

The discussion of cyclical unemployment states the various economic theories which have been advanced to account for depressions and gives a sane and balanced eclectic view of the causes.

Labor exchanges are informally treated and the needs and possibilities here are wisely outlined.

The analysis of unemployment insurance strikes me as particularly needed in view of the great amount of misunderstanding, some of it due to malicious misinterpretation, of the role of unemployment insurance in a capitalistic economic regime. The summary account of the difficulties with the English Act should help to remove much confusion on this score. And the discussion of the requirements of a good law for application in this country is altogether constructive. The authors are in disagreement on certain points with the model bill proposed by the American Association for Labor Legislation, particularly the contributory feature. It may well be that since these laws will have to be enacted by the several states, we shall have an opportunity to experiment with both contributory and non-contributory legislation in order to determine which is the sounder and more practical measure.

I cannot too highly bespeak for this book the attention of every business executive who wants to think sanely and constructively about minimizing unemployment both in the immediate depression and the years to come.

ORDWAY TEAD¹

Training for Group Experience. A Syllabus of Materials from a Laboratory Course for Group Leaders Given at Columbia University in 1927. Recorded by Alfred Dwight Sheffield, The Inquiry, New York, 1929, pages vi, 105.

Business and Ideals. A Syllabus of Discussion Outlines for Groups of Business Employes, The Inquiry, New York, 1929, pages 91.

The business world is under a greater debt to those students who call themselves The Inquiry, than it realizes. This organization has for several years been centering its study upon the meaning of small group activity, its technique, the way in which groups can help to clarify and create ideas as well as to spread their influence in action. Already a number of corporations have drawn extensively upon them for practical guidance on the conduct of committee work, group educational meetings and the like.

Professor Sheffield's book is a practical working manual of conference technique which will be found indispensable in that connection. It is a needed addition to the meager literature on group action; and every executive will find it useful in saving dollars and hours in all matters concerning meetings of boards of directors, stockholders, executive groups, foremen's councils and employe-representation plans. The idea that there is a right method for planning and conducting meetings is in itself so new that a book like this coupled

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with H. S. Elliott's "The Process of Group Thinking," will be a new asset in management equipment.

The other volume is more superficially a syllabus for use in supplying subjects, topics and questions for employe groups who wish to meet together for educational discussion of problems of the relations of the individual to industry. Both in the matter here offered and in the suggestion it gives for developing conferences on added topics, it will be found practical and useful in stimulating directed discussion.

ORDWAY TEAD¹

Onward Industry! By James D. Mooney and Alan C. Reiley, Harper & Brothers, New York, 1931, pages xx, 564.

When Victor Hugo wanted to recount the rescue of one of his characters by being carried through a sewer, he used four chapters of "Les Misérables" in describing the sewers of Paris, their history and topography, and in expanding his own theories about sewerage, sanitation and agricultural economics. An impression of a somewhat similar elaboration of background is gained by the reader of "Onward Industry." Messrs. Mooney and Reiley have set for themselves the task of discovering and classifying the principles of business organization. Their search for historical analogies leads them by devious routes through the republics and empires of antiquity, the feudal system, Catholic and Protestant church organization, and military tactics as far apart as Cannae and Saint-Mihiel. Likewise the forms of industrial organization are traced from the dawn of human history through the Middle Ages and the Industrial Revolution all the way down to mass production and the Five Year Plan.

In thus historically buttressing their thesis, the authors have gathered an impressive mass of information, which testifies to painstaking and scholarly research. This factual material is presented skillfully and interestingly. The style is distinguished and sophisticated, even though at times just a shade too academic, and the arguments and conclusions are logically arranged. All in all the book makes a worthwhile contribution to the literature of management.

The authors conceive business organization as co-ordination made effective by authority, or "the supreme co-ordinating power." This authority is delegated and decentralized by the "scalar" process through the line organization, and receives functional guidance from the staff.

"The line plans, the line executes, the line does everything. In the line alone rests the authority to determine plans, the authority to execute such plans, and the responsibility for what is done. The staff is purely an auxiliary service; its function is simply to be informative and advisory with respect both to plans and their execution."

As to the staff itself, the authors believe that it should have its own scalar and vertical organization but should maintain horizontal contacts with the line at the various levels.

"Industry has already developed its own staff services. The next step is to organize these individual or departmental services into a co-ordinated staff service. Such a

service must be at once horizontal in its relation to the corresponding line authority, and scalar in its relation to all similar staff service in the lower units."

Differing sharply from Dean Donham ("Business Adrift," by Wallace B. Donham, McGraw-Hill Book Company, 1931), Messrs. Mooney and Reiley believe that much of the future prosperity of American business lies in the enlargement of foreign trade.

"Already the consumer demand of America is having its reverberations in other countries. Today we see and note it in Europe; in another generation it will extend to the masses of Asia and Africa. It is the manifest destiny of all the world, with its billion and a half of human beings, to share in the material benefits conferred by the new industrial age. . . . In order to achieve this result . . . America must buy if she would sell, and because of her present creditor status she must buy a little more than she sells. This means that she must buy manufactured goods from abroad."

Mr. Mooney is export vice-president of the General Motors Corporation. Mr. Reiley was formerly advertising manager of the Remington Typewriter Company. Their business experience gives added authority to the principles advanced in their book.

EDWARD S. COWDRICK²

Social Politics and Modern Democracies. By Charles W. Pipkin, The Macmillan Company, New York, 1931, Vol. I, pages xxxiv, 377; Vol. II, pages vii, 417.

A detailed historical treatment of the social politics and legislation of France and England from 1900 to 1930 should be particularly welcome at this time when international events have thrown these two countries into juxtaposition.

Professor Pipkin's two volume work deals first with the background of the social conflict in England, and there follows a careful statement of the whole range of social legislation affecting conditions of work, housing and town planning, pensions and wage standards. The volume on England concludes with trade unions and their industrial and political alliances.

The volume on France deals likewise with the background as well as with specific forms of social legislation and the balance is made up of a study of the historical, political and theoretical aspects of the French labor movement.

If one is to accept the implications of Professor Pipkin's quotations that England's approach to the social consequences of her industrial problems has been "essentially" moral and "political" while that of France has been "intellectual" and "economic" one has more than a clue to post-war affairs in which England's insistence on maintaining the pound at par has cost her so dearly in trade and financial leadership.

The books are packed with quotations and references of official sources and in so far as these contain the meat and meaning of the social struggle it is authentic. But this

²Industrial Engineer, New York, N. Y.

very form of authenticity makes heavy going for the general reader, however valuable it may be for the student. There is, however, much that is important for an American public only now awakening to the need for a national policy in its social legislation.

JOHN J. HADER³

Reds and Lost Wages. By Charles G. Wood, Harper & Brothers, New Yprk, 1930, pages xv, 280.

This book sets forth the ideas of a federal Commissioner of Conciliation and former member of the Massachusetts Board of Conciliation and Arbitration on the nature and causes of labor controversies and how to cure them. It is a diffuse, chatty and journalistic distillation of the author's labor philosophy and his varied experience as an official conciliator. The point of view, but not the scope, of the book is indicated by its title. He believes that "Red leadership" means "busted unions." But he does not confine attention to communist strikes and left-wing unions. He deals much more generally with policy and strategy in industrial relations. His thesis would be more broadly formulated in the slogan, "Strikes mean lost wages." Most strikes, including all communist strikes, are disruptive and damaging to employes, employes and the community. All communist strikes are total losses. The cause of strikes is to be found, in the last analysis, in the conditions of employment and the level of wages. Rectify conditions, treat labor fairly and you avoid strikes and scotch the "Red menace." This, Wood implies, is the basic cure. Naturally he believes strongly in the efficacy of conciliation and arbitration.

The appraisal of the book, and even a clear understanding of the author's ideas, are made difficult by a loose and rambling style, the complete absence of documentation and a pervasive and complacent anonymity, only partly necessitated by the author's official and confidential relation to the events described. There are many colorful controversy incidents, often elaborated with verbatim reproductions of conversation. Mostly, these are meant to point the moral of the author's theses that strikes are largely uncalled for, labor leaders (especially those in "illegitimate" unions) often dunderheads, and the "Reds" the enemies of mankind. Some of his interpretations of, and comments upon, the incidents described are shrewd enough: e.g., his wise insistence that radicalism, strikes, agitation, etc., are the result of bad conditions and his remark that "as long as" the employes believe "a good thing is wrong, it is." But more numerous are the statements which smack of dogmatic sentimentalism and raise doubts of the author's accuracy and impartiality. There is room for only a few examples: "Fundamentally, the communist movement in the U. S. is illegal" (p. 14); "In New York the courts have fixed a limitation on the number of pickets" (p. 22); "A fair wage is the one fixed by an employer and his employes by agreement—or one awarded by a board of arbitration" (p. 237); "The question 'what is a fair wage' is always arbitrable" (p. 234).

³Rockaway, N. J.