

Mr. Dennison, however, does not put into this book any mouth-filling generalities of the kind you snatch down into a notebook. He seems impelled to avoid oversimplifications and gives us the experiences of a wise and rich industrial life over the field as a whole, and does it with clarity and beauty.

I wish he had risked oversimplifying. He says, "Its (organization's) success will exactly correspond to the extent to which this use (of men) results in their free, interested, and spontaneous activity." I wish he had gone on to say that this seems to imply the linking together of men so that by working toward common objectives each one advances his own objectives, various, vague and changing though they are. And I wish that he had explored the field in this or some other unifying manner. In the section on "Team Work" he does this, and it seems that all his findings could have been thus integrated.

Though there is risk in seeing one's field as a whole, if one can write his book around some such thesis, not only does one write more creatively, but more permanently, and one lays a foundation for further building in a material that few can handle better than Mr. Dennison.

FRANCIS GOODELL¹

Taming Our Machines. By Ralph E. Flanders. Richard R. Smith, Inc., New York, 1931, pages 244.

Thought usually follows action, we are told, and so for some time to come we will probably find an increasing number of literary attempts to bring into rational focus this complex question of man and his machines. In the case of this volume, however, the subtitle "The Attaining of Human Values in a Mechanized Society" comes much closer to describing the actual content.

One wonders why more books on human-value questions are not written by our engineers. If, as we are told, "workways make folk-ways," then the engineers have done more to influence our lives in recent times than any other group. But our engineers so seldom philosophize. Consequently, the same bifurcation which exists between action and thought in the person can also be said to exist in society at large. The engineers have been making society, they have been acting, while the philosophers have been talking about it. Presumably then until we can get engineers who can philosophize and philosophers who can act, the problem will remain as complicated as before.

Mr. Flanders takes machines for granted and thinks we might as well learn to get along with them. He surveys our past and shows how they came to be and then gives a summary of the present critical controversy about them. From this point he winds his way into the economics of the present "Welt-schmerz" and comes out concluding that from the national point of view anything as rigid as the Russian scheme would be very unsatisfactory for our American "individualism." His suggestions for improvement contain the well-known conception of planning and budgeting. He would set up some "authoritative body properly organized and adequately financed" to sift out the proposals offered; make a study of viewpoints, conduct researches, etc., to the end that some new *modus operandi* should be achieved, and all he adds in "terms of

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enlightened self-interest." With the aid of machines we should go on searching for the good life undismayed by Spenglerian gloom. We may yet change the course of history—but, he insists, we must be "objective." "The richness of life is outside of us, not within us," he says. "It is vain to talk of the richness of an inner life and expect that such richness will increase through the centuries. The inner history is an oft-repeated and, in the end, dreary story. The richness comes in the material accretions of the generations." (p. 221)

If the last statement holds, then no doubt we should be a very happy people. Our "material accretions" are greater than ever and we should go on adding to this riches (he holds) without comprehension, for "comprehension is unnecessary and impossible." But undiluted extroversion has given the western world some nice little problems. Have we not had generations of pure action without concern for the "inner life"? More and more our perturbed peoples are asking "Quo vadimus?" Where are our machines taking us? It is not infrequently commented that unless we control them, they will control us. But that is a misconception of the question. Taming ourselves comes prior to taming our machines and we shan't tame them until we comprehend a little more deeply just what they mean to our daily lives.

JOHN J. HABER²

Concentration of Control in American Industry. By Harry W. Laidler, Ph.D., Thomas Y. Crowell Company, New York, 1931, pages xvi, 501.

As stated by the author in the Preface, the book is a descriptive, rather than an analytical or theoretical study of industrial trends. Dr. Laidler has brought together from numerous sources information bearing on the movement for consolidation and mergers in American industry.

While the author states that "the present volume makes no pretense at completeness," he has done a pretty thorough job in covering the field. Not only purely industrial mergers are described but natural resources, including oil, timber, metals, coal and water power; public utilities, including the telephone, telegraph and radio, the railroads, steamships; the "power trust" including gas, natural and artificial, electricity and water power; finance, marketing and even agriculture each have a chapter devoted to them, in addition to purely industrial chapters, which cover automobiles, food, tobacco, textiles, the equipment industries, publishing, chemicals and entertainment.

The final two chapters are devoted to a review of the law and court decisions interpreting the Sherman Anti-Trust Law and other legislative enactments followed by an interpretation of the trend.

The author's conclusions as to the trend toward greater concentration of control in industry can best be summarized by the following quotation:

It is, of course, true that the economies here enumerated are not in all cases effected; that the insiders in many consolidations have striven to secure such a large share of the "swag" for themselves that their ventures have turned out to be failures; that there is a point beyond which it is uneconomical to enlarge individual plants and that the growth of a corporation beyond a certain point may prove disastrous unless men of

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large enough managerial capacity can be obtained and unless a proper sub-division of functions among the constituent members of the consolidation can be worked out.

It is true, as Samuel Crowther declares, that recent years have shown certain limitations to the so-called vertical trust formation and have demonstrated the economy of independent concerns in the production of special parts of automobiles and other goods. It is true that many at the head of the corporations have to decide questions of great importance connected with the subsidiaries at the bottom of the pyramid, with little or no knowledge of the situation. It is true that, as an industry reaches the monopoly stage, there is no little danger of regimentation and stagnation, and it is true that a haphazard consolidation of a number of inefficient plants gives no guarantee that the resultant organization will be successful.

However, few can study the merger and trust movement of the last generation or more, few can observe the power of the drive back of the nation's financiers and industrialists toward further consolidation in an increasing number of industries and the weakening of any effective opposition to the merger movement, without a profound conviction that industrial concentration and trustification are likely to become ever greater in the years that are ahead.

The reader should be cautioned against some misleading statements with reference to investment trusts, which are probably due to the use of secondary sources of information. Otherwise the book presents a handy compendium of facts bearing on the most important phase of our industrial development.

N. I. STONE³

Economic Rhythm. By Ernst Wagemann. Translated from the German by D. H. Belloch. McGraw-Hill Book Company, Inc., New York, 1930, pages xvi, 287.

Traditionally exponents of the science of management have been concerned with the art of handling men and materials most effectively toward the attainment of given technical ends within the individual enterprise. That great progress has been made in this art is vividly revealed by the striking increase in per capita output of manufacturing labor in the United States—an increase of approximately 15 per cent between 1899 and 1914, of some 40 per cent between 1914 and 1929. These figures tell the story of technological improvement. Yet it is clear that neither business success nor social welfare may be measured unambiguously by such a gauge. In the year of grace 1930 the mortality of business concerns was greater than it had been for many years; the number of unemployed industrial workers ran into millions; the standard of living of millions of American workers declined sharply. These are developments, it is now clear, which enhanced internal efficiency in the conduct of business enterprises may avoid only partially, if at all. The fault lies elsewhere, in the larger relations among the elements of the economic system, in the factors which affect the processes of production, distribution and consumption in the economy at large. It is a fair question whether students of the science of management are not compelled, by force of circumstance, to take cognizance of the larger problems which are deposited at their doors by the tidal waves which periodically sweep through modern industrial economies. It is with such waves that the present book is concerned.

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Dr. Ernst Wagemann attacks his problem with a unique combination of virtues, joining the objectivity of the academic scholar, the broad statistical knowledge acquired as president of the Imperial Statistical Office of Germany, and the lively appreciation of the practical aspects of economic rhythm which his position as director of the Institut für Konjunkturforschung has impressed upon him. His book represents an original and highly suggestive attack upon a problem which is perhaps old enough to have some of the characteristics of a classic in economic literature, and which is at the same time of the most immediate and pressing importance to the world today. The scope of his attack is ambitious, for Dr. Wagemann discusses the problems of diagnosis and business-forecasting with reference to the whole interplay of forces which act within a dynamic economy. This attack is carried through with spirit and verve, and with more than a trace of exceptional controversial ability.

The forecasting technique employed by Dr. Wagemann is notably different from that which has received prominence in this country. A great variety of indicators is used and these are interpreted not in any mechanical manner but with the use of all the economic knowledge and practical judgment that may be brought to bear upon them. Wagemann feels that the great "plural-curve barometers," of which the Harvard indexes are perhaps the best known, have failed, and that the radically different technique which he has developed is definitely superior to such barometers.

Scientific management differs from rule-of-thumb management primarily with respect to the number of factors which are brought under administrative control. Such a book as this raises a question to which the engineering fraternity is already giving attention, and which is destined to receive fuller consideration in the years ahead of us. In the development of scientific control of industrial operations must the area of regulation be extended beyond the shop, beyond the individual enterprise, in order that the conjunctural elements arising out of inter-relations among establishments, among industries, among economic forces in the large may be brought within the sphere of conscious control? Whether this is possible only under a centralized economy such as that prevailing in Russia, or whether planning on a national scale is possible within the structure of capitalism and individualism remains to be determined. Wagemann's study, which suggests the possibility of control based on a fuller understanding of economic processes and on the ability to forecast major changes, represents one line of attack on this urgent problem.

FREDERICK C. MILLS⁴

America's Way Out: A Program for Democracy. By Norman Thomas, The Macmillan Company, New York, 1931, pages ix, 324.

This book cannot be too heartily commended to all who want to know what American socialism today has to say.

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