

REVIEW ESSAY

BY

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Peter Groenewegen, *Eighteenth Century Economics: Turgot, Beccaria and Smith and Their Contemporaries* (London: Routledge 2002) pp. xxiv, 421, \$135. ISBN 0 415 27940 2.

The range of topics dealt with in this collection, is vast. It starts from work derived from Peter Groenewegen's doctoral thesis in the history of the development of "the theory of value, production and distribution from 1650 to 1776" (p. xv) and stretches over four decades of sustained, and elegant, scholarly production. The *dramatis personae* of the twenty-three essays constitute a significant array of writers. Some are well known, such as Richard Cantillon, Adam Smith, Sir James Steuart, Anne R. J. Turgot—a special interest—and François Quesnay. Others are perhaps less well-known, at least at the time that the essays were written, such as Pierre le Pesant de Boisguilbert—to whom Groenewegen has devoted considerable attention—J. F. Melon, and earlier Jansenist-inspired philosophical writers such as Pierre Nicole. Although the main theme is eighteenth-century economics, the papers, which tend to focus in a variety of ways on the origins of economics as a science, look, unsurprisingly, both backwards into the seventeenth century and forwards into the nineteenth and twentieth centuries.

The scale of Groenewegen's interest in eighteenth-century economics, given his interests in other periods, is awe-inspiring. And what is published for the eighteenth century is only a sample of what could have been included. Smith would have approved of such an example of the productivity gains that come from the division of intellectual labor. It would be difficult to review every section (the papers are organized in three parts) or every essay (twenty-three in all). However, it is possible to detect a number of themes running through the papers, and although these themes do not convey every aspect of what is published here, those picked out in this review provide a convenient rhetorical framework for discussion. Other reviewers will no doubt opt for a different strategy, given their own interests and motivations for reading the collection. Any review is likely to be shaped by the encounter between a text and the knowledge, interests, and orientation of a given reader.

First, there is a sustained search for the origins of "scientific" economics. This is a principal theme in the essays that make up Part One, but it spills into the

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two other sections. It expresses itself also in the first of his essays on Turgot in Part III, where he evaluates, and eventually rejects, the argument that Turgot is to be seen a “forerunner of neo-classical economics.” Second there is a concomitant concern for evaluating the sense or senses, both implicit and explicit, in which origins are to be evaluated. This implies also a sustained effort at acknowledging the significance of continental economic theorists in order to work against a tendency, in Britain and elsewhere, for an overly parochial view of the development of classical economics. This theme is worked out in a number of articles, but it never leads him astray. In his essays on Turgot, for example, he is evaluative rather than partisan. He remains neutral concerning the extent of direct links between texts produced by Turgot and Smith, locating similarities in a “common intellectual heritage,” mainly in the writings of “Locke, Cantillon, Hume and Quesney” (pp. 32, 373). And finally, although this is not so much an articulated theme as a methodological tendency, detected in the way origins and influences are researched and presented, there is a commitment to the identification of sources through forms of textual analysis backed by wide-ranging reading.

The search for origins is a compelling one in a number of significant essays. The first essay, on Turgot, Cesare Beccaria, and Smith, deals with the issue head-on (the methodology of the article is dealt with below). Origins are problematic, for there is a need to be clear about the subject that is supposed to be the outcome of the origins. Groenewegen knows this and reviews, in the conclusion, the different “theoretical justifications” concerning classical economics, which are found in the literature. These are essentially: Smith to John Stuart Mill’s own final revision of his *Principles*; “that of Keynes,” who extended the period of classical economics to include the whole of his predecessors; and that of Karl Marx, which goes from Sir William Petty and Boisguilbert (both interested in the problem of value) to “Ricardo and Sismondi.”

Groenewegen is sympathetic to Marx’s notion and writes convincingly on what he sees as the origins, given this explicit awareness of point-of-view. He constructs the article by focusing first on biography, secondly in textual terms, and, finally, with respect to sources in common. Sometimes biography is seen as unfashionable or inappropriate. But it can be justified (say) in humanist-Marxist terms, especially where the author-producer is located in class terms, though this is not Groenewegen’s stance. I mention it because introducing biography raises additional questions concerning the process of knowledge production that the construction of the texts can be taken to exemplify, including the social and cultural, i.e., the contextual. Groenewegen is aware of such contexts, here and elsewhere—especially when he reflects upon the contextualization that biography provides (p. 196). The fact that Smith worked in a vibrant academic institution for some of his working life, and the others did not, helps define the product, i.e., it contextualizes the choice of genre and, perhaps, the speed of development of the Smithian synthesis. Groenewegen does not seek, however, to explore contexts in detailed methodological terms. Here and elsewhere (in his essay on Dupont de Nemours, for example) he strives for a just balance between the history of economics with emphasis on the economics, and the history of economics with emphasis on the history. The issue of context and text is of course an old one. Any fuller engagement with biography in this essay would

have tipped the balance towards history. I point this out because he is also concerned with historiography, an issue he raises elsewhere in the volume, but of which he makes little significant play. He is right about the discontinuity of the French Revolution with respect to the development of classical economic thought and its interpretation. Though he mentions Ricardo and a “second peak,” he makes no mention of Jean-Baptiste Say, whose interpretation of Smith—so different from that of Ricardo—is firmly located within Say’s concept of Republican virtues. Apart from a short discussion of Say in relation to Turgot and Adam Smith (pp. 340–41), Say is not given much prominence. Perhaps he will be treated in the volume on the nineteenth century.

With respect to the evaluation of origins, the drive of Groenewegen’s work is towards a careful specification of the exchange (more correctly, borrowing) of ideas among thinkers. It is in this context that he explores the significance of comparatively neglected writers, such as Boisguilbert, whose work he sees as “almost certainly the inspiration for the great emphasis on circulation in French economic writing” of the time (p. 114). Groenewegen, with characteristic thoroughness, outlines possible impacts on British, French, and Italian thinkers. With respect to links with Smith’s thinking, he is careful to stress the need for further investigation.

In the process of looking widely in French writing, he throws off interesting ideas about the secularization of Jansenist thinking, with respect to writings of Nicole, who was read by John Locke, and of Jean Domat. These are two authors who specified the nature and consequences of “amour-propre éclairé” (p. 78). Eliminate their notion of providence and we might have ideas that lead straight to nineteenth century economic liberalism, though we are advised to proceed with caution. This is an interesting detail in his vision, derived from Jacob Viner as well as from a wider understanding of the Scottish Enlightenment, of the eighteenth century as a location for the process of knowledge secularization. This is a theme that also could have been worked upon, and Groenewegen is aware of this.

In a number of essays he then traces, with great detail and using a variety of methods, the connections and interconnections between continental thinking and British thinking in political economy. In both respects he implicitly shows how it is possible to talk in very specific economic terms of an Enlightenment that is European, involving an exchange of ideas in which the intellectual current flowed one way, and then another. How Isaac Newton and Locke influenced intellectual developments in Scotland, France, and Italy is one example. The influence of (Charles de Secondat) Montesquieu’s *L’Esprit des Loix* (published the “same year as Bentham was born”) on the Scottish philosophers, is also another that is touched upon more than once.

He quotes, approvingly, as do so many others, Alexander Pope’s famous couplet on Newton—and gives a French translation by Turgot—though we ought to be careful here. Newton, had he known of it, would not have seen his understanding of nature in terms of Pope’s description, and neither did David Hume. Hume’s construction of Newtonian science leaves nature as dark and inaccessible as before. Newton probably would have shared this view, for he avoided essentialism. The point is not insignificant. This is why Hume, and

indeed Adam Smith in Book one, chapter two of *The Wealth of Nations*, feels comfortable looking at the consequences of human nature and not at its causes. Groenewegen gives some attention to Hume but more to reinforce his point about the interconnections between French political economy and British thought than to explore Hume in his own right, although he clearly admires Hume's critical thinking skills. He suggests that Hume uses Melon's work as "the perfect foil to set off the contents of Hume's critical essays" (p. 130). Melon, of course, analyzed public debt by challenging its analogy with private debt. Hume, who was not unsympathetic to physiocratic thought, would not have accepted as knowledge any providential speculation. Groenewegen re-enforces the reputations of the physiocratic writers, on whom he is particularly good, and promotes a specific European base for classical political economy, too often constructed as a parochial English event.

One way in which Groenewegen achieves this sense of intellectual unity and exchange is through his method of text analysis, illustrated also in two other essays, but most extensively in the first essay. In this essay, he does a number of interesting things. First he provides a timeline, after an eighteenth-century educational innovation that obtained for Joseph Priestley his doctorate from the University of Edinburgh, one supposes, outlining events in the life of Smith, Turgot and Beccaria. This timeline includes other published economics writing and wider historical events. He then presents a table of contents that sets out in parallel the main elements of *The Wealth of Nations* (Smith), *Reflections* (Turgot) and *Elementi* (Beccaria), thus highlighting the common development of themes. In a further table he sets out and compares authorities cited by Smith, Turgot, and Beccaria. This approach is not methodologically innovative but it is demanding work that is carefully and successfully executed. It is also work of considerable utility from the reader's point of view, as it accelerates understanding without the immediate requirement of resorting to the original texts. There is little in the way of further, evidenced, text analysis; the synoptic approach dominates, except in the paper dealing with editing and textual identification. There, Groenewegen really makes the required analyses overt and so illustrates forensic skills. It would be interesting to see if and how modern developments in computer-aided text analysis would aid the search for authorial identification.

Overall, the essays, like all other texts, are inevitably also located, though not fixed, in time. Groenewegen explores some issues in detail and opens up other issues, hinting at possibilities for further work (see pp. 218–19). Some of the themes identified by Goenewegen have been filled-out by others—even if the genesis comes from some other source—in line with Groenewegen's own aspirations. For example, Gilbert Faccarello's work on Boisguilbert has recently been published in the same Routledge series, making it possible for others to explore further the origins and context of *laissez-faire* notions. At the same time, new issues raised by challenges to the nature and construction of the economics canon or understandings, based upon insight from a variety of forms of discourse analysis, have raised methodological issues concerning the study of "economics" texts and contexts. Such concerns have challenged monopoly thinking, implicit in the use of the term "the history of economic thought" (the monopolist is, of course, largely the definite article—a singular noun also assists) and

the notion that modern, mainstream economics is the appropriate “point-of-reference.”

Such challenges have raised the possibilities of a plurality of histories of economic thought. This possibility is implicit in Groenewegen when he deals with what is to be taken as origins in the context of how the Classical School may be defined or when he shows the contribution made by those marginalized by over-summative forms of history. However, it is not clear whether he is intent on adjusting the canon or on challenging the notion of a canon. Equally it is unclear whether the point of reference is essentially other texts in the same epoch or tradition, or if it is derived from future developments; his approach is pragmatic. This is not a book—despite the somewhat limited efforts to “top and tail” it into one—but a collection of articles, which restrains the development of wider issues. Given what Groenewegen has to say about fads and fashions, this may be a good thing.

Different definitions and different reference points make different histories possible or at the very least act to prevent some and promote others. Exploration of a plurality of histories—made possible by challenging the notion of the canon—is now reasonably well established for the nineteenth and twentieth centuries. For those periods, the role of neglected women economics writers (to which Groenewegen has also made contributions, published elsewhere) continues to be explored where diverse traditions of economic thinking are acknowledged. Pluralities of history change, among other things, details of the language. Would we be as willing now to use the term “science” (even if carefully defined, as is the case with Groenewegen)? Groenewegen is certainly very conscious that when dealing with intellectual history we are dealing with interpretations, which like turtles, go all the way down, as it were.

For the eighteenth century, and particularly for consideration of Adam Smith, the dual reclamation of Smith as an Enlightenment thinker, and of *The Wealth of Nations* as an Enlightenment discourse, is well underway in the contemporary literature. Such explorations bring interdisciplinary issues to the fore in ways that are not always fully considered within Groenewegen’s work. Smith himself is constructed, in places in the essays, as a “product of the Enlightenment” and although inter-textual connections with other Enlightenment figures are explored (Quesney, Hume, Turgot), what it means to describe Smith in this way is rarely explicit. Francis Hutcheson and Adam Ferguson make only fleeting appearances.

This is not the case for the physiocratic writers. They tend to be placed more precisely within a broader philosophical context. The physiocratic concept of the social order, of rights and obligations, particularly as understood by Quesney, Mercier de la Rivière, L’abbé Baudeau, and Dupont de Nemours, is more fully developed by comparison—especially, but not uniquely, where Groenewegen is exploring the origins of *laissez-faire*. The focus is on French origins and the notion of the “natural order” (p. 213). Smith is, in these contexts, discussed in passing. The interdependence of “rights of property” and of “liberty” is set out by Dupont in terms that Hume and Smith would have recognized, given the common intellectual origins. The relationship of economics to human nature—a central concern of British eighteenth-century writing from Locke, through Bernard Mandeville, Hutcheson and on to Hume and, therefore also Smith—is

touched upon, for example, when talking about Quesnay's interest in economics (p. 249), but not explored in detail. Groenewegen shows that *laissez-faire* also implied associated notions of economic freedom with respect to work and labor, to the use of land, to freedom of exchange, and freedom to enjoy one's wealth. The rights of property were central. Enlightenment political economy is enfolded in texts that are as much cultural objects as they are proto-modern economics. It is not easy for the uninitiated to understand the general eighteenth-century notion of property, for it does not mean quite what we may normally take it to mean, at least in the everyday sense. Property and justice are interrelated concepts and linked to human nature and the historical development of society. Hume, whom Groenewegen does not explore in this context, is worth reading on the issue, in particular, but not uniquely, in the *Treatise*. Hume draws, as does Hutcheson, on Locke, Hugo Grotius, and Samuel von Pufendorf.

The gathering together of those articles by Peter Groenewegen, exploring the founding years of the emergence of economics as a substantial and theoretically ordered discourse—some from fairly inaccessible sources—has resulted in a volume that is both useful and stimulating. The essays, even the shorter ones published towards the end of the volume, such as on “Adam Smith and the division of labour,” are of high value. In this essay, Groenewegen points out that after Schumpeter, the weight that the division of labor—and hence, increasing returns—is expected to carry in Smith's theory of growth. This makes in the process a nice contrast with the concerns of the later political economists over diminishing returns in agriculture. That such essays have been brought together in one place is a service to the wider community of scholars. The volume constitutes a significant and accessible contribution to our understanding of eighteenth-century economic thought. Serious students of such thinking will ignore this collection at their own risk.