

not take account of the process of assimilation which goes on within segregated groups steadily and apparently causing less personal disorganization than when immigrants are widely dispersed among those diverging from them in culture. Furthermore, Professor Hurd's analysis does not take into account the fact that urban segregation in its nature and in its social effects differs widely from rural segregation.

Naturalization as an index to the character or extent of assimilation has a more limited usefulness than the author implies. It may mean little more than a means to land title, relief, or some other utility. For instance, Americans and Canadians, long familiar to common ways of life that enable them to live in either country with cultural ease, have been very tardy in taking out naturalization papers.

The clearing-out of the way at the outset of age, time, and other factors making for differences in intermarriage, etc., would have brought more sharply to attention the central social factors involved. While details in the establishment of indices may be criticized and many of the author's conclusions questioned, he has written a very readable book. Every student of Canada's population and social and economic life will continue to be greatly indebted to this pioneering effort of Professor Hurd.

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*Democracy versus Socialism.* By MAX HIRSCH. 3d ed. New York: Henry George School of Social Science, 1939. Pp. xxx+468. \$2.00.

This book is a reprint, with an editor's preface and an appended brief life of the author, of a book first published in 1901. In a general way, it might be described as presenting the contrast between the Marxian philosophy and that of Henry George, the author being a protagonist of the latter. But such a statement would be far from giving a fair and accurate picture of the author's own critical contributions and the extent of his scholarship.

Although, in his critique of socialism, Hirsch devotes large attention to Marx, there are numerous other references, to Kirkup, Wallas, the Fabian essays, Schaeffle, the Webbs, Hobson, *et al.* And that he does not by any means follow Henry George in every respect is indicated as soon as he takes up the theory of interest on capital. Hirsch rejects the view of George that interest is due mainly to the growth of animals and plants and that it would not exist if all capital were in the form of carpenters' planes and other mechanical tools and buildings, which

do not "increase." Instead, he accepts Böhm-Bawerk's explanation of interest on capital and uses it as a basis for criticism of the socialist attack on interest as a "surplus value" or unearned income. With Böhm-Bawerk, he puts emphasis on the idea that "time elapses; what was next year becomes this year; and on the great changing stage of life everything—man himself, his wants and wishes, and with them the standard by which he measures his goods—shifts one scene forward" ("Positive Theory of Capital," p. 302). In other words, the passage of time makes that for which the capitalist paid a smaller sum become worth a larger sum.

In the reviewer's opinion, the fallacy in the socialist's view is brought out much more clearly and effectively when it is shown, first, that capital can come into existence only through saving; second, that through this capital there is a net addition to the output of industry; and, third, that therefore the persons through whose saving any capital comes into existence can appropriate this added output (or its money equivalent) without reducing the incomes of—and so without "robbing"—others.

In Hirsch's view, the justification of interest on capital does not at all extend to monopoly gains or to the rent of land, and he considers it important that the tax on land values be gradually increased until all the rental value is appropriated. This, with a proper policy in regard to monopoly and maintaining the price system with its voluntary choice of lines of work to follow, whether to save or not and how much to save, is the "democracy" of Hirsch's title, while socialism, he believes, inevitably involves centralized control of industry and of the lives of individuals, tending toward dictatorship and essential slavery. There are admirers of Hirsch's book who, pointing to the contemporary scene in Russia, consider it prophetic.

This, at least, would seem to be true: that a social philosophy which denies the justification or utility of private income from capital and envisages state ownership of all the means of production as a necessary means of preventing such income must rely on the state to provide for increase or maintenance of capital, and must rely on it, therefore, to compel saving and to determine what kinds of capital are to be constructed. Does such an extension of compulsion by government and of government functions tend in the direction of a general acceptance of the idea of compulsion and of political dictatorship?

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