

who induce the creation of funded insurance trusts, as it plausibly suggests imposition of both gift and estate tax and no saving of income tax.<sup>5</sup>

In his treatment of Powers of Appointment, Mr. Paul is to be commended for his frankness in criticizing the policy involved and Congressional apathy "in the hope that corrective legislation may not be too long delayed."<sup>6</sup> In this chapter, Mr. Paul does not fail to comment on Congressional failure to provide for apportionment in the donee's estate of a tax due to the power and the corresponding failure to provide for collection from the appointee. This is a problem annoying to practitioners and of vital, sometimes disastrous, import to residuary legatees. In view of Section 826(c) of the Internal Revenue Code, making such provision in case of insurance, the omission with respect to powers and transfers made during life is doubly discriminatory. Legislative relief is in order.<sup>7</sup> Even more strongly than in the case of powers does the author feel that insurance is the darling of an indulgent Congress, and that the statute offers one of the last havens for tax avoiders. Evidence of this feeling is the characterization of problems of ownership of policies as "these Augean stables."<sup>8</sup>

Three mechanical elements deserve mention. There is a little too much detailed quotation from the regulations. An excellent innovation is the classification of each citation as income tax, estate tax, gift tax or non-tax. On the other hand, the footnotes are too numerous. They fairly come out as a rash, dozens to a paragraph. This, of course, is a minor irritation, and perhaps is inevitable in legal writing, but it does mar the continuity of Mr. Paul's fine writing.

Now that Mr. Paul has taken an important position with the Treasury, it will be interesting to see whether some of his ideas of necessary change become embodied in legislation. Certainly, his colleagues and tax lawyers generally will need this work at their elbows.

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THE TWENTY YEARS' CRISIS, 1919-1939: AN INTRODUCTION TO THE STUDY OF INTERNATIONAL RELATIONS. By Edward Hallett Carr. London: Macmillan & Co., 1940. Pp. xv, 312. \$3.00.

THIS valuable work is primarily a study of the fundamentals of international relations, illustrated by the events of history and especially by the events of the two decades before 1939. It was written before the outbreak of the war in 1939, but loses nothing by that fact. The author has studied man in his group relations, and has discovered certain truths which deserve the closest consideration from students of law and international relations. Contrary to the efforts of so many hopeful and wishful thinkers, the author

5. P. 353.

6. P. 413.

7. P. 776.

8. P. 570.

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shows that the ethics, morals and ambitions and therefore the law and politics of groups cannot be measured by the same yardstick as those of individuals, and that the larger the group, especially the nation-state, the wider the gap. He examines some of the major aphorisms, such as the harmony of interests, and shows that they cannot work out in the competing relations of the nation-states. Whereas the nation-state is the largest unit for internal peace yet created, it is at all times, given the facts of state life, a menace to external peace. The harm and good done by the institution of nationalism are discussed, especially in its application to the treaties of 1919, which carved up Europe without much concern for economic necessities. The author examines the contributions to thought and action made by the Utopians since 1919 and finds them less than constructive. He understands the realists also and concludes that they at least have their feet on the ground. Few among them lack ideals; they are indeed the practical idealists, well aware of the obstacles to a more ordered world. The relations between law and morality, on the one hand, and politics — always a manifestation of power — on the other, are convincingly exposed. The "sanctity of treaties" is analyzed and shown to be a misleading half-truth; it all depends on the character of the treaty. Law and change receive major attention.

Professor Carr realizes the limitations of arbitration and adjudication in settling international disputes, which rarely arise out of legal differences in any event. Indeed, insistence on legal rights have caused some of the greatest conflagrations. What is needed, therefore, is not rigidity, which invites explosions, but flexibility to take account of the unrelenting demand for change. The unworkability of Article 19 of the Covenant receives special mention. How to make changes peacefully and without violence is the one great problem confronting the world, and the author wisely attributes little weight to the mechanisms devised at Geneva, which were not designed for serious change. His failure to discuss the Kellogg Pact may indicate, again correctly, his view of its utility. He shows that sanctions are an instrumentality of war.

The author is none too sanguine of the coming of peaceful change. But by analyzing the types of conflict without legal standards which cause the most trouble, analogous internally to those between capital and labor, the author has cleared the ground of confusing miasma and has disclosed the social focus of the infection long afflicting the world. The job is done with detachment, an easy scholarship, wit and penetration. Here is a practical sociologist. No student of the subject, and especially no statesman, should fail to read this book.

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