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ONEY CREDIT & COMMERCE

BY

ALFRED MARSHALL

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PREFACE

THE present volume is the third of a group, the main purpose of which is to study the direction of man's efforts for the attainment of material ends: and to search for possibilities of improvements in that procedure which may increase the command of the peoples of the world over their resources; and enable them to develop their higher faculties.

The first volume of the group, *Principles of Economics*, published in 1890, emphasized the continuity of the main work of economic studies. "As, in spite of great differences in form between birds and quadrupeds, there is one Fundamental Idea running through all their frames, so the general theory of the equilibrium of demand and supply is a Fundamental Idea running through the frames of all the various parts of the central problem of Distribution and Exchange....The theories of the values of labour and of the things made by it cannot be separated...What differences there are between them even in matters of detail, turn out on inquiry to be for the most part differences of degree rather than of kind¹."

Various causes delayed my work; and nearly thirty years elapsed before the appearance of *Industry and Trade*, of which the motto is: *The many in the one, the one in the many*. "Several tendencies have gone to the making of each industry and each economic institution: therefore a thorough realistic study of any part of the economic field, calls for some reference to the interaction of many diverse tendencies, and gives occasion for some care in analysis. And, conversely, almost every important tendency is so far modified by the conditions under which it operates, that an exhaustive study of it may need to range over many fields of work. This motto supplements the motto of my *Principles*, which is:—*Natura non facit saltum*: i.e. economic evolution is gradual and continuous on each of its numberless routes²."

Industry and Trade is "a study of industrial technique, and business organization, and of their influences on the conditions of various classes and nations." It was designed to be followed

¹ From the Preface to the first edition of *Principles of Economics*, 1890.

² From the Preface to *Industry and Trade*.

PREFACE

by a study of the influences on the conditions of man's life and work, which are "exerted by the resources available for employment; by money and credit; by international trade and by social endeavour." But that task is heavy, and achievement has been slow: therefore it has seemed best to publish without further delay the present volume, which aims at accomplishing one-half of the task. A little progress has been made in regard to the second half: and, although old age presses on me, I am not without hopes that some of the notions, which I have formed as to the possibilities of social advance, may yet be published.

A. M.

BALLIOL CROFT,
CAMBRIDGE
August, 1922

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