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by Georg Sydow

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the Scotch circulation always maintained its par value." Some good authority should have been given for such a statement, which is probably only based on the mere assertion of contemporaries who, it will be remembered, mostly also denied any depreciation in Bank of England notes. A certain local patriotism seems likewise responsible for the author's disapproval of the suppression of banknotes under five pounds in England, though on this point he might find support in non-Scotch circles. The most debatable part in the book is probably Mr. Kerr's criticism of Sir Robert Peel's Act. The main idea of that statesman's proposal—that note-issuing and banking were essentially distinct—has to-day practically conquered the commercial world, and forms the basis of business almost everywhere outside Scotland. And a tolerable good basis it has proved to be—where intelligently applied. But, after all, these are minor points in Mr. Kerr's work, which taken as a whole is a valuable contribution to a most fascinating subject.

HERMANN SCHMIDT

Theorie und Praxis in der Entwicklung der franzoesischen Staatsschuld seit dem Jahre 1870. By Dr. GEORG SYDOW. (Jena: Gustav Fischer. 1903.)

THIS book is divided into two parts, of which the first deals with the general theory of public debt, and the second with the history of the French Public Debt since 1870. The author thus introduces his special subject with a critical review of the general principles underlying State credit, which he afterwards applies to the financial policy of the present French Republic. State debt has had its opponents on grounds of theory and practice ever since it made its appearance, yet history shows that, as nations grow great and powerful, they increase their public debt. In the 15th century it was Spain that possessed the greatest power and owed most money; Holland became her successor in influence and debt, and afterwards the rise of England to the leading position was accompanied with an enormous increase in her indebtedness. France forms an example of its own, at any rate in the second half of the 19th century. For there the growth of debt was the result not of increased power, but of disastrous war and the economic revival following on restoration of peace. Thus modern French finance is especially instructive. The enormous loans raised to pay the war indemnity, the repeated conversion operations, the later era of budget deficits and the means employed for meeting the latter, furnish a series of events for which no other country ancient or modern offers a complete parallel. It is this history which the author has selected for his text, and he deals with it in a judicious manner, while evidently having taken great trouble in obtaining the best information. With the concluding observation of the book every economist will agree, viz., that there is

only one honest way of reducing debt—a real surplus of income over expenditure. A government which reborrows in any shape or form the sums nominally employed for sinking funds does not improve its financial position, the real character of which cannot remain hidden for long.

HERMANN SCHMIDT

Ueber die Hoehe der verschiedenen Zinsarten und ihre wechselseitige Abhaengigkeit. Die Entwicklung des Zinsfusses in Preussen 1807 bis 1900. By Dr. ERNST VOYE. (Jena: Gustav Fischer. 1902.)

THIS is a modest work evidently by a young author. The first part forms a rather elementary essay on the interdependence of the rate of interest charged on discounts, advances, and deposits, or resulting from investments in different classes of stock. The second part is an historical review of the rate of interest obtaining in Prussia during the last century. The latter subject is of local interest, but it may be remarked that in Prussia as elsewhere the growing influence of the International side of the money market gradually led to greater steadiness in the ruling rates of money.

HERMANN SCHMIDT

L'Évolution Économique du XIX^e Siècle. By E. CAUDERLIER. (Brussels: H. Lamertin. 1903.)

A BROAD general survey of economic changes over a century gives rise to many reflections; accuracy of detail can hardly be hoped for if our review is to be comprehensive as a whole; many important events and developments must be overlooked; conclusions drawn from a glance at statistical tables are not always trustworthy; still, there are advantages to be got from a wide survey; facts appear in their proper historical perspective, and the want of detail may be counterbalanced by a juster sense of proportion. M. Cauderlier's book is unpretentious; he limits his account to four countries, England, France, Belgium, and the United States, and his summary is so condensed that at places it is little more than a list of dates or a table of statistics. But his book is more than a summary, for he brings out certain facts into a prominence which they deserve. Of these, three—the improvement in the economic conditions of the lower classes, the detrimental effects of protection, and the spread of alcoholism—are of great importance.

The Communist manifesto of Marx and Engels, published at Brussels in 1847, is well known. It contains many positive assertions of fact, such as "The rich become more and more rich; the poor, more and more poor," or, "Women and children supplant the work of men, and will do so more and more," and so on. If these and similar statements were true, they would afford a serious indictment against