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THE ULTIMATE CONSUMER A Study in Economic Illiteracy

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hat of workers farthest to the ant mass action by the workers ly approved; Mr. William L. ars as a combination god and ie unfortunate result will prob- give Mr. Davis's critics all too tions with which to attack him. labor policy of the industry in . been callous, autocratic, and rntal in many respects, that the ed Association has been alter- ant and supine, if not cowardly, well established before our au- led some additional evidence. tensive amount of editing would study to carry conviction to a : circle of readers than its pres- ill permit.

CHARLES A. GULICK, JR.
y of California at Berkeley

SIMON N. *Trade Associations
Industrial Control.* Pp. xi, 237.
rk: Central Book Company,

he many new books evoked by s *Trade Associations and Indus-
rol* by Dr. Simon N. Whitney, f the Economics Department at Attorney, Anti-trust Division, it of Justice. It gives a sketchy of the aims of the Recovery Act ts, utilities, and economic plan- a few pages, and offers some "re- on stabilization which are mostly : of familiar negative arguments. r favors abolition of the NRA ves most economists agree with disclaims originality and adds good fortune, the need today is ginality." The codes themselves ctual workings of the NRA are ed. The closest approach to con- is in the summary of earlier ex- of trade associations in industrial The style is that of an attorney's ie book is useful, scarcely to the al economist, to whom it will efcial; possibly to the layman rguments against NRA; certainly rolesome cause of freedom of ex- f "the opposition."

JOHN DONALDSON
Washington University

INTERNATIONAL LABOR OFFICE. *Employ-
ment Exchanges: Studies and Reports,*
Series C, No. 18. Pp. iv, 231. Geneva,
1933. Boston: World Peace Foundation,
40 Mount Vernon Street. \$1.25.

The International Labor Office offers here another result of its comprehensive inter- national and comparative research. The purpose of this study is to present a world picture of the law and technique of public employment bureaus. The adoption by the Labor Conference in 1919 of a convention which provided *inter alia* that governments should establish systems of public employ- ment agencies makes this survey peculiarly pertinent. This convention has been rati- fied generally in Europe and by some states in other parts of the world. In 1933, like- wise, a convention was adopted which looks to the abolition of fee-charging employment agencies conducted with a view to profit. The study is interesting from a theoretical point of view, since it seeks to place the function of the placement office in an or- ganic context of industrial evolution. Such agencies are seen as a means by which the economic and human factors may be in part adjusted in terms of the mobility of the demand and the supply of labor.

A careful comparative picture is drawn of public employment exchanges, particularly in Western Europe. The study considers the general organization of such offices, the problem of placement in relation to special- ization by occupation and sex, the question of occupational changes, labor clearing, the broad question of international placing, and the development of the statistical technique of employment systems. The completeness and accuracy of the report should make it of value to those engaged in placement ad- ministration, whether public or private, as well as those who are students of labor ques- tions. A suggestive bibliography is given at the conclusion of the study.

FRANCIS G. WILSON
University of Washington

TAYLOR, MAURICE. *The Social Cost of In-
dustrial Insurance.* Pp. xxvii, 421. New
York: Alfred A. Knopf, 1933. \$3.25.

Dr. Taylor's fine study of industrial in- surance has two claims to lasting fame. It is the most carefully detailed treatment

that has yet appeared in this country. It is (and this is equally important) the work of a practical scholar, neither a pro nor a con, whose background of social service work in Boston has taught him to look for the meaning behind the machinery and the statistics. The machinery is described with care and authority, the statistics are all here, the scattered sources noted. But the refreshing, the heartening features of the book, after all the trade puffs on the one hand (many masquerading as scientific work) and the diatribes of the "socially minded" on the other, are its sanity and balance. As nearly as any one can do it, I consider Dr. Taylor has presented us with the whole story of American industrial in- surance.

Dr. Taylor's principal conclusion is di- rect, specific, and to one who has read care- fully through his chapters, at first startling. "The gross inadequacy of the protection and its exorbitant cost, social as well as financial, stamp the effort as practically fu- tile." The conclusion is startling because it presents unexpectedly a social contrast of great importance—the contrast of an insti- tution which considered by itself is rather an efficient working machine, and the wide margin of its failure to meet the need for which it exists. Dr. Taylor has remarkably few recommendations for reform in the ad- ministration of the business. To some of them the companies have rendered lip ser- vice for decades; none are radical. But in- dustrial insurance fails to provide economic security for the great masses of poor. Space prevents citation here of figures on lapse and cost, or on the burden of industrial premi- ums on families dependent even in normal times. It is ridiculous to urge insurance for thrift when people have nothing to save; when 11 to 19 per cent of relief moneys paid are needed to support industrial policies. Even in depression the average dependant family carries over \$1,000 in insurance. But Dr. Taylor—illustrating his balance— does not propose to tear industrial insur- ance completely out of the family budget, even in 1934. Under present conditions the best procedure is to adjust the insurance to give maximum protection to provide "life" as distinguished from savings or endowment insurance. He does propose that in the