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Out of 12 inflections in each of the curves expressed by these figures there are 6 agreements, 3 disagreements, and 3 neutral. The "correlation coefficient" is 97 per cent. of perfection, but obviously, in a case of this kind, the coefficient of correlation is apt to be misleading. The correlation coefficient of the successive year-to-year ratios of the figures is .57, with a probable error of .1. It is of importance to notice that the coefficient of correlation of the second kind, between M and index numbers of P, is .43, with a probable error of .13. Readers will judge for themselves whether Professor Irving Fisher is justified or not when he says that "the most exacting of critics could not ask for any greater consistency of results and conformity to the theory of the equation of exchange than these statistics show."

Incidentally, most important results are reached as regards the ratios of M to M', V to V', and MV to M'V', all of which previously figured among the unsettled questions of political economy. Bimetallism, polymetallism, symmetallism, and the system of the limping standard, are handled in their appropriate places in Professor Irving Fisher's masterly fashion. The book concludes with an illuminating discussion of the question whether purchasing power can be made more stable. Our author thinks "that it may well be asked whether those who devised the gold-exchange standard did not build better than they knew."

In the opinion of the reviewer, this book is a magnificent achievement. It definitely brings a certain part of political economy on to the plane of the quantitative sciences. But some credit must be accorded, and is by our author accorded without stint, to the pioneer work of Professor Kemmerer in the same field. The research of which a brief account has been given in this notice will add greatly to the renown which its author has already fully earned by his two volumes on "Capital" and "Interest" respectively, and by his report to the American Senate on the conservation of vital forces.

S.J.C.

4.—*State Socialism in New Zealand*. By James Edward Le Rossignol and William Downie Stewart. ix + 311 pp., crown 8vo. London: George G. Harrap and Co., 1911. Price 5s. net.

Different accounts have appeared previously, either dealing with some particular phase, such as compulsory arbitration, of the various experiments in State Socialism recently tried in Australasia, or furnishing such a general conspectus of the broad policy as one consistent whole as that supplied for example by Mr. Pember Reeves. But we do not know of any former attempt, conceived or executed, from the special aspect, or along the definite lines, of the present book. Its joint-authors avow in their Preface that they have kept in view throughout their work the point of view, both of the "foreign observer," and also of the "citizen of the Dominion" who takes an active part in the study and discussion of the public affairs of his community. A Professor of Economics from the University of Denver and a Barrister living at Dunedin are, it will be obvious, fitted by their respective training and

domiciles to combine the qualifications needed for the successful conduct of the useful survey which is here attempted. They have indeed produced an adequate and yet compendious treatise which will, we think, be found at once judicial and informing. If they possess a bias, it has not prevented them from linking candid criticism of defects or errors with a cordial recognition of the gains achieved and a frank admission of the difficulties encountered; and the happy marriage of the detached observations of a foreign expert, who is frequently bringing into contrast the experience of his own United States, to the intimate acquaintance with the actual facts possessed alone by a citizen of the country which is being investigated, could hardly fail to result in the agreeable and opportune conveyance to English readers of much interesting instruction.

It is true, although it has sometimes been forgotten, that we cannot safely argue from what was attended by a tolerable measure of success under favouring conditions in the fresh microcosm of a comparatively new community to what could be securely, or would be profitably, introduced into the older, larger and more complex world of the United Kingdom; and this proviso is perhaps particularly applicable to experiments, which have prominent notice in this book, like the compulsory arbitration of industrial disputes, or the taxation of the unimproved value of land. Our authors moreover plainly show, with a discrimination characteristic of their handling of their subject, that the actual evidence forthcoming from New Zealand itself is not wholly favourable to either of these two expedients, which have nevertheless been lately recommended to the people of this country. They would certainly qualify the confident hopes of the Minister we have mentioned, who was responsible, before he settled in Great Britain, for the introduction of the former scheme; and they would also supplement the official account of the latter fiscal measure furnished on the occasion of the contemplated adoption of a similar principle in an English Budget with some modifying commentary or adverse criticism of their own. Yet useful hints, whether of warning or of suggestion, for British statesmen and an old-world public may be gathered from the cool, fair and clear discussion in the successive chapters of this book of such live topics as those to which we have alluded, as well as other subjects like railway finance, State life and fire insurance, and old age pensions. The writers seem to have sought, at first hand, authority for the facts which they adduce; and the figures which they bring forward are mostly drawn from official sources. They have tried conscientiously to state "the truth, the whole truth, and nothing but the truth"; and we believe that they have achieved their very laudable aim of showing the "workings of the various social experiments as they are without exaggeration or concealment." Nor would any sincere intelligent social reformer question their pertinent declaration that "it is not enough to make a law and create a Government department," but that, on the contrary, the nation responsible for the enactment should watch jealously its subsequent administration, and note with scrupulous care all its effects, direct or indirect, for good or for ill.

We do not know whether the authors of this book are right or wrong in their opinion that at the present moment the inclination of the public of New Zealand, and the feelings and plans of their prominent statesmen, are away from rather than towards any further increase of State Socialism. To an external critic indeed the ominous announcement that one-eighth of the people of the country are now directly dependent on the State would seem to show that the advance achieved already in that direction had been very marked. From this book too it is plain that the State railways are worked at a deficit, which, properly calculated, is not inconsiderable, that the bestowal of State pensions on the aged poor has not failed to illustrate the fatal ease with which salutary restrictions originally imposed for reasons of expense may subsequently under popular pressure be relaxed, and that State arbitration has certainly not succeeded fully in realising its avowed object of guaranteeing "industrial peace." But, on the other hand, we are assured that, if the public debt be large, the money raised along this line of least resistance has been used to a great extent for profitable productive enterprise, and that, if promotion by seniority in the public service has resulted in some inefficiency, New Zealand is comparatively immune from the worst evils of that "spoils" system which stains American democracy. As a whole the picture drawn has lights as well as shadows; and it leaves no doubt upon our mind of the pure motives and the transparent honesty of those responsible for its draftmanship and colouring. They have, we think, furnished an illuminating study of the remarkable series of instructive experiments in socialistic legislation, for which New Zealand has become conspicuous, together with that Australian Commonwealth, which is its nearest neighbour. L.L.P.

5.—*Le situation économique et financière de l'Égypte. Le Soudan Égyptien.* Par Pierre Arminjon, professeur à l'École Khédiviale de Droit. xii + 708 pp., 2 maps and charts, 8vo. Paris: Librairie générale de Droit et de Jurisprudence, 1911. Price 18 frs.

Professor Arminjon has set himself to furnish a comprehensive survey of the economic history, conditions, problems and prospects of Egypt and the Egyptian Soudan. After a brief sketch of its history with special reference to trade and commerce, especially in the nineteenth century, he proceeds to survey the geographical conditions affecting its development (soil, climate, irrigation, means of communication); its industries and agriculture; its foreign commerce; its currency system and banking institutions (including an examination of recent financial crises), and proposals for reform therein; and the public finances. A short account of the dependencies of Egypt, including the Egyptian Soudan, follows, and the remainder of the book is devoted (pp. 589—664) to a consideration of the lessons of the 1907 crisis and a plea for certain reforms. Pages 665—708 are occupied by some appendices and statistical tables.

The book suffers to some extent from the wide range of subjects which Professor Arminjon has endeavoured to cover; it is too detailed