

ment has been turned in on developed regions. The consequence is an increase of production facilities and of output of goods too great at the maintained prices put upon them for absorption by the purchasing power disbursed by the industry which creates them.

This line of reasoning will not be accepted by many who still think in terms of the economics of a deficit economy. But it should make a profound impression on all who base their thinking on the existence of a new surplus economy. Its beginnings were perceived years ago by Simon N. Patten and it has been realized during the past decade. The story is told in the Hoover Committee's "Recent Economic Changes."

Henderson's work is a diagnosis. He does not give us a program of action. That he leaves to each individual reader to construct for himself. But a program is implied by the analysis. It involves a balancing of production and consumption which in turn involves revision of the distribution of social income, regulation of the rate of investment of new capital, maintenance of a widely-distributed purchasing power equal to the value of consumers' goods produced, and elimination of dread of economic insecurity so that the purchasing power will be freely exercised.

H. S. PERSON<sup>2</sup>

*A Planned Society.* By George Soule, The Macmillan Company, New York, 1932, pages ix, 295.

Everyone who wants to know what economic planning means, why we are talking about it, and what it might involve in terms of ideas and structures, should read this book. Mr. Soule is to be numbered among a small group of American economists who refuse to have their thinking controlled or kept in compartments by labels and "isms." And this book is a notable example of a sincere, thoughtful attempt to consider the significance of planning with a mind untrammelled by preconceptions, but with a thoroughly socialized and modern spirit.

To me one of the most interesting phases of the book is its discussion of the process of social change and development. At an hour when economic dictatorship is urged by some and economic revolution urged by others, the analysis this book presents of possible alternative ways to progress is helpful to clarity and sanity. Also, Mr. Soule is clear that planning cannot proceed far without a profound popular change in sentiment regarding what industry is for. And he makes clear why he believes that the death knell of an individualistic and profit-motivated economy has probably already been sounded.

Mr. Soule seconds in a forceful way the recent pronouncements of the Director of the Taylor Society as to the value of the projection of the idea of scientific management into a field of national economic application. In short, this is perhaps the most important book on the fundamentals of permanent economic recovery to be published in recent years.

ORDWAY TEAD<sup>3</sup>

<sup>2</sup>Managing Director, Taylor Society, New York, N. Y.

*Business Looks at the Unforeseen.* By Wallace Brett Donham, Whittlesey House, McGraw-Hill Book Company, Inc., New York, 1932, pages ix, 209.

Perhaps the most significant thing about Dean Donham's second book is that he emphasizes the conclusion to which a number of recent writers have come. This conclusion is that, independently of the economic rehabilitation of the rest of the world, this country both can and must conceive of its own economic recovery as an internal national enterprise in which the basic objective is a high standard of life for its own people.

Dean Donham is in agreement with the essential theme advanced earlier by Mr. Lawrence Dennis in his stimulating "Is Capitalism Doomed?" in urging concern for measures of national welfare before trying to become involved with measures of international co-operation in economic fields where the disparity of interests is so great and so difficult to reconcile.

The book also includes a brief critical commentary on some of the recent programs of economic planning. But both here and in his own conclusions the author is content to leave his positive recommendations in such general terms that they offer few clues as to specific action. If in essence the book adds little to what was said in the same author's "Business Adrift," it is nevertheless true that his affirmative stand for a new conception of national welfare looks in the right direction.

ORDWAY TEAD<sup>3</sup>

*As I See It.* By Norman Thomas, The Macmillan Company, New York, 1932, pages ix, 173.

This collection of articles and speeches has been gathered together and revised in an effort to bring up to date the position taken by the author in his recent book, "America's Way Out: A Program for Democracy." The numerous footnotes added in proof give evidence, frankly admitted by Mr. Thomas, of the difficulties attending such an aim in these changing times.

While the book gives us more of Mr. Thomas' always important thinking on many of the issues of the day, it does not increase the force and clarity of the earlier work. If one of its purposes is to add to Mr. Thomas' following in this year of presidential campaigns it is to be regretted that no specific "next steps" are given. Mr. Thomas stresses the urgency of the present situation but nowhere makes more practical the program of attack set forth in the other book.

One of the finest parts of the book is the chapter on "Disarmament and Peace" which gives the logical reasons for disarmament as a means to peace, analyzes clearly the national attitudes which stand in its way and states the prospects for some measure of success at the Geneva Conference.

If Mr. Thomas seems overscornful of present efforts toward economic planning, his reiterated plea for clarification of the purposes that must precede planning is worth heeding by those who are thinking along this line.

HELEN A. CARNES<sup>4</sup>

<sup>3</sup>Taylor Society, New York, N. Y.

*The Year of Regeneration 1933.* By James C. Lawrence, Harper & Brothers, New York, 1932, pages xv, 220.

Here is something diverting in the way of solutions for our present dilemma! The author has indulged his flair for the fantastic and for economic prophecy and produced a work of fiction purporting to have been written in 1933 from the records of the Master of the Sons of Liberty, a secret organization—a creature of his imagination—organized in 1931 to save the nation. Their work on President Hoover and the Congress with an amnesia and truth-producing inhalant, "veritol," brings about the resignation of the former and a vast body of constructive and unprejudiced acts on the part of the latter. The machinery of war is put to peace-time uses, citizens are "drafted" to suspend all work and services for eight hours and, following that, to go about the performance of stipulated tasks for the general good. An economic readjustment act and a new constitution are also results.

Under the heading "Selected Notes" the latter half of the book is given over to criticism of suggested panaceas. There is great stimulation (and much with which to disagree!) for the economist and statesman in these notes, which combine socially constructive ideas with the same fantastic quality which marks the opening tale. The style throughout is highly engaging.

HELEN A. CARNES<sup>4</sup>

*Report of the Gold Delegation of the Financial Committee of the League of Nations.* World Peace Foundation, 40 Mt. Vernon Street, Boston, pages 83. (\$60)

This final report of the Gold Delegation of the Financial Committee of the League of Nations covering the gold standard and the purchasing power of gold, has caused much comment. The general conclusions concerning the gold standard are that it is desirable and that it should be restored at the earliest possible moment by the countries that have abandoned it. The report also urges the desirability of stability of prices and the purchasing power of gold, but at the same time repeatedly points out that the factors involved are so complicated that an enlightened economic policy must be depended upon to bring this about rather than a regulation of monetary matters.

The report is interesting in giving the individual views of such men as Professor M. J. Bonn, M. G. B. Roberts and Guido Jung. Albert Janssen, Sir Reginald Mant and Sir Henry Strakosch, signers of the report, give in detail their reasons for disagreement with certain fundamental issues presented. They support them with figures and charts which constitute a valuable supplementary report. Professor Gustav Cassel, who found it impossible to sign the report, gives his support to the statement of Janssen, Mant and Strakosch and at the same time briefly summarizes his own views. He lays great stress on the responsibility of reparations payments, combined with an unwillingness on the part of the receiving nations to accept payment in goods and services, for the breakdown of the gold standard. Certain essential conditions, which

are not immediately practical, would have to be fulfilled to make the restoration of the gold standard generally possible, and Professor Cassel makes clear his belief that the world's monetary problems must be discussed along broader lines than the Gold Delegation was called upon to cover.

HELEN A. CARNES<sup>4</sup>

*Subject Index to the Economic and Financial Documents of the League of Nations, 1927-1930.* By Eric C. Wendelin, World Peace Foundation, 40 Mount Vernon Street, Boston, 1932, pages viii, 190. (\$1.50)

This index comprising some 8,500 items has been prepared for the benefit of business libraries, economists, bankers, financiers and other students of world economic and financial problems.

In the past there has been considerable difficulty in locating the entire League documentation on a particular subject because of the fact that several League organs frequently deal with a single question. There has been need for an Index which would group under specific headings detailed references to all the various documentary sources pertaining thereto; for example, grouping under the heading "Double Taxation and Fiscal Evasion" references to treaties, conventions, bibliographies, Council resolutions, Financial Committee reports, Fiscal Committee reports, tables of international agreements in force, etc., etc.—all dealing with the problem of double taxation and fiscal evasion.

The present Index covers the documents of the Economic and Financial Organization for the period 1927 to 1930, during which, beginning with the International Economic Conference in 1927, the League of Nations considered practically all of the major world problems of economics and finance. This wealth of material can now for the first time be used with readiness and ease.

*The Social Aspects of Rationalisation.* By the International Labour Office, World Peace Foundation, 40 Mt. Vernon Street, Boston, 1931, pages vii, 381.

The European conception of rationalization—the systematic effort to get the most out of all resources, human and material—became the guiding principle in economic development during the scarcity days following the War. A warning note was sounded, however, in resolutions of the International Economic Conference which met in Geneva in 1927. They stated: "It must be applied with the care which is necessary in order, while at the same time continuing the process of rationalization, not to injure the legitimate interests of workers; and suitable measures should be provided for cases where during the first stage of its realization it may result in loss of employment or more arduous work." In line with this statement the International Labour Office and the International Management Institute were asked to submit reports on rationalization. This volume, a collection of preliminary reports with the common objective of seeking to throw light on the social aspects of