The group of chapters on stabilizing business contains some new material but they are valuable chiefly for having assembled various approaches to stabilization in such a way as to show the extreme complexity of the subject when viewed from the standpoint of business in general and its great difficulty as a problem for particular industries. As is illustrated by Dr. N. I. Stone's study, wise management of individual concerns can greatly reduce the perils of the business cycle for both the business and its employes. Prompt availability of significant information enables a concern to keep ahead of the business trend. Finding the means of anticipating the cyclical valleys of production and even of levelling up seasonal valleys, is a task in which large calibre management can use foresight and business sense to combat the blind operation of economic law.

All these studies of stability from the standpoint of the individual business merely emphasize the fact stressed by the Committee Report mentioned above, that the business cycle presents primarily a problem in business administration rather than in public policy. As such it must be attacked through stimulating the desire of business men to control fluctuation, through raising the level of management, through improving tools of control, and through learning how to use these tools with greater wisdom and skill. Knauth's study of Statistical Indices, the study of Stabilizing Devices by a committee of the Federated Engineering Societies, and Miss Van Kleeck's chapter on Charting the Course of Employment, discuss some of the available control implements.

Perhaps the most valuable study of employment from the statistical angle is the one by W. I. King on Changes in Employment from January 1, 1920, to March 31, 1922. Records were secured from employers who hire about one-tenth of all the employes in the United States. It was found that the decline for all industries represented about one-sixth of the employe-hours put in at the peak. The variation between trades ranged from a slight increase for hand trades to drastic declines in factories and substantial declines in mining and construction. Possibly the least expected result of this study was the relatively greater decline in employment for the larger as compared with the smaller concerns. The study also reached the conclusion that reduction of unemployment due to part time work was of comparatively slight importance for industry as a whole. Dr. Brissenden in the chapter on Under Employment considers this subject more in detail but the fragmentary character of his data did not permit any very definite or significant conclusions.

Other valuable chapters on employment are the one by Dr. Leo Wolman on Unemployment Insurance and one by Shelby M. Harrison on Employment Offices. Harrison emphasizes the need of a system of employment offices national in scope. Otherwise the study is largely a catalog of different types of agency, showing their respective limitations and dangers. It would be valuable in this connection to have a careful study of the question of suitability of employment from the standpoint of craft, of proximity to the homes of workers and other considerations that affect the value of employment service to the less mobile types of workers.

The most timely element in Wolman's valuable study of Unemployment Insurance is the careful analysis of English experience. Contrary to much popular comment, Wolman reaches the conclusion that English experience is definitely encouraging, and that under test of the most adverse possible conditions the act has justified itself.

The chapter on Financial Devices of Control by Dr. T. S. Adams discusses briefly and in a style to make the discussion readable and attractive to the layman, various proposals looking towards the better adjustment to the phases of the business cycle of credit among banks and in the Federal Reserve System, also credit granted by banks to business men. It is a chapter which, like Mitchell's chapter on the Nature of the Business Cycle, may well be pondered by all business men who seek a more intelligent understanding of the economic forces that condition their operations.

Dr. Adams' chapter ends with a conclusion which serves equally as a fit conclusion to the whole study. It is as follows:

> A review of the financial devices for controlling or mitigating the severity of business cycles which have been proposed, leads to the conclusion that there is no simple device which it is reasonable to insist shall be employed by business men or by bankers for the purpose in view. As we approach the crest of a boom in any particular trade or industry, it is desirable that buying and commitments should be reduced, and that to this end credit accommodation to that trade or industry should be restricted. Such action, to business men and banker, represents not only their self-interest, but their public obligation. But they must first know, with that degree of precision and certainty required for business action, that the trade or industry in question is actually approaching the crest of a boom. The ways and means of controlling credit—financial devices, in short—are thus subordinate to knowledge of the cycle. The clearest duty of business man and banker is to assist in the development of more accurate cyclical statistics. Plot the phases of the cycle, and a combination of self-interest and vitalized public opinion will force the application of the many remedies—not one remedy—which common sense will show to be appropriate. To anticipate the cycle is to neutralize it.

An influence of the sort suggested seems to have been operative during the past year. Memory of the disastrous aftermath from the inflation that culminated early in 1920 was still vivid enough after three years so that there was no desire to repeat the experience. In the upward swing that was in progress a year ago, business appears to have consciously subjected itself to restraint. It is now possible, however, after the event, to sense a certain sub-current of thought that possibly the restraint was too great. Some of those who swore off business stimulants on New Year's, 1923, seem to be wondering whether temperance after all cannot be overdone.

The task for students of business data is to promote among business men the habit of constantly tempering action by sober and scientific consideration of significant facts. To this end statisticians would do well to restrain their anxiety to become prophets. The reference to statistical services in the quotation with which this review starts, was doubtless made with knowledge that prognostication is an industry in which competition seems to be increasing. In several instances the event has so confounded the prophets as to open the way for the skeptics.

A curve based on historical and current data is fact; projecting the curve into the future is forecast. If a statistician or group of statisticians makes a wrong forecast, it in no way reflects upon the data from which the curve of fact is built. Such of the various agencies as are not precluded by commercial competition can perhaps enhance their contributions by pooling their scientific interests without too much concern for their prophetic quality, and centering their attention on the advance of statistical knowledge.

Establishing standards for deciding what data to collect, how to make it accurate, how to analyze it, what its meaning is, are all matters of scientific fact. Telling a business man what he ought to do about it is entirely a different matter, and involves essentially a management as distinguished from a statistical function.

From this angle it is gratifying to have the word of the National Bureau of Economic Research as expressed by Dr. Adams concerning the importance of merely increasing our knowledge as an instrument of business control. Overcoming existing statistical difficulties is the most obvious way of increasing knowledge.

As the next logical step towards the sort of continuing statistical service suggested, it is to be hoped that this composite "reconnaissance survey" may soon be followed by a more closely knit study of available data and a clarifying of scientific thought and public policy on the wisest means of supplementing such data. When this is done we shall have come a long way towards tempering the harmful effects of the business cycle. Possibly the National Bureau of Economic Research will come forward with plans for the further study which the situation seems to require.

Good Management in Government Work

I WISH to register protest against the pessimism expressed in certain discussions at the January meeting relative to the possibility of obtaining continuity of good management in government work. It was claimed that any advance that may be made here and there by capable department heads is only temporary because their political successors are likely to throw out their mechanisms and methods. So long as progress in management depends upon heads who are political appointees, this is likely to be the case. However, there is a large body of government employees who because of civil service or other reasons do not change with political administrations. The means of getting science applied to the management of government work and of securing continuity of its application consists in "selling" science in management to these employees.

If attempt were made now to apply "scientific management," by that name, to their work, much opposition would be encountered. Their understanding of "scientific management" is that which was popularized by organized labor in the publicity campaign of a dozen years ago—a scheme for "squeezing the last drop of blood out of the poor employee's heart." It was unfortunate that in the press publicity given to scientific management in 1912, organized labor thought it saw a menace in scientific management and committed itself to a policy of antagonism. Science in management, rightly safeguarded, is the best friend of labor. For, even without differential piece rate and task and bonus systems, it affords a record of the