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[p. 2d]

*Bad Times: an Essay on the Present Depression of Trade.* — By Alfred Russel Wallace, LL.D., London: Macmillan and Co.

‘The present work was written last March, in competition for the Pears prize of one hundred guineas for the best essay on the present depression of trade. It did not obtain the prize.’ So says the author’s preface. We are not surprised that Dr. Wallace was unsuccessful. His views are quite antagonistic to those held by the winners of the prize, and by Professor Leoni Levi, one of the adjudicators. Those of our readers who know Dr. Wallace as a resident at Godalming are aware that he is a man who thinks for himself, and that his opinions very often do not run in the common rut. In many respects he is original, and so we may say of his ideas on *Bad Trade*. We can fancy the reader’s remark, ‘That’s a dry subject.’ Not so. Those who may take the trouble to peruse Dr. Wallace’s latest issue from the press will find that he has, in crisp and forcible phrases, lucidly set forth his theories to account for the Depression. Though far from convinced that all the reasoning adduced rests on incontrovertible grounds, we think the author has thrown a different light on many of the headings, on much of the reasoning, contained in the Prize Essays, *The Depression in Trade*; and we are glad that he has chosen to publish *Bad Times* on an independent basis.

The depression existing—and we rank ourselves amongst those who do not think it so intense or deep-seated as is very often represented—has caused the appearance of a string of ‘fads’ to account for the phenomena and to cure the effects. With most of these Dr. Wallace disagrees. In many instances he supports the position taken by cogent reasoning, which makes it difficult to shape an effective answer. Into that portion of the Essay we do not propose to enter. We invite the reader to follow whilst we sketch or summarise the author’s view of the chief causes of the depression, and the which he suggests. First in importance as contributing to stagnation he places Foreign Loans. Those which are put to reproductive uses are unobjectionable; but it is known that much of English money has gone to encourage waste and war. Dr. Wallace points out that the leaps and bounds of prosperity which marked the trade and commerce of 1870-75, and which was formed on an unsound basis, was the period of excessive loans to foreign Governments. Whilst this money (£260,000,000) was being spent—much of it in extravagance and useless finery—our exports were continually increasing in amount. Presently the loans were exhausted, and then came the payment of interest and instalments of the loan. Where the money had not been spent wisely, with the view to a profitable return, the interest, etc., only added to the burdens of those who had previously been heavily laden, and the result was a reduction of their purchasing power of the products of this country. Therefore, whilst imports increased to supply the increasing wants at home, exports decreased. Next in sequence Dr. Wallace places the increased War Expenditure, as contributing largely to a diminished trade. At home the cost of our fighting forces has increased more than four million sterling per annum in the past ten years. Austria, France, Germany, Russia, Italy, have all travelled on the same costly road. The loss to each nation consists—first, in the deprivation of the unproductive labour of so many strong men kept idle; second, by the increased burden of taxation to meet the costs; and thirdly, by the actual loss of life and property during a state of war. The calculations made by the essayist lead him to infer that, in

Europe alone, the military preparedness involves a loss of the labour of seven millions of men. In money, the expenditure of the six great Powers is now £612,000,000 per annum, an increase of £266,500,000 within fourteen years. Can it be wondered that there are 'Bad Times' in the world under such a state of things?

Depopulation of the Rural parts of Great Britain and Ireland Mr. Wallace thinks to be another important factor in elucidating the subject. From a study of the Census returns, he has come to the conclusion that nearly two million of persons have, during the past ten years, been driven from the agricultural portions of the country into the towns. This migration he contends has considerably diminished the production of food; and to that cause he attributes the great increase of imports of bacon, eggs, potatoes, etc., which has been shown in our custom-house returns in recent years.

In the condition of Pauperism Dr. Wallace traces another source of the Depression. He joins issue with those who think the Local Government Board returns are an accurate test of the state of poverty in the country. He points out that the in-door paupers have increased in as great a ratio as the population; and if those receiving out-door relief have diminished, private and voluntary agencies have increased their activity and met the need. Mr. Wallace alludes to 'the mass of chronic and hopeless pauperism, represented by the indoor paupers,' as not diminished. One would expect that the more stringent rule now applied in giving outdoor aid would increase the inmates of the workhouses. Yet we know that in the country unions at least the inmates are chiefly the aged, the sick or permanently disabled, and children. The able-bodied are very few.

The Agricultural depression and its consequences Mr. Wallace admits play an important part in the present state of things; but as a land reformer the author sees in what has happened strong grounds why some of the changes of which he is so earnest an advocate should be adopted.—The cursory reader will probably be surprised to come across the heading 'Millionnaires a cause of depression.' So the author thinks, and he has justified his position. 'Speculation and Finance' are credited with a share of the national short-coming. In so far as Dr. Wallace condemns gambling in connection with the Limited Liability Act we agree with him; but we think the measure has been largely beneficial to the trading interests of the country.

The Remedies proposed are in some instances chimerical. 'Immoral Foreign Loans' are to be condemned, and we trust that there will be an increasing number of able writers like our neighbour who will labour to arouse public opinion against them, and against war expenditure. The views stated in regard to the cure for agricultural depression coincide with those of other reformers; and the curse of depopulation Dr. Wallace thinks would be cured by the establishment of Peasant Proprietorships, and extended allotment holdings. We commenced the perusal of *Bad Times* in a careless apathetic mood; we close with a sense of pleasure, of new light thrown upon important social questions of the day, and fully appreciative of the efforts which Dr. Wallace has made in behalf of the toiling and suffering millions of his fellow countrymen.

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*The Alfred Russel Wallace Page*, Charles H. Smith, 2021.