

distinctly assert that Labour is the *cause* of Value. I show, on the contrary, that we have only to trace out carefully the natural laws of the variation of Utility, as depending upon the quantity of commodity in our possession, to arrive at a satisfactory theory of exchange, of which the ordinary laws of supply and demand are a necessary consequence. This theory is in harmony with facts; and, whenever there is any apparent reason for the belief that Labour is the cause of Value, we obtain an explanation of the reason. Labour is found often to determine Value, but only in an indirect manner, by varying the degree of Utility of the commodity through an increase or limitation of the supply." Here, however, we must hark back to first principles, and see what we mean by Utility. The question is pertinent, not only because of the misleading meaning given to the word by current opinion, but because of its association with the supposed materialist tendencies of Utilitarianism—an association, indeed, from which economic science still suffers.

The Boundary Line in Economics.—Every science, as expressing the division of labour which rules in thought as in industry, must limit itself and specialise. Granting in the fullest way that men never escape the obligation to ethical conduct in the industrial as in the political life, there can be nothing but confusion if we do not draw a line, however arbitrary, between ethical science and economic science, just as we draw a line between ethical science and political science. Let us drop, so far as possible, the word Wellbeing, which is generally taken as explaining "Wealth," and has, in current language and in cruder economics, become confused with it. Take it from Aristotle that Happiness is the "end in itself"—the Good for which we desire all other things. Men, blindly seeking Happiness, aim, not indeed at Money, but at the things