

# ECONOMIC PRINCIPLES AND PROBLEMS

by

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## PREFACE TO THE FOURTH EDITION

This fourth edition of *Economic Principles and Problems* follows by an interval of four years the preceding edition, published in 1936. It is offered to instructors in economics as a serious attempt to achieve something more than has thus far generally been accomplished in the conventional beginning course in economics. Designed for three to five hours of class work per week throughout the academic year, it can be easily adapted to meet the varying needs of classes and students.

In its fundamental characteristics, this text is composed of economic principles, stated and illustrated. Certain background chapters are included to prepare the student for a better understanding of these principles in their modern setting. But even in these chapters, as in those on Isms, Planning, and so on, the purpose has been to "point them up" to the economic principles which are being elucidated more sharply than was the case in the preceding edition. In the attempt to achieve greater simplicity and clarity in the illustration of principles, tables are in general more abbreviated than formerly. Special effort has been made to write, not for the authors' professional colleagues, but for the beginning students in college.

The various chapters are written as simply as the principles, problems, nature of data, and skill of the respective authors permit. There are, of course, many complex phenomena that cannot be made simple by any scheme of presentation or writing. Intricate topics, if important to the beginner, are not omitted or glossed over in this text, for the reason that unless the student is led into all the important fields involving the principles, facts, and problems with which the economist commonly deals, whether these be difficult or simple, a text departs from reality. The questions at the end of each chapter are designed to focus the attention of the student upon essentials. The reference lists generally include a selected list of the

conventional standard works and of the most important official sources with which the student should become acquainted.

Several major changes characterize this new edition of the work. An important new chapter—The Economics of War—a subject thus far neglected in introductory texts, has been contributed by Sir Norman Angell. The chapter on Production has been written anew by Drs. Edward T. Bullock and Jules Backman, that on Capital by Dr. Robert F. Martin, those on Trade Unionism and Problems of Collective Bargaining by Dr. Emanuel Stein. The chapter on Resources, found in the third edition, has been dropped, material on resources now being included in the chapter on Land. The entire section on Value and Price has been rewritten by Professor Bruce W. Knight of Dartmouth College, author of *Economic Principles in Practice*. The length of each volume has been reduced some twenty per cent as compared with the preceding edition, while some individual chapters have been reduced as much as one-third.

In order to bring the text up to date, and where possible to simplify it, practically all the other contributors have made numerous changes in their presentation. In this they have profited by suggestions received from teachers since the appearance of the third edition, all of which both editor and authors hereby gratefully acknowledge.

In fact, the editor and authors have received so much sympathetic help from so many of their fellow economists over a period of four years that, with a few exceptions, only a general acknowledgment of appreciation of their interest in an enterprise, which has had in it a considerable element of pioneering, can be given here. The editor is especially indebted to the Departmental faculty, of which he is a member, who teach the course in Economic Principles and Problems; to the Departmental secretaries, Marie Grammer and Charlotte Kruger; to the Departmental assistants, Leo Fishman, Paul Shields, Stewart Sheppard, and Sidney Wachtel, and particularly to senior assistants, Henry Brodie and Thomas Flanagan, who aided in reading proof; to his colleagues, Drs. E. A. J. Johnson and T. F.

McManus for helpful suggestions, and to Dr. Earl E. Muntz who revised the chapter on Wages; to his former colleague, Dr. Albert O. Greef, now Professor of Economics at the University of Newark, for the meticulous list of queries and comments which he so kindly prepared; to Dr. George Filipetti, Professor of Economics at the University of Minnesota, for reading the chapter on Production; and to Dr. Harry Henig, of the University of Cincinnati, for his penetrating observations on the third edition.

Walter E. Spahr, *Editor*

New York City

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