

tax, and the consumption not being diminished; in a regime of monopoly this is not possible, since, as above pointed out, the demand cannot have been before the tax perfectly inelastic.

Professor Graziani seems to acquiesce in the first proposition,¹ as indicated in my review. Nor does he deny the second proposition. But it is hard to see how either could be discovered and proved by his methods.

V. A rejoinder is hardly called for by Professor Graziani's concluding remarks on the dangers of mathematical reasoning. The withers of the mathematician are not wrung by these common-places. The use of the method is not necessarily attended with an exaggeration of its importance. The inability to use it is not a qualification for appreciating its usefulness.

Letters of David Ricardo to Hutches Trower and others, 1811—1823.

Edited by JAMES BONAR and J. H. HOLLANDER. (Oxford : Clarendon Press. 1899.)

THE editors have brought to their joint task minds separately trained in Ricardian exegesis. Each of them had independently by his own methods of analysis and commentary illustrated a set of Ricardo's letters : Dr. Bonar those addressed to Malthus, Dr. Hollander those addressed to M'Culloch. Now they apply their united power of critical apparatus to a third set of Ricardo's letters, throwing additional light upon his life and doctrine.

All that we have learnt of the personality of Ricardo, whether from the edited letters or from unpublished memoirs and literary tradition, shows him as more human than unsympathetic critics of his abstract theories have imagined. The trait of character which the letters now before us bring out most conspicuously is public spirit. It is not irrelevant in an Economic Journal to allude to some passages of a political complexion which, read with their contexts, may illustrate how broad and liberal were the interests of the great theorist.

His zeal for Parliamentary Reform was ardent :—

“ There is no class in the community whose interests are so clearly on the side of good government as the people. The suffrage must be extensive . . . and the voting must be by ballot” (p. 52, *cp.* pp. 61, 69).

With reference to the Peterloo massacre :—

“ These large assemblages of the people may be regretted, they

¹ *Op. cit.* p. 6, last par., and p. 7

may in their consequences be productive of mischief, but if the security of our freedom depend on our right to assemble and state our wrongs, then we must patiently suffer the lesser evil to avoid the greater " (p. 85).

Of the repressive " Six Acts " of 1819 :—

" I consider them as serious infringements of our liberties . . . the efficiency of the laws in force was never fairly tried."

In favour of religious liberty :—

" I cannot help thinking that the time is approaching when these ill-founded prejudices against men on account of their religious opinions will disappear. . . . I carry my principles of toleration very far. . . . I am prepared to maintain that we have no more justifiable ground for shutting the mouth of an atheist than that of any other man " (p. 204).

" I should not see much to regret if Ireland had a Catholic establishment in the same way as Scotland has a Presbyterian one " (p. 146).

The member for Portarlington was not blind to the wrongs of Ireland :—

" The Irish landlords . . . not only do not see the benefits which would result to themselves from encouraging a spirit of industry and accumulation in their tenants, but appear to consider the people as beings of a different race, who are habituated to all species of oppression " (p. 208).

But the economist might have disapproved of remedies interfering with the principle of contract :—

" If Ireland had a good system of law—if property was secure—if an Englishman lending money to an Irishman could by some easy process oblige him to fulfil his contract, and not be set at defiance by the chicanery of sheriffs' agents in Ireland, capital would flow into Ireland and an accumulation of capital would lead to all the beneficial results which everywhere follows (*sic*) from it " (p. 172).

Our knowledge of Ricardo's doctrines is confirmed rather than extended by these letters. There is no very important " find," such as rewarded the former labours of our editors when it came to light that Ricardo in his last year had explicitly acknowledged " time " along with " quantity of labour " as a condition of value; anticipating the objections raised by the author of the *Critical Dissertation on Value*, and removing the doubts occasionally felt even by friendly interpreters. This consummation of the Ricardian doctrine of value is merely indicated in one of the later letters to Trower. Elsewhere, so far as we observed, the notion

of real value is presented with the same abstract simplicity as in the less explicit passages of the *Principles* :—

“ I do not say that the labour expended on a commodity is a measure of its exchangeable value, but of its positive value. I then add that exchangeable value is regulated by positive value, and therefore is regulated by the quantity of labour expended ” (p. 151, *cp.* pp. 155, 162).

Some difficult passages in the *Principles of Political Economy and Taxation* obtain incidental illustration from passages in this volume. For instance, certain instructive paradoxes in the chapters on Taxes on Gold and Taxes on Profits are enhanced by the highly abstract but perfectly correct reasoning which Ricardo applies to a problem which, as we interpret, may be stated thus : A tax is imposed on the profits in every business except that of the miner, the mines which “ supply the standard ” being supposed to be in the country ; how would the prices of commodities be affected (1) *ceteris paribus*, (2) if we “ in this situation of things suppose money to rise in value ” (p. 104). The question touched in one of the notes to the *Principles*, whether more money would be required to circulate commodities if their prices be raised by taxation, is treated in the same spirit in one of the two documents in Ricardo's handwriting which have been found among the Trower manuscripts (p. 235). As the former letters prepare us to expect, many of the points raised are within the range of theses which Ricardo was perpetually defending against Malthus, *e.g.* :—

“ Does the supply of corn precede the demand for it, or does it follow such demand ? ” (p. 124).

We read of some *Notes* prepared by Ricardo on the subject of his differences with Malthus. The discovery of these notes is still, as the editors say, a *desideratum*. They have caused it to be less urgently desired by all that they have done to satisfy the doubts which had been felt by economists as to the interpretation of Ricardo.

The Distribution of Wealth. A Theory of Wages and Interest.
By JOHN BATES CLARK. (New York : Macmillan Co. London :
Macmillan & Co.) 1900.

PROFESSOR CLARK labours under a disadvantage incident to the originators of doctrines that have become widely accepted. If the general reader ever dips into Locke or Bacon, he is apt not to be duly impressed with their originality, just because the truths revealed by them have now become common property. A similarly mistaken impression may be formed about this volume,