

## The Gloomy Presentiments of Parson Malthus and David Ricardo

In addition to the omnipresent problem of poverty, a bothersome question worried England throughout most of the eighteenth century: the question of how many Englishmen there were. The worrisome aspect of the problem lay in the fact that England's natural enemies on the Continent bulged with what, to British eyes, must have appeared as a veritable flood of humanity, while England, with her slender resources, was convinced that her own population was on the decline.

Not that England was any too sure exactly how many Britishers there were; in hypochondriacal fashion, she preferred to worry in a factual vacuum. It would not be until 1801 that the first real census would be held, and when it came it would be heralded as "totally subversive of the last remnants of English liberty." Hence, Britain's earlier knowledge about the state of her human resources depended on the efforts of amateur statisticians: Dr. Price, a Nonconformist minister; Houghton, an apothecary and dealer in coffee and tea; and Gregory King, by trade a maker of maps.

Drawing on records of hearth taxes and baptismal registers, King, in 1696, reckoned up the number of souls in England and Wales as something near five and a half million—what seems to have been an extraordinarily accurate estimate. But King was concerned not only with the contemporary state of affairs. Looking into the future he wrote:

"In all probability, the next doubling of the people of England will be in about six hundred years to come, or by the year of our Lord 2300.... The next doubling after that will be, in all probability, in less than twelve or thirteen hundred years, or by the year of our Lord 3500 or 3600. At which time the kingdom will have 22 million souls ... in case," the map-maker added circumspectly, "the world should last so long."

But by the time of Adam Smith, King's projection of a gently rising population had given way to another view. Comparing eighteenth-century records of hearth-money taxes with those of an earlier day, Dr. Price proved conclusively that the population of England had *declined* by over 30 percent since the Restoration. The validity of his computation was obviously suspect, and other investigators hotly disputed his findings; nevertheless, what Dr. Price believed to be so was largely taken as fact, although, with the political exigencies of the times, a highly unpalatable fact. "The decay of population," moaned William Paley, the theologian-reformer, "is the greatest evil the state can suffer, and the improvement of it the object which ought... to be aimed at, in preference to every other political purpose whatsoever." Paley was not alone in his belief; the younger Pitt, the Prime Minister, even introduced a new poor-relief bill for the specific purpose of boosting the population. The bill was to pay liberal allowances for children, since it was quite apparent to Pitt that by having children a man "enriched" his country, even if his offspring should turn out to be paupers.

What is striking about the population question to our modern eyes is not whether England actually was or was not in danger of petering out as a nation. In retrospect, what is interesting is how harmonious either view of the population problem was with a vision that puts its faith in natural law, reason, and progress. Was the population declining? Then it should be encouraged to grow, as it "naturally" would under the benign auspices of the laws that Adam Smith had shown to be the guiding principles of a free market economy. Was the population growing? All to the good, since everyone

agreed that a growing population was a source of national wealth. No matter which way one cut the cake, the result was favorable to an optimistic prognosis for society; or, to put it differently, there was nothing in the population question, as it was understood, to shake men's faith in their future.

Perhaps no one summed up this optimistic outlook so naively and completely as William Godwin. Godwin, a minister and pamphleteer, looked at the heartless world about him and shrank back in dismay. But he looked into the future and what he saw was good. In 1793 he published *Political Justice*, a book that excoriated the present but gave promise of a distant future in which "there will be no war, no crime, no administration of justice, as it is called, and no government. Besides this there will be no disease, anguish, melancholy, or resentment." What a wonderful vision! It was, of course, highly subversive, for Godwin's utopia called for complete equality and for the most thoroughgoing anarchic communism: even the property contract of marriage would be abolished. But in view of the high price of the book (it sold for three guineas) the Privy Council decided not to prosecute the author, and it became the fashion of the day in the aristocratic salons to discuss Mr. Godwin's daring ideas.

One home in which this debate took place was Albury House, not far from Guildford, where there resided a curious old gentleman who was described by *Gentleman's Magazine* on his death in 1800 as "an eccentric character in the strictest sense of the term." This eccentric was Daniel Malthus, a friend of David Hume and a passionate admirer of Rousseau, with whom he had gone on local botanizing walks and from whom he had received a herbarium and a set of books in one of the French philosopher's recurrent urges for self-dispossession. Like so many leisurely but inquiring gentlemen of his day, Daniel Malthus enjoyed nothing better than a stimulating intellectual dialogue, and for an opponent he usually turned to his gifted son, the Reverend Thomas Robert Malthus.

Quite naturally, Godwin's paradise came up for consideration, and as might perhaps be expected of a well-disposed oddball, Malthus the elder felt sympathetically inclined toward the supremely rational utopia. But young Malthus was not so hopeful as his father. In fact, as the argument progressed, he began to see an insurmountable barrier between human society as it existed and this lovely imaginary land of everlasting peace and plenty. To convince his father he wrote his objections down at length, and so impressed was Daniel Malthus with his son's ideas that he suggested the thesis be published and presented to the public.

Consequently, in 1798 an anonymous treatise of fifty thousand words appeared on the scene. It was entitled *An Essay on the Principle of Population as It Affects the Future Improvement of Society*, and with it perished at one blow all the fond hopes of a harmonious universe. In a few pages young Malthus pulled the carpet from under the feet of the complacent thinkers of the times, and what he offered them in place of progress was a prospect meager, dreary, and chilling.

For what the essay on population said was that there was a tendency in nature for population to outstrip all possible means of subsistence. Far from ascending to an ever higher level, society was caught in a hopeless trap in which the human reproductive urge would inevitably shove humanity to the very brink of the precipice of existence. Instead of being headed for Utopia, the human lot was forever condemned to a losing struggle between ravenous and multiplying mouths and the eternally insufficient stock of Nature's cupboard, however diligently that cupboard might be searched.

No wonder that after he read Malthus, Carlyle called economics "the dismal science," and that poor Godwin complained that Malthus had converted friends of progress into reactionaries by the hundreds.

In one staggering intellectual blow Malthus undid all the hopes of an age oriented toward self-

satisfaction and a comfortable vista of progress. But, as if this were not enough, at the same time a quite different kind of thinker was also preparing the *coup de grace* for yet another of the lulling assumptions of the late eighteenth and early nineteenth centuries. David Ricardo, an astonishingly successful trader in stocks, was soon to outline a theory of economics which, while less spectacular than Malthus's inundation of humanity, would be in its own quiet way just as devastating to the prospects of improvement held out by Adam Smith.

For what Ricardo foresaw was the end of a theory of society in which everyone moved together up the escalator of progress. Unlike Smith, Ricardo saw that the escalator worked with different effects on different classes, that some rode triumphantly to the top, while others were carried up a few steps and then were kicked back down to the bottom. Worse yet, those who kept the escalator moving were not those who rose with its motion, and those who got the full benefit of the ride did nothing to earn their reward. And to carry the metaphor one step further, if you looked carefully at those who were ascending to the top, you could see that all was not well here either; there was a furious struggle going on for a secure place on the stairs.

Society to Adam Smith was a great family; to Ricardo it was an internally divided camp, and small wonder that he should have seen it as such. In the forty years since *The Wealth of Nations* England had divided into two hostile factions: the rising industrialists, busy with their factories and fighting for parliamentary representation and social prestige, and the great landowners, a rich, powerful, and entrenched aristocracy, who looked resentfully at the encroachments of the brassy *nouveaux riches*.

It was not that the capitalists were making money which enraged the landowners. It was the damnable fact that they kept insisting that food prices were too high. What had happened in the short space of time since Adam Smith was that England, long a grain-exporting nation, was being forced to buy foodstuffs from abroad. Despite the mutterings of Dr. Price, who saw England's population rapidly dwindling away, the actual growth of population had caused the demand for grain to exceed the supply and had *quadrupled* the price of a bushel of wheat. And as prices rose, so did agricultural profits; on a farm in East Lothian, Scotland, profits and rent together averaged 56 percent of invested capital; on another farm of three hundred acres—a very typical medium-sized establishment—profits were £88 in 1790, £121 in 1803, and £160 ten years later. In the country at large all witnesses agreed rents had at least doubled over the preceding twenty to twenty-five years.

As grain soared, enterprising merchants began to buy wheat and corn abroad and bring them into the country. Quite naturally, the landlord looked on this practice with dismay. Farming was not merely a way of life for the aristocracy, it was a business—a big business. On the Reevesby estate in Lincolnshire in 1799, for instance, Sir Joseph Banks needed two rooms for his offices, separated them with a fireproof wall and an iron door, and was proud of the fact that it took a hundred and fifty-six drawers to classify all the papers pertaining to the farm. Although such a landlord lived on his land and loved the land, although he saw his tenants daily and joined societies for the purpose of discussing crop rotation and the virtues of competing fertilizers, he did not lose sight of the fact that his income depended on the price at which he sold his crop.

Hence the flow of inexpensive grain from overseas was hardly viewed in a tolerant light. But fortunately for the landlord, the means were readily at hand to combat this distressing development. Dominating Parliament, the landlord simply legislated himself an ironclad system of protection. He passed the Corn Laws, which imposed sliding duties on the importation of grain; the lower the foreign price fell, the higher went the duty. In effect, a floor was established to keep low-priced wheat permanently out of the English market.

But by 1813 the situation had gotten out of hand. Bad crops and the war with Napoleon conspired to bring about virtual famine prices. Wheat sold at a price of 117 shillings a quarter—approximately 14 shillings per bushel. Thus a bushel of wheat sold for a price equal to nearly *twice* a workman's *whole weekly wage* (to put this into perspective, compare the highest price ever reached by American wheat before the 1970s: \$3.50 per bushel in 1920 when weekly wages averaged \$26.00).

Patently, the price of grain was fantastic, and what to do about it became a question of enormous moment to the country. Parliament studied the situation carefully—and came up with the solution that the duty on foreign grain should be raised still higher! The rationale was that higher prices in the short run would act to stimulate a larger production of English wheat in the long run.

This was too much for the industrialists to take. Contrary to the landed proprietors, the capitalists wanted cheap grain, for the price of food largely determined the amount they would have to pay for labor. It was not out of humanitarian motives that the industrialist fought for cheaper food. A great London banker, Alexander Baring, declared in Parliament that “the labourer has no interest in this question; whether the price be 84 shillings or 105 shillings a quarter, he will get dry bread in the one case and dry bread in the other.” By this Baring meant that regardless of the price of bread, the laborer would get wages enough to buy his crust and no more. But from the point of view of those who met payrolls and sought after profits, it made a vast deal of difference whether grain—and wages—were cheap or dear.

The business interests organized; Parliament found itself flooded with more petitions than it had ever received before. In view of the temper of the country, it became obviously inexpedient to push through new higher Corn Laws without some deliberation. New committees were appointed in Commons and in Lords, and the issue was temporarily shelved. Fortunately, the next year saw the defeat of Napoleon, and grain prices subsided again toward more normal levels. But it is an index to the political power of the landholding class that thirty years would have to pass until the Corn Laws were finally wiped from the books and cheap grain was permitted to come freely into Britain.

It is not difficult to understand why David Ricardo, writing in the midst of such a period of crisis, saw economics in a different and far more pessimistic light than Adam Smith. Smith had looked at the world and had seen in it a great concert; Ricardo saw a bitter conflict. To the author of *The Wealth of Nations* there was good reason to believe that everyone could share in the benefits of a benign providence; to the inquiring stockbroker writing about a half-century later, not only was society rent into warring groups, but it seemed inescapable that the rightful winner of the conflict—the hardworking industrialist—was bound to lose. For Ricardo believed that the only class that could possibly benefit from the progress of society was the landlord—unless his hold on the price of grain was broken.

“The interest of the landlords is always opposed to the interest of every other class in the community,” he wrote in 1815, and with that unequivocal sentence an undeclared war became recognized as the crucial political struggle of a growing market system. And with the open declaration of hostilities there perished the last forlorn hope that this might after all turn out to be the best of all possible worlds. Now it seemed that if society did not drown in the Malthusian swamp, it would tear itself to pieces on David Ricardo's treacherous moving stairs.

We must look more closely at the profoundly disturbing ideas of the gloomy parson and the skeptical trader. But first let us look at the men themselves.

It would be hard to imagine two persons more widely separated in background and career than Thomas Robert Malthus and David Ricardo. Malthus, as we know, was the son of an eccentric

member of the English upper middle class; Ricardo was the son of a Jewish merchant-banker who had immigrated from Holland. Malthus was tenderly tutored for a university under the guidance of a philosophically minded father (one of his tutors went to jail for expressing the wish that the French revolutionaries would invade and conquer England); Ricardo went to work for his father at the age of fourteen. Malthus spent his life in academic research; he was the first professional economist, teaching at the college founded in Haileybury by the East India Company to train its young administrators; Ricardo set up in business for himself at the age of twenty-two. Malthus was never well-to-do; by the time he was twenty-six, Ricardo—who had started with a capital of £800—was financially independent, and in 1814, at the age of forty-two, he retired with a fortune variously estimated to be worth between £500,000 and £1,600,000.

Yet oddly enough it was Malthus, the academician, who was interested in the facts of the real world, and Ricardo, the man of affairs, who was the theoretician; the businessman cared only for invisible “laws” and the professor worried whether these laws fitted the world before his eyes. And as a final contradiction, it was Malthus with his modest income who defended the wealthy landowner, and Ricardo, a man of wealth and later a landlord himself, who fought against their interests.

Different as they were in background, training, and career, so they were accorded utterly different receptions. As for poor Malthus, in the words of a biographer, James Bonar, “He was the best abused man of his age. Bonaparte himself was not a greater enemy of his species. Here was a man who defended small-pox, slavery, and child-murder—a man who denounced soup-kitchens, early marriages, and parish allowances—a man who ‘had the impudence to marry after preaching against the evils of a family.’” “From the first,” says Bonar, “Malthus was not ignored. For thirty years it rained refutations.”

Such abuse was bound to befall a man who urged “moral restraint” on the world. And yet Malthus was neither a prude (by the standards of his times) nor, certainly, an ogre. It is true that he urged the abolition of poor relief and even opposed housing projects for the working classes. But all this was done with the sincerest interest of the poorer classes at heart—and indeed may be contrasted with the view of some contemporary social theorists who suggested blandly that the poor be allowed to die peacefully in the streets.

Hence Malthus’s position was not so much a hardhearted as a supremely logical one. Since according to his theory the basic trouble with the world was that there were too many people in it, anything that tended to promote “early attachments” only aggravated the sum of mankind’s misery. A man for whom “at Nature’s mighty feast there is no vacant cover” might be kept alive by charity; but since he would then propagate, such charity was only cruelty in disguise.

But logic does not always win popularity, and someone who points out the gloomy end of society can hardly expect to gain popular esteem. No doctrine was ever so reviled: Godwin declared that “the express object of Mr. Malthus’s writing was to prove how pernicious was their error, who aimed at my considerable and essential improvement in human society.” It is not surprising that Malthus was regarded as beyond the pale of decent-thinking people.

Ricardo, on the other hand, was a man on whom Fortune smiled from the start. A Jew by birth, he had broken with his family and became a Unitarian to marry a handsome Quaker girl with whom he had fallen in love; but in a day when tolerance was hardly the rule—his father had traded in a part of the Exchange known as the Jews’ Walk—Ricardo achieved both social status and widespread private respect. Later in life, when he was in Commons, he was called on to speak from both sides of the House. “I have no hope,” he said, “of conquering the alarm with which I am assailed the moment I hear the sound of my own voice.” That voice was described by one witness as “harsh and screamy,”

by another as “sweet and pleasant” although “pitched extremely high”; but when it spoke, the House listened. With his earnest and brilliant expositions, which ignored the toss of events and concentrated on the basic structure of society “as if he had dropped from another planet,” Ricardo became known as the man who educated Commons. Even his radicalism—he was a strong supporter of freedom of speech and assembly, and an opponent of Parliamentary corruption and Catholic persecution—did not detract from the veneration in which he was held.

It is doubtful whether his admirers grasped much of what they read, for there is no more difficult economist to understand than Ricardo. But although the text might have been complex and involved, its import was plain: the interests of the capitalists and the landlords were irrevocably opposed and the interests of the landlords were inimical to the community. Hence, whether they understood him or not, the industrialists made him their champion: political economy even became so popular with them that ladies who hired governesses inquired whether they could teach its principles to their children.

But while Ricardo, the economist, walked like a god (although he was a most modest and retiring person), Malthus was relegated to a lower status. His essay on population was read, admired, and then disproved again and again—the very vehemence of the disproofs a disquieting testimony to the strength of his thesis. And while Ricardo’s ideas were avidly discussed, Malthus’s contributions to economics—aside from his essay on population—were largely looked on with a kind of benevolent tolerance, or ignored. For Malthus had a sense that all was not well with the world, but he was utterly incapable of presenting his arguments in a clear-cut logical fashion: he was even heretical enough to suggest that depressions—“general gluts,” he called them—might upset society, an idea that Ricardo had no trouble proving absurd. How exasperating for a modern reader! Intuitive and fact-minded, Malthus had a nose for trouble, but his woolly-headed expositions had no chance against the incisive brilliance of the financial trader who saw the world only as a great abstract mechanism.

Hence they argued about everything. When Malthus published his *Principles of Political Economy* in 1820, Ricardo went to the trouble of taking some 220-odd pages of notes to point out the flaws in the Reverend’s arguments, and Malthus positively went out of his way in his book to expose the fallacies he was sure were inherent in Ricardo’s point of view.

Strangest of all, the two were the closest of friends. They met in 1809 after Ricardo had published a series of masterful letters to the *Morning Chronicle* on the question of the price of bullion, and then had demolished a Mr. Bosanquet, who was rash enough to venture an opposing view. First James Mill and then Malthus sought out the author of the letters, and a friendship formed among all three which endured to the ends of their lives. A stream of correspondence passed between them, and they visited each other endlessly. “They hunted together in search of the Truth,” wrote Maria Edgeworth, a contemporary writer, in a charming diary, “and huzzaed when they found her, without caring who found her first.”

Mention of Maria Edgeworth warrants an additional word. The daughter of an economist, she was perhaps the first woman to express opinions about the workings of the economy. These initially took the form of moral tales for children, but in 1800 she produced a novel, *Castle Rackrent*, about a landed family that squandered its fortune, largely by indifference to the needs of its tenants. “Rackrent” became a widely used term for such practices. Perhaps of greater interest for this account, Maria corresponded regularly with Ricardo and urged him to come to Ireland to see for himself the realities of the rent problem about which he wrote from Olympian heights. He did not take up her invitation. Incidentally, it would be a century until women became important economists in considerable numbers.

It was not all serious discussion; these were very human beings. Malthus, whether out of deference

to his theories or other reasons, had married late, but he was fond of social gatherings. After his death, someone who had known him mused on his life at East India College: “The subdued jests and external homage and occasional insurrections of the young men; the archery of the young ladies; the curious politeness of the Persian professor ... and the somewhat old-fashioned courtesies of the summer evening parties are all over now.”

The pamphleteers compared him with Satan, but Malthus was a tall and handsome man and a gentle soul; his students called him “Pop” behind his back. He had one odd defect: from his great-great-grandfather he had inherited a cleft palate and his speech was difficult to understand; *I* was his worst letter, and there is an amusing account of his saying into the ear trumpet of a deaf and famous lady: “Would not you like to have a look at the lakes of Killarney?” This defect and the indissoluble association of his name with overpopulation led one acquaintance to write:

Philosopher Malthus was here last week. I got an agreeable party for him of unmarried people ... he is a good natured man and, if there are no signs of approaching fertility, is civil to every lady.... Malthus is a real moral philosopher, and I would almost consent to speak as inarticulately, if I could think and act as wisely.

Ricardo at home also loved to entertain; his breakfasts were famous, and he seems to have indulged in a fondness for charades. In her *Life and Letters*, Miss Edgeworth tells of one round:

*coxcomb*—Mr. Smith, Mr. Ricardo, Fanny, Harriet,—and Maria, *crowing*. Ditto, ditto, *combing* hair. Mr. Ricardo, solus strutting, a *coxcomb*, very droll.

He was extraordinarily gifted as a businessman. “The talent for obtaining wealth,” wrote his brother, “is not held in much estimation, but perhaps in nothing did Mr. R. more evince his extraordinary powers than he did in business. His complete knowledge of all its intricacies—his surprising quickness at figures and calculation—his capability of getting through, without any apparent exertion, the immense transactions in which he was concerned—his coolness and judgment—enabled him to leave all his contemporaries at the Stock Exchange far behind.” Sir John Bowring later declared that Ricardo’s success was based upon his observation that people in general exaggerated the importance of events. “If therefore, dealing as he dealt in stocks, there was reason for a small advance, he bought, because he was certain the unreasonable advance would enable him to realize; so when stocks were falling, he sold in the conviction that alarm and panic would produce a decline not warranted by circumstances.”

It was a curiously upside-down arrangement: the theoretical dealer in securities versus the practical divine—particularly curious since the theoretician was at home in the world of money whereas the man of facts and figures was utterly at sea.

During the Napoleonic Wars, Ricardo was an underwriter in a syndicate that bought government securities from the Treasury and then offered them to the subscribing public. Ricardo often did Malthus a favor and carried him for a small block of securities on which the parson made a modest profit. On the eve of Waterloo, Malthus thus found himself a small “bull” on the Exchange, and the strain was too much for his nerves. He wrote to Ricardo urging him “unless it is wrong or inconvenient ... to take an early opportunity of realizing a small profit on the share you have been good enough to promise me.” Ricardo did, but with the stronger staying power of the professional speculator bought himself into a maximum bull position. Wellington won; Ricardo made an immense

killing, and poor Malthus could not help being discomfited. Ricardo, on the other hand, wrote casually to the Reverend, "This is as great an advantage as ever I expect or wish to make by a rise. I have been a considerable gainer by the loan... Now for a little of our old subject," and he plunged back into a discussion of the theoretical meaning of a rise in the price of commodities.

Their endless debate went on, by letter and visit, until 1823. In his last letter to Malthus, Ricardo wrote: "And now, my dear Malthus, I have done. Like other disputants, after much discussion, we each retain our own opinions. These discussions, however, never influence our friendship; I should not like you more than I do if you agreed in opinion with me." He died that year suddenly, at the age of fifty-one; Malthus was to go on until 1834. As for his opinion of David Ricardo: "I never loved anybody out of my own family so much."

Although Malthus and Ricardo disagreed on almost everything, they did not disagree about what Malthus had to say about population. For in his celebrated *Essay* in 1798, Malthus seemed not only to elucidate the question once for all but also to shed a great deal of light on the terrible and persistent poverty that haunted the English social scene. Others had vaguely felt that somehow population and poverty were related and a popular if apocryphal story of the day concerned an island off the coast of Chile where one Juan Fernandez landed two goats in case he should later wish to find meat there. On revisiting the island he found that the goats had multiplied beyond reason, so he then landed a pair of dogs who also multiplied and cut down the goats. "Thus," wrote the author, a Reverend Joseph Townshend, "a new kind of balance was restored. The weakest of both species were the first to pay the debt of nature; the most active and vigorous preserved their lives." To which he added: "It is the quantity of food which regulates the number of the human species."

But while this paradigm recognized the balance that must be struck in nature, it still failed to draw the final devastating conclusions implicit in the problem. This was left for Malthus to do.

He began with a fascination in the sheer numerical possibilities contained in the idea of *doubling*. His appreciation of the staggering multiplicative powers of reproduction has been amply supported by other, later scholars. One biologist has calculated that a pair of animals, each pair producing ten pairs annually, would at the end of twenty years be responsible for 700,000,000,000,000,000,000 offspring; and Havelock Ellis mentions a minute organism that, if unimpeded in its division, would produce from one single tiny being a mass a million times larger than the sun—in thirty days.

But such examples of the prolific power of nature are meaningless for our purposes. The vital question is: how great is the normal reproductive power of a human being? Malthus made the assumption that the human animal would tend to double its numbers in twenty-five years. In the light of his times this was a relatively modest assumption. It necessitated an average family of six, two of whom were presumed to die before reaching the age of marriage. Turning to America, Malthus pointed out that the population there had in fact doubled itself every twenty-five years for the preceding century and a half, and that in some backwoods areas where life was freer and healthier, it was doubling every fifteen years!

But against the multiplying tendencies of the human race—and it is inconsequential to the argument whether it tended to double in twenty-five years or in fifty—Malthus opposed the obdurate fact that land, unlike people, cannot be multiplied. Land can be added to laboriously, but the rate of progress is slow and hesitant; unlike population, land does not *breed*. Hence, while the number of mouths grows geometrically, the amount of cultivable land grows only arithmetically.

And the result, of course, is as inevitable as a proposition in logic: the number of people is bound, sooner or later, to outstrip the amount of food. "Taking the population of the world at any number, a



thousand millions, for instance,” wrote Malthus in his *Essay*, “... the human species would increase in the ratio of 1, 2, 4, 8, 16, 32, 64, 128, 256, 516, etc. and subsistence as 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, etc. In two centuries and a quarter the population would be to the means of subsistence as 512 to 10; in three centuries as 4096 to 13, and in two thousand years the difference would be incalculable.”

Such a dreadful view of the future would be enough to discourage any man: “The view,” Malthus wrote, “has a melancholy hue.” The troubled Reverend was driven to the conclusion that the incorrigible and irreconcilable divergence between mouths and food could have only one result: the larger portion of mankind would forever be subjected to some kind of misery or other. For somehow the huge and ever potentially widening gap must be sealed: population, after all, cannot exist without food. Hence among the primitives such customs as infanticide; hence war, disease, and, above all, poverty.

And if these are not enough: “Famine seems to be the last, the most dreadful resource of nature. The power of population is so superior to the power of the earth to provide subsistence ... that premature death must in some shape or other visit the human race. The vices of mankind are active and able ministers of depopulation.... But should they fail in this war of extermination, sickly seasons, epidemics, pestilence, and plague advance in terrific array and sweep off their thousands and tens of thousands. Should success still be incomplete, gigantic inevitable famine stalks in the rear, and with one mighty blow, levels the population with the food of the world.”

No wonder poor Godwin complained that Malthus had converted friends of progress into reactionaries. For this is truly the doctrine of despair. Nothing, *nothing* can rescue mankind from the constant threat of drowning under its own weight but the frail reed of “moral restraint.” And how dependable is moral restraint against the great passion of sex?

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Was Malthus right?

As recently as the early 1970s the general outlook for world population growth seemed to confirm the prescience of his expectations, at least in the less developed portions of the world. In those years demographers spoke of a possible world population of 20 billion—*five times* the population in 1970—if the momentum of population growth went unchecked for another fifty years.

Today the pendulum has swung somewhat to the other side. In fact, thinking on the population problem has always swung between poles of opinion: it is striking that Malthus himself was much more sanguine in a second edition of his famous essay published only five years after the first, pinning his hopes on the belief that the laboring classes would learn to exercise voluntary “restraint” by postponing their age of marriage.

Today’s cautious optimism is based to a large extent on technological breakthroughs, especially the so-called Green Revolution which has raised crop yields dramatically in countries like India. India today produces enough foodstuffs to be a modest exporter. Hence, although agronomists still hold their breath each year until the crops are in, the terrible prospect of global famine, brought about by Malthus’s arithmetic of supply and demand, is no longer regarded as a realistic prognosis. Horrified TV watchers in the 1980s who saw pictures of skeletonlike human beings in Ethiopia and the sub-Saharan belt were not witnessing Malthus’s predictions come true, but the consequences of localized conditions, such as droughts and inadequate transportation networks.

Nonetheless, more is needed to set aside the Malthusian specter than an increase in food production. Even if global famine no longer seems imminent, experts warn that population pressures are still immense. In a Nobel symposium on population problems in 1981, demographers spoke of the

threatened emergence of some fifteen mega-cities of over 20 million each in the underdeveloped world. "Spreading like scabrous growths, these human warrens surely pose the supreme political challenge to that world," commented one observer. "How are these urban masses to be kept from the rot of apathy, or restrained from the temptations of anarchy and disorder?"

Perhaps more important, we must not forget that Malthus was right in claiming that population growth, proceeding exponentially, inherently has the *capability* of swamping increases in agricultural productivity. Thus there remains the necessity to master the demand side of the equation as well as the supply side. What is required is control over the production of children as well as food.

Is worldwide population control possible? The answer seems to be a surprising yes. It is surprising because demographers have long doubted that the nations worst afflicted with the population "disease" could surmount the barriers of peasant ignorance, organized religious opposition, and political apathy. Now a more sanguine outlook prevails. During the last years, countries as different as Mexico and China have switched from indifference or outright hostility to an enthusiastic endorsement of birth control. Even India, long the despair of the demographers, has made a determined—indeed, at times a ruthless—effort to introduce planned parenthood.

And the effort has begun to pay off. In the years 1970—1975, despite the prevailing gloom, the rate of growth of population slowed *for the first time in history*. The growth of population has not yet stopped by any means—U.N. experts predict that today's world population of some 5 billion may grow to between 9 to 10 billion before it levels off. But at least and at last, the growth rate *is* slowing down, and the leveling may come sooner than was imaginable only a decade ago. The trouble is that the victory will not be equally shared. In Europe, for example, we already have something close to ZPG—zero population growth, except for immigration. Fifty years hence, the United States own population, today roughly 275 million, may well number over 390 million, including some 800,000 immigrants. This is a total that will surely add to urban crowding, although it is not likely to overstrain total resources.

But in the poorest parts of the world, where food is scarcest, the forecast is not so reassuring. Birthrates are slowly dropping there, too, but more slowly than in the West, and from a higher starting point. The Malthusian specter will not disappear for a long time.

Curiously, Malthus himself did not aim his shafts at those parts of the world where the problem is so severe today. He was concerned about England and the Western world, not about the continents of the East and South. And here, happily, Malthus was quite mistaken. In 1860 in Great Britain, about 60 percent of all married couples had families of four or more. By 1925 only one couple in five had a family that size. Conversely, the number of families with only one or two children increased over the same time span, from 10 percent of the total to more than half.

What saved the West from Malthus's projected doublings and redoublings? Birth control undoubtedly played a central role. Originally it was called Neo-Malthusianism, a name that would have made Malthus wince, for he disapproved of the practice. Actually, birth control seems to have been practiced by the upper classes all through history, which is one reason why the rich got richer and the poor got children. As England and the West enjoyed a gradually widening affluence, the poor not only ate and clothed themselves better, but they also learned how to limit their offspring like the wealthier classes.

Equally important in confuting Malthus's prediction in the West was its enormous urbanization. On the farm, children can be assets; in the city they are liabilities. Thus economic considerations joined with increasing knowledge of birth control practices to prevent the feared population explosion from taking place.

So the worst of the predictions did not come true for England, and the terrible logic of Malthus's calculations was confined to those parts of the world where wealth and progress lagged. None of this, of course, was even dimly visible in Malthus's own day. In 1801, despite severe misgivings and rumors to the effect that it was the prelude to a military dictatorship, the first census was undertaken in Britain. John Rickman, a civil servant and statistician, calculated that England's population had increased by 25 percent in three decades. Although this was far from doubling, no one doubted that were it not for the disease and poverty of the masses, the population would have grown like an avalanche. No one saw the future slowing-down of the birthrate; rather it seemed as if Britain were forever to face the mean poverty that sprang from a relentlessly spawning humanity scrabbling for an insufficient supply of food. Poverty no longer seemed accidental, or an act of God, or the result even of human indifference. It was as though some malign providence had condemned the human race to eternal dolor, as if all of mankind's efforts toward self-improvement were made a farce through the stinginess of nature.

It was all very discouraging. Paley, who had urged a larger population "in preference to every other political purpose whatsoever," now became a convert to Malthus's banner; Pitt, who had wanted his country enriched with more children, now withdrew his bill for higher poor relief in deference to the parson's opinions. Coleridge summed up the doleful outlook. "Finally, behold this mighty-nation," he wrote, "its rulers and wise men listening to—Paley and—to Malthus! It is mournful, mournful."

Anyone who was not sufficiently depressed by Malthus had only to turn to David Ricardo.

At first glimpse his was not a particularly terrifying world—at least not after the Malthusian. The universe of David Ricardo, set forth in his *Principles of Political Economy* in 1817, is dry, spare, and condensed; there is none of the life, the lively detail of Adam Smith. Here is nothing but principle, abstract principle, expounded by an intellect that is focused on something more permanent than the changing flux of daily life. This is as basic, bare, unadorned, and architectural as Euclid, but, unlike a set of pure geometrical propositions, this system has human overtones: it is a *tragic* system.

To understand that tragedy, we must take a moment to introduce the main characters in the drama. They are not, as we have said, *people*: they are prototypes. Nor do these prototypes, in the everyday sense of the word, *live*: they follow "laws of behavior." There is none of the bustle of Adam Smith's world here; instead we watch a puppet show in which the real world has been stripped of everything but its economic motivations.

Whom do we meet? First, there are the workers, undifferentiated units of economic energy, whose only human aspect is a hopeless addiction to what is euphemistically called "the delights of domestic society." Their incurable penchant for these delights causes every rise in wages to be promptly met with an increase in population. The workers get their dry crust, as Alexander Baring put it, for without it they could not perpetuate themselves. But over the long run they are condemned by their own weakness to a life at the margin of subsistence. Like Malthus, Ricardo saw only "self-restraint" as a solution for the working masses, and although he wished the workers well, he did not put too much faith in their powers of self-control.

Next we meet the capitalists. They are not Adam Smith's conniving merchants. They are a gray and uniform lot, whose entire purpose on earth is to accumulate—that is, to save their profits and to reinvest them by hiring more men to work for them; and this they do with unvarying dependability. But the capitalists' lot is not an easy one. For one thing, by competing among themselves they quickly erase any undue profits that might accrue to a lucky soul who invented a new process or found an

unusually profitable channel of trade. For another thing, their profits depend largely on the wages they have to pay, and as we shall see, this leads them into considerable difficulties.

But so far, save for the lack of realistic detail, it is not a world too far removed from that of Adam Smith. It was when Ricardo came to the landlord that things were different.

For Ricardo saw the landlord as a unique beneficiary in the organization of society. The worker worked, and for this he was paid a wage; the capitalist ran the show, and for this he gained a profit. But the landlord benefited from the powers of the soil, and his income—rent—was not held in line either by competition or by the power of population. In fact, he gained at everyone else's expense.

We must pause for a moment to understand how Ricardo came to this conclusion, for his bleak outlook for society hangs on his definition of the landlord's rent. Rent, to Ricardo, was not just the price one paid for the use of the soil, much as interest was the price of capital, and wages the price of labor. Rent was a very special kind of return which had its origin in the demonstrable fact that not all land was equally productive.

Suppose, says Ricardo, there are two neighboring landlords. On one landlord's fields the soil is fertile, and with the labor of a hundred men and a given amount of equipment he can raise fifteen hundred bushels of grain. On the second landlord's fields, the soil is less fecund; the same men and their equipment will raise only one thousand bushels. This is merely a fact of nature, but it has an economic consequence: grain will be cheaper, per bushel, on the fortunate landlord's estate. Obviously since both landlords must pay out the same wages and capital expenses, there will be an advantage in cost to the man who secures five hundred more bushels than his competitor.

It is from this *difference* in costs that rent springs, according to Ricardo. For if the demand is high enough to warrant tilling the soil on the less productive farm, it will certainly be a very profitable operation to raise grain on the more productive farm. Indeed, the greater the difference between the two farms, the greater will be the differential rent. If, for example, it is just barely profitable to raise grain at a cost of \$2.00 a bushel on very bad land, then certainly a fortunate landowner whose rich soil produces grain at a cost of only 50 cents a bushel will gain a large rent indeed. For both farms will sell their grain in the market at the same price—say \$2.10—and the owner of the better ground will therefore be able to pocket the difference of \$1.50 in their respective costs of production.

All this seems innocuous enough. But now let us fit it into the world that Ricardo envisaged, and its portentous consequences will become quite clear.

To Ricardo, the economic world was constantly tending to expand. As capitalists accumulated, they built new shops and factories. Therefore, the demand for laborers increased. This boosted wages, but only temporarily, for better pay would soon tempt the incorrigible working orders to avail themselves of those treacherous delights of domestic society and so to undo their advantage by flooding the market with still more workers. But here is where the world of Ricardo turns sharply away from the hopeful prospects of Adam Smith. As population expanded, said Ricardo, *it would become necessary to push the margin of cultivation out further*. More mouths would demand more grain, and more grain would demand more fields. And quite naturally, the new fields put into seed would not be so productive as those already in use, for it would be a foolish farmer who had not already used the best soil available to him.

Thus, as the growing population caused more and more land to be put into use, the cost of producing grain would rise. So, of course, would the selling price of grain, and so too would the rents of well-situated landlords. And not only rents, but wages would rise as well. For, as grain became more expensive to produce, the laborer would have to be paid more, just to enable him to buy his dry crust and stay alive.

And now see the tragedy. The capitalist—the man responsible for the progress of society in the first place—has been put in a double squeeze. First, the wages he has to pay are higher, since bread is dearer. Secondly, the landlords are much better off, since rents have been rising on good land, as worse and worse land has got pushed into use. And as the landlord's share in society's fruit increases, there is only one class that can get elbowed aside to make room for him—the capitalist.

What a different conclusion from Adam Smith's great pageant of progress! In Smith's world everybody gradually became better off as the division of labor increased and made the community more wealthy. We can now see that this conclusion hinged on Smith's failure to perceive land as a bottleneck to progress. In Smith's vision there is no shortage of fertile soil, hence no margin behind which rents would rise along with population.

By way of contrast, in Ricardo's world *only* the landlord stood to gain. The worker was forever condemned to subsistence, for he chased after every wage rise with a flock of children and thereby competed most of his gains away. The capitalist, who worked and saved and invested, found that all his trouble was for nothing; his wage costs were higher and his profits smaller. As for the landlord, who did nothing but collect his rents—he sat back and watched them increase.

No wonder that Ricardo fought against the Corn Laws and showed the advantages of free trade in bringing cheap grain into Britain. No wonder the landlords fought tooth and nail for thirty years to keep cheap grain out of the country. And how natural that in Ricardo's exposition the young industrialist class saw the theory that just fitted their needs. Were they responsible for low wages? No, since it was only the worker's own blindness that drove him to multiply his numbers. Were they responsible for the progress of society? Yes, and what did it avail them to expend their energies and save their profits for still further adventures in production? All they got for their pains was the dubious satisfaction of watching rents and money wages rise, and their own profits shrink. It was they who drove the economic machine, and the landlord lolling in the back seat who gained all the pleasure and reward. Indeed a sensible capitalist would really have to ask himself if the game was worth the candle.

Now who was to pop up and say that Ricardo was unfair to the landlords but Parson Malthus!

Let us remember that Malthus was not just an expert on the population question. He was first and foremost an economist, and he had, as a matter of fact, propounded the "Ricardian" theory of rent before it was taken up and refined by Ricardo himself. But Malthus did not draw the same conclusions from his theory as his friend. "Rents," said Malthus, in his *Principles of Political Economy*, which appeared three years after Ricardo's, "are the reward of present valour and wisdom, as well as of past strength and cunning. Every day lands are purchased with the fruits of industry and talent." "In fact," Malthus adds in a footnote, "Mr. Ricardo himself is a landlord and a good example of what I mean."

It was not a very convincing rebuttal. Ricardo did not paint the landlord as a machinating figure of evil. He was very well aware that landlords often improved the productivity of their farms, although he pointed out that in so doing they were actually performing the functions of a capitalist. But with irrefutable logic he showed that as land *owners*, even if they neglected their land, they stood to gain from the higher price of grain. Without anyone's having willed it, the forces of economic growth simply operated to channel gain into the pockets of the class that owned the land.

We cannot stop here to trace all the permutations of this debate. What is important is that the dire *implications* of rent envisioned by Ricardo never came to pass. For the industrialists finally did break the power of the landlords and they did finally secure the importation of cheap food. The

hillsides up which the wheatfields were ominously climbing in Ricardo's day were, within a few decades, returned to pasture. Equally important, the population never grew so fast as to swamp the resources of the country. For the Ricardian theory says that rent arises from the inequalities between the best land and the worst; obviously, if the population problem is under control, this difference will not develop to such a degree that rental returns assume socially alarming proportions. But consider for a moment the situation if Britain today were forced to feed a population of, say, a hundred million entirely from the produce of home-grown crops. And suppose the old Corn Laws had never been repealed. Is there any doubt that Ricardo's picture of a landlord-dominated society would be a frightening reality? The problem of rent has become almost an academic side issue in the modern Western world. But this is not because Ricardo's analysis was faulty; we have been spared the Ricardian dilemma only because the tempo of industrial life has rescued us from the Malthusian plight: industrialism has not only given us a brake on births, but it has enormously increased our ability to raise food from the land at our disposal.

Meanwhile, Malthus found yet another cause for concern. He was worried over the possibility of what he called a "general glut"—a flood of commodities without buyers.

Such an idea is by no means foreign to us, but it appeared foolish beyond belief to Ricardo. England had had upsets in trade, but all of these appeared to be traceable to some specific cause—a bank failure, or a burst of unwarranted speculation, or a war. More important, for Ricardo's mathematical mind, the concept of a general "glut" could be shown to be *logically impossible*. Therefore, it could never happen.

Ricardo's proof had been discovered by a young Frenchman named Jean-Baptiste Say. Say had two very simple propositions. First, he believed that the *desire* for commodities was infinite. The desire for food might be limited by the capacity of a man's stomach, as Adam Smith had said, but his desire for clothes, furniture, luxuries, and ornaments seemed incalculably large. But not only was demand infinitely large, said Say, but the *ability* to purchase was guaranteed as well. For every good that was produced cost something—and every cost was some man's income. Whether that cost was wages, rent, or profits, its sale price accrued as *someone's* income. And so how could a general glut ever occur? The *demand* for goods existed, and the *incomes* to buy them existed as well. Only passing misjudgments could prevent the market from finding the buyers it needed to clear its wares.

But although Ricardo accepted this as valid on the face of it, Malthus did not. It was not an easy argument to puncture, for it *did* seem logically watertight. But Malthus looked behind the process of swapping commodities for incomes, and came up with a strange idea. Was it not possible, he said, for the act of *saving* to make the demand for goods too small for the supply?

Again, to the modern world, this seems like a disturbingly fruitful line of inquiry. But Ricardo said it was plain and simple nonsense. "Mr. Malthus never appears to remember that to save is to spend, as surely, as what he exclusively calls spending," writes Ricardo in a reproving note. What he meant was that it was inconceivable to him that a man would bother to save his profits for any reason except to spend them for more labor and equipment, in order to earn still more profits.

This put Malthus in a quandary. Like Ricardo, he believed that saving meant spending—for industrial purposes, of course. But still, there seemed to be *something* in his argument—if only he could put his finger on it. He never could. He wrote, for example, to prove that accumulation was not *quite* so essential as Ricardo thought:

Many a merchant has made a large fortune although, during the acquisition of this fortune, there was perhaps hardly a single year in which he did not rather increase than diminish his expenditure on

objects of luxury, enjoyment, and liberality.

To which Ricardo penciled this annihilatory comment:

True, but a brother merchant who avoided an increased expenditure on objects of luxury, enjoyment, and liberality with the same profits, would get rich faster than him.

Poor Malthus! He never came off best in the exchange. His arguments *were* confused, as perhaps he knew himself. He once wrote, “I have so very high an opinion of Mr. Ricardo’s talents as a political economist, and so entire a conviction of his perfect sincerity and love of truth, that I frankly own I have sometimes felt almost staggered by his authority, while I have remained unconvinced by his reasonings.” Alas for future generations, Malthus was never able to make his own reasonings cogent or entirely comprehensible. For he was stumbling on a phenomenon that would one day absorb the main attention of economists—the problem of boom and depression—whereas Ricardo was entirely taken up with the quite different problem of distribution. For Malthus, the issue was the immensely important one of How Much Is There? For Ricardo it was the explosive issue of Who Gets What? No wonder they disagreed so endlessly; they were talking about different things.

One last question remains to be examined. How can we explain the change in vision and analysis that separates both Malthus and Ricardo from Adam Smith? The answer tells us something more about the process by which the raw material of perception is reduced to the architecture of thought. For curiously enough, despite the striking differences in their analyses—their expectations and recommendations—at a basic level the vision of both Malthus and Ricardo is *not* fundamentally at odds with that of Smith!

What was that basic vision? It was a view of “society” as a great social mechanism driven by the imperative of a search for profit, disciplined by the omnipresent pressures of competition, and careful both to give government its sphere—and to hold it within that sphere. Why, then, did they come to such differing conclusions? No doubt personality played a role—it always does. But there is another explanation based on something more substantial. It has to do with differences in the workings of the society observed by Smith, compared with that observed by Malthus and Ricardo. The differences lie not in their respective profit motives, role of markets, or place of government—these are the same for all three. They stem from changes in the effects of technology.

For Smith, those effects are represented by the division of labor. We remember Smith’s enthusiastic appraisal—mixed with some social misgivings—as to what that change could do for the production of a given product, such as pins. But we also recall that there is nothing in Smith’s appraisal to suggest that once the division of labor had worked its wonders in the making of a given product, it would spread to *new* products—textiles, iron-making, who knows what next? Here is a technological reason why a country that had acquired its “full complement of riches,” would thereafter stagnate or even decline.

No such limited prospects accompany the emerging industrial technology known to Malthus and Ricardo half a century later. The spinning jenny, the steam engine, the puddling of iron were immediately perceived as opening new avenues for economic growth. With this came an end to the Smithian view of finite expansion possibilities—and with it came as well a premonition of new problems arising from that very prospect. For one thing, population growth now took on a far more threatening aspect as economic expansion no longer enjoyed the brake of constrained capabilities. In the same way, more expansive prospects for industrial economic growth also implied the further

enrichment of the landlord. Thus it is plausible that the problem-ridden character of Malthusian and Ricardian economics can be traced to the analytic consequences of a change in vision imposed by a widening of technological horizons.

How shall we sum up the contributions of the two central figures of this chapter, at once so alike at some levels and so different at others?

Ricardo's gift to the world was plain. Here was a world stripped to its essentials and laid open for everyone to examine: the watchworks were exposed. In its very unreality lay its strength, for not only did the bare structure of a greatly simplified world reveal the laws of rent, but it elucidated as well vital questions of foreign trade, money, taxation, and economic policy. By building a model world, Ricardo gave the powerful tool of abstraction to economics—a tool that is essential if the distraction of everyday life is to be pierced and its underlying mechanism understood. To be sure, as some observers said in his own day, the tool of abstraction could also be used to ignore awkward facts and not always “rational” behavior—a problem that has become known as the Ricardian Vice. Nonetheless, it is to Ricardo's gift for abstraction that we owe the claim of economics to be considered as a science. Perhaps it is to this very penchant for oversimplification that we also owe its rather spotty record *as* a science.

Malthus was never so successful in building an abstract world, and so his long-lasting academic contribution is smaller. But he pointed out the appalling problem of population, and for that reason alone, his name is still alive. And he sensed, even if he could not explain, the problem of general depression which would occupy economists a century after his book appeared.

Yet, in retrospect, perhaps the main contribution of the two lay outside their technical accomplishments. For quite without intending it, Malthus and Ricardo did one astonishing thing. They changed the viewpoint of their age from optimism to pessimism. No longer was it possible to view the universe of mankind as an arena in which the natural forces of society would inevitably bring about a better life for everyone. On the contrary, those natural forces that once seemed teleologically designed to bring harmony and peace into the world now seemed malevolent and menacing. If humanity did not groan under a flood of hungry mouths, it seemed that it might suffer under a flood of commodities without takers. And in either event, the outcome of a long struggle for progress would be a gloomy state where the worker just barely subsisted, where the capitalist was cheated of his efforts, and where the landlord gloated.

Indeed, here is another common element to be recognized in the visions of Smith as well as Malthus and Ricardo, besides the structure of what we would call a capitalist economy. This was the vision of the working class as essentially passive. There is no hint in any of the three that the laboring poor might ever take it into their heads to introduce changes in the system—indeed, to build a new system of their own. But that leads us into the next chapter, where we will watch a new vision guide the course of the worldly philosophy.



## The Dreams of the Utopian Socialists

It is not difficult to understand why Malthus and Ricardo should have conceived of the world in gloomy terms. England in the 1820s was a gloomy place to live; it had emerged triumphant from a long struggle on the Continent, but now it seemed locked in an even worse struggle at home. For it was obvious to anyone who cared to look that the burgeoning factory system was piling up a social bill of dreadful proportions and that the day of reckoning on that bill could not be deferred forever.

Indeed, a recital of the conditions that prevailed in those early days of factory labor is so horrendous that it makes a modern reader's hair stand on end. In 1828, *The Lion*, a radical magazine of the times, published the incredible history of Robert Blincoe, one of eighty pauper-children sent off to a factory at Lowdham. The boys and girls—they were all about ten years old—were whipped day and night, not only for the slightest fault, but to stimulate their flagging industry. And compared with a factory at Litton where Blincoe was subsequently transferred, conditions at Lowdham were rather humane. At Litton the children scrambled with the pigs for the slops in a trough; they were kicked and punched and sexually abused; and their employer, one Ellice Needham, had the chilling habit of pinching the children's ears until his nails met through the flesh. The foreman of the plant was even worse. He hung Blincoe up by his wrists over a machine so that his knees were bent and then he piled heavy weights on his shoulders. The child and his co-workers were almost naked in the cold of winter and (seemingly as a purely gratuitous sadistic flourish) their teeth were filed down!

Without a doubt such frightful brutality was the exception rather than the rule; indeed we suspect a little of the reformer's zeal has embellished the account. But with full discount for exaggeration, the story was nonetheless all too illustrative of a social climate in which practices of the most callous inhumanity were accepted as the natural order of events and, even more important, as nobody's business. A sixteen-hour working day was not uncommon, with the working force tramping to the mills at six in the morning and trudging home at ten at night. And as a crowning indignity, many factory operators did not permit their work-people to carry their own watches, and the single monitory factory clock showed a strange tendency to accelerate during the scant few minutes allowed for meals. The richest and most farsighted of the industrialists might have deplored such excesses, but their factory managers or hard-pressed competitors seem to have regarded them with an indifferent eye.

And the horrors of working conditions were not the only cause for unrest. Machinery was now the rage, and machinery meant the displacement of laboring hands by uncomplaining steel. As early as 1779 a mob of eight thousand workers had attacked a mill and burned it to the ground in unreasoning defiance of its cold implacable mechanical efficiency, and by 1811 such protests against technology were sweeping England. Wrecked mills dotted the countryside, and in their wake the word went about that "Ned Ludd had passed." The rumor was that a King Ludd or a General Ludd was directing the activities of the mob. It was not true, of course. The Luddites, as they were called, were fired by a purely spontaneous hatred of the factories that they saw as prisons and the wagework that they still despised.

But the disturbances raised a real apprehension in the country. Ricardo almost alone among the

respectable people admitted that perhaps machinery did not always operate to the immediate benefit of the workman, and for this opinion he was regarded as having slipped, for once, from his usual acumen. To most observers, the sentiment was less reflective: the lower orders were getting out of hand and should be severely dealt with. And to the gentler classes, the situation seemed to indicate the coming of a violent and terrifying Armageddon. Southey, the poet, wrote, "At this moment nothing but the Army preserves us from that most dreadful of all calamities, an insurrection of the poor against the rich, and how long the Army may be depended upon is a question which I scarcely dare ask myself"; and Walter Scott lamented, "... the country is mined beneath our feet."

But all through this dark and troubled period, one spot in Britain shone like a beacon through the storm. In the dour mountains of Scotland, a good day's post from Glasgow, in country so primitive that the tollgate keepers at first refused gold coins (never having seen them before), stood the gaunt seven-story brick mills of a little community called New Lanark. Over the hilly roads from Glasgow rode a constant stream of visitors—twenty thousand signed the guestbook at New Lanark between 1815 and 1825—and the visiting crowds included such dignitaries as the Grand Duke Nicholas, later to be Tsar Nicholas I of Russia, Princes John and Maximilian of Austria, and a whole covey of parish deputations, writers, reformers, sentimental ladies, and skeptical businessmen.

What they came to see was the living proof that the squalor and depravity of industrial life were not the only and inevitable social arrangement. Here at New Lanark were neat rows of workers' homes with *two* rooms in every house; here were streets with the garbage neatly piled up awaiting disposal instead of being strewn in filthy disarray. And in the factories a still more unusual sight greeted the visitors' eyes. Over each employee hung a little cube of wood with a different color painted on each side: black, blue, yellow, and white. From lightest to darkest, the colors stood for different grades of deportment: white was excellent; yellow, good; blue, indifferent; black, bad. At a glance the factory manager could judge the deportment of his work force. It was mainly yellow and white.

For another surprise there were no children in the factories—at least none under the age of ten or eleven—and those that did work toiled only a short ten-and-three-quarter-hour day. Furthermore, they were never punished; no one in fact was punished, and save for a few adult incorrigibles who had to be expelled for chronic drunkenness or some such vice, discipline seemed to be wielded by benignity rather than fear. The door of the factory manager stood open, and anyone could (and did) present his objections to any rule or regulation. Everyone could inspect the book that contained the detailed report of his deportment and thus served as referent for the assignment of his colored cube, and he could appeal if he felt that he had been unjustly rated.

Most remarkable of all were the little children. Instead of running wild and fierce through the streets, they were found by the visitors to be fast at work and play in a large schoolhouse. The littlest were learning the names of the rocks and trees they found about them; the slightly older were learning grammar from a frieze where General Noun contested with Colonel Adjective and Corporal Adverb. Nor was it all work, delightful as the work seemed to be. Regularly the children gathered to sing and dance under the tutelage of young ladies who had been instructed that no child's question was ever to go unanswered, that no child was ever bad without reason, that punishment was never to be inflicted, and that children would learn faster from the power of example than from admonition.

It must have been a wonderful and, indeed, an inspiring sight. And for the business-minded gentlemen who were less likely to be carried away by the sight of happy children than the tenderhearted ladies, there was the irrefutable fact that New Lanark was profitable, marvelously

profitable. This was an establishment run not only by a saint but by an eminently practical one, at that.

It was not only a practical saint who was responsible for New Lanark but a most improbable one. Like so many of the early nineteenth-century reformers on whom we look back as the Utopian Socialists, Robert Owen, the “benevolent Mr. Owen of New Lanark,” was a strange mixture of practicality and naïveté, achievement and fiasco, common sense and lunacy. Here was a man who advocated the abandonment of the plow in favor of the spade; a man who from scratch became a great capitalist and from a great capitalist a violent opponent of private property; a man who advocated benevolence because it would pay dividends, and who then urged the abolition of money.

It is hard to believe that one man’s life could take so many twists. It began as a chapter straight from Horatio Alger. Born of poor parents in Wales in 1771, Robert Owen left school at the age of nine to become apprenticed to a linen draper with the unlikely name of McGuffog. He might have stayed a linen draper always and watched the store name change to McGuffog and Owen, but in true business-hero style, he chose to go to Manchester; and there, at the age of eighteen and on the strength of £100 borrowed from his brother, he set himself up as a tiny capitalist manufacturing textile machinery. But the best was yet to come. A Mr. Drinkwater, the owner of a large spinning establishment, found himself one morning without a factory manager and advertised in the local paper for applicants. Owen had no knowledge of spinning mills, but he got the post in a fashion that might have provided a test for countless writers on the virtues of Pluck and Luck. “I put on my hat,” wrote Owen over a half-century later, “and proceeded straight to Mr. Drinkwater’s counting house. ‘How old are you?’ ‘Twenty this May,’ was my reply. ‘How often do you get drunk in the week?’ ... ‘I was never,’ I said, ‘drunk in my life,’ blushing scarlet at this unexpected question. ‘What salary do you ask?’ ‘Three hundred a year,’ was my reply. ‘What?’ Mr. Drinkwater said, with some surprise, repeating the words, ‘Three hundred a year! I have had this morning I know not how many seeking the situation and I do not think all their askings together would amount to what you require.’ ‘I cannot be governed by what others seek,’ said I, ‘and I cannot take less.’”

It was a characteristic Owen gesture and it succeeded. At twenty he became the boy wonder of the textile world—an engaging young man with a rather straight nose in a very long face, and with large, frank eyes that advertised his candor. Within six months Mr. Drinkwater offered him a quarter interest in the business. But this was still only the prelude to a fabulous career. Within a few years Owen had heard of a set of mills for sale in the squalid village of New Lanark—co-incidentally they were owned by a man with whose daughter he had fallen in love. To acquire either the mills or the hand of the daughter looked like an impossible feat: Mr. Dale, the mill-owner, was a fervid Presbyterian who would never approve of Owen’s radical free-thinking ideas, and then there was the question of how to find the capital to buy the mills. Nothing daunted, Owen marched up to Mr. Dale as he had once marched up to Mr. Drinkwater and the impossible became done. He borrowed the money, bought the mills, and won the hand of the daughter in the bargain.

Matters might well have rested there. Within a year Owen had made New Lanark a changed community; within five years it was unrecognizable; in ten years more it was world famous. It would have been accomplishment enough for most men, for in addition to winning a European reputation for farsightedness and benevolence, Robert Owen had made a fortune of at least £60,000 for himself.

But matters did not rest there. Despite his meteoric rise, Owen conceived of himself as a man of ideas rather than as a mere man of action; New Lanark had never been for him an idle exercise of philanthropy. Rather, it was an opportunity to test out theories that he had evolved for the advancement of humanity as a whole. For Owen was convinced that mankind was no better than its

environment and that if that environment was changed, a real paradise on earth might be achieved. In New Lanark he could, as it were, test his ideas in a laboratory, and since they succeeded beyond all measure, there seemed no reason why they should not be given to the world.

He soon had his chance. The Napoleonic Wars subsided and in their wake came trouble. A succession of what Malthus would have called “general gluts” wracked the country; from 1816 to 1820 with the exception of a single year, business was very bad. The misery threatened to explode: “bread and blood” riots broke out, and a kind of hysteria gripped the country. The Dukes of York and Kent and a body of notables formed a committee to look into the causes of the distress, and purely as a matter of course they called upon Mr. Owen, the philanthropist, to present his views.

The committee was hardly prepared for what it got. It had no doubt expected a plea for factory reform, for Mr. Owen was widely known for his championship of a shorter working day and the abolition of child labor. Instead the notables found themselves reading a blueprint for social reorganization on a sweeping scale.

What Owen suggested was that the solution to the problem of poverty lay in making the poor productive. To this end he advocated the formation of Villages of Cooperation in which eight hundred to twelve hundred souls would work together on farm and in factory to form a self-sustaining unit. The families were to live in houses grouped in parallelograms—the word immediately caught the public eye—with each family in a private apartment but sharing common sitting rooms and reading rooms and kitchens. Children over the age of three were to be boarded separately so that they could be exposed to the kind of education that would best mold their characters for later life. Around the school were gardens to be tended by the slightly older children, and around them in turn would stretch out the fields where crops would be grown—needless to say with the aid of spades and without the use of plows. In the distance, away from the living areas, would be a factory unit; in effect this would be a planned garden city, a kibbutz, a commune.

The committee of notables was considerably taken aback. It was hardly prepared to urge the adoption of planned social communities in a day of untrammelled *laissezfaire*. Mr. Owen was thanked and Mr. Owen’s ideas were carefully ignored. But Owen was nothing if not single-purposed. He insisted upon a review of the applicability of his plans and flooded Parliament with tracts expounding his views. Again his determination won the day. In 1819 a special committee (including David Ricardo) was put together for the purpose of trying to raise the necessary £96,000 to establish one full-fledged experimental Village of Cooperation.

Ricardo was skeptical, although willing to give the plan a trial, but the country was not skeptical at all; it found the idea an abomination. One editorialist wrote: “Robert Owen, Esq., a benevolent cotton-spinner ... conceives that all human beings are so many plants which have been out of the earth for a few thousand years, and require to be reset. He accordingly determines to dibble them in squares after a new fashion.”

William Cobbett, then in exile in America for his own radical ideas, was even more scornful. “This gentleman,” he wrote, “is for establishing *communities* of paupers! ... Wonderful peace, happiness, and national benefit are to be the result. How the little matters of black eyes, bloody noses, and pulling of caps are to be *settled*, I do not exactly see. Mr. Owen’s scheme has, at any rate, the recommendation of perfect novelty, for of such a thing as a *community of paupers*, I believe no human being has ever before heard.... Adieu, Mr. Owen of Lanark.”

Owen did not, of course, envision a community of paupers. He believed, on the contrary, that paupers could become the producers of wealth if they were given a chance to work, and that their deplorable social habits could be easily transformed into virtuous ones under the influence of a

decent environment. And it was not only paupers who were to be thus elevated. The Villages of Cooperation were to be so manifestly superior to the turmoil of industrial life that other communities would naturally follow suit.

But it was obvious that Owen held his views alone. Serious-minded people saw in Owen's scheme a disturbing threat to the established order of things, and radical-minded people saw in it only a farce. The necessary money for the trial Village was never raised, but now there was no stopping the indomitable philanthropist. He had been a humanist; now he became a professional humanitarian. He had made a fortune; now he dedicated it to the realization of his ideas. He sold his interest in New Lanark and in 1824 set about building his own community of the future. Not unnaturally he chose America for his milieu, for where better to build utopia than in the midst of a people who had known political liberty for fifty years?

For a site he bought from a religious sect of Germans known as Rappites a tract of thirty thousand acres on the banks of the Wabash in Posey County, Indiana. On the Fourth of July, 1826, he dedicated it with a Declaration of Mental Independence—independence from Private Property, Irrational Religion, and Marriage—and then left it to shift for itself with its lovely wishful name of New Harmony.

It could not and did not succeed. Owen had envisioned a utopia sprung full-blown into the world, and he was not prepared to wean one from the imperfect environment of the old society. There was no planning: eight hundred settlers poured in, helter-skelter, within a few weeks. There was not even elementary precaution against fraud. Owen was bilked by an associate who piled insult upon injury by setting up a whiskey distillery on land that he had unfairly taken. And since Owen was not there, rival communities sprang up: Macluria under one William McClure, and others under other dissidents. The pull of acquisitive habit was too strong for the bond of ideas; in retrospect it is only astonishing that the community managed to exist for as long as it did.

By 1828 it was apparent that the enterprise was a failure. Owen sold the land (he had lost four-fifths of his entire fortune in the venture) and went off to talk about his schemes to President Jackson and then to Santa Anna in Mexico. Neither of these gentlemen expressed more than polite interest.

Owen now returned to England. He was still the benevolent (if slightly cracked) Mr. Owen, and his career was about to take its final unexpected twist. For while most opinion had mocked at his Villages of Cooperation, his teachings had sunk deep into one section of the country: the working classes. This was the time of the first trade unions, and the leaders of the spinners and the potters and the builders had come to regard Owen as a man who could speak for their interests—indeed, as their leader. Unlike his peers, they took his teachings seriously—while the Villages of Cooperation were being debated by committees of notables, real working cooperative societies based on his tracts were springing up throughout the country on a more modest scale: producers' cooperatives and consumers' cooperatives and even a few ill-fated attempts to follow Mr. Owen's ideas to the letter and do away with money.

Without exception, the producers' cooperatives failed and the moneyless exchanges ended in moneyless but equally final bankruptcies. But one aspect of the cooperative movement took root. Twenty-eight devoted men who called themselves the Rochdale Pioneers began the *consumer* cooperative movement. To Owen it was only of passing interest, but with time it grew to be one of the great sources of strength of the Labour party in Great Britain. Curiously, the movement in which he took least interest was to survive all the projects into which he poured his heart and strength.

Owen had no time for cooperatives, for a good reason; on his return from America he had

conceived a huge moral crusade, and he plunged into it with a typical vigorous abandon. The onetime poor boy, onetime capitalist, one-time social architect, now drew around him the leaders of the working-class movement. He bestowed a properly impressive name on his project: the Grand National Moral Union of the Productive and Useful Classes. The name was soon shortened to the Grand National Consolidated Trades Union, and since that was still quite a mouthful, to the Grand National. Under its banner the trade-union leaders rallied, and in 1833 the English working-class movement was officially launched.

It was a nationwide union—the precursor of the industrial trade unions of our day. Its membership was five hundred thousand—a mammoth figure for that time—and it embraced virtually every important union in all of England. But, unlike a modern union, its goals were not limited to hours and wages or even to management prerogatives. The Grand National was to be an instrument not only of social betterment but of deep social change. Hence, while its program asked for better wages and working conditions, it went on to expound a fuzzy amalgam of Villages of Cooperation, the abolition of money, and a number of other ideas from the potpourri of Owen's writing.

Owen stumped the country for his final cause. It was a fiasco. England was no more prepared for a national trade union than America for a local paradise. Local unions could not control their members, and local strikes weakened the national body. Owen and his lieutenants fell out; they accused him of atheism, and he charged them with fomenting class hatred. The government stepped in and with violence and vengeance did its best to disrupt the growing movement. The employing classes heard in the Grand National the knell of private property and called for prosecution under antiunion laws. No youthful movement could have withstood such an onslaught. Within two years the great union was dead, and Owen at the age of sixty-four had played his last historical role.

He continued for another twenty years, the grand old man of labor, urging his cooperative ideas, his preference for the spade, his naive distrust of money. In 1839 he had an audience with Queen Victoria despite the protests of a group of the best people known as the Society for Peaceably Repressing Infidelity. But he was finished. In his last years he found a refuge in spiritualism, in endless tracts endlessly the same, and in his wonderful *Autobiography*. In 1858, eighty-seven years old and still hopeful, he died.

What a romantic and fantastic story! And looking back, it is his story rather than his ideas which interests us. Owen was never a truly original and certainly never a flexible thinker. "Robert Owen is not a man to think differently of a book for having read it," was the devastating way in which one contemporary writer characterized him, and Macaulay, who fled at the sound of his voice, called him "always a gentle bore."

He was not, by any stretch of the imagination, an economist. But he was more than that; he was an economic innovator who reshaped the raw data with which economists have to deal. Like all the Utopian Socialists, Owen wanted the world changed; but while others wrote, powerfully or otherwise, he went ahead and tried to change it.

And on second thought, perhaps he did leave one great idea behind him. It is charmingly illustrated in this anecdote from the autobiography of his son, Robert Dale Owen.

"When the child screams from temper, my dear Caroline," said his father (Robert Owen), "set him in the middle of the nursery floor and be sure you don't take him up until he stops crying." "But my dear, he'll go on crying by the hour." "Then let him cry." "It may hurt his little lungs, and perhaps throw him into spasms." "I think not. At all events, it will hurt him more if he grows into an ungovernable boy. Man is the creature of circumstances."

"Man is the creature of circumstances." And who makes the circumstances but man himself? The

world is not inevitably good or bad but to the extent that we make it so. In that thought Owen left behind him a philosophy of hope more powerful than all his fanciful notions about spades and plows or money or Villages of Cooperation.

Robert Owen is certainly the most romantic of that group of nineteenth-century protesters against raw capitalism, but he is by no means the most peculiar. For sheer perversity of character, honors must go to Count Henri de Rouvroy de Saint-Simon, and for indisputable eccentricity of ideas there is no peer of Charles Fourier.

Saint-Simon, as his rolling name suggests, was an aristocrat; his family claimed descent from Charlemagne. Born in 1760, he was brought up to be conscious of the nobility of his ancestry and of the importance of maintaining the luster of his name; every morning, as a youth, he was awakened by his valet, who would cry: "Arise, Monsieur le Comte, you have great things to do today."

The knowledge that one is a chosen vessel of history can do strange things to a man. In Saint-Simon's case, it provided the excuse for an extravagant self-indulgence. Even as a boy he confused a devotion to principle with sheer pigheadedness; it is said that when a passing wagon interfered with a childhood game, he threw himself down across the road and obstinately refused to budge—and who was to throw a young count into the ditch? Later this same obstinacy led him to refuse to go to communion at his father's behest—but the father, perhaps more used to his son's intransigence and certainly less awed by it, promptly threw him into jail.

His self-indulgence might have turned him toward that most self-indulgent of all political groups, the court of Louis XVI. But it was redeemed by a love for a most uncourtly idea: democracy. In 1778 the young count went to America and distinguished himself in the Revolutionary War. He fought in five campaigns, won the Order of Cincinnati, and most important of all, became a passionate disciple of the new ideas of freedom and equality.

But this did not yet constitute Great Things. The Revolutionary War left him in Louisiana; thence he went to Mexico to urge the Viceroy to build a canal that would have preceded the Panama. That might have made his name, but the idea came to naught—it was, of course, nine tenths idea and one tenth plan—and the young revolutionary noble returned to France.

He was just in time for the Revolution there, and he threw himself into it with fervor. His townspeople of Falvy in Peronne asked him to be mayor and he refused, saying that the election of the old nobility would be a bad precedent; then when they chose him for the National Assembly anyway, he proposed the abolition of titles and renounced his own to become plain Citoyen Bonhomme. His democratic predilections were not a pose; Saint-Simon had a genuine feeling for his fellow man. Before the Revolution he had been posting to Versailles one day, in the height of style, when he came across a farmer's cart mired in the road. Saint-Simon got down from his carriage, put his elegantly clad shoulder to the wheel, and then found the farmer's conversation so interesting that he dismissed his own vehicle and rode to Orléans with his newfound peasant friend.

The Revolution dealt strangely with him. On the one hand he speculated adroitly in Church lands and made himself a modest fortune; on the other he busied himself with a gigantic educational scheme that, because it threw him into contact with foreigners, brought him into disfavor and resulted in his being put in protective custody. He escaped and then, in a gesture both romantic and truly noble, surrendered himself again when he found that his hotel proprietor had been unjustly accused of collaborating in his escape.

This time he went to jail. But there, in his cell, there came to him the revelation for which he had, in a sense, been waiting all his life. The revelation came, as such visitations do, in a dream; Saint-

Simon described it thus:

“During the cruelest period of the Revolution, and during a night of my imprisonment at Luxembourg, Charlemagne appeared to me and said: ‘Since the world began no family has enjoyed the honor to produce both a hero and philosopher of first rank. This honor was reserved for my house. My son, your successes as a philosopher will equal mine as a soldier and a statesman.’”

Saint-Simon asked for no more. He obtained a release from prison, and the money he had accumulated now poured forth in a fantastic search for knowledge. This man actually set out to know everything there was to know—scientists, economists, philosophers, politicians, all the savants of France were invited to his house, financed in their work, and endlessly queried that Saint-Simon might encompass the world’s intellectual scope. It was a bizarre endeavor. At one time, having come to the conclusion that he still lacked a firsthand acquaintance with family life for the pursuance of his social studies, he married—on a three-year contract. One year was enough: his wife talked too much and his guests ate too much, and Saint-Simon decided that marriage as an educational institution had its limitations. Instead he sought the hand of the most brilliant woman in Europe, Mme. de Staël; she was the only woman, he declared, who would understand his plans. They met, but it was an anticlimax; she found him full of *esprit* but hardly the greatest philosopher in the world. In the circumstances, his enthusiasm also waned.

But the search for encyclopedic knowledge, while stimulating, was financially disastrous. His expenditures had been lavish to the point of recklessness; his marriage unexpectedly expensive. He found himself reduced first to modest circumstances and then to real poverty; he was forced to find a clerical job and then to depend on the kindness of an old servant for board and lodging. Meanwhile he was writing, furiously writing an endless stream of tracts, observations, exhortations, and examinations of society. He sent his works to the leading patrons of the day with a pathetic note:

MONSIEUR:

Be my saviour, I am dying of hunger.... For 15 days I have lived on bread and water ... sold everything but my clothes, to pay for the expense of copies of my work. It is the passion for knowledge and the public welfare, the desire to find a peaceful means of ending the frightful crisis which engages all European society which has brought me to this state of distress....

No one subscribed. In 1823, although his family now accorded him a small pension, he shot himself in despair. But he could never quite do anything as he wished. He succeeded only in losing an eye. He lived two more years, ill, impoverished, dedicated, and proud. When the end came, he gathered his few disciples around him and said, “Remember that in order to do great things one must be impassioned!”

But what had he done to justify such an operatic end?

A strange thing: he had founded an industrial religion. He had not done it through his books, which were voluminous enough but unread, nor through lectures, nor through doing “great things.” Somehow the man himself had inspired a sect, had gathered a small band of followers, and had given society a new image of what it might be.

It was a strange, semimystical, and disorganized religion, and little wonder, for it was built on an unfinished and lopsided edifice of ideas. It was not even meant to be a religion as such—although after his death there was actually a Saint-Simonian Church with six departmental churches in France and with branches in Germany and England. Perhaps it is better compared with an order of



brotherhood; his disciples dressed in shades of blue and ranked each other as “fathers and sons.” And as a nice symbol of what the founder himself had stood for, they wore a special waistcoat that could be neither put on nor taken off unassisted and that thus emphasized the dependence of every man on his brothers. But the church soon degenerated into little more than a cult, for the latter-day Saint-Simonians devised their own code of morality, which in some instances was little more than a respectably codified immorality.

The gospel that Saint-Simon had preached is hardly shocking to modern eyes. It proclaimed that “man must work” if he is to share in society’s fruits. But compared with the conclusions drawn from this premise, Robert Owen’s society of parallelograms was clarity itself.

“We suppose,” writes Saint-Simon, “that France suddenly loses her fifty leading physicists; her fifty leading chemists, her fifty leading physiologists ... mathematicians ... mechanics” and so on until three thousand savants, artists, and artisans have been accounted for (Saint-Simon is not noted for the economy of his style). What would be the result? It would be a catastrophe that would rob France of her very soul.

But now suppose, says Saint-Simon, that instead of losing these few individuals, France were to be deprived at one blow of its social upper crust: suppose it should lose M. the brother to the king, the Duke de Berry, some duchesses, the officers of the Crown, the ministers of state, its judges, and the ten thousand richest proprietors of the land—thirty thousand people in all. The result? Most regrettable, says Saint-Simon, because these are all good people, but the loss would be purely a sentimental one; the state would hardly suffer. Any number of people could discharge the functions of these lovely ornaments.

So the moral is clear. It is the workers—*les industrials*—of all ranks and hierarchies who merit the highest rewards of society, and the idlers who deserve the least. But what do we find? By a strange miscarriage of justice, it is just the opposite: those who do the least get the most.

Saint-Simon proposes that the pyramid be set aright. Society is actually organized as a gigantic factory, and it should carry out the factory principle to its logical conclusion. Government should be economic, not political; it should arrange things and not direct men. Rewards should be apportioned to one’s social contribution; they should accrue to the active members of the factory and not to the lazy onlookers. It is not a revolution that Saint-Simon preaches, nor even socialism as we understand the word. It is a kind of paean of the industrial process and a protest that in a society of toil, idlers should take such a disproportionate share of the wealth.

Not a word about how this is to be done; the later Saint-Simonians went a step beyond their founder and urged the end of private property, but even this left them with little more than a vague program of social reformation. This was a religion of work, but it lacked a proper catechism; it pointed to grave injustices in the distribution of society’s wealth, but it gave disappointingly little guidance to those who wanted to set things to rights.

Perhaps it was just this lack of a program which helped to account for the success of a man who was quite the opposite of Saint-Simon. Whereas the ax-nobleman had been inspired by a passion for the grand idea, Charles Fourier was inspired by a passion for trivia. Like Saint-Simon, Fourier believed the world was hopelessly disorganized, but the cure he proposed was explicit down to the tiniest detail.

Saint-Simon had been an adventurer in life; Fourier was an adventurer in imagination. His biography is largely a blank: born in 1772, the son of a tradesman of Besançon, he spent his days as an unsuccessful commercial traveler. In a sense he did nothing, not even marry. His passions were two: flowers and cats. It is only at the end of his life that he is appealing, for he spent his last years

punctually sitting at advertised hours in his small room awaiting the visit of some great capitalist who would offer to finance his schemes to do over the world. After all, this little salesman had written, “I alone have confounded twenty centuries of political imbecility; and it is to me alone that present and future generations will look for the origin of their immense happiness.” With such a responsibility resting on his shoulders, he could hardly afford not to be at hand when the appointed savior capitalist would arrive with his moneybags in train. But no one ever came.

Fourier, to be polite, was an eccentric; to be accurate, he was probably off his rocker. His world was a fantasy: the earth, he believed, had been given a life of eighty thousand years; forty thousand of ascending vibrations and the same number of descending. In between (never mind the arithmetic) lay eight thousand years of the *Apogée du Bonheur*. We lived in the fifth of eight stages of advancement, having pushed through Confusion, Savagery, Patriarchism, and Barbarousness. Ahead lay Guaranteeism (not a bad bit of insight), and then the upward slope of Harmony. After we reached utter bliss, however, the seesaw would tip and we would work our way right back down through all the stages to the beginning.

But as we worked our way ever deeper into Harmony, things would really begin to pop: a Northern Crown would encircle the Pole, shedding a gentle dew; the sea would become lemonade; six new moons would replace the old solitary satellite; and new species would emerge, better suited to Harmony: an antilion, a docile and most serviceable beast; an antiwhale, which could be harnessed to ships; an antibear; antibugs; and antirats. We would live to be one hundred and forty-four years old, of which one hundred and twenty years would be spent in the unrestricted pursuit of sexual love.

All this plus a firsthand description of the inhabitants of other planets gives to Fourier’s writings the air of a madman. Perhaps he was. But when he turned his starry vision to this earth he saw in it chaos and unhappiness, and he saw, as well, a way to reorganize society.

His prescription was very exact. Society should be organized into phalanxes—the French word is *phalanstères*—which would consist of a kind of Grand Hotel arrangement, not too dissimilar from Owen’s Villages of Cooperation. The hotel was carefully described: there would be a large central building (its various rooms and their dimensions were all thought out), and around it would be fields and industrial establishments. You could live in the hotel at the scale best suited to your purse; first, second, or third class, with just as much privacy as you desired (including meals in your rooms) and with just enough mingling to spread a leaven of culture. Efficiency would be achieved through centralization; Fourier, the old bachelor, paints a mouth-watering picture of the triumphs of the central cuisine.

Everyone would have to work, of course, for a few hours each day. But no one would shirk work, for each would do what he best liked. Thus the problem of dirty work was solved by asking who *liked* to do dirty work. The children, of course. So there would be Little Hordes who would go off gaily to the slaughterhouses or to mend the roads and have the time of their lives. And for the minority of children who shrank from dirty work, there would be Little Bands who would tend the flowers and correct their parents’ bad pronunciation. Among the workers there would be amicable competition to see who did best: contests of pear growers and cultivators of spinach and finally (once the phalanstery principle had encircled the globe and the 2,985,984 necessary *phalanstères* established) great battles of omelette chefs and champagne bottlers.

And the whole affair would be profitable in the extreme; gains would run to 30 percent. But it would be communal profit: the surplus would be divided five twelfths to labor, four twelfths to capital, and three twelfths to “ability,” and everybody would be urged to become a part owner as well as a fellow worker.

Weird and fantastic as it seems, the Fourierist idea took some hold, even in that fortress of practicality and common sense, the United States. At one time there were over forty phalansteries in this country, and if one groups together the Owenite communities and the religious movements of various sorts, there were at least one hundred and seventy-eight actual Utopian groups with from fifteen to nine hundred members each.

Their variety was immense: some were pious, some impious; some chaste, some licentious; some capitalistic, others anarchic. There was Trumbull Phalanx in Ohio and Modern Times on Long Island; there were Oneida and Brook Farm and New Icaria and one rather remarkable phalanx—the North American Phalanx in New Jersey—which endured from 1843 to 1855 and then lingered on, half hotel, half community, until the late 1930s. Of all unlikely people, the critic Alexander Woolcott was born there.

None of the dream communities took solid root. Dream worlds have a difficult time contending with the frictions of reality, and of all the projected Utopian rearrangements of society, none was so far removed from practicality as the *phalanstère*. And yet, none is so beguiling. If we could live in a *phalanstère*, who would not like to? Fourier pointed with devastating truth to the miserable unhappiness of the world in which he lived, but his prescription was too much compounded of heavenly ingredients for the mortal ills he wished to cure.

Do they appear ridiculous, these Utopians? It is true that they were all dreamers—but, as Anatole France said, without dreamers, mankind would still live in caves. There was not one without a touch of madness: even Saint-Simon speculated solemnly on the possibility of the beaver, as the most intelligent animal, someday replacing humankind. But they are not noteworthy because they were eccentrics or because of the richness and appealing quality of their fantasies. They are worth our attention because they were courageous, and to appreciate their courage we must appraise and understand the intellectual climate in which they lived.

They lived in a world that was not only harsh and cruel but that rationalized its cruelty under the guise of economic law. Necker, the French financier and statesman, said at the turn of the century, “Were it possible to discover a kind of food less agreeable than bread but having double its substance, people would be reduced to eating only once in two days.” Harsh as such a sentiment might have sounded, it did ring with a kind of logic. It was the world that was cruel, not the people in it. For the world was run by economic laws, and economic laws were nothing with which one could or should trifle; they were simply *there*, and to rail about whatever injustices might be tossed up as an unfortunate consequence of their working was as foolish as to lament the ebb and flow of the tides.

The laws were few but final. We have seen how Adam Smith, Malthus, and Ricardo elaborated the laws of economic distribution. These laws seemed to explain not only how the produce of society tended to be distributed but how it *should* be distributed. The laws showed that profits were evened out and controlled by competition, that wages were always under pressure from population, and that rent accrued to the landlord as society expanded. And that was that. One might not necessarily *like* the result, but it was apparent that this result was the natural outcome of society’s dynamics: there was no *personal* ill-will involved nor any personal manipulation. Economic laws were like the laws of gravitation, and it seemed as nonsensical to challenge one as the other. Hence a primer of elementary economic principles said: “A hundred years ago only savants could fathom them [economic laws]. Today they are commonplaces of the nursery, and the only real difficulty is their too great simplicity.”

No wonder the Utopians went to such extremes. The laws did look inviolable—and yet the state of society for which they were held responsible was intolerable. So the Utopians took their courage in both hands and said, in effect, the whole system must change. If this is capitalism—with a nod at

Robert Blincoe chained to a machine—let us have anything else—Villages of Cooperation, moral codes, or the delightful resort atmosphere of a *phalanstère*. The Utopians—and there were many besides those mentioned in this chapter—were reformers of the heart rather than the head.

This is one reason why we designate them as *Utopian Socialists*. The “utopia” was not merely a matter of idealistic ends; it was also a key to the means. In contradistinction to the Communists, these were reformers who hoped to persuade the members of the *upper* classes that social change would be for their own ultimate benefit. The Communists talked to the masses and urged violence, if necessary, to encompass their ends; the Socialists appealed to their own kind—to the intelligentsia, the *petit bourgeois*, the freethinking middle-class citizen, or the intellectually emancipated aristocrat—for adherents to their schemes. Even Robert Owen hoped to get his brother mill-owners to see the light.

But secondly, note that these were *Utopian Socialists*. This meant they were *economic* reformers. Utopia builders had existed since Plato, but it was not until the French Revolution that they had begun to react to economic as well as political injustice. And since it was early capitalism that provided the chamber of horrors against which they revolted, not unnaturally they turned their backs on private property and the struggle for private wealth. Few of them thought of reform *within* the system: remember that this was the age of the very first watered-down factory legislation and that such grudging reforms as were painfully won were largely honored in the breach. The Utopians wanted something better than reform—they wanted a new society in which Love Thy Neighbor could somehow be made to take priority over the mean gouging of each for himself. In the communality of property, in the warmth of common ownership, were to be found the touchstones of human progress.

They were men of very good will. And yet, for all their good intentions and their earnest theories, the Utopians lacked the stamp of respectability; they needed the imprimatur of someone with them in heart but whose head would be somewhat more firmly attached to his shoulders. And they found such a person in the most unlikely place—in the ultimate conversion to socialism of the person who was by common consent the greatest economist of the age: John Stuart Mill.

Everyone in this chapter is a somewhat unbelievable character, but perhaps J. S. Mill is the most remarkable of them all. His father was James Mill, historian, philosopher, pamphleteer, friend and intimate of Ricardo and Jeremy Bentham, one of the leading intellects of the early nineteenth century. James Mill had definite ideas about almost everything, and especially about education. His son, John Stuart Mill, was the extraordinary result.

John Stuart Mill was born in 1806. In 1809 (not 1819) he began to learn Greek. At age seven he had read most of the dialogues of Plato. The next year he began Latin, having meanwhile digested Herodotus, Xenophon, Diogenes Laërtius, and part of Lucian. Between eight and twelve he finished Virgil, Horace, Livy, Sallust, Ovid, Terence, Lucretius, Aristotle, Sophocles, and Aristophanes; had mastered geometry, algebra, and the differential calculus; written a Roman History, an Abridgment of the Ancient Universal History, a History of Holland, and a few verses. “I never composed at all in Greek, even in prose, and but little in Latin,” he wrote in his famous *Autobiography*. “Not that my father could be indifferent to the value of this practice ... but because there really was not the time for it.”

At the ripe age of twelve, Mill took up logic and the work of Hobbes. At thirteen he made a complete survey of all there was to be known in the field of political economy.

It was a strange, and by our standards a dreadful, upbringing. There were no holidays “lest the habit of work should be broken, and a taste for idleness acquired,” no boyhood friends, and not even a real awareness that his education and rearing were significantly different from the normal. The

miracle is not that Mill subsequently produced great works, but that he managed to avoid a complete destruction of his personality. He did have a kind of nervous breakdown: in his twenties; the delicate dry intellectual world of work and effort on which he had been nourished suddenly became sterile and unsatisfying, and while other youths had to discover that there could be beauty in intellectual activity, poor Mill had to find that there could be beauty in beauty. He underwent a siege of melancholy; then he read Goethe, then Wordsworth, then Saint-Simon—all people who spoke of the heart as seriously as his father had spoken of the brain. And then he met Harriet Taylor.

There was, worse luck, a Mr. Taylor. He was ignored; Harriet Taylor and Mill fell in love and for twenty years wrote each other, traveled together, and even lived together—all (if we are to believe their correspondence) in perfect innocence. Then the barrier of Mr. Taylor was removed by his death and the two finally married.

It was a superlative match. Harriet Taylor (and later, her daughter, Helen) completed for Mill the emotional awakening that had begun so late; together, the two women opened his eyes to women's rights and, even more importantly, to mankind's rights. After Harriet's death, when he was reflecting on the story of his life, he reviewed their converging influences on himself, and he wrote: "Whoever, either now or hereafter, may think of me and of the work I have done, must never forget that it is the product not of one intellect and conscience, but of three."

Mill, as we have seen, learned all the political economy there was to know at the age of thirteen. It was not until thirty years later that he wrote his great text, the two long, masterful volumes of the *Principles of Political Economy*. It was as if he had accumulated thirty years of knowledge just for this purpose.

The book is a total survey of the field: it takes up rent and wages and prices and taxes, and retreads the paths that had been first mapped by Smith and Malthus and Ricardo. But it is far more than a mere updating of doctrines that had by now received the stamp of virtual dogma. It goes on to make a discovery of its own, a discovery that Mill believed to be of monumental importance. Like so many great insights, the discovery was very simple. It consisted in pointing out that the true province of economic law was production and not distribution.

What Mill meant was very clear: the economic laws of production concern nature. There is nothing arbitrary about whether labor is more productive in this use or that, nor is there anything capricious or optional about such a phenomenon as the diminishing powers of productivity of the soil. Scarcity and the obduracy of nature are real things, and the economic rules of behavior which tell us how to maximize the fruits of our labor are as impersonal and as absolute as the laws of the expansion of gases or the interaction of chemical substances.

But—and this is perhaps the biggest *but* in economics—the laws of economics have nothing to do with distribution. Once we have produced wealth as best we can, we can do with it as we like. "The things once there," says Mill, "mankind, individually or collectively, can do with them as they please. They can place them at the disposal of whomsoever they please, and on whatever terms.... Even what a person has produced by his individual toil, unaided by anyone, he cannot keep, unless by the permission of society. Not only can society take it from him, but individuals could and would take it from him, if society ... did not ... employ and pay people for the purpose of preventing him from being disturbed in [his] possession. The distribution of wealth, therefore, depends on the laws and customs of society. The rules by which it is determined are what the opinions and feelings of the ruling portion of the community make them, and are very different in different ages and countries, and might be still more different, if mankind so chose...."

It was a body blow to the followers of Ricardo who had rigidified his objective findings into a

straitjacket for society. For what Mill said was transparently obvious—once it had been said. Never mind if the “natural” action of society was to depress wages or to equalize profits or to raise rents or whatever. If society did not like the “natural” results of its activities, it had only to change them. Society could tax and subsidize, it could expropriate and redistribute. It could give all its wealth to a king, or it could run a gigantic charity ward; it could give due heed to incentives, or it could—at its own risk—ignore them. But whatever it did, there was no “correct” distribution—at least none that economics had any claim to fathom. There was no appeal to “laws” to justify how society shared its fruits: there were only men sharing their wealth as they saw fit.

Actually, Mill’s discovery was not quite so monumental as he believed. For as conservative economists quickly pointed out, when men intervene into the distribution process, they cannot help intervening into the production process as well: a 100 percent tax on profits, for example, would certainly have a terrific impact on how much there was, as well as on who got it. And as Marx was to point out from another perspective, one cannot separate distribution and production as cleanly as Mill thought, because different societies arrange their modes of payment as integral parts of their modes of production: feudal societies, for example, do not have “wages,” any more than capitalist societies have feudal dues.

Thus from both Right and Left came the criticism that there were *limits* on the freedom with which societies could restructure their distribution—much narrower limits than Mill implied. And yet it would be wrong to undervalue Mill’s insight, just as it is wrong to exaggerate it. For the existence of limits means that there is room for maneuver, that capitalism is not beyond reform. Indeed, the New Deal and the welfare capitalisms of Scandinavia are the direct expressions of Mill’s vision of a society that would try to remedy its “natural” workings by imposing its moral values. Who is to say that this has not led to important social change, even if the change is limited?

Certainly in Mill’s own time, his findings came as a breath of fresh air. In an age when smugness and cant were the order of the day, Mill spoke out with a voice of extraordinary moral clarity. In his *Principles*, for example, after making his great division between Production and Distribution, he went on to examine the contemporary schemes of “communism” proposed by various Utopian reformers—not, let us hasten to add, the communism of Marx, of whose existence Mill was quite unaware.

Mill considered the various objections that could be lodged against these “communistic” schemes, and saw some merit in many of them. But then he summed up his opinion in this thunderous paragraph:

If ... the choice were to be made between Communism with all its chances, and the present state of society with all its sufferings and injustices; if the institution of private property necessarily carried with it as a consequence, that the produce of labour should be apportioned as we now see it, almost in an inverse ratio to the labour—the largest portions to those who have never worked at all, the next largest to those whose work is almost nominal, and so in a descending scale, the remuneration dwindling as the work grows harder and more disagreeable, until the most fatiguing and exhausting bodily labour cannot count with certainty on being able to earn even the necessities of life; if this or Communism were the alternatives, all the difficulties, great or small, of Communism would be as dust in the balance.

But, Mill went on to add, this was not quite the choice. For the principle of private property, he believed, had not yet had a fair trial. The laws and institutions of Europe still reflected the violent feudal past, not the spirit of reform that Mill believed attainable through the application of the very

principles he was writing about.

Thus in the end, he stopped short of advocating really revolutionary change for two reasons. First, he saw in the rough and harsh contest of daily life a necessary vent for the energies of mankind.

“I confess,” he wrote, “I am not charmed with an ideal of life held out by those who think that the normal state of human beings is that of struggling to get on; that the trampling, crushing, elbowing, and treading on each other’s heels, which form the existing type of social life, are the most desirable lot of human kind, or anything but the disagreeable symptoms of one of the phases of industrial progress.”

But a distaste for acquisitiveness did not blind him to its usefulness: “That the energies of mankind should be kept in employment by the struggle for riches as they were formerly by the struggle for war, until the better minds succeed in educating the others into better things, is undoubtedly better than that they should rust and stagnate. While minds are coarse they require coarse stimuli and let them have them.”

And then there was a second, perhaps more cogent, reservation. Weighing up the pros and cons of the imagined society of communism, Mill saw a difficulty that he expressed in these words:

The question is whether there would be any asylum left for individuality of character; whether public opinion would not be a tyrannical yoke; whether the absolute dependence of each on all, and the surveillance of each by all, would not grind all down into a tame uniformity of thoughts, feelings, and actions.... No society in which eccentricity is a matter of reproach can be in a wholesome state.

This is the “political” Mill speaking, later to be the author of the tract *On Liberty*, which is, perhaps, his greatest work. But we are interested here in the economist Mill. For his *Principles* was much more than an exploration of the possibilities for social reform. It was also a large-scale social model that projected a trajectory for the capitalist system, much as had the models of Smith and Ricardo before him. But Mill’s model had a destination different from any theretofore. As we have seen, Mill was above all else a believer in the possibility of *changing* social behavior. Therefore he no longer swallowed the main mechanism of gloom for Ricardo—the population reflex that vitiated all chances for substantial working-class improvement. Instead, Mill thought that the working classes could be educated to understand their Malthusian peril, and that they would thereupon voluntarily regulate their numbers.

With the pressure of population on wages removed, Mill’s model took a different turn from those of Ricardo and Smith. As before, the tendencies of the accumulation process would bid up wages, but this time there would be no flood of children to lessen the pressure of wages on profits. As a result, wages would rise and the accumulation of capital would come to an end. Thus Mill’s system approached a high *stationary* plateau, just as Smith’s or Ricardo’s would have done had it not been for their relentless population pressures.

But now comes another departure. Rather than seeing a stationary state as the finale for capitalism and economic progress, Mill sees it as the first stage of a benign socialism, where mankind would turn its energies to serious matters of justice and liberty, not just to economic growth. Within this impending stationary society, great changes could be made. The state would prevent landlords from reaping unearned benefits, just as it would tax away inheritances. Associations of workmen would displace the organization of enterprises in which men were subordinate to masters. By their sheer competitive advantages, the workers’ cooperatives would win the day. Capitalism would gradually disappear as former masters sold out to their workingmen and retired on annuities.

Is it all just a Utopian fantasy? Looking back on a century of enormous economic expansion that

followed the last edition of the *Principles*, we can only smile when we realize that Mill believed England (and by extension, world capitalism) to be within a “hand’s breadth” of a stationary state. And yet, looking ahead at the problems that will face capitalist expansion over the next generation or two, and reflecting again on the degree to which some capitalist nations, such as Holland or the Scandinavian trio, have managed to introduce a high level of social responsibility into their economic framework, we cannot dismiss his vision as mere Victorian wishful thinking. Perhaps because he *is* a Victorian, Mill is too easily dismissed, for his calm reasoned prose, restrained even in his heights of eloquence, does not speak in the tones that attract the modern ear. Yet, Mill has a way of returning—of finding his way to the back door after he has been ushered out the front.

So let us bid him a respectful adieu. He lived until 1873, a venerated, almost worshiped man, his mildly Socialistic leanings forgiven in exchange for his vista of hope and his removal of the pall of Malthusian and Ricardian despair. After all, what he advocated was not so shocking but that it could be embraced by many who were not Socialists: taxation of rents, and inheritance taxes, and the formation of workmen’s cooperatives. He was not very sanguine about the possibilities of trade unions, and that was all to the good, as far as respectable opinion went. It was a doctrine English to the core: gradualist, optimistic, realistic, and devoid of radical overtones.

*Principles of Political Economy* was an enormous success. It went into seven editions in the expensive two-volume edition during his own lifetime, and, characteristic of Mill, he had it printed at his own expense in one cheap volume that would be within the reach of the working class. Five cheap editions also sold out before he died. Mill became the Great Economist of his day; he was talked of as Ricardo’s rightful successor and heir, and compared not unfavorably with Adam Smith himself.

And economics aside, the man himself was so respected. In addition to *On Liberty*, Mill was the author of *Logic*, of *Considerations on Representative Government*, and of *Utilitarianism*, all classics in their fields. And more than merely brilliant, he verged on being saintly. When Herbert Spencer, his great rival in the area of philosophy, found himself so straitened in circumstances that he was unable to complete his projected series on social evolution, it was Mill who offered to finance the project. “I beg that you will not consider this proposal in the light of a personal favor,” he wrote his rival, “though even if it were I should still hope to be permitted to offer it. But it is nothing of the kind—it is a simple proposal of cooperation for an important public purpose, for which you give your labor and have given your health.”

There was never a more typical gesture. Mill cared only for two things: his wife, for whom he conceived a devotion that his friends thought verged on blindness, and the pursuit of knowledge, from which nothing could deflect him. When he was elected to Parliament his defense of human rights exceeded the temper of the day; he was thereupon defeated, but he cared not a whit either way. As he saw the world, so he wrote and spoke, and the only person who mattered, as far as approval went, was his beloved Harriet.

After she died, there was her daughter, Helen, now equally indispensable. In gratitude, Mill wrote in his *Autobiography*: “Surely no one before was so fortunate as, after such a loss as mine, to draw another such prize in the lottery of life.” He retired to spend his last days with Helen in Avignon, near Harriet’s grave, a wonderfully wise and thoroughly great man.

One last coincidence. His masterwork on economics, with its message of progress and the opportunity for peaceful change and betterment, was published in 1848. Perhaps it was not an epoch-making book, but it was certainly an epoch-marking one. For by a curious quirk of fate another, far smaller book—a pamphlet—was published in the same year. It was entitled *The Communist Manifesto*, and in its few pages it undid, in bitter words, all the calm and buoyant reasonableness



with which J. S. Mill had endowed the world.