of artificial control and its application under various conditions, and as such it is a valuable work.  

CECILE ROTE.

(London: William Hodge. 8vo. xvi + 408 pp. 215.)

About half of this volume is devoted to the principles which govern the course of international trade and the benefits to be derived therefrom, while the remainder is devoted to commercial policy. Professor Haberler's knowledge is extremely massive; he shows his acquaintance with all the leading classical literature of the subject as well as a wide range of contemporary literature. Anyone who seeks a summary of and an up-to-date and judicious commentary upon this great department of study could not do better than resort to this volume.

It will cause little surprise that Professor Haberler emerges from his laborious investigations a convinced Free Trader. There is a lengthy section examining every manner of protectionist argument with scrupulous fairness. He is clearly writing with his eye on the verdict of science and posterity, and he is in the spirit of the superficial dialectic, to which even Free Traders are at times not above stooping. Who suspects Professor Haberler of parti pris above in the competent discussion of contemporary problems, such as the most-favoured-nation clause, quotas, etc.

Professor Haberler is under no illusions about the practical obstacles to free trade. But he is doubtful of the wisdom of attempts to get small alleviations at the cost of acquiescing in the fundamental ideology of mercantilism. His concluding words are:

"There is only one way out. It is to take the bull by the horns, to fight the spirit of protection, to spread far and wide correct ideas about international trade, and to confront the organised forces, which support protection, with a powerful organisation drawn from those who suffer from it, that is, from the vast majority of the people of the world."

R. F. HARROD.

62*. BRITISH ECONOMIC FOREIGN POLICY. By J. Henry Richardson. 1935. (London: Allen and Unwin. 8vo. 250 pp. 10s. 6d.)

63. WAR FINANCE AND ITS CONSEQUENCES. By F. Fairer Smith. 1936. (London: Faber and Faber. 8vo. 320 pp. 12s. 6d.)

It is a commonplace of the present age that the domestic and foreign policies of governments are becoming more and more immediately dependent on the economic factor; and though Professor Richardson's account of the functions of the political diplomatic service—questions of national honour, prestige, official representation, Court formalities and diplomatic courtesies—is a rather the caricature, nobody will grudge him his insistence on the importance of "economic diplomacy." His account of recent British foreign policy in its monetary, financial, tariff, agricultural and labour aspects is both lucid and impartial—qualities sufficiently rare in writers on these topics to make British Economic Foreign Policy a distinguished as well as a useful book.

The final abandonment by Great Britain in 1931–1932 of the Free Trade "laisser-faire" basis of its economic policy raised a vast complex of problems of which no solution is yet in sight. Professor Richardson, who is on the whole more interested in facts than in theories, drily remarks that the policy of State intervention was introduced "at a fortunate moment for its supporters." But he makes it clear that its introduction was in fact just as much a forced move as the abandonment of the gold standard. The attempts to maintain in Great Britain an oasis of "laisser-faire" in a world of planned economy, ending with the famous "Tariff Truce" proposals of 1930, seem in retrospect as pathetic as the feverish efforts of the summer of 1931 to keep sterling on gold. "In pure economic theory," concedes Professor Richardson, "laisser-faire can be shown to have long-run advantages over intervention and regulation." But has this concession any real meaning? In effect, "pure economic theory" is nothing more than the theory of the classical school of British economists from the downfall of mercantilism to the end of the nineteenth century. Most of us,