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protectionist conception. To humbly accept the results of experience as manifested in the course of exchange is the position of free-trade. That England has—not a special but—a comparative advantage over America in the production of iron as against wheat is proved for the free-trader by the export of English iron to America and of American wheat to England. That the law of comparative cost is the ruling condition of foreign trade is (though Professor Patten seems to think otherwise) as fully accepted by Jevons (*Theory*, p. 210) as by Ricardo. An appeal to the statistics of wheat-production in the two countries is plainly inconclusive, as no allowance is made for the greater care and larger capital employed in English agriculture.

Both by the vigour and ingenuity of the arguments and the deductive cast of the reasonings employed, we have been often reminded of the plea for reciprocity contained in Torrens's *Budget*, concisely characterized by Senior as 'eminently ingenious and eminently erroneous.' To apply that statement to the present work would be unjust, but without discourtesy we may express the opinion that Professor Patten's ability and wide economic knowledge have failed to establish the thesis that protection is beneficial either as a permanent or even as a temporary measure—a failure due to the inherent weakness of the cause, not to any defects on the part of its advocate.

C. BASTABLE

Transactions of the Political Economy Circle of the National Liberal Club. Vol. I. London: King & Son, 1891.

THIS first volume of the Transactions of the Political Economy Circle of the National Liberal Club cannot be termed quite satisfactory. Generally speaking the papers are too short for their subjects. The best are certainly Mr. Courtney's introductory address on the economic principles which should guide legislation with reference to the occupation of land, Mr. Mann's paper on international migration, and Mr. Llewellyn Smith's paper on the migration of labour within our own country.

Mr. Courtney deals in his address with the subject of occupation as distinct from ownership. Occupation involves the use of land, and the interest of the community with respect to occupation is that the best use should be made of the land. No occupier will make the best use of the land unless you guarantee to him, first, the immediate result of his labour, *e.g.* the crop which he has sown, and secondly, the replacement with profit of the capital which he has laid out in permanent improvements. Here, however, Mr. Courtney draws a distinction. The maker of a permanent improvement may have been fully recouped before the effect of the improvement has been exhausted; and then a question arises whether he is necessarily entitled to derive any further advantage from such improvement. But, again, the interest of the community requires that, among persons wishing to

occupy, he who will do most to develop the value of the land should obtain the land. But if the occupation of land is to be absolutely transferable, you cannot have that fixity of occupation which in some degree or other is indispensable. In every actual community, moreover, the problem is complicated with questions of ownership. Mr. Courtney touches on the difficulties of unqualified private ownership, and of the practically divided ownership implied in what is popularly known as the three F's system. He sees the impossibility of applying generally any institution like the Irish Land Courts, but contemplates an authority empowered as between owner and occupier to vest the entire interest in the land in the party able and willing to make the most of it. He does not, however, elaborate his conception of such an authority. This indefiniteness in the conclusion weakens the effect of a lucid and suggestive essay.

Mr. Mann begins with a gentle shock to our nerves. He observes that international migration was hardly taken into account by economists before our time. If international migration became general, it would antiquate the received theory of international trade, for if labour became perfectly mobile, international values would be determined simply by relative cost of production. Further, the only ground of a strictly economic character which could be alleged in favour of restraint upon international migration would be the diminution in the efficiency of labour consequent upon a lowering of wages. But Mr. Mann calms us with the assurance that even now international migration is not practically important. Immigrants generally form non-competing groups, and immigration is due chiefly to special and temporary causes. In arriving at these conclusions Mr. Mann appears to us to lay too much stress upon the particular instance of the Jewish migration into England. He has himself told us that international migration is a recent phenomenon, and we may reasonably suppose that its consequences are only beginning to be felt.

Mr. Llewellyn Smith concerns himself almost entirely with the migration of the country people to London. Following the train of thought suggested in his contribution to Mr. Booth's volume on *Labour and Life of the People in East London*, he argues that the country people come into London, not aimlessly but with definite prospects of employment; that, as a rule, they do not fall but rise in the social scale; that they displace the really town-bred population, and that it is these degenerate townsmen, not the country-bred folk, who recruit the numbers of the unemployed. It is where the influx from the country is least that over-crowding and wretchedness are worst. Mr. Llewellyn Smith appears to make out his case. But if it be true that London uses up human beings in this way, what a prospect for future generations, of whom so large a proportion will dwell in cities!

Of the remaining papers, Mr. Sidney Webb's essay on the rate of interest seems to us to teem with disputable matter. It tries to develop a definition of economic interest parallel to the definition of

economic rent. Economic interest is to be defined as the amount of produce over and above economic wages, which is obtained through the use of capital upon land at the margin of cultivation by the skill of the worst worker employed. We doubt whether this conception has either the scientific or the practical value ascribed to it by Mr. Webb, and we seem to detect in the process by which it is reached, notably in what is said about the law of diminishing returns, some strange confusions of thought.

Mr. Milnes contributes a paper on the Report of the Gold and Silver Commission, in which he aims at showing that monometallism is not responsible for the bad consequences charged upon it. So far as England is concerned, he thinks that changes in the relative value of gold and silver have affected rather the distribution than the amount of wealth, and have done no real harm to the community. Mr. Levy criticises Mill's position that the distribution of wealth is more subject to human control than the production of wealth.

F. C. MONTAGUE

Notions Fondamentales d'Economie Politique et Programme Économique. Par G. DE MOLINARI. Paris: Guillaumin et Cie. 1891.

IN an interesting and able contribution to one of the last numbers of the *Political Science Quarterly*, a distinguished French economist, M. Charles Gide, gives as one of the reasons why the contemporary French economic school is undervalued outside France that 'French economists are ill prepared to accept the scientific method of the day, that of evolution.' Now, this remark, though bitter, may be true, but it surely does not apply to M. de Molinari, who although a defender of *laissez-faire*—his first *Études Économiques* having been published almost half a century ago—has thoroughly accepted the theory of evolution and the preponderating influence of dynamical agencies in social and economical development. In the book under review he constantly and consistently takes this view of his subject.

Taking the law of economy of force, and the law of the results of free competition as the basis of the early development of civilization, M. de Molinari shows how, at a later stage, in proportion as mankind has settled down to industry and commerce and offered the products of its labour for exchange, the inequality of the pressure of competition has called into action a third law, the law of the progression of value, of which he has given an elegant formula:—*Whenever the relations between the quantities of two commodities or two services offered in exchange varies according to an arithmetical progression, the relation between the values of these two commodities or services varies according to a geometrical progression.*

M. de Molinari proceeds to demonstrate that these three natural laws lead to the progress of production, and to the useful distribution of