Journal of the History of Economic Thought, Volume 25, Number 1, 2003 Routledge Taylor & Francis Group

REVIEW ESSAY:

ROMANTIC POLITICAL ECONOMY: DONALD WINCH AND DAVID LEVY ON VICTORIAN LITERATURE AND ECONOMICS

BY

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I. INTRODUCTION

Of all those who assailed the new industrial world created by the *Wealth of Nations* and the steam engine, wrote Arnold Toynbee (1879, pp. 137, 209), Carlyle was the greatest,'' and his *Past and Present* (1844) a decisive text in ''the bitter argument between economists and human beings.'' But what Donald Winch (1996, p. 418) has called ''the schism, or fault line, separating economists from the self-appointed spokesmen for human beings'' was inaugurated forty years before in Robert Southey's (1804) maledictory review of T. R. Malthus's second *Essay on Population*. And the fault line runs down to the present. The economist who gives a seminar to a university department of English must expect to encounter a widespread and settled conviction of the wrong-headedness—not to say the folly and wickedness—of the assumptions, methods, and findings of our discipline.

Just what ought to count as ''economics'' or ''political economy'' is no small part of what is at issue. Victorian men of letters were not diffident in proffering their own analyses of economic issues. Southey's pseudonymous *Letters from England* (1807) explained the increasing misery of the poor by the growth of manufacturing, and as late as 1834 he defended the Corn Laws against the reforming free-traders (Winch 1996, pp. 324, 332). Malthus's old college enemy, S. T. Coleridge, wrote in various places on ''war finance and the national debt, the bullion question, children's hours of work in factories, the Corn Laws, and the causes of post-war depression. If he stopped short of claims to have refounded the science himself, he could still entertain hopes of a more acceptable form of political economy emerging'' (p. 326).

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ISSN 1042-7716 print; ISSN 1469-9656 online/03/010091-12 © 2003 The History of Economics Society
DOI: 10.1080/1042771032000058334

Thomas Carlyle's (1849) distinction between the "dismal science" of Malthus, Ricardo, McCulloch, and the Mills and that "gay science" which ought to replace it has become immortal, though few now remember the context. Carlyle's disciple, the Oxford art historian John Ruskin, contributed mightily to the "gay science." His 1861 essays in the *Cornhill Magazine*, "On the First Principles of Political Economy," were published as "*Unto This Last*" (1862). A second set of essays appearing the following year in *Fraser's Magazine* contained, Ruskin believed, "the first accurate analysis of the laws of Political Economy which has been published in England" (1887b, p. v). They appeared in book form eight years later as *Munera Pulveris* (1871), dedicated to Thomas Carlyle. Both Arnold Toynbee and the artist William Morris were inspired, if not influenced, by Ruskin. But Toynbee had an appreciative understanding of classical economics, and Morris became a serious student and disciple of Karl Marx. R. H. Tawney, the Hammonds, and the Webbs were all affected, to a greater or lesser extent, by Toynbee's transmission of the "gay" tradition.

The gay science had its fountainhead in the fierce resistance of the "Lake Poets"—William Wordsworth, Coleridge, and Southey—to the reformist program of "Philosophic Radicalism" (Halévy 1952). Wordsworth (1950, pp. 354–55) gave it classic utterance in his famous sonnet of 1822 on King's College Chapel:

> Tax not the royal Saint with vain expense,
> With ill-matched aims the Architect who planned—
> Albeit labouring for a scanty band
> Of white-robed Scholars only—this immense
> And glorious Work of fine intelligence!
> Give all thou canst; high Heaven rejects the lore
> Of nicely calculated less or more:
> So deemed the man who fashioned for the sense
> These lofty pillars . . .

Philosophic Radicalism was a highly seasoned mixture, repulsive to all save its devotees, of Benthamite utilitarianism, Ricardian economics, and James Mill's puritanical hatred of the arts (Waterman 1991, pp. 199–204). The *Westminster Review* was founded in 1824 to propagate these doctrines. From the first, it took delight in assailing and ridiculing the Lake Poets in particular and literary sensibility in general. For the "lore of nicely calculated less or more" was precisely what gave radicalism its intellectual content. The poet's emotional appeal to "Give all thou canst" was naïve and imprudent. The rediscovery of mediæval art, architecture, Christian culture, and social order that so excited warm imaginations in the first half of the nineteenth century, was out of place—the radicals believed—in the rational world of modern industrial civilization.

The literary and artistic vision was fundamentally incompatible with the economic vision and perhaps it still is. The constraints upon human fulfillment that seem to economists to be set by physical limitation and even by human nature itself must, say the poets, be transcended. We may therefore understand the Victorian literature that derided and execrated classical economics as a counter-attack on the *Westminster*. Because of the explicit claims of such as Ruskin to be correcting economics, I propose to label the literary tradition of

"alternative" or "heterodox" economic thought as *Romantic Political Economy*. For the Romantic Movement in the arts and in politics that originated in Germany and France toward the end of the eighteenth century, and of which Jean-Jacques Rousseau was the most influential theorist, has been perceptively described as "a revolt against the finite" (Lovejoy 1941, pp. 263–64).

It is only in the last decade that economists have been made aware of the strength and tenacity of Romantic Political Economy over so much of the past two centuries. In part this is because of what seems to have been a deliberate attempt by influential twentieth-century literary scholars to conceal the more unsavory aspects of their heroes' doctrines. Carlyle, Ruskin, Dickens, Kingsley, and many another canonical author were white-supremacists and enthusiastic advocates of slavery. They were opposed in this by a "philanthropic" alliance (which they never ceased to mock) between utilitarian economists and Evangelical churchmen. It turns out that the "dismal science" was "dismal" because its practitioners were opposed to slavery and wished to abolish it. These inconvenient facts have been swept under the rug by the likes of F. R. Leavis, Raymond Williams, and E. P. Thompson. Thanks to pioneering work by Donald Winch in England and David Levy in the USA we are at last able to piece together most of the story.

In what follows I shall attempt to summarize the contributions of Winch and Levy in turn. I shall then offer a few concluding reflections.

II. DONALD WINCH ON "THE BITTER ARGUMENT"

Winch's magisterial *Riches and Poverty* (1996) is revolutionary in identifying Malthus, rather than Ricardo, as the central figure in the development of post-Smithian political economy (Waterman 1998). By choosing Malthus's death in 1834 as his *terminus ad quem* he was obliged to confine himself in part III of that work to the earliest phase of the "bitter argument," in which Coleridge and Southey are the loudest voices on the literary side and Malthus their principal target. In three more recent works (2000, 2001, 2002) he has begun to carry the story forward into the Victorian age, not in the more or less chronological manner of (1996) but through detailed studies of particular episodes or writers.

"Mr Gradgrind and Jerusalem" (2000) is Winch's own contribution to a pair of *festschrift* volumes intended by his Sussex colleagues to honor both him and John Burrow, his friend and former collaborator (Collini, Whatmore, and Young, 2000a, b; see Waterman 2002). Mr Gradgrind may be remembered as an important character in a once-famous novel of Charles Dickens, *Hard Times* (1854). Mr Gradgrind is a self-made man and radical Member of Parliament for Coketown, who represents—indeed who caricatures in typical Dickensian fashion—the "nicely calculated lore of less or more" that the Romantics hated: "A man of realities. A man of facts and calculations. A man who proceeds on the principle that two and two are four" (1970, p. 3). And an economist to the core:

> It was a fundamental principle of the Gradgrind philosophy that everything was to be paid for. Nobody was ever on any account to give anybody anything, or render anybody help without purchase. Gratitude was to be abolished, and

https://doi.org/10.1080/1042771032000058334 Published online by Cambridge University Press

> the virtues springing from it were not to be. Every inch of the existence of mankind, from birth to death, was to be a bargain across a counter. And if we didn't get to Heaven that way, it was not a politico-economical place, and we had no business there (p. 318).

Hard Times was inscribed to Thomas Carlyle, and recommended by Ruskin (1887a, p. 26) to "be studied with close and earnest care by persons interested in social questions."

The odious manufacturer Josiah Bounderby is the true villain of *Hard Times*, and Dickens himself admitted some sympathy with the well-intentioned though wrong-headed Gradgrind. But twentieth-century commentators:

> have accepted Gradgrind as the embodiment of a repellent mentality ... a scapegoat for past errors and a persisting obstacle to any humane conception of a future social order, with the further implication that Jerusalem would be constructed on the high moral ground that stood above vulgar economic facts and calculation (Winch 2000, p. 245).

Winch goes on to examine in detail how "what Gradgrind has been taken to symbolise has expanded to include dimensions Dickens could not have envisaged and would probably have been alarmed to contemplate" (p. 245). Thus F. R. Leavis (1950, p. 34) regarded *Hard Times* as "the supreme document in creative literature, where Victorian Utilitarianism and its part in Victorian civilization are in question"; and Mr Gradgrind as emblematic of a "Technico-Benthamite" vision "that became Leavis's compendium for everything about the modern world that needed to be countered by the values embodied in his version of 'The English School'" (Winch 2000, p. 248). The "New Left" critic, Raymond Williams (1958) sought "to unite radical Left politics with Leavisite literary criticism" (p. 249, note 20). His Marxist ally, E. P. Thompson (1963) carried the process further. "Dickens's picture [of Gradgrind] may be a caricature: but it is the best order of caricature ... The Victorian bourgoisie had constructed from bits of Adam Smith and Ricardo, Bentham and Malthus a cast-iron theoretical system" with which "to justify and perpetuate exploitation" (Thompson 1976, pp. 8–9). Winch has a lot of good clean fun with this sort of thing and is careful to point out the internal disagreements among the critics, their less than scrupulous use of the sources, and the many twists and turns of interpretation forced upon them by a rapidly decaying faith in Marxism after the 1960s. But throughout it all he remains detached and fair-minded, careful to point out the difference—and therefore a difference in the proper way to appraise performance—between *intellectual history* to which he is committed and "the warm-blooded, normative intentions" of Leavis, Williams, and Thompson (Winch 2000, p. 256).

Unlike some of his modern interpreters, Dickens was never a socialist critic of capitalism. It is "an underlying assumption of *Hard Times* that relations between capital and labour ought to be regulated by benevolence and mutual understanding" (p. 260; cf. Levy 2001c, p. 179). So assumed all Romantics, but neither socialists nor liberal economists like J. S. Mill believed such regulation to be feasible. Hence, those Romantics who deliberately engaged in economic debate were tempted to misrepresent economists as preachers of false doctrine. Adam Smith, wrote Ruskin, was a "half-bred and half-witted Scotchman" who had

taught the "deliberate blasphemy" that "thou shalt hate the Lord thy God, damn His laws, and covet thy neighbour's goods." As for Mill, he was "a poor cretinous wretch" and "the root of nearly all immediate evil among us in England" (cited in Winch 2001, p. 1).

Winch's two most recent contributions (2001, 2002) deal with the relation between Ruskin's "alternative" economics and that of the mainstream represented by J. S. Mill and his neoclassical successors down to Marshall. "Ruskin and Political Economy" (2001) is a yet unpublished conference paper. But "Thinking Green, Nineteenth-Century Style" (2002), though giving Mill rather more attention than Ruskin, recycles much of the text of (2001) that refers to the latter. Winch is scrupulously fair as always. Indeed, he bends over backward to understand and appreciate Ruskin's position, for "intellectual history requires a measure of generosity towards past thinkers." Moreover Ruskin "could be viewed as an essential link in a 'romantic' tradition that led from Samuel Taylor Coleridge and Thomas Carlyle at one end to William Morris and a sequence of socialist critics at the other." Nevertheless, "approaching Ruskin's views on political economy without prejudice requires an effort" (2001, p. 1; 2002, p. 2).

What were Ruskin's views on political economy? Like those of most other thinkers in all times and places, they were neither wholly coherent nor stable over time. He read *The Wealth of Nations* as a young man and found that it agreed with the "principles of ... political economy" he had already "reasoned out" by himself (2001, p. 2). In 1849 he made marginal notes in Mill's *Principles of Political Economy* that were generally favorable (p. 3). But from the early or mid-1860s his attitude changed and he became stridently hostile to orthodox political economy in general and to Mill in particular. It was his "fascinated horror" of Mill's liberal doctrines that induced him "to make it the central work of [his] life to write an exhaustive Treatise on Political Economy" (p. 4) His attempts in the 1860s (Ruskin 1887a, b) are little more than the torso of such a work, but they contain enough for us to identify the central assumptions of Romantic Political Economy.

For Ruskin, at any rate, "they were all summed up in a single sentence ... 'Government and co-operation in all things the Law of Life; anarchy and competition the Laws of Death'." The first clause of the sentence is congruent with Ruskin's conviction of "the impossibility of Equality" and his "continual aim ... to show the eternal superiority of some men to others ... and ... the advisability of appointing such person or persons to guide, to lead, or even on occasion to compel and subdue, their inferiors" (Ruskin 1887a, p. 87). The second clause encapsulates his rejection of the leading assumptions of classical political economy. There are no net welfare gains from trade, for "whenever material gain follows exchange, for every plus there is a precisely equal minus" (p. 108). There is no invisible hand to coordinate the unintended consequences of individual "avarice and desire of progress" into a socially beneficent spontaneous order, for "no human actions ever were intended by the Maker of men to be guided by balances of expediency, but by balances of justice" (p. 21). Wealth is not a stock of goods having exchangeable value, but "THE POSSESSION OF THE VALUABLE BY THE VALIANT" (p. 104); moreover "all wealth is intrinsic, and is not constituted by the judgment of men" (Ruskin 1887b, p. 21).

It is evident that Ruskin understood political economy in a fundamentally different way from Mill and his contemporaries such as Whately, Senior, Fawcett, and Bagehot. The "English school" or "followers of Dr Smith," observed the *Edinburgh* (October 1837, pp. 77–83) in its review of Senior's *Outline* (1836), conceived political economy as a strictly positive inquiry: it was "purely a science ... which neither recommends to do or to abstain from doing ... which regards Man in the abstract, and, simply as a wealth-creating animal." But for Ruskin, whose construal of "political economy" was etymological, and historically grounded in Plato's *Republic* and Xenophon's *Œkonomicus*, its purpose was normative. For in the Ancient world "where the fortunes of master, mistress, and servant are linked together within a self-sufficient household or estate that exists outside any market framework," all production, employment, and consumption is "determined by a single authority, the *pater* or *mater familias*" (Winch 2001, p. 12). Distributive justice is therefore of the essence; and political economy becomes a set of precepts, addressed to lords and masters, for doing the right thing by their children, slaves, and other dependents.

Ruskin's flagrant anachronism made it hard for his contemporaries to see the relevance of his economic writing to the mid-Victorian world of industry and commerce, a world in which it was no longer possible to envisage society as a single "Body Politick" benignly governed in all things by a paternal sovereign prince. The essays in *Cornhill Magazine* later printed as *Unto This Last* "were reprobated in a violent manner ... by most of the readers they met with." *Munera Pulvis* consists only of the preface to an intended treatise and was printed serially in *Fraser's Magazine* until "the Publisher indignantly interfered" (Ruskin 1887a, p. vii; 1887b, p. xxiii). Walter Bagehot (1965–86 IX, pp. 315–29) spoke for many, if not all, in reviewing these two works in *The Economist* under the headline, "Aesthetic Twaddle versus Economic Science."

III. DAVID LEVY ON "THE DISMAL SCIENCE"

John Ruskin is front, if not center, in David Levy's fascinating revelation of *How the Dismal Science Got Its Name*, subtitled *Classical Economics and the Ur-Text of Racial Politics* (2001c). The image of Ruskin on the dust jacket is an integral part of the entire book. It shows the sage mounted on Pegasus, lance in hand, impaling a negroid-looking gentleman clutching a money bag labeled "L.S.D. Wealth of Nations" and lying near a book called "The Dismal Science." This cartoon advertised the unauthorized publication by a Liverpool tobacco company in 1893 of a booklet called *Ruskin on Himself and Things in General*.

Levy's book is not a continuous narrative but a set of related essays, some of which have already appeared in print. Its structure somewhat resembles the musical form known as a *rondo*: the continual recurrence in the tonic key of a strong, memorable tune alternating with passages that explore its thematic properties. In this case the "melody" is a horrible episode in British imperial history to which Winch (2001, p. 6) makes only passing reference. Slavery had been abolished throughout the British Empire in 1833 and the owners indemnified

with £20 million. But the condition of former slaves in Jamaica led to a mutiny in 1865, suppressed with much atrocity by the Governor John Eyre, a highly reputed Australian explorer and former Governor of New Zealand. The suspected ringleader, a Baptist minister and political enemy of the Governor, was summarily executed on evidence later deemed "not enough to hang a dog upon" (Levy 2001c, p. 35). A thousand houses were burned, several hundred Negroes hanged or shot, and women flogged with whips made from piano wire (Semmel 1962). This act of deliberate state terror, it has been argued, was theoretically inspired by Thomas Carlyle, who is also credited with having predicted such outcomes "in his tract on 'The Nigger Question'" (Levy 2001c, p. 14, n. 37).

Part I of the book consists of four essays that explicate the complex imagery of the dust-jacket picture, its relation to the Jamaica mutiny, and its place in Victorian controversy. Chapters 1 and 2 link Ruskin's symbolic assault on the Dismal Science to Thomas Carlyle, who coined this famous nickname for our discipline in his "Occasional Discourse on the Negro Question" (Carlyle 1849), "one of the most nakedly racist tracts to be laid before the English reading public" (Walvin 1973, pp. 165–66) and regarded by a recent authority as the "ur-text of racial politics" (Levy 2001c, p. xiv). J. S. Mill (1850) had answered this pamphlet, and in the mid-1860s headed the Jamaica Committee, formed to prosecute Governor Eyre for murder. "Ruskin had ... been the first of the literary men to come to the defence of Governor Eyre. It was possible that the noted critic, very close to Carlyle at this period, had helped Jane to interest her husband in the Eyre affair" (Semmel 1962, p. 109). At any rate, a committee of writers and artists was formed to defend Eyre against the economists and "philanthropists." Thus on the one side, in support of racial equality and "the liberties of Englishman" [generalized in the twentieth century as "human rights"] were Mill and the other economists, the scientists Darwin, Wallace, and Huxley, and a large number of Evangelical laymen and clerics, collectively described by Carlyle (1867, p. 14) as "rabid Nigger-Philanthropists, barking furiously in the gutter." And on the other side, in support of white supremacy and state terror, were Ruskin, Carlyle, Dickens, Kingsley, Tennyson, and many lesser literary lights. It seems likely that Ruskin's implacable hostility to Mill and all that he stood for was hardened and made permanent by this episode.

In chapter 2 we learn that the victim of Ruskin's pictorial assault was actually John Bright, radical MP, a "Manchester School" economist of the kind parodied by Dickens as Mr Gradgrind, and Mill's chief coadjutor in the campaign to prosecute Eyre. In chapter 3 we begin to explore the conceptual issues that divided economists from Romantics: does one conceive social order as "Beginning with an Exchange or with a Command?" (Levy 2001c, p. 41). And in chapter 4 we return to the question that puzzled Donald Winch: "How do we explain why critics from the left who describe themselves as Marxist, Raymond Williams in particular, have ... singled out Carlyle and his followers as offering an important 'progressive' cultural criticism of market exchange?" (p. 29). The answer is supplied by "A Rational Choice Approach to Scholarship" (p. 58), adumbrated in pages 11–16 of chapter 1.

The three essays in part 2 develop (in quasi-symphonic manner) the themes announced in part 1, and address the general question: "Market Order or Hier-

archy?'' (p. 79). In chapter 5, called ''Debating Racial Quackery'' and previously published in this *Journal* (Levy 2001b), we are shown Carlyle's response to the ''market for racial stereotypes'' (2001c, p. 87). Carlyle attempted to prove the subhuman status of both Blacks and Irishmen by their seeming refusal to work, ignoring identical behavior among white workers in Manchester; and in 1849 proposed the re-enslavement of the unemployed Jamaicans, whose condition would thus be made a ''little less ugly'' by means of ''the beneficent whip'' (p. 93, n. 30). Levy's (2001a) contribution to the Hollander *festschrift* volume is reprinted ''with an improvement'' as chapter 6: ''Economic Texts as Apocrypha'' (2001c, p. 114). What George Orwell called the ''mutability of the past'' is the central tenet of all totalitarian thinking (p. 156). Levy returns to the questions raised in chapter 4 by considering ''What Has Not Been Said'' (p. 116) and ''What One Prefers Not to See'' (p. 143). We learn, among many other things, why a powerful alliance could exist between ''Christian evangelicals and Utilitarian political economists'' (pp. 117–27) yet be almost completely ignored in present-day historiography; why economists like Harriet Martineau could recognize sexual exploitation as integral to American slavery (pp. 133–42); and why, ''when one views the world through traditional Marxist preconceptions, one tends not to see much racial conflict'' (p. 147, n. 77). Chapter 7, on ''*Hard Times* and the Moral Equivalence of Markets and Slavery'' covers some of the same ground as Winch (2000). Each author wrote in ignorance of the other's work, and the complementarity of their analyses is remarkable. But having already disposed of Winch's disreputable trio (Leavis and the two ''left-Leavisites'') in chapter 4, Levy now goes for bigger game and tangles with Martha Nussbaum (1991) for ''Attacking Modern Economics by Means of Victorian Novels'' (p. 159).

The essence of the literary attack on economics, then and now, would seem to lie in the supposition that employment for wages in a market economy is morally and psychologically equivalent to slavery as it existed in the Empire before 1833 and in the USA before 1865. Levy shows that Nussbaum ''writes as if one need not actually read the past to know what cannot be found there'' and that she ''completely misses the context of the larger debate in which *Hard Times* is but one set piece'' (pp. 160, 161). Returning to Ruskin and the Eyre controversy later in the chapter, Levy gives us detailed evidence of that sage's extra twist of the literary assumption. Working for wages in the market is actually worse (for an Englishman) than slavery is (for an African).

Part 3, ''The Katallactic Moment,'' consists of five analytical essays, four of which have previously been published: chapter 8, ''Exchange between Actor and Spectator''; chapter 9, ''The Partial Spectator in the Wealth of Nations: a Robust Utilitarianism'' (Levy 1995); chapter 10, ''Katallactic Rationality: Language, Approbation, and Exchange'' (Levy 1999); chapter 11, ''Adam Smith's Rational Choice Linguistics'' (Levy 1997); and chapter 12, ''Bishop Berkeley Exorcises the Infinite'' (Levy 1992). Governor Eyre and Ruskin & Co. make two brief appearances in this part (2001c, pp. 202–208, p. 246), but the last four chapters are really technical appendices that explore those logical and scientific properties of ''classical political economy'' that permit us to distinguish it precisely from Romantic Political Economy. To what these are, we must now turn.

IV. "CLASSICAL" AND "ROMANTIC" CONCEPTIONS OF POLITICAL ECONOMY

We are accustomed to the contrast between the "classical" Haydn and Mozart on the one hand and the "romantic" Berlioz and Wagner on the other. It would be tempting to correlate this distinction with that between the "classical" Smith and Ricardo and the "romantic" Ruskin and Morris. After all, the two contrasted groups are nearly contemporaneous, and there seems little doubt that the Rousseauvian "revolt against the finite" inspired both romantic composers and romantic economists. In my opinion however, it is unhelpful to push the resemblance too far. Romantic music had much in common with classical, and both have been fully integrated into the mainstream of twentieth-century composition. But Romantic Political Economy was founded on a denial of the postulates and methods of classical economics. To the extent that any of its characteristics linger or reappear in the "alternative" or "heterodox" economics of the present day, adherents of these schools of thought are at risk of excluding themselves from the conversation of their professional colleagues.

What were the characteristics of Romantic Political Economy? And how did it differ from the classical political economy of Adam Smith and his successors down to J. S. Mill? I offer a rational reconstruction of Levy's complex and centrifugal argument, beginning with the classics.

Classical economists saw that human societies exhibit an order than can not be explained as resulting from the conscious decision of a single will. Social order appears to be "spontaneous": the unintended outcome of many independent, individual transactions. These transactions are frequently motivated by the prospect of benefit from voluntary trade with others; and will not take place unless all individuals expect, and most actually receive, what they themselves perceive to be benefit. Humans are unique in possessing language, and therefore in being able to trade: hence Smith and Whately understand that to be human is to trade. Since property requires a social exchange, and is a convention by which we buy social peace, the social world of persons begins with an exchange, not a command.

Therefore, what Whately called "catallactics," [Levy re-spells as "katallactics"] parodied by Dickens as the "Gradgrind philosophy," is the analytical core of classical political economy. The "neoclassical" economics of Jevons and his successors, being based on the rational choice of a single individual (Robinson Crusoe, regarded by Whately as irrelevant to political economy) is a degenerate special case.

An explanation of social processes based on individual, goal-seeking behavior leaves no room for hierarchy or for Carlyle's Great Men. Market phenomena are to be explained upon the assumption that most humans are pretty much the same. Thus Victorian economists, because of their katallactic, positive-sum view of the human condition with its correlative assumption of "analytical egalitarianism," were unable to appreciate the putative benefits of slavery. Moreover, "katallactic rationality," which Levy analyzes as a trade-off between material gain and the approval of one's trading partners, implies that only incentives matter in a social-scientific explanation of human behavior. Race, national characteristics, class, and

sex are irrelevant—in that the behavior generated by those characteristics is only weakly and briefly resistant to change in the structure of incentives. Hence the case for racial slavery was seen to be incoherent. But the incentives to sexual exploitation created by slavery were obvious to all economists and were noted in particular by Harriet Martineau, Nassau Senior, and Archbishop Whately.

Romantic Political Economy differed most fundamentally from the mainstream in its rejection of the assumption that both parties may gain from a trade. Since analytical egalitarianism can therefore be dispensed with and incentives become irrelevant, the way is open for an hierarchical view of society that begins with a command, not with an exchange.

Romantic Poets and other literary men supposed that their art gave them an exalted, Pegasus-eye view of the human condition. The view from Pegasus fails to see spontaneous order, but it does see hierarchy. In the hierarchical view, Great Men are the motors of social processes and efficient causes in historical explanation. Because of its failure to perceive spontaneous order and its cause in human motivation, the Pegasus-eye view sees only a dumb re-ordering of nature in human transactions: what one gains, another must lose. Because of their hierarchical, zero-sum view of society, the Romantics took slavery for granted and sought to reform, rather than to abolish it. They actually preferred slavery to free labor, which they saw as exploitation of the poor. Slavery was seen as positively beneficial to those most in need of oversight and protection by their superiors. Blacks were seen as especially suited to slavery because of their obvious inferiority to whites. Levy (2001c, pp. 127–33) reminds us that many leading literary men—Coleridge, Kingsley, Carlyle, and Froude among others—were theologically progressive Christians who rejected biblical literalism in favor of evolutionary science. Evolutionary science appeared to support the view that blacks were inherently inferior to whites. Hence a "progressive" alliance was formed between progressive Christian writers and some—though by no means all—scientists, favorable to eugenics, racism, and slavery. Marx and Engels (who much admired Carlyle) seem to have shared this racism (Poliakov 1974, pp. 244–46).

The Romantics differed most fundamentally from the mainstream in their inability or unwillingness to recognize the katallactic basis of human society. Social order, therefore, is not spontaneous but imposed from above. It is for this reason, of course, that their literary prestige has been so often co-opted by those with a collectivist axe to grind, whether of the socialist or the fascist variety. Ruskin inspired the Marxian William Morris. Carlyle "brought tears of hope to the eyes of Hitler" (Rosenberg 1985, p. 117).

It may seem paradoxical that the Romantic "revolt against the finite," of which material scarcity is a continual reminder, should have coexisted with an inability or refusal to see that voluntary exchange is the most effective way open to us of coping with scarcity. But mere coping is not the point. The explanation, I believe, is theological. The Christian doctrine of Original Sin is a theodicy of scarcity (Williams 1927) that Romantics repudiated. All humans, they asserted, are naturally good: only corrupt social institutions make us act wickedly. (It may be remembered that the "bitter quarrel" actually began with Malthus's demolition of William Godwin's (1793) Romantic politics of human perfectibility.) Thus if

humans are naturally good and perfectible, then Carlyle, Ruskin, Dickens, and their allies may not unreasonably believe that relations between master and servant, owner and slave can be amicably and justly settled on the basis of mutual generosity and goodwill. Now classical economics, resting as it did upon assumptions about human limitation and fallibility, was fully consistent with orthodox belief in Original Sin. But Romantic Political Economy—many of whose proponents, it will be recalled, were "liberal" or "progressive" Christians who rejected biblical literalism—rested on a heterodox denial of that ancient dogma.

In part this explains the willingness of the Evangelical reformers and philanthropists to ally themselves with Utilitarians and economists, and unanimously to select the notoriously free-thinking John Stuart Mill as their leader on the Eyre committee. Evangelicals took the Bible seriously and believed that all children of Adam were equal in the sight of God. For his part, Mill (1861, p. 401) went more than halfway to meet the Evangelicals in publicly affirming the formal identity of "the golden rule of Jesus of Nazareth" with the "Greatest Happiness" principle of Utilitarianism (Levy 2001c, pp. 119–21, 163–64).

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