

PRINCIPLES
OF
POLITICAL ECONOMY

CONSIDERED

WITH A VIEW TO THEIR PRACTICAL

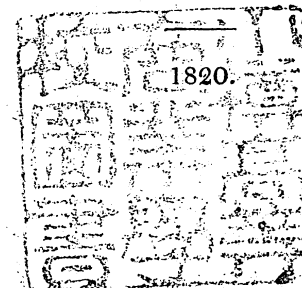
APPLICATION.

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PRINCIPLES

OF

POLITICAL ECONOMY.

INTRODUCTION.

It has been said, and perhaps with truth, that the conclusions of Political Economy partake more of the certainty of the stricter sciences than those of most of the other branches of human knowledge. Yet we should fall into a serious error if we were to suppose that any propositions, the practical results of which depend upon the agency of so variable a being as man, and the qualities of so variable a compound as the soil, can ever admit of the same kinds of proof, or lead to the same certain conclusions, as those which relate to figure and number. There are indeed in political economy great general principles, to which exceptions are of the most rare occurrence, and prominent land-marks which may almost always be depended upon as safe guides; but even these, when examined, will be found to resemble in most particulars the great general rules in morals and poli-

tics founded upon the known passions and propensities of human nature : and whether we advert to the qualities of man, or of the earth he is destined to cultivate, we shall be compelled to acknowledge, that the science of political economy bears a nearer resemblance to the science of morals and politics than to that of mathematics.

This conclusion, which could hardly fail to be formed merely from a view of the subjects about which political economy is conversant, is further strengthened by the differences of opinion which have prevailed among those who have directed a large share of talent and attention to this study.

During the prevalence of the mercantile system, the interest which the subject excited was confined almost exclusively to those who were engaged in the details of commerce, or expected immediate benefit from its results. The differences which prevailed among merchants and statesmen, which were differences rather in practice than principle, were not calculated to attract much attention. But no sooner was the subject raised into a science by the works of the Economists and of Adam Smith, than a memorable schism divided, for a considerable time, the students of this new branch of knowledge, on the fundamental questions—What is wealth? and from what source or sources is it derived?

Happily for the interests of the science and its usefulness to society, the Economists and Adam Smith entirely agreed on some of those great general principles which lead to the most impor-

tant practical conclusions; such as the freedom of trade, and the leaving every person, while he adheres to the rules of justice, to pursue his own interest his own way, together with some others: and unquestionably their agreement on these principles affords the strongest presumption of their truth. Yet the differences of the Economists and Adam Smith were not mere differences in theory; they were not different interpretations of the same phenomena, which would have no influence on practice; but they involved such views of the nature and origin of wealth, as, if adopted, would lead, in almost every country, to great practical changes, particularly on the very important subject of taxation.

Since the æra of these distinguished writers, the subject has gradually attracted the attention of a greater number of persons, particularly during the last twenty or thirty years. All the main propositions of the science have been examined, and the events which have since occurred, tending either to illustrate or confute them, have been repeatedly discussed. The result of this examination and discussion seems to be, that on some very important points there are still great differences of opinion. Among these, perhaps, may be reckoned—The definitions of wealth and of productive labour—The nature and measures of value—The nature and extent of the principles of demand and supply—The origin and progress of rent—The causes which determine the wages of labour and the profits of stock—The causes which practically retard and limit the progress of wealth—

The level of the precious metals in different countries—The principles of taxation, &c. On all these points, and many others among the numerous subjects which belong to political economy, differences have prevailed among persons whose opinions are entitled to attention. Some of these questions are to a certain degree theoretical; and the solution of them, though obviously necessary to the improvement of the science, might not essentially affect its practical rules; but others are of such a nature, that the determination of them one way or the other will necessarily influence the conduct both of individuals and of governments; and their correct determination therefore must be a matter of the highest practical importance.

In a science such as that of political economy, it is not to be expected that an *universal* assent should be obtained to all its important propositions; but, in order to give them their proper weight and justify their being acted upon, it is extremely desirable, indeed almost necessary, that a considerable *majority* of those who, from their attention to the subject, are considered by the public as likely to be the most competent judges, should agree in the truth of them.

Among those writers who have treated the subject scientifically, there is not perhaps, at the present moment, so general an agreement as would be desirable to give effect to their conclusions; and the writers who peculiarly call themselves practical, either draw no general inferences, or are so much influenced by narrow, partial, and some-

times interested views, that no reliance can be placed on them for the establishment of general rules. The last twenty or thirty years have besides been marked by a train of events of a most extraordinary kind; and there has hardly yet been time so to arrange and examine them as to see to what extent they confirm or invalidate the received principles of the science to which they relate.

The present period, therefore, seems to be unpropitious to the publication of a new systematic treatise on political economy. The treatise which we already possess is still of the very highest value; and till a more general agreement shall be found to take place, both with respect to the controverted points of Adam Smith's work, and the nature and extent of the additions to it, which the more advanced stage of the science has rendered necessary, it is obviously more advisable that the different subjects which admit of doubt should be treated separately. When these discussions have been for some time before the public, and a sufficient opportunity has been given, by the collision of different opinions and an appeal to experience, to separate what is true from what is false, the different parts may then be combined into a consistent whole, and may be expected to carry with it such weight and authority as to produce the most useful practical results.

The principal cause of error, and of the differences which prevail at present among the scientific writers on political economy, appears to me to be

a precipitate attempt to simplify and generalize; and while their more practical opponents draw too hasty inferences from a frequent appeal to partial facts, these writers run into a contrary extreme, and do not sufficiently try their theories by a reference to that enlarged and comprehensive experience which, on so complicated a subject, can alone establish their truth and utility.

To minds of a certain cast there is nothing so captivating as simplification and generalization. It is indeed the desirable and legitimate object of genuine philosophy, whenever it can be effected consistently with truth; and for this very reason, the natural tendency towards it has, in almost every science with which we are acquainted, led to crude and premature theories.

In political economy the desire to simplify has occasioned an unwillingness to acknowledge the operation of more causes than one in the production of particular effects; and if one cause would account for a considerable portion of a certain class of phenomena, the whole has been ascribed to it without sufficient attention to the facts, which would not admit of being so solved. I have always thought that the late controversy on the bullion question presented a signal instance of this kind of error. Each party being possessed of a theory which would account for an unfavourable exchange, and an excess of the market price above the mint price of bullion, adhered to that single view of the question, which it had been accustomed to consider as correct; and scarcely one writer seemed willing to

to admit of the operation of both theories, the combination of which, sometimes acting in conjunction and sometimes in opposition, could alone adequately account for the variable and complicated phenomena observable.*

It is certain that we cannot too highly respect and venerate that admirable rule of Newton, not to admit more causes than are necessary to the solution of the phenomena we are considering, but the rule itself implies, that those which really are necessary must be admitted. Before the shrine of truth, as discovered by facts and experience, the fairest theories and the most beautiful classifications must fall. The chemist of thirty years ago may be allowed to regret, that new discoveries in the science should disturb and confound his previous systems and arrangements; but he is not entitled to the name of philosopher, if he does not give them up without a struggle, as soon as the experiments which refute them are fully established.

The same tendency to simplify and generalize, produces a still greater disinclination to allow of modifications, limitations, and exceptions to any rule or proposition, than to admit the operation of more causes than one. Nothing indeed is so unsatisfactory, and gives so unscientific and unmas-

* It must be allowed, however, that the theory of the Bullionists, though too exclusive, accounted for much the largest proportion of the phenomena in question; and perhaps it may be said with truth that the Bullion Report itself was more free from the error I have adverted to than any other work that appeared.

terly an air to a proposition as to be obliged to make admissions of this kind; yet there is no truth of which I feel a stronger conviction than that there are many important propositions in political economy which absolutely require limitations and exceptions; and it may be confidently stated that the frequent combination of complicated causes, the action and reaction of cause and effect on each other, and the necessity of limitations and exceptions in a considerable number of important propositions, form the main difficulties of the science, and occasion those frequent mistakes which it must be allowed are made in the prediction of results.

To explain myself by an instance. Adam Smith has stated, that capitals are increased by parsimony, that every frugal man is a public benefactor,* and that the increase of wealth depends upon the balance of produce above consumption.† That these propositions are true to a great extent is perfectly unquestionable. No considerable and continued increase of wealth could possibly take place without that degree of frugality which occasions, annually, the conversion of some revenue into capital, and creates a balance of produce above consumption; but it is quite obvious that they are not true to an indefinite extent, and that the principle of saving, pushed to excess, would destroy the motive to production. If every person were satisfied with the simplest food, the poorest clothing, and the meanest houses, it is certain that no other sort

* *Wealth of Nations*, Book II. c. iii. pp. 15—18. 6th edit.

† Book IV. c. iii. p. 250.

of food, clothing, and lodging would be in existence; and as there would be no adequate motive to the proprietors of land to cultivate well, not only the wealth derived from conveniences and luxuries would be quite at an end, but if the same divisions of land continued, the production of food would be prematurely checked, and population would come to a stand long before the soil had been well cultivated. If consumption exceed production, the capital of the country must be diminished, and its wealth must be gradually destroyed from its want of power to produce; if production be in a great excess above consumption, the motive to accumulate and produce must cease from the want of will to consume. The two extremes are obvious; and it follows that there must be some intermediate point, though the resources of political economy may not be able to ascertain it, where, taking into consideration both the power to produce and the will to consume, the encouragement to the increase of wealth is the greatest.

The division of landed property presents another obvious instance of the same kind. No person has ever for a moment doubted that the division of such immense tracts of land as were formerly in possession of the great feudal proprietors must be favourable to industry and production. It is equally difficult to doubt that a division of landed property may be carried to such an extent as to destroy all the benefits to be derived from the accumulation of capital and the division of labour, and to occasion the most extended poverty. There is here

then a point as well as in the other instance, though we may not know how to place it, where the division of property is best suited to the actual circumstances of the society, and calculated to give the best stimulus to production and to the increase of wealth and population. It follows clearly that no general rule can be laid down respecting the advantage to be derived from saving, or the division of property, without limitations and exceptions; and it is particularly worthy of attention that in cases of this kind, where the extremes are obvious and striking, but the most advantageous mean cannot be marked, that in the progress of society effects may be produced by an unnoticed approximation to this middle point, which are attributed to other causes, and lead to false conclusions.

The tendency to premature generalization occasions also, in some of the principal writers on political economy, an unwillingness to bring their theories to the test of experience. I should be the last person to lay an undue stress upon isolated facts, or to think that a consistent theory, which would account for the great mass of phenomena observable, was immediately invalidated by a few discordant appearances, the reality and the bearings of which, there might not have been an opportunity of fully examining. But certainly no theory can have any pretension to be accepted as correct, which is inconsistent with general experience. Such inconsistency appears to me at once a full and sufficient reason for its rejection.

Under such circumstances it must be either radically false, or essentially incomplete; and in either case, it can neither be adopted as a satisfactory solution of existing phenomena, nor acted upon with any degree of safety for the future.

The first business of philosophy is to account for things as they are; and till our theories will do this, they ought not to be the ground of any practical conclusion. I should never have had that steady and unshaken confidence in the theory of population which I have invariably felt, if it had not appeared to me to be confirmed, in the most remarkable manner, by the state of society as it actually exists in every country with which we are acquainted. To this test I appealed in laying it down; and a frequent appeal to this sort of experience is pre-eminently necessary in most of the subjects of political economy, where various and complicated causes are often in operation, the presence of which can only be ascertained in this way. A theory may appear to be correct, and may really be correct under given premises; it may further *appear* that these premises are the same as those under which the theory is about to be applied; but a difference, which might before have been unobserved, may shew itself in the difference of the results from those which were expected; and the theory may justly be considered as failing, whether this failure arises from an original error in its formation, or from its general inapplicability, or specific misapplication, to actual circumstances.

Where unforeseen causes may possibly be in op-

ration, and the causes that are foreseen are liable to great variations in their strength and efficacy, an accurate yet comprehensive attention to facts is necessary, both to prevent the multiplication of erroneous theories, and to confirm and sanction those that are just.

The science of political economy is essentially practical, and applicable to the common business of human life. There are few branches of human knowledge where false views may do more harm, or just views more good. I cannot agree, therefore, with a writer in one of our most popular critical journals, who considers the subjects of population, bullion, and corn laws in the same light as the scholastic questions of the middle ages, and puts marks of admiration to them expressive of his utter astonishment that such perishable stuff should engage any portion of the public attention.*

In the very practical science of political economy perhaps it might be difficult to mention three subjects more practical than those unfortunately selected for a comparison with scholastic questions. But in fact, most of the subjects which belong to it are peculiarly applicable to the common concerns of mankind. What shall we say of all the questions relating to taxation, various and extensive as they are? It will hardly be denied that they come home to the business and bosoms of mankind. What shall we say of the laws which regulate exchangeable value, or every act of pur-

* Quarterly Review, No. xxix. Art. viii.

chase and exchange which takes place in our markets? What of the laws which regulate the profits of stock, the interest of money, the rent of land, the value of the precious metals in different countries, the rates of exchange, &c. &c.?

The study of the laws of nature is, in all its branches, interesting. Even those physical laws by which the more distant parts of the universe are governed, and over which, of course, it is impossible for man to have the slightest influence, are yet noble and rational objects of curiosity; but the laws which regulate the movements of human society have an infinitely stronger claim to our attention, both because they relate to objects about which we are daily and hourly conversant, and because their effects are continually modified by human interference.

There are some eminent persons so strongly attached to the received general rules of political economy, that, though they are aware that in practice some exceptions to them may occasionally occur; yet they do not think it wise and politic to notice them, for fear of directing the public attention too much and too frequently to exceptions, and thus weakening the force and utility of the general rules.

It is, for instance, one of the most general rules in political economy, that governments should not interfere in the direction of capital and industry, but leave every person, so long as he obeys the laws of justice, to pursue his own interest in his own way, as the best security for the constant

and equable supply of the national wants. Though to this rule they allow that exceptions may possibly occur; yet thinking that the danger from the officious meddling of governments is so much greater than any which could arise from the neglect of such exceptions, they would be inclined to make the rule universal.

In this, however, I cannot agree. Though I should most readily allow that altogether more evil is likely to arise from governing too much, than from a tendency to the other extreme; yet, still, if the consequences of not attending to these exceptions were of sufficient magnitude and frequency to be conspicuous to the public, I should be decidedly of opinion, that the cause of general principles was much more likely to lose than to gain by concealment. Nothing can tend so strongly to bring theories and general principles into discredit as the occurrence of consequences, from particular measures, which have not been foreseen. Though in reality such an event forms no just objection to theory, in the general and proper sense of the term; yet it forms a most valid objection to the specific theory in question, as proving it in some way or other wrong; and with the mass of mankind this will pass for an impeachment of general principles, and of the knowledge or good faith of those who are in the habit of inculcating them. It appears to me, I confess, that the most perfect sincerity, together with the greatest degree of accuracy attainable, founded upon the most comprehensive view of all

the circumstances of the case, are necessary to give that credit and circulation to general principles which is so desirable. And no views of temporary advantage, nor, what is more likely to operate, the fear of destroying the simplicity of a general rule, should ever tempt us to deviate from the strict line of truth, or to conceal or overlook any circumstances that may interfere with the universality of the principle.

There is another class of persons who set a very high value upon the received general rules of political economy, as of the most extensive practical use. They have seen the errors of the mercantile system refuted and replaced by a more philosophical and correct view of the subject; and having made themselves masters of the question so far, they seem to be satisfied with what they have got, and do not look with a favorable eye on new and further inquiries, particularly if they do not see at once clearly and distinctly to what beneficial effects they lead.

This indisposition to innovation, even in science, may possibly have its use, by tending to check crude and premature theories; but it is obvious that, if carried too far, it strikes at the root of all improvement. It is impossible to observe the great events of the last twenty-five years in their relation to subjects belonging to political economy, and sit down satisfied with what has been already done in the science. But if the science be manifestly incomplete, and yet of the highest importance, it would surely be most unwise to

restrain inquiry, conducted upon just principles, even where the immediate practical utility of it was not visible. In mathematics, chemistry, and every branch of natural philosophy, how many are the inquiries necessary to their improvement and completion, which, taken separately, do not appear to lead to any specifically advantageous purpose! How many useful inventions, and how much valuable and improving knowledge would have been lost, if a rational curiosity and a mere love of information had not generally been allowed to be a sufficient motive for the search after truth!

I should not, therefore, consider it as by any means conclusive against further inquiries in political economy, if they would not always bear the rigid application of the test of *cui bono*? But such, in fact, is the nature of the science, so intimately is it connected with the business of mankind, that I really believe more of its propositions will bear this test than those of any other department of human knowledge.

To trace distinctly the operations of that circle of causes and effects in political economy which are acting and re-acting on each other, so as to foresee their results, and lay down general rules accordingly, is, in many cases, a task of very great difficulty. But there is scarcely a single inquiry belonging to these subjects, however abstruse and remote it may at first sight appear, which in some point or other does not bear directly upon practice. It is unquestionably desirable, therefore, both with a view to the improvement and completion of the

science, and the practical advantages which may be expected from it, that such inquiries should be pursued; and no common difficulty or obscurity should be allowed to deter those who have leisure and ability for such researches.

In many cases, indeed, it may not be possible to predict results with certainty, on account of the complication of the causes in action, the different degrees of strength and efficacy with which they may operate, and the number of unforeseen circumstances which are likely to interfere; but it is surely knowledge of the highest importance to be able to draw a line, with tolerable precision, between those cases where the expected results are certain, and those where they are doubtful; and further to be able satisfactorily to explain, in the latter case, the reasons of such uncertainty.

To know what can be done, and how to do it, is, beyond a doubt, the most valuable species of information. The next to it is, to know what cannot be done, and why we cannot do it. The first enables us to attain a positive good, to increase our powers, and augment our happiness: the second saves us from the evil of fruitless attempts, and the loss and misery occasioned by perpetual failure.

But these inquiries demand more time and application than the practical statesman, whom of all others they most nearly concern, can give to them. In the public measures of every state all are, no doubt, interested; but a peculiar responsibility, as well as interest, must be felt by those

who are the principal advisers of them, and have the greatest influence in their enactment; and if they have not leisure for such researches themselves, they should not be unwilling, under the guidance of a sound discretion, to make use of the advantages which may be afforded by the leisure of others. They will not indeed be justified in taking any decided steps, if they do not themselves see, or at least think they see, the way they are going; but they may be fairly expected to make use of all the lights which are best calculated to illumine their way, and enable them to reach the object which they have in view.

It may perhaps be thought that, if the great principle so ably maintained by Adam Smith be true, namely, that the best way of advancing a people towards wealth and prosperity is *not* to interfere with them, the business of government, in matters relating to political economy, must be most simple and easy.

But it is to be recollected, in the first place, that there is a class of duties connected with these subjects, which, it is universally acknowledged, belongs to the Sovereign; and though the line appears to be drawn with tolerable precision, when it is considered generally; yet when we come to particulars, doubts may arise, and certainly in many instances have arisen, as to the subjects to be included in this classification. To what extent education and the support of the poor should be public concerns? What share the Government should take in the construction and maintenance of roads,

canals, public docks? What course it should adopt with regard to colonization and emigration, and in the support of forts and establishments in foreign countries? On all these questions, and many others, there may be differences of opinion; and on all these questions the sovereign and his ministers are called upon to decide.

Secondly, every actual government has to administer a body of laws relating to agriculture, manufactures, and commerce, which was formed at a period comparatively unenlightened, and many of which, therefore, it must be desirable to repeal: but to see fully the amount of partial evil arising from present change, and the extent of general good to be effected by it, so as to warrant active interference, requires no inconsiderable share of knowledge and judgment; while to remain inactive under such circumstances, can only be justified by a conviction, founded on the best grounds, that in any specific change contemplated, taken in all its consequences, the balance of evil will preponderate.

Thirdly, there is one cause in every state which absolutely impels the government to action, and puts an end to the possibility of letting things alone. This is the necessity of taxation; and as taxes cannot, in the nature of things, be imposed without interfering with individual industry and wealth, it becomes a matter of the very highest importance to know how they may take place with the least possible prejudice to the prosperity of the state, and the happiness of individuals.

With regard to this latter subject indeed, it bears on so many points, that the truth or falsehood of the theories on all the principal questions in political economy would occasion, or at least ought to occasion, a practical difference in the mode of raising some of the actual taxes. It is well known that, if the theory of the Economists were true, all taxes should be laid on the land; and it depends entirely upon the general laws which regulate the wages of labour, the profits of stock, the rent of land, exchangeable value, the currencies of different countries, the production and distribution of wealth, &c. &c. whether any existing system of taxation be the best, or whether it might be altered for the better.

It is obviously, therefore, impossible for a government strictly to let things take their natural course; and to recommend such a line of conduct, without limitations and exceptions, could not fail to bring disgrace upon general principles, as totally inapplicable to practice.

It may, however, safely be asserted, that a propensity to govern too much is a certain indication of ignorance and rashness. The ablest physicians are the most sparing in the use of medicine, and the most inclined to trust to the healing power of nature. The statesman, in like manner, who knows the most of his business, will be the most unwilling to interrupt the natural direction of industry and capital. But both are occasionally called upon to interfere, and the more science they respectively possess, the more judiciously will they

do it; nor will the acknowledged propriety of interfering but little supersede, in any degree, the use of the most extensive professional knowledge in both cases.

One of the specific objects of the present work is to prepare the general rules of political economy for practical application, by a frequent reference to experience, and by taking as comprehensive a view as I can of all the causes that concur in the production of particular phenomena.

I am sufficiently aware, that in this mode of conducting inquiry, there is a chance of falling into errors of an opposite kind to those which arise from a tendency to simplification. Certain appearances, which are merely co-existent and incidental, may be mistaken for causes; and a theory formed upon this mistake will unite the double disadvantage of being both complex and incorrect. I am inclined to think that Adam Smith occasionally fell into this error, and drew inferences from actual appearances, not warranted by general principles. From the low price of wheat, for instance, during the first half of the last century, he seems to infer that wheat is generally cheaper in rich than in poor countries; and from the small quantity of corn actually imported during that period, even in the scarcest years, he infers generally, that the quantity imported can never be such as to interfere with the home growth. The actual state of things at a subsequent period, and particularly during the last twenty-five years, has sufficiently shewn that these appearances were merely inci-

dental; that a very rich country may have its corn extremely dear, as we should naturally expect; and that importation in England has amounted to more than $\frac{1}{10}$ instead of $\frac{1}{571}$ * part of the crop raised in the country; and may, therefore, essentially interfere with the home growth.

Aware, however, of my liability to this error on the one side, and to the error of not referring sufficiently to experience on the other, my aim will be to pursue, as far as I am able, a just mean between the two extremes, and to approach, as near I can, to the great object of my research—the truth.

Many of the doctrines of Adam Smith, which had been considered as settled, have lately been called in question by writers entitled to great attention; but they have often failed, as it appears to me, to make good their objections; and in all such cases I have thought it desirable to examine anew, with reference to such objections, the grounds on which his doctrines are founded.

It has been my wish to avoid giving to my work a controversial air. Yet to free it entirely from controversy, while one of my professed objects is to discuss controverted opinions, and to try their truth by a reference to an enlarged experience, is obviously not possible. There is one modern work, in particular, of very high reputation, some of the fundamental principles of which have appeared to me, after the most mature deliberation, to be erroneous; and I should not have done jus-

* Wealth of Nations, B. IV. c. ii. p. 190. 6th edit.

tice to the ability with which it is written, to the high authority of the writer, and the interests of the science of which it treats, if it had not specifically engaged a considerable portion of my attention. I allude to Mr. Ricardo's work, "*On the Principles of Political Economy and Taxation.*"

I have so very high an opinion of Mr. Ricardo's talents as a political economist, and so entire a conviction of his perfect sincerity and love of truth, that I frankly own I have sometimes felt almost staggered by his authority, while I have remained unconvinced by his reasonings. I have thought that I must unaccountably have overlooked some essential points, either in my own view of the subject, or in his; and this kind of doubt has been the principal reason of my delay in publishing the present volume. But I shall hardly be suspected of not thinking for myself on these subjects, or of not feeling such a degree of confidence in my own conclusions, after having taken full time to form them, as to be afraid of submitting them to the decision of the public.

To those who are not acquainted with Mr. Ricardo's work, and do not properly appreciate the ingenuity and consistency of the system which it maintains and develops with so much ability, I am apprehensive that I shall appear to have dwelt too long upon some of the points on which we differ. But as they are, for the most part, of great importance both theoretically and practically, and as it appeared to me extremely desirable, with a view to the interests of the science, that they

should, if possible, be settled, I did not feel myself justified in giving less time to the consideration of them.

I am far from saying that I may not be wrong in the conclusions at which I have arrived, in opposition to those of Mr. Ricardo. But I am conscious that I have taken all the means to be right, which patient investigation and a sincere desire to get at the truth can give to the actual powers of my understanding. And with this consciousness, both with respect to the opinions I have opposed, and those which I have attempted to establish, I feel no reluctance in committing the results to the decision of the public.

T. R. MALTHUS.

East India College, }
Dec. 1, 1819. }

CHAPTER I.

ON THE DEFINITIONS OF WEALTH AND PRO- DUCTIVE LABOUR.

SECTION I.

On the Definitions of Wealth.

OF the subjects which have given rise to differences of opinion among political economists, the *definition* of wealth is not the least remarkable. Such differences could hardly have taken place, if the definition had been obvious and easy; but, in reality, the more the subject is considered, the more it will appear difficult, if not impossible, to fix on one not liable to some objection. In a work, however, on a science the great object of which is, to inquire into the causes which influence the progress of wealth, it seems natural to look for some definition of those objects, the increase or decrease of which we are about to estimate; and if we cannot arrive at perfect accuracy, so as to embrace all we wish and exclude all we wish in some short description, it seems desirable to approach as near to such a description as we can. It is known not to be very easy to draw a distinct line between the animal, vegetable, and mineral kingdoms; yet the advantage of such a classification is universally acknowledged; and no one, on