

PRINCIPLES
OF
POLITICAL ECONOMY.

VOL. I.

PRINCIPLES
OF
POLITICAL ECONOMY

WITH
SOME OF THEIR APPLICATIONS TO SOCIAL PHILOSOPHY.

BY
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IN TWO VOLUMES.

VOL. I.

SEVENTH EDITION.

LONDON:
LONGMANS, GREEN, READER AND DYER.

1871.

LONDON:
SAVILL, EDWARDS AND CO., PRINTERS, CHANDOS STREET,
COVENT GARDEN.

PREFACE.

THE appearance of a treatise like the present, on a subject on which so many works of merit already exist, may be thought to require some explanation.

It might, perhaps, be sufficient to say, that no existing treatise on Political Economy contains the latest improvements which have been made in the theory of the subject. Many new ideas, and new applications of ideas, have been elicited by the discussions of the last few years, especially those on Currency, on Foreign Trade, and on the important topics connected more or less intimately with Colonization: and there seems reason that the field of Political Economy should be re-surveyed in its whole extent, if only for the purpose of incorporating the results of these speculations, and bringing them into harmony with the principles previously laid down by the best thinkers on the subject.

To supply, however, these deficiencies in former treatises bearing a similar title, is not the sole, or even the principal object which the author has in view. The design of the book is different from that of any treatise on Political Economy which has been produced in England since the work of Adam Smith.

The most characteristic quality of that work, and the one in which it most differs from some others which have equalled and even surpassed it as mere expositions of the general principles of the subject, is that it invariably associates the principles with their applications. This of itself implies a much wider range of ideas and of topics, than are included in Political Economy, considered as a branch of abstract speculation. For practical purposes, Political Economy is inseparably intertwined with many other branches of social philosophy. Except on matters of mere detail, there are perhaps no practical questions, even among those which approach nearest to the character of purely economical questions, which admit of being decided on economical premises alone. And it is because Adam Smith never loses sight of this truth; because, in his applications of Political Economy, he perpetually appeals to other and often far larger considerations than pure Political Economy affords—that he gives that well-grounded feeling of command over the principles of the subject for purposes of practice, owing to which the “Wealth of Nations,” alone among treatises on Political Economy, has not only been popular with general readers, but has impressed itself strongly on the minds of men of the world and of legislators.

It appears to the present writer, that a work similar in its object and general conception to that of Adam

Smith, but adapted to the more extended knowledge and improved ideas of the present age, is the kind of contribution which Political Economy at present requires. The "Wealth of Nations" is in many parts obsolete, and in all, imperfect. Political Economy, properly so called, has grown up almost from infancy since the time of Adam Smith; and the philosophy of society, from which practically that eminent thinker never separated his more peculiar theme, though still in a very early stage of its progress, has advanced many steps beyond the point at which he left it. No attempt, however, has yet been made to combine his practical mode of treating his subject with the increased knowledge since acquired of its theory, or to exhibit the economical phenomena of society in the relation in which they stand to the best social ideas of the present time, as he did, with such admirable success, in reference to the philosophy of his century.

Such is the idea which the writer of the present work has kept before him. To succeed even partially in realizing it, would be a sufficiently useful achievement, to induce him to incur willingly all the chances of failure. It is requisite, however, to add, that although his object is practical, and, as far as the nature of the subject admits, popular, he has not attempted to purchase either of those advantages by the sacrifice of strict scientific reasoning. Though he desires that his treatise should be more than a

mere exposition of the abstract doctrines of Political Economy, he is also desirous that such an exposition should be found in it.

The present edition, with the exception of a few verbal corrections, corresponds exactly with the last Library Edition and with the People's Edition. Since the publication of these, there has been some instructive discussion on the theory of Demand and Supply, and on the influence of Strikes and Trades Unions on wages, by which additional light has been thrown on these subjects; but the results, in the author's opinion, are not yet ripe for incorporation in a general treatise on Political Economy.* For an analogous reason, all notice, of the alteration made in the Land Laws of Ireland by the recent Act, is deferred until experience shall have had time to pronounce on the operation of that well-meant attempt to deal with the greatest practical evil in the economic institutions of that country.

* The present state of the discussion may be learnt from a review (by the author) of Mr. Thornton's work "On Labour," in the "Fortnightly Review" of May and June, 1869, and from Mr. Thornton's reply to that review in the second edition of his very instructive book.

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