the past results of violence. Hence, in monopoly industries, Professor Clark's conclusion is that workmen may be given a share in the "grab"—such a share as strikes and violence would be likely to get for them, if there were no such thing as arbitration. This, of course, he believes to be a sound procedure only "in the interim" —that is, so long as monopoly is not yet regulated and "natural" prices do not yet prevail.

It need hardly be said that in this volume Professor Clark shows again the qualities which have won him so distinguished a place among living economists. He is original and ingenious, and does not fear to pioneer boldly into new fields of thought. Those who so adventure deserve high praise, and not the less so if they prove sometimes to have made a start in the wrong direction. His style retains all its grace and finish, his courtesy is unfailing, and a fine personality shines through the pages.

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The Trust Movement in British Industry. By Henry W. Macrosty, B.A. London: Longmans, Green & Co., 1907. 8vo, pp. xvi+398.

The author informs us in his preface that

> to award praise or blame in the moral sense for the operations of trade in no way falls within the scope of this book, whose only object is to detail, with as little bias as possible, as many facts as could be ascertained in relation to the modern organization of industry. Description rather than criticism has been the aim mainly kept in view, and, therefore, every opportunity has been taken to let business men state their opinions in their own words.

We may say at once that the desired goal has been successfully attained, and as a result we have a comprehensive and fairly detailed narrative of the movement toward combination in Great Britain. Apparently every combination worthy of attention, whether amalgamation or simple association, has received some notice. In most cases this includes an account of the causes leading up to its appearance, a brief description of its organization, an outline of its career, and a statement of the reasons for its success or failure. The retail trades and, rather briefly, the field of transportation have been covered, as well as manufacturing and the extractive industries. The material has been obtained in the main from financial and trade journals, and as here gathered together goes far toward supplying the long-felt want for some adequate and up-to-date description of British trusts.

Among the interesting conclusions of the author we note that in the larger proportion of industries combination is along horizontal rather than vertical lines, integration being extensively resorted to only in the iron and steel industry. The chief cause for the formation of combinations is in nearly every case ascribed to the existence of destructive competition, the result of a surplus of productive capacity (p. 331). The effect of the trusts upon prices, we are told, is to keep them somewhat above what they would be under free competition; but it would be unjust to assume that competitive prices are healthy prices. "Speaking broadly there have been few complaints of price on the part of our great amalgamations, and where made they have generally been supported only by the scantiest of evidence" (p. 335). The terminable associations have had greater power over prices than the amalgamations, though the shipping conferences are the only cases where this power has been more than temporary. It is against the secret associations, rather than the legally recognized amalgamations, that complaints have been most frequently raised. The continued existence of a combination in Great Britain, it is stated, depends solely on efficiency, yet the trust movement is likely to extend, though at a decreased rate. At present the trusts are not dangerous, but contain great and unknown possibilities for good or evil. We can only regret that in his summary and conclusions as to the mass of material presented the author has not ventured into more detail.

The situation in Great Britain as here portrayed presents some interesting contrasts with American conditions. The most striking is the relatively large proportion of British combinations which are simply associations, not amalgamations, and their great instability. But is it not rather overstating the case when the author writes:

> We have not in this country to face the American problem or the German problem, but a problem of our own—the modification of society by a new organization of industry, a more efficient method of production evolving normally without artificial stimulus (p. 345).

True, we find in the United States certain artificial stimuli, such as the tariff and railroad rebate, which do not exist in Great Britain. Unquestionably these have hastened the growth of trusts. Yet other more natural factors have also favored the movement in this country so that even if the artificial stimuli were abolished we should still find the trust farther developed here than in Great Britain. The existence of such artificial factors can hardly make a different problem of the matter, for the underyling fundamental economic forces at work are the same in both countries. We would also suggest that additional light might have been thrown on the British trusts by a further consideration of the broader aspects of the situation, as the position in which Great Britain has recently found herself in relation to the rest of the industrial world.

CHESTER W. WRIGHT

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American Railways as Investments. By CARL SNYDER. New York: The Moody Corporation, 1907. 8vo, pp. 762.

This is just the book the ordinary intelligent investor has been looking for. It makes no pretensions to inside information. No tips are dealt out. Indeed the men who buy on tips are rightly labeled:

> They do not *invest:* they hardly even speculate. They are simply *gamblers* and nothing more; and this applies just as much to the solid investor who makes a purchase on someone else's say-so as to the fatuous army which chases fortune upon "the street" with margins (p. 17).

This is not the class for which the book was written. But for the man who has a sum great or small and intelligence enough to invest it, Mr. Snyder furnishes the data on which an intelligent judgment can be based—and furnishes it in plain and comparable form for all the important roads.

In a fifty-page introduction a clear elementary statement of the principles governing values is made and the terms used are defined and illustrated.

Although the railways of the United States taken together represent the largest single "vested interest" in the world, paying $500,000,000 a year to investors, and by every test have been steadily increasing in value since 1900, their market price shows enormous fluctuation. There are to be noted, first, an 80 per cent. rise between 1900 and 1902, then a 30 per cent. fall by 1904, then a 50 per cent. rise to 1906 and a 30 per cent. fall by March, 1907.

It is the purpose of the author to show that the solid earning