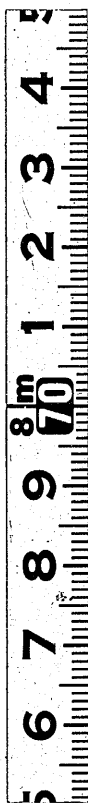


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REMARKS

ON

CERTAIN MODERN THEORIES

RESPECTING

RENTS AND PRICES.



WILLIAM BLACKWOOD, EDINBURGH; AND  
T. CADELL, STRAND, LONDON.

M.DCCC.XXVII.

**REMARKS, &c.**

In this age of deep learning, when the mechanic is taught to tread on the gown of the doctor, and tickle up the lumbering intellect of the squire, there are few who have not, in mere self-defence, dipped a little into that notable science, which has lately arisen with a new vigour to instruct nations in the readiest means of getting rich. Vulgar politics have long been a common property, from the cabinet to the pot-house; but Political Economy is a science, and he that professes it cannot but be a learned man. Who would not be a philosopher on the easy terms of being able to discourse upon revenue, and profits, and capital, and free trade, and Ricardo? Hear how its professors talk of the science, and how modestly they set forth by im-

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plication their own claims to be the chief of Philosophers. "If there be any certainty in such a science as this," says a learned reviewer, "and if it can really reveal and establish to its disciples any truths that are not already known to all thinking men, it is needless to say, that, in practical value and importance, it must far transcend anything to which the name of science has hitherto been given among men. It is no longer doubtful, however, we think, that it answers both these conditions; and even this gives but an imperfect idea of its actual worth and importance. Though directly conversant only about wealth and industry—though having for its immediate object but the bodily comforts and worldly enjoyments of men, it is certain that it is, at the same time, the best nurse of all elegance and refinement, the surest guarantee for justice, order, and freedom, and the only safe basis for every species of moral and intellectual improvement!"\*

Philosophers have not always been the most modest of mankind, and there is policy, besides,

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\* Edinburgh Review, No. LXXXV.

in a show of confidence. The world is ever taken with a little boldness; and our economists, like other oracles and propounders of systems, do wisely to assume a few airs—to look burly and big, talk of certainty and demonstration, and give forth their responses somewhat oracularly. Did they stop to doubt where they should seem to demonstrate, their discoveries of yesterday would never be accepted as the received truths of ages, nor their theories of to-day as demonstrations. Some persons treat all this confidence and its results unceremoniously enough; but more are ready to look with a kind of reverence on lucubrations which *seem* so learned, and which, if not science, have so much the semblance of it. When a simple man is told, that the expenses of cultivating the land last taken into cultivation, regulate the rate of profits throughout the country, he will hardly doubt, good easy man, that some profound process of intricate ratiocination has led to the solution of so important a problem. Let him mark the steps of the process, then, and be for ever a true believer. Profits are in the inverse ratio of wages, say the philosophers; and who can question a truth so consistent with all experience? The price of

corn regulates the wages of labour—and so there is nothing in the habits of the labourers, the proportion which their number bears to the demand, the price of their clothing, of animal food, or of anything else which they use or consume. The price of corn is regulated by the expenses of cultivating the land last taken into cultivation; and, therefore, the expenses of cultivating the land last taken into cultivation regulate the rate of profits. Q. E. D. Was ever demonstration more complete, and what a ninny would he be who would stumble on this *pons asinorum*!

There are always, however, in the world some, who, unlike to the good old Father, will not believe a thing merely because it is impossible. Such persons have begun to question, whether all these boasted discoveries of yesterday rest upon a very sure foundation;—whether the systems so extolled are not, like many systems which have gone before them, less founded on truths ascertained, than on principles assumed, and so, whether, like all theories, they must not be judged of by their accordance with things as they exist? Such persons ask, whether, with all this semblance of science, our learned guides have really

practised the rules of the inductive philosophy—whether the results of their abstract reasonings have been fully proved by the test of experience,—or of common sense? Alas, for the Philosophers! They talk of experiment and the inductive philosophy, but they give us not as much of either as would satisfy the most moderate craving;—and as for common sense, what has that to do with demonstration? They begin with “cogito, ergo sum,” and stop not till they are whirled aloft in a vortex of their own creation. This matter of fact has ever been the bane of brilliant imaginations in every age. But for it, how many luckless fancies, “now steeped in Lethe and forgotten,” might have floated upon the stream of time with the visions of Quesnay and the demonstrations of Ricardo!

But in this common-place world, the matter-of-fact men are many, and vain it is to think of escaping their impertinence. Again and again, at every little startling paradox, will these troublesome persons demand, “Do your conclusions tally with facts? or, if not, Messieurs the Philosophers, pray what is the value of your conclusions? You will not pretend that your premises are always admitted, or proved. Every

schoolboy knows what a theory is, and will explain to you the difference between the deductions from a theory, and the conclusions of the severer sciences; but what is a theory unsupported by facts, and, still more, what is a theory contradicted by them? And what a piece of strange presumption is yours!—You would recommend these theories of yours as fit rules of action in the complex affairs of men and states, ere they have received anything like a sanction even from the consent of your own learned body. The boldest brother of the healing art, would put his most infallible drug to the test of experiment, would try

“— on puppies and the poor his drop;”

but you, doctors of the political art, will not stoop to so humble a test, although, disdain the limits of an hospital, you would make nations, not individuals, the subjects on which to try the power of your nostrums. Call your conclusions established, if you will; but are they not still conclusions, on which scarce half-a-dozen of you can be found to agree, and scarce two of you to be consistent with yourselves? The subject of your pursuit has been described, and

justly, as ‘essentially practical,’ relating to men and things as they exist; and yet your inquiries have been as perfectly out of the limits of experience as if they related to what was passing in the moon. You talk of results, but forget the varying course of human affairs, that must affect these results: you heave the log, but neglect to take into account the effect of the current. You tell us that profits are inversely as wages. Where is the proof, from experience, that profits are inversely as wages, or vary in any definite ratio with wages? Are profits low in those countries where wages are high, or high in those countries where wages are low? Or have you found, by any inquiry amongst traders, that their profits have been low when wages have been high, or have varied in any definite proportion with the rise or fall of wages?—If you have not found out these things by observation, why do you give us your theory, as what is founded on fact and experience? Again, you tell us that the expenses of cultivating the land last taken into cultivation, regulate the price of corn. By what test have you proved this strange position? Does it rest upon the doubtful result of

your own doubtful logic? If so, believe us, (continue the matter-of-fact men,) nothing more *like* nonsense has recently come forth in the shape of a demonstrated truth."

He who has drawn his knowledge of "the wealth of nations," from Adam Smith, and will consider the real extent of the labours of that school, which has been recently employed in overturning his doctrines, may well smile at the thundering tone which the learned in its mysteries have assumed. In the midst of the toils of one of these doctors of the Ricardo school, he will almost fancy that he beholds a jack-pudding in the garments of a sage: He will find the modern doctor and his brethren nibbling still, after a lapse of half a century, at the little blemishes of their great master, whose work must still serve as their text-book and guide. In the massy building which he had raised, they have discovered, it seems, the weaker parts, and having plastered the whole over, strut about as if they themselves were the architects. Nor is it Adam Smith alone, who has had the benefit of their labours of correction and castigation. Mr West\* and Mr Malthus had nearly at the same

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\* Now Sir Edward West.

time published those disquisitions on rents, which soon attracted the notice due to inquiries so original and ingenious. Mr West did little else than state his principles; but Mr Malthus explained his system at length, and traced the principle of it to its consequences. He endeavoured to show that three distinct causes led to the formation and existence of rents. Whether he was right in this opinion, is not here the question. But the hints thus given were not long lost; and the theory of rents, as pruned, corrected, and improved, by Mr Ricardo, was destined to become the basis of a new school of science, formed to eclipse the past. Mr Ricardo *proved*, that only one cause led to the formation and existence of rent, and from this happy and secure hypothesis drew those conclusions, which, while they seem to have turned the wits of his followers, are said to have given a new aspect to the whole science. They have, indeed, given it a *new* aspect, but one so strange withal, that its oldest friends begin to question its identity. Of old a political economist, on setting out for the purpose of discovery, thought it fitting to move along with some little gravity and caution, to put on his spectacles when occasion required, and to take heed lest

he stepped into a puddle or a quagmire; but now, we have only to buckle on our theory of rents, mount our steed, and gallop headlong over hedge and stile. It is this theory, this renowned theory, which I propose to select as a sample of the logic of the whole school, and of the perfectly experimental nature of the science, which that school professes to have rendered immaculate. For we are assured, that "The errors with which political economy was formerly infested, have nearly disappeared, and a very few observations will suffice to show that it really admits of as much *certainty* in its conclusions, as any science founded on fact and experiment can well do."\*

If it be necessary to speak in somewhat plainer terms than could be wished of the pretensions of this new, or Ricardo school, let not this be thought to proceed from insensibility to the real merits and talents of its founder. Mr Ricardo, whatever were his faults as a reasoner, was a man of unquestionable genius, and in the treating of questions so intricate and abstruse, he might well, and without reproach, propound

\* Principles of Political Economy, by J. R. McCulloch, Esq.

and maintain opinions which others might call in question. He would then be regarded as an author, whose doctrines and arguments were to be examined and approved of, if thought sound, or rejected if otherwise. But the indiscretion of his followers will not allow the matter so to rest. They will raise the writer into an idol, to which we must bow the knee. Schools, forsooth, are to be founded, and professorships endowed, that his doctrines may be taught; and the writer of a merely clever book, is to become the founder of a new faith. We are told that Mr Ricardo was a man of great powers. Be it so; but are his fancies, therefore, to be received as truths, and his doctrines as infallible? His opinions may well deserve consideration, but if the value of the doctrines were to be measured by the powers of the teacher alone, surely they could not occupy the highest place in science. In genius and power of reasoning, will the blindest admiration rank Ricardo with numbers who, before him, have formed systems, which, like shadows, have passed away? Not to speak of the giants of the olden time, whose labours are at rest with the atoms of Epicurus, or the dreams of Pythagoras, let us compare his labours with those of the metaphysical writers of

the age immediately before his own, and see what will be gained by the comparison, to his genius, his learning, or his powers of argument. We may answer—nothing; and that such a reasoner as he would have been pounded into nothing beneath the metaphysical maces of our grandfathers. Yet these were men who founded systems of philosophy in their day, which were dearly cherished for a time, but have now perished in the memory almost of their very children, or are remembered only as the monuments of an ill-directed ingenuity. Their systems were founded, not on the solid basis of truths, but on the uncertain one of opinion—their reasoning might be subtle, but their premises were unsure.

But, *revenons à nos moutons*—let us get back to our theory; not the theory, I have said, as explained by Malthus, with all the limitations and exceptions attending it, but as improved and propounded by Mr Ricardo, and propagated with so much zeal by those to whom he has bequeathed the mantle of his inspiration.

“Rent,” says Adam Smith, “is the price paid for the use of land.” The definition is at least intelligible, and so far it possesses one good character for a definition. This, however, will not

do for the philosophy of the new school, of which one of the arts is to make a definition as obscure and removed from the common meaning of the thing defined as possible. “Rent,” says Mr Ricardo, “is that portion of the produce of the earth which is paid to the landlord for the use of the *original and indestructible* powers of the soil.” What these powers are, it requires, of course, another definition to inform us; and Mr Ricardo accordingly defines “the original and indestructible powers of the soil” to be its powers of producing corn before any capital has been expended upon it. A plain man might question whether, upon this supposition, any cultivated land in England yielded any rent whatever; there being no land, known to farmers at least, that will produce corn without a previous expenditure of capital. But almost in the same breath that Mr Ricardo thus defines rent, he shows it to be the difference between the produce obtained by the employment of two equal quantities of labour and capital on land. The proposition, indeed, thus expressed, has very much the air of a paradox, and, therefore, it is common to express it differently. But the meaning will be best explained by an example. Suppose 100 quarters of grain to be the pro-



duce of a piece of land of the worst quality in cultivation, and from which the farmer can draw the usual profits of his own capital, but from which he can afford to pay no rent to the landlord; and suppose that, from another piece of land, with the expenditure of the same labour and capital, 150 quarters of grain can be drawn, then there are here 50 quarters of surplus from the second piece of land that will go to the landlord as rent. In like manner, if from a better piece of land still than the last, the produce, with the same outlay, is 200 quarters, the rent of this last will be 100 quarters, or the value of 100 quarters, and so on. In short, the worst land which admits of cultivation, is supposed to yield no rent, but merely to give the tenant the common profits of capital. Worse land than this he will not cultivate, because he will not accept of less than the usual profits of capital. When any better land is cultivated, besides the usual profits of capital, there is always a surplus; and this surplus, according to Mr Ricardo, is rent; or rather, he ought to have said, it is the fund from which rent is, or may be paid. Be this as it may, it is in the sense referred to, that rent is said to be the difference between the produce obtained by the employment of two

equal quantities of capital and labour on land; and this proposition is thought to be so indisputable, that we have it generally given us as a definition of rent. We have seen, however, that rent is independent of the returns from capital laid out upon the land; and is, besides, the sum paid to another for its original and indestructible powers. How is it then, that rent turns out to be nothing but the returns of different capitals employed upon the land, and that it has no reference to any payment made to another for the original and indestructible powers of the soil? Which of these are we to take as the true definition,—which as the true *Simon Pure*?

But to let the definition pass, (for if we were to quarrel with definitions, we should be stopped at the very threshold of this perfect science,) let us come to the inquiry as to how the thing thus defined came into existence. Adam Smith, in a very business-like way, describes the birth of the bantling. Whether he was right at all points, we need not here inquire. But if he erred, what shall we say to the happier fruits of modern discovery?

“If all land,” says Mr Ricardo, “had the same properties,—if it were boundless in quantity, and uniform in quality,—no charge could

be made for its use, unless when it possessed peculiar advantages of situation. It is only, then, because land is of different qualities with respect to its productive powers, and because, in the progress of population, land of an inferior quality, or less advantageously situated, is called into cultivation, that rent is ever paid for the use of it."

And upon this strange proposition, resting it will be seen, upon some very tolerable assumptions, is founded the celebrated doctrine of rents. "If all land had the same properties,—if it were *boundless in quantity*, and uniform in quality, no charge could be made for its use, unless it possessed peculiar advantages of situation," says Mr Ricardo. It is only then, Mr Ricardo *should* have said, because land is *not* boundless in quantity, and is of different qualities with respect to its productive powers, &c. that rent is ever paid for the use of it. But if the proposition had been thus expressed, into what would it really have resolved itself?—Why, into the proving of that which there is no need of disputing about, namely, that if land were boundless in quantity, no charge could be made for the use of it. One may easily conceive, that if land were boundless in quantity, no rent

would be paid for it. Land would then be like water and air, having a value in use, but not a value in exchange. But the question to be asked is, if land were *limited* in quantity, and yet uniform in quality, could no rent be paid for the use of it? For if this cannot be answered in the affirmative, the argument ends in nothing. It will not avail to inform us, that, with this limitation of quantity, and this uniformity of quality, no rent *could* be paid for the use of land; for this would be taking for granted the thing to be proved, and the whole argument would be reduced to that very humble species of logic called begging the question. To make the argument worth anything, it must be proved, and not assumed, that land, when limited in quantity, could not pay a rent, if it were uniform in quality; for surely it is as far removed as possible from a self-evident truth, that land, if it were limited in quantity, could not pay a rent, because it was uniform in quality. Rent, according to Mr Ricardo himself, is the sum paid to the landlord for the original and indestructible powers of the soil. Now, would not these powers exist, although there were a perfect equality of soils? and, if they did exist,

what should hinder a payment from being made for the use of them? The rent paid to the landlord for these original and indestructible powers, as they are called, is surely a part of the produce, or of the value of that produce, paid to him for the use of his land. Now, is there anything in the nature of things that should prevent this part of the surplus produce being paid by the one, or received by the other, if all lands yielded the same surplus? The hard task of showing that this part of the surplus could neither be paid by the one, nor received by the other, remains for those who assert that with a uniform quality, and limitation of quantity in the land, no payment or division of the produce *could* be made, and that, therefore, rent would not exist.

Mr Malthus assigns three causes for the production of rents—"First, and mainly," says he, "that quality of the earth by which it can be made to yield a greater proportion of the necessaries of life than is required for the maintenance of the persons employed upon the land." And truly if this surplus did not exist, it is pretty plain that no fund would exist for the payment of rent; and Mr Malthus, therefore, can commit no considerable error in stating this surplus to be

one of the causes of rent. But Mr Malthus assigns another cause for the existence of rent—the comparative scarcity of fertile land, "which," says he, "is finally necessary to separate a portion of the general surplus from the land into the specific form of rent to a landlord." Mr Malthus may be also right in stating this to be another of the causes of rent; but we shall probably find, that a simple error here has led to a thousand errors elsewhere; and that in assuming a gradation of soils to be necessary to the separation of rents from profits and wages, Mr Malthus has himself fallen into that error which has led to so much false reasoning by others. In truth, the theory of rents, as proposed by Mr Ricardo, rests wholly upon this assumption, that there can be no separation of rents from the profits of the farmer and the wages of the labourer, until land of inferior productiveness is cultivated. But if there *can* be such a separation, if it be not a physical impossibility, the very supposition upon which the argument is founded is erroneous. It is not enough, let it be observed, to show that this gradation of soils *can* separate rents from profits and wages, but it must be shown that rents cannot be separated from profits and wages but by means of such a

gradation of soils. For unless this be so, the formation of rents is manifestly not a *necessary* consequence of the gradation of soils; and therefore a gradation of soils is not necessary to the formation of rents.

But what is rent, taking the term, in the first place, in its common and obvious signification? It is a part of the produce, or of the value of the produce, paid by the person who occupies the land to the person who owns it. Even Mr Ricardo defines it to be a sum paid to the landlord for something; and in the simple words of Adam Smith, it is the price paid for the use of land. This is what is termed rent over all the world. The economists may define it differently if they will; but it has been shown already, that they mistake for a description of rent, a description of the fund from which rent is, or may be, paid. But however this may be, it happens to be of no importance to the present argument. If rent, in the sense in which it is here employed, can be obtained without a gradation of soils, rent, in the sense in which the economists use it, may also be obtained without a gradation of soils, because rent in the former sense necessarily implies the existence of rent in the wider sense in which the economists think fit to use

it. Now, the plain question is, Can rent, as thus understood and explained, not exist unless there be a gradation of soils? Can there be no division of the surplus produce of land, or of the value of that produce, between the person who claims the land as a property, and the person who possesses it by sufferance, unless there be other land productive of a less surplus? For if there can be such a division, it is nearly as obvious as that two and two do not make five, that a gradation of soils is not necessary to the existence of rent. Be it observed, that I do not contend that a gradation of soils, such as the economists suppose, may not, or does not, cause a separation of rents from profits and wages; but I say, that if such a gradation of soils is not *necessary* to the formation of rent, then rent may be formed and exist without a gradation of soils.

What the relation, however, is, that exists between a covenant by which one person agrees to divide the produce of land with another for leave to till it, and the greater or less productiveness of other lands, it is difficult to imagine. To vulgar apprehension, it seems that this covenant could be made, and this division take place,

though all lands were productive in the like degree. Suppose that all the lands of a country yield three quarters of grain per acre ; that one quarter is required for labour ; that one suffices to replace the farmer's capital, and yield him the ordinary profits of stock ; and that the third is at the farther disposal of the owner of the land. If the owner of any portion of this country finds it more convenient or agreeable to allow another to cultivate his portion, he reserving to himself one quarter, and leaving the other two to the tenant to defray the wages of labour, replace the capital employed, and afford the common returns for it ;—why should he not be able to do so, merely because none of the other lands of the country are less productive than his own ? One would almost be inclined to declare it clear to demonstration, as the economists would say, that the equal productiveness of these other lands could no more hinder the making of this division than the equal productiveness of lands at the antipodes. The produce is divided between the owner and the occupier, because a sufficient surplus is yielded for that purpose ; but surely this surplus, and the same power of dividing it, would exist

though all the lands of the country yielded the *same* surplus.

Let us fancy ourselves for a moment in an early stage of society, subsequent, however, to the establishment of a right of property in land ; for be it observed, the payment of a rent must be preceded by the establishment of a right of property in every country, since, if no one claimed or possessed a right of dominion or property in the ground, there would be no one to whom a rent could be paid. The vassal, or villain, or peasant, or whatever he may be termed, might surely stipulate, and in such a stage of society, as we all know, did stipulate, to pay to the lord of the soil a certain part of the produce of the land for the liberty to till it. But what connexion, however remote, can be traced between this arrangement, or covenant, or obligation, or whatever it be, for the interest or convenience of these parties, and the less productiveness of the lands of other lords of the soil ? The lord of the poorest tract, the chieftain of the mountains, might and would receive from his vassals a part of their scanty produce, as well as the lord of the richer valleys ; and the lord of the valleys would receive his covenanted part of the produce, though the chieftain of the

mountains did not exist. The comparative productiveness of territory is not here the reason why the lord of the richer valleys receives a rent. That rent is a consequence of the right of property or dominion, and not of the less productiveness of the lands of others.

What takes place in the case of a barbarous connexion between a lord and his vassals, may well be supposed to take place in any stage of society when a right of property exists. The government of the United States of America claims and exercises at this hour the right of selling the land of its new settlements. Its rule is to accept of a fixed price in money, though it might equally well accept of an annual payment in money. Rent would then be formed at once upon the most fertile lands of a new settlement, and it would be altogether monstrous to contend that it could not be formed till lands less fertile than these were cultivated. It is matter, not of supposition, but of fact, that the most fertile and first cultivated lands of such settlements, pay a price to the state, and would pay a rent on the same principle, if such were the will of the state.

But without multiplying illustrations, it is surely enough to look back to the argument it-

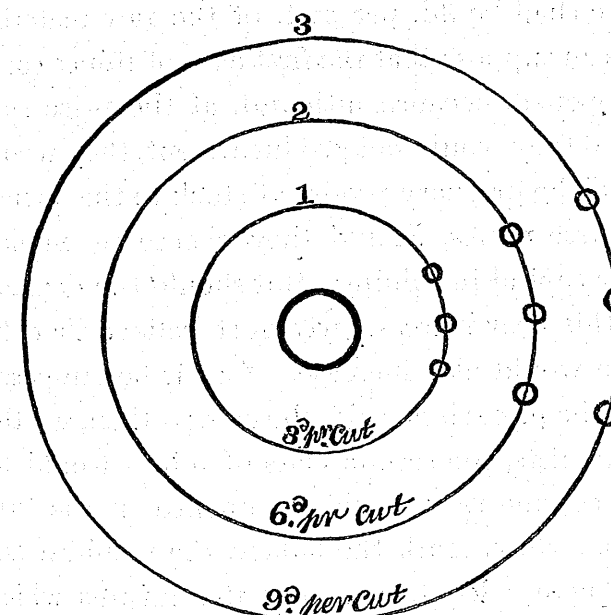
self, to see that it rests entirely upon an assumption, and resolves into a mere *petitio principii*; which, logicians tell us, is the most deceitful, and the most to be guarded against, of all sophisms; for there is nothing that may not be proved, by adopting such a mode of proving it. That this kind of argument should have been used, and have passed current for a time, is not without precedents in science, though certainly it is one of the most remarkable circumstances attending the promulgation of this doctrine of rents, that it should have been received almost without dispute, and that the lurking fallacy of the argument on which it rests should have escaped the detection of so much eager inquiry. It is obviously assumed, as has been said, that rents cannot be separated from wages and profits, without a gradation of soils:—and it is instructive and curious to observe what has led to such an assumption. The reason seems to be this—It is seen, or believed, that such a gradation of soils as has been supposed, can, of itself, cause a separation of rents from profits and wages, and therefore it is concluded that nothing but this gradation of soils can have produced such a separation. It is, in truth, an example of a kind of fallacy not unknown, which consists

in reasoning, as if that were wholly true which is true only in part. As a familiar illustration not very foreign to the subject before us:— The mineral called lime, applied to the soil, is capable of making it more productive; but if we were to argue that lime, and nothing but lime, was capable of making the soil more productive, we should argue erroneously and absurdly. Such, precisely, is the error in this argument on the causes of rents. A gradation of soils we see, or believe, to be capable of separating rents from wages and profits, and thus a gradation of soils may be one of the causes of rents; and therefore we argue that it is the only cause of rents, and that nothing but this gradation of soils is capable of producing rents. Our argument, as in the case of the mineral, is founded on the same false hypothesis, namely, that what is true in part is wholly true, and must, in like manner, lead to a conclusion that is false.

But although it is sufficient for the refutation of any argument to show that it rests upon a fallacy, yet I will not run the hazard of leaving my work in any way incomplete. I shall adopt a simpler mode of proof, furnished by the economists themselves, and trust to be able, in a very few sentences, to show that these eco-

nomists have, on the data which themselves furnish, entirely mistaken the cause of rents.

A favourite mode of illustrating and proving their theory, as is well known, is by a reference to the case of mines and minerals. Now, in the following diagram, let the circle in the centre be supposed to represent a city supplied with coals by the mines around it, these mines being represented by the figures on the three concentric circles, 1, 2, and 3.



Let it be farther supposed, that the lowest price at which the first class of mines can be worked, so as to repay wages, and yield the usual returns of capital, but without affording any rent to the owner, is 3d. per cwt. of the raw material,—that the lowest price under the same conditions of the second class is 6d., and of the third 9d.

Now, if the demand for coal in this city shall be such, compared with the supply, that the price shall be 3d. per cwt. of the raw material, we can suppose that the first class of mines could be opened, because, although at the price supposed they would not produce a rent, they would yield the ordinary profits of stock to the owners of these mines, should they choose to employ their capital in mining. But should the demand for this coal increase, we must believe that the price would also increase. Let it be supposed that the price rises to 6d. the cwt.:—then, say the economists, the second class of mines would be opened, and rent would commence on the first class. Now, mark the fallacy, the manifest fallacy here. Rent, or rather the surplus which would yield the means of paying rent, would be created on the first class of mines *before* the opening of the second class, and would exist

though this class of mines were never opened at all. The opening of the second class of mines, therefore, could not be the cause of rent on the first class, for an effect could not precede its cause. But this rent, or this surplus, must, on the supposition of the economists themselves, have begun on the first class, when prices had risen beyond 3d. the cwt.; so that it could not have begun in consequence of the opening of the second class of mines. Who does not perceive that, upon the data given, it is the rise of price that is the cause of rents, and not the opening of the second class of mines?—that it is not on the opening of the second class of mines that rent begins, but before and independently of the opening of these mines?

And let us again suppose that the increasing consumption of this city still farther acts upon prices, so that they shall advance to 9d. the cwt. Then, say the economists, the third class of mines will be opened, and a rent will commence on the second class. Was ever a more unhappy example of the *non causa pro causa!* The rise of price would here cause the commencement of rent upon the second class of mines, although the third were never to be opened. It is the rise of price that produces rent on the second



class of mines, and not the opening of the third class.

And let us extend our circles of mines as far as we will—the result is, in every case, the same, and unavoidable; namely, that it is the rise of price which is the cause of rents, and not the opening of newer mines. And if we shall consider rent to be merely a part of the surplus produce given by the person who works the mine to the person who owns it, the refutation is no less direct and complete. This surplus exists before the opening of the newer mines, and would exist though they were never opened.

But, besides the direct refutation of an argument, a very good, and sometimes an amusing method of ascertaining the truth of questionable doctrines, is to try them by the conclusions to which they necessarily lead. If these conclusions shall be found to be absurd and contradictory to what is known to be true, we are entitled to infer that the principle on which they rest is itself untrue. This is a species of argument which is usually termed the *reductio ad absurdum*, and is frequently employed in the stricter sciences, to prove the error of assumed premises. It will be well to try the theory of rents by such a test; for, if this theory shall be seen to lead us

directly and of necessity to consequences and suppositions that are false and absurd, no farther proof is needed that the theory itself is unsound.—And by this test it *shall* be tried; and, in a few words, it *shall* be shown, that, independently of the direct refutation, the theory may be no less completely refuted by tracing it to its necessary consequences. Nothing has led to more confusion, perplexity, and error, in all the researches of political economy, than this very theory; and it is a frequent observation of numbers, that, while they feel that the conclusions in which it involves them are opposed to experience, and so cannot be true, they yet are forced to admit that the argument upon which it is founded is good. This, however, is indifferent reasoning on any subject, and not to be endured in investigations of this nature. The error in the conclusion should, of itself, have led to a distrust of the soundness of the premises; for a proposition which necessarily leads to another that is false, cannot itself be true.

If it is only because land is of different qualities with respect to its productive powers, and because, in the progress of population, land of an inferior quality, or less advantageously situated, is called into cultivation, that rent is ever paid

for the use of it;—must we not infer that, if all lands were alike fertile and advantageously situated, there would be no rent? Be the price of produce what it might, be the net surplus what it might, be the means of paying rent ever so great, still, if all land yielded the same surplus, there would and could be no rent paid. Mr Ricardo, says a foreign writer, “*fait résulter la rente de la stérilité comparative des terres, tellement que, si elles étoient toutes également fertiles ou également stériles, on ne connoitrait pas même le nom de la rente.*” And the writer of a forgotten pamphlet at home thus simply refutes the entire proposition:

“That the difference of quality and situation of land is the cause of difference of rent, must indeed be admitted; but that this difference of quality and situation of the land is the *only* cause of rent, may well be questioned. Let it be supposed for a moment, that all the cultivated land of this island were to become of the same natural quality, whilst the aggregate fertility of the whole was neither lessened nor increased;—that is, let it be supposed that the good lands were to become less fertile, and the bad lands more fertile, so as that the same quantity of corn should still be produced, it is plain that the

price of the corn would be the same as before, because the same quantity would be brought to market, and the same proportion of supply to demand would exist. The same fund, therefore, would remain for the payment of rent, and no other change in this respect could be imagined, than the lowering of the rent of what was the better land, and the raising of the rent of what was the worse land. But if the theory in question were correct, the whole rent of all the land would instantly disappear. It would be as entirely annihilated, as if the earth itself had been smitten with the curse of barrenness. Is not this, then, a *reductio ad absurdum*? and a proof of itself that the principle of the theory is untenable?”

It will be difficult, indeed, to show that a proposition leading at the first step to such a conclusion, is not itself disproved by the absurdity of that conclusion. The argument and refutation are precisely the same, if we look to what is stated by the economists about the application of capital to land of different productive powers. Let us suppose, that rent is the difference between the produce obtained by the employment of two equal capitals upon two

different kinds of land. Now, if, as in the former case, we suppose that all our land were to become of the same natural powers, and alike advantageously situated, but continued to yield the same total produce,—it is tolerably plain that there would be no difference in the returns from equal capitals employed upon different portions of land, all land being upon the supposition alike. But the same quantity of produce being raised, and the same supply, and the same demand existing, we must surely believe that the price would remain as before, and the very same fund consequently for the payment of rent; and yet, upon Mr Ricardo's supposition, there would be *no* rent!

Are we to believe, then, that if all the land of this country were to become equally productive, and alike favourably situated, and to yield the same surplus produce as at this time, the whole of this surplus would go to the tenant, and no part of it would be, or could be, assigned to the owner of the land? Are we to believe, that with the same surplus for the owner, he could touch no part of that surplus, nor any part of the price of it, be that price what it might?—This, and much more than this, we must believe, if we believe the theory of rents; for to this,

and much more than this, does it necessarily and directly conduct us: that is to say, it conducts us to suppositions contrary to reason, and utterly absurd; and the conclusion, therefore, inevitably is, that the premises from which we reason are false.

If we were to apply our theory to the rent of mines, the same monstrous consequences would result. There is a diversity in the productiveness and expenses of the coal mines of this country. Let us suppose them all to become of the same value and productiveness—that is, let us suppose, as we have done in the case of land, that the best mines become less productive, and the worst mines more productive, so as that they shall be all of the same productiveness and value, as the medium class of mines now worked, and that they shall yield, accordingly, the same total quantity of coal as now for the consumption of the country. If the demand for coal were to remain, under such circumstances, just as at present, surely no person can imagine that the price would fall lower than now, for there would be the same quantity of coal brought to market to be sold, and the same demand on the part of the buyers. Nay, the demand might increase, and then would not the price also in-

crease? Certainly it would, if we are to pay the least regard to experience and known truths. But, if the theory of rents were true, the value of the mines would not increase, nay, all rent would be extinguished though the price of the produce of these mines should rise! Can we imagine anything more extravagant in the form of a hypothesis!—Suppose that, in the case assumed, we throw out of view price altogether, and merely suppose the owner paid, as is very common, by a proportion of the produce of the mine—is it possible to imagine, that this produce would not, and could not, be paid to him, if all our mines were to yield the same produce as that of the mines of an average quality now at work?

Can it be doubted, then, that however rent be defined, whatever be its uses, or whatever its evils, this theory wholly fails in showing how it has arisen, or why it exists? Rent could have been formed, and might exist, independently of those circumstances which have been represented to be essential to its formation and existence. The inquiry into its origin, indeed, would have been of little importance, were it not that upon the hypothesis as to its origin has been founded another equally erroneous as

to its nature, and that, from both, that long train of monstrous consequences has been drawn, which, strange to say, numbers amongst us have deemed established by an argument little less than irrefragable. That argument, however, can hardly deceive any one for a moment, who will but examine its foundation with the commonest care. The whole evidence, on which it rests, is of that kind upon which so many deceitful systems, in every stage of the progress of human knowledge, have been formed, and by which we may multiply fancies and systems without a limit.

It has been seen that in the attempt to establish this theory as applicable to our own country, it is assumed, that a certain portion of the cultivated land yields no rent, but merely affords to the farmer the usual returns for the capital employed. Mr Malthus, after his first treatise on rents, discovered that all land really did pay some rent, namely, that which it paid when it was not cultivated at all; or when it produced the grasses. Mr Ricardo, however, had laid down his theory before Mr Malthus had corrected *his* mistake, and the original error remains in the corrected theory; and still more strange, this most palpable and ridiculous blun-

der, instead of being corrected by his followers, has been propagated and defended with all the zeal of an article of faith; and we now as familiarly hear of the land that pays no rent, as of the best established truth in science. But is this assumption more accordant with facts, than the rest of the theory is with experience and reason? The best land, indeed, as well as the worst, may, from accidental causes, produce no rent; but this, if it proved any thing, would make against the whole theory, since it would show that not only the worst, but the best land might yield no rent. This occasional failure, however, of the funds for the payment of rent is nothing. The argument must be, that there is a portion of the cultivated surface of this country which is leased out, so as to pay profits to the farmer, while it yields no rent to the landlord. The assertion may be met by a simple contradiction. There is no such land in Britain, or none of the least importance to such an argument. A very barren tract of heath may be supposed to yield a rent, if it is capable of maintaining animals, which, or the produce of which, can be sold, but much more all the land that is capable of producing grain; and it would argue an entire ignorance of the nature of land in this coun-

try, to maintain that any land sufficiently fertile to yield the cultivated kinds of grain, would not yield the grasses in sufficient abundance to produce a rent. To suppose that any land would be let to be cultivated, and yield *no* rent, when, if uncultivated, it would yield *some* rent, is to suppose that men would forget their clearest interests. It is known, that in this country land permanently in grass, yields a high rent comparatively to that under a course of cultivation; and not poor lands only, but good lands in every part of the island, often produce a higher rent when in grass, than when cultivated. But what can be thought of any application of general reasoning to a practical subject, in which a fact so palpable as this is unknown or overlooked? Independently, indeed, of experience, our writers may assert, if they will, that there must be a point, though we cannot find it out, at which the net returns from cultivating land will be so small, that there will be no rent to the landlord, but merely profits to the tenant. This is reasoning not to be tolerated in any science which is said to be founded on fact and experiment. Not only is there no natural necessity for the existence of such a point, but it manifestly can-

not exist where land yields a rent independent of that which it would produce if cultivated.

Botanists, under the great natural family of the grasses, comprehend not only those plants which by their leaves and stems afford sustenance to our domestic animals, but many of those which from their seeds supply the farinaceous food of mankind. The latter, in every country, require the assistance of human industry for their production. Of the former also, many kinds may require the labour of art to bring them to perfection; but more frequently they are the spontaneous production of the earth, and have required no care in their propagation. They are destined for the support of irrational animals, and nature has provided that they shall grow without labour. The one, as well as the other kind of these plants, may afford a supply of food beyond what is required for maintaining the labourers employed; and each kind, therefore, may afford, and for precisely the same reason, a fund for the payment of rent. It is in neither case the difference in the qualities of the soil, but it is the surplus of the produce, that constitutes the rent; and, that land producing the ordinary grasses should yield a rent, is as much a necessary consequence of

the existence of this surplus, as that land producing the cultivated kinds of grain should yield a rent. In either case, as has been said, a supply of food is afforded beyond what is required for maintaining those employed upon the land; and if the price of that food shall from any cause be considerable, not only a rent, but a high rent, may be obtained from land yielding the grasses. In this island, the greater part of the whole surface is devoted to the production of the grasses, and much of the best land in England yields a higher rent in grass than when cultivated. The fact, however, that land producing these grasses yields *any* rent, is entirely irreconcilable with the theory of rents, and would of itself have shown that the principle of that theory had not been established. It may with more appearance of truth be said, that in the case of land yielding the grasses, rent is the sum paid for the use of the original or inherent powers of the soil; but it cannot surely be said that rent in this case arises from the necessity of resorting to the cultivation of inferior soils, or that it is the difference between the produce obtained by the employment of two equal quantities of labour and capital on land. There is here no cultivation of inferior soils, and no necessary

difference between the returns of equal capitals employed upon the land. On the inferior lands, indeed, in grass, the capital employed is smaller than on the richer, but it in no degree follows from this, that the return from that capital is less in proportion to its amount, than from the capital employed upon the better lands; from an acre of land, for example, supporting two sheep, than from an acre supporting three sheep. In the first case, the capital employed is the price of two sheep, and in the latter it is the price of three sheep; but the farmer, from his two sheep, will surely draw no less a profit on the price, than the farmer from his three sheep. Let us suppose that a breeder of sheep finds, that after the usual profit to himself, (say of 10s. for each sheep,) he can pay for each sheep 10s. of rent to his landlord. The inference from this would be, that for land supporting two sheep, he would pay 20s. of rent, and for land supporting three sheep, 30s.; and so on for any greater number; but on the supposition made, the returns from his own capital would be in all cases the same; namely, 10s. for each sheep. There is in this case no difference in the returns of capital employed on the different kinds of soil,—no cultivation of inferior soils,—and yet

there is a rent. What possible answer can our theorists give to this?

It appears, then, that this theory, accounting for the origin and existence of rent, would, even if true, in the general principle, have failed to account for the existence of rent on the greater part of the surface of this country. For independently of the large tracts that are never cultivated, and never can be cultivated, our tillage lands can rarely be kept in a course of constant cultivation. They must, for the most part, be kept in alternate periods of grass and tillage. Even granting, then, that this theory had been as true as it has been shown to be false, in the case of lands yielding grain, and nothing but grain, it would have applied to a part of the cultivated surface of this island so inconsiderable as not to be worth a thought in the argument. And this is not undeserving of notice, were it only to furnish one of the multiplied proofs that might be given of the little care that is paid by our modern cultivators of political economy, to found their doctrines upon experience, or to appeal to it for a confirmation of them. This doctrine of theirs, as to rent, is no casual inference, or unimportant corollary; but the main proposition on which most of what

they can claim as new in their science rests. Here, if in any thing, they should have made sure of their argument by an appeal to experimental proof. But *verbis ponent, re tollent*: They have fact and experiment in their mouths, but in their reasoning they seem ignorant of their necessity and use.

I have already pointed out those conclusions from the theory of rents, which directly, and at the first step in the argument, refute, by their absurdity, the hypothesis from which they are drawn. But it is not to be imagined that these are the only conclusions opposed to experience and known truths, to which this theory will conduct us. At every step, as might indeed have been inferred, it will be seen to lead to results which receive no support from experience, and which have all the air of the merest paradox. What are we to think, for example, of such a conclusion as that tithes fall upon the consumer, and poors'-rates upon the landlord?—what of the inference, that no reduction in the expenses of producing corn on land, will increase the rent of the landlord?—what of that still more startling conclusion, of which such strange and confident use has been made, that the expense of cultivating the land last taken

into cultivation, regulates the price of grain, the rents of land, and the wages of labour? If this were so, the credit would be due to the political economists, of having made one of the most remarkable discoveries of the age in which they live.

Granting that such an apparently extravagant result as this had been arrived at by the best seeming reasoning *a priori*, should not every motive to caution in argument have led us to prove it also by its accordance with known facts? But have our philosophers, by a single fact in accordance with this conclusion, proved the soundness of it? Have they found, by a single calculation founded on fact, that the price of corn is regulated by the expenses of producing it upon the land last taken into cultivation, or on the land least favourably situated, or upon the land yielding no rent, if they can find any such land? Let us answer for them in one word,—No. By not one ascertained fact has this all-important inference of theirs received a confirmation—or any thing approaching to a confirmation. Yet, surely, that which is of such constant occurrence in every country on the globe where corn is raised,—namely, this regulation of the price by the expense of cultivating



the land last taken into cultivation,—must, at some time or place, receive some confirmation from the experience of mankind. Will you not bestir yourselves, gentlemen of the experimental school of philosophy, to make that inquiry which, as experimental philosophers, you should know to be essential? What would you think of a chemist, who should refuse to put his discoveries to the humble test of the blow-pipe or the crucible? Are you dumb and inert still? Truly, in this, at least, you show some philosophy.—Remain in your elbow-chairs, and announce this weighty truth to your admiring disciples; for were we to set you forth on the discovery, you would be dispatched on one of the veriest fool's errands that ever April morning gave birth to.

But if it were cruel, at this time of the year, to dispatch our shivering philosophers to the *Terra Incognita* of land yielding no rent,—let us pack them off in a snug post-chaise to some of these innumerable coal-pits in operation around them. Their discovery will apply with at least less dispute to mines, than to land. Mines, we can suppose, will yield no rent unless they are worked; although land may yield a rent though it be not cultivated:

may, some mines, we can suppose, may yield no rent, although they are really worked. We have for this an authority less liable to question than even that of the founders of systems in the nineteenth century. “Whether a coal-mine,” says the unrivalled author of the *Wealth of Nations*, “can afford any rent, depends partly upon its fertility, and partly on its situation. A mine of any kind, may be said to be either fertile or barren, according as the quantity of mineral which can be brought from it, by a certain quantity of labour, is greater or less, than what can be brought by an equal quantity from the greater part of other mines of the same kind. Some coal-mines, advantageously situated, cannot be wrought on account of their barrenness. The produce does not pay the expense. They can afford neither profit nor rent. There are some, of which the produce is barely sufficient to pay the labour, and replace, together with its ordinary profits, the stock employed in working them. They afford some profit to the undertaker of the work, but no rent to the landlord. They can be wrought advantageously by nobody but the landlord, who, being himself the undertaker of the work, gets the ordinary profit of the capital which he em-

plys in it. Many coal-mines in Scotland are wrought in this manner, and can be wrought in no other. The landlord will allow nobody else to work them without paying some rent, and nobody can afford to pay any."

Now, let it be supposed, that the price which will admit of these coal-mines being worked, is any given sum. When prices rise to this sum, these mines can be worked; and why can they be worked? Simply, because prices have risen to this, or to any higher sum.—But how can it be argued, that the expense of working these mines, is the cause of the price being such a sum? These mines are worked *because* the price is such a sum; but the price is not such a sum because these mines are worked. Have our philosophers mistaken effect for cause?

Let us suppose, that after these mines are opened, prices rise beyond this sum. If the demand were to increase, this surely would be a very possible occurrence; but in this case, the price would not be regulated by the expense of production at the mines last worked, because this price would exceed that expense. Shall we be told, that new mines would immediately be opened? This would depend upon contingent circumstances; and the consequence, therefore,

ought not to be argued on as a necessary one. But granting that new mines are really opened, what is all this but reasoning in a circle? These new mines are opened because prices have risen to a certain sum; but prices have not risen to a certain sum because these mines have been opened.

But if this were really to be the argument of the political economists, it is plain that it would be founded on a sophism; and would merit no further notice. And yet, perhaps, thousands who have hitherto trusted implicitly to this theory of rents, have believed that such has truly been the argument employed by the economists to prove that the opening of new mines regulated the price. Not to speak of the way in which their theory of rents itself is illustrated and proved, let us turn to their reasoning upon this subject when applied to practical questions, and we shall find the tenor of it ever to be, that the opening of new mines, and the resorting to the cultivation of poorer lands, raise prices. If such, therefore, is not their argument in the present case, they have been themselves to blame for having led us in so many ways to think so. But let it be granted that the argument by which they prove the regulation of the price of

minerals by the cost of production at the least fertile mines, is not that which has been shown to be so erroneous—let them escape for once from the charge of reasoning from the effect of a thing as if it were the cause ; for if they escape from one dilemma, we shall assuredly find them pinned inextricably within the horns of another.

Their argument is not in general very explicitly stated by the economists themselves, but we shall, by and by, be enabled to infer, from a quotation from Mr. Ricardo, what the nature of it is. The reasoning seems to be, not that prices would rise to a certain given sum in consequence of opening new mines, as we had hitherto been made to believe, but that prices would rise independently of the opening of these mines ; nay, might rise beyond that given sum, and would be brought back again to it by the opening of the new mines—that is to say, the tendency and effect of opening the new mines would not be to raise prices, but to reduce them. But to prevent our getting bewildered in this hazy atmosphere of philosophy, let us turn back to our diagram. After our first class of mines has been opened, and prices have begun to rise in consequence of the increased consumption of our supposed city, prices might

not stop at 6d., but might rise beyond it, as to 7d. or 8d. Then, say the economists, the second class of mines would be opened, and prices, if they should have been roguish enough to have advanced beyond 6d. before we were quite ready for them, would be quickly brought back to it. Again, when prices rise beyond 6d. the cwt. they may continue advancing till checked by the opening of the masked battery of our third class of mines, which will play upon the advancing column, and compel it to retreat ; though, by the by, it may be questioned whether it would be quite a military phrase to say, that the opening of the battery *regulated* the movements of the column. But be this as it may, we ought to confess our hearts greatly lightened by the discovery that the opening of new coal-pits does not raise the price of coals, for we must have been almost frozen at the opposite supposition, and puzzled to death to explain how the increasing the supply of our coals would increase the price of them. From this freezing perplexity, however, we are now relieved, and for once we must agree in an opinion with the economists,—namely, that the opening of new mines, and the cultivating of poorer land, do not tend to raise prices, but to reduce them. But then, in this

case, what becomes of our unhappy theory of rents? We were before told that rents were formed by the *rise* of price produced by the opening of new mines, with an increased cost of production; but now we must believe that the regulation of the price of minerals is caused by the *fall* of price produced by the opening of mines, with an increased cost of production. Both suppositions, however, as to the effect of opening more expensive mines, cannot, it is manifest, be true; and one of the theories, therefore, must be untrue. But which of our darlings must we now abandon? In proving this grand position about the regulation of the price, must we give the other unlucky thing to the winds, like a paper-kite that escapes from our fingers in a squall? This might seem a little hard, even to us, no great admirers, as has been seen, of the theory of rents, for we had believed all along that the one gentle baby was the twin brother, or sister, of the other. But we have been nearly in as much error, it would seem, as if we had mistaken effect for cause. This other theory, it would now appear, is not a necessary appurtenance of the theory of rents. The theory of rents may be true, and yet the doctrine that the cost of production at the least

fertile mines regulates prices, may not be true. To prove the latter doctrine, we must have recourse to another theory still.—*Another* theory! nay, start not, good reader! Into this other theory, I am not so unmerciful as to drag you. I think with you that we have had quite enough of theories; and if you find any difficulty in demolishing the baseless fabric which this one presents to you, by a mere effort of your own good sense, I refer you for the means of doing so to the writings of Malthus, or to the late admirable work of Sir Edward West. This theory, I grieve to say, is not a whit better than its brother theory of rents. Like it, it is proved by a *petitio principii*, and like it, it is formed in opposition to facts, and the universal belief of mankind. This theory is, that the cost of production of a commodity regulates the price of that commodity, not through the medium of the supply, as every body but a political economist will believe it to do, but independently of supply, as no one but a political economist will believe for a moment. In other words, the theory is, that the sole regulator of the price of commodities is, the cost of their production. Now, applying this theory to prove (and a very satisfactory mode of *proof* it must be confessed

to be) the truth of our other theory ; namely, that if the prices of minerals rise, the opening of new mines will check that rise, and will bring back the price to, or retain it at, that precise point, which is equal to the cost of production at these new mines, and that at no other point can the price remain. The theory of price says, that the sum at which a commodity *must* be sold, is the lowest price at which it *can* be sold ;—and the theory of price is infallible. But have our economists been taking lessons in logic from Lord Peter? Believe this to be so, quoth his Lordship, or you know what will betide you. So, their lordships, the economists, exclaim :—Believe that the price will be fixed at this precise point and at no other, and that there is no other at which it *can* be fixed, or you may go packing for a set of dunces. But may it please your lordships, why must the price be fixed at the lowest cost of production? for traders do not generally believe that the price of a commodity must necessarily be the lowest. Because our theory of price says so, rejoin their lordships, and that is enough. So then it is not your theory of rents that says so, but your theory of price? Perhaps the admirers of your theory of rents may now look with a little less veneration on your doctrine, that the ex-

penses of working the least fertile mines regulate the price of minerals, when they find that it is not your theory of rents which leads to this conclusion, but your theory of price. Now, should your theory of price *chance* not to be true, what would become of all that glittering superstructure of tinsel which is raised upon it!

But it may be observed to the economists *en passant*, that even if their theory of *price* were as true as all the world, out of their own circle, believes it to be otherwise, it would not necessarily be true in *fact*, that the cost of production, at the least fertile mines, regulated the price of all minerals. But, if it were not true in fact, where would be the truth of the theory, for surely we shall not be told that what is theoretically true may be practically false? No one is ignorant that mines, at least in this island, (and it is believed, throughout the greater part of the civilized world,) are all the property of somebody. These treasures lie below ; but there are ever some crusty persons above ground, who claim a right to them, and who, perhaps, in ninety cases out of a hundred, would allow their minerals to lie a hundred fathoms below the surface of the earth for ever, rather than touch a splinter of them, though tempted

by the "usual profits of stock," to incur the hazards and fatigues of mining. They will not suffer their mines to be worked at all, without a rent, or, what is the same thing, without a price for the property of the mine. The cases where mines are worked by the proprietors, because they are worth nothing to any one else, are rare indeed, and the influence of such mines will necessarily be limited to a narrow space. But to imagine that the few mines that may be thus worked can influence, nay, regulate the price of the whole of that class of minerals in a whole country, is pretty much as if we were to suppose that we should regulate the level of the waters of a lake, by pouring into it the contents of a tea-kettle. The theory of traders, and men of practical knowledge, would be, that the great principle of supply and demand could never be sensibly affected by such a circumstance;—And let common sense judge between the theory of the traders and the theory of the economists.

But let me stop here to make as trite a reflection as ever writer was compelled to make. An event, or phenomenon, may correspond entirely, or nearly, with the changes of another event or phenomenon, and yet not be the cause of that other phenomenon. Thus it

is possible—I do not say it is true—that the price of minerals, in such cases as we have been supposing, may correspond with, and be the same, or nearly the same, as the expenses of production at the least fertile mines; and yet the expenses of production at these mines may not be the cause of that price. Suppose there are such mines as we have been speaking of—mines that will pay wages and profits, but not yield a rent to the owner—it might not perhaps be very unreasonable to assume that the price of minerals would be nearly the same as the cost of production at these mines, for this reason, that if the price were higher, these mines would pay a rent; if it were lower, they would not be worked. The one thing would here be held to be the evidence of the other; but this would be a very different thing indeed, from assuming that it was the cause of the other, and that the expenses of production at these mines *regulated* the price. "The *lowest* price," says Adam Smith, "at which coals can be sold for any considerable time, is like that of all other commodities, the price which is barely sufficient to replace, together with its ordinary profits, the stock which must be employed in bringing them to market. At a coal mine, for which the land-

lord can get no rent, but which he must either work himself, or let alone altogether, the price of coals must generally be nearly about this price." Yes, *at* such a coal mine as Mr Smith describes, the price would generally be nearly about that price. If it were above that price, rent would be paid for the mine; if below that price, the mine would not be worked. It is passing strange to find this very passage quoted by Mr Ricardo, as the evidence that Adam Smith had got a glimpse of the new light, without being able to profit by it. Adam Smith was not in the habit of getting glimpses of the truth of an argument, and then turning away, as if unable to penetrate the darkness. This supposition is not in accordance with what is known of the masculine understanding of this extraordinary individual, whose natural powers of comprehensive reasoning, were sharpened and cultivated in the discipline of that severe school which prevailed in his day. Adam Smith did not miss this consequence because he did not see it; but he saw that no such consequence existed, or could exist. One may almost fancy that he beholds the great philosopher smiling at assaults like these. "You tell me," we may imagine him to say, "that the expenses of raising the raw material of a few mines, which I have supposed placed in a pecu-

liar situation, must regulate the price of all the same kind of minerals in a country. My reason tells me, that a cause must be in all cases adequate to the effect ascribed to it; but as well might you tell me that the finger of a dwarf could move yonder tower from its base, as that such a cause could produce such an effect. Even were I to believe with you, that in certain circumstances, the price of coals would be the same as the expenses of production at the least fertile mines, must I therefore believe that the expenses of production at these mines would regulate the price of all coals? Do you see that weathercock on its spire, obeying every varying motion of the elements? It points as the winds blow—its motion is the same as theirs—and must I therefore believe that it regulates the motion of the winds? Besides, turn to truths known or admitted as the evidence of what you thus assert. If you reject experience in such investigations, you reject reason itself; and your boasted science is a delusion to yourselves, and a cheat to all that confide in it."

It we shall turn for a moment from the subject of mines, to that of land, we shall find the argument, if possible, still more intractable. We shall still have effect preceding cause,

with all the consequences of such a mistake; but in addition to this, we shall find that land may yield a rent, whether cultivated or not, unlike to mines, which will not yield a rent, but for the privilege of working them.

“Land,” Adam Smith has observed, “in almost any situation, produces a greater quantity of food than what is sufficient to maintain all the labour necessary for bringing it to market, in the most liberal way in which that labour is ever maintained. The surplus, too, is always more than sufficient to replace the stock which employed that labour, together with its profits; something, therefore, always remains for a rent to the landlord.”

“But what proof does he give of this?” observes Mr Ricardo, in commenting upon this passage. “No other than the assertion that the most desert moors in Norway and Scotland produce some sort of pasture for cattle, of which the milk and the increase are always more than sufficient, not only to maintain all the labour necessary for herding them, and to pay the ordinary profit to the farmer or owner of the herd or flock, but to afford some small rent to the landlord!—Now, of this I may be permitted to entertain a doubt.”—Certainly, and so may

many others; and these doubts may be well-founded; but do these doubts rest upon a better foundation than Mr Smith's assertion? And yet Mr Ricardo is incautious enough to argue upon his doubt as on a fact established.—“I believe,” continues he, “that as yet, in every country, from the rudest to the most refined, there is land of such a quality that it cannot yield a produce more than sufficiently valuable to replace the stock employed upon it, together with the profits, ordinary and usual, in that country. In America, we all know that this is the case.” Hold a little, if you please, sir. In America, does this arise from the poorness of the quality of the land, which, upon your supposition, it should? Are the mighty savannahs of this new world, rich in the bounties of nature, incapable of paying rent because of the quality of the soil? Let us proceed, however.—“In America, we all know this to be the case; and yet no one maintains that the principles which regulate rent are different in that country and in Europe. But if it were true that England had so far advanced in cultivation that at this time there were no lands remaining which did not afford a rent, it would be equally true that there formerly must have been such lands:”—



Heavens, what a discovery is this!—“and that whether there be, or not, is of no importance to the question; for it is the same thing if there be any capital employed in Great Britain on land which yields only the return of stock with its ordinary profits, whether it be employed on old or new land. If a farmer agrees for land on a lease of seven or fourteen years, he may propose to employ on it a capital of L.10,000, knowing, that at the existing price of grain and raw produce, he can replace that part of his stock which he is obliged to expend, pay his rent, and obtain the general rate of profit. He will not employ L.11,000, unless the last L.1000 can be employed so productively as to afford him the usual profits of stock. In his calculation, whether he shall employ it or not, he considers only whether the price of raw produce is sufficient to replace his expenses and profits, for he knows that he shall have no additional rent to pay. Even at the expiration of his lease, his rent will not be raised; for if his landlord should require rent, because this additional L.1000 was employed, he would withdraw it.”—Withdraw it! By what magic would this be done?—“since, by employing it, he gets, by the supposition, only the ordinary and usual profits which he may ob-

tain by any other employment of stock; and therefore he cannot afford to pay rent for it, unless the price of raw produce should rise, or, which is the same thing, unless the usual and general rate of profits should fall.”

“If the comprehensive mind of Adam Smith had been directed to this fact”—To what *fact*, pray, for we have as yet had hypothesis, not fact?—“he would not have maintained that rent forms one of the component parts of the price of raw produce; for”—now, gentlemen of the much-wronged family of the Wrong-heads, ye squires of high and low degree, mark the wherefore, and be for ever mute—“*for* price is everywhere regulated by the return obtained by this last portion of capital, for which no rent is paid.” That is to say, if Adam Smith had been of the same opinion as Mr Ricardo, Adam Smith would not have differed in opinion from Mr Ricardo!

But once again—“After Adam Smith has declared that there are some mines which can only be worked by the owners, as they will afford only sufficient to defray the expense of working, together with the ordinary profits of the capital employed, we should expect that he would admit that *it was these particular mines which regu-*

*lated the price of the produce.*" No more would he have admitted this as a consequence, Mr Ricardo, than that because a fly moves round on a carriage wheel, the wheel is moved round by the weight of the fly.—"If the old mines are insufficient to supply the quantity of coal required, the price of coal will rise, and will continue rising till the owner of a new and inferior mine finds that he can obtain the usual profits of stock by working his mine. If his mine be tolerably fertile, the rise will not be great before it becomes his interest so to employ his capital; but if it be less productive, it is evident that the price must continue to rise till it will afford him the means of paying his expenses, and obtaining the ordinary profits of stock. It appears, then, that it is always the less fertile mine which *regulates* the price of coal. Adam Smith, however, is of a different opinion;" and well he might, good, considerate soul; and well might any one who looked for some little accordance between facts and theory.

This is the argument before adverted to, as designed to show that the expense of working the least fertile mines regulates the price of all minerals. After, however, what has been already stated, it is unnecessary to spend a moment in

pointing out where the error of it lies. Mr Ricardo here indirectly admits that the effect of opening new mines is not to raise the price, (which had risen before these mines were opened,) but to reduce the price, or prevent its farther rise; which is precisely the conclusion to which all men would have come without the aid of Political Economy. The increasing the supply of the commodity reduces the price of it. But then Mr Ricardo brings in his other theory—his theory of price—to his assistance. The price will and must come to a certain point, and to no other. Thus we have one false theory to prove the results of another. But as chance will have it, it fails even in this object. For that the cultivation of the poorer soil must raise the price, is a *necessary* deduction from the premises assumed; and if, therefore, the cultivation of the poorer soil does not raise the price, the premises assumed are disproved by the conclusion. It is absurd (because it is a contradiction in terms,) to maintain that the regulating principle of price is the cost of production, and then to argue that the working of new mines, with an *increased* cost of production, can *reduce* the price. It is manifest that the one supposition is

at variance with, and a direct contradiction of, the other.\*

It has been observed that the argument, as

\* It is not necessary for my present purpose to advert to any of those corollaries to the theory of rents, which do not directly bear upon the main argument on the truth or error of the theory itself. Some of those corollaries, I do grant, are exceedingly pretty, and most ingeniously reasoned from; but it is precisely because they are so that they are so likely to mislead. One of them is, that corn, like every other commodity, is sold at its necessary price, and that rent is not an element in that price. Now, one may grant, perhaps, that corn, like other commodities, is sold at its necessary price, and yet not grant that rent is not a part of the price of corn. The purchaser of the corn that grows upon the most fertile land, pays assuredly a price for it, made up of rent, as well as of wages and profits. That rent is said to be necessary—how, then, is it not a necessary element of the price?

It is said that corn, like other commodities, is sold at its necessary price; and yet I apprehend it would be more philosophical to say, that corn and other commodities cannot be permanently sold *below* their necessary price; nay, it might be said of corn, that it cannot be permanently sold below the price at which it is raised, under the least favourable circumstances. But this would be a very different thing from saying, that the expense of raising corn, under the least favourable circumstances, regulates the price of it. The one thing may coincide with and be the evidence of the variations of the other, and yet not the cause of them; as the varying height of the mercury in the tube coincides with the variations in the pressure of the atmosphere, and yet is not the cause of those variations.

regards the produce of land, is still more intractable than that regarding the produce of mines: for the one case is complicated with considerations, which do not exist in the other: and we find accordingly, that whenever the political economists touch the subject of land, they are soon fixed deeply in the mud. In the case of mines, we are to infer from their reasoning, at least from such reasoning as that just quoted from Mr Ricardo, that the price falls as new mines are opened; and we are to avail ourselves of another disputed hypothesis, to prove that there is one point only to which prices will or can descend. In the case of land, however, the effect of cultivating more land is always stated to be to *raise* the price of corn. If any man doubts this, let him turn to the pages of Mr Ricardo himself, where he will find it concluded, without limitation or exception, that "When land of an inferior quality is taken into cultivation, the exchangeable value of raw produce will *rise*." Let him peruse one half of what is daily produced on the subject of corn and corn laws, and he will find the same startling proposition assumed as something beyond the reach of debate. The effect of taking inferior lands into cultivation is to raise prices, ay, and rents and wages into the bar-

gain! The discovery, when applied to mines, has something of a ludicrous air, and might raise a laugh at the expense of our philosophy; for what simple owner of coals would we find to believe that the effect of opening his neighbour's mines would be to raise the price of *his* coals? Nay, when we have to do with the obtuser understandings of country squires, can we be quite safe in demonstrating that the increasing the supply of corn will raise the price of it? But, to be consistent with ourselves, we must either admit that the effect of opening new mines less fertile than the old, is to raise the price of minerals, or that the employing of capital on lands less fertile than the old, is not to raise the price of corn. In this latter case, however, what a multitude of speculations would have been lost to the admiring world! The patriotic aldermen of London would never have learned that the effect of pushing capital to the cultivation of inferior soils, was to raise prices, and rents, and wages.

We have seen before in what manner the expense of production in mines yielding no rent regulates the price of the raw material by reducing it, or, what is the same thing, by checking its advance. Let us inquire a little more particu-

larly, too, in what manner the expense of producing corn on lands yielding no rent, regulates the price of corn by raising it. We have seen that the expense of producing coals at a remote corner of the kingdom, must regulate the price of all coals from the Tay to the Humber; we must farther believe that the labour of peasants upon the edges of the Grampians, may regulate the wages of the ship-builders of Deptford, and the potters of Stafford.

But without farther comment on the too palpable error, that a part of the cultivated surface of this country is let to tenants who pay no rent, but who are yet suffered to draw from it the profits of their own capital; let us *suppose*, for a moment, with Mr Ricardo, that though there may be no land yielding absolutely no rent, there may be cases in which a farmer lays out capital on improving his farm, for which he pays no rent to the landlord; and let us farther *suppose*, that it is the same thing if any capital is laid out on land which yields profits but no rent, whether that capital shall be laid out on land which is already in cultivation, or on land which never has been cultivated, or, as it is expressed, on old or new land. It could perhaps be shown that it is *not* the same thing as regards

either the mode of applying the capital, or the effect of its application, whether capital shall be laid out on old or new land; but as this is a question of dry and humble fact, and likely to be little interesting, let us pass over the entire objection, and take the supposition as it is given to us. The expense of production, then, by means of that capital for which no rent is paid, regulates the price of all corn. But can it be necessary to point out to any one, that this is precisely the argument (entangled, however, as we shall see, with some absurdities peculiar to itself,) by which the vain endeavour has been made to show, that the cost of production at the least favourable mines, regulates the price of all minerals? We have, in either case, effect preceding cause, or we have the conclusions of the notable theory of *price* brought in, and brought in in vain, to support the conclusions of its more renowned and not less erring brother, of rents. Farmers, we are told, are induced by a certain price to lay out a certain capital on improving land, and then, that the laying out of that capital produces a certain price. But the farmer, who contracts to pay a certain sum, as L.500, for rent, and resolves to lay out a certain capital, as L.1000, on improving the soil of his

farm, does so doubtless in the hope that he will be enabled, in the course of his lease, or sooner, to get back his L.1000, with a profit. But little does the simple swain imagine, that the laying out this L.1000 in such a hope, and with such a design, will *regulate* prices. Prices, he imagined, were such at the time of his expenditure, as to afford him inducement to lay out this L.1000 on bettering the quality of his land. If they fall below this, he will get a less profit, or no profit, and if they rise beyond it, he will get a better profit; but to assert that this operation is the cause of a given price, would be about as logical as to assert that the ebbing, or flowing, of the tide, is the cause of the changes of the moon.

But not only is this argument about the regulation of price by the application of capital to land already cultivated, a repetition of former arguments about the working of new coal mines; but, as has been said, it can boast of some peculiarities of its own. Not to speak of that somewhat questionable supposition that it is the same thing whether capital be laid out on old land or new land, let us take the other supposition,—that the expenses of producing corn on land already in cultivation, by means of that

capital for which no rent is paid, regulate the price of all corn. The capital for which *no* rent is paid! And where is the capital for which *is* paid? A rent paid for capital! The supposition, if not ridiculous, is at variance with every definition given of rent, whether we take that of Adam Smith, or that of Mr Ricardo. Rent is a payment made to the landlord for something that is the landlord's, but not for anything which belongs to the tenant. The tenant pays a rent to the landlord for the use of his land, but not for the fund which he himself employs in cultivating that land. If the capital were the landlord's, we might conceive how a rent, or something like a rent, could be paid for it, but never how a man can pay a rent for that which is his own. And then again we must come to the conclusion that there are two kinds of capital employed upon land, (two kinds, I mean, as regards the effect,) one of which *regulates* the price of corn, and the other, and infinitely the larger of the two, which has no influence whatever in regulating the price of corn. If this is not an absurd, it must be owned to be a very extraordinary proposition.

Sir Edward West, in his original pamphlet, stated, and justly, that successive applications of

capital to the same land would not produce the same result, as regarded the produce to be derived. Thus, if L.1000 were laid out on cultivating a piece of land, so as to produce a certain quantity of corn, another L.1000 laid out on the same piece of land would not produce the same return of corn, much less a third L.1000, much less a fourth, and so on. This is perfectly intelligible. But does it follow from this, that the second, or third, or fourth L.1000, are to regulate the price of all corn? I do not observe that Sir Edward West drew any such conclusion, and very certain I am that no such conclusion can legitimately be drawn.

But we must believe, it seems, that the laying out of capital on land regulates prices, not by reducing, but by raising them. The political economists, indeed, have been so hardly pressed upon this matter, that they have been obliged, now and then, to confess that the effect of laying out fresh capital on land is not to raise prices. But does any one, who can reason at all, not perceive that this admission is in direct contradiction to their own premises and argument? Besides, they do not, in fact, admit this; for their reasoning, when applied to practical subjects, is almost always different. We must therefore believe, not only that the operation

of laying out capital on the improvement of the lands of the country, regulates prices, but that it raises them. This is the grand climax of discovery. Without attaining to a due faith in this, we must be content to be looked on as boobies and clodpoles. Vain would it be to ask if the previous increase of price were not the cause of such capital being expended; rather than the expenditure of this capital, the cause of that increase of price. Vain were it to question, if rendering land more productive by the application of capital should have really that effect, which simple men would attribute to the rendering of land less productive by the withdrawing of capital. The luckless inquirer would be encountered by a whole host of critics, who would prove him to be a fool, and demonstrate to him that the increasing the supply, whatever it does in other cases, must in this increase the price. Woeful are the consequences of pushing capital to the cultivation of inferior soils; the inevitable effect being to raise rents, advance wages, and,—oh shades of Adam Smith and Quesnay,—to lower profits!

But our philosophers, be it observed, are the veriest wags that ever dealt in syllogisms, and we must not conclude that we have found them offending, even though caught in the fact.

Having suffered us to chase them through many a dreary page of rents, and value, and capital, and inferior soils, 'tis odds that they turn round on us at the very moment we fancy we had caught a professor by the wig, and tell us that we have been all this time chasing a will-o'-the-wisp;—that by rents, they don't mean that clownish-looking thing which a tenant pays to his landlord once a term, but that portion, infinitesimally small for aught we know, which is given for the original powers of the soil; and while we have been thinking of solid pounds, they have had their mortal vision fixed on that spectre of the thing which mortal eye never yet beheld, and which mortal fingers never yet touched;—and, again, that by value, they don't mean what the vulgar mean, namely, what a thing will exchange for, whether of labour, money, or any thing else, but that inexplicable sort of airy nothing, called the quantity of labour employed in production. So that, while a quartern loaf may rise for those refined persons, it may happily fall for all others who are destined to eat it; and while the growing of more corn may raise the value as *they* fancy, it may lower the value as all others both fancy and feel, from the royal merchant, down to the dealer in brooms. It is to be hoped, however, that in the present

case, they will not, in return for all our labour to set them right in a practical question, turn round on their heels and tell us, that it is not a practical question they have been talking about at all, or any thing bearing the least likeness to practice, or the least in accordance with the common understanding of mankind. They will not do this, we may hope, because it would seem a little whimsical, when applying their beloved theory to the solution of such practical questions, as that of corn laws, and rents, and prices, to find that they meant neither by rents nor prices any thing that the world ever meant by rents or prices before. We must therefore hold, even at the expense of getting them once again between the horns of their old dilemma, that by cultivating inferior soils, and laying out fresh capital on land, they really and truly mean that rents and prices, and wages, will rise.

Now, as to the matter of rents, we have been pretty well taught what rents are, and had it proved to us, (to demonstration of course) that there would be no such thing, could we make all our lands equally rich. But the laying out of capital on poor lands, will certainly have the effect of rendering these lands less poor; and this indeed is precisely the object for which this capital is laid out. But how is it that

what lessens the difference which exists between the productiveness of one kind of land and another, and which difference, be it observed, is the only cause of all rent—how is it that this is to *raise* rents? If there is any faith in mortal logic, any truth in the grand theory, such an operation should lower rents and not raise them, and if only carried far enough, extinguish them altogether. What answer have you to this, good philosophers? Come, own for once the luckless effect of your own luckless conclusions, and confess either that your theory of rents is an absurdity, or that you reason from it absurdly.

As rents, as we have been assured, rise by lessening or removing that difference which produces them, so prices, as we have seen, rise by rendering the ground more productive of the commodity. But it might puzzle a political economist, even with the help of his grand theory of *price*, to show how the price of corn, or of any thing else, would rise, until the supply of it, or the demand, were changed. What snuff-seller in his Majesty's dominions, from Penzance to John o' Groats, would we find to believe, that the price of snuff had risen in any case, not because the supply had been less, or the demand more, but because the planters of



Virginia had taken in poorer land to grow their tobacco? This increased production by the planters might be lessened, and pretty certainly would be lessened, if the snuff-takers in Europe would not give prices high enough to tempt these planters to continue it. But what man in his sober wits, or what old woman either, would believe that by sending us less to snuff, they would lessen the price of that which was to be snuffed! So, whether capital be laid out in adding to the cultivated surface of our own country, or in rendering more productive that which is already cultivated, the effect will certainly be to increase the supply of corn. But how will the price rise in consequence of that which makes the supply more? The cost of production, say the philosophers, is greater on inferior soils; the cost of production regulates the price of corn, and therefore the cultivating inferior lands raises the price of corn. Oh, most subtle logicians! Could Thomas Aquinas have syllogised more manfully, or the Doctor Subtilis have broke a lance with you in debate! But with how many syllogisms of at least equal profundity might not this of yours be met? As, for example—the greater the supply of a commodity in proportion to the demand, the lower will be the price, the more land we cultivate, the

more we increase the supply, and therefore, (the demand remaining as before) the more land we cultivate, the less will be the price, &c. &c. Many are the ways by which the price of corn may be raised, but the increasing of the supply is assuredly not one of them. But if that which increases the supply raises the price, that which diminishes the supply, we are told, lessens the price. If capital is withdrawn from the cultivation of land, either by lessening the extent of the cultivated surface, or by not being expended on that which is already cultivated, the price is to fall, and in consequence of what?—of that very thing, good reader, which diminishes the supply!

People of old believed that fertility in the soil of a country was a good to be wished for. It has been reserved for the political economists to show us, that what removes the natural sterility of the earth is a general evil, and a public curse. He was considered of old as the benefactor of his country, who made two blades of grass grow where one only had grown—a disciple of the new school should send him to the hulks or the tread-mill. What enlarges the supply of food, increases, by that very act, the price of it. The more land we cultivate, and

the more of our capital we expend in increasing the present and permanent fruitfulness of that which has been cultivated, so much the worse for us all. The less we cultivate, and the less we improve and fertilize that which is cultivated, so much the better for the poor man, who, because he has less to eat will fare the better, and pay the less for what he eats!

But it is not only in their speculative doctrines, but in the practical application of them, that we have to admire the wisdom of our learned guides. We may wonder now and then at the boldness of their reasonings; but we have no less cause to do so at the sweeping manner in which they would give us the practical benefit of their discoveries. The peasants of the country are too numerous. Transport the boobies, or turn them, will they kill them, to the workshop. We can get corn cheaper in Poland, and is it not better that we give the custom to those who will live on black bread, than to a set of puffy clowns at home, who, forsooth, must have ale and beef? What are the fellows but machines after all? "Capital is nothing but the accumulated produce of anterior labour; and its value, like the value of every thing else, is to be estimated by the quantity of that la-

bour required to procure it. In this respect, too, there is no difference, as has been already shown, between labourers and any *other* species of machines. A labourer is himself a portion of the national capital, and is to be considered, in all investigations of this sort, merely as a machine which it has required a certain quantity of labour to *construct*. The wages earned by the labourer are no more than a fair remuneration for the labour performed by him; or, if I may so speak, they yield only the common and ordinary rate of profit to the proprietors of the machine called man, exclusive of a sum to replace the tear and wear of the machines; or, which is the same thing, to supply the place of the old and decayed labourers with new ones!"\*

Ignorant persons are apt to fancy that some little difficulty may exist in changing the deep channels of established industry; and that the machine, called man, is not always peculiarly flexible in his movements. Should he have been fashioned, for example, to the making of shoes, he may not be very readily turned to

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\* Mr McCulloch's Principles of Political Economy.

the forming of wigs; and should he have been constructed for a political economist, he may find it a little hard to be set to deal in pills and powders from a stage, in the sagacious form of a mountebank. These things, however, are nothing to the economists. They wave their magic goose-quills, and *hey presto!* weavers grasp the spade, and peasants the shuttle, and capital flows as freely in the direction which profits point at, as the waters of the ocean to their level. If our yeomen find that their funds are not enough productive on the acres which their fathers have taught them to cultivate, cannot they withdraw their capital, as Mr Ricardo counsels them? what so easy for them as a transformation into traders, shop-keepers, and mechanics? As to the *machines* of the farm, what matters it what they are made to produce?—corn or cotton twist? We can spare a million or more of them, and shall get as many good Polish machines on cheaper terms. What pedlar in the land can resist so potent an argument?

The grand panacea for half the ailments of this afflicted country, is to throw inferior soils out of cultivation. This is the bleeding and the warm water, which will answer for a thousand

maladies. Get rid of these unlucky inferior soils of yours, say the *Sangrados*, and wages—oh, happy tidings to the weavers of Manchester!—wages will fall. But then profits will rise;—and, therefore, the dunderheaded growers of corn ought themselves to be the first to seek that change which is to reduce their prices, because it will raise their profits!—Nay, let me not be accused of using the privilege of a traveller in the wide-spread regions of political economy. Take the following veritable extract from the veritable journal of a traveller in the science, and let every doubt be silenced. “It is impossible, as we have repeatedly *demonstrated*, to raise wages, without reducing profits; so that it is *unquestionably* true, that, instead of high prices being really advantageous to the farmer, they are distinctly and completely the reverse. The object of the farmer, as of all other producers, must always be to derive the greatest profit from his capital; and it is *absolutely certain*, that profits invariably fall as prices rise, and rise as prices fall!”\*

But while, ever at their favourite nostrum of

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\* Edin. Review.

throwing inferior soils out of cultivation, our doctors do not seem any where to have told us very clearly what they mean by inferior soils; which is a little odd, when we consider how ready and happy they are in other cases with definitions. Do they mean by inferior soils all land that produces no rents? If so, we may suffer them to throw all of it out of cultivation which their ingenuity can discover. But though they will not allow their argument to be reduced to this dismal pass, they take especial care to assure us, that by inferior soils they don't mean any *very* great part of the surface of the country;—not a fifth part, one of them kindly assures us. What, only about a fifth part? Why, the agricultural population of Great Britain alone, exclusive of the multitude of artisans and others directly and indirectly dependent upon it, is known to amount to five or six millions, a fifth part of which would be better than a million. And would you throw no more than a million of wretches out of employment in one island, besides sending an equal number to purgatory in the other? A couple of millions do we say! Why, we forget the carpenters, the saddlers, the bakers, the weavers, the retail shopkeepers, and a vast list of others,

to whom this prodigious multitude gives the means of labour and support! Oh, most gentle politicians! and are you quite assured, after all, that our inferior soils do not amount to a fifth part of the whole? Are you in this, as with so many more of your discoveries, at your old work of assertion and demonstration? for some who fancy they can observe such matters, as well as professors of political economy, assert, that the districts of this island are not many, where the bad lands are in proportion to the good as one to five, but not a few where the proportion is as five to one. But it is vain to dispute about proportions, till our practical philosophers are pleased to make known to us their new nomenclature of soils. If they were to condescend to use the term inferior soils in the sense in which simple countrymen might employ it, they would probably find that somewhat more than one-fifth part of the country must be so designated. But, after all their cogitations on the subject of these soils, are they quite assured that *none* but inferior soils would be thrown out of cultivation on their forcing down prices to the level at which they aim? Why may not good land as well as bad be thrown out of cultivation on a great fall of prices? A great part of our good land is ne-

ver cultivated, as may be seen on casting the eye over those lovely meadows, which often seem to form the greatest part of our richest districts. These are found to yield a better return in grass when corn is at British prices; how much more would they do so should we be indulged with Polish prices! Have our practical philosophers really never dreamt of such a consequence, or does their unhappy theory of rents attend them like a besetting sin, to turn them from every thing that bears the impress of experience or common sense?

The ancient policy of England, as we all know, has been to protect, pretty zealously, the domestic industry of the nation in all those productions in which strangers could interfere with the native markets. Some of our manufactures have been protected by a direct exclusion of the foreign commodity, and others, less directly, by duties; and in the very last act of parliament in which the new principles of our commercial policy are developed, we find such duties as are little short of prohibition in favour of those of our native manufactures, in which foreigners can distress us by their rivalry. In the case of the agriculturists too, the political economists have yielded a little to the force of bad example, and

have resolved to indulge them with a *little* protection. They were somewhat divided as to the principle by which this boon was to be regulated, till, at length, the powers of Mr Ricardo having been directed to the question, the discovery of the *true* principle was made, and received with all due humility by the learned. The curious may have the opportunity of admiring the germs of this discovery in Mr Ricardo's own book on Protection to Agriculture, or they may have it at second hand in the works of some of his faithful disciples. The principle of the grand discovery is very simple—it is, that if all the commodities of a country be *taxed* alike, no matter what the other expenses and difficulties of production are, they are all able to stand foreign competition alike. Thus, if the French can manufacture a piece of silk at two-third parts of the expense at which it can be manufactured in England, and if the English can manufacture a piece of cotton at two-third parts of the expense at which it can be manufactured in France, the English manufacturer of silk is equally able to undersell the French manufacturer of silk, as the English manufacturer of cotton is to undersell the French manufacturer of cotton, provided only the English manu-

facturer of cotton pays the same *taxes* as the English manufacturer of silk.\* A stare of incredulity may be forgiven to the novice, who, advancing in the study of this profound science, finds this strange thing not rejected as it ought to be, as the result of mere error on the part of the ingenious author of it, but received as a relic, and preserved and exhibited with filial love by the orthodox. It is thus that the fame of Ricardo suffers more by the zeal of his friends, than by the strictures of those who question the truth of his doctrines.

I have made a few quotations from a series of essays on political economy, and the subjects to which it relates, contained in a distinguished literary journal. All the readers of the Edinburgh Review are familiar with the tone of this class of its productions, and with the air of confidence with which principles the most seemingly questionable, and conclusions the most ap-

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\* Query—If the whole tax on the English manufacturer of cotton were a poll tax of one farthing, and the whole tax on the English manufacturer of silk a like tax of one farthing, would the English manufacturer of silk be as able to undersell the French manufacturer of silk, as the English manufacturer of cotton would be to undersell the French manufacturer of cotton?—for, *nota bene*, they would be both *taxed* alike!

parently extravagant, are communicated to the world as nothing short of irrefragable truths. That these writings have been accepted by multitudes as *science and philosophy*, is certain, though many may have wondered in silence how such things should have found a place in the pages of such a journal. But there they are; and, conveyed to the world through such a channel, the wildest opinions of their author have had a more extended circulation than any modern writings of the same class. This writer seems to lay it down as a maxim, that all that Mr Ricardo has taught, or all that can be inferred from what he has taught, is infallible. He thus seldom seeks to surprise his readers by originality of discovery, though, when he does take a flight, he falls nothing short of the most renowned of his brethren, and his theory of *Absenteeism* may almost be placed side by side with the theory of rents. Towards the learned gentleman individually, I cannot entertain a single angry feeling; and I feel assured, that were I to speak of him personally, it would be in very different terms from those which truth must apply to him as a political economist. He is to me unknown, or rather he is known to me only as a writer;—but as a writer, I must say, who

has done more to retard, than he may be ever able to do to promote, the progress of political economy, as an object of rational inquiry and useful study. My present concern with him, is merely to quote a few passages more from one of the essays just spoken of, as an example of the tone and reasoning of the modern school of political economy, and of the manner in which its teachers would apply the result of their abstract investigations to the practical concerns of society. The essay appears in No. LXXXI. of the Edinburgh Review, and is repeated in a subsequent number. It relates to a subject abundantly practical—corn, and the corn laws.

“Had the effect of tithes,” says he, “and the other burdens exclusively affecting agriculture, merely been as Dr Smith supposed, to make an equal deduction from the rent of the landlord, they could have had no influence whatever on prices, and there would have been an end of the question. But as it has been *established* that tithes do not fall on rent, but on the consumers, in consequence of their making an equivalent addition to the price of raw produce, it is contended that, in the event of the ports being opened for the free importation of foreign corn, justice to the home-growers

would require that it should be burdened with a duty equal to the tithes. It must be remembered, however”—and the words are given in italics, to show perfectly the great novelty of the remark—“that all foreign corn imported *must be paid for, either directly or indirectly, by the exportation of some species of manufactured goods; it is therefore*”—wherefore?—“clear, that the home producers of corn have not even a vestige of a claim to a protecting duty on the importation of foreign corn, unless they can”—do what, poor wretches?—“*show that the tithes and other taxes falling on raw produce, exceed those which fall on manufactured goods.*” From which an ordinary reasoner would infer that, if they could *show* this, or get some wise man to show it for them, they would be entitled to such protecting duty. But this is an error—“However oppressive we suppose taxation to be, though it added a hundred or a thousand per cent to the price of commodities, still, if it affected all equally, it would leave their relative values exactly where it found them.”—Who doubts it, most learned Theban? “And if it did this, it is *clear to demonstration* that it could not render any particular class less able than the others to withstand the unfettered competition of foreigners, and

could not, therefore, entitle them to a protecting duty." He then proceeds, with great gravity, to show, that if one commodity be taxed twenty per cent, while others are taxed only ten per cent, that commodity must be protected by a duty of ten per cent precisely, without the necessity of bestowing a thought on whether this commodity may not be as able to bear a tax of twenty per cent, as the others a tax of ten per cent. One would now suppose that the good gentleman was about to admit that the home-grower, in so far as he was more taxed than others, might look for a protecting duty to the extent of that tax.—No such matter.—He finds out that it is only to manufactured goods that this *law* applies, and that, consequently, though taxation might be ever so oppressive,—though it were a hundred or a thousand times more on raw produce than on manufactured produce,—though it added a hundred or a thousand fold to the price of corn, still the grower of that corn stood in need of no protection! This may be all abundantly edifying, and, for aught I know, very true; but the *reason*, at least, must be admitted to be curious.

"Still, however, this *principle* only holds in the case of duties affecting manufactured pro-

ducts. If a direct tax of ten per cent were laid exclusively on the hats produced in England, and on no other commodity, the hatters would most likely be ruined were foreigners permitted to import hats duty free. All manufactured goods are produced under the same, or, at all events, under very similar circumstances; so much so, that foreign competition must either be injurious to all the manufacturers of a particular description of goods, or to none. But in agriculture the case is otherwise. Corn is produced under very different circumstances, or from soils of very different degrees of fertility; and though the cultivators of the worst lands in tillage, at any particular period, might be injuriously affected by the unrestricted admission of foreign corn, the other cultivators, instead of being injured, would be really benefited by the rise of profits which must always follow every permanent reduction in the price of raw produce. Thus, suppose no duties are imposed on manufactured commodities, and that the ports are thrown open to the importation of foreign corn, without any protecting duty to balance the tithe,"—but why not of the *other* taxes, good doctor?—"the whole effect of such a measure"—(that is, of unrestricted importation)—



“ would be, to cause such a *small* additional quantity of bad land to be thrown out of tillage, as would enable the cultivators to obtain *eleven* quarters for the same outlay that had previously been required to produce *ten* quarters.\* As soon as this contraction of tillage had been effected, the farmers would have nothing to fear from foreign competition. They would still obtain the same rate of profit that was obtained by the undertakers of other business, and the consumers would be able to purchase their corn for *ten per cent* less than if a protecting duty had been imposed.” Who will now refuse to exclaim, “ A Daniel come to judgment! yea, a Daniel !”

After this the learned economist goes on to show, that though the grower of corn will be the worse for the protection, and for the very satisfactory reason just given, the owner of the land will be the better for it. He has, indeed, various doubts and qualms whether the latter really stands in need of any such bettering. “ But,” adds he, very compassionately, “ we would rather err on the side of too much protection as of too little;

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\* How the doctor hits on these *precise* proportions does not appear.

and, to put to rest all cavilling upon the subject, we should not object, on the event of the ports being thrown open, to an *ad valorem* duty;” which *ad valorem* duty he fixes at ten per cent, and then consents to exchange for one of six shillings a quarter.—Sometimes the good Homer sleeps; and shall not a professor of philosophy be indulged in an occasional slumber!

But we have seen that, in considering the powers of manufactured commodities and raw produce to withstand foreign competition, the only part of the expenses of production of either that need be taken into account is the taxes; and that, in the case of corn, the only part of the taxes that need to be considered is the tithe, and this not for the benefit of the producer of the corn, but of the owner of the land. So that the tax paid to the poor, amounting to a great part of the whole rental of the country, is nothing; all other taxes falling upon land, and upon no other fund, are nothing; the land-tax, the road taxes, the county taxes, all defrayed from the produce of the land,—all are absolutely nothing, and one only of all those items deserves a thought. Nay more, we are to lay on no protecting duty on foreign corn for the benefit of the grower of native corn, for that, the

philosophers tell us, he will do better without, but for the benefit of the owner of the land, for that it will keep his rents from falling. Tithes, they tell us, fall upon the consumer, all the other taxes upon the landlord; and yet they will protect the landlord to the extent of a tax falling upon the consumer, but refuse to protect him to the extent of a tax falling upon himself! After this need we wonder that they imagine, that corn and cotton manufactures have no other difference in their means to withstand foreign rivalry, than what arises from the *taxes* they pay?

But it is no part of my design here to lead my reader farther into the labyrinth of the corn question; though I may perchance have shown him, how little fitted some persons are for the task who have taken upon themselves to decide it, and to what a miserable train of arguments, under the specious name of science, a subject to which the fancied demonstrations of political economy are applied, may give birth. On this subject of the corn laws, I can neither agree with those who would carry protection to the degree of an unjust monopoly, nor with those who would too rashly expose the agricultural capital of this country to an impracticable competition

with foreign labour. I cannot agree with those who would represent a high price of the necessaries of life to be of itself a good, or who would carry protection to the producers of those necessaries one step beyond what necessity, or the strongest expediency, should demand. But, arguing thus, I should argue too, that such protection must be carried to the degree of such necessity; and that those are not the friends of the unthinking multitude, who would inflame their passions, and falsely teach them, that they will eat bread cheaper when the native farmer is undone. But this question, affecting the safety and value of property from one end of this island to the other, and of a larger capital than is employed in all the foreign trade of Britain, will speedily be decided, and on principles, it is to be trusted, somewhat sounder than any which a few theories of the closet can supply, and by persons who ought to show themselves somewhat better worthy of trust than those whose reasonings have been here exposed. Let the landed gentlemen of the country, in consenting to such a reasonable change in our pre-

sent too imperfect system as shall satisfy thinking men, not ignorantly suffer themselves and their tenantry, whose capital, embarked in useful industry under the faith and sanction of the laws, is all at stake, nor the peasantry, whose very means of life depend on the extent of the cultivated surface of the country, to be borne down by a mischievous clamour, and by arguments the very opprobrium of literature, and the scum of philosophy.

But what can it be that thus, so long after the genius of Smith had cleared the way, can have turned us back, as it were, in our progress, and led us so greatly from the straight-forward course of useful inquiry, that political economy, as a guide in the practice of those matters to which it directly relates, should have become almost a byword, and an object of derision and distrust? Let the answer be sought for in the dogmatism and false reasoning of that school, which, disregarding facts as the basis and the test of opinion, has for a season contrived to mislead the judgment of many, as ignorant, it would seem, as their teachers; that it is upon facts that the sciences must be founded, or by which their

results must be proved, and that until the cautious process of induction was admitted and practised in philosophy, one false system was but the prelude to another, and the principles of one sect or school but the sport of that which was to follow. But let us look no farther than to the writings which have been quoted in these cursory remarks, to feel how far, in modern political economy, that course has been departed from which has ever yet led to the discovery of truth in the useful sciences; and how little the manner in which principles have been established, and the hardihood with which they have been reasoned from, are accordant with the temperate rules of scientific investigation. And when we farther look for the test of the utility of these principles and conclusions, in the manner in which they are applied to practice and the affairs of life, well may we ask, with some surprise, of the authors of such things, if *they* can be the persons who would become legislators and financiers, and pass as the shining lights of the times in which they live; if *this* can be the science which is to be received as admitting of as much certainty in its conclusions as the physical

