

21*. PROSPERITY AND DEPRESSION: a theoretical analysis of cyclical movements. By Gottfried von Haberler. 1937. (Geneva: League of Nations Economic Intelligence Service. 8vo. xv + 363 pp. 7s. 6d.)

WHATEVER its other failures, the League of Nations has put the world greatly in its debt by its admirable series of green publications, collecting, summarising, analysing and commenting on statistical information. In the present volume it has carried its scientific work one stage further. Dr. Haberler, an economist of great distinction, working under its auspices and utilising its machinery for research, has produced a volume which sets out to classify existing theories of the trade cycle and then to build up out of the common elements and with the aid of his own theoretical powers a synthetic view.

The League is much to be congratulated upon organising work of this kind. The trade cycle pursuing its own ineluctable course is apt to cut across all plans for international economic co-operation; and political and economic co-operation are closely interconnected. No plan is likely to be successful which does not take account of the trade cycle; but to take account of it effectively it is necessary to understand its mode of operation and, as far as possible, its causes.

And so, to make a start, Dr. Haberler has brought together the results of the scientific investigations of authors of diverse nationalities and of diverse methods of approach. Although each author is bound to have a sense that some of his fine points have been neglected, Dr. Haberler is to be greatly praised for his impartial handling and his astute penetration. In addition to discovering common ground wherever possible, obscured as it often is by a tangle of conflicting terminologies, Dr. Haberler has rightly endeavoured to reveal irreconcilable points of divergence, in the hope that they may ultimately be settled by the test of experience.

Dr. Haberler has now moved to another sphere, but the work of the League proceeds. In its enlightenment it has appointed Dr. Tinbergen, a young statistician of great brilliance and resource, to apply to the problems left for settlement by Dr. Haberler precise statistical tests. We may thus hope for further publications on the same topic of pre-eminent interest.

It is an excellent thing that the League has concerned itself with this matter. For we need not only knowledge and understanding, but also authority, to bring scientific findings forcefully to the attention of those who govern our destinies. The toll taken by a great slump, both in economic loss and human suffering, bears comparison with that of a great war.

R. F. HARROD.