It will be inferred that the treatment is—and quite properly so—mainly informational and descriptive in character. To each chapter is appended a working bibliography which will be of service to undergraduate students in outlining supplementary reading. In every way the text is admirably adapted to the needs of the classroom.

One essential in a good textbook is that it shall be quite impersonal in character; shall correctly present, not the opinions of the authors, but the present state of scientific knowledge. The authors of this text have, on the whole, succeeded well in their effort to reduce the personal equation to a minimum, and to present facts impartially—an achievement which is all the more commendable in view of the nature of the topics treated, which are all of them calculated to stimulate controversy.

Still the reader will not fail to detect certain underlying assumptions and sympathies, and the reviewer may be pardoned for indicating several respects in which he finds himself in disagreement with views expressed. He is, for example, indisposed to concede that there is in the United States today any tendency toward compulsory arbitration of labor disputes, or that a solution of the labor problem lies in that direction. Organized labor and capital are both opposed to government interference, and they have excellent reasons upon which they base their opposition.

Again, the reviewer is disposed to place much less emphasis than do the authors upon the efficiency of organization as a means of improving the condition of labor. The advance of wages during the last century does not appear to have been in any material sense the achievement of organization or trade-unionism. If labor organiza-

tions have secured an advance of the minimum wage in some trades, they have seriously retarded advances for the more efficient workmen in those and in other trades, and it is probably true that employers of labor could, as they have repeatedly declared that they could, institute generally an eight-hour day without reducing wages, provided the trade unions could give up their policy of limiting output. No economist can doubt—the authors of this textbook point out—that limitation of output is disastrous to labor itself. It means low wages. Of course, its worst consequences are that it is morally blighting, since it places a stigma upon efficiency and makes a virtue of shirking.

Another principle that may be called in question is the assumption that wages are in any material degree affected by “standard of living.” This idea seems to be widespread among those who write upon social economic topics. No historical instance can be cited where wages have ceased to fall, or to rise, as they have approached a standard of living. Under certain conditions they will go below the subsistence point. On the other hand, history does furnish many instances where the “standard” wage has vanished away into thin air, under changing economic conditions. Where economic conditions are fixed for a period of years in any trade or community, there a “standard” develops slowly, but it has almost no power of resistance when economic conditions change. Always it is wages which determine the standard; the standard is an insubstantial uneconomic factor; it can determine wages only so long as economic conditions remain unchanged. In England centuries did not suffice to establish a standard of living for skilled artisans firmly enough to offer any effectual resistance to the decline of wages in those trades when conditions of production changed. The idea that wages are in some mysterious way adjusted to standard of living becomes a most pernicious doctrine when it is incorporated in the practical program of unionism.

In the present writer’s opinion, this attitude of mind, which sees in the standard of living a protection of labor against a decline of wages, vitiates to a considerable extent the discussion of immigration in *Labor Problems*. Here considerable emphasis is put upon the low standard of living to which great masses of immigrants are accustomed, and it is pointed out that this low standard under competition tends to reduce the high standard of American workmen. It is probably true that certain work is taken over by these low-

standard immigrants, which may formerly have been done by high-standard Americans, but it does not at all follow that the high-standard Americans have in consequence lowered their standard. Their standard depends upon their own economic efficiency; that determined it in the first place, and will continue to determine it under any new conditions. So far as the high-grade American labor is concerned, the advent of cheap, low-standard labor has exactly the same effect upon general wages as has the introduction of machinery. We may deplore the condition of the immigrant who slaves for the American, but the American's standard of living is raised, not lowered, by this cheap labor—provided it is really *cheap*, and not simply inefficient. The machine displaces labor and depresses wages just as much, and just as little, as does cheap immigrant labor.

This general principle, that wages are lowered by competition with cheap labor, becomes exceedingly vicious when it is applied, as it generally is, to convict labor. The attitude of organized labor here has been the most serious obstacle to humane prison reform that has been encountered—has, in fact, effectually prevented the adoption of salutary measures in our penal institutions. The stand of organized labor in respect of prison labor is based upon the same economic fallacy as that indicated above, and it is, of course, absolutely indefensible and vicious.

One word with reference to the discussion of unemployment. The present writer is disposed to believe that some of the causes for unemployment lie deeper than is commonly thought, and he would suggest in this connection that, theoretically at least, unemployment cannot be dissociated from the policy of organizing monopolies, whether of labor or of capital, to force up prices artificially.

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