

most advantageous to themselves, individuals necessarily prosecute such as are, at the same time, *most* advantageous to the public. His leaning to the system of M. Quesnay—a leaning perceptible in every part of his work—made him so far swerve from the sounder principles of his own system, as to admit that the preference shown by individuals in favor of particular employments is not always a *true test* of their public advantageousness. He considered agriculture, though not the only productive employment, as the most productive of any; the home trade as more productive than a direct foreign trade; and the latter than the carrying trade. It is clear, however, that these distinctions are all fundamentally erroneous. . . . Perhaps, however, the principal defect of ‘The Wealth of Nations’ consists in the erroneous doctrines laid down with respect to the invariable value of corn, and the effect of fluctuations in wages and profits on prices. These have prevented Dr. Smith from acquiring clear and accurate notions respecting the nature and causes of rent, and the laws which govern the rate of profit; and have, in consequence, vitiated the theoretical conclusions in those parts of his work which treat of the distribution of wealth and the principles of taxation.”—*Principles of Political Economy*, by J. R. McCulloch.

If we examine carefully the foregoing extract we cannot fail to discern how great those deficiencies are which the pupil alleges against the master, for he declares him to have been ignorant of the true character and value, firstly, of home trade; secondly, of foreign trade; and, thirdly, of the carrying trade between nations. A pretty extensive category of ignorance this is; and then, in addition, he declares that the master was not able to discover the laws which govern the rate of profit. Now, as all increase of wealth is comprehended by the term profit, so failing to discover and apprehend the whole subject of the creation of wealth.

The next category of deficiencies, admitted by the schoolmen themselves, we derive from the writings of Mr. Malthus. They are comprised in the following passage:—

“Since the era of these distinguished writers, the subject has gradually attracted the attention of a great number of persons, particularly during the last twenty or thirty years. All the main propositions of the science have been examined, and the events which have since occurred, tending either to illustrate or confute them, have been repeatedly discussed. The result of this examination and discussion seems to be, that on some very important points there are still great differences of opinion. Among these, perhaps, may be reckoned, the definitions of wealth and of productive labor—the nature and measures of value, the nature and measures of the principles of demand and supply; the origin and progress of rent; the causes which practically retard and limit the progress of wealth; the level of the precious metals in different countries; the principles of taxation, &c.”—*Principles of Political Economy*, by T. R. Malthus, edition 1836, page 3.

By these passages from the writings of Malthus, containing his *latest* judgment, for the work has been published since his death, you will see how much the writers on Political Economy have left for succeeding inquirers to explore, to discover, and to explain to the world.

The next evidence which we will adduce, is derived from the recorded judgment of a scientific and practical statesman, one who, having attached himself