

for by the time of Sulla it is probable that the slave population of Italy was double the number of freemen in the Peninsula.

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DR. OSKAR GUTHMANN. *Ein Zollbündnis zwischen Belgien und den Niederlanden. (Untersuchungen über die Handelsbeziehungen zwischen Belgien und den Niederlanden seit der Mitte des 19. Jahrhunderts.) Mit einem Vorwort von Prof. BERNHARD HARMS, Jena. (Tübingen: Laupp, 1907. One vol., pp. 112.)*

THIS little work is extremely interesting in view of the present relations between Belgium and the Netherlands. There are many intelligent persons in both countries who judge that the time has come to re-open the question of strengthening the political and economic ties between them. No one contemplates the destruction of the work of 1830. But it is being asked whether the security and prosperity of the two kingdoms would not be considerably fortified and increased by an *entente* embracing a defensive alliance and an amalgamated tariff system. There is nothing new in this project, but it has only now begun to take definite shape. At the present moment a conference is going on at Brussels, in which the leaders of every political party and other eminent men, former Ministers and business men of both nations, are taking part, to open up what may be called official negotiations.

On the face of it, the tariff union would seem to be both entirely justifiable and easy of realisation. Holland, like Belgium, has to suffer under the protectionism of France and Germany, who are not content with closing the door against them, but who also seek to get possession of their national markets. If these two small markets be taken together, we get an economic domain consisting of 62,500 square kilometres and of thirteen millions of inhabitants—an economic force of some weight. The more so when, at first sight, the two countries seem to complement each other so admirably. The Netherlands have a powerful mercantile navy, and have, for some centuries, been a commercial nation. Belgium, the prosperity of Antwerp notwithstanding, has no *national* mercantile navy. Holland is an agricultural, stock-breeding country, without manufactures. Belgium is pre-eminently a manufacturing country; its agriculture and its stock-breeding are insufficient for the national requirements. Holland

has long possessed fine colonies. Belgium has only incipient colonies, with a doubtful future. Nothing, therefore, could be simpler or more natural than to see these two countries allying themselves. Association is the strength of the weak.

And yet, when the matter is gone into in detail, numerous difficulties arise.

Curiously enough there has never hitherto been carried out a thorough investigation of the commercial relations between the two countries. This is precisely what M. Guthmann offers us in his book, a work compiled with all the care and the exactitude of an academic treatise turned out in an advanced course of political economy in a German university. M. Guthmann is well acquainted with all the available documents, he has worked up his subject on the spot and from reliable sources, and he has had the perseverance to make the requisite summations and percentages.

He opens with a *résumé* of the commercial policy of the two countries during the nineteenth century and of the treaties concluded by each. He then draws a picture of the relative importance of Belgian exports to Holland and of Dutch exports to Belgium, based on the national statistics. Unfortunately there are no more defective statistics than those of Holland in this respect. Those of Belgium are not very perfect either; hence any adequate comparison between them is quite impracticable. M. Guthmann has toiled greatly to reach at least approximate results. As a controlling method he proceeds to study the variations of exchange between the two countries, that "barometer" of the respective pressure of international indebtedness. After devoting some pages to transit of goods and routes of commercial transport, he passes in review successively *all* the leading commodities in the foreign trade of each country, examines their status in general commerce—the tendency in each case to develop or to diminish as part of the same.

The result of these long inquiries is of great interest. Speaking generally, the reciprocal trade between the two countries is less important than is supposed. Dutch exports to Belgium, which preponderated up to 1880-90, are steadily declining (in favour of Germany). Belgian exports to Holland are gaining relatively in importance, but not to such an extent that Holland could not get on without Belgium, or Belgium without Holland. In short, neither country is indispensable to the other. And when we turn to their reciprocal trade, we see that they by no means complement each other. The importation of Dutch cattle is checked by the "closed door" at the Belgian frontier and by

the progress of internal stock-breeding. Holland has need of machines, but does not go to Belgium for the greater part of them. And so on in the case of other commodities.

From all this M. Guthmann has no hesitation in concluding that a *Zollverein* would not yield either country the advantages that are expected. Whether the question be simply to abolish the respective custom-duties (which would be wholly to the advantage of the Netherlands), or, on the other hand, to construct a genuine *Zollverein*, he judges that Belgian manufactures could not possibly withdraw the Dutch market from German and English manufacturers. His view is, that Holland's centre of economic gravity lies in Germany. And Professor Harms draws the practical conclusion from this inquiry by telling us, that "if Holland believes she requires any support in her economic relations, all her interests point her to Germany" (p. vi.).

Professor Harms's "appeal" is the more amazing when we note how M. Guthmann (p. 105) adduces the pronounced free trade of Holland as a reason for anticipating difficulties in the way of her concluding a tariff union with Belgium. How then would she fare with Germany?

We might, for that matter, ask why master and pupil have stopped half-way. For is not Belgium's economic "centre of gravity" equally in Germany, and would not the solution lie in Belgium, as well as Holland, entering the German *Zollverein*.

One can learn a great deal from this inquiry and its commentaries. Here I would only dwell on the great services rendered by M. Guthmann through studying in such detail the commercial relations between Belgium and the Netherlands. The need for his work was very great, and it will open the eyes of many who suffer themselves to be guided by appearances. May I, however, be permitted to say that it is a preparatory work? The question of tariff union is in no way thereby solved.

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*Impersonal Taxation. A Discussion of Some Rights and Wrongs of Governmental Revenue.* By CHARLES HERBERT SWAN, of the Massachusetts Bar. Pp. 149. (American Academy of Political and Social Science. Philadelphia, 1907.)

*Internal Taxation in the Philippines.* By JOHN S. HORD, Collector of Internal Revenue in the Philippine Islands. (Pp. 46. Baltimore : Johns Hopkins Press, 1907.)

THE two works before us form an interesting contrast, because whilst one gives a long and detailed discussion of the rights and