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P R E F A C E.

THOUGH the following work is an attempt to recast some considerable portion of Political Economy, I should be sorry it were regarded as in any sense antagonistic in its attitude toward the science built up by the labors of Adam Smith, Malthus, Ricardo, and Mill. On the contrary, my hope is that it will—should its reasonings find acceptance—strengthen, in some sensible degree, and add consistence to that fabric. As regards those assumptions respecting human character and the physical conditions of external nature which constitute the ultimate premises of economic science, the position I have taken is identical with that of the four great writers I have named; and I have endeavored also to follow the method of combined deduction and verification by comparison with facts, which was theirs, and which is, as I believe, the only fruitful, or indeed possible method in economic inquiry. Nor do the final conclusions which I have reached differ very widely on any important points from those at which they had arrived. The points on which I have ventured to join issue with them are what, in Bacon's language, may be called the *axiomata media* of the science—those intermediate principles by means of which the detailed results are connected with the higher causes which produce them. If I have not deceived myself, there is in this portion of Political Economy, as at present generally received, too small a proportion of faulty material; and the present work may be regarded as an attempt, so far as it goes, to replace this element of weakness with matter better fitted to endure the strain of modern criticism.

The nature of the undertaking has brought me, much oftener than I could have wished, into collision with more than one living writer; for the criticisms and arguments I feel

gle effect, and with whose practical aims I not only entirely sympathize; and in particular I have been compelled in several parts of the book to express my strong disapproval of some of the views of my friend Mr. M. J. Thornton, by whom, in his work on "Labor" has contained much, which economists will be gratified to find speculation of the labor between labor and capital in this country, not be also taken up certain theoretic positions which it seems to me are fundamentally erroneous. When I say that I have not hesitated to double or triple the number of the same freedom which Mr. Thornton has himself employed in criticizing the views of previous writers. I must also have also profited by the example of his serious countrymen toward economists.

The author's main purpose of the book is not to have directed to the study of the general theory of economic theory. I use new theories and the theory of equilibrium, that of finding the true demands and supply in connection with the facts presented by modern industry and commerce. I have also studied to examine the power and progress of the free market, the efficiency of State, and other political systems involved in the relations of labor and capital, and in the main of the book devoted to International Trade. I have, with the same view, considered in some detail the participation of the external trade of the various States, as well as the system of Protection which, in default of the theory of exchange, a free country has so far generally adopted.

I cannot conclude this preface without acknowledging the aid and help which I have received from my friend Mr. J. W. P. who has, both by his criticism of the work which I have written and by correction of the proofs as they passed through the press, very materially contributed to its now at length being published to the world.

J. W. CAUNTON.

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