Review of “A Way of Order for Bituminous Coal,” By Walton Hamilton and Helen Wright

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Recommended Citation

Ralph F. Fuchs, Review of “A Way of Order for Bituminous Coal,” By Walton Hamilton and Helen Wright, 14 St. Louis L. Rev. 341 (1929).

Available at: https://openscholarship.wustl.edu/law_lawreview/vol14/iss3/22

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BOOK REVIEWS

The next part, which is labelled "Control of Board of Trade by Warehousemen," is the most interesting section of the book—interesting because it describes and discusses the post-war scandals in grain marketing in Chicago, and even more interesting because of some of the statements which are made. The discussion of the scandals is handled clearly and impartially. But the recent debate in the United States Senate and the closeness of the vote on the Caraway Bill to abolish future trading provide an interesting commentary upon this statement—"The preservation of future trading, as an economic necessity for the protection of the framer and the consumer, is now generally admitted." And even the fact that the author has been somewhat carried away by enthusiasm over his subject would hardly justify, although it might explain, such a statement as this: "In the old days, when prices fluctuated in the Chicago market, at most they affected only 20 per cent of the income of the farm. A violent drop in prices could reduce the family income by only 4 or 5 per cent. Today the same fluctuation in price, affecting as it does 80 per cent to 100 per cent of the products of the farm can take 25 to 50 per cent away from the net family income. . . ."

It is somewhat unfortunate that such a statement should immediately precede the five pages of Part VII which provide the conclusion of the book. When one passes from this statement to the following, "The control over the price of grain sold in export trade has since the World War definitely passed from the United States," one is inclined to forget the excellence of most of the material in previous sections of the book. But however unfortunate the introduction and weak the conclusion, this book provides an excellent description of the development of marketing law and technique as applied to the Chicago market. Badly titled, it rises with little difficulty above such technical limitations. Somewhat badly organized, its demonstration of painstaking care in searching for source material confounds the critic. It is not easily read. Yet it will be read by all who are interested in developing marketing organization in Chicago and changing marketing law in the State of Illinois.

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As a revelation, by way of contrast, of the inadequacy of the great body of current thought in the social sciences, the volume here under review could scarcely be surpassed. The authors, in writing the book, have attacked a definite problem, conscious alike of its details* and of its wider implications; they have followed their investigation to the limits to which it led; and they have emerged with a definite, radical solution, diffidently but un-

* The present study is the successor to an earlier one, THE CASE OF BITUMINOUS COAL, in which the same authors made an analysis of the state of the industry.
hesitatingly advanced. Such studies are all too few. The run of work-
ners in the social sciences, including law, busy themselves, on the one hand,
with surface difficulties whose causes lie deeper than they know or, on the
other hand, speculate about value in the abstract, about sovereignty, or
about other metaphysical matters.

The bituminous coal problem, as every newspaper reader knows, has
been with us in especially acute form since the war. The basic difficulty
in the situation is the capacity of the industry, because of an excess of
invested capital and of labor, to produce twice as much coal as can be
consumed. The resulting cut-throat competition and idleness bring dis-
order and inefficiency in their train, and the present system of competition
in the mining of coal has definitely failed to do otherwise than intensify
the problem. The authors pass in review various proposed devices for
effecting order and making the industry serve the legitimate demands of
consumers and producers. Of these devices the one that gives perhaps
the greatest promise of success is regulation by a Federal commission
clothed with adequate powers. But such a scheme of control would have
in it certain weaknesses that seem inseparable from bureaucratic regula-
tion imposed upon an economic organization. Consequently the authors re-
ject it and suggest a monopolistic corporation, set up by the Government
and controlled independently by a board of directors representative of con-
sumers and workers, advised by non-voting technical members. Such a
corporation, they believe, would stand a good chance of success.

The reader inevitably has his doubts about certain features of so novel
a plan. But in the main a plausible case is made out; and the authors
themselves are quite willing to have the reader make such modifications
in the scheme as he thinks necessary. Their purpose is not to prescribe a
final industrial constitution but simply to make a suggestion which will
stimulate thought and, above all, to insist that a constitution needs to be
written for the coal industry which, whatever its details, must be genuinely
thought through in the light of the actualities and without concessions to
the notion that the familiar is the inevitable.

The distance the authors were driven from the present scheme of in-
dustrial organization, against which they hold no grudge, causes one to
wonder whether, in other fields, the gap between what exists and what is
needed is not equally wide. So little, after all, is being done to find out.
In American law, for example, we busy ourselves with some of the diffi-
culties created by the existence of 49 relatively independent jurisdictions
and with trying to eliminate some of the squeaks in the present machinery
of criminal justice. We do not ask whether we can afford to continue under
49 sovereignties or whether we need a new machine for dealing with crime.
Only a very occasional work reminds us that fruitful results may be ob-
tained by examining existing institutions critically in order to remodel
them consciously in the interest of the ends they are supposed to serve.
The present volume is such a work.

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