

# SOME TRUTHS WORTH REMEMBERING,

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In political economy, as in all other practical branches, there is nothing that can be true in theory, but false in practice. Political economy has to deal with practice alone, and the results of reasoning on facts, when systematically arranged, are called theory. A theory may be consistent within itself, though starting from erroneous premises and misconceived facts, but this does not make the theory true. Speculation is not theory. In medicine nothing can be healing in theory, but killing in practice. Every one theorizes who reflects on facts, in order to find laws; sacrificing facts to a theory, is enchaining idolatry.

Political economy is of the last importance; for, its subjects are closely connected with civilization, freedom, and the most sacred interests of man; but political economy is not; on that account, a substitute for ethics, religion, or any essential branch of knowledge.

The bible does not dispense with political economy. The bible gives principles; political economy seeks the means and methods of carrying them out; for instance, the principle of charity, and pauper systems.

Civilization stands in need of greatly accumulated wealth; progressive civilization of progressive wealth.

Values exist long before money.

Great wealth exists without any money; for instance, China.

Money is always a minimum part of national wealth.

National wealth is nothing but a term for the aggregate wealth of the individuals.

Freedom, which is security of untrammelled action, is one of the first requisites of general and healthy wealth. With our race commerce has almost always prospered or fallen with religious liberty, (because in Europe, religious liberty has, generally, been the highest test of liberty.)

Accumulation of wealth, so far from being any thing sordid, is indispensable to civilization. Economy is necessary to accumulate wealth; saving is honorable. There is no economy possible, without order. Keeping books is indispensable to order. Pay as you go along.

Money always retains the essential characteristic of a commodity. Money is a commodity. Gold and silver have naturally become the chief substances of coin, but no mysterious law of nature has made them so.

Always judge of questions of production and consumption, first, without any reference to money, (as if it did not exist,) and without any reference to civil divisions—to colored lines on the map.

Mutual dependance is a primary law in political economy, as in all else.

All production is for consumption—productive or unproductive. The only thing essentially needing protection, is consumption. Consumption is protected when the law removes all obstacles in the way of obtaining the highest amount for the smallest means; all else is wilful waste.

Labour stands truly in need of protection, that is, no arbitrary restraint must be put on labour, so that more labour is necessary to obtain an object, than would be requisite without the restraint. *All* labour must be protected; that is, *none* must be restrained or wasted. All so called protection of labour is partial favour to some species of labour, to the detriment of general labour.

Communism is the doctrine of absolutism, whether monarchical or democratic. Protective tariffs are veiled communism.

Commerce, internal and foreign, is still and must for ever remain, barter, except the smallest retail.

Products alone can create a demand for products. Not hunger, not cold, create a demand for bread or raiment, but products which may be given in exchange for them. If money be given for them, this money must first be obtained for products.

Government cannot make money; it can only stamp it, to save trouble. The die cannot impart original value, but as it adds to the exchangeableness, so it adds to that value which the piece of metal already possessed.

There is no such thing as inherent value. Value requires a thing desired, and a person desiring. Value is a relation. Gold has no inherent value for the starving man on a wreck. A crumb of bread would be preferred by him. Nor has water, though used by all, any value where all may have it; but it receives value where some have it, and others not. We use the term value, also, for things desired, and for which we are ready to part with other things possessed by us.

Political economy deals with exchangeable values only.

Free trade is nothing more than protection against obstruction. The true name for the protectionist would be obstructionist. Free trade is protection of every man's own.

Rapid circulation promotes civilization, and as civilization advances it requires circulation increased in extent and in rapidity. Man removes natural obstacles by roads, canals, navigation, and he creates greater ones by protective tariffs.

In point of political economy there is no difference between selling and buying. If A buy flour with money, of B; B, at the same time, buys money with flour, of A.

All process of accumulation, is slow; that of destruction, quick. A town is slowly reared, but a conflagration can consume it in a night. It is the same with capital, and all wealth.

The factors of wealth are industry, security and frugality. There is no other source of wealth, but production. Wise exchange is production.

An ill spent tax is worse than robbery ; for, it is the taking away of part of private property, under the name and by the force of law, for illegal purposes.

If wealth consisted in money, mankind could not become richer. There could only be the process of the two buckets in the well, and in each transaction of trade, one party would necessarily be a loser.

No enterprise, failing by its own unprofitable nature, can be, at the same time, ruinous to the adventurers, yet advantageous to the community. If a railway cost \$500,000, and shares fall to \$25 in the hundred, because travelling and freight pay a fair interest of \$100,000 only, in that case the community have for ever lost the value of \$400,000, and the passengers and freight are carried at the rate of the regular and fair price *plus* the interest of \$400,000 proportionately divided in the course of the year. Nothing is more common than to hear that a hotel or a canal has been ruinous to the adventuring individuals, but that the people have reaped the advantage of it. This cannot be. The same applies to government undertakings. They cannot be advantageous to the whole, (so far as productive effects are concerned,) although they would be ruinous to individuals.

Almost all modern free nations have set out with protection so called, because freedom implies that the popular voice have its proper weight, and the people necessarily first judge by immediate appearance. If they sell their own products higher, they think that they are gaining, not seeing what they lose as consumers, and they suppose that money constitutes wealth. But almost all new governments, struggling into existence, have shared the same error—monarchical as well as popular ; for instance, Prussia.

Common sense is the native sound judgment, which guards us against the too-much and the too-little, (the *nimum*.) in the application of rules and principles, to given practical cases. It becomes tact, but is no intuition. It is necessary every where, and in all spheres, but dispenses with no reasoning and no experience. Common sense cannot plough the field, it cannot become a substitute for agricultural sci-

ence, but without it neither plough nor science can be applied in each concrete case. Common sense does not render political economy unnecessary, but political economy cannot do without it, any more than religion, philosophy, or the healing art can.

Men have always been political economists, as there have always been philosophers or physicians, that is, they have always been guided by reflection, correct or erroneous, upon subjects appertaining to these spheres, but a long time elapses ere an Aristotle, Hippocrates or Smith gathers the experience of ages into a coherent system of knowledge. Whether political economy is a science or not, is indifferent. It is knowledge ; it seeks truth.

All serious reflection, and unbiased thinking, requires that we free ourselves from incidental associations of ideas, contracted from appearances. Language exists before systematic reflection, and around every word clusters an unbidden association of ideas. No where is this emancipation of the mind, and divesting of terms from incrustations, more necessary than in political economy, and with reference to no term, so much so, as to that of money.

Political economy is associated by many persons with utilitarianism, that is, that system which seeks for the *ultimum bonum* in the merely physical welfare of man. This is no truer than confounding religion with certain religious errors, or with fanaticism, hypocrisy or priest craft. Political economy simply endeavours to ascertain the laws of production and consumption—the principles of exchange. Exchange is an exclusive characteristic of man, and a basis of his highest interests and aspirations. So long as man's soul is united to his body, so long is political economy of importance.

Free trade is the principle of the gospel of peace and good will, carried out in the world of exchange. Protection is short-sighted selfishness.

Free trade is nothing but the natural state of things, like free communion. It would not have acquired any importance as a separate subject, any more than free breathing, had there not been a period when, with our race, it was almost

universally and fearfully invaded. Now it is necessary to re-establish and fortify it by legislation.

Free trade has arrived at that period, at least, when it is universally acknowledged *within* each country. The next period will be when it is acknowledged within our entire race, and people will speak of protection as we now speak of the beauty patches of the last century.

Single fortunes, single busy places, strike the minds of men. They are palpable; yet they prove nothing as to general wealth. So does each war, however ruinous, produce some gigantic gains, and the most lavish monarchs enrich their capitals. There existed never greater fortunes than in the Roman empire at its worst period, amidst universal ruin.

The physical desires of men are remarkably uniform in all, and multifarious in each individual. All palates relish saccharine substances. The capacity of the earth, to satisfy these uniform and multifarious desires, is remarkably diversified over the globe, and limited to districts. Few countries produce sugar. This apparent incongruity reveals the wisdom and goodness of our Maker. Out of it arise exchange and civilization. Territorial division of labour, is still more important than individual. It is a truth of great importance for natural theology.