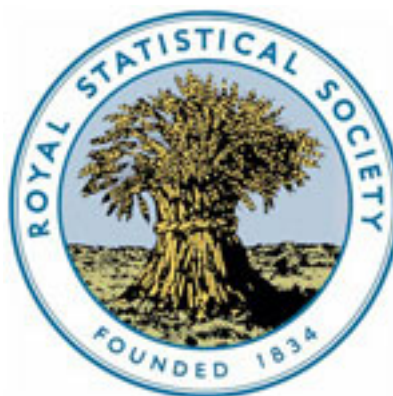


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Nationalisation of the Mines by Frank Hodges

Review by: E. C.

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industries, and Mr. Acworth alludes to Mr. Justice Sankey's famous report advocating the purchase of the coal-mines. The difficulties in the scheme of administration therein suggested for coal-mines would be multiplied manifold if applied to railways. Indeed, labourists have yet to learn that the successful management of a nation's coal-mines or railways needs training and capacities not demanded in the running of a co-operative store.

Although difficulties abound on every side a decision as to the future of our railways will soon have to be taken; it cannot be indefinitely delayed without material injury to the industry. Many books on economic and social subjects engender more heat than light. Mr. Acworth's book is not of that kind and is a valuable contribution to a most perplexing subject. It would be more valuable still if it had an index.

W.H.J.

8.—*Nationalisation of the Mines*. By Frank Hodges. 12+170 pp., 8vo. London: Leonard Parsons, 1920. Price 4s. 6d.

Though this is not quite the impression Mr. Hodges wishes to convey, the careful reader will gather from his pages, especially p. 57, that the state of the coal-mining industry in this country is not nearly so black as it is commonly painted. Allowing, as of course we must, for the depreciation in the value or purchasing power of money, the cost of production of coal was about the same in 1918 (which is as far as Mr. Hodges goes) as in 1913, being only slightly more than doubled in our currency. Of the money-rise from 8s. 2d. to 17s. 6d., wages of persons employed in the industry accounted for 6s. 11d., rising from 6s. 4d. to 13s. 3d. per ton (Mr. Hodges says "per day," but this is a slip, perhaps excused by the curious coincidence that the wage per man per day at five days a week was in 1913 almost exactly the same as the wage per ton, owing to the annual output per man being 259 tons). "Other costs," which of course include much wages in other industries, made up the balance, rising from 1s. 10d. to 4s. 3d. There is nothing out of the way in this, as the value of money had sunk to about half what it had been before the war. What is certainly remarkable, however, is that the profits and royalties only went up from 1s. 11½d. to 3s. 1½d. in currency. Considering the general tendency of a depreciating currency to favour profits as against wages and salaries, and the notorious immense rise of profits in most of the great industries, it is strange to find Mr. Hodges taking this money-rise in the profits as a grievance. From the table on p. 55 we can deduce that in 1913 out of the 287 million tons of coal produced, profits took 55·3 million tons, while in 1918 out of 227 they only took 31·8—that is 19 per cent. of the product in 1913 and 14 in 1918. The 32 million tons would not exchange for as much commodities and services as the 55.

While making a grievance of the actual money-increase in profits, Mr. Hodges at the same time makes a bogey of their entire disappearance and the substitution of a heavy loss in case of a decline

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of the price of coal unaccompanied by a decline in the money-cost of getting it. But we may rest assured that if the value of the pound sterling should rise again to anything like its old amount, money-wages and other costs in money will fall whether they are paid by capitalists, bureaucrats or syndicalists.

The decline in the output per person employed which has been going on for many years is, of course, an unsatisfactory feature. But it is, after all, very much what a well-informed inhabitant of Mars might expect in the absence of any great mechanical improvements. The country is getting old : all the coal easy to get at has long ago been removed. Its people are getting more refined, and a natural result is that it becomes more difficult to get men to work long shifts under ground, even in a "warm and well-ventilated" atmosphere," and shorter hours (after a limit long since passed) mean less output per man. Recently, of course, the situation has been made much worse—we may hope only temporarily—by the shortage of new capital, which is the consequence of the great disturbance wrought by the war in the distribution of wealth. The new rich save nothing like as much as the old rich did ; the money taken by the State from the old and the new rich alike, and poured out in useless and hampering expenditure, deprives not only coal but all other industries of the new machinery which they require.

It is regrettable to find once more the old story of the great economy of transport effected by the division of the country into districts to be supplied by particular coalfields. Somebody seems to have told the Commission that 700,000,000 coal-ton miles were saved by it, and the miners' and so-called consumers' representatives on the Commission flaunted the big figure as a triumph of government management without noticing that it meant at most a trifling reduction of three or four miles in the average haul of coal trains, and that against this was to be set enormous loss and inconvenience to consumers unable to get the kind of coal which suited them. While in one part of the country steam coal was being supplied for open grates, in another the Oxford municipal waterworks was carting it back from Littlemore station (three miles by road) after it had passed through Oxford station (one mile by road) on its way—Littlemore being in District 8 and Oxford in District 7—and such devices were common all over the country. This precious "economy" was dropped long ago, and it is surprising that Mr. Hodges should revive its unhonoured memory.

The book is very pleasantly written, and it would be well if controversialists on both sides would follow Mr. Hodges' example in the avoidance of mud-slinging.

E.C.

9.—*The Case for Capitalism*. By Hartley Withers. ix + 255 pp., 8vo. London : Eveleigh Nash Co., Ltd., 1920. Price 7s.

Thucydides provides a text "For men and not walls make a city." From this, and whether our own humble rendering of it is that we cannot make a silk purse out of a sow's ear, or that the