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Review

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of the most recent pertinent suggestions of contemporary workers. But a sane as well as a comprehensive attitude is adopted and preserved throughout; and each contribution to knowledge finds its suitable place in an orderly balanced system. Professor Gide seems to us, if we may say so, to combine the merits, while he escapes the defects, both of a conservative and also of a progressive treatment of his theme.

What we have thus observed, and believe to be the characteristic note, of the book, of which this opportune translation into English is now available, constitutes in our opinion, the highest eulogy we could bestow. For students at any rate who will continue and extend their study of Economics it is bewildering to be confronted at the outset with a manual conceived and executed on such revolutionary lines that a subsequent acquaintance with older writers will launch them unprepared on an unfamiliar sea of the currents or the shores of which they can have no knowledge to enable them to direct their course aright. And hence, the complete dislodgment or neglect of earlier thought is, to say the least, a hazardous experiment. But, on the other hand, even from the beginning the pupil should not be allowed to think that he has no concern with criticism or amendment. He must not be permitted to regard the study on which he has embarked as stationary. He should be stimulated to observe and reflect and be sure that the area of possible learning has been confined within no narrow boundaries. Professor Gide's exposition appears to us to satisfy this dual test. In the suitable mode in which the treatise is mapped out he has known how to combine a general conformity with the main outlines of earlier schemes with a due recognition of the modifications needed by later developments; and, similarly, throughout the successive sections, he has wisely and skilfully contrived to introduce and incorporate the new without omitting or extirpating the old. He has sought and we would be bold enough to pronounce confidently that he has attained a "golden mean."

L.L.P.

20.—*Grundzüge einer Theorie der Lebensversicherung*. By N. R. Jörgensen. Copenhagen. x + 408 pp., 8vo. Jena: Gustav Fischer, 1913. Price 12s.

This book covers practically the whole of the theory of Life Insurance. It is very far, however, from being merely a text-book for those engaged in the practice of insurance. Certain parts of it, indeed, should appeal quite as much to the members of that increasing band of students interested in vital statistics, even though they may not have the technical knowledge of the professional actuary.

The volume is readily divisible into two parts, of which the second, dealing in detail with the financial side of insurance matters, is likely to appeal less to the average statistical student than the early part, which treats of the demographic side. This includes a general description of the method of construction of mortality

tables and some summary of English and continental tables. In the former the questions of graduation and interpolation are dealt with, the processes evolved by the English actuaries being fully described. The book appears to be very thorough in its treatment of the various parts of the subject. In discussing the Makeham formula, for instance, five distinct methods are described for its practical use, including those of Hardy and King. The reproduction of many tables, both English and continental, gives material in convenient form for useful comparison. To those familiar only with national vital statistics, showing invariably an increase of mortality with age from the early teens, it will come, at first sight, as some surprise that the mortality of insured lives diminishes from age 20 to a minimum (in the case of the experience of 23 German companies) at age 26, and increases only from the latter age, but the result is, of course, readily accounted for by the selection performed by the companies.

In spite of the fact that much of the progress in the medico-actuarial field has been through the work of British actuaries and statisticians, the literature on the subject in our language is very meagre. This book, if translated, would occupy an intermediate position between the text-book of the Institute of Actuaries and the recent little volume by Messrs. Elderton and Flippard, approaching, however, more nearly to the former. Its value to the English reader is enhanced by a very complete index, both of subjects and of names.

E.C.S.

21.—*A Theory of Interest*. By Clarence Gilbert Hoag. xi + 228 pp., 8vo. New York: Macmillan, 1914. Price 6s. 6d. net.

Mr. Hoag's fundamental thesis is that the real basis of interest is not a discounting of the future as future, but the fact that the duration of life and the degree in which men identify their heirs with themselves are limited. It is not so much the uncertainty of the future which causes it to be relatively disregarded, as the certainty that beyond a point it will not be a future in which any people now living can participate, and the certainty that, when the interests of successors are cared for, concern for their future will thin out as the time to which it relates becomes more remote. In the opinion of the reviewer this is one of the chief causes of interest, though not the sole cause. The general idea is not entirely novel, but the detailed exposition, which seems to be convincing so far as it goes, is original. The book concludes with an attack on opposing theories—which is sufficiently telling without the adventurous aid of italics and very large type to stress the author's points. It might be objected that Mr. Hoag is somewhat deliberate in getting to grips with his subject, and that the introductory analysis of value, suggestive as it is, disturbs the balance of the book. Mr. Hoag will be heard of again.

S.J.C.