



PREFACE.

IN offering this collection of essays to the public, the only defect for which I think it necessary to apologize is the amount of repetition which it contains. The intimate connexion of the different topics comprised in the science of Political Economy renders it difficult to avoid such repetition, especially when they are dealt with in separate essays written at different times, and some of which were not originally designed to form part of a collection. I had intended doing something to correct this fault while the volume was passing through the press, but I had usually to sign the earlier sheets for the press before seeing the later in print, while the later form of the exposition was least susceptible of curtailment. The views which I have advocated are, of course, put forward with the view of being criticized, and I have no apology to offer for them. In a series of essays, however, written during my hours of leisure, while engaged in a very different occupation, they may not have been expounded with the precision which would be

looked for in a professedly scientific treatise, and it is not improbable that I may have occasionally stated, without acknowledgment, something that has been already better expressed by others.

The passages referring to the late Mr. Fawcett were written during the lifetime of that distinguished Statesman and Economist, whose loss the country now deploras. I have made hardly any change in them except the substitution of the past tense for the present. The sentiments of such a man do not die with him, and the importance of correcting any errors which may have crept into his writings is in no respect lessened by his death.

I have devoted a good deal of space to the consideration of the views of Mr. Henry George. Whatever be thought of the general soundness of Mr. George's theories, no writer on the science can afford to despise his works; and there are branches of Political Economy on which he has, in my opinion, thrown an important light. It is unfortunate that his views on the Ownership of Land should have been made a political question. The economical theory of Free Trade has, however, suffered from the same cause; and yet we find some ardent politicians, like the late Mr. Fawcett, willing to deal with it in a really scientific manner (though, perhaps, his scientific views were unconsciously coloured by his political sentiments). It were to

be desired that Mr. George had adhered more closely to this purely scientific mode of treatment. There are, I fear, many passages in his writings which are calculated to enlist the passions as well as the reason of his readers in his favour.

As to the buying-out of the land-owners, which has been frequently suggested of late years, I may here make a remark. There has been undoubtedly a fall in the value of land in this country arising from natural causes, and the land-owner has no right to expect his interest to be purchased at its value before the fall. This fall is the chief cause of the reduction of rents which is being effected by Land Commission in Ireland, though not by any means the sole one. But there is a further fall in the value of land in Ireland which is due, not to natural causes, but to agitation, and to the repeated intervention of the legislature which fills every one interested in land with incertitude as to what is coming. This latter fall shows itself in the difficulty of selling the landlord's interest in land, and the reduced number of years' purchase for which it sells even after the rent has been judicially fixed. Securities which pay fixed (or nearly fixed) dividends, such as the Funds and the Preference Shares of solvent Railway Companies, never brought higher prices than at present, and the landlord's interest (measured in years' purchase of the rental)

would have participated in the general high prices if rents were deemed equally secure. If a judicial rent of £4 a-year sells for £80, while £4 a-year guaranteed by a Railway Company sells for £100, the difference arises from the public estimate of the relative security of the two investments. But this difference is almost entirely produced by what I may call artificial causes. It is true that even from natural causes there would be a greater chance of the judicial rent being diminished or remaining unpaid; but for this the possibility—perhaps I may say the probability—of a rise would, under ordinary circumstances, form an adequate set-off. It would plainly be unjust to compel land-owners to sell their lands at the reduced value thus produced—produced to a great extent by the action of the very legislature that compelled them to sell and became the purchasers. However, I do not think the Nationalisation of Land is likely to be adopted by our legislature even under the New Reform Bill, and if there is no further legislative interference with land in Ireland for a few years, the selling value of the landlord's interest will begin to increase, although the rental may remain stationary.

The condition of Ireland has, I think, hitherto attracted too little attention from the writers on Political Economy in the sister kingdom, and when they have touched on it at all they have been too

ready to accept one-sided and coloured statements without inquiry. Accordingly, I have called attention to some matters connected with Ireland which seem to have been overlooked. I am not aware, for instance, of any writer who has referred to the light thrown by the condition of Ireland on the question of Free Trade. Englishmen seem to have frequently jumped to the conclusion either that the state of Ireland is so anomalous as to evade all laws (a view which, if correct, would render a science of Political Economy impossible), or else that all her peculiarities are accounted for by the misrule of the English Government and the misconduct of the English and Scotch settlers; in which latter case they dispose of the whole question by a quotation or two from some very unreliable source, and a few vague censures on the manner in which Ireland has hitherto been governed. But if the economical facts of any country are to be studied with a view of scientific explanation, they must be studied carefully and impartially, and for this purpose, in a country where political sentiment runs high, it is absolutely necessary to hear both sides of the story, and then to use one's own independent judgment. We can hardly expect politicians to do this, but we have a right to expect it from professed writers on Political Economy. Such a writer, for instance,

was the late Mr. J. S. Mill; yet he started in his well-known treatise on Political Economy with a statement which was, I believe, at all times a very coloured one, and when he became aware that this statement was no longer applicable, he refused to alter it, merely inserting a note in his later editions to the effect that it would require too much re-writing to keep such statements always in accordance with the facts in the case of a work which went through several editions. I hope this lazy method of dealing with such a subject (which Mr. Mill seems to have applied to Ireland only) will not be adopted by future expounders of the science. The different parts of the United Kingdom afford to the theoretical economist a rare opportunity of observing the operation of the same laws under widely different circumstances, and it is one which ought not to be neglected. To verify an alleged economical law, it must be shown to hold good in every part of Her Majesty's dominions.

I have inserted four of the longer notes in the text as Appendices to the respective Essays to which they relate.