

Dennis Robertson on Industrial Society: *The Control of Industry* reexamined

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I Introduction

In 1923, Dennis Robertson (1890–1963) wrote *The Control of Industry* (hereafter *COI*) as the fourth volume of the Cambridge Economics Series. In this book, as we shall see below, Robertson developed the original view for industrial society corresponding to the arguments of the "control of industry" by the British Socialists of the day. However, previous studies had little evaluated this book, including even Presley (1978, 1981) and Fletcher (2000), which are the main research documents of Robertsonian economics¹. The main reason is that this book had been considered as a text of industrial organization².

However, this book has a dual character. The first part of the volume presents the division of labour, the integration of industry and marketing, the machinery and the use of credit power "like a film run too fast through the cinema, with occasional slips and flashes and lacunae, so as to finish the show by closing time" (Orton 1924, 763). This is surely suitable for an elementary exposition of economic principles. But he states in the first chapter that his book is intended to throw light on the problem of control, that is "how...can we ensure that the men and women engaged in industry shall not become mere instruments of production or mere passive receptacles of its fruits, but shall retain, in their relation to the economic circumstances of their life, the character of self-directing human beings" (*COI* 1–2). This statement foreshadows that this book shall be not only an exposition, but also a contribution to knowledge. In the second half of the volume, he embarks upon a critical survey of capitalism and an alternative strategy towards it. We will investigate what kind of contribution is made in *COI* for Cambridge economic thought and for Robertsonian economics.

Moreover, in the 1920s when *COI* was written, various ideas about "economic planning" or the "control of industry" were developing as a response to the economic dislocation wrought by World War I. Though numerous studies have addressed these issues in that period³, little has been said about the study of such matters by Robertson. He had made an original criticism to the main ideas about industrial control of the period, and it is thought that clarifying this brings a contribution to the historical study about planning in the first half of the 20th century.

We will take up Robertson's view on industrial society in *COI*, and his viewpoint to the argument of the "control of industry", which the British Socialists asserted. This paper is organized as follows. In section II, we explain the historical milieu in which

COI was written. In section III, we explore his view on industrial society and his evaluation of the strategies raised as solutions to the problems of industrial society. Finally, in sections IV and V, we clarify Robertson's contribution in *COI* and summarize the main argument.

II Historical Background

This section presents a brief view of the main ideas about the control of industry in the 1920s⁴ taken up in *COI* as an aid for understanding Robertson's argument.

First, are ideas surrounding democracies of consumers, which were advanced by the Fabian Socialists. Two main species of these democracies of consumers exist: (1) voluntary associations of consumers initiated and developed for the express and exclusive purpose of supplying specific commodities and services desired by members (Consumers' Co-operative); and (2) obligatory associations of inhabitants of a given geographical area, organized primarily as democracies of citizens in the various municipalities, and subsequently developing departments for the supply of commodities and services according to the will of the majority of the inhabitants (Collectivism).

Secondly, from the standpoint of workers' control, the idea of Productive Co-operation (Syndicalism) and Guild Socialism appeared. According to the opinion of Syndicalism, workers were exhorted to organize into one giant union for each industry (industrial unionism) to carry on the war with its capitalist employers relentlessly, resorting to strikes and other means of increasing wages and shorter working hours. On the other hand, Guild Socialists sought to achieve their ends by the gradualist method of 'encroaching control', which involved persuading the Trade Unions first to reorganize themselves along the lines of industrial unions, and then to convert themselves into 'Guilds' by bringing clerical and managerial workers into their ranks alongside the manual workers. These movements would have the task of encouraging the workers to win, by various means, a greater share in the actual control, management, and direction of the workshop, eventually usurping the authority of the capitalists and appointed managers, and achieving self-government in industry.

Third, as opposed to the rise of socialism or trade union movements, British government published the Whitley Report in 1917, which asserted the necessity for joint control of industry by employers and employees. A salient purpose of the Whitley Report was to raise the status and develop the self-respect of the worker, by enabling him to form and express well considered judgments on all those aspects of the business in which he is employed. The report suggests that the Joint Industrial Councils and Workmen's Committees shall include in their aims the better application of the knowledge and experience of the workers⁵.

III Robertson's Arguments on Industrial Society

Robertson points out (1) the un-coordinated nature of Capitalism, (2) violations of “Capitalism’s Golden Rule” (the association of control with risk), (3) the differentiation between manager and worker as a feature of industrial society.

(1) The un-coordinated nature of Capitalism

First, he points out from his historical illustration⁶ the principal feature of industrial society. From a technical point of view, that is the substitution of the complicated and expensive machine for the simple hand-driven tool. From the point of view of organization, its salient feature is the regimentation of large bodies of workpeople under conditions of routine and discipline. The organizer of industry has become an employer and manager of men, issuing orders (*COI* 11–12).

The developments of business organization fall within the boundaries of what may be somewhat vaguely described as Private Enterprise or Capitalism. “We may therefore...attempt to discover and to express what exactly it is that constitutes the unity in all this diversity of industrial structure—what are the essential features of this thing called Capitalism.” (*COI* 84) By so doing “we shall be in a better position both to understand the motives of the attempts and proposals which have been made to supplement or supplant it by some other scheme of industrial government, and to appraise the difficulties which lie in the way.” (*COI* 84)

Under Capitalism, the co-ordination of the effort of the isolated business leaders is left to the play of impalpable forces: “news and knowledge and habit and faith, and those twin elementals, the Laws of Supply and Demand.” (*COI* 86) This system has numerous advantages for allocating resources effectively. Nevertheless, it is impossible to pretend that the results are wholly satisfactory because there occurs, at regular intervals, a partial breakdown of the whole machinery of spontaneous co-ordination. “Large masses of industrial equipment are left stranded and unused, and large numbers of workpeople who seek only the opportunity to supply one another’s wants find themselves at one and the same time in enforced idleness and in bitter need.” (*COI* 87)

(2) Violations of “Capitalism’s Golden Rule”

Second, Robertson states the proposition “where the risk lies, there the control lies also.” (*COI* 89) In this statement, “risk” means the business loss of the kind that ends in bankruptcy or liquidation⁷. This proposition is so important that it is described as “Capitalism’s Golden Rule”. The assumptions underlying the arrangement are:

- (1) The power of making decisions will be most wisely exercised if it rests in the hands of those who stand to lose most heavily if the decision turns out badly.
- (2) The risks of industry will be most bravely shouldered if those who shoulder them are not obliged to hand over to others the power of making decisions about the use of the resources which they put to hazard.

Nevertheless, a number of qualifications of these principles exist in modern industrial society. In the first place, it is the ordinary shareholders of a joint-stock company who bear its main risks. The phenomenon of the joint-stock company shows that, at any rate, passable decisions are actually made by those who do not bear the predominant financial risks. Secondly, a survey of the economic world reveals various classes of persons who appear to assume part of the risks of industry without allocating to themselves any share in its control (insurance company, speculative dealer)⁸.

Above all, the most important qualification is the exclusion of those who shoulder some of its risks from any participation in the government of industry. The whole bodies of manual workers launch not indeed their material capital, but the strength of their arms and the skill of their hands over the issue of which they have no control. But wage movements in both directions are more rapid and extensive than they used to be, and behind there lies the far graver risk that no wages will be paid at all because no work will be required. (*COI* 92)

(3) The differentiation between manager and worker

Third, modern industrial organization strengthens the sharpness of differentiation which it entails between those who own, and plan and control, and those who execute orders. The vast economic advantages of this type of division of labour have had to be purchased at the cost of a certain amount of social and spiritual loss. More fundamental and more difficult to counteract are the reactions of standardization of humans as producers— the ceaseless repetition of a monotonous and soul-destroying job (*COI* 97–8).

With these reflections on the nature of industrial society, Robertson proceeds to an examination of attempts that have been made to modify or supplement it.

1 Democracies of Consumers—Consumers’ Co-operation and Collectivism

Robertson states that Consumers’ Co-operation embodies the ambitious notion of undoing the great division of function, and reintegrating the consumer with the producer by handing over the reins of industrial government to the appointed representatives of the consuming public (*COI* 104).

He emphasizes the success of activities of Co-operative associations, and then asks the question of what light does the success of Co-operatives throw on the universal validity of Capitalism’s Golden Rule. First, the element of trusteeship is reinforced under Co-operation by the spirit of loyalty to a cause, so that its members are more than ordinarily ready to delegate their decision-making powers to their servants, and those servants use them carefully and faithfully.

Secondly, he points out that the general powers of control reserved by the members are not exercised in proportion to the resources risked, for the rule is one member – one vote, irrespective of capital holding (*COI* 110–1). Still, Robertson apparently believes

that the disproportion between risk and control is not as great as it appears at first sight. The reasons are these:

- (1) Capital, like the debentures of a joint-stock company, is guaranteed a fixed rate of interest, so that the only attendant risk run is that of complete loss, which is rendered extremely unlikely by the nature of societies' activities.
- (2) All members have an equal interest in the disposal of reserves, benevolent institutions, etc., built up by the societies, so that their total interests are not so mutually disproportionate as their capital holdings.
- (3) The device of sale at full market price and a dividend on purchases means that members run important risks that are proportionate not to their capital holdings, but to their purchases.

Thus "while Co-operation has gone a step further than joint-stock enterprise in divorcing control from the ownership of capital, its native shrewdness has saved it from attempting too ambitious a divorce of control from risk" (*COI* 111).

On the other hand, he shows a negative attitude to Collectivism. Under Collectivism, whether the capital employed in the public enterprises has been accumulated by the public authority or has been borrowed in the market, the risks of loss fall on the taxpayer. Then Robertson points out the danger that is implicit in the divorce of active control from the shouldering of the main risks: it will lead those who wield the former to be at once less rigorous in the avoidance of waste and more reluctant to adopt anything which might be represented as a rash or speculative policy than if they were working for their own hand. (*COI* 120)

- (1) These risks are greater than those of an ordinary shareholder, for they are unlimited. If a company fails, its debenture holders can take over the property, but they can do no more. In contrast, if a public enterprise fails, the creditors of the public authority can additionally demand the interest on and repayment of their loans out of the proceeds of taxation.
- (2) These risks are borne by the taxpayers in accordance with their wealth, although each wields one vote only. Consequently, a disharmony pertains between the distribution of risk and the distribution of the residual powers of control.
- (3) Whatever view might be taken of the effectiveness of majority rule in expressing the general will, it must be admitted that many individuals bear the risks of collective enterprise involuntarily, and are therefore critically disposed towards it.

For these reasons, Robertson concludes that "those in control of public enterprises rightly pursue more timid and unadventurous courses than even the directors of a

joint-stock company...the device of compulsorily imposing unlimited risks on the tax-payer partially stultifies by restraining those responsible for policy from making full use of the risk-taking powers thus put into their hands.” (*COI* 121)

2 Workers’ Control—Productive Co-operation and Guild Socialism

Robertson admits that neither Consumers’ Co-operation nor Collectivism improves the status of workers. All must, under modern conditions, work within the framework of the factory system. For that reason, the efforts of reformers have been directed to trying to find some method of combining the subordination and regimentation necessitated by the factory system with the exercise of self-government by those who are entangled in its coils (*COI* 134–5). These opinions have been made through the movement of the Productive Co-operation and Guild Socialism.

However, Robertson embraces a negative opinion on these movements. First, the problem of the Productive Co-operation is the question of management: “it is not easy to bring oneself to vote for the most capable man among one’s shopmates as manager, rather than the best talker or the best fellow, nor to vote him a large enough salary, nor to allow him a free enough hand when elected and to obey his orders in the shop.” (*COI* 136)

Second, the main tenet of Guild Socialism is that each industry should be reconstituted as a public service under the control of those who actually work in it. However, if the whole of this industry or any other should come to be reorganized on this line, then the problems suggested by Capitalism’s Golden Rule would become pressing (*COI* 145).

- (1) Unless those who ventured in industry were allowed some share in controlling its use, little capital would be forthcoming. That is “to finance a whole industry with blindfolded and impotent capital is likely to prove a stiff proposition; for unless such capital is to be secured, both against total loss and against fluctuating returns, it is likely to be shy in coming forward, and if it *is* to be so secured, its maintenance might well become an intolerable burden on an industry exposed like any other to the fluctuations and uncertainties of trade.” (*COI* 145–6, *italic in original*)
- (2) For it is the hope of Guild Socialism to extend the system of “continuous pay” as to guarantee a livelihood to every man on the strength of an industry, irrespective of whether work exists for him to do or no, the transference of control to the workers is to be accompanied by a marked diminution of their individual risks (*COI* 146).

3 Joint Control of Industry

Robertson reveals an affirmative view regarding the joint control of industry⁹ because this proposal associates the worker who shoulders the risk of unemployment

with the government of industry preserving the framework of the existing industrial system. In addition, he enumerates the positive effects of joint control for the working class (*COI* 150–2):

- (1) History seems to show that strength without responsibility is always liable to be used recklessly. Now nothing can prevent the organized working class from possessing strength. It is likely to be more moderately and thoughtfully employed if it can be associated in any way with responsibility for the actual conduct of affairs.
- (2) At present, much constructive talent among the working class goes to waste.
- (3) Even the psychology of the “average worker” is perhaps not so simple as some would have us believe. It may be hazarded that in his scale of values, two other things aside from reasonable comfort and leisure find a high place—a sense of security and a sense that he is not being done by somebody in the eye. These sensations are not easily generated except through the machinery of self-government.

Nevertheless, Robertson warns that it is useless to remain oblivious to the difficulty suggested by Capitalism’s Golden Rule. In case of a joint stock company, there is a real infraction of that rule in so far as directors and managers administer the property of shareholders. The infraction is a limited one, however, because their general aim is substantially equivalent to that of those for whom they are acting—namely, the prosperity of the individual company. But in the mind of the worker-director or committee member, this aim is necessary in competition with another and in many respects a nobler one—the well being of his fellow workers in the trade as a whole. For this reason “the path of joint control is likely to be rougher in the great staple competitive industries than in those...where the individual firm covers the whole industry in its area or in a small trade...which is dominated by a few exceptionally enlightened firms”. (*COI* 159–160)

IV Robertson’s Contributions in Evaluated

To this point in the discussion, we have outlined Robertson’s argument in *COI* on industrial society and his evaluation on the alternative strategies for solving the problem of it. Consider now the implications of his argument.

1 The Notion of Capitalism’s Golden Rule

Robertson’s new contribution in *COI* is the introduction of the notion of “Capitalism’s Golden Rule”. The reason why he thought this concept to be important is clarified by (1) contrasting with the idea for profits by the British socialists of the day and (2) reviewing the analysis of industrial society in *COI*.

First, British socialists criticized the profits that a capitalist receives as unearned income. In contrast, Robertson considered profits not as mere economic rent, but as the gain for risk taking: “It is often said that the main motive actuating the modern business leader is the hope of profit; but in so far as this is a correct reading of his heart we must couple with the hope of profit its obverse—the fear of loss.” (*COI* 89–90) Apparently, he thought the dynamic character of Capitalism to be important.

But if we could redistribute in the best possible way all the power over industry that exists at present, the race of men that we should create would still be a feeble folk, doing inadequate battle against uncontrolled and largely uncomprehended forces. The control of industry, in the fullest sense of the words, requires not so much to be wrested from a band of supermen who are keeping it in some secret cupboard, as to be painfully built up out of the clay of man’s ever-changing technical achievement, and fixed out of the troubled atmosphere of his tumultuous needs and desires (*COI* 88–9).

Second, Robertson’s analysis of the working of Capitalism’s Golden Rule suggests that one criticism of capitalism falls somewhat wide of the mark (*COI* 95). That criticism is that the supreme control of industry rests with the idle owners of capital, instead of with the active doers of work by hand or brain. The transference of control into more desirable hands would be a relatively easy task if that were so. But it is not so—that control is associated not with mere ownership, but with the assumption of the risks of loss: therefore some grounds exist for suspecting that no scheme for the transference of control will be watertight unless it makes provision also for transference of risk.

Moreover, as we have seen in section III, Capitalism’s Golden Rule enabled a consistent evaluation of the alternative strategies for Capitalism with the standard of the deviation of risk and control. Consumers’ Co-operation and the joint control of industry are evaluated positively because separation of control from risk is less; on the contrary the appraisal for Collectivism and worker’s control is negative as a proximate result of the remarkable deviation of risk and control. These are in accordance with the historical facts of the rise and fall of each attempt, thereby validating the Golden Rule as an effective tool for analysis.

2 Joint Control of Industry and Industrial Fluctuation

As we have seen, Robertson points out that joint control in an individual firm cannot resolve the permanent distinction and the occasional disharmony between the aims of the national Trade Union—achieving the well-being of workmen in the trade as a whole—and those of the individual enterprise. As the solution for this problem, he turns to the idea of the establishment in each trade of joint councils of employers and employed representing the trade as a whole. In this argument, Robertson states that

such councils are, or may come to be, peculiarly fitted to deal with the problem of industrial fluctuation (*COI* 162). This relationship between industrial control and industrial fluctuation is another new point in Robertson's view, so it demands detailed examination. In addition to his arguments on this matter in *COI*, his view on the remedies of industrial fluctuation is discussed in more detail in another paper written in the same year (Robertson 1931[1923], 130–44), it will also be described below.

In the 1923 article, Robertson writes that industrial fluctuation is inescapable in industrial society. According to him, the salutary measure that any individual company can take to guard against industrial fluctuation is rational action for equalizing each company's production¹⁰. Furthermore, he states that these actions are strictly in accord with the individualist principles, the doctrine of the Invisible Hand because "Enlightened self-interest alone would surely lead to a far larger degree of self-control in the boom and of courage in the depression than is usually found" (Robertson 1931[1923], 137)

However, for some reasons, it is unsafe to trust the solution of the problem of industrial fluctuation entirely to individual self-interest. The first of these is ignorance (Robertson 1931[1923], 137). The errors of judgment made during both booms and depressions arise from lack of knowledge—insufficient information about the stage of the cycle, the relations of the particular industry to others, and so on. Secondly, the problem of industrial fluctuation is complicated by conflicts of interest and motive (Robertson 1931[1923], 138). For example, it is sometimes possible for the individual businessperson to make snap gains in a trade boom at the ultimate expense of his industry and of society¹¹.

In these circumstances, the most effective measure for industrial fluctuation is that "each whole industry should take counsel with itself, and, through its acknowledged organ of government, enjoin or even impose on its members a policy of moderation in the common interest" (Robertson 1931[1923], 138).

Robertson expects that the employer and employees' joint control organization takes the following actions. That is, whether by compulsory levies and self-denying ordinances in times of boom, or by the milder methods of mutual publicity with regard to contracts accepted and the scientific study of the movements of demand, it should not be beyond the bounds of possibility for each well-organized trade to make a serious effort to deal in common with the problem of industrial fluctuation. By these actions "the compelling interest of the working class in stability may be expected to bring a wholesome influence to bear on industrial policy." (*COI* 168)

The novel point in the argument outlined above is that the unemployment policies at the individual company level and the industrial level are shown. On the individual company level, rational self-interest was recommended as a solution. However, the shortage of knowledge about the macroeconomy or the industrial organization or the pursuit of short-term profits renders the solution ineffective. As a result, control by the joint organization at the industrial level is recommended as the most effective measure

against industrial fluctuation. Furthermore, it is thought that the participation to the joint control organization of the workers who have high concern in stabilization of trade further strengthens the power of the organization for the stabilization of employment.

3 New Implications for Robertsonian Economics

Finally, I would like to relate our argument to the broader historical background for understanding Robertson's inheritance from Marshall's industrial economics and the evolution in his economic thought.

The perspective in Marshall's analysis of industrial organization is dynamic: "what really matters are the forces that mould the future and the chief aim of the economic system is to preserve and increase the springs of progress" (Raffaelli 2003, 67). In his analysis, risk of loss is considered one of the fountains of progress on the grounds that economic progress has been effected "by those business men, who have been alert to invent or adopt new ideas; to put them into practice, bearing the risks of loss" (Marshall 1919, 645). By that reasoning, to foster progress, decisions regarding risk-taking behaviour should remain in the hands of those who will bear the burden of the risks.

On the other hand, Robertson displayed a belief in the *Study of Industrial Fluctuation*, and in later works—*Banking Policy and the Price Level* and so on, that industrial fluctuation is an inevitable feature of a capitalistic society, which is based on an investment process that exhibited large units of capital, varying gestation periods of investment, and durable capital equipment. He emphasized that a feature of contemporary industrial progress was that it proceeded discontinuously in lumps and by jumps, and industrial fluctuation was the price to be paid for long-term economic progress. The reason is "out of the welter of industrial dislocation the great permanent riches of the future are generated." (Robertson 1948[1915], 254)

Now taking these historical contexts into consideration, our study suggests some possibilities for a new interpretation of Robertson's economics. For example, compared with our analysis in section III, it is reasonable to presume that Robertson incorporated Marshall's idea about the relationship between risk and progress into his own analysis on industrial society and developed a criterion which could evaluate consistently the alternative strategy for capitalism. Our argument on Capitalism's Golden Rule also suggests that the industry-level analysis in *COI* corresponds to his macro-level theory of industrial fluctuation. It seems that the Golden Rule reveals the motive force of individual industry for industrial progress, and their risk taking activities would bring the wave of economic gain or loss—that is, industrial fluctuation in overall economy. In addition, the novel possibility is suggested that control by a joint organization of industries might ease industrial fluctuations. It is interesting to consider what kind of influence these analyses have on subsequent Robertsonian economics, but that remains a subject for future study.

V Conclusion

This paper has examined the view of Dennis Robertson's industrial society. First, the view about Robertson's industrial society is examined. He points out (1) the un-coordinated nature of capitalism, (2) Capitalism's Golden Rule (the association of control with risk), (3) the differentiation between manager and worker as a feature of industrial society. From these characteristics, he clarifies the problems of (1') the risk of unemployment by industrial fluctuation, (2') unfairness arising from nonparticipation in management in spite of assumption of risk, and (3') inhumanity engendered by the division of labour is meted to workers.

Next, we consider Robertson's evaluation of the alternative strategy raised for solution of the problems of industrial society. His criterion of evaluation is "Capitalism's Golden Rule", and the superiority or inferiority of each system have been evaluated from this criterion. The Consumers' Co-operative was evaluated positively because separation of control from risk is less than expected. However, Robertson's appraisal for Collectivism and workers' control is negative because the former obliges taxpayers to bear the risk one-sidedly, and the latter have the problem of lacking efficient managers and of immunity of the workers from risk. Regarding Joint Control of Industry, he evaluates it affirmatively. The reason is that the workers who pay the risk can participate in management of the firm, and the possibility exists of using the noble spirit of workers who would otherwise be lost in the specialization of function.

Next we clarify Robertson's contribution in *COI*. First, he pointed out in the form of "Capitalism's Golden Rule" that profits are obtained by risk-bearing activities and policies, and he evaluated the alternative argument of the control of industry from the perspective of whether people who manage industry would have shouldered the risk appropriately. Second, Robertson's affirmative view on the joint control of industry is revealed. He thought that the joint control is effective in improving workers' human nature and has an effect for mitigating the industrial fluctuation. Third, the possibility surfaces that *COI* inherits the dynamic characteristic of Marshall's industrial economics and reveals the relationship between individual industry and industrial fluctuation in the overall economy.

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¹ In recent years, Hirai (2004) inquires *COI* in detail as a material that examines the social philosophy of Cambridge economics between the wars. In addition, Raffaelli (2004) refers to the first part of the book in relation to the evolution of Marshall's industrial economics.

² "Introduction to the Series" states that this series is intended to "convey to the ordinary reader and to the uninitiated student some conception of the general principle of thought which economists now apply to economic problems", and "The writers are not concerned to make original contributions to knowledge..." (*COI* vi).

³ For example, see Booth and Pack (1985) and Middleton (1996 Part III).

⁴ For more detailed explanations see Cole (1920) and Webb (1920).

⁵ These knowledge and experience are described as follows: (1) settlement of general principles for fixing, paying, and readjusting wages with a view of securing to the workers a share in the increased prosperity of the industry; (2) arrangements for fixing wages, piece-work prices, etc., both generally, and in regard to particular jobs; (3) technical training and industrial research; (4) the development of inventions made by the workers, with the cooperation of the employers; and (5) legislation affecting the industry (Marshall 1919, 643-4).

⁶ His historical explanation begins from the "family" or "household system", then proceeds to the "handicraft system", the "merchanting system", and the "factory system" is the last stage of historical evolution of industrial organization. For further details of explanation, see *COI* (7-12).

⁷ In relation to this argument, earlier in 1912, Lavington (1912) refers to the importance of risk for understanding the demand and supply for capital. For more detailed analysis of his model, see Komine (1995, section IV).

⁸ Robertson asserts that the golden rule emerges substantially unscathed irrespective of this fact. The reason is that such risks "may...be bandied about and rationed out in various ways among the diverse kinds of maker and dealer and financier: but whoever assumes them assumes with them functions of government over a slice of the industrial world" (*COI* 91).

⁹ Joint control takes three forms: Co-partnership, the employee-director and the joint committee. For more precise arguments on these forms, see *COI* (153-9).

¹⁰ For example, "Lay your plans, and make your appropriations, for capital extension far ahead, in accordance with the evidence of the normal upward trend of business; and put them into operation when times are quiet instead of waiting till your existing plant is over-burdened, while materials are scarce and dear and strangulated by transport delays." (Robertson 1931[1923], 136)

¹¹ "A shipowner, if he can secure delivery of a new ship while freights are still exorbitantly high, may recoup himself within a few months for its capital cost, and snap his fingers at the subsequent demoralization of the market which his action helps to cause." (Robertson 1931[1923], 138)