

by all competent judges. It has its legitimate province and its legitimate limitations. It appears to be increasing rather than decreasing. The reason is that the public necessities demand such increase." The validity of these views will hardly be questioned. Furthermore, the author is to be commended for the accuracy with which he points out the fundamental differences between public and private employments, and he is correct when he asserts that a recognition of those differences "lies at the bottom of all sound legislation for the regulation of properties and employments of all kinds." Mr. Stickney errs in pushing a sound principle too far. Neither lawyers nor economists will accept the following views as accurate: "Experience shows that in its contest with capital, labor is well able to take care of itself. We need have no fears for its future. . . . Neither will it in the long run get more than its just dues. Each can well take care of itself. Each is fully protected by the industrial laws." I question whether "the 'genius of our institutions' is overwhelmingly in favor of emancipation from all restrictions on complete contractual freedom—in private employments."

EMORY R. JOHNSON.

System der nationalen Schutzpolitik nach Aussen. By Dr. JOHANNES WERNICKE. Pp. 340. Price, 6m. Jena: Gustav Fischer, 1896.

The term "national protection" has a much more extended meaning in Germany than in the United States, and it is protection in its widest sense that is treated in the work under review. The ten chapters into which the book is divided take up subjects as diverse as tariffs and immigration, railroad charges and the standard of value. The standpoint of the author is that of extreme protectionism which savors at times of old-time mercantilism. The ideal economic policy is described as one that encourages in every possible way the home production of all kinds of commodities. This ideal possesses a political as well as an economic side. The government should encourage exports rather than imports, and it is preferable that money should show a tendency toward in-flowing rather than out-flowing. Free trade is a thing of the past. As it exists in England it is a one-sided protection, favoring the industrial classes at the expense of agriculture. The foundations of a state rest upon a protection of the weaker against the stronger, and upon a policy which develops not only manufacturing but also agriculture.

Coming to particular questions, the author believes that no invariable rule can be laid down as to the rate of a tariff. In order to avoid the evil effects of price fluctuations, he thinks it advisable that commercial treaties in the future allow for a rise or fall in tariffs corresponding to the rise and fall in prices. In the discussion of the "most favored nation clause," the question of its abolition, so far as the United States is concerned, is mooted. While export premiums are justifiable, their complexity as regards the one article of sugar, on which in Europe not only direct but indirect bounties are paid, leads the writer to recommend their abolition. This recommendation, it may be added, has found many supporters in Germany of late, who look upon such a measure as the most practical way of meeting the "bounty clause" in the Dingley bill.

In the United States there is more or less criticism regarding our consular service, and it cannot be said that this criticism is without foundation. Some two years since, the reviewer spent an afternoon in the House of Commons when the English consular service was under discussion. The general trend of the speeches delivered was to the effect that the English service was poor while the German was in every respect excellent. In this connection it is interesting to note that our author declares that the preparation of German consuls is entirely inadequate. They are for the most part lawyers and bureaucrats with no special fitness for their work. The contents of their reports are in the highest degree stale (*dürftig*). "The French and Belgian consuls, as well as the Italian, Swiss, and pre-eminently the consuls of the United States, are much more in touch (than the German) with the industrial and commercial circles of their own countries."

In dealing with the subject of colonization the author devotes much space to a plea for a more energetic colonial policy in Germany, as the following paragraph bears witness: "Since 1815 the population of Germany has doubled. Have the enemies of colonization ever made clear what will be the outcome of such a state of affairs? It is lamentable that the German sleeping-gown Philister is not yet always able to open his eyes and look out over the boundary of Germany. What a pity that we cannot let such people sail around the earth for a couple of years at public expense! Then would they comprehend what is the matter with us and what it is necessary to do."

The author considers in detail the subject of a value standard. For undeveloped countries silver is an adequate standard but for civilized countries gold is the necessary standard. From the

"gold" standpoint the subject is well presented and the conclusions arrived at are, for the most part, based upon interesting and valuable statistical material. In Chapter VIII, the author deals almost exclusively with the amount and kinds of money in Germany and the means of maintaining the gold reserve, while Chapter IX is devoted to various measures of Agrarian protection in the Fatherland. In 1896 the Agrarians succeeded in passing a law prohibiting dealings in grain options (*Getreideterminhandel*) believing such operations tended to depress the price of grain. Following the passage of this law the grain prices showed a marked downward tendency, and during the present season the general advance in prices seems to have operated less favorably for Germany than for any other country. The author's conclusion is that while a reform in the methods of *Getreideterminhandel* was advisable, its abolition was uncalled for. The absurdities of the proposition of Count Kanitz whereby the government was to buy up and offer for sale at a fixed price (average price for 1850-90) all grain which was allowed to be imported, are clearly brought to light by the author. The division of the book is not altogether proportional; for example, Chapters VII, VIII and IX occupy nearly two-thirds of the whole book, and subjects, whose careful exposition would, at least for American readers, be of great interest and value, are contracted in a way that renders them very unsatisfactory. To American readers, the most interesting feature of the work under review is its attempt to outline a comprehensive and aggressive governmental policy in direct opposition to the maxim of *laissez-faire* which still has such a strong hold on the American as well as the English mind. Here is no hint of governmental incapacity to deal with the most complicated industrial problems. It is assumed that the government will be as wise and as energetic as the most enlightened statesmen entrusted with the guidance of governmental policy, and the author's only concern is to determine what line of action is dictated by considerations of social expediency in connection with the various problems he considers.

GEORGE M. FISK.

American Embassy, Berlin.