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Money's Fiscal Dictionary by L. G. Chiozza Money

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staggering blow if in return for this small advantage it were confronted with a tariff barrier in the only great free market we now enjoy.

But this does not answer the vital question, "Is Free Trade good for India herself?" Most economists will allow that the protection of infant industries is no departure from Free Trade orthodoxy, and why, therefore, though Free Trade may be the right policy for England, should India not protect her infant industries against the competition of England? Mr. Lees Smith is too conscientious a student to ignore this difficulty; his answer is that what Indian industry is suffering from is lack of initiative and self-reliance, and that this weakness would be encouraged rather than removed by protection. There is no doubt something in this argument. Certain Indian industries are languishing solely because they are carried on by obsolete methods; if they do not flourish with all the advantages that Nature has showered on them, neither will they flourish with the help of the most stringent protection. But the argument somewhat undervalues the incentive to effort which protection would probably give. It is hard, no doubt, to persuade the Indian artisan to leave the rut of long-established custom, but a profit of one hundred per cent. is more likely to accomplish that feat than one of ten. English industry was revolutionised by the prospect of making thousands per cent., and it is not certain that the yeoman would have left his land if the prizes had been as modest as those in Free Trade India.

T. MORISON

Money's Fiscal Dictionary. By L. G. CHIOZZA MONEY. (London: Methuen. 1910. Pp. vii + 315. 5s. net.)

THE title of this book is somewhat misleading, for it is in reality little more than a handbook for Free Trade speakers. Mr. Chiozza Money, as he tells us in his preface, has incorporated in this *Dictionary* numerous articles which he has contributed, during the past few years, to various newspapers, periodicals, and annuals. The book, however, is not what its author intended it to be, for it was his aim "to make it encyclopædic in character, but the protraction of the Parliamentary session of 1909 has compelled him considerably to modify his ambition, and the imminence of a general election seems to render it inadvisable to postpone the publication of a work which, while admittedly incomplete, and far short of what he desired to make it, will, it is believed, prove of some value to the student of affairs" (p. vii).

The book must, no doubt, have been invaluable to Free Trade speakers during the recent general election, and it is in many respects a useful work of reference. But it can, we think, hardly be regarded as a very important contribution to the literature of the subject which it treats. The treatment of many of the topics dealt with is one-sided and very inadequate; *e.g.*, under the heading *Tariff Reform*, we find the following: "'Tariff Reform' is a term which, in the methods of Protectionists, abuses language, ignores history, and defies fact" (p. 262). The book deals much more with facts than with theory, and often shows a lack of the sense of proportion with regard to the space allotted to the various topics; *e.g.*, *Agriculture* has twenty pages, *Import Duties, Incidence of*, only two. Parts of the book are of only ephemeral interest; *e.g.*, much of the excellent article on unemployment is taken up with an examination of the very remarkable statistical methods employed by the *Daily Express*. Again, a lengthy discussion on the question of the nationalisation of railways, under the heading *Railways*, appears to us to be somewhat out of place in a *Fiscal Dictionary*.

The historical articles are the weakest in the book; *e.g.*, to say that "the conception of the mercantile system was that the wealth of a country increased by virtue of exporting much, importing little, and drawing the balance into the country in the form of gold and silver" (p. 164), is only to state a half-truth. Again, surely more than a single page might have been allotted to the Navigation Laws.

The numerous statistical tables, which are admirably clear and well-arranged, form much the most valuable portion of the book. The statistics of the world's output of coal under the heading *Coal*, to which the author calls special attention by a diagrammatic frontispiece to the book, are of great interest. It is, perhaps, not generally known that "three countries—America, Britain, and Germany—have a practical monopoly of the world's coal, between them producing eight out of every ten tons" (p. 80), a fact which, as Mr. Chiozza Money points out, goes far towards explaining the industrial success of these three countries, quite apart from any question of fiscal policy.

The articles on Revenue from Protection, and a Scientific Tariff are, we think, two of the best in the book, and may be recommended to those who are anxious for this country to adopt a tariff on the American or German model.

We hope that Mr. Chiozza Money will at some future date be able to carry out his original design, and bring out a dictionary

which will be not merely "encyclopædic," but also non-controversial in character.

HENRY S. FURNISS

The Commonweal. A Study of the Federal System of Political Economy. By ALFRED P. HILLIER, B.A., M.D. (London, &c. : Longmans. 1909. Pp. xii+162. Price 4s. 6d. net.)

IN one respect this book is a disappointment. Its sub-title suggests a treatment of one of the most neglected, and yet one of the most important, aspects of the Tariff Problem. For Federal Economics, or the Economics of Large Empires, as opposed to those of independent nations, have many features of their own, and, in dealing with them, it is often necessary to drop or to modify arguments that have an important place either in a national or a cosmo-political system. More particularly is this the case in relation to the Fiscal Question. For a large self-supporting area will, according to the point of view, be less liable to suffer from, or peculiarly fitted to profit by, the adoption of protection against the whole world. Indeed, Free Traders often use this very argument against English Tariff Reformers. Yet a self-sustaining Empire, united by Tariff Preferences, is also in a position to reap most, if not all, of the benefits of Federal Protection; and the addition of Imperial Preference greatly reinforces the case for a National Tariff. Nothing, indeed, could well have been more interesting than a purely economic treatment of this matter.

Unfortunately, Dr. Hillier's book, excellent as it is in its way, does not do this in spite of its title. It is another statement of the general case for Tariff Reform, clear, lucid, and on the whole well-reasoned; but it only incidentally touches on the Federal question, notably in the chapters devoted to America and Germany. Here it does deal with the subject, and not at all badly; but what we really want is a book devoted to it entirely. Still, "The Commonweal" is well worth reading, and its lucidity and brevity will make it useful to the general public. Moreover, it is generally sound in its reasoning, and, if not rising to great heights, is singularly free from economic fallacies.

The first chapter deals with writers and systems. The author rightly contrasts the nationalism of Adam Smith with the cosmopolitanism of "the school," whilst the description of Economic Science as a "complex variable" is quite good. The second