

Denver, etc. New York: Thomas Y. Crowell & Company. Price \$1.25. In embodying in a single small volume a digest of that great mass of historical information regarding monopolies, which, until he wrote, had been collected only in several special treatises, Prof. Le Rossignol has rendered a useful service. His work in this respect appears to have been done conscientiously and judiciously.

Of the general principles, however, which Prof. Le Rossignol defines, and by which he is influenced in his running comment on the historical facts he has collated, it can only be said that he has apparently been always conscientious and frequently judicious.

His contrast of monopoly and competition, as varying "in inverse ratio to each other," is excellent. So is his observation that "no monopoly is entirely free from the influence of competition, and that seldom is competition so fierce as to leave no opportunity for monopoly and monopoly profits." But his formal definition of monopoly is fatally defective.

He defines "monopoly as the control of the supply or the demand of an economic good, by one person or a combination of persons, to such an extent that that person or combination of persons is able to control the price of the economic good." This definition is fatally defective, not for what it states, but for what it omits. It fails to take into consideration a tremendous and fundamental monopoly, one which exists in favor of large numbers of persons who are not combined and between whom competition acts and reacts with great freedom, yet which is to most other persons as hard and fast and destructive as if the favored persons were in formal combination. Indeed, it might be said that they actually are combined, but automatically by community of interest, instead of agreement.

We should conclude that Prof. Le Rossignol intended to include such persons inferentially in his definition, were it not that the rest of his book forbids this conclusion. At page 14, for instance, in referring to the rise of land values near growing cities, he says: "This is due to the increased utility of the land, and to the consequent eagerness of the people to buy it; the owners do not possess or exercise any control over the price as long as they compete with one another in the sale of their lands." But what about persons who, wishing to use the land productively, are eager to buy? Aren't they victims of monopoly in consequence of laws allowing the appropriation by a few, without appropriate and full use, of all this land of increasing utility? It is thus made so scarce in the market that its value keeps constantly ahead of its utility. Aren't those eager buyers, then, as truly and almost as

abjectly, victims of monopoly, though the owners compete among themselves, as they would be if the owners were formally combined?

Because he ignores, or, as appears at page 15, unconsciously rejects this insidious and fundamental form of monopoly from his definition, Prof. Le Rossignol falls into such errors as suggesting that the power of the Standard Oil company and other great trusts resides in the magnitude of their produced property (capital), instead of in the effect of their monopoly of tactical localities and privileges.

A collateral but much less important error of the book consists in confusing patents for inventions with copyrights of books. Patents operate to create monopolies of the essential ideas of inventions, but copyrights do not create monopolies of the essential ideas of books. All that is monopolized by a copyright is the author's own collocation of words, everybody being free to adopt and utilize his ideas in their own verbal collocations. Not so with patents. They, like grants of ownership in the earth, create monopolies of the laws and forces of nature. It may be that neither patents nor copyrights should be granted, or that it is proper to grant both. This question we do not now discuss. Our point is that economists should avoid confusing two things so essentially different economically, even if lawyers do see a resemblance in statutory form. Economics and statutes are in different categories.

#### CIVICS.

**Advanced Civics: The Spirit, the Form, and the Functions of the American Government.** By S. E. Forman, Ph. D. New York: The Century Co.

Dr. Forman's book is not only a political text book of a high order for school use, but it is a work that would elevate the morality and clarify the intelligence of our citizenship if it were in general and common use.

The author explains in his preface that he has constantly "kept in mind the truth that instruction in civics should have for its highest aim the indoctrination of the learner in sound notions of political morality." In trying to make his book realize that purpose he has for the most part succeeded.

His chapter on "Popular Government," for instance, is in this respect all that could be desired. "We are accustomed," he writes, "to associate the idea of tyranny with kings, but what is tyranny? It is an exercise of power without regard to justice." For this reason he holds that in popular government a majority may tyrannize over a minority; and so he urges majorities in popular governments to avoid the danger of tyranny, by remembering

"justice and right" which "are not always identical with the popular will." And here he quotes approvingly from another writer, who says: "To say that the will of the majority makes a thing right or wrong is a palpable absurdity; right and wrong are what they are by their own nature."

How thoroughly sound that idea of political morality is; and how singular that the author who adopts it on page 14, should so completely lose sight of it on pages 102 and 105 as to say this:

The suffrage, or the right of voting, is sometimes regarded as a natural right, as a right inherent in citizenship. Men say that you might as well deny the right of acquiring property or of defending one's person from attack, as to deny the right of suffrage. This view is justified neither by the facts of history nor by the present policy of the government.

If "right and wrong are what they are by their own nature," how can "the facts of history" and "the present policy of the government" prove that the suffrage is not "a natural right?"

But this is only one important defect in a book which on the whole well represents a reviving spirit of natural righteousness in social relationships. Another defect of importance is the misinterpretation on page 269 of Adam Smith's first principle of taxation as equality in proportion to abilities. Smith did use the phrase "in proportion to abilities," but he so qualified it as to show that what he referred to was income derived through the aid of government, which is a very different thing from income regardless of governmental aid in its acquisition.

Quite exceptional is the author's statement of the character of the "single tax." Although he describes it as a tax "on land," which to many minds suggests an area tax instead of an ad valorem tax, the idea that this tax would be "in proportion to value" is brought out clearly enough. Brief though the explanation is, it gives a substantially accurate statement of the fundamental principle.

#### OUR PHILIPPINE PROBLEM.

**Our Philippine Problem. A Study of American Colonial Policy.** By Henry Parker Willis, Ph. D., professor of economics and politics in Washington and Lee University. New York: Henry Holt & Company. Price, \$1.50 net. Sold by The Public Publishing Co., Chicago.

"The Philippine problem is approaching—indeed has even now arrived at—a point where definite action looking to the future is essential." It is under this conviction that Henry Parker Willis reviews our experience as a nation in governing the Philippines, and suggests the main elements of the problem. He has qualified himself especially for his task by extensive travel in the islands, careful inquiries of persons most directly re-