

the face of the widespread uncertainties, doubts and illusions as to the complete reconstruction of industrial society, he declares that he is satisfied for the time being with the remedies which, though modest, may yet accomplish some good. This is not the place to discuss the question of the efficacy of state intervention. Those of us who take substantially the materialistic view of history have only very slight faith in it; but, at all events, we need not refuse to concede that in certain cases it may accomplish something. In view of the actual state of the question and of the experiments that have been made, it appears probable that in certain countries insurance against unemployment will soon come to augment our stock of social legislation. How far this system may go it is hazardous to predict, especially in view of the technical difficulties in the way; but as regards Italy, for whom, above all, Ferraris has written, it is easy to prophesy — remembering the long and painful travail of the yet unborn law for insurance against accidents, as well as the embryonic condition of that for the pension insurance — that there will be a long delay in securing this particular form of insurance.

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*Introduction to the Study of Economics.* By CHARLES JESSE BULLOCK, PH.D., Instructor in Economics in Cornell University. New York, Silver, Burdett & Co., 1896. — 511 pp.

*Outlines of Economic Theory.* By HERBERT JOSEPH DAVENPORT. New York, The Macmillan Company, 1896. — 381 pp.

*Outlines of Elementary Economics.* By HERBERT JOSEPH DAVENPORT. New York, The Macmillan Company, 1897. — 280 pp.

The last quarter of a century has been extremely productive in economic thought and research. Jevons, Walras, Menger, Böhm-Bawerk, von Wieser and Clark have revolutionized method and terminology. The historical and statistical school has placed at our disposal an enormous mass of material for illustration, comment and reflection. Marshall, Wagner, Hadley and Pareto have each essayed the *magnum opus* of combining method and material in order to become the Adam Smith, or at least the John Stuart Mill, of the present generation. These are but a few names among those of many who have taken an active part in the movement; and the future historian of economic thought will have an extremely difficult task,

if he attempts to trace a logical order of development; while he will have a very ungrateful task, if he attempts to decide rival claims to priority and originality of thought.

Now commences — as always after a productive period — the flood of secondary works. We are inundated with “Manuals,” “Text-books,” “Introductions,” “Outlines,” “Elements” and “Principles” of political economy, not to speak of entire reconstructions of the old science and the formulation of brand-new principles of a simplicity and comprehensiveness never before heard of. The former activity is easily understood and justifiable. Each one who has drunk at the sources feels an uncontrollable desire to retail the life-giving liquid in a diluted form to the perishing nations. To abandon metaphor, there is a real necessity of popularizing the new terminology and method and making them intelligible to the many. This is scientific progress. The second tendency is due to shallow minds, to whom a new principle immediately suggests all sorts of vague analogies, which they hasten to sketch out under the belief that they are making new discoveries. The doctrine of evolution gave rise to the same noxious crop.

Under these circumstances, any author coming before the public with a new systematic political economy does so at considerable risk. Whatever its merits, it is apt to be received with a certain degree of impatience. Men are asking, not for more treatises on political economy, but for *the* treatise or *a* treatise which will accomplish a definite purpose. There is room, I apprehend, for a text-book for beginners; also for a work which will throw into clear form the latest results of economic thought and research; and there is, of course, always a place for original thought and new discoveries.

Dr. Bullock's work is admirably adapted to fulfill the first purpose. He presents in clear, simple form the modern theories of marginal utility and value. He preserves enough of the traditional divisions into consumption, production, exchange and distribution to serve as a framework for theories and facts. Such a formal division I believe to be not only useful and helpful in dealing with the complicated phenomena of economic life, but absolutely necessary for the beginner if he is to follow economic analysis easily. At the same time, by emphasizing the fundamental principles of value throughout his treatment of all these departments, the author makes clear the unity of the whole subject, so that the beginner will be in little danger of believing that production has no relation to consumption or that distribution takes place without exchange. Theory and

application also go hand in hand; and a judiciously chosen bibliography aids the student to further study.

Mr. Davenport's works seem to me rather less satisfactory. The larger one "was not originally projected as a text-book" (preface), although there is an elaborate apparatus of questions and quotations obviously intended for class-room work. In many cases the quotations do not support the text, and apparently are not intended so to do. Such constant presentation of conflicting views is sometimes thought to be the true pedagogical way of conveying truth; but for beginners this method is more often confusing than enlightening.

Nor can Mr. Davenport's work be regarded as a good digest of the newer economic views. There are many interesting discussions, but it is difficult to understand the arrangement of chapters. While discarding the traditional divisions of production, exchange, *etc.*, he retains the distinction between science and art without any very clear-cut line of separation between the two. This leads to considerable repetition of topics without essential difference of treatment — as in the two sections on population, pages 106 and 324. There are also apparent contradictions in his definitions which will be apt to trip up the reader. For instance, we find the following passage:

Capital is wealth, other than nature and natural forces, used as an aid to human energy in the reproduction of wealth. It is to be noted that this definition conceives capital from the social instead of the individual point of view. So far as concerns questions of production and reproduction of wealth, nature and natural forces are to be regarded as forms of capital [p. 125].

The last sentence seems to contradict the first, and it requires considerable effort of thought to supply the hiatus.

The use of the term value, too, is not always clear. Thus, on page 39, it is said that "value measures sacrifice and not well-being"; while on the next page, speaking of a purchaser, he says: "He finds his personal schedule of values to differ from the market schedule greatly to his own advantage"; and on the next page we have the definition: "The value of a thing is its power in exchange by virtue of its utility of commanding sacrifice." Is there, then, one value or two values? And is the fundamental idea sacrifice, well-being or utility? It may be that a thorough and minute study of the work would show that Mr. Davenport is consistent in his use of terms all the way through; but has the author of "outlines" the right to demand such minute study as is given only to the masters? Should

not the "outlines" stand out of themselves with reasonable distinctness? And should they not be reasonably complete on all sides? One is struck by the contrast between the elaborate treatment of rent and the meagreness of the chapter on population; similarly, Böhm-Bawerk's theory of interest is given in full, while profit is briefly defined as a species of wages. Some parts of the book, too, are much more thoroughly worked out than others. As a matter of detail, I should like to know why a book published in 1896 gives the population of the United States in 1890 as "estimated" at 62,032,672. Is this irony?

At the same time, it is not to be denied that there is a good deal of vigorous thinking and vigorous writing in this book. In the hands of the author I can imagine it to be stimulating to students. It is encouraging as showing the fermentation that is going on in the minds of teachers of economics. The process (so far as I can judge) has not in this case indeed reached its completion, and the results do not always appear to be fully clarified.

The "Elementary Economics" is condensed from the larger work, with the same arrangement and order of ideas.

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## RECORD OF POLITICAL EVENTS.

[From May 9 to November 10, 1897.]

### I. THE UNITED STATES.

**FOREIGN RELATIONS.**—The activity of the government in this field has been manifested most conspicuously in connection with Cuba, Hawaii and the Bering Sea seal fisheries. The situation in Cuba was made the subject of careful consideration by President McKinley's administration during May and June, as preliminary to the appointment of a minister to Spain. A special commissioner, Colonel W. J. Calhoun, was despatched to Cuba in May to investigate and report upon various subjects of controversy between the United States and Spain. Pending his report, the President, on the basis of consular reports as to suffering among American citizens in Cuba, recommended to Congress, in a message of May 17, that an appropriation be made for their relief. An act was passed three days later devoting \$50,000 to this purpose, of which only a fifth had been expended by September. On May 20 the Senate passed, by 41 to 14, a resolution declaring that war existed between Spain and the Cubans, and recognizing the latter as belligerents. It was well known that President McKinley disliked the tendency of Congress to encroach upon what he, like his predecessor, regarded as a function of the executive, and the resolution, accordingly, was not considered by the House. At the beginning of June Colonel Calhoun returned from Cuba and made his report to the President, who based upon it demands for indemnity from Spain for the ill-treatment of certain American citizens. On the 16th the appointment was announced of Mr. Stewart L. Woodford, of New York, as minister to Spain. Mr. Woodford presented his credentials on September 13. His instructions, which were communicated to the Spanish government, were not made public, but were understood to embody serious representations as to the necessity of terminating the existing situation in Cuba. Newspaper reports that he had presented an ultimatum to Spain gave rise to manifestations of popular feeling against the United States in many parts of the country; but the truth of the reports was officially denied. The change of ministry and of policy in Spain (*infra*, p. 753) delayed the reply to Mr. Woodford's instructions, and it was not transmitted to Washington till October 27. No authentic information as to its purport was made public; but the sailing of a filibustering expedition from New York, just before, gave rise to reports that Spain laid much stress on the failure of the United States to fulfill her obligations as a neutral. — On June 16 the President formally resumed the policy of the last preceding Republican administra-