that members whose monetary authorities, for the settlement of international transactions, in fact freely buy and sell gold within the limits prescribed by the agreement shall be deemed to be fulfilling the provision requiring members to permit exchange transactions only at par values, more or less the "official" rates of exchange. This presumption appears to constitute a quite logical exemption of countries, including the United States, which redeem their currency in gold internationally.[36] Hence, it seems that the legality of the American transactions at other than the official rates of exchange cannot be doubted. There are certainly situations in which a free-market rate may be not only the genuine, but also the proper rate of exchange.

In a subject as novel, and in many respects as unsettled, as the law of money, these and other differences of opinion, whatever their justification, do not detract from the value of a book. It is Dr. Mann's analysis, systematic presentation, and classification of the respective problems, his profound knowledge and understanding of the same, both in their national and international settings, the clarity of thought, and accumulation of invaluable material, which give the work its great and permanent value.

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MONOPOLY IN AMERICA: THE GOVERNMENT AS PROMOTER. By Walter Adams and Horace M. Gray. New York: The Macmillan Company, 1955. Pp. xv, 217. $4.00.

We often wonder how much good the Sherman Act accomplishes but we can never hope to have very accurate information on the question. Obtaining it would probably require experimentation on a scale which we cannot afford to risk. Instead, we put our faith in the proposition, for which there is at least some evidence, that such laws do in-

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through appropriate measures consistent with this Agreement, to permit within its territories exchange transactions between its currency and the currencies of other members only within the limits prescribed under Section 3 of this Article." This is followed by the second sentence discussed in the text above. As pointed out in note 24 *supra*, art. IV is not among the provisions stated to have full force and effect in this country. See NUSSBAUM, MONEY IN THE LAW 532 (1950). He questions the internal, as distinguished from the international, force of the provisions of the Fund Agreement which were omitted.

36. NUSSBAUM, MONEY IN THE LAW 535 (1950); Nussbaum, *The Legal Status of Gold*, 3 AM. J. COMP. L. 360, 361 n. 8 (1954). See also GOLD, THE FUND AGREEMENT IN THE COURTS, INT'L MONETARY FUND STAFF PAPERS 316 n. 3 (1951).

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fluence men's behavior in desired ways and we proceed to consider what those ways ought to be. Uncertainty about the magnitude of the total impact of antitrust law does not seriously discourage inquiry aimed at making the antitrust laws as rational and workable a body of law as possible. Nor has it prevented reasonably energetic enforcement throughout much of the period since the Sherman Act was passed.

A more disabling set of doubts would emerge, conceivably, if we were to think and learn enough about the other ways in which government influences the competitive character of our economic system. It is at least possible that while the government as regulator has thrown its weight mostly behind the forces making for competition, government in other capacities has consciously or unconsciously been pushing from the other side. But in a period when government operations constitute so large a factor in the economy as they do today the discouraging possibility that government itself is constantly undermining whatever good the antitrust laws accomplish should certainly be examined. Besides exposing major contradictions in public policy such an examination might point to more effective ways of achieving antitrust aims than passing regulatory laws or might produce more searching thought about what kind of economic system we wish to encourage. The suggestion can be made, for example, that a society strongly committed to competition should use its tax structure to discourage the growth of big business. But, before intelligent consideration could be given to such a suggestion, it would be necessary to know more about what effect our present tax structure has on the competitive or monopolistic tendencies of our system. Since all such questions involve the study of complex side effects rather than the framing of a rational set of commands their investigation seems to present even more formidable problems than those of the antitrust laws themselves.

The present book points up both the importance of asking such questions and the difficulty of furnishing satisfactory answers, although the authors have a good deal of confidence about some of the answers. The aim of the book is to call attention to a varied group of government activities which in the authors' view tend strongly to promote monopoly and thus work at cross purposes with the objectives avowed in the Sherman Act and related legislation. The areas selected for attention are indicated by the chapter headings: Regulation and Public Utilities, Tax and Expenditure Policies, Procurement for Defense, Disposal of Surplus Property, Legislation and Atomic Energy. Within each area the book reviews several episodes or facets of government policy which are thought to illustrate either indifference toward the objectives of the antitrust

laws or positive preference for big business and monopoly. (A major flaw in the book is that the authors are quite undiscriminating in their use of these latter two terms and seemingly unaware that they could mean different things.)

Much of what the authors say gives plausible support for their thesis that the federal government has been a strong "promoter of monopoly" and of big business. In most instances, however, they seem content to rest their case on data which do little but establish the need for further inquiry. One example is procurement policy. There they assume that figures showing the volume of defense contracts going to "big" as compared with "small" businesses represent a fair index of the extent to which procurement activities have promoted concentration and monopoly. Another example is the percentage depletion allowance for oil producers, which comes under heavy attack as a factor aiding big oil companies rather than small ones. Here again, the statistical data seem to be intended only to show that large oil companies have larger depletion allowances and larger tax benefits therefrom than small companies. Moreover, after estimating the total "depletion subsidy" to the "major" oil companies at $700-$750 million per year, the authors assert that "this vast sum, year after year, has been diverted from the United States Treasury . . . into the treasuries of the major oil companies, from whence it moves either into capital formation or into the hands of stockholders."[1] How they know that "this vast sum" has all turned up as profit and has not gone into the pockets of consumers of oil products is not explained. They would surely not argue that every cost reduction results in an equal increase in profits or that all cost reductions which affect large companies in greater dollar amounts than small companies are causes of monopoly. Yet this seems to be the argument they ask readers to accept with respect to tax deductions. These are merely random examples of the superficiality which pervades the book.

Throughout much of the book the level and tone of the discussion seem more appropriate for political speech-making than for a book meant to enlighten the general reader. This tendency seems especially striking in the chapter devoted to public utility regulation, where a tiresome repetition of phrases like "abdication of sovereignty," "grants of special privilege," "creation of vested interests," and "aggrandizement of private monopoly power" is used to try to persuade the reader that "the experience of the past seventy-five years demonstrates that public regulation is a frail and hopelessly deficient instrument for protection of the

1. P. 83.

public interest."[2] In their preface the authors state: "If we are guilty of occasional overzealousness or extravagance in stating our case, we hope the reader will be forbearing and forgiving." This is perhaps the only understatement in the book. It would be easier to be indulgent toward these confessed deficiencies of the book if the problems it raises were less important. They deserve more sustained, intensive and disciplined study than this book reflects.

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2. P. 54.

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