

Few exceptions to the conclusions will be taken except his implied contention that the business cycle can be practically eliminated by the development and proper administration of a sound system of currency and bank credit. That it would greatly mitigate the severity of commercial and financial crises, there is little doubt.

It is to be regretted the author did not point out that stabilization of the general price level against secular and cyclical changes are two distinct problems. Methods which would be reasonably effective in preventing long run changes would not necessarily have any appreciable effect in mitigating the short run fluctuations which are associated with the business cycle, and vice versa.

Mr. Hawtrey has made a scholarly contribution to the literature on money, particularly in its international aspects.  
HUDSON B. HASTINGS\*

*The Distribution Age.* By Ralph Borsodi, D. Appleton and Company, New York, 1927, pages xv, 321.

Mr. Borsodi's book is one further convincing addition to the literature which is saying that scientific management is not scientific until it concerns itself as much with distribution as with production. The reasons for the high cost of distribution are what preoccupy this author. The major emphasis in his analysis is upon the retailing process and upon the prestige which the retailer should have in the economic scheme as the one who holds the pulse of the consumer and can therefore prescribe for him most accurately.

In the course of his analysis the author has a good deal to say about the wastes of advertising; in fact, he leaves it with scant economic justification, at least, in the form in which it is currently carried on.

Like a number of other recent writers, Mr. Borsodi is oppressed with the extraordinary paradox of our economic system. If his book does no more than drive home to the reader the ironic character of that paradox, it will have performed its service. For he is saying that we have the facilities, industrially speaking, to produce probably twice as many goods in the aggregate as are now made available, if only we possessed the economic wisdom that would put into consumers' hands a purchasing power that would enable them to absorb this potential production. The central limit upon quantity manufacture today is not machinery or technical knowledge. It is inability to get purchasing power into the public's hands so that consumers will move the goods off the shelves.

Mr. Borsodi's remedies for this condition seem to the present reviewer far less competently viewed than his analysis of the weaknesses of the present structure. He advocates more competition, more cutting of costs, especially transportation costs, more distribution of consumers' buying power through the securing of higher wages, more patronage of the arts to divert surplus wealth from capital uses to artistic consumption uses. To one who has followed his strictures against the competitive

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system with care, the prescription of more competition may seem unbelievably naive. But when one has got through considering possibilities of further consolidation, monopoly, price-fixing, public regulation of security issues, etc., one realizes that it is not easy to choose among the several possible alternatives. One only realizes that some choice must be made if the goods which we now produce so cheaply are to be available for the consumer at prices reasonably related to their manufacturing costs.

Indeed, this book seems to the reviewer to call attention anew to the fact that the next great apostle of scientific management will be the one who can state some general formula that will disclose to a bewildered economic world the middle way between ruthless competition and publicly owned and operated monopolies, a way which will secure the economies and benefits of each.

ORDWAY TEAD\*

*Economic Institutions.* By Willard L. Thorp, The Macmillan Company, New York, 1928, pages 306.

Professor Thorp's contribution to the series which was primarily called "The Worker's Book Shelf" and now bears the name of "The World Today Book Shelf" purports to be new only in its way of attacking the material of economics. The author is an effective disciple of the so-called institutional school of approach of economic analysis. The book is simplified for a popular audience; and the treatment is of a character to adapt the book splendidly for use in foreman and executive training courses. It is to be hoped that the author will some time make the present study the basis for a more exhaustive statement built around substantially the same outline. But as it stands, the book is an effective introduction to a study of "business economics."

ORDWAY TEAD\*

*The Mathematics of Engineering.* By Ralph E. Root, Ph.D., Williams & Wilkins Company, Baltimore, 1927, pages xiv, 540.

This is a book for the advanced student of mathematics, and was written to meet the needs of student officers at the Post-graduate School of the Naval Academy. It largely aims so to present mathematical science that it will be a useful tool instead of merely a set of mental gymnastics. To this end, the examples which are appended to each subject are drawn from the field of engineering, and their solution will tend to ground the user of the book in the mathematical approach to engineering problems.

The book is not one that can be used by the tyro. A working knowledge of calculus and of differential equations is necessary. To those who have such knowledge, however, the book should prove of considerable value.

A partial outline of the scope of the book includes functions, notations, graphs, limits and continuity, derivatives, integrals, transformations, evaluation of functions, complex variables, treatment of empirical data and other material.

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