

driven to the study of economics and the advocacy of socialism by the act of the Prussian government in closing the office of the *Rheinische Zeitung* at Cologne, of which he was the editor, in 1843. The author very satisfactorily proves that Marx was influenced more by the writings of Proudhon than by those of any other socialist, although he afterwards severely criticised him. The *Communist Manifesto* is regarded as the best specimen of his writing — a masterpiece in itself.

In Dr. Adler's book the thought is newly brought out and enforced, that Marx was a man who dealt largely with abstractions, whose mind was full of crude generalizations. These he published with all the assurance of ascertained truth. His writings are full of prophecies of uprisings and revolutions which have never come to pass. His theory of historic progress was that in all human institutions are contradictions which produce conflict, and that this ends in the collapse of the old and the rise of a new system. Therefore he regarded the overthrow of the existing social order as certain, whether means were adopted to hasten it or not. Yet his life was spent in agitation, though he never organized a permanent movement. Marx is shown to have been inferior to Rodbertus as a thinker, and to Lassalle as an organizer and leader.

H. L. OSGOOD.

The Theory of International Trade with some of its Applications to Economic Policy. By C. FRANCIS BASTABLE, M.A., Professor of Political Economy in the University of Dublin, *etc.* Dublin, Hodges, Figgis & Co.; London, Simpkin, Marshall & Co., 1887.—163 pp.

An exceptional interest attaches to a work on international trade emanating from Dublin. According to one theory, Ireland is a country that imperatively needs the benefit of a protective tariff; while, according to another, it is the country in which such a measure would work nearly a maximum of harm. It is small, poor, agricultural, and separated only by a hedge and a ditch from the commercial and manufacturing centre of the world. This set of conditions is made to do duty in both directions, in discussions of the protective policy; and should that policy be tried, the experiment would afford a striking object lesson on a controverted subject.

It would be unjust to Professor Bastable's work to characterize it as simply a treatise on protection. It is called by its author "an attempt to restate, in a more complete form, the doctrines of the classical English school on an important and difficult branch of political economy" — that, namely, of international trade. The method of the work is classical, as well as its conclusions; it is almost wholly deductive. It

proceeds from assumed conditions so simplified as to resemble the facts of life only at a single point, and gradually introduces complicating elements until the essential conditions of actual trade are included in the calculation. In clearness, conciseness and essential completeness it is among the best illustrations of "progressive orthodoxy" in economic discussion.

"Nations," in the sense in which the term is used, are "societies" or groups of producers locally defined, "which exchange commodities, but between which industrial agents do not pass." The population of any territory about which there exists a barrier that prevents the migration of capital and labor, except in a limited way and under the influence of extraordinary inducements, constitutes thus an economic nation; and this local group may be divided into sub-groups that stand in a similar non-competing relation to each other.

The motive to international trade, like that which prompts to exchanges between individuals, is shown to be a gain in utilities and a saving of sacrifices; the parties get more and work less by reason of the transactions between them. The principles according to which this gain is shared are stated with exceptional clearness. It is shown that the gain must be realized where international transactions assume the character of barter, exports balancing imports; and it is then demonstrated that the use of money does not vitiate the conclusions which, in this particular, are reached by the hypothesis of a purely barter relation. The flow of money from one nation to another operates on prices, and in an indirect way brings about the "equation of reciprocal demand," or balance between exports and imports, which necessarily results when goods are exchanged directly for each other. It is perhaps a weakness of the argument that it assumes somewhat lightly the fact of this relation between the supply of money in a particular nation and the prices there prevailing. The familiar fact is indeed cited, that changes in the rate of discount by London banks bring about changes in the prices of securities and also of merchandise; but the discussion is intended to apply to all nations; and it is not self-evident that the rule prevailing at London will hold true everywhere; neither is it self-evident that, in all cases, the rate of discount is a certain indication of the total amount of money in a country.

The preliminary demonstration of the gain that is inherent in international trade enables the reader to approach the study of protective tariffs from a direction opposite to that from which, in popular discussion, an American is usually invited to approach it. Manufacturing for a home market is, in this country, usually made to appear inherently desirable, and foreign trade to that extent undesirable. The book has therefore an especial interest for American readers. It is unnecessary to

say that the conclusions reached are unfavorable to a protective policy. The candor of tone and clearness of thought and statement which characterize this part of the work will probably make it appear, even to protectionist readers, as a new illustration of the faultlessness of the logic of free trade as a permanent international policy.

JOHN B. CLARK.

Die Abgaben, Auflagen und die Steuer, vom Standpunkte der Geschichte und der Sittlichkeit. Von Dr. WILHELM VOCKE, geheimer Oberrechnungsrat. Stuttgart, J. G. Cotta, 1887. — Large 8vo, xxvi, 625 pp.

L'Impôt sur le Revenu: Rapport fait au nom de la Commission du Budget. Par YVES GUYOT. Paris, Guillaumin et C^{ie}, 1887. — 12mo, xii, 347 pp.

So extraordinarily rich has the literature on the science of finance become during the past few years as to call for the publication, in Germany at least, of a separate journal devoted entirely to its interests. The attention of all continental countries has been increasingly directed to the much needed and projected reform of the systems of taxation, and it is to this branch of the science accordingly that the best abilities of the investigators have been devoted. Among the books of the year, the two works here reviewed occupy a commanding position.

Dr. Vocke in *Die Abgaben, Auflagen und die Steuer* treats the subject in a somewhat peculiar way. After having won his spurs over a quarter of a century ago by his *History of English Taxation*, at that time the most meritorious work on the topic, the venerable doctor here attempts to find the moral basis and relative justification of the various taxes. The chief problem which he sets out to solve is that of the exact difference between direct and indirect taxation, and the conclusion to which he comes is at all events novel and suggestive. In an introductory book Vocke traces the literary doctrine of the basis of taxation in general, and divides the authors into three schools: the representatives of the contract or protection doctrine, including most of the earlier English and French works; the group which emphasizes the sovereign nature of the state and the duties of the subject, but without any deeper historical insight; and finally the social-political writers who, like Held, Schäffle and especially Wagner, attribute to the state a compensatory duty in making taxation an engine to remove the inequalities of fortune. Vocke strongly objects to the latter as involving a dangerous socialistic tendency, and asserts that such considerations do not appertain to the science of finance at all. But in none of these schools, nor in the works of the "independent" writers, such as Neumann, Stein or Roscher, does