

“SHINING BITS OF METAL”: MONEY, PROPERTY, AND THE IMAGINATION IN HUME’S POLITICAL ECONOMY*

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Abstract: This essay examines Hume’s treatment of money in light of his view of the imagination. It begins with his claim that money is distinct from wealth, the latter arising, according to vulgar reasoning, from the power of acquisition that it represents, or, understood philosophically, from the labor that produces it. The salient features that Hume identifies with the imagination are then put forth, namely its power to combine ideas creatively and the principle of easy transition that characterizes its movement among them. Two issues that these features explain are then discussed: first, why people take value to lie in the material of which money is made, and, second, why they assign value to what they take money to represent, namely, wealth. In both cases, the imagination creates a new relation, an illusion or fiction, that cannot be traced directly to experience. In the case of money, the faculty conjoins what is intangible (the power of acquisition) with the physical qualities of specie; in the case of property it produces a causal relation that connects persons with objects to constitute stable possession that constitutes ownership. Hume also appeals to the imagination to explain the rules of property that subsequently develop (present possession, occupation, prescription, and transference). The essay concludes by emphasizing that being based on the imagination is not in itself indicative of any instability in either money or property and the practices they enshrine, a feature they share with other phenomena (such as the self and continued existence) that Hume also traces to the same faculty.

KEY WORDS: Fiction, Hume, imagination, money, property

The nine essays that make up the *Political Discourses* (eight published first in 1752 and the ninth six years later) are often described as “economic” and thus containing Hume’s contribution to that branch of inquiry concerned as the Greek origins of the word indicates—the law or order (*nomos*) of the household (*oikos*)—with the production, distribution, and consumption of goods and services. Given the subjects over which the essays range—commerce, luxury, money, interest, trade, taxes, and credit—the characterization is not inaccurate, though it fails to reflect fully Hume’s concern throughout to situate and connect economic matters with politics, government, law, history, and custom, the parts that make up the whole designated more appropriately by the term “political economy.” As such, the distinction between Hume’s “economic psychology” and his “political economy”—to employ terms for two of the three “levels” Eugene Rotwein coins to elucidate this part of Hume’s philosophy—is not as clean and

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obvious as one might assume: the explanation of “economic development through the impact of changing environmental forces on certain human passions” informs and is informed by his discussion of “aspects of market relations,” respectively.¹ This wider net that Hume casts in his discussion of political economy reflects, in turn, the extent to which the essays presuppose and employ various principles that he had already identified and explored—primarily in the *Treatise* and *Enquiries*—and without which his work in political economy cannot be fully appreciated. As a growing body of work attests, connections between Hume’s treatment of economic matters and his earlier work can be discerned in his discussions of history, manners, science, human nature, and the general point of view.²

In the present essay, I hope to contribute to this effort of drawing connections between Hume’s political economy and broader themes in his philosophy in the context of treating his view of money in light of the powers he attributes to the imagination. As commentators have long noted, Hume has a well-developed (if not necessarily systematically-presented) view of the imagination and its principles, to which he appeals in various ways across a variety of subjects in the course of his writings,³ and there is thus good reason to entertain the possibility that at least some of what he has to say about money might be informed by the same; indeed, this observation

¹ See “Introduction” to *David Hume: Writings on Economics*, edited and introduced by Eugene Rotwein (Madison: University of Wisconsin Press, 1955), xxii and xxiv, respectively. The third “level” Rotwein identifies in Hume’s approach is “economic philosophy,” namely, a normative enterprise that focuses on luxury to “frame a comprehensive appraisal of a commercial society” (xci). The widespread and routine characterization of Hume’s essays as “economic” is reported and reflected in Andrew S. Skinner, “David Hume: Principles of Political Economy,” in *The Cambridge Companion to Hume*, 2nd edition, ed. David Fate Norton and Jacqueline Taylor (Cambridge: Cambridge University Press, 2008 [1993]), 381–413. For a useful synoptic overview of Hume’s contribution to the fields, see Margaret Schabas and Carl Wennerlind, “Retrospectives: Hume on Money, Commerce, and the Science of Economics,” *Journal of Economic Perspectives* 25, no. 3 (2011): 217–30.

² For these respective emphases, see, for example, Rotwein, “Introduction” and Skinner “David Hume,” esp. 229–39; Tatsuya Sakamoto, “Hume’s Political Economy as a System of Manners,” in *The Rise of Political Economy in the Scottish Enlightenment*, ed. Tatsuya Sakamoto and Hideo Tanaka (London: Routledge, 2003), 86–103; Margaret Schabas, “Hume’s Political Economy,” chap. 4 of her *The Natural Origins of Economics* (Chicago: University of Chicago Press, 2005); Edward Soule, “Hume on Economic Policy and Human Nature,” *Hume Studies* 26, no. 1 (2000): 143–57; and Takeshi Nakano, “Let Your Science Be Human’: Hume’s Economic Methodology,” *Cambridge Journal of Economics* 30, no. 5 (2006): 687–700. The alternative view—that Hume’s economic writings (or his view of money at least) can be treated separately and without reference to other parts of his system—is expressed forcefully (and against Rotwein explicitly) by Douglas Vickers in his *Studies in the Theory of Money 1690–1776* (Philadelphia: Chilton, 1959), 217–218 n. 2. For extended defense of the thesis that Hume’s political writings more broadly form a unity with his philosophical work, see David Miller, *Philosophy and Ideology in Hume’s Political Thought* (Oxford: Oxford University Press, 1981) and Frederick G. Whelan, *Order and Artifice in Hume’s Political Philosophy* (Princeton, NJ: Princeton University Press, 1985). For connections between politics and his brand of skepticism more specifically, see Ryu Susato, *Hume’s Sceptical Enlightenment* (Edinburgh: Edinburgh University Press, 2015) and Miriam Schleifer McCormick, “Hume’s Sceptical Politics,” *Hume Studies* 39, no. 1 (2013): 77–102.

³ For an extended defense of the general thesis, see Timothy M. Costelloe, *The Imagination in Hume’s Philosophy: The Canvas of the Mind* (Edinburgh: Edinburgh University Press, 2018).

might well apply to other aspects of Hume's political economy, though that more general theme lies beyond the reach of the present essay. I begin by drawing attention to Hume's claim that wealth or riches (terms I shall use interchangeably) are distinct from money, the former being found not in any intrinsic qualities possessed by the latter, but, as philosophical inquiry discovers, in the labor that it represents or, as vulgar reasoning assumes, in the power of acquisition (or its promise thereof) that wealth signifies. I then outline the salient features that Hume identifies with the imagination and identify two issues that his view of the faculty can explain: first, why we mistakenly take value to lie in the material and its qualities of which money is made, and, second, why we assign value to what we take money to represent, namely, wealth or riches. In both cases, the imagination creates an illusion or fiction: in the first, the idea that intangible qualities have physical location (money), and in the second, the mysterious relation that connects people to the things they are said to own (property).⁴

I. MONEY, WEALTH, AND VALUE

In "Of Interest" Hume writes that money has "chiefly a fictitious value" (I 297), a striking claim that has sparked a good deal of interest in and comment from his readers. Hume's use of the terms "fictitious" and "fiction" (and their cognates) is complicated, as is the way he develops and employs them conceptually in his treatment of various phenomena that cannot be traced directly, or at least not in any obvious way, to experience and matter of fact. The best known occasions where Hume appeals to this concept include his treatment of the ideas of time and space, continued existence, and personal identity, but he employs similar or even analogous reasoning when considering various issues that arise in morals, politics, aesthetics, history, and religion, including, as already advertised, those

⁴ References to Hume's works are given as follows: *A Treatise of Human Nature*, ed. David Fate Norton and Mary Norton (Oxford: Oxford University Press, 2001) (T) with citations according to book, part, section, and paragraph, followed by page numbers to *A Treatise of Human Nature. Analytic Index* by L. A. Selby-Bigge. Text revised and notes by P. H. Nidditch (Oxford: Clarendon Press, 1978 [1888] (SBN); *Enquiry Concerning Human Understanding*, ed. Tom L. Beauchamp (Oxford: Oxford University Press, 1999) (EHU) and *Enquiry Concerning the Principles of Morals*, ed. Tom Beauchamp (Oxford: Oxford University Press, 1998) (EPM) with citations given according to section and paragraph, followed by page numbers to *Enquiries Concerning Human Understanding and Concerning the Principles of Morals, Reprinted from the 1777 edition with Introduction and Analytical Index* by L. A. Selby-Bigge (Oxford: Clarendon Press, 1974 [1888] (SBN); "A Dissertation on the Passions," in *A Dissertation on the Passions/The Natural History of Religion*, ed. Tom L. Beauchamp (Oxford: Oxford University Press, 2007) (DP) with citations given according to section and paragraph; and *The Letters of David Hume, Volume I, 1727-1765 and Volume II, 1766-1776*, ed. J. Y. T. Greig (Oxford: Oxford University Press, 1932) (L1 and 2), followed by page number. All references to Hume's essays are to the pagination in *Essays: Moral, Political, and Literary*, ed. Eugene F. Miller (Indianapolis, IN: Liberty Fund, 1985) with specific essays abbreviated to: "Of Commerce" (C), "Of Refinement in the Arts" (RA), "Of Money" (M), "Of Interest" (I), "Of the Balance of Trade" (BT), "Of the Balance of Power" (BP), "Of Public Credit" (PC), and "Of the Populousness of Ancient Nations" (PAN).

related to money and property.⁵ In these contexts Hume uses the terms in a principled, even quasi-technical, fashion, though on other occasions the meaning conveyed is closer to their home in ordinary language where they indicate some falsehood or fabrication contrary to fact. Indeed, this is the sense in which Hume employs “fiction” elsewhere in the *Discourses* (an additional four times in all) in the course of assessing historical evidence: the reliability of reports on the structure of Spartan government (C 259), claims about the size of Dionysius’ army (PAN 426), and (twice) the recorded details of early Roman history (BP 634).⁶

When Hume employs the terminology to characterize money, however, it is the adjectival form—“fictitious”—that he chooses, referring, quite clearly, not to money itself but to the *value* that attaches to it; money itself is not a fiction.⁷ Hume does speak of “fictitious money” in a letter to Abbé Morellet in the context of commenting on the practice in the Pennsylvania colony of issuing notes on the basis of the value of land, and on the measures there taken to prevent deflation (see L2 204–5). In both these cases, however, Hume is raising a fundamental question about the *source of the value* that attaches to a medium of exchange in contrast to the medium itself, which is but a sign that points to the source. The failure to realize this distinction, Hume demonstrates, leads to a conflation of money with wealth and generates false doctrines of the sort that, in the shape of mercantilism, he attacks, namely, the ostensible connections between the quantity of money and the strength of a state (in “Of Money”) and the rate of interest (in “Of

⁵ See Costelloe, *The Imagination in Hume’s Philosophy*, chap. 1, which attempts a classification of Hume’s view of imagination, its powers, and the classes of fictions he appears to have in mind. For a more schematic attempt of the same and application of the result to Hume’s view of money, see C. George Caffentzis, “Fiction or Counterfeit? David Hume’s Interpretation of Paper and Metallic Money,” in *David Hume’s Political Economy*, ed. Carl Wennerlind and Margaret Schabas (London: Routledge, 2008), 146–67. I only became aware of this paper after publishing the book.

⁶ The first of these—that the government of Sparta might “appear a mere philosophical whim or fiction” were “testimony of history less positive and circumstantial” (OC 259)—is reminiscent of the “philosophical fiction of the state of nature” and corresponding “poetical fiction of the golden age” that Hume discusses in the *Treatise* (T 3.2.2.14–15/SBN 493–4) and second *Enquiry* (EPM 3.15/SBN 189).

⁷ Loren Gatch, “To Redeem Metal with Paper: David Hume’s Philosophy of Money,” *Hume Studies* 22, no. 1 (1996): 169–91, reads Hume correctly on this point (see 177), but it is apparently overlooked by Caffentzis, “Fiction or Counterfeit?” 149 *passim*, who infers erroneously from the passage that Hume calls “metallic money ‘fictitious’”; he subsequently equates this proposed fiction with convention, even though, and the original misreading notwithstanding, they are not the same thing (something can be conventional without being fictional). One might also note that money is not a *virtue* either, a suggestion made by Carl Wennerlind, “An Artificial Virtue and the Oil of Commerce: A Synthetic View of Hume’s Theory of Money,” in *David Hume’s Political Economy*, 105–26. Hume says that a virtue is a “quality of mind agreeable to or approved by everyone, who considers or contemplates it” (EPM 8.n50/SBN 261n1), a definition that hardly extends to a currency of metal or paper. Money can be *used*, presumably, in more or less virtuous or vicious ways and in that sense is one element in the formation of moral character. The locus classicus of such a view is Aristotle who takes “wastefulness [*asotia*] and ungenerosity [*aneleutheria*] [to be] . . . an excess and a deficiency about wealth” where we call “wealth anything whose worth is measured by money.” See Aristotle, *Nicomachean Ethics*, trans. Terence Irwin (Indianapolis, IN: Hackett, 1985), IV.i, 1119b25–30, and n. 11 below.

Interest").⁸ In itself, Hume urges, money is not even a *subject* of commerce, even less one of the "wheels of trade"; it might well be the "oil which renders the motion of the wheels smooth and easy" (M 281), but is in itself but "little yellow or white pieces" (M 286; see M 290 and I 296) or "shining bits of metal" (I 297), phrases that dramatize the superficiality of its beguiling exterior and the irrelevance of its intrinsic qualities to the separate issue of value and wealth. For that reason, paper money would do just as well, even though it is "counterfeit money" (M 284), that is, something that depends upon and, by hiding that fact, fraudulently imitates, something else: in this case, money in the form of precious metals that itself represents value and in comparison to which the value of paper is more precarious. Money, we might say, employing a Platonic trope, is twice removed from the value it represents, and from that position comes its counterfeit status; securities and deeds, insofar as they represent paper money, might even be thrice removed.⁹ Douglas Vickers was surely correct, then, when he observed (more than five decades ago) that, as far as Hume was concerned, "[p]aper money-substitutes performed the same function as other forms of money"

⁸ Hume is generally read as a forerunner of economic liberalism and of thus being critical of the mercantilist tradition. For challenges to the assessment, see Mark Thornton, "Cantillon, Hume, and the Rise of Antimerchantism," *History of Political Economy* 39, no. 3 (2007): 453-80, and Margaret Schabas, "Let Your Science Be Human": David Hume and the Honorable Merchant," *European Journal of Economic Thought* 21, no. 6 (2014): 977-90, and "Bees and Silkworms: Mandeville, Hume, and the Framing of Political Economy," *Journal of the History of Economic Thought* 37, no. 1 (2015): 1-15. Whether and in what sense Hume is a "mercantilist" (or anti-mercantilist) often turns on what meaning the term is assigned, and that itself is not a settled matter. For a recent consideration of this and related issues, see Lars Magnusson, *The Political Economy of Mercantilism* (London: Routledge, 2015), esp. chap. 2, an expanded and reworked version of material contained in his earlier *Mercantilism: The Shaping of an Economic Language* (London: Routledge, 1994).

⁹ Hume writes in the *Treatise* that "Paper [securities and deeds] will, on many occasions, be consider'd as riches, and that is because it may convey the *power of acquiring money*" (T 2.1.10.3/SBN 311, emphasis added), a point he echoes later in the *Discourses* when he says that "Public securities are with us become a kind of money, and pass as readily at the current price as gold or silver" (PC 353) and speaks of how the "institutions of banks, funds, and paper-credit" effectively "render paper equivalent to money" (BT 316). The meaning of "counterfeit" as imitation is evident from Hume's use of the term elsewhere as, for example, in his discussion of memory and imagination: "an idea of imagination may acquire such a force and vivacity, as to pass for an idea of the memory, and counterfeit its effects on the belief and judgment" (T 1.3.5.6/SBN 86). Cf. Maria Pia Paganelli, "David Hume on Banking and Hoarding," *Southern Economic Journal* 80, no. 4 (2014): 968-80, esp. 973-74, who (apparently overlooking Hume's use of the term elsewhere), argues that he regards paper money as "counterfeit" because it is not "universally accepted," the *sine qua non* she urges for something qualifying as a "means of exchange" and a criterion that only "real" money made of "precious metal" can satisfy: "This is why Hume claims that paper money is counterfeit money. It is not real money. It is something that may work as money only in limited places, but is not universally accepted" (973). Cf. Arie Arnon, *Monetary Theory and Policy from Hume and Smith to Wicksell* (Cambridge: Cambridge University Press, 2011), who seems to appreciate the fact the Hume connects counterfeit money with paper credit (14), though he later endorses Paganelli's equation of the same term with being "accepted internally and internationally" (23). A similar distinction between "'fictitious' metallic money" and "'counterfeit' paper money" is made by Caffentzis, "Fiction or Counterfeit," 156-60, even though they are not disjunctively analogous in the way he assumes: metallic money is not a fiction of any sort and "counterfeit" simply means passing for or imitating the value attached to precious metal.

so that the “exchange value of money did not rest on the intrinsic characteristics or value of the circulating medium.” Carl Wennerlind makes the same point more recently when he writes that, for Hume, “there is no fundamental *conceptual* difference between paper money and metallic money—both are established by convention and function in proportion to the confidence people have in their continued ability to be exchanged.”¹⁰

If money *per se* is simply some specie or paper, what then is the source of the value that it commands such that it is appropriately called “fictitious”? Hume’s philosophical inquiry reveals a twofold answer. First, he holds that money has a customary, conventional, or what Maria Paganelli has called its “‘agreed upon’” character, a view shared (as she emphasizes) with his contemporaries, reflected in the Greek origins of the word for money (*nomisma* from *nomos* or “convention”), and articulated in Antiquity by Aristotle in the *Nicomachean Ethics*.¹¹ Hume expresses this idea when he qualifies “fictitious” with the phrase “arising from the agreement and convention of men,”¹² and describes money as “only the instrument which men have agreed upon to facilitate the exchange of one commodity for another” (M 281). This meaning of “fictitious” also stands behind the condensed natural history of money that he sketches (M 290-91) to support his contention that wealth arises from a combination of utility and changes through time in the customs, habits, and manners of a people: no longer content with payment in kind and locally produced commodities, as Hume tells the story, coin enters to facilitate trade across distances or to acquire products

¹⁰ Vickers, *Studies in the Theory of Money*, 222 and 223, and Wennerlind, “An Artificial Virtue and the Oil of Commerce,” 109, emphasis added. Hume clearly *prefers* metal over paper money, even to the point (as he puts it in the letter to Morellet), that “money must always be made of some materials, *which have intrinsic value*, otherwise it would be multiplied without end, and would sink to nothing” (L2 204, emphasis added). His reasons for preferring metal, however—principally inflation and the contingencies of political and economic upheaval—are independent of his claim that value cannot be reduced to its material qualities; it is thus only partially correct and certainly misleading to say that Hume is a “metallist.” For consideration of what sometimes appears to be an ambiguity in Hume’s attitude towards paper money, see C. George Caffentzis, “Hume, Money, and Civilization; Or, Why Was Hume a Metallist?” *Hume Studies* 27, no. 2 (2001): 301-35, and Margaret Schabas, “Temporal Dimensions in Hume’s Monetary Theory” and Robert W. Dimand, “David Hume on Canadian Paper Money,” both in *David Hume’s Political Economy*, ed. Schabas and Wennerlind, 127-45 and 168-80, respectively. A somewhat different interpretation is found in both Paganelli, “David Hume on Banking and Hoarding,” and Gatch, “To Redeem Metal with Paper.”

¹¹ See Maria Pia Paganelli, “David Hume on Monetary Policy: A Retrospective Approach,” *Journal of Scottish Philosophy* 7, no. 1 (2009): 65-85, esp. 66-68. A similar emphasis on Hume’s appeal to convention in his view of money is found *inter alia* in Caffentzis, “Fiction or Counterfeit,” 147-49, and Wennerlind, “An Artificial Virtue and the Oil of Commerce,” 106-8. Paganelli refers the reader to *Nicomachean Ethics*, V.i, 1133a20-1134a25. Unlike Hume, who traces the value of money to the stock of labor, however, Aristotle traces the same to “need” or “what people require” (*dein*), which reduces all things to the same common measure. Thus “currency has become a sort of pledge of need, by convention” (1133b30). In his apparatus criticus Irwin notes (423-24) that “need” is preferable to “demand” (as *dein* is sometimes rendered) because one can have needs that are not expressed as demands.

¹² This phrase appears in all eight editions of the essays between 1752-68 but is omitted from those of 1770 and 1777 (the latter being posthumous but corrected by Hume before his death). See Miller’s variant readings, *Essays*, 632.

beyond what can be obtained by payment in kind. Hence it is not the amount of specie per se—or its intrinsic properties—that explains price and thus value, but the use of some medium that brings more commodities to market, enlarges the sphere of circulation, and makes things cheaper. The explanation lies in the customs and manners or “way of living of the people” (I 298), something to which Hume also appeals to undercut the supposed connection between low interest and the supply of money.¹³ Second, in addition to its conventional character, Hume takes money to have a semiotic or representative power, a corollary to his claim about the difference between money and wealth: if money itself has no intrinsic value, then it must represent or be a sign of something else.¹⁴ For Hume, the meaning of money is found in its being “nothing but the representation of labour and commodities, and serves only as a method of rating and estimating them” (M 285), or, as he expresses it elsewhere, money is the “common representation” of commodities (I 300). Money signifies the “stock of labour” and in that “consists all real power and riches” that constitutes the *value* of money (M 288).¹⁵

These two elements—that money is a convention and a sign of something beyond itself—is surely what Hume has in mind when he writes of money having fictitious value: the nature of money cannot be discovered *prima facie* because it arises from something below the surface, agreement born of historical and social factors and value it acquires from the labor it represents. This is a prime example of Hume pursuing the work of philosophical anatomy, pulling off the skin and displaying the “minute parts” of his explicandum, as he describes it famously in a letter to Francis Hutcheson (L 1 33), a case of philosophical reasoning generating a philosophical

¹³ For an extended treatment of Hume’s appeal to customs and manners in his political economy, see Christopher J. Berry, “Hume and the Customary Causes of Industry, Knowledge and Humanity,” *History of Political Economy* 38, no. 2 (2006): 291-317, reprinted as chap. 11 of his *Essays on Hume, Smith and the Scottish Enlightenment* (Edinburgh: Edinburgh University Press, 2018), 184-207.

¹⁴ See Carl Wennerlind, “The Link between David Hume’s *A Treatise of Human Nature* and His Fiduciary Theory of Money,” *History of Political Economy* 33, no. 1 (2001): 139-60, who, presumably with this observation in mind, connects the “money symbol” with the “authenticity and solemnity of the promise” (141). Wennerlind thus links “Of the Obligation of Promises” (T 3.2.5) with “Of Money,” though it is surely *a* link rather than (as his title has it) *the* link between these parts of Hume’s thought. See also Carl Wennerlind, “David Hume’s Political Philosophy: A Theory of Commercial Modernization,” *Hume Studies* 28, no. 2 (2002): 247-70, esp. 248-53.

¹⁵ Hume appeals to the same idea in explaining why luxury actually promotes the public good, it being a “kind of *storehouse* of labor” (RA 272; see also C 263). For Hume’s place in the extant tradition of seeing money as representation, See Paganelli, “David Hume on Monetary Policy,” 68-69, and for some general background on the idea, Marc Shell, *Art and Money* (Chicago: University of Chicago Press, 1995), chap. 3. Cf. Carl Wennerlind, “Money Talks, But What Is It Saying? Semiotics of Money and Social Control,” *Journal of Economic Issues* 35, no. 3 (2001): 557-74, esp. 560-62, who might be exaggerating a touch when he identifies Hume as an “unacknowledged semiotician of money” who anticipated the work of Georg Simmel and Hans-Georg Gadamer.

solution.¹⁶ This constitutes a kind or, even, level of explanation distinct from the painter, who is more interested in the surfaces of things, and again from the rounds of common life where much is taken for granted. Hume emphasizes and expands this observation in the *Treatise* where he describes the difference between the vulgar “who take things according to their first appearance,” reflective individuals who have partial insight into the matter at hand, and philosophers who, aware of the “vast variety of springs and principles” in nature discover the influence of “contrary causes.” A peasant, artisan, and philosopher thus respond in distinct and different ways to a faulty timepiece:

A peasant can give no better reason for the stopping of any clock or watch than to say, that commonly it does not go right: But an artizan easily perceives, that the same force in the spring or pendulum has always the same influence on the wheels; but fails of its usual effect, perhaps by reason of a grain of dust, which puts a stop to the whole movement. From the observation of several parallel instances, philosophers form a maxim, that the connexion betwixt all causes and effects is equally necessary, and that its seeming uncertainty in some instances proceeds from the secret opposition of contrary causes (T 1.3.12.5/SBN 132).

When Hume explains value in terms of labor, then, he does so as a philosopher forming a maxim that anatomizes and explains that the value of money lies in labor, which leaves untouched the vulgar reasoning of those who participate in the economic system, spend money, and believe that it is *identical to wealth* and *valuable in itself*; in common life money is still taken to be autonomous (rather than conventional), intrinsically valuable (rather than a representational), and indicative of riches (rather than of labor). By analogy with the broken watch, one might identify further (albeit speculatively) the artisan with those professionally involved in the details of the system (bankers and tradespeople) and the peasant with those who simply use money as a means of exchange (ordinary buyers and sellers of things). Both are distinguished from those who reflect on the system itself, including those who fail—as do the mercantilists, for example—correctly to discern

¹⁶ Hume’s metaphor has generated a good deal of discussion and interpretive disagreement. For a recent consideration of the issue and some of the literature, see Costelloe, *Hume’s Imagination*, chap. 7. Whether or not Hume himself distinguishes in his own work between the descriptive work of the anatomist and the normative work of the painter (as his metaphor implies) has been and remains a subject of much debate, as does the extent to which his essays (or other parts of his philosophy for that matter) are intended to persuade an audience and influence policy rather than simply illuminate the errors of current practice, in which case “Of the Balance of Trade,” for example, might be read as a call for Britain to change its policies on trade and banking. In the present context I mark the distinction to indicate (non-controversially I assume) how the different levels of explanation are reflected in Hume’s account of money. My thanks to an anonymous reviewer for bringing this issue to my attention.

the value of money. However one parses Hume's metaphors, it becomes clear that it is this *vulgar conception of money* that we explain, via the imagination, when we raise the two issues canvassed in the introduction to this essay: why we mistakenly take value to lie in the material and its qualities of which money is made, and why we assign value to what we take the money to represent, that is, wealth or riches.¹⁷

II. PRINCIPLES OF IMAGINATION

Before turning to these issues, however, we need to specify the principles Hume identifies with the imagination or fancy (terms he uses interchangeably) and relevant in the present context; these fall under what we can call the productive power of imagination, which in turn involves two aspects.¹⁸ The first is the faculty's "combinatory" power (a view derived most immediately from the "Operations" or "Acts of Mind" that John Locke attributes to the understanding),¹⁹ which enables it to "join and mix and vary them [its ideas], in all the ways possible" (EHU 5.12/SBN 49). This gives the imagination (in contrast to memory) a freedom or "*liberty . . . to transpose and change its ideas*" (T 1.1.3.4/SBN 10), an "unlimited power of mixing, compounding, separating, and dividing these ideas, in all the varieties of fiction and vision" (EHU 5.10/SBN 47) that inspires the production of new ideas, even ones that "confound nature" (T 1.1.3.4/SBN 10). This means, concomitantly, that the imagination is a fundamentally creative faculty; it plays with its stock of ideas and produces original ones even if some of these, generating according to its own inner logic, do not correspond to anything met with in experience. At the same time, the imagination is not entirely free in its movements, but discovers a "bond or union" in certain qualities of our perceptions "by which the mind is . . . convey'd from one idea to another" through the principles of association that Hume enumerates as resemblance, contiguity in time or space, and cause and effect. It relates one idea to another and forms a relation between them, "all relations [being] . . . nothing but a propensity to pass from one idea to another" (T 2.1.9.13/SBN 309). Thus, to take Hume's examples from the first *Enquiry*, a picture "naturally leads our thought to the original"; the idea of an apartment "naturally induces" the idea of adjacent ones; and the idea of a wound leads immediately to that of the pain (the effect) it causes (EHU 3.3/SBN 24). As Hume emphasizes, in these cases the imagination is

¹⁷ See Christopher J. Berry, "Out of the Coffee House or How Political Economy Pretended To Be a Science from Monchrétien to Steuart," in the current volume, which also sounds, albeit in a different key, Hume's distinction between everyday practice and philosophical (or scientific) inquiry.

¹⁸ I follow in the spirit of David Owen, *Hume's Reason* (Oxford: Oxford University Press, 1999), chaps. 1-2, who argues that Hume's use of "faculty terms" is largely for "ease of exposition," and that in the final analysis they simply refer to "ideas and impressions that can be classified in various ways" (76).

¹⁹ See, for example, John Locke, *An Essay Concerning Human Understanding*, ed. P. H. Niddich (Oxford: Oxford University Press, 1975 [1690]), 2.11.13, p.161 and 2.12.1, pp. 163-64.

the manifestation of a “natural instinct,” a “propensity of human nature,” and acts as a “gentle force” (T 1.1.4.1/SBN 10), the operations of which go unnoticed since the “passage from one moment to another is scarce felt” (T 1.4.2.33/SBN 203).

Second, Hume identifies a particular way or style in which the imagination navigates its passage, arising from the “principle of easy transition” that dominates its movements. Hume dramatizes this principle in a well-known passage from the *Treatise* where he compares the faculty to a galley “put in motion by the oars,” so that “when set in any train of thinking, [it] . . . is apt to continue, even when its object fails it, [and] carries on its course without any new impulse”; when the “mind is once in the train of observing an uniformity among its objects, it naturally continues, till it renders the uniformity as compleat as possible” (T 1.4.2.22/SBN 198). Hume thus portrays the imagination, on the one hand, as indolent since, when possible, it will avoid unnecessary exertion and follow the path of least resistance to find a passage among its ideas; this is precisely what it does when moving instinctively from one idea to another according to the principles of association. On the other hand, and obviously related, he also sees imagination as a hedonistic faculty, seeking pleasure and avoiding pain, which it accomplishes through the satisfaction it feels when it unites ideas together or, expressed otherwise, forms them into a whole; when stretched beyond its capacity or confronted with a break, interruption, or contradiction among its ideas, the result is discomfort from which it will “seek relief” (T 1.4.2.37/SBN 206).

Significantly, indolence and hedonism on the part of the imagination will sometimes lead it to produce ideas that, while they bring ease of transition and realize pleasure over pain, cannot be traced to experience and matters of fact. For when “objects are connected together in the imagination, they are apt to be put on the same footing, and are commonly suppos’d to be endow’d with the same qualities,” Hume observes. As a result we “readily pass from one to the other, and make no difference in our judgments concerning them; especially if the latter be inferior to the former” (T 3.2.3.10/SBN 509). The imagination is apt to produce what Hume variously calls illusions or fictions: ideas, as the etymology of the latter term suggests—from *ingere*, meaning to fashion or form—that are fabricated or invented, and could have the effect of deceiving or even constituting an outright falsehood.²⁰ For Hume, these are errors that arise from the tendency of the imagination to suppose, posit, or hypothesize something that cannot be traced directly to any corresponding impression. For “when two objects appear in a close relation to each other, the mind is apt to ascribe them an additional relation, in order to compleat the union” (T 3.2.2.2n71/SBN 504).

²⁰ Strictly speaking, then, a “fiction” is not the same as an “illusion,” which has a different origin, in *illusionem* (mocking, jesting, or ironic) from *illudere* (to mock at or play with). Hume tends to employ both terms without marking any relevant difference, and commentators have tended to follow him, a practice I adopt in the present context.

The faculty thus effects its easy transition by creating, on the basis of what it finds, a new relation that would otherwise not exist; this is precisely what appears to happen in the case of money and property.

III. MONEY AND THE IMAGINATION

Having indicated the relevant principles that Hume attributes to the imagination, we can now return to his account of money and raise the two issues mentioned above: first, why we mistakenly take value to lie in the material and its qualities of which money is made, and, second, why we assign value to wealth or riches. Both of these turn in part on what Hume thinks we take money to represent, that is, wealth as the *power of acquisition*. As already emphasized, this is what we ordinarily *take* riches to represent rather than the value they have as a stock of labor. The latter is an insight discovered by philosophical reason, while the former is the vulgar conception that can be explained by the imagination in relation to the passions.

A. Riches and power

Hume considers riches to be one of the causes of the passion we call pride, which is explicable in terms of the process he models as the “double relation of ideas and impressions”: the idea of a subject (a thing or quality) connected to the individual arouses in the latter (by association) the idea of the self to whom that subject belongs; at the same time, by virtue of some quality (such as utility, beauty, or novelty) belonging to the subject possessed, an impression of pleasure arises in the individual, which brings to mind (by resemblance) another impression of pleasure, the one we call pride. On this view, pride is an *agreeable impression*, but its *object is always the self* since it is caused by subjects (with particular qualities) to which the person is connected (it belongs as property to that person). In the case of riches, this connection is constituted by property: pride arises because the person in question owns the thing, the qualities of which are the source of pleasure. Hume then reasons that if the “property of any thing, that gives pleasure either by its utility, beauty or novelty, produces also pride . . . [then] we need not be surpriz’d, that the power of acquiring this property, shou’d have the same effect.” This is what we mean by riches, namely, the “*power of acquiring the property of what pleases*; and ‘tis only in this view they have any influence on the passions” (T 2.1.10.3/SBN 311, emphasis added).

More precisely, as Hume goes on to argue, riches actually involve the “supposition of power, independent of its actual exercise” (T 2.1.10.4/SBN 312), language that implies the idea of something that is itself intrinsically meaningless and occult.²¹ Power is imminent in riches as the future prospect or “ability” to obtain what pleases, and when there is nothing to hinder this

²¹ I owe this observation to Christopher Berry. For the importance of power in Hume’s discussion generally, see Christopher J. Berry, “Property and Possession; two Replies to

prospect being realized and no danger perceived in following one's inclinations to do so, the "imagination easily anticipates the satisfaction and conveys the same joy, as if they were persuaded of its real and actual existence" (T 2.1.10.8/SBN 314); this is why even the miser receives pleasure from his riches, though he never spends a penny of it.²² Thus the "very essence of riches consists in the power of procuring pleasures and conveniences of life," as Hume writes summarizing his observations. "The very essence of this power consists in the probability of its exercise, and its causing us to anticipate, by a *true* or *false* reasoning, the real existence of the pleasure. This anticipation of pleasure is, in itself, a very considerable pleasure" (T 2.1.10.10/SBN 315).

B. Money and its qualities

Having understood that the value of riches lies in the power of acquisition that it represents, we can now consider the first issue, which concerns money per se and why, on Hume's view, we mistakenly take value to lie in the material itself and various qualities it exhibits. Hume's answer is that, through the imagination and its principle of easy transition, we imbue objects with qualities they do not otherwise possess, giving sensible form to intangible powers in a process that effectively reifies them. Hume identifies this as a fiction (he uses the term "illusion") with those who take the soul to be a substance as if it could have a "*local conjunction* with matter" (T 1.4.5.8/SBN 235), an error that both the vulgar and philosophers naturally make. All extension, Hume points out, requires of any object is that it be colored and tangible, and so deeply rooted is this belief from our experience that when we perceive something with additional qualities that are *intangible* or *colorless*—such as taste and smell—we assign extension to those as well. We do this naturally, by associating, through resemblance, the latter with the former and thus confer a real existence on qualities that do not otherwise possess it. "Thus supposing we consider a fig at one end of the table, and an olive at the other," Hume writes by way of example,

'tis evident, that in forming the complex ideas of these substances, one of the most obvious is that of their different relishes; and 'tis as evident, that we incorporate and conjoin these qualities with such as are colour'd and tangible. The bitter taste of the one, and sweet of the other are *suppos'd to lie* in the very visible body, and to be separated from each other by the whole length of the table. (T 1.4.5.11/SBN 236, emphasis added)

Locke—Hume and Hegel," in *Property*, ed. J. Roland Pennock and John W. Chapman (New York: New York University Press, 1980), 89–100, esp. 92–93.

²² Hume also attributes *this* judgment to be "from an *illusion of the fancy*" that gives us "our false sensation of liberty" (T 2.1.10.9/SBN 314–15).

The mind here creates a “new relation” that confers spatial location (T 1.4.5.8/SBN 235) on the qualities of taste and smell from the “inclination of our fancy by which we are determin’d to incorporate the taste with the extended object” (T 1.4.5.13/SBN 238). This is a case where the indolent, pleasure-seeking imagination moves, like a galley, to “compleat the union” among its ideas, rendering the “transition more easy and natural”; in the course of doing so “we feel a satisfaction in joining the relation of contiguity to that of resemblance, or the resemblance of situation to that of qualities” (T 1.4.5.12/SBN 237).

Hume does not explicitly compare money and its qualities to taste and smell, but the parallels are striking and the human tendency to imbue money with power it does not otherwise possess is explicable in the same terms. Like the fig and olive, money is a physical object with color and tangible qualities required for extension: it is made of silver or gold or some other metal “endow’d with certain qualities of solidity, weight and fusibility” (T 2.1.10.3/SBN 311) and reflects light in particularly appealing ways to make it yellow and white and shining (to recall Hume’s adjectives). As the imagination creates a new relation to confer spatial location on the qualities of taste and smell, so in the case of money it creates a new relation that incorporates and conjoins what is intangible—in this case, as we have seen, the *power of acquisition*—with the tangible qualities of the money. The imagination moves easily from color, weight, and shininess to this nontangible quality, endowing the latter with the same quality of extension as the former qualities possess, completing a union and feeling a satisfaction from joining the relation of contiguity with that of resemblance or the resemblance of situation to that of qualities. This is fiction, however, that cannot be traced directly to experience.

Paper money, of course, does not have the appealing qualities of metal money—it does not shine and is generally of less vibrant colors—and for that reason Hume’s claims about the imagination might not seem to apply to it in the same way. Paper money is not *just* or *simply* paper, however, bearing as it does some mark or sign (intricate designs, heads of state, historical figures, national landmarks, and the like) that are qualities functionally equivalent to those of metal even if they fail to strike the imagination with quite the same force and vivacity as the latter, where the imagination is no doubt affected with more immediately and with greater alacrity.²³ Indeed, this latter point might explain why—on Humean grounds—it is *easier* for us to think that value inheres in shiny, colorful things than in what is dull and bland, and accord them higher value as a result. The mercantilists, we might observe, are of a piece with the vulgar in being under the same

²³ It is an open question whether Hume might have considered a signature on an IOU—that is to say, on paper credit as opposed to paper money—to carry the same weight and serve the same function. That he considered such a signature not to be equivalent to the marks or signs on paper money might speak (at least in part) to his suspicions about the wisdom of credit. I have Christopher Berry to thank for this observation.

sway of imagination; the only difference is that they extend its influence from common life into the domain of monetary theory, and the result is the false philosophical theories of the sort Hume refutes.

C. Riches, power, and property

The second issue to which Hume's view of imagination speaks concerns why we *assign value* to what we take the money to represent. We have already seen that the value of riches lies in the power of acquisition and the pleasure of ownership (or the promise of the same), and that is why they affect the passions. Without value conceived in that way, we would not be *moved* to acquire wealth. As Hume puts it, it is not money but "[r]iches [that] are valuable at all times, and to all men; because they always purchase pleasures, such as men are accustomed to, and desire" (RA 276). The philosophical insight that value has its source in labor could never move one in the same way, it being too abstract and remote, a point that might be exemplified by Hume himself, the pride he apparently took in his own financial success and the tenacity he showed in pursuing it being explicable only in terms of vulgar motives.²⁴ The motive to acquire and achieve might be understood as a corollary of his views on riches and property, and it too, though it falls beyond the purview of the present essay, involves the imagination.²⁵

What still stands in need of explanation, then, is the *relation* of property that connects the individual with the subject, the thing or quality in the double relation of ideas and impressions that generates the idea of self as the object (the association of ideas) and the pleasure of pride (the association of impressions). Without this relation, riches would cease to represent what they do (the power of acquisition) and would lose their value. Hume's claim is that reflection on the nature of property reveals a species of causal

²⁴ See James Harris, *Hume: An Intellectual Biography* (Cambridge: Cambridge University Press, 2015), who documents this lesser-known aspect of Hume's life and character, including his two-decade pursuit of £75 from his ill-fated sojourn as tutor to the Marquess of Annandale in 1745; petitioning for the half-pay he was owed for his position as Secretary to General James St. Clair in 1746–47; and in the 1760s staying on in London for an extra eighteen months after his time as Under Secretary of State for Northern Department had expired for no other apparent reason than to "make sure of the pension" (422). Harris reports that by the early 1760s, already well-off, Hume had become extremely wealthy: not counting income from pensions, investments, and rents, the *History of England* alone netted him the equivalent of \$500,000. Neither philosophical insight nor pecuniary need can account for Hume's actions and one can only assume that he too was seduced by the power of acquisition that wealth promises.

²⁵ For some consideration of this issue, though without necessarily reference to the role of imagination, see Christopher J. Berry, *The Idea of Luxury: A Conceptual and Historical Investigation* (Cambridge: Cambridge University Press, 1994), 142–52, and his more recent "Hume and Superfluous Value (or the Problem with Epictetus' Slippers)," in *David Hume's Political Economy*, ed. Wennerlind and Schabas, 49–64, republished as chap. 13 of *Essays on Hume, Smith and the Scottish Enlightenment*, 226–46. Relevant discussions are also found in Skinner, "David Hume," 225–30, and E. J. Hundert, "The Achievement Motive in Hume's Political Philosophy," *Journal of the History of Ideas* 35, no. 1 (1974): 139–43.

connection, where, as in the latter so in the former, the imagination completes a union that gives rise to an "illusion" of their being a "real relation."²⁶

In the main body of *Treatise* T 3.2.3 ("Of the rules, which determine property"), Hume treats his subject as of a piece with the origin of government and rules of justice, to which property arrangements are closely tied: rules of property and the institutions they beget are "enter'd into, in order to cut off all occasions of discord and contention" (T 3.2.3.2/SBN 502; see T 3.2.2.111/SBN 490-91). The same goes for the subsequent natural history of property that follows, Hume tracing its historical stages through occupation, prescription, accession, and succession (of which more below). In the footnotes, however, Hume departs from his official doctrine (as we can call it) and instead appeals to the imagination and its principles in order to construct what amounts to a conceptual history of property that reads as a psychological counterpart of or supplement to the sociohistorical one that focuses on utility. Indeed, it seems that Hume takes imagination to be the more fundamental of the two: "motives of public interest" play a part in generating and establishing these rules, he observes for example, but they are "*principally* fix'd by the imagination, or the more frivolous properties of our thought and conception" and that according to some "taste or fancy, arising from analogy, and a comparison of similar circumstances" (T 3.2.3.4n71.1/SBN 504n, emphasis added).

As part of his official doctrine, Hume can thus define property as "*such a relation betwixt a person and an object as permits him, but forbids any other, the free uses and possession of it, without violating the laws of justice and moral equity*" (T 2.1.10.1\SBN 310), or, as he reformulates this in "A Dissertation on the Passions," to be the "proprietor of any thing is to be the sole person, who, by the laws of society, has a right to dispose of it, and to enjoy the benefit of it" (DP 2, 29n3).²⁷ What the definition fails to explain, however, is what actually binds people to some object such that the latter becomes or is constituted as property to be used freely and enjoyed by the owner while others are excluded from the same. Considered in this way, property is nonnatural and mysterious: things do not bear on their face any sign to indicate their connection to a particular person but they require some symbol and sometimes a ritual act to transform what is otherwise just an object or (if land) territory into something owned. "The difference between my land and your

²⁶ The aspect of Hume's discussion of property has generally been passed over in the literature, with the most extensive treatment being in Miller, *Philosophy and Ideology*, 68-72 and Costelloe, *Hume's Imagination*, chap. 3, which informs the current discussion. See also Berry, "Property and Possession," 91-95, and James Moore, "Hume's Theory of Justice and Property," *Political Studies* 24, no. 2 (1976): 103-119, esp. 113-16, who emphasizes the "fanciful" (113) character of property and the rules that govern it. Berry and Moore also provide some historical context for Hume's view (his studies at Edinburgh University and as a reaction to Locke and the labor value theory of property).

²⁷ This might appear too narrow a definition since it places weight on the idea of sole proprietorship. There is no reason, however, why Hume's explanation could not be extended to apply to joint or common ownership: the same relation of cause and effect would obtain, but "sole" would refer to a collectivity rather than an individual.

land cannot be observed," as Karl Britton puts the point. "A division of *territory* occurs where a river flows or the hills begin. These are essentially observable: they are natural distinctions. A division of *property* is non-natural and therefore is marked by walls or landmarks."²⁸ People can of course inscribe their name, signature, or some other distinguishing mark on things they own, but that presupposes that some relationship of ownership already obtains; concomitantly, simply writing one's name on something does not by itself confer ownership. In the terminology of Hume's empiricism, all of this amounts to saying that while property is an idea we have of a connection between persons and things they own, it cannot be traced to an impression; for that reason it should come as no surprise that Hume considers it a "particular species of *causation*" (T 2.1.10.1/SBN 310), a connection drawn between two otherwise (as far as we can ascertain) unrelated events where the mind is determined to move, through custom or habit, from one impression of an object (or idea of it) to another impression (or idea of it) with which it is constantly conjoined. We thus "suppose necessity and power to lie in the objects we consider, not in our mind, that considers them" (T 1.3.14.25/SBN 167). The imagination creates a new relation, taking the quality of causal relation that arises properly from the experience of constant conjunction and (as in the case of smell and taste in the fig and olive) transfers it to objects themselves.²⁹

Hume's explanation for subsuming property under the heading of causation is brief, but sufficiently detailed to make it clear that he takes it as an obvious, even paradigm, case where separate and otherwise distinct phenomena are connected through the experience of one being constantly conjoined with the other to give rise to a new relation. In this case, an object and a person are connected to produce what we call "stable possession," which is all Hume takes "property" to mean; this might also be compared to the way Hume takes constant conjunction to underlie moral evidence, except rather than explaining how the motives of agents are connected to their acts, it explains how objects are connected to the persons said and believed to own them.³⁰ Hume writes:

²⁸ See Karl Britton, "Hume on Some Non-Natural Distinctions," in *David Hume: Bicentenary Papers*, ed. G. P. Morice (Austin: University of Texas Press, 1977), 205-9. The quotation is from 205.

²⁹ See Miller, *Philosophy and Ideology*, 69, who points out that cause and effect sometimes combines with the other principles of association to explain our rules of decisions about property.

³⁰ See T 2.3.1-2 and EHU 8 and for the place of moral evidence in Hume's political economy more generally, Schabas, "Hume's Political Economy," 60-65. See Berry, "Property and Possession," 93-94, who emphasizes the fact that property (like causality in general) is fundamentally an "internal" relation and that the "elements involved" (people and the things they own) are "separable"; and Moore, "Hume's Theory of Justice and Property," 114 n. 3, who comments that for Hume "property provides the *best illustration* of the idea of causation" (emphasis added). Moore draws some evidence for this claim from the fact that Hume added a footnote to the 1760 version of "A Dissertation on the Passions" (originally published in 1757) reiterating the importance he placed on property being a species of causation: "Property is therefore a species of causation," Hume writes in the closing sentences. "It enables the person to

We are said to be in possession of any thing, not only when we immediately touch it, but also when we are so situated with respect to it, as to have it in our power to use it; and may move, alter, or destroy it, according to our pleasure or advantage. This relation, then, is a species of cause and effect; and as property is nothing but a stable possession, derived from the rules of justice, or the conventions or men, 'tis to be consider'd as the *same species of relation*. (T 3.2.3.7/SBN 506, emphasis added)

In the case of property, the cause and effect are found in the relation between the person and the object, where the former acts upon (moves, alters, destroys) the latter and the latter influences (gives pleasure and advantage) to the former. As Hume says, a "person who disposes of an object, and reaps benefit from it, both produces, or may produce, effects on it, and is affected by it" (DP 2.9n3). There is nothing in these impressions or ideas per se that indicates the relation we call property, but the mind is led from one to another in such a way that imagination forms the idea of possession, the illusion that one belongs to the other in a stable fashion because it is customarily connected. The "mention of the property naturally carries our thought to the proprietor, and of the proprietor to the property," Hume observes, and confers on the proprietor the "liberty . . . to operate as he please upon the object, or [gives to him] the advantages, which he reaps from it" (T 2.1.10.1/SBN 310). This is the relation that constitutes what we call property and it is only possible because the imagination passes easily and naturally from one idea to the other according to the principle of cause and effect. The relation, however, is "feign[ed]" and "even absurd" (3.2.3.4n71.2/SBN 504n1), and the idea of it without any basis in either impression or matter of fact.

This is not the whole story, however, since, Hume emphasizes, understanding stability of possession does not explain how "*particular goods*" are connected to a "*particular person*." For that to come about, stable possession must be transformed into immediate or present possession—"that every one continue to enjoy what he is at present possess'd of"—a rule to which nobody would object given that people are generally unwilling to part with what they are accustomed to having but happy to be without what they never had (T 3.2.2.4/SBN 503-4). Hume again turns to the imagination, appealing to its extending or "modifying the general rule concerning the stability of possession" to create an "additional" and "new relation" called "present possession." "As property forms a relation betwixt a person and an object, 'tis

produce alterations on the object, and it supposes that his condition is improved and altered by it. It is indeed the relation the most interesting of any, and occurs the most frequently to the mind" (DP 2.9n3). For the comparison between this note (in its entirety) and T 2.1.10.1/SBN 310 to which it bears a strong resemblance, see Beauchamp, "Introduction," in *A Dissertation on the Passions/The Natural History of Religion*, lxxxi-ii and cxvii.

natural to found it on some preceding relation; and as property is nothing but constant possession, secur'd by the laws of society, 'tis natural to add it to the present possession, which is a relation that resembles it" (T 3.2.3.4n71.2/SBN 504-5).

Subsequently, Hume explains how the other rules of property develop, each depending on imagination, the faculty adding to the existing relation to form a new one. The first is occupation, where the idea of present possession produces that of first possession, though the "connexion in our fancy betwixt the property and the relation is not so great, but that it requires to be help'd by . . . [the addition of] an intention" (T 3.2.3.7.n73.2) and even then the "qualities which operate on that faculty [of imagination], run so insensibly and gradually into each other, that 'tis impossible to give any precise bounds or termination" (T 3.2.3.7n73.1/SBN 506n1). Hence the difficulty, for example, as Hume relates a tale of two Grecian colonies in their question for land, of deciding whether one's physical presence is required or whether a spear thrown from a distance is sufficient; the "whole question hangs on the fancy" and for that reason is "impossible to decide" (T 3.2.3.7n73.4/SBN 508n1). Being generally guided by the principles of the imagination, we find it natural that a small island belongs to the first person who lands because the faculty comprehends the whole and apportions the extent of land to the single individual. Since comprehending the whole is impossible on a large island, that same person's property only extends to the portion over which immediate possession can have authority; *pari passu*, there appears nothing strange about a large group of people possessing the whole when they land on the same. In such cases, the fact that no standard can be found means that claims will be open to dispute and any decision will likely not be final.

The second rule is prescription or long possession, where the imagination annexes the relation of time to present possession, making it "long and uninterrupted," which is necessary if the latter is not to be overcome by first possession, where the relation to the owner is stronger (T 3.2.3.9.74). Thus "property produc'd by time," Hume observes, is "not any thing real in the objects, but . . . the offspring of the sentiments, on which alone time is found to have any influence" (T 3.2.3.9/SBN 509). Succession too "depends, in a great measure, on the imagination" (T 3.2.4.11n76/SBN 513n1) because it moves easily from an established relation between parents and children to create a new one that connects the property of the former as naturally passing on and becoming property of the latter. The final rule of property that Hume enumerates is accession, the idea that objects are acquired because they are connected with objects already owned—fruits from our garden or the offspring of our cattle—and Hume thinks this is only explicable through a "kind of taste or fancy, arising from analogy and comparison of similar instances" (T 3.2.3.4n71.1/SBN 504n1). Imagination naturally joins together objects that are the *property of the same person*, where the strength of the relation is proportional to the size of the object owned.

Where a small and a great object are thus related and the owner strongly related to the larger, he is automatically related strongly to both; where the owner is strongly related to the smaller, by contrast, he will not be so strongly related to both because the lesser part is "not apt to strike us in any great degree" (T 3.2.3.10n75.5/SBN 511n). The mind thus moves from greater object to lesser—from Britain to its islands—but not vice versa, where the idea contains less force and vivacity and the imagination is unmoved.

Hume's final observation about property and imagination concerns its transference from one party to another. Here too, utility has a place, but only the imagination can explain the *way* property actually changes hands, which involves no detectable alteration of the object but a change of relation, a transition that is "mysterious" and a quality that is "perfectly insensible, and even inconceivable" such that we have no "distinct notion, either of its stability or translation" unless that property is connected in some *tangible* way to our sentiments. In order to aid the imagination and make us believe that some real change has taken place, instead of a "*delivery*, or a sensible transference of the object," a "*symbolical delivery*," is effected, a deception "to satisfy the fancy, where the real is impracticable" (T 3.2.5.2/SBN 515). A granary cannot be moved so its keys stand for the delivery of the corn, as samples of stone and earth represent the transference of a manor. Hume calls this a "superstitious practice in civil laws" comparable to the way Roman Catholics represent and render present the "inconceivable mysteries" of their religion by a "taper, or habit, or grimace." Both "lawyers and moralists," Hume observes, turn to a similar "invention" and have "endeavour'd by those means to satisfy themselves conferring the transference of property by consent" (T 3.2.5.4/SBN 516).

An extended treatment of the relation between religious superstition and fictions involved with property obviously lies beyond the purview of the current essay, but it is worth noting, by way of conclusion, an apparent irony in the fact that Hume should consider together such different sets of beliefs about which his considered opinions are so sharply at odds: beliefs underlying religion that he routinely disparages and considers dispensable, and those involving property and money that support institutions crucial for social and economic stability; in both cases, he teaches, the same frivolous and oft-untrustworthy faculty is at work. For Hume, however, as noted at the outset, the imagination looms large across a variety of phenomena, a range of beliefs, practices, and institutions, all of which we assume, often mistakenly it transpires, to have a more solid and reliable foundation than the whim and caprice associated with the imagination and its activities. If this is Hume's view in general, then it should come as no surprise that it appears in the particulars of his thinking on matters of political economy as well: if ideas as fundamental as an enduring self and continued existence can be traced to the imagination, then one might expect the same of money and property, and we should not, *pari passu*, be any more worried about the

stability of the latter than we should doubt our convictions about the former. It is, moreover, one of the great charms of philosophy that such discoveries need not (indeed, sometimes should not) touch common life, and even with full knowledge that it is imagination that moves beneath, one can still spend one's money and enjoy the things one owns.

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