

David Ricardo's Grundgesetze der Volkswirtschaft und Besteuerung. By DR. KARL DIEHL. (Bände II und III, Socialwissenschaftliche Erläuterungen.) Leipzig, Wilhelm Engelmann, 1905.—xiii, 427; 529 pp.

It is a remarkable circumstance that of the three great figures in the formative period of economic science, one alone, Malthus, has received adequate exposition. Dr. Bonar in his *Malthus and his Work* has given a splendid example of what hard scholarship, intimate grasp and analytical power can do in the way of reconstructing a mental history. The labors of Hasbach, Rae and Cannan promise to give us a new Adam Smith; but at present the interpretation is suggestive rather than definitive. As to Ricardo, in many respects the most alluring of the triad, the exhibit has been depressing. McCulloch's eulogy, Held's caricature, Gonners's estimate, all leave much to be desired by the economist as by the historian, and such real contributions as have been made are to be found in the brief but illuminating studies of Marshall, Patten and Ashley.

Into this breach Dr. Karl Diehl, the learned professor of political science in the University of Königsberg, has thrown himself. Nominally a "new and revised" edition of Baumstark's *Erläuterungen*, the two stout octavo volumes, extending over some nine hundred and fifty pages, are in content entirely independent of the commentaries of the early translator of Ricardo. The only reference to the connection is found in the somewhat misleading title of the work, and in a prefatory statement that the publishers' desire to make accessible Baumstark's work, long out of print, is indirectly responsible for the appearance of Dr. Diehl's treatise at the present juncture.

The method of treatment which Dr. Diehl has adopted is precise and systematic. To Ricardo's theories of value, of rent, of wages, of interest and profit, of money, of foreign trade, of crises, over-production and machinery, of taxation, are assigned successive chapters. In each case the theory is first outlined; then follow sections of critical commentary; finally there is a resumé of the historical development of the doctrine. A concluding chapter is devoted to a discussion of Ricardo's general place in the history and method of social science.

Some question might be raised as to the proportionate allotment of space. Value and wages occupy one entire volume, almost as much as all the other topics combined. Taxation is compressed within sixteen pages, less than is accorded the sub-division on technical improvements in agriculture, in connection with the theory of rent. In gen-

eral the earlier chapters are more extended than the later, and it may be that physical limitation rather than relative importance has been the determining factor.

As an expositor proper, Dr. Diehl is clear and succinct. He has studied Ricardo's difficult text diligently and to good purpose. Involved passages are deciphered, detached expressions are segregated, and elliptical dicta are elucidated. There is here the material for a useful epitome of Ricardo's doctrines in their ultimate form. The signal defect of the expository sections is their failure to trace, in connection with each theory analyzed, Ricardo's mental history. Successive doctrines are set forth as things definite and rigid, yet close students of the Ricardian doctrines know that the brief span of Ricardo's scientific life was a period of mental flux, and that friendly correspondence, polemic controversy, objective environment contributed, at every stage, influences that are always traceable and sometimes measurable. In another place the present writer has sought to make this clear with respect to Ricardo's theory of value, and something of the same task awaits patient investigation with respect to each of the remaining doctrines.

In his second phase, as critic of Ricardo's theories, Professor Diehl displays rich bibliographical equipment, acute analytical power and a degree of mental balance that is unusual among historians of the classical political economy. To the American economist it will appear that undue prominence has been accorded the Marxian criticisms. It is likely that in sheer mass this controversial literature exceeds the whole remaining body of *Ricardiana*, and that about it has raged no small part of the economic debate of nineteenth-century radicalism. Yet to students on this side of the Atlantic, removed from the heat and din of battle, the socialistic polemic seems to possess little of enduring value and to take rank as a hyper-critical dialectic rather than a scientific correction.

The third part of Dr. Diehl's work is the *dogmenhistorische* section appended to each chapter. This is the least satisfactory part of the treatise. Ordinarily chronicled in a few pages, the usual result is a crass *rechauffé* which suffers painfully in contrast with the brilliant contributions of Bonar and Cannan. Indéed, it is this insufficiency of background, both as to earlier doctrines and as to objective environment, that constitutes the prime defect of Professor Diehl's notable performance. Ricardo's doctrines are set forth as things in themselves, rather than in relation to the thought which preceded them and the events which determined them. In so far the author marks a reaction

from the materialistic interpretation of Held and Cannan and, more regrettably, a departure from the sympathetic appreciation of Marshall and Patten.

Professor Diehl's technique seems throughout skilful and accurate. Here and there occurs a slip: "Wichow" (I, 44) for "Whishaw"; "viel Opposition" (II, 273) in translation of "little opposition"; and, somewhat more surprising, in two distinct places (II, 262, 273), the ascription to McCulloch himself of editorial annotations upon Ricardo's letters to McCulloch.

Professor Diehl has done a dignified and substantial piece of work. It is not a definitive achievement in the sense that Bonar's *Malthus* is, or Cannan's *Adam Smith* is likely to be. But no present student will fail to be grateful for, and no future worker can afford to neglect, this valuable contribution to the history of economic thought.

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Value and Distribution. By HERBERT JOSEPH DAVENPORT.
Chicago, The University of Chicago Press, 1908.—ix, 582 pp.

The remarkable acuteness of mind and enthusiasm for the subject shown in Professor Davenport's work command the admiration of his reader. One cannot refrain from commenting upon what might be called the great endurance in theory exhibited by this author. He seems to have followed into its utmost ramifications almost every problem in the whole range of his intricate material. From Adam Smith down to our latest writers, the principal thinkers who have influenced the development of the economic theory of the English language, including those of the Austrian school, are passed under a lengthy and searching review. It is the plan of the work to develop in such a review the true theory of value and distribution. Could we grant the author his own statement in the preface, what he accomplishes in the way of construction has followed merely from "the selection, delimitation and articulation" of existing theories, since economics has been for some time "in possession of doctrines enough for a reasonably complete, consistent and logical system of thought—if only these doctrines had been, with a wise eclecticism, properly combined." But Davenport's efforts are too destructive to permit us to class him as an ordinary eclectic. He has believed it necessary

to rid the science of the following doctrines that do not belong to it, *e. g.*, labor-time, labor-pain, utility, and marginal utility determinants or meas-