

*History of Co-operation in the United States.* Johns Hopkins University Studies in Historical and Political Science. Herbert B. Adams, Editor. Vol. VI. Baltimore, N. Murray, 1888. — 8vo, 540 pp.

The five writers whose studies are brought together in this attractive volume have garnered from new fields and present to their readers a harvest of first-hand observations that are full of fresh interest. As a contribution to descriptive political economy their work merits notice for the promise it gives of results to be won through the application of historical and inductive methods to the richly varied phenomena of American economic life. To the literature of co-operation, we need hardly say, it is an invaluable addition. It is the first, and for a good while to come it will be the only fairly complete account of the rise and growth of co-operation in this country to the present time, preserving records of industrial experiments that, but for this opportune publication, must soon have disappeared beyond recovery. The plan of preparing so comprehensive a history of the co-operative movement in the United States originated with Professor Ely, who writes an introduction, and all the collaborators are Johns Hopkins University men. New England and the Middle states were assigned to Dr. Edward W. Bemis; the Northwest and the Interior states to Dr. Albert Shaw, of the *Minneapolis Tribune*, and Dr. Amos G. Warner; the Pacific coast to Charles Howard Shinn, editor of the *Overland Monthly*, and the South to Dr. Daniel R. Randall. Dr. Bemis and Dr. Shaw found more abundant materials than the others, and their chapters are the most important part of the book, but every section of the country has afforded novel and instructive facts, and all the writers have done their work carefully and well. Thus Dr. Randall gives us a clear though brief account of the important relief associations of the Baltimore & Ohio and the Pennsylvania railroads, and passes a favorable judgment on that primitive form of co-operation, prevalent in the South, known as farming on shares. Dr. Warner describes Zion's Co-operative Mercantile Institution and other forms of co-operation among the Mormons, and, more important in its practical bearings, presents a critical account of the unsuccessful co-operative efforts of the farmers of the granger states. Mr. Shinn's chapter includes accounts of the Italian and Swiss agricultural colony, the co-operative commonwealth of Kaweah, and interesting forms of co-operation among the Chinese. Dr. Shaw, besides his brilliant account of the co-operative coopers of Minneapolis, contributes a sketch of the Amana agricultural colony and other co-operative undertakings of the Northwest that he has discovered. Dr. Bemis alone has had occasion to deal with the history of American co-operation from the

beginning and in all its phases. He goes back to the Brook Farm experiment and recounts the rise and fall of the Protective Union and of the Sovereigns of Industry. He gives a detailed, and, as far as possible, a statistical account of distributive and productive co-operation and of co-operative banking in New England and the Middle states, and a circumstantial account of the experiments in profit-sharing.

In the aggregate the magnitude of American co-operative undertakings is not small, and among them are some so remarkable that we must hope, with Dr. Ely, that the well-worn text-book examples of co-operation, drawn from European sources, may make way in the newspapers and periodicals for these fresher experiments. But a large proportion of them are sporadic, having little or no organic connection with one another, and, with a few noteworthy exceptions they have been, so far, rather crude in conception and conduct. But few of them have had the benefit of exact knowledge of similar experiments elsewhere. Distributive co-operation in England has attained to its remarkable perfection largely because new co-operative societies have each had, from the start, the aid and counsel of men already thoroughly trained. This, American societies have rarely enjoyed, but, as might be expected, we find that it is where there has been something nearly approaching it that co-operation has had its best growth. Dr. Bemis brings out the significant fact that men who were members of the Brook Farm community bore a prominent part in subsequent co-operative undertakings in New England. Looked at from this point of view, the importance of the American co-operative undertakings now in existence is not measured by the magnitude of the business they are doing, nor by their success in earning profits for their members. In every state they are educating large numbers of men in co-operative habits, and so preparing one of the necessary conditions for a more perfect co-operation in the future.

The great variety of co-operative plans that have been tried, and their mutability, is one of the most striking facts. It would seem that every form of organization and business method had been attempted, and that, through a severe process of natural selection the Rochdale plan, or something very like it, had everywhere proven its fitness to survive. The success of the Arlington association at Lawrence, Mass., shows that this form, consistently carried out and lived up to, is as well adapted to the industrial population of American towns as to that of England. The general conclusion is warranted from the data drawn from the wide area covered by these five investigators, that workingmen contemplating distributive co-operation ought to familiarize themselves thoroughly with the English system, secure one or more members, if possible, who have been trained under that system, and then adhere to it closely.

In co-operative banking, on the other hand, European co-operators can learn of us. Nowhere in the world has this form of economic association attained to such perfection as in Pennsylvania and in Massachusetts, nor to such legal standing as in the latter state, where wise legislation and state supervision have sifted out and made mandatory the best rules and methods. In some ways, as Dr. Bemis points out, they might still be improved, and there is every reason to believe that they will be.

Productive co-operation, too, has made some remarkable records in this country. No attempt has ever carried out more completely the co-operative ideal of making workingmen self-employers and receivers of profits in proportion to their respective efforts than has that of the coopers of Minneapolis. It is worth while to note in passing that their form of distribution makes capital the servant and labor the master, share capital drawing interest only. Dr. Shaw's account of the patient endeavors and well-earned success of these men is fascinating and inspiring. Still, it will not do to forget that, humble and poor as they were, they enjoyed some rather exceptional advantages, chief of which was a very remarkable local market which they were able to live on such terms with as to have it practically to themselves. So far as the mere production of goods in the shop or factory with the greatest economy is concerned, productive co-operation has some points in its favor. It is in the market that ordinarily it is left behind. Possibly through the evolution that trusts are bringing about, co-operative associations will find the conditions for which they have been waiting. If the *entrepreneur* function is to be permanently divided into the two distinct functions of superintendence and marketing — if the factory is to do nothing but turn goods over to a selling agency and share *pro rata* in the proceeds, co-operative producers ought to be able to hold their own in such combinations. Be this as it may, it is convincingly shown in the history before us that productive co-operation is not of universal application. All these writers, like other students of the subject before them, insist that co-operation requires picked men. For lack of enough of these we see co-operative associations, one after another, developing into ordinary corporations, a few men securing entire control. Not only so, but only men of a certain middle rank in the wages class have any disposition to co-operate. Until they are ready to settle down contentedly in one place they are not proper material for co-operation or industrial partnerships founded on profit-sharing. So long as they are journeymen, in the literal sense of the word, the trade union, with its travelling cards and benefit features, is the better organization for them. And when they have acquired some property, individuality again asserts itself, as it does amusingly in the agricultural colonies of California, described by Mr. Shinn, which begin

as co-operative associations, cultivate the land in common for ten years or so, and then divide it into severalty holdings.

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*Lehrbuch der Finanzwissenschaft.* Von Dr. KARL UMPFENBACH, o. ö. Professor der Staatswissenschaften an der Universität Königsberg. Zweite Auflage. Stuttgart, Ferdinand Enke, 1887.—8vo, xii, 517 pp.

*Die Steuer.* Erster Band. Die Steuer und das öffentliche Interesse. Eine Untersuchung über das Wesen der Steuer und die Gliederung der Staats- und Gemeinde-Einnahmen. Von Fr. J. NEUMANN. Leipzig, Duncker und Humblot, 1887.—Small 8vo, ix, 562 pp.

*Saggio sul Sistema Tributario in Italia e sui suoi Effetti Economici e Sociali.* Esposta da GIULIO ALESSIO, Professore incaricato di scienza delle finanze e di economia politica nella Università di Padova. Le Basi economiche del sistema tributario, Vol. I. Le Imposte Dirette, 1883. Vol. II. Le Imposte Indirette e le Tasse. Torino, Fratelli Bocca 1887.—Large 8vo, viii, 390; vii, 1005 pp.

There are two methods of writing works in the science of finance. The one is essentially historical and descriptive, giving an account of the past and actual state of the legislation and methods, and attempting to draw therefrom a statement of the underlying principles. The other is primarily abstract and deductive, making almost no use of history and facts, but endeavoring to reach conclusions from well defined principles. The German writers on the science of finance have of late devoted themselves almost exclusively to the first method. It is significant of the partial revulsion of feeling which has very recently taken place to notice the appearance of works which attempt to avoid some of the exaggerations of the extreme historical school, and to take refuge once again in purely theoretic discussion. For Germany, this is probably a salutary reaction, because of the comparative discredit into which pure theory had fallen. For America, it would be an unfortunate tendency, because we do not as yet possess a single work on the science of finance from the historical and comparative standpoint. We need a little more history and statistics to form the basis of our scientific superstructure.

The *Lehrbuch der Finanzwissenschaft* by Professor Umpfenbach, is strictly speaking not a new work. But as the first edition appeared about a quarter of a century ago, and as some notable additions have been made to the present volume, it may be discussed as practically a new publication. The first edition was published in 1861, just before the current toward historical economics had set in strongly; the second edition