

And, lastly, Adam Smith did not confine the idea of property so exclusively to that of landed property as did the agriculturists, still less did he go back to the superficial and mistaken conception prevalent in the earlier commercial system, which made money—*i.e.*, the precious metals—the main object of its interest, but he introduced a truer conception of capital or stock which, next to land and labour, formed the third important factor in his economic system.

So far as free trade is concerned, of which Adam Smith is frequently represented to be the first and greatest exponent, he was not original in attacking the mistakes of the protectionist and prohibitive systems which then prevailed all over Europe, though he probably did more than any other writer on the subject to influence practical reform and legislation in that direction.

Although the great work of Adam Smith laid stress upon certain philosophical principles, it was not systematic nor methodical, still less strictly deductive; it was full of illustrations and valuable reflections, and, in consequence, gave rise to an enormous literature which branched out in various directions, investigating special points of his doctrine, combating some of his theories, or attempting to bring more system and logical consistency into the exposition of the whole or special departments of the subject. In the latter respect David Ricardo (1772-1823) attained for a time great celebrity; but though he is fond of logical dialectic and deductive reasoning, it is now generally admitted that he did not introduce any very novel point of view, and, least of all, any philosophical principle which would be helpful in

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Ricardo and
Malthus.