

THE PHYSIOLOGY OF INDUSTRY. By A. F. MUMMERY  
and J. A. HOBSON. [215 pp. Crown 8vo. 6s. Murray.  
London, 1890.]

Messrs. Mummery and Hobson, in the field of economics, are not unlike those social reformers who propose, as a first step, "the reconstruction of society from its foundations." Economists would probably be the first to admit the possibility, in the science, of more accurate conceptions and greater logical precision, but a sudden break in the continuity of its development is in the highest degree improbable. Messrs. Mummery and Hobson appear to have a mistaken idea of the character of economic science. They speak of J. S. Mill's theories as a "creed," of their own divergence from the "orthodox school," and of "currently accepted dogmas,"—expressions which are meaningless applied to economics. Their main argument is fallacious, and their conclusions untenable. That there is "a quantitative relation between production and consumption" may be admitted, but it is not, even theoretically, definite or ascertainable, nor, indeed, capable of discussion, in relation to industrial problems, apart from a scale of prices corresponding to different amounts of the commodities under consideration. "Supply" is defined as "the aggregate of all shop-goods available for sale to consumers;" "quantity demanded" as "the aggregate of all shop-goods bought by consumers;" and "demand" as "the quantity of purchasing power applied to purchase the quantity demanded." Messrs. Mummery and Hobson then deduce the possibility of general oversupply. They argue that because "a large part of the total of productive labour must be done continuously, and is incapable of being stored," there is a limit to the "effective thrift" of the community, assuming, apparently, the false analogy between the community and the individual, which they have taken the trouble to expose. After this reasoning, it is not surprising to learn that low wages follow from the exercise of "undue thrift" on the part of the richer members of society. The book contains some severe attacks on the much-abused theory of the wages-fund, yet, in the chapter on "the Law of the Limiting Requisite," some of its prominent features are reproduced. The writers evidently desire to improve the condition of the working classes. They certainly display some courage in applying their principles to present-day problems, for they admit that they "will seem on first sight to furnish a *reductio ad absurdum* reply to their argument."

W. A. S. HEWINS.