Book Reviews

Cases and Materials on the Law of Management of Business Units. By William O. Douglas and Carrol M. Shanks. Chicago: Callaghan and Company. 1931. pp. xviii, 1230. $7.50.

THE shock of disturbing the orthodox law curriculum is perhaps made a little more shocking by redistributing the combined materials of the old courses in Agency, Partnership, and Corporations into three volumes under the following titles: The Management of Business Units, Finance, and Losses. Obviously the terms must be taken in some special sense; otherwise they would represent materials neither reasonably exhaustive nor mutually exclusive. The preface to the first volume to make its appearance suggests a rough approximation between the term "Finance" and the formation of the relations involved in business units; between the term "Management" and the operation of these relations as between the parties; between the term "Losses" and the operation of the relations as to outsiders and the dissolution of the relations within the unit. Without anticipating the effect of the novel emphasis suggested in these terms for the works that have not yet been examined, the opinion may be ventured that in the volume before us, that on Management, a high degree of success has been attained in the effort to put the problems on a practical business plane.

The traditional texts on Corporations have heretofore presented a picture of the corporation that is at least a generation behind the times. They have had little to say about voting, for example, beyond telling us that stockholders had certain rights and illustrating their point with cases in which successful or more generally unsuccessful attempts have been made to take away such rights. That the matter of control by voting had become exceedingly complicated within the last generation, they gave us little or no reason to suspect. Here and there a curious monster like the voting trust raised its head, only to be rapped sharply or conjured away. But they told us nothing about the increasingly contractual nature of a stockholder's rights that had made the business world familiar with nonvoting stock or shares with a partial or conditional vote, or of such modifications as cumulative voting, or those curious instances of according a vote to persons other than stockholders—bondholders, employees, customers, the public. On control otherwise than by voting they merely frowned. The complication of the entire scheme of corporate relations by the introduction of the holding company—or, rather, a pyramid of holding companies—was passed over in silence. In fact, the only generalities indulged in on these subjects were to the effect that deviations from the ordinary way of doing things were not to be tolerated except where the charter spoke in the clearest terms to the contrary. Whether charters had come habitually to speak to the contrary and, if so, to what end, they apparently considered beyond the scope of the law school curriculum. Such subjects were, of course, touched on by economists who saw dangers to society in the disfranchisement of stockholders and to a greater extent by students of corporation finance in business schools who had to face the reality of peculiar varieties of stock. The book before us seems, however, to represent

the first effective introduction of such modern aspects of corporation law into the law school curriculum.

What has been said of voting applies with equal force to the topic that occupies the bulk of the book (Chapters III to VI), the control of the managers and the powers exerted by the managers under peculiar sets of by-laws, practices, and special contracts. The concluding chapters on formalities attendant on the formulation of policies and the enforcement of claims are more in the nature of standard law book material, though here, too, the authors take cognizance of some important new developments, particularly the wide diversity between the theory and practice of formalities in corporate affairs. By bringing together here and there a set of cases in which the same problems arise with slightly different types of business units, the editors have succeeded in contrasting the more or less accidental distinction between, say, corporation and partnership, that the old law emphasized, and the assimilation of the different forms to each other that business has brought about partly with the aid of the legislature and partly through the judicial recognition of the contractual aspect of most business activities and the intent of the parties.

The book is thus very different from all of its predecessors—not merely in its scope but in that it gives a picture of the law of corporations, partnerships, and other types of business units in action, with every important feature discerned as the object of more or less experimentation. The abundant notes suggest at every point that the authors are conscious of the fact that they are dealing with new material and that the possibilities of new adaptations have by no means been exhausted either in theory or in practice. It would hardly be a fair criticism, therefore, to suggest that they have overlooked this or that frontier of the law of business units, and it is with no intention of suggesting an adverse criticism that something may be said of the vastness of these frontiers and their impenetrability by ordinary methods. Some of them are made treacherous by the fact that the corporation is being used today for purposes for which it was not used during the days of its crystallization in American jurisprudence. A study of these uses would be illuminating on many points. Thus, where holding companies are mentioned in this book, we might pause to study the uses and abuses of the subsidiary corporation as they exist today. Such modern experiments as the use of the corporation for the shifting of tax burdens or as a substitute for the trust in the organization of a family estate, or as a mode of tenure of real estate, or as a means of enabling a state to participate in business at precisely the desired arm's length, or as a means of permitting an unrecognized foreign government effectively to do business within a country, quite naturally give rise to problems of management and of responsibility that our standard texts know nothing about. The projection of the corporation into such fields as professional trusteeship, executorship, and even receivership and public office, raises similar problems. Another source of trouble is, of course, the increasing complication of modern business relations with size as just one complicating factor. The teaching of Corporate Relations heretofore in the law schools has presupposed a very simple type of business society. It has paid no attention to the fact that the owner of a small block of stock at a distance from the main office of a corporation had been practically disfranchised long ago. It has blandly ignored the absolute impossibility of learning what one ought to know for the purpose of intelligent voting from an "inspection of the books." It has assumed, on the basis of political analogies perhaps, that all stockholders were equal and of equal importance to the corporation. It has made no provision for the apportionment in nicely differentiated proportions of investment, ownership, power, share

in profits, share in losses. To this old, simple law, a stockholder of one per cent of the stock represents one per cent of the corporation in everything. A study of the corporations in the year 1931 must take cognizance of the fact that this simple diagram is too simple. We no longer have two or three or a dozen types of stock to deal with. We have almost as many varieties as the ingenuity of man can devise. A third source of confusion for those who would rely too much on the orthodox theories is that a great divergence has grown up between the theory and the practice of corporate organization. We go through the form of having directors and officers, but alongside of the theoretical hierarchy in the corporation there may be an actual hierarchy which if charted would push the dummy directors out of the way and show the president as a mere figurehead. Those theoretically listed as owners may turn out upon analysis to be managers, and some of those who in legal theory are mere money-lenders may be the actual or potential owners of the business. The corporation's "franchise" held at the pleasure of another corporation may be vastly more important in fact, and infinitely harder to obtain and hold, than the franchise held from the state.

Along these frontiers the authors have wielded the axe bravely. Through the openings they have made may be viewed a realm in the development of which a whole generation of students of law and of business will have to cooperate.

Harvard University. NATHAN ISAACS.

The Revival of Natural Law Concepts. By Charles Grove Haines. Cambridge: Harvard University Press. 1930. pp. xiii, 388. $4.50.

MANY years ago, while I was still a student, I learned to associate the phrase Natural Law (and Compact Theory of Government: the two always went together) with the eighteenth century. It seemed (this was what I gathered from favorite books and teachers) that the *Philosophes* had been guilelessly taken in by the false notion that there was a universal and eternal order or law of things and of actions; that this universal and eternal law could be discovered by reason; and that, once discovered, all human ideas, customs, and institutions could be brought into a beautiful and beneficent harmony with it. The myth had of course been long since exploded, and a more enlightened age (I am referring to the late nineteenth century) understood that the myth had been the result of ignorance and the optimistic delusion that men might easily, by taking thought, reconstruct society according to a rational plan. On the contrary, historical research, at last pursued objectively and according to scientific method, made it clear that ideas and institutions developed (I should say *inevitably* developed) according to circumstances, and that the only law which a serious scholar could refer to without blushing (that is to say without quotes), the only law which could be proved by documents to exist, was positive law deriving from established custom or the command of the One Undivided Sovereign Authority of the State. Not that the Natural Law myth was peculiar to the eighteenth century. I was given to understand that the concept had been used freely by theologians, philosophers, and lawyers ever since the time of Aristotle; but there was no need for me to be troubled by this since these earlier centuries, even more than the eighteenth century, were times of ignorance before the discovery of a scientific approach to law and history. Having got the subject so conveniently arranged and filed away for ready reference, what a nuisance it was years

later, to learn that respectable savants were once more dallying with the old heresy, to learn, from so eminent an authority as Dean Pound, that "a resurrection of the Natural Law is going on the world over." How could one explain this obvious deviation from the established law of historical continuity and progress?

This question Professor Haines does not answer—does not even attempt to answer; and in the preface he frankly warns the reader not to expect him to. "It is beyond the scope of this treatise to deal with the philosophical and psychological processes which underly natural law thinking. The purpose is to present different types of theories in their legal development and to note their application by jurists and lawyers." This is good scientific history—to present what are supposed to be the facts in their development, that is, more or less in their chronological order, and to let them speak for themselves. It is true that few historians confine themselves strictly to this method, and it is quite according to the conventions that Professor Haines should provide us, from time to time with "explanations"—explanations of the fact that natural law concepts flourished in the eighteenth century, declined in the nineteenth century, revived in the twentieth century. For example, "among the prevailing tendencies in legal thinking which are giving an impetus to the revival of higher law theories are: first, the efforts to introduce in a more direct way ethical concepts into the law; second, the attempts to formulate ideal or philosophical standards to measure positive laws; third, the establishment of criteria for judges and administrators when they act as legislators; fourth, a justification for limits on the sovereignty of states." [1] Each of these statements is elaborated at some length; but after all these explanations amount to little more than saying that there has been a revival of natural law concepts because there has arisen a widespread need for employing the concept of natural law. What one would like to know is why, during the last twenty years, lawyers and jurists have felt it desirable to introduce ethical concepts into the law, to erect standards for measuring positive law, or to place limits on the sovereignty of states. To answer such questions, even inadequately (and is there any really interesting question that can be answered adequately?), one would no doubt have to "deal with the philosophical and psychological processes which underly" legal thinking. But such an enterprise would take the lawyer or the historian outside the "field" of law or history, beyond the realm of the factual, into a realm (of ideas, theories, hypotheses—call it what you will) where the "testimony of two independent witnesses not self-deceived" is rarely adequate to establish a conclusion of any significance.

I suspect that in writing his book Professor Haines was not primarily interested in natural law concepts. It is worth noting at least that nearly one half of a book entitled *The Revival of Natural Law Concepts* should be devoted to American constitutional law in the nineteenth century—the very period when, admittedly, the influence of natural law concepts was relatively declining. In this portion of the book (parts II and III) Professor Haines traces in detail the attitude of jurists and judges in respect to the limitation of legislative acts—limitations which they justify on the ground of the nature of free government, due process of law, fundamental rights, rule of reason, law of the land, and so on. The conclusion reached is that during the nineteenth century American courts, under the powerful influence of such jurists and judges as Kent, Cooley, Chase and Field, employed "higher law" and "natural law" concepts to justify the protection of property rights and vested interests against radical legislation. In this

[1] P. 309-310.

detailed study Professor Haines does not merely "present different types of theories . . . and . . . note their application by jurists and lawyers." On the contrary, he presents the theories and notes their application in such a way as to leave the reader in no doubt that the judges and jurists were, perhaps without being aware, doing something pernicious—defending the interests of the few against the many while professing to protect the "fundamental rights of the individual." In doing this they managed, Professor Haines thinks, to read into American constitutional law a *Naturrecht* which we are invited to regard as "formidable."

A *Naturrecht* is likely to appear formidable if used for purposes one doesn't approve of. At least I can't help wondering whether Professor Haines' sympathies haven't led him to judge the judges too austerely, and to exaggerate the significance of their use of natural law concepts. Judges are after all human, and since it is their duty to decide cases they decide them, as wisely no doubt as they know how, and then, like the rest of us, try to find good reasons for what they have done. American judges are bound by custom to find these good reasons for the most part in previous court decisions and in our written constitutions. What more natural than for them to employ natural law concepts when such concepts could be conveniently used to support their opinions? They did not invent these concepts; they did not need to. There they stand, in the entrance ways of our constitutions, safeguarding the liberties of the people. Professor Haines seems to have missed the interesting fact that the "natural rights" enumerated in the constitutions have become, by virtue of being enumerated there, a part of the positive law. At all events he often seems not to distinguish between "higher law" and "natural law" concepts. In chapter IV he makes much of the disposition of the courts, from an early date, to regard written constitutions as a "higher law" than the acts of legislatures, the implication being that this is an evidence of their disposition to accept the theory of natural law. But surely a written constitution may be a "higher law" without entering into evil communication with "natural law."

To round out this investigation into American constitutional law, Professor Haines has prefixed to it some introductory chapters on the history of natural law concepts from the time of the ancient Greeks, and added to it some concluding chapters on the revival of natural law concepts in our own time. Both of these sections of the book are useful but rather perfunctory compilations. Not enough attention has been given by writers on this subject to discriminating between the various meanings that have been injected at different times into the concept of "nature" and "natural law." Humpty Dumpty must have been thinking of "nature" when he said that he made words mean whatever he wanted them to mean. Both Aristotle and Calhoun justified slavery on the ground that it was in accord with "nature"; but Aristotle meant (sometimes at least) that slavery was natural because it fitted into a logical theory of society—it played a minor role in one of his favorite syllogisms; Calhoun meant that slavery was natural because it had always existed in one form or another. Bonald quoted with approval Rousseau's statement that human institutions are worthless except in so far as they are in accord with natural law, and then proceeded to refute all of Rousseau's conclusions on the ground that he had entirely misunderstood what natural law is. Thomas Aquinas defined natural law as the "participation of the eternal law in the rational creature," and then employed the concept of natural law to support the Christian story of the origin and destiny of mankind. According to Hobbes, since man is by nature "brutish," any form of government which can maintain itself is justified; according to Rousseau, since man is naturally good, no form of government is justified unless it is approved by the common

will (whatever that my mean). In the seventeenth century writers often referred to the "law of God and nature"; in the eighteenth century Jefferson represented the prevailing thought by referring to the "laws of nature and of nature's god." It was Pascal who slyly pointed out that the concept of nature had after all no support except a kind of subjective buoyancy: "I greatly fear that this nature is itself only a first custom, as custom is a second nature." What we need is a book showing how man has created nature in his own image. Not the least valuable part of such a book would deal with the underlying influences (philosophical, psychological, or whatever they might turn out to be) which have led to a revival of interest in natural law during the last quarter century.

Cornell University. CARL BECKER.

International Adjudications. Ancient and Modern, History and Documents, together with Mediatorial Reports, Advisory Opinions, and the Decisions of Domestic Commissions, on International Claims. Edited by John Bassett Moore. Modern Series, Volumes 1-3. New York: Oxford University Press. 1929-1931. pp. xxvii, 564.

THE appearance of these volumes marks an event of the first importance in the field of law, history and letters. Judge John Bassett Moore, in the encyclopaedic work of which these volumes are the first installment, has drawn upon his wide learning as a lawyer and a historian and upon his experience as a statesman to place before the world the complete record of all known arbitrations or adjudications between nations, supplemented by advisory opinions, mediations, and decisions of domestic commissions. The work may require seventy-five or more volumes, and is designed to be continuous. Judge Moore has divided the work into two series, an ancient and a modern, the latter commencing with the arbitrations under the Jay Treaty of 1794 between the United States and Great Britain. That treaty of itself marked an epoch in the peaceful adjudication of international disputes by reviving arbitration, a process which for nearly three centuries had fallen into desuetude.

The three volumes under review embody an account of the proceedings of the arbitral commissions under two articles of the Jay Treaty—the 5th and the 6th. The first two volumes deal with the former, relating to the determination of the boundaries between the United States and Canada, and more particularly the identification of the river which was mistakenly named, in the peace treaty of 1783, the St. Croix. The third volume is devoted to the 6th article, by which the United States assumed the obligation of compensating British creditors for the losses sustained through the impairment by American states after 1776 of the right of British creditors to recover their debts from American debtors. The fourth volume will deal with the arbitration under the 7th article of the Jay Treaty, covering both the claims of British subjects for losses due to seizures of British shipping by the United States or by vessels armed in United States ports, in violation of American neutrality, and the claims of American citizens arising out of wrongful captures of American vessels by British naval forces.

Volume I begins with an Introduction and Historical and Legal Notes of some 96 pages, which constitute a unique and penetrating analysis of the concepts of adjudication, judicial action, and arbitration in the light of theory and practice in municipal and international law. Probably Judge Moore himself, by the original publication in 1896 of his "History and

digest of international arbitrations to which the United States has been a party," but which includes foreign arbitrations also, has done more than any one else to make the awards of international tribunals a "source or evidence of law," the subject of an important section. Since that time, the awards of international tribunals, now multiplied by the frequent establishment of claims and boundary commissions and given added dignity by the establishment of the Permanent Court of Arbitration (1899) and the Permanent Court of International Justice (1921), have become a major source in the growth and development of international law. Judge Moore has exploded the myth, sedulously purveyed and thoughtlessly repeated in disparagement of the ephemeral and *ad hoc* international tribunal, to the effect that international arbitration was a process of compromise or political adjustment, as distinguished from the work of a law court, such as a permanent international court, which, it was asserted, would cut through an issue rigorously by applying exclusively rules of law regardless of where the chips fell. The judicial process, as Judge Moore shows,[1] is not devoid of the element of compromise, and possibly it could be said that in the balancing of considerations political views occasionally have been influential. But that this element is not confined to arbitral tribunals is evident in the many decisions of municipal tribunals, including those of the United States Supreme Court and, among others, in the recent opinion of the Permanent Court of International Justice in the Austro-German Customs Union case. That it is a characteristic of international arbitral tribunals to any greater extent than it is of other tribunals is an assumption destitute of foundation. Judge Moore has, it is believed, laid this rumor to permanent rest and written its obituary.

The record of the two arbitrations reported in these volumes follows the historical and, for the most part, the chronological method of presentation. It pursues the narrative form, in the light of the documents, which are either reprinted or summarized. The whole is clarified by the explanatory remarks of Judge Moore, modestly described as "editor," who brings to the task an erudition unequalled in the field of international law and rarely equalled in the field of American history. His description of events and personalities, frequently illumined by sage and humorous comment, mellows and enlivens the record. The reproduction of source material, some of which had not heretofore been generally known, would alone entitle the work to high rank. Judge Moore's painstaking analysis of the arbitral proceedings by which the "St. Croix" River was found to be the Scoodiac, as contended by Great Britain, and not the Magaquadavic, as contended by the United States, will probably leave nothing further to be said on that important historical event. The contribution that the arbitration made to American cartography is not the least important of its many features.

The third volume, dealing with the arbitration under Article VI of the Jay Treaty, embodies the account of the work of a Mixed Commission which ultimately broke down, mainly because of an unbridgeable difference of opinion as to the duty of claimants to exhaust their local judicial remedies before appearing before the international tribunal, and as to the meaning of "lawful impediments" erected by the states to the recovery and value of the claims of British creditors against American debtors. The proceedings of the Commission are fully described in the light of documents, the discovery of some of which, described by Judge Moore, is one of the romances of research. The arbitration represents not only an important stage in American history, but in international law. The views of the members of the Com-

[1] p. xc.

mission on the exhaustion of local remedies and on other legal questions have played an important part in the history of the subjects. The confiscation of private property (here debts) which some of the American states effected, and which the United States after the breakdown of the Commission finally agreed to make good by the payment to Great Britain of £600,000 under the treaty of 1802, closed a practice which, with the exception of minor lapses of the Confederate states and the legerdemain involving the Chemical Foundation patents in 1919, has not since marred the pages of American history. Judge Moore terminates the record with the full report of the proceedings in Great Britain for the distribution of the indemnity among the British creditors, together with an account of the proceedings of an earlier British domestic commission for the reimbursement of "loyalists," who had suffered special losses in the United States by reason of their loyalty to Great Britain.

The publication of these volumes, the crowning achievement of one of the most notable careers in American public and scientific life, is a source of congratulation and inspiration for American scholarship.

Yale University. EDWIN M. BORCHARD.

The Law of Coöperative Marketing Associations. By John Hanna. New York: The Ronald Press Co. 1931. pp. xxx, 509. $7.

MR. JUSTICE CARDOZO has often compared the law to a game. That is a most happy analogy. When new methods of attack or defense are discovered or devised, new rules of the game must be formulated, and interpreted and applied. The customary procedure when the new play appears is to attempt an application of the old rules. If these rules are stoutly maintained and rigorously enforced the result is an abortion. But if the new play has in itself sufficient vitality, the second move probably will be an extension of the old rules through a system of juridical logic, supported by the tenuous expedient of false analogy. If the old rules prove hopelessly inadequate, new rules arise. This is the process described in Professor Hanna's book.

If a book may properly be expected to fulfill the promises implied in the preface, Professor Hanna's book must disappoint the critical reader. The first sentence promises "To describe the nature and functions of agricultural coöperative marketing associations, and to state the American law in respect to them." Despite the not-too-modest statement that, "It is believed that all cases involving coöperative marketing associations have been read and most of them cited," a thoughtful study of the book might cause one to doubt whether the author quite understands the nature and functions of coöperative marketing associations, or even the vast changes in American law in respect to them.

The first chapter is devoted to a running story of the development of coöperative marketing associations. The tenor of this account leaves one marvelling that coöperative marketing has not cured all the farmers' ills. The leaders have been such supermen as no other institution may boast. A critic of the whole scheme might approve the opinion of Mr. G. Harold Powell, long-time general manager of the California Fruit Growers Exchange: "He combined in his person the eloquence of a William Jennings Bryan and the economic knowledge of a John R. Commons with an organizing genius so peculiarly his own that it is unfair to mention the name of another even for purposes of comparison";[1] or this: "Aaron Sapiro is one

[1] p. 8.

of the few men of this generation whose individual activities have genuinely altered the world in which he found himself." [2] But when the list of cultural-ethical-financial-political and legal wizards stretches away toward the far horizons [3] even the staunchest friend of agricultural coöperation might indulge a sceptical chuckle.

Not only has the new farmer movement enjoyed the wholly unselfish service of this incomparable group of quite incomparable men, but in addition the Federal Government, through many powerful agencies, has stood solidly behind the coöperatives. ". . . the Division of Coöperative Marketing in the Department of Agriculture . . . has provided current services for coöperative marketing associations which have been comparable in kind and quality to those furnished the large public utilities by the great management corporations." Again: "The War Finance Corporation was always wholly non-political, its staff of lawyers and bank executives was chosen on the same basis and with the same standards as that of the largest banking enterprise. The new result was governmental administration with the efficiency of a private business but with the justice and impartiality of government. The relations between the Corporation and the coöperatives were always especially cordial." [4] And again, one wonders what sort of ingrates these farmer folk must be!

In chapters two and three, Professor Hanna traverses familiar ground. He gives us a most excellently concise summary of all state statutes governing coöperative marketing organizations. This is much the best work that has been done on this phase of the subject, and makes the book invaluable to counsel and officers of the coöperatives as well as to students in this field.

The remaining four chapters of the book catalogue and describe the legal problems involved in the life cycle of an association, from inception to bankruptcy and receivership. The organization is excellent. A vast number of cases are cited, and many judicial opinions quoted. But the place of this new institution in our legalistic-economic set-up, the day to day problems involved in its nature and functions, the new rules of the game which it has necessitated, are either largely ignored or wholly misunderstood. For instance, the entire subject of restraint of trade is covered in eight lines. In view of the long and bitter legal controversies—the headlong collisions of the new institution with the common sense notions and the Common Law rules of the game—this treatment might be considered inadequate.

The legal implications of many of the most obvious practical problems facing the associations are ignored. No consideration is given to the vast and complicated functions performed by the field service units. The efforts of the associations to control production are not even mentioned. No reference is made to the difficulties of enforcing member-contracts in the lower trial courts where juries are almost inevitably antagonistic; nor to the practical impossibility of enforcing deliveries from tens of thousands of recalcitrant members.[5] The statement is made that "an association may recover excess payments to members." Many associations would like to know how this rule of law can be made effective. The vital questions of official salaries, of the use of association offices and of subsidiary corporations for the private profit of influential members, are not considered at all. This tally might be considerably lengthened.

Despite these criticisms, I believe Mr. Hanna's book to be of very real value to all who are interested in the technical, legal status of the coöper-

[2] p. 11.
[3] *Cf.* pp. 15, 16, 17, 22.
[4] pp. 17, 18.
[5] In 1925-26 the Texas Farm Bureau Cotten Association had 34,609 non-delivering members, or 62 per cent of the total membership.

ative associations. As a catalogue of statutes and court decisions it leaves little to be desired; as a description "of the nature and functions of agricultural coöperative marketing associations" it is quite inadequate.

University of Texas. R. H. MONTGOMERY.

Cases on Personal Property. By Harry A. Bigelow. Second edition. St. Paul: The West Publishing Co. 1931. pp. xiii, 465. $5.

SOME twenty-six of the cases in the former edition of this book have been omitted from this edition and fifty-nine new ones added. Many of the latter are quite recent and relate to interesting legal problems of a timely sort. The easier reading which results tends to compensate for the additional length of the book, which is fifty-eight pages longer than the former edition, and may make it possible to cover it in the short time usually allotted to the course.

The former edition began with the chapter "Rights of Action Based on Possession or on Ownership." This subject, though difficult and unsatisfactory, is important, and its importance has perhaps been unduly minimized by its being reduced to a subordinate position and covered in six pages instead of twenty-one. The enlargement of the treatment of bailments is justifiable because in most law schools there is no other course in which this subject is dealt with. In view of the incompleteness of the specific treatments of it in other courses, some space has wisely been given the question of *bona fide* purchase.

As to matters of detail, little can be said except in commendation. In connection with *Sutton v. Buck* on page 25, involving a defective formal transfer of a vessel, the lively question of the effect of failure legally to transfer the title to an automobile should perhaps have been mentioned. *In re Shiffert* on page 59 is hardly understandable by one who has not happened to learn the peculiar Pennsylvania doctrine with reference to chattel mortgages, conditional sales, and "bailment leases." But these are small matters and do not detract materially from the usefulness of a book which is an improvement on an already good book.

University of Pittsburgh. J. W. MADDEN.

Cases and Materials on Business Law. By Alfred W. Bays. Third edition. Chicago: Callaghan and Company. 1931. pp. iv, 1257.

THE third edition of this book is a continued elaboration and modernization of the author's *Cases on Commercial Law*, first published in 1914 and enlarged by the second edition of 1923. The subject matter, from the lawyer's point of view, is compendious, the treatment necessarily summary. The material consists in a survey of the nature, sources and systems of law, the judicial system, American Constitutional law, a very brief treatment of crimes and torts, and a more detailed exposition of the law of contract, agency, bailment and carriers, sales, conditional sales, negotiable instruments, partnerships, limited partnerships, corporations, business trusts, and bankruptcy. With this staggering array it is perhaps natural to find a conventional and somewhat doctrinaire treatment. The author will not accept criticism on the scope of the work: "If the criticism is made that the attempt is to present momentous subjects in a few pages, the criticism is not well taken. All subjects of law cannot be covered in a book on business

law; and cannot be studied by a layman in the normal course of procedure. But a brief discussion of such subjects is not for that reason amiss. In fact, it seems essential." In reply no criticism will be attempted but one cannot still the question which comes to mind of the instructive value, even to lay students of business law, of the quick hilltop glimpse into so many far kingdoms.

If the value of lay introduction to the threshold of business law be admitted, the book seems well done. The plan followed in general is the presentation of concept by excerpt from texts, with occasional elaboration by the author, an exposition by selections from judicial opinions, the facts usually appearing in a digest of the author's, and, following the case, a series of questions prompted by the problem. The questions are potentially the thought provoking parts of the book and some of them are good. That they do not appeal to the reader as uniformly so is probably due to their unnecessary use in a good many instances. The fundamental quarrel with the book, or if it may be called so, criticism of it, centers in its conceptualism. Labels are an end in and of themselves, and what the judges *say* rather than what they *do* is pointedly taken as *the law*. Perhaps it is the only practicable way to present the vast body of material to lay students.

Yale University. J. W. COOPER.

International Government. By Edmund C. Mower. Boston: D. C. Heath & Company. 1931. pp. xx, 736. $5.

JUDGE MOWER has succeeded in the aim modestly stated in his preface of presenting in a single volume an outline of the international governmental system at once comprehensive enough to embrace its essential features, and non-technical enough to be of general interest. He is at pains at the outset to justify his use of the title of his book as indicating not merely form of organization, but also all of the processes by which the public international business is transacted. He is thus justified in describing not only the organization and working of the international structure set up by the Treaty of Versailles, but also the means of official intercourse between states which operate independently of this more formal machinery. Nearly one half of the book, therefore, deals with topics which are treated in any general work on international law—for example, international sovereignty, the equality of states, diplomatic intercourse, the balance of power, the Concert of Europe, international unions, treaties and treaty making through separate negotiation and by means of conferences, mediation, conciliation, arbitration and international courts. These processes, in the aggregate, constitute international government, and their inclusion was essential not only for this reason, but also to provide the necessary introduction to the second half of the work, which deals with the League of Nations, the Permanent Court of International Justice, and the International Labor Organization.

The book is timely, because recent events give force to one of the author's basic contentions that both international and national governments arise in answer to economic needs. If the political international organization is inadequate for the economic needs of the world, then an economic situation develops which is in conflict with the political situation. Thus the United States is gradually being forced, by the impetus of economic circumstances, into participation through the back door in the work of the League, even though it continues to renounce it politically. Professor Mower, however, is not a propogandist for the League of Nations. He consistently adheres to his purpose of writing a book in attitude primarily neither legalistic, nor political-social, nor mechanistic, but informative concerning the facts of international inter-