

and not at Midvale but at the works of William Sellers & Company. Lewis and Barth were for the greater part of their respective employments under William Sellers at the latter place and contemporary with Taylor.

But the one real blunder in the little book is the statement about William Sellers' fundamental principle of machine design. It is quoted as: "A machine is correct when it is pleasing to the eye." As the reviewer often heard it from Mr. Sellers' own lips, it was: "What is right, looks right." That makes sense, the reverse nonsense.

Finally, the reference made to the strike at the Watertown Arsenal in 1911 is entirely erroneous, though no doubt the author has for this drawn on sources considered authentic. That strike was not brought on when an attempt was made to organize the foundry on the basis of Taylor's fundamental principles, but by an attempt to make a time study on a molder in absolute disregard of one of his most important principles; namely, before any preparatory work had been done (as there had been during two full years in the machine shop where there was no trouble), and without first obtaining that molder's consent and willing co-operation. Hence, so far as the reviewer knows, Taylor's proud statement that there never had been a strike under his system (Scientific Management) is as true today as it was previous to that misrepresented strike at the Watertown Arsenal.

CARL G. BARTH¹

Organisation Bancaire. By Roger Alheinc, Dunod, Paris, 1928, pages 101.

The author of this work, Roger A. Alheinc, Director de la Banque Nationale Francaise du Commerce Exterieur of Paris, presents the problems of European banks much as Taylor did that of American industry, namely, the performance of more work at less cost and with higher returns to the employe, as well as to management and capital. He pays a tribute to Taylor and also to Bertrand Thompson, who originally stimulated his research in banking.

The author classifies the employes of a bank and makes an analysis of the work of a typical banking department, indicating the various steps taken, for example, in handling a draft. He points out that organization of the work of a bank is necessary in order to obtain rapid execution of the elements of each operation and rapid co-ordination of the results of the operation with the smallest quantity of workers. The author indicates that since there may be an incompatibility between rapid execution and rapid co-ordination, there must of necessity be a better methods department. He points out the necessity of considering the psychological as well as the material conditions of the organization.

M. Alheinc shows how the product of a department or branch may be measured. Comparisons may be made of the volume of one period with that of another. The results, the author points out, of comparative statistics, give information to all those interested in the bank's progress on

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the basis of which they may find better means of doing the work.

The author suggests analyses to determine just what each individual is doing. He finds it desirable to determine cost price per thousand units of certain kinds of work, and the necessity of ascertaining why the output per day is smaller in some branches than in others. The reasons for this he says may be bad organization of the work, bad methods, unsuitable officers, or inferior employes.

The author feels that in the Head Office, where more employes are devoted to one operation, it may be easier to make comparisons of the adequacy of supervision, distribution of work, the capacity of managers, and of organization and methods.

He describes mechanical devices and asserts that social conflict may be caused by the introduction of machinery unless its purpose is understood. He draws an important distinction between "organization" and the "employment of machines," stating that machines never have solved the problem of organization. He suggests that organization must precede mechanical installation, and that one must go carefully into the types of machines to be used, the cost, and the expected economies. In the transition from the hand to the machine process, it is necessary, he says, to make up a plan for installation, schedule the various steps, issue the instructions required, and have them properly explained, as well as stimulate the imaginations of the clerks as to the value of the new installations. He believes that it is not advisable to reduce personnel until a new method has had a satisfactory trial. M. Alheinc explains the various types of machines and the kinds of work they might be expected to cover. This classification of office machinery is a good one. A formula is suggested to be used in determining the relative merits of a machine as against a hand process, and for the comparison of one machine with another.

The author explains that in order that collective action may be obtained, it would be desirable that each bank establish a methods department; that each country establish a bankers' association; and that internationally a banking section be attached to the International Institute of Management at Geneva. The banking section to be attached to the Institute at Geneva would have the same task as the various associations of banks in each country. This organization would do good work, among other things, in the study of international private credits.

M. Alheinc explains that the methods department of a bank must be managed by men with progressive ideas who understand large organization, and who are under the direction of the Board, and he shows how they should be assisted, by several auxiliary departments who would gather statistics, interpret them, analyze the work done, and also make surveys of the condition of prospective borrowers, so as to ascertain their true situation before making loans. The author says in this connection that banks have in the past been satisfied with very superficial examinations based upon insufficient reports and misleading correspondence.

Some of the other duties of methods departments in banks should be, according to M. Alheinc, to institute

adequate country collection services, to devise a better means of avoiding fraud, to propagate better management, and to enlighten all parties interested as to costs. It might be better, the author observes, to reduce costs rather than to make agreements as to commissions, which are often not adhered to anyway.

M. Alheinc points out finally that while the establishment of methods departments in factories is a big job, it is not so large a job in banks, as most of the data necessary are already available on the records of the bank. The author feels that it is astounding that the methods discussed have been so satisfactorily introduced in industry, and yet are missing in banks, which are based upon bookkeeping. He concludes that France and all of Europe have lost economic equilibrium on account of the War and have to forge ahead with progress in order not to become financially dependent upon America.

This is an exceedingly interesting and valuable piece of work, and it indicates that some of the French bankers are giving as much, if not more, thought than are many American bankers to the problem of bank management and economical operation. The work should have a very stimulating effect in Europe and, indeed, on this side of the Atlantic.

ARTHUR K. SCHULZ²

Whither Mankind. A Panorama of Modern Civilization. Edited by Charles A. Beard, Longmans, Green & Co., New York, 1928, pages vii, 408.

Our Economic Morality. By Harry F. Ward, The Macmillan Company, New York, 1929, pages ix, 329.

"Anxiety about the values and future of civilization has crept out of the cloister and appears in the forum and the market place." With this theme, sentence Dr. Beard has assembled a prominent group of thinkers to consider with him what the values and future of mankind are, as reflected in its typical activities, among which business figures prominently. To progress or not to progress, that is the question. And unlike numerous pessimists about the influence of machines on life, these writers in the main agree that progress is possible, that values are real and potent, that mankind has its destinies measurably in its own hands.

Perhaps the most unique contribution to this discussion is supplied by the Chinese philosopher who is comparing oriental and western objectives and accomplishments. Unlike many writers, this Oriental concludes a finely balanced statement with the view that "materialistic" is a word to stigmatize the backward eastern civilizations rather than the western. "For to me that civilization is materialistic which is limited by matter and incapable of transcending it; which feels itself powerless against its materialistic environment and fails to make the full use of human intelligence for conquest of nature and for the improvement of the conditions of man." And

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Mr. Shih therefore decides that pre-eminently in the west it is "only through conscious and deliberate endeavors in the direction of fully realizing" its truly spiritual potentialities that progress will come.

This note of "conscious and deliberate endeavors" toward control dominates the book and gives it a positive and creative challenge far from pessimistic, although certainly not superficially optimistic. It is a provocative volume for business readers with any interest in the meaning of economic activity and in its relative place in the sun. It is a corrective book, correcting dull narrow views of what industry is about and enlarging any limited vision of what life in the large may hold. It is a modern study in evaluation of the working-hour concerns of you and me, which is as heartening as it is stimulating. Business no less than the arts needs this book. It is only a pity that the chapter on the important subject of religion should not have been written by a younger, less dogmatic prophet. To ask James Harvey, Robinson to characterize religion is like asking the president of the American Medical Association to contribute his views on Christian Science! But on the whole, the book should emphasize a view of life and industry which needs to be captured by many of us who are so close to the whirring machinery that we never think what we shall do with our increasing volume of goods.

Similar in one respect to Dr. Beard's symposium is Dr. Ward's attack on our economic morality! He, too, insists that capitalism faces a dilemma of further stress on mere production or of forwarding "a process that can get the full values from the machine," by the extension of good-will and human solidarity. This author's major concern is to see how the facts and policies of modern business square themselves with the ethics of Jesus. He writes as an avowed Christian socialist who is naturally sick at heart and full of righteous indignation about economic inequalities and injustices. No reader with broad sympathies but will share many of his feelings of discouragement.

The difficulty, it seems to me, lies rather with his view of the means whereby improvements can be effected. His point of view takes on special importance because the author is a professor in one of our leading theological schools, and, to me at least, it is disconcerting to think of numerous young ministers, unacquainted with the realities of industrial life, being indoctrinated with the absolutistic and almost cataclysmic view of progress which Dr. Ward presents. He insists on seeing life and life processes in black and white, in good or bad, in deliberate altruism or calculated selfishness. He seems to have escaped completely from the influence of modern ideas and facts about "emergent evolution," about growth, about the inner nature of social change. His outlook—and it is one by no means unique with him—is pinioned in water-tight categories.

But human motives, even those of the individuals or groups in positions of economic power, are mixed. Human gains, even when not deliberately sought, are often general and widespread in the benefits which accrue. For every instance of economic selfishness can be cited one of economic stupidity or genuine bewilderment in the face of economic forces of staggering complexity. Our failure to get on is far from being due exclusively to willful perversities of our nature.