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contested, and shorn of purchasing power; Canada, Australia, India, South Africa, her proud dominions, are at various stages striving to complete their own economic autonomy; her sovereign is at discount on the dollar; the efficiency of her extractive industries is reduced by the slow action of the law of decreasing returns, and still more by the diminished product of labour, which is afflicting her manufacturing industries as well; her public finances are oppressed by War debts home and foreign, and by internal strife; the home market itself is undermined by the depreciation of the Continental exchanges; and there is a crowd of new political problems, economic and social, arising with the billows of Imperialism, Autonomism and Demagogy which the hurricane of the War has raised everywhere; there are the problems of raw materials, key industries, nationalising of industries, workmen's control of business, and more recently the problems connected with the fall of prices and the unemployed."

J. BONAR

Sharing Profits with Employees : A Critical Study of Methods in the Light of Present Conditions. By JAMES A. BOWIE, M.A. (Pitman's Industrial Administration Series. Pp. 219.)

IN this work Mr. Bowie has made a valuable and opportune contribution to our literature on industrial organisation. The author evidently possesses to an unusual degree the knowledge of a trained economist coupled with an intimate grasp of the practical problems associated with workshop administration. The title does not quite do justice to the book itself, for throughout its pages the student will find helpful criticisms and suggestions covering a wider ground than that implied in the term "sharing profits."

Mr. Bowie gives substantial reasons in support of the Co-partnership ideal in industry, but does not consider that it can be satisfactorily realised by way of Profit-sharing. "So far the general position has been arrived at that Cash Profit-sharing among the wage-earning class is a mistake. The wrong method is to give and then try to enlighten the worker as to the meaning of the gift." Viewed in the light of the criticisms against Cash Profit-sharing we are told Co-partnership shows up well.

By Co-partnership the author means a system of "Contributory Co-partnership" where the "initiative must come from

the employee" and involve some principle of selection. By this method "it is insured" that only the "more thrifty and intelligent workmen" will in the first instance have bestowed on them "industrial enfranchisement."

Mr. Bowie presents a strong theoretical case for "contributory Co-partnership," and yet one cannot help feeling that so far as he relies upon practical experiment to support his argument, he depends in the main upon examples of Co-partnership which have been reached through the application in the first instance of the system of Cash Profit-sharing which he condemns. "Normally and historically," he tells us, "it (Co-partnership) had its origin in Profit-sharing." This, of course, does not dispose of his contention, but it suggests that we shall be better able to form a sound judgment on the possibilities of "Contributory Co-partnership" when we have had more experience of its practical application. "The merits of Co-partnership are based not so much on the method of developing it as on the actual results it achieves." Possibly so, but should we not be cautious in condemning the "method of developing" hitherto practised, until we can present with a greater weight of authority another method?

Caution in accepting Mr. Bowie's conclusions on this point does not lessen one's gratitude for the service he has rendered by his constructive criticisms of industrial organisation.

Labour's attitude to Co-partnership is fairly stated, and the antagonism of the "extremists, who regard it as being an insidious attempt to give labour vested interests in the continuance of a pernicious system," is, we are told, based "on specious arguments which will not bear examination.

"He who does not wish to see the present industrial system altered must be indeed barren of ideas. He who subscribes to violent and catastrophic measures can be no student of history. He who refuses to accept instalments of progress and suspiciously rejects them all as capitalistic devices is, however much he subscribes in theory to the policy of gradual transition to a new order, nevertheless an enemy of all solid progress."

Mr. Bowie boldly faces the truth that the wide application of Co-partnership would have a far-reaching effect on Trade Unionism, but holds that "modifications of structure and function need not mean disintegration." The present development of Trade Unionism is, he contends, rapidly putting into the hands of the worker control, but without the sobering knowledge of the whole mass of conditions which dominate industry.

“ The greatest hope of a time of peaceful progress and transition lies in the Co-partnership Movement.” Through its agency the just aspirations of “ millions of workers ” can be realised, whilst “ all that is good in personal initiative is preserved.”

The author is, and we think wisely, averse to any Parliamentary compulsion to adopt Co-partnership methods, for “ unless the movement by its own inherent soundness makes its way in industry, it is not likely to do so as a Government recommendation.”

The worker should be free to participate or not in the scheme, but if he chooses to join he should, in the view of the author, “ invest.” Inducements to this end should be offered. The precise nature of these must depend upon circumstances, but they can take the form of “ easy acquisition, issue below market value, a guarantee of capital, early credit of dividends, assured minimum return, extra dividends, own ordinary Shares or an accompanying Share of profits.” The object aimed at should be to make him a “ real live investor ” interested in the prosperity of the firm. There is a useful chapter dealing with typical Co-partnership schemes, but Co-partnership Manufacturing concerns which have been organised by workers for workers are dealt with very briefly. Some of these are now on a considerable scale and have been in existence many years. It would have been helpful if their experience in the practical application of Co-partnership had received fuller treatment in the volume before us.

The Whitley scheme is commended as a “ first step ” in the direction of “ democratised ” industry, leading as it would do to a further knowledge of economic facts and thus providing “ a common platform for capital and labour.”

There are useful chapters on Collective Output, Bonus Schemes, Sliding Scales, and Miscellaneous Schemes.

The final chapter deals with the Future of Profits. These, we are told, could only be abolished “ by eliminating the service which makes profit a necessity.”

The book is well arranged, and the brief summary of criticisms and suggestions at the end of each chapter is to be commended, as is the admirable list of authorities for reference given at the end of each of the four “ parts ” into which the book is divided.

HENRY VIVIAN