

RUDIMENTARY  
ECONOMICS

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RUDIMENTARY ECONOMICS

FOR

SCHOOLS AND COLLEGES.

BY

GEORGE M. STEELE, LL.D.,

PRINCIPAL OF WESLEYAN ACADEMY, WILBRAHAM, MASS., AND MEMBER OF  
THE AMERICAN ECONOMIC ASSOCIATION.



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TO THE  
Alumni of the Lawrence University of Wisconsin,  
AND ESPECIALLY  
TO THE GRADUATES OF THE YEARS 1874 TO 1879,  
WHO, WITH THE AUTHOR,  
PURSUED THE STUDY OF THE SCIENCE, THE RUDIMENTS OF  
WHICH ARE HEREIN SET FORTH,  
This Little Volume  
IS AFFECTIONATELY INSCRIBED.



"Man, the molecule of society, is the subject of social science. . . . His greatest need is that of ASSOCIATION with his fellow-men." "Association depends upon INDIVIDUALITY. There can be no association without differences." — CAREY.

"The higher a living being stands in the order of nature, the greater the difference between its parts, and between each part and the whole organism. The lower the organism, the less the difference between the parts, and between each part and the whole." — GOETHE.

"For the body is not one member, but many." "Many members, yet but one body." "Those members of the body which seem to be more feeble are necessary." "And whether one member suffer, all the members suffer with it; or one member be honored, all the members rejoice with it." — PAUL.

## PREFACE.

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THIS brief treatise is intended to meet the wants of students in academies and high schools. There is no dearth of works on Political Economy, but most of them are too abstruse and elaborate for young pupils, while many prepared for this class are condensations rather than simplifications of the subject.

To present the principles of this study briefly and clearly, and at the same time exhibit satisfactorily through familiar illustrations their practical applications, is no easy task, yet this has been the aim of the author. His success can be tested only by experience.

Another difficulty in the preparation of such a text-book lies in the fact that while at the present time a multitude of books on Political Economy have been written by able and reputable scholars, even on fundamental principles there is so wide a diversity of opinions and so much antagonism. This is intensified by the partisanship displayed by advocates of different views, and still more because these antagonizing doctrines have



found their places in the platforms of political parties. It is eminently proper on questions that divide public thought both sides should have a fair hearing, in order that the immature student may understand the grounds of belief on which either party rests its faith. This, too, has been the purpose of the author. Questions just now agitating the public are freely brought forward with the main arguments sustaining the different doctrines briefly, but it is hoped clearly, presented.

Notwithstanding the great number of disputed points, there are many general principles with which it is important that even the young student should become acquainted. It is also of great value to know the conflicting views of eminent thinkers both past and present.

The author has drawn freely on the works of Henry C. Carey. On the labor and wages question he is specially indebted to President Francis A. Walker's able treatises. The late Professor Jevons has furnished valuable aid on the Instrument of Exchange. Other writers have been cited as occasion has demanded.

G. M. S.

WILBRAHAM, MASS., January, 1891.

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## POLITICAL ECONOMY.

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1. SOCIAL SCIENCE treats of the natural laws which govern men in their relations to each other. Political economy is the application of that portion of these laws which pertain to the production and distribution of wealth.

2. It is important to understand what is meant by *wealth*. Writers differ greatly concerning its definition; but they all agree, by implication at least, in making *value* an essential characteristic of the objects symbolized by this term. It will, then, be necessary, before going on to a final determination of the signification of wealth, to ascertain the meaning of value.

3. As this is, in some respects, the most important word in political economy, it is desirable to get a clear apprehension of what it implies. Value is a *relative* term, having reference to the quantity of one commodity which may be equitably exchanged for a given quantity of another. Thus a bushel of wheat may be given for two bushels of oats, or a cord of wood for twenty yards of cotton cloth. But,