

anything in the nature of efficient direction of capital investment became an utter impossibility. Thus the search for profit and the hectic prosperity of the community led, on more than one occasion, to reckless speculative investment in land, since all economic undertakings were already well supplied with capital.

Taking all these factors into account, it is no exaggeration to say that we have here the ideal situation demanded by Viner in which the overseas trade of the community is of overwhelming importance in relation to its internal trade, and to its industry and commerce in general, a situation which is especially favourable for the accurate analysis and measurement of the 'effects on each other and on the commercial and industrial structure of a country of the factors at work within the mechanism of its external trade'. But, despite the comparative ease in the isolation of the main controls, there are certain inherent difficulties involved in such measurement that must not be underrated. For the purposes of induction the limitations in the knowledge of the specific facts due to inaccurate or inadequate data of a statistical character, especially for the early period of Australian history, is a prime difficulty. Apart altogether from inadequacy of the statistical material, other difficulties may be indicated; and the chief of these is the difficulty of 'isolating the causes of a complex and joint effect'. The method of concomitant variations is sufficiently difficult of application in the carefully controlled circumstances of the laboratory, but in the tangled skein presented by a trade situation the difficulties are vastly enhanced. Again, regard must be paid to the fallibility of the human factor in the work of collecting, manipulating, and interpreting the statistics. Finally, the difficulty which faces a single investigator under the necessity of holding all the threads in proper order while engaged in the work of re-arranging and re-estimating the value of the data is almost insuperable.