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economic teaching, for it brings forward new facts, and, towards the end, some very trenchant observations on the present currency position. It is probable that, with all the clarity of Dr. Cannan's treatment, the "ordinary" reader will still fail to grasp the *reason* for the relation between currency issues and prices, though he will accept the statement. For example, at one critical point it says:—"A great part of almost every issue, and sometimes the whole of it, goes to increase the aggregate amount of money which people and Government together can and do spend on things and services. The notes are exchanged for something: the issuers buy things and services with them, or lend or give them to others who do. They may, if a Government, go through the farce of giving them in exchange for other money lent to them and then spending them directly, but however the process may be disguised it results in more money to spend and more money spent. *The perfectly natural consequence is a rise of prices.*" We have found that the person approaching this subject for the first time does not see the "consequence," and fails to realise that a magic doubling the currency notes in everyone's pocket would have any effect—he just thinks things would cost the same, and the additional notes stay in the pockets. The competition of the total currency for the total goods is a difficult idea to assimilate.

If Dr. Cannan's book is as near the ideal as possible for the average reader, it is at the same time a word of wisdom for the "statesman," and a piece of fresh reading for the economist, for which all three should be grateful. The concluding pages, dealing with "the most insidious and dangerous of all the arguments in favour of increasing issues," viz., that "the issuers have no control over the issue and that it is automatic, in response to a genuine demand and not forced on people," is the best piece of criticism on the subject that we have seen. Perhaps Professor Cannan, like other critics of the present currency position, fails to do justice to the effects of inflation in providing an artificial psychological stimulus to effort and production during the war which an "all-loan-and-taxation" policy could not have given. The most ardent critic of the total effect of alcohol upon the human system and its aggregate energy may acknowledge that the rum ration at the right moment before going "over the top" made possible physical feats during the *critical period* that might otherwise never have been forthcoming.

J.C.S.

5.—*Labour in the Commonwealth.* By G. D. H. Cole. 223 pp. 12mo. London: Headley Brothers, 1918. Price 5s. 6d.

*An Introduction to Trade Unionism.* By G. D. H. Cole. vi + 128 pp., 8vo. London: George Allen and Unwin, 1918. Price 5s.

*The Payment of Wages.* By G. D. H. Cole. vi + 155 pp., 8vo. London: George Allen and Unwin, 1918. Price 6s.

In a long grim struggle we and our Allies have won decisive victory. At home, meantime, the smaller polemic of party politics

had yielded happily to larger sympathy with national concern. But scarcely had the battle closed, and peace was not guaranteed, when this harmony was broken by the re-entry in the industrial area of self-regarding faction. That spirit in the past was the prelude and accompaniment, though, we may hope, in a future brighter than any conceived by Mr. Cole, it will be only a retreating echo, of "unrest." A reassuring explanation was indeed at once forthcoming in frayed nerves suddenly relieved from wearing strain. But less welcome was the stress laid on the desire to use before it went an opportunity for a good bargain on the shorter hours of work, and higher rates of wages, compared with those of bygone days, for which "Labour" was resolved henceforth to take its place in the "Commonwealth." The relation and behaviour, actual and desired, of the two to one another form the general subject of the books before us which may therefore fitly be considered as they bear upon the present situation.

That aspect, frankly, is not pleasing. Most of us had hoped that in the end the sane sense and equitable feeling, and the English liking for a satisfying compromise of "give and take," of our employers and of the leaders of our workmen would overcome in practice perils which ought not, we felt, to be more formidable when wisely met than when faced unitedly in the tremendous ordeal of the war. But we are compelled to say that professional statesmen, who should mediate in such disputes, and the lay opinion of the public, which by its emphatic verdict can turn the balance wavering between strife and reconciliation, could not get from our author the timely help of moderate advice they might expect from an informed impartial student. On the contrary, provocation or obstruction would be more apparent in the theories advanced and counsel pressed by him.

Nimble dialectic, rare natural ability, and wide and close acquaintance shown in the last two of the three volumes with relevant industrial data, like trade union "structure," "government" and "problems," and the elastic detail of various particular modes of "payment of wages" "by results" are used, infelicitously as we think, to support the violent programme recommended in the first book to the "younger generation." The lines on the back of its title page, stating that "all things that have been great out of destruction grew," announce defiantly the revolutionary spirit which Mr. Cole affects. It may, as he sees, be not very decent to affirm that in the world-wide contest just concluded "beneath the unity" "of every one of the contending Commonwealths" was "the smouldering reality of the class struggle"; and his tongue, we can imagine, is sometimes sardonically moving in his cheek when he is "exasperating" "worthy people" by flippant paradox or perverse misstatement. But there is an ominous significance in the hour chosen for this outburst of venomous discontent with the existing economic order. Almost simultaneously with the victorious finish of military and naval effort, which had called a truce,

if it had not given final dismissal, to those "sordid antagonisms" on which his complacent gaze is fixed, the "trilogy" was published.

During the war some petulant chagrin had been shown by him at the breach opened thereby in the international solidarity of Labour; and for his part in former books he assiduously instigated British workmen to assert growing claims, however incongruous with the pressing interests of the country, against British employers, who, as their permanent foes, he urged, were trying, by means more foul than fair, to take advantage. And then, as returning peace between nations on the terms secured bid fair to gratify our patriotic better feelings, a chance appeared for him to play again with more effect the congenial rôle of delighted witness, or active fomenter, of class-war. It is not unfair to treat the suggestions and avowals now before us as we might regard the hoarse or harsh refrain of the greedy cries of some bird of prey resuming sight of an interrupted meal. A "gospel of hate," not less poisonous than that lately mouthed by Germans against England, seems to stimulate Mr. Cole to coarse irrational abuse of the personnel and furniture of our present industrial establishments. And the more polished and reasoned philosophy with which he condescendingly supplies the rough prejudice and crude conceptions of his ignorant friends is marred by sneers. His wit indeed is more brutal than it is delicate, and the flavour tart rather than demulcent.

This, however, is most conspicuous where propaganda, and not analysis, is attempted, and is specially characteristic of the first book on our list. Yet a moral, tainted with similar infection, lies beneath the valuable descriptions of the other two volumes. We recognize their merits. They are accounts, brought down to date, of material contained in treatises of such repute as Mr. and Mrs. Webb's "standard works" on the "*History of Trade Unionism*" and "*Industrial Democracy*," and in the comprehensive survey of "*Methods of Industrial Remuneration*" which we owe to David Schloss. For a clear compact conspectus of the present organizations and existing or projected modes of payment of wage-earners, for keen criticism of boasted merits and alleged defects in policies and systems, for the masterly disentanglement of intricate complexity, this later exponent can invite comparison with his predecessors; and the more modest size of the new inquiries is no true index of their relative importance. Mr. Cole writes of his study of trade unionism as a "short" "introduction," but it casts penetrating light into dark recesses. He is, on the other hand, fully justified in claiming that his scrutiny of wage-payments fills a gap. That object is achieved because after Schloss no one had produced a "general" book upon the subject, which, without even that exception, had not hitherto been approached "from the trade union point of view."

This acknowledged attitude may impair impartiality observed more strictly by the earlier authority. But, decidedly hostile, for instance, as is the handling of the new advertised specific of "scientific management," to which perhaps a disproportionate space is

given, the grave objections urged should not be thrust aside as obviously prejudiced. In effect Mr. Cole maintains that its complimentary epithet has not been earned by such contrivance, which is nevertheless justly suspect because it views human beings as automata or machines. It must however be remembered that he starts with a resolve to pronounce impossible all improvement of the wage-relation, and he would deprecate, and stop, honest attempts to "mend" what, so far as he can secure, should speedily, and forcibly, be "ended." In that sense he is a "detached" observer, but he is no neutral judge. Yet his inspection of "various piece-work systems," of "bonus systems" in general and the "premium bonus system" in particular, of "price-lists," "commission systems" and "profit-sharing," has been well planned and is brilliantly performed. From this ordered mass of evidence however we reach a conclusion opposite to his. The adaptability of wage-payment to a host of varying patterns, which he proves, makes it less, not more, easy to accept his general imputation of "slavery" to wage-receiving, or to acquiesce in the prophecy that so flexible a tie will not endure.

Nor does Mr. Cole's lively review of what we should term the "fissiparous" tendencies of Trade Unions corroborate the main inference of his second book. The numerous divisions and cross-divisions, barring final classification, are emphasized. Notable differences of "structure," it is seen, are not limited to the opposition, vital as that is thought; of "crafts" to "industries"; but on similar, though not identical, lines of clashing entanglement work, rank and feeling are shown to sever "skilled" from "unskilled" labour, and the contrast is no less marked of high regular contributions, to provide, with due responsibility attaching, for a host of friendly-society benefits, and funds, supported by no steady accumulation of reserves, destined for free expenditure on short, sharp fights, and raised hastily in low subscriptions from a wide loose clientèle. Varieties of "government," again, are awkward but persistent obstacles to uniformity, sometimes exalting the "executive council" or the "general secretary," and sometimes subordinating their acts to bodies of "delegates" frequently summoned, or to an immediate "mandate" given directly on each critical occasion by the local "lodges." And, lastly, "family quarrels," so to say, about "demarcation" and the like do not fit into the hypothesis of one inevitable trend on which Trade Unionism steadily progresses in the direction wished by him.

For Mr. Cole's panacea is "Guild Socialism." National Guilds however are obviously a "compromise," which bystanders may regard as "halting," between the demands of the new Syndicalism and the claims of the old State Socialists. If what is left of the second to safeguard the public interests of consumers can be reconciled with the complete control dictated in the first of production by the workmen engaged upon the particular class of work concerned, Mr. Cole's "makeshift" may satisfy. It is a *via media* between

extremes; and "demarcation" may prove here also a provoking cause of controversy. We should not have ventured to presume that such an ideal would find sure lodging in so positive a mind; nor do we dare to predict that this balanced equipoise will long retain the enthusiasm of his companions. But for the time at least our author represents omens like the rise to power of "shop-stewards," begetting, it is true, constant friction with employers, and fanning smouldering discontent or blazing disagreement of the rank and file with the less aggressive state-craft of the higher experienced union officials, as sure auspicious signs of a common inclination to take his remedy. We may distrust its healing power as we would that of some purgative; for the "class-struggle" needed for the temporary occupation of this "half-way-house" is not welcome, even if it become, by Mr. Cole's ironical leave, as "orderly as a prayer-meeting." But, when we have allowed for distortion due to the "imaginings" of the narrator, we can appreciate, and use, the fresh information of his lucid story.

From the exposé of trade unionism and the scrutiny of "payment by results under the wage-system," prepared for the "Fabian Research Department," we turn again to the book intended "for the younger generation." In this essay Mr. Cole's "inner self" is revealed, though he does not disown a personal responsibility for opinions given in the others. But the "preacher," we may suppose, gladly throws aside here restraints to which the "researcher" may elsewhere have reluctantly or necessarily submitted. Here, too, however some cool convincing reasoning is mixed with heated abuse and bold rhetoric. Mr. Cole's complaint indeed of the "abstraction" used by others does not save him from the same defect. He may be right in arguing that the "State" is not "an absolute or universally sovereign authority," but "merely" "a functional expression among other functional expressions of" "the common will of the men and women who compose the Commonwealth." And thus it may be implied that we should speak of commonwealths in the concrete plural rather than employ the singular number. But his application of the other term brought into close connection remains "abstract," and is unreal. For, while the "Labour," whose cause he champions, may now be seeking astutely to combine the interest and strength of professional brain-workers, and even of supervising foremen, with those of artisans and the "unskilled," it, and he, neglect, or exclude, in defiant omission or unconscious fallacy, capitalist employers. Yet their duties are really as arduous, and their activity is no less necessary. They are often "workers"; and "Labour" without them is no more than an abstraction.

Mr. Cole vilifies friends as well as foes. It is not only the politicians of the ordinary parties who are made to feel the smart of his biting satire; but trade union leaders are told in patronising scorn that they "lack" "ideas" and "constructive imagination," and their followers are grimly reproached or chid savagely for

being "conservatively" "phlegmatic." On his sarcastic view the Fabians occupy one wing of a movement for reform, hopelessly tame and stupid, on the other wing of which the Charity Organization Society is discovered; and so expert a Professor of Public Administration and ambitious a socialistic schemer as Mr. Webb is arrogantly charged with blundering misstatement. Mr. Cole, moreover, we note, is quick to discern and prompt to acknowledge that it is not the "idle" so much as the "busy" rich, the "lean" rather than the "fat" men, who are formidable; and with refreshing, if unkindly, candour he allows that, as the "proletarian outlook" is not likely, through imperfect education, to be otherwise than "narrow," one "half-truth" may be substituted by them for another formerly fathered by the limited bourgeoisie. But the recognition of the true circumstances that "crafty" capitalists are constantly "picking" for promotion the more able individuals from the working-classes, and that "skilled" labour is prone to handle roughly the "unskilled," as they are the "bottom dog," conflicts with the audacious dogmas, nursed and pressed throughout, that wage-earners are doomed to be "servile" and that "humanity" requires the overthrow of "capital" by "labour." The riddle is not brought nearer to solution by the correct admission that the "workers in the Labour Movement are not entirely pro-pertyless."

Thus however does Mr. Cole's agile mind, in its cynical mood, escape from the appropriate obligations of his hampering creed, if consistency is damaged in the process. He is no "blind leader of the blind"; and his guidance is more to be feared on that account. His concessions can deceive and his reasoning eludes, but his destructive aim persists. The revolutionary attitude may be a pose slimly assumed; but could serious reformers, moderate or even progressive, keep company with one who seems to find pleasure in saying that "the whole damned order of things hangs together" "in a servile society" "where it would be absurd to look for free art and free amusement," and offers this nasty caricature for a description of the England of the present hour? If it were gravely put forward it would be glaringly inaccurate: if it be recklessly advanced as a fancy sketch to gratify an idle whim the irresponsible levity by which the vulgar flout is prompted is purely mischievous. We do not envy Mr. Cole his choice of either horn of the dilemma. But it is a pity that at this juncture an author of his parts and temper, with such ability and such caprice, should command a hearing from the officials or the public of the Labour World. Some may be dazzled by the daring attitude he strikes or by the smart cynicism of his comments, if they cannot understand, or use, the flexible apparatus of supple dialectic placed at their disposal and designed for their education. Others are likely to be confirmed in old prejudice or encouraged to new appetites by his example and his precept. Their belief and conduct may seem more plausible and less crude when garbed with logic and equipped

with erudition. Disgruntled scholars have before now sought prominence in *émérites*, and the academic atmosphere, removing from sobering contact with prosaic affairs, seems favourable to the "constructive imagination" of those grandiose dreams which lead plain men to social chaos. That is, we think, what Mr. Cole, in impish glee, intends by the "very great mess alike of the art of "government and of the arts of production and service" that the world "set free from capitalism to-morrow" might "probably" make. Such "creation" would, we allow, be "chaotic"; and it accords strangely with any "conception of the goodness and the "fullness of life." It is more like a nightmare. L.L.P.

6.—*The Standard of Living in Japan*. By Kokichi Morimoto, Ph.D., Associate Professor of Economics in Tohoku Imperial University. 150 pp., 8vo. Baltimore: The Johns Hopkins Press, 1918. Price \$3.50.

This is not only an important contribution to the study of the standard of living, based on original research, but is also very interesting reading, describing as it does phases of Japanese life and customs in an accurate way that contrasts favourably with travellers' discursive impressions.

The research follows familiar lines. Budgets of food expenditure, but only few in number, were collected from families believed to be typical of their class; these were supplemented by a more extensive inquiry of individual and family annual expenditure on dress. The whole food supply of Japan is also considered, and the amount per capita worked out for each commodity. A study of housing is added.

The writer is a firm believer in measurement by calories, and has compiled a standard budget, "which can be approved from both "practical and theoretical standpoints," and utilises "the best in "both Japanese and foreign foods and in methods of cookery." The weight of an average Japanese is four-fifths of that of a European, and therefore it is argued he needs only four-fifths of the proteins, &c., taken by Voit as the amounts advisable for Europeans. His standard yields per "man" per day 101 grams protein, 44 grams fat and 399 grams carbohydrate, and cost in Tokyo in 1915 30.5 sen, or about 15 cents (U.S.A.). Professor Morimoto is a food reformer and embodies his suggested reforms in his budget, which differs from those put forward by the Japanese Bureau of Hygiene in that it contains 150 grams of wheaten bread and 80 grams of beef or pork. He argues that Japan depends too much on her home rice-harvest, which is barely sufficient even in favourable years, while imported rice is disliked, and that it is necessary to broaden the basis of the national dietary, and he believes that wheaten bread will become popular when it is better baked and prejudice is removed.

The peasant farmers, however, find rice too expensive a diet, and support life principally on barley (2 parts barley to 1 rice). They eat very little meat indeed; dried fish is used mainly for