

PRINCIPLES
OF
SOCIAL SCIENCE.

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OF
PRINCIPLES

SOCIAL SCIENCE.

BY

H. C. CAREY.

IN THREE VOLUMES.

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P R E F A C E.

THE work now offered for consideration, will speak for itself; but its readers will, perhaps, excuse its author, if, for a few moments, he asks their attention to matters of little interest to any but himself.

Of the principles here enunciated, some now make their appearance for the first time; whereas, others were first published, twenty years ago.* Since then, the latter have reappeared in another work, by a distinguished French economist,† which—its circulation having been extensive—has been read by thousands, who have never seen the volumes, in which the same ideas had previously been published. Finding, here, a repetition of what they had read elsewhere, and given without acknowledgment, those persons would, most naturally, be disposed to suspect the present author of having wrongfully appropriated the property of another; when, in point of fact, he was, himself, the real owner. This would be an unpleasant state of things; and, as the only mode by which it can be avoided, he deems it well to make, on this occasion, a brief statement of the order of discovery, of the various new ideas contained in the following pages.

The theory of value, as now given, was first published in 1837. Being very simple, it was very comprehensive—embracing every commodity, or thing, in reference to which the idea of value could exist—whether land, labor, or their products. This was one step towards establish-

* CAREY: *Principles of Political Economy*. Philad., 1837-1840.

† BASTIAT: *Humaines Économiques*. Paris, 1850.

ing the universality of natural laws—the value of land having been ascribed, by all previous economists, to causes widely different from those which gave value to its products.*

Consequent upon this, was the discovery of a general law of distribution—embracing all the products of labor, whether that applied to cultivation or conversion—to change of place or form. According to the theories then most generally received, the profit of one, was always attended with loss to another—rents rising, as labor became less productive, and profits advancing, as wages retrograded—a doctrine that, if true, tended to the production of universal discord; and that, too, as the natural consequence of a great law, instituted by the Deity for man's government.†

* “Carey, and after him Bastiat, have introduced a formula, *à posteriori*, that I believe destined to be universally adopted; and it is greatly to be regretted that the latter should have limited himself to occasional indications of it, instead of giving to it the importance so justly given by the former. In estimating the equilibrium between the cost to one's self and the utility to others, a thousand circumstances may intervene; and it is desirable to know if there be not among men a law, a principle of universal application. Supply and demand, rarity, abundance, etc., are all insufficient, and liable to perpetual exceptions. Carey has remarked, and with great sagacity, that this law is the labor saved, *the cost of reproduction*—an idea that is, as I think, most felicitous. It appears to me that there cannot arise a case, in which a man shall determine to make an exchange, in which this law will not be found to apply. I will not give a quantity of labor or pains, unless offered in exchange an utility equivalent; and I will not regard it as equivalent, unless I see that it will come to me at less cost of labor than would be necessary for its reproduction. I regard this formula as most felicitous; because, while on one side it retains the idea of cost, which is constantly referred to in the mind, on the other it avoids the absurdity to which we are led by the theory, which pretends to see everywhere a value equivalent to the cost of production; and, finally, it shows more perfectly the essential justice that governs us in our exchanges.” —FERRARA: *Biblioteca degli Economisti*, vol. xii. p. 117.

† “Low wages, as a consequence of competition for the sale of labor, reduce the prices of the things to the production of which that labor is applied; and it is the consumers of those products, the whole society, that reap the profit. If, then, as a consequence of low wages, the latter find themselves obliged to contribute to the support of the poor workman, they are indemnified therefor by the reduced prices at which they obtain his products.” —J. B. SAY: *Traité d'Économie Politique*, t. II, p. 292.

It is here supposed that society profits by a state of things, that impoverishes the workman, and sends him to the hospital. The interests of the employer and his workmen being the same, such a state of things could not exist.