

and how suggested changes in policy and organization led to revisions, chiefly the so-called "war amendments" of June 21, 1917. These changes are shown in the addenda by the ingenious device of crossing out deleted material in the revised act, and indicating new alterations, amendments added, by italics in the text, with their appropriate dates in the margin. It is significant how many changes conform to original suggestions made by Mr. Warburg.

The principal message of this book is that the federal reserve system is the product of the labor of many minds—non-partisan, Democratic and Republican; that it is still weighted down with the burden of political compromises which menace the future. In the light of changes which are still necessary Mr. Warburg pleads that the reserve system receive the undivided friendship and good-will of both political parties, and that all citizens feel an equal degree of concern and responsibility for its welfare. Indeed, he dedicates the volumes "to the guardians of the federal reserve system, past, present and future."

The reader should not be frightened at the size of these bulky tomes. The author describes his work as "reflections and recollections" and this form enables him to tell the story of a great financial reform movement with the vividness and breathing vitality which could be portrayed only by one who has lived through the events. The easy-flowing narrative is punctuated with anecdotes, and is replete with quotations from papers, addresses and letters from prominent people active in public life. The first volume may be regarded as complete in itself since it contains the historical part of the discussion down to 1927, with addenda on *The Chicago Incident* (a case of dictation by the Federal Reserve Board on the subject of rediscount rates in the Districts) and upon the *Stock Exchange Crisis of 1929* (another example of differences arising within the administration of the system). The remaining three hundred pages consist of appendices, documentary evidences referred to by the author in the text, interesting material in itself, but not essential to the story. The second volume consists of a collection of addresses and essays by Mr. Warburg between 1907 and 1924. These deal with problems touching the subject of banking reform and the federal reserve system, and with broad questions of domestic and international finance. They may, therefore, be read separately or as supplementary to the first volume.

JAMES WASHINGTON BELL³

Industrial and Commercial Ohio Yearbook, 1930, The, Bureau of Business Research, College of Commerce and Administration, The Ohio State University, Columbus, 1930, pages xii, 154.

The 1930 volume of *The Industrial and Commercial Ohio Yearbook* recently published by the Bureau of Business Research of Ohio State University contains considerable statistical information relative to the industries and commercial organizations of that state.

Anyone interested in a complete and comprehensive analysis of this market will find this book an extremely interesting and valuable contribution.

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Collective Bargaining Among Photo-Engravers in Philadelphia. By Charles Leese, University of Pennsylvania Press, Philadelphia, 1929, pages x, 218.

Whether industry is to serve men or men serve industry is a question not yet answered. As yet, most men serve industry without being served by it except in a drab and niggardly fashion; only a few get from it sufficient income to enable them to attain any fullness of life. These fortunate ones are, for the most part, those owners and managers in whose hands the control of industry rests. For the vast majority of the underlying population of employes the per capita income—money and psychic—is nothing to write home about. But here and there are favored groups of craftsmen who enjoy differential advantages considerable enough to put their members well above the poverty line; giving them, significantly enough, an income status which many a small tradesman has reason to envy, even though the bigger and better business men would consider it mean and inadequate.

Such a favored group of craftsmen are the photo-engravers who, like most of their fellow workers in the other printing trades, enjoy earnings well above the average for manufacturing wage earners generally. This advantage is essentially monopolistic, the monopoly having been chiefly created by union organization of that scarce commodity called craft skill. Following the lead of their unionized employes the employers in the photo-engraving industry by organization have secured to themselves monopolistic advantages of a like kind. It is these craftsmen and their employers that have been selected for analysis by Dr. Leese. He has dealt, however, not with the photo-engraving industry at large but with this industry in the Philadelphia market only. This study is, in other words, a description and appraisal of industrial relations—union style—in the Philadelphia photo-engraving industry.

Dr. Leese describes his work as "a case study in labor relations" and he must be congratulated on having produced a painstaking, systematic, well documented description and analysis of his "case." He is dealing with a trade that requires of its members not only skill of a fairly high order but also at least so much of artistic ability as is required for good judgment of color values. He introduces his study, therefore, with a brief explanation of photo-engraving processes and an outline of the salient features of the industry; the small size of the average concern, the unusually great importance of labor as a factor in it and the somewhat inelastic demand which results in the possibility of pushing prices up considerably without great risk of loss of business.

Negotiations between the contracting parties are not national in scope but are roughly co-terminous with the respective urban markets of the industry. The immediate negotiating parties, nevertheless, are not wholly sovereign; they are local subdivisions of the respective national organizations of the parties, the employing photo-engravers' associations on the one side and the International Photo-Engravers' Union on the other. Dr. Leese therefore introduces his discussion of the dynamics of collective bargaining in the Philadelphia market with an outline of the

structure, powers and functions of the national as well as the local bodies. Then follow four chapters which are concerned with the heart of the problem. In these chapters the author describes the formulation of the local agreements; analyzes the nature of the disputes concerning, and grievances arising under, the agreements; outlines the method of settlement of disputes and discusses the significant changes in the conditions of work with which collective bargaining in the industry has been concerned.

The matters with which the parties have been most deeply concerned are the union shop, control of the labor supply, security, and continuity of employment, the shortening of the work-week and changes in wages. It appears that the Philadelphia market is more strongly union than is the industry in other markets, since "about 95 per cent of the industry in the Philadelphia area works under closed shop conditions" (p. 131), whereas for the country as a whole the proportion is about 65 per cent. The work-week has been cut down from fifty-four or sixty hours at the time the union was organized in 1900 to forty-four hours. Wages, between 1913 and 1928, rose from \$20 to \$60 per week in the commercial branch and from \$27 to \$58 in the newspaper branch. It is evident then that the union's collective bargaining policy has been to center its attention upon higher wages, shorter hours and greater stability of employment and in this program it seems to have been markedly successful.

So far, so good; even though the going is heavy, stylistically speaking. What seems to the reviewer the most serious deficiency in the book is the almost complete absence of consideration of the effects of a quarter-century period of craft-union collective bargaining upon (1) per capita productivity (2) managerial efficiency and (3) business profits. We need to know much more than we do as to how "running union" compares with "running non-union" in respect to the efficiency of manager, craftsman and laborer, so that, if "running union" shows up unfavorably in these respects, it may be possible to consider intelligently what changes need to be made in union structure and policy in order to make unionism a force for efficiency as well as (what no one doubts it now is) an effective factor in improving the material welfare of workers.

The book contains an index, a glossary of technical terms used by photo-engravers, a short bibliography, an appendix containing the text of the constitution of the International Photo-Engravers Union and a copy of the 1928 agreement between the Philadelphia local of the union and the Manufacturing Photo-Engravers Association of Philadelphia.

PAUL F. BRISSENDEN⁴

Trade Associations—The Legal Aspects. By Benjamin S. Kirsh, Central Book Company, New York, 1928, pages 271.

As a social group we experience the normal human desire to have our cake and eat it. We are maintaining private ownership and management of enterprise. We want the

benefits of competition and give our legal sanctions to assure them. We want the benefits of combination, but are afraid of its potentiality for evil.

In one economic area we have concluded that the evils of complete competition are too great to be endured, and in the public utility field have substituted for it a large measure of public control to guard against the abuse of monopoly.

The enterpriser in businesses that are not public utilities constantly seeks to gain the advantages of combination, and one of his ever pressing business problems is to attain them without violating the restrictions the law imposes. The engineers of one kind and another have been enormously busy, and in a large measure successful, in reducing the human and other wastes in production. No progress at all corresponding has been made in the process of marketing.

Trade associations are a device through which the enterpriser seeks the benefits of combination while still maintaining that freedom of competition which the law requires. The book under review presents the results of a careful inquiry into what lawful means trade associations may employ to attain the beneficial ends they seek.

Mr. Kirsh came to his task of writing with a background of practical experience in the problems involved gained as a Special Assistant to the United States Attorney in New York in the prosecution of Sherman Anti-Trust cases. The work throughout bears the impress of competence and careful consideration. It presents a hopeful attitude, encouraged by recent decisions of the Supreme Court of the United States, that trade associations may lawfully do much toward saving the social losses due to unbalanced industry. Any observer of economic phenomena knows that these losses are enormous through direct waste of capital by unbalancing commitments to particular industries leading to the indirect losses of economic crises, besides all the continuous wastes in marketing.

No better indication of the scope of Mr. Kirsh's book can be given than to state his chapter headings. They are:

- I. Trade Association Law.
- II. Trade Association Statistics.
- III. Uniform Cost Accounting Methods of Trade Associations.
- IV. Credit Bureau Functions of Trade Associations.
- V. Patent Interchange.
- VI. Foreign Trade Functions of Trade Associations.
- VII. Uniform Basing Point Systems of Trade Associations.
- VIII. Collective Purchasing Functions of Trade Associations.
- IX. Standardization by Trade Associations.
- X. Trade Relations.
- XI. Restricting Channels of Distribution.

Under these topics Mr. Kirsh indicates the limitations the law clearly imposes and the directions in which a trade association may lawfully and properly go. For what is just and fair in these as in most matters of life we cannot wholly rely on the promptings of a Socratic daimon, or even a Christian conscience, but must take careful thought. To this end Mr. Kirsh, on the subject of trade associations, presents a valuable aid.

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