

DAVID HUME AS A PROTO-WEBERIAN: COMMERCE, PROTESTANTISM, AND SECULAR CULTURE*

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Abstract: David Hume wrote prolifically and influentially on economics and was an enthusiast for the modern commercial era of manufacturing and global trade. As a vocal critic of the Church, and possibly a nonbeliever, Hume positioned commerce at the vanguard of secularism. I here argue that Hume broached ideas that gesture toward those offered by Max Weber in his famous Protestant Ethic and the Spirit of Capitalism (1904-5). Hume discerned a strong correlation between economic flourishing and Protestantism, and he pointed to a “spirit of the age” that was built on modern commerce and fueled by religious tolerance. The Roman Catholic Church, by contrast, came under considerable attack by Hume, for fostering intolerance and draining and diverting funds. Hume recognized several of the dispositions that later appealed to Weber: an increased work ethic and tendency to frugality, enterprise, and investment in Protestant regions. A neo-Weberian literature now points to additional factors, the spread of literacy and the fostering of a network of trust among strangers, both of which Hume noted. Insofar as modern commerce both feeds upon and fosters more liberties and representative government, Hume also linked these with the advent and spread of Protestantism. My aim is not to suggest that these arguments have merit—there is good reason to question each and every assertion under the historical microscope—but rather to highlight the broader religious and cultural context in which Hume’s economics was broached.

KEY WORDS: David Hume, Max Weber, Protestant Ethic, capitalism, secularism

I. PRELIMINARIES

Economic discourse of the late medieval period was strongly beholden to Christian doctrine. As the Bible states, “a merchant is hardly free from sins of the lips.” A core tenet of the just price doctrine, as found for example in Aquinas’s *Summa Theologica*, is that the price of a commodity ought to conform to its customary value. If a merchant overcharges, he has most likely deceived the buyer and violated the Golden Rule. Aquinas also admonished all priests to refrain from mercantile exchange, since “trade too much entangles the soul in secular cares, and withdraws from spirituality.”¹ As capitalism took hold in sixteenth-century Europe, how-

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¹ Aquinas, *Summa Theologica*, II, Q. 77, iv. On late medieval economic thought, see Joel Kaye, *Economy and Nature in the Fourteenth Century: Money, Market Exchange, and the Emergence of Scientific Thought* (Cambridge: Cambridge University Press, 1998).

ever, banking and mercantile trade were cast in a more favorable light.² Albert O. Hirschman's *The Passions and the Interests* offers a panoramic account of the early modern economic discourse that undertook the requisite ideological heavy lifting to recast trade and commerce as benign if not ethical.³

David Hume (1711–76) was an important voice in this chorus.⁴ He emphasized that for merchants the love of gain outweighed the love of pleasure. As a result, frugality, prudence, and industriousness became dominant social norms. Hume was a keen advocate of manufacturing, particularly goods that drew upon artisanal skills and thus prompted overseas trade. The “refinement of the arts,” as he phrased it, fostered greater civility and freedoms, as the merchant class ascended in political power (E-268–71). Hume thus advocated the consumption of luxury goods, in contrast to the Christian virtues of fasting and self-denial.⁵ He positioned the consumption of luxuries as the first prompt in a long chain that promotes prosperity and freedom across the social spectrum. To quote Hume, “where luxury nourishes commerce and industry, the peasants, by proper cultivation of the land, become rich and independent; while the tradesmen and merchants acquire a share of the property, and draw authority and consideration to that middling rank of men, who are the best and firmest basis of public liberty” (E-277).

In 1752, Hume issued a set of eight essays on economics, as part of his *Political Discourses*.⁶ As several scholars have shown, however, Hume's

² On the tumultuous transition to the legalization of usury in 1571, see, for example, Norman Jones, *God and the Moneylenders: Usury and Law in Early Modern England* (Oxford: Basil Blackwell, 1989).

³ Albert O. Hirschman, *The Passions and the Interests: Political Arguments for Capitalism before its Triumph* (Princeton, NJ: Princeton University Press, 1977).

⁴ The various works by David Hume will henceforth be given the following well-established abbreviations:

HL *The Letters of David Hume*, ed. J. Y. T. Greig, 2 Vols. (Oxford: Clarendon Press, 1932).

DNR *Dialogues concerning Natural Religion*, ed. N. K. Smith (Oxford: Clarendon Press, 1935).

MEM Ernest Campbell Mossner, “Hume's Early Memoranda, 1729–1740: The Complete Text,” *Journal of the History of Ideas* 9, no. 4 (1948): 492–518.

HE *The History of England*, 6 Vols. (Indianapolis, IN: Liberty Classics, 1983).

E *Essays: Moral, Political, and Literary*, ed. Eugene F. Miller (Indianapolis, IN: Liberty Classics, 1985; rev. ed. 1987).

EHU *An Enquiry Concerning Human Understanding* (first published 1748 as *Philosophical Essays Concerning Human Understanding*), ed. Tom L. Beauchamp (Oxford: Clarendon Press, 1998).

EPM *An Enquiry Concerning the Principles of Morals*, ed. Tom L. Beauchamp (Oxford: Clarendon Press, 1998 [1751]).

THN *A Treatise of Human Nature*, ed. David Fate Norton and Mary J. Norton (Oxford: Oxford University Press, 2007 [1739–40]).

NHR *Natural History of Religion*, ed. Tom L. Beauchamp (Oxford: Oxford University Press, 2007).

⁵ See Ryu Susato, “Hume's Nuanced Defense of Luxury,” *Hume Studies* 32, no. 1 (2006): 167–86.

⁶ See Eugene Rotwein, ed. *David Hume: Writings on Economics*, with a new Introduction by Margaret Schabas (New Brunswick, NJ: Transaction Publishers, 2007 [1955]). Hume added a ninth essay, “Of the Jealousy of Trade,” in 1758.

economic analysis much exceeded this book and was an integral part of his philosophical texts, both epistemological and ethical.⁷ There is much to glean about economic thought, its scientific standing, and the links between virtue, happiness, and material improvement in his *Treatise of Human Nature*, his two *Enquiries*, and a number of his earlier essays, such as “Of Civil Liberty,” “Of National Characters,” or “Of the Rise and Progress of the Arts and Sciences.”⁸ Hume’s many essays on political thought, such as “Idea of a Perfect Commonwealth,” or “Of the Origin of Government,” also offer insights into public finance that pertain directly to his economic analysis.

I wish to extend this to Hume’s writings on religion, and thus underscore the sense in which he positioned economic development in a broader cultural context. Commerce, for Hume, is at the vanguard of a more secular age. He articulated this in his grand narrative on English history, but many of the core elements are also to be found in his earlier writings. It is important to note that Hume drafted his two key works on religion, his *Natural History of Religion* (1757) and the *Dialogues concerning Natural Religion* (1779), in the same few years that he wrote his *Political Discourses*.⁹ He also analyzed religion in several of his essays, all of which were composed in the 1740s to early 1750s, but in some cases published posthumously. These include “Of Superstition and Enthusiasm” (1741), “Of the Protestant Succession” (1752), “Of Suicide” (1777), and “Of the Immortality of the Soul” (1777). In sum, Hume reflected deeply about the nature of religious beliefs and practices at the same time that he was revising his *Treatise* into the two *Enquiries* and *Dissertation on the Passions*, and writing his economics.

In opposition to Aquinas, Hume praised merchants for their honesty and industry, and he welcomed the entanglement of trade with “secular cares” as a means to reduce religious superstition and idolatry. Hume’s strong materialism—his posthumous essays cast doubt on the existence of a soul or afterlife—and subversive efforts to reduce or eliminate appeals to a providential order were closely linked to his analysis of economic development. The reform of religious beliefs and practices was a significant part of Hume’s overarching efforts to celebrate the improving tendencies of the modern commercial era. Furthermore, the diminution of the Roman Catholic Church in the wake of the Reformation spread religious toleration, or so Hume believed, and this in turn played a critical part in the transition to a commercial society.

⁷ See the collection in Carl Wennerlind and Margaret Schabas, eds., *David Hume’s Political Economy* (London and New York: Routledge, 2008).

⁸ See Margaret Schabas and Carl Wennerlind, *A Philosopher’s Economist: Hume and the Rise of Capitalism* (Chicago: University of Chicago Press, 2020).

⁹ From 1753–54 until 1777, the twelve essays of the *Political Discourses* were reissued, and some were substantially revised or retitled, as part of what has come to be entitled Hume’s *Essays: Moral, Political, and Literary*. There were several different titles for the collection, but on the Continent, the twelve translations between 1752 and 1776, mostly in the form of a book, preserved Hume’s initial title of *Political Discourses*.

Hume broached ideas that are similar to Max Weber's *Protestant Ethic and the Spirit of Capitalism* (1904–5).¹⁰ Hume fell short of positioning the Reformation as a necessary condition for the advent of capitalism, but he certainly subscribed to a strong correlation between the two, and made clear that modern commerce was a necessary condition for achieving a civil and tolerant society. Holland and Britain were the most advanced commercial nations in his day and also, in his view, the most liberal and enlightened. Hume traced this back to the Reformation and depicted the Catholic Church as a strong hindrance to economic development. Moreover, Hume, like Weber, emphasized the ideological forces at work. Hume pointed to a “spirit of the age” that promoted industrious and enterprising habits, the pursuit of learning and artisanal skills, and the spread of individual liberties, that fueled the spread of modern commerce (E-271). To the best of my knowledge, no one has addressed this facet of Hume's economic thought.¹¹ Most of the literature on Hume's religious texts focuses on his devastating analysis of the belief in miracles, or his skepticism regarding the attributes of the Christian God.¹² As his *Natural History of Religion* makes clear, however, Hume was fascinated by religion as a cultural practice and offers a functionalist interpretation of the sweeping transition from polytheism to monotheism and the diversification of religious rituals as humans seek the means to grapple with questions of the afterlife or the creation of the world. His pathbreaking sociological study of the worlds' religions is part and parcel of his broader project to develop the moral sciences, and to join economics with politics, history, and psychology, as we would define those discourses. It is in this sense that I label him a proto-Weberian.

Let me say at the outset, lest readers think I am drawing simplistic or unsubstantiated historical links, that I do not find compelling any of the

¹⁰ Max Weber, *The Protestant Ethic and the Spirit of Capitalism*, trans. T. Parsons (London and New York: Routledge, 1992 [1930]). Richard Tawney's *Religion and the Rise of Capitalism* (1926) also advanced this broad historical link, that Protestantism was a necessary condition for the emergence of Capitalism. Some scholars renamed the Weber thesis as the Weber-Tawney thesis. See for example John Munro, “Tawney's Century (1540–1640): The Roots of Modern Capitalist Entrepreneurship,” in David Landes, Joel Mokyr, and William J. Baumol, eds., *The Invention of Enterprise* (Princeton, NJ: Princeton University Press, 2010), 107–55.

¹¹ One scholar has suggested some similarities to Weber's account of rational agency. See Loren Gatch, “To Redeem Metal with Paper: David Hume's Philosophy of Money,” *Hume Studies* 22, no. 1 (1996): 169–91. Andrew Sabl has argued that Hume's analysis of the toleration, specifically of Protestantism, had a strong political dimension. Andrew Sabl, “The Last Artificial Virtue: Hume on Toleration and Its Lessons,” *Political Theory* 37, no. 4 (2009): 511–38.

¹² On Hume on religion, see, for example, Christopher Bernard, “Hume and the Madness of Religion,” in M. A. Stewart and John P. Wright, eds., *Hume and Hume's Connexions* (Edinburgh: Edinburgh University Press, 1994): 224–38; and Michael P. Levine, “Hume on Miracles and Immortality,” in Elizabeth Radcliffe, ed., *A Companion to Hume* (Oxford: Blackwell, 2008): 353–70. An important exception to this that hypothesizes about Hume's ideal religion, one that would enable greater social harmony, is given by Donald T. Siebert, *The Moral Animus of David Hume* (Newark, DE: University of Delaware Press, 1990).

arguments offered by Hume or Weber. There is a rough semblance of truth to them, but under scrutiny, each and every argument could be discredited. Most problematic is Weber's chronology. Economic historians have advanced the view that capitalist practices had taken hold circa 1500 if not earlier, before the Reformation and, moreover, could be found in Catholic republics such as Florence, Venice, or Genoa which each had sophisticated banking.¹³ In Weber's defense, there were protests to Catholicism before Luther's 1517 condemnation of indulgences in Wittenberg, so perhaps the dating of the Reformation needs to be revisited. By the fifteenth century, the city-states of northern Italy were relatively independent of the Vatican and, in that respect, embodied a type of autonomy that was analogous to Protestantism.¹⁴ The example of Spain also supports Weber's thesis insofar as Spain declined substantially after it became, in principle, an exclusively Catholic country with the Inquisition. By the seventeenth century, some of the regions most influenced by the Reformation—the Netherlands, Germany, Sweden, and England—had, in contrast to Spain, experienced unprecedented bursts of economic growth and relative prosperity across the social spectrum. France, while initially tolerant of Protestants during the time of Henry IV and the Edict of Nantes of 1598, was also widely perceived by the eighteenth century as failing to actualize its economic potential, notwithstanding that it had become the most populous and unified nation under Louis XIV.

Two important historic moments are the Revocation of the Edict of Nantes of 1685 that effectively pushed a million Huguenots out of France, and the Toleration Act in England of 1689 under William and Mary that welcomed them. As Hume remarked of the English, in contrast to Germany, France, and Spain, "all sects of religion are to be found among them [the English]" (E-207). He also made note that "the first mention of Toleration among Christians was in Holland" (MEM 513). Hume believed that Amsterdam and London, the most vibrant commercial cities in his time, were also the most diverse and tolerant cities for dissenters. One could question these observations and view the toleration of religious minorities as an effect of the spread of capitalism rather than as a cause. Moreover, the prolonged religious wars of the seventeenth century and forced migrations strongly suggest that the century before Hume was, on balance, one of religious intolerance. But Hume's empirical observation that economic and religious

¹³ The literature is extensive, but one leading example is Avner Greif, *Institutions and the Path to the Modern Economy: Lessons from Medieval Trade* (Cambridge: Cambridge University Press, 2006). In general, the more historians probe into the archives of the fourteenth and fifteenth centuries, the more apparent it becomes that various regions in Europe were monetized and engaged in nascent capitalist practices. Almost half the arable land in England in 1436, for example, was cultivated by gentry or yeoman, and not by the aristocracy, Church, or Crown.

¹⁴ Hume recognized the autonomy of the northern Italian cities, pointing specifically to the powerful Bank of St. George founded in Genoa in 1407 that essentially governed the state (E-24; see also E-88–92).

freedoms of association enjoyed by ordinary citizens were greater in Protestant cities has merit.¹⁵

The definition of capitalism—the term was not coined until the nineteenth century—is highly contested if only because there are many types of capitalism. One helpful approach distinguishes it from the previous system of feudalism. Capitalism is marked by the emergence of full-blown markets for the three factors of production, land, labor, and capital, the transition to wage payments even on the farms, the advent of transferable rights to property and, above all, the rise of capital markets such as the formation in the 1600s of joint-stock companies. Hume incorporated all three markets in his analysis of the modern commercial era, that could without distortion be labeled as capitalism. In any event, my aim here is to take Hume's arguments at face value and to draw out the sense in which they foreshadow the later arguments, first by Weber, but also those offered in the neo-Weberian literature of the past decade. I do this primarily to deepen our understanding of Hume as a significant contributor to early modern economics and to underscore the view that economics serves to unify much of Hume's work, including his written work on religion. The fact that Adam Smith devised an argument about the importance of competition in the market for religious services or analyzed the Catholic Church in economic terms is no doubt indebted to Hume.¹⁶ As leading contributors to early modern economics, both Hume and Smith underscored the broader cultural and political context, drawing connections to science, the arts, and religion.

II. HUME'S CONTRIBUTIONS TO ECONOMIC DISCOURSE

The essays that comprised Hume's *Political Discourses* were issued ten times over the course of his own life, and an eleventh edition appeared in 1777, a year after his death. Hume reminisced in his short autobiography, that it was "the only work ... that was successful on the first publication" (E-xxxvi). In the same twenty-five years, the text was translated a dozen times into the leading languages of the Continent, including three translations into French. Abbé Le Blanc's translation of Hume's *Political Discourses* was likened to "the latest novel," and was "snapped up as fast as

¹⁵ For an argument that toleration is a hard-earned outcome of religious strife, see Richard Dees, "The Paradoxical Principle and Salutary Practices': Hume on Toleration," *Hume Studies* 31, no. 1 (2005): 145–64.

¹⁶ On Smith's debt to Hume on this specific matter, see Eric Schliesser, *Adam Smith: Systematic Philosopher and Public Thinker* (Oxford: Oxford University Press, 2017), 348. There is a substantial literature on Smith's analysis of competitive religious markets; for a summary, see James R. Otteson, *Adam Smith's Marketplace of Life* (Cambridge: Cambridge University Press, 2002). One of the only articles in this discourse that links Smith to Hume on the subject is Mukesh Eswaran, "Competition and Performance in the Marketplace for Religion: A Theoretical Perspective," *B.E. Journal of Economic Analysis and Policy* 11, no. 1 (2011): 1–36.

the most agreeably frivolous book."¹⁷ In 1767, James Steuart observed in his *Inquiry into the Principles of Political Oeconomy*, that Hume's *Political Discourses* has "done much honour to that gentleman, and drawn the approbation of the learned world so much, that there is hardly a nation in Europe which has not the pleasure of reading them in their own language."¹⁸ Adam Smith's first public lectures as a young professor at the University of Glasgow in January 1752 were on Hume's theory of commerce that was just off the press that same month.¹⁹ When François Quesnay decided to take up economics in 1756, he first read Hume. Thomas Robert Malthus, for his work on population, was much indebted to Hume. Others in the pantheon, David Ricardo, John Stuart Mill, John Maynard Keynes, and Friedrich Hayek read Hume attentively and admiringly.²⁰

Hume contributed to many fields in economic thought. His analyses of money, the interest rate, trade, development, and demography were strikingly original. He also investigated the broader political and ethical context of economics. One argument, for example, advanced the view that republican governments are more conducive to economic liberties and this was born out by the flourishing commerce in the republican city-states of Italy, Germany, the Netherlands, or the quasi-republic of London. "Commerce can never flourish but in a free government" (E-92). Another argument developed the theme that merchants and manufacturers were more likely to be honest and trustworthy and thus build the stock of social capital. Hume developed the thesis that ethical norms evolve gradually and linked this strongly to the underlying economic conditions.²¹

Hume's interest in economics much exceeds his *Political Discourses*. He noted a boyish fascination with the stock market, possibly reaching back to the bursting of the South Sea bubble in 1720 (E-636-67). His *Early Memoranda* of the 1730s and 1740s provides a set of about two hundred and fifty distinct observations, of which about two hundred pertain to economics. To give an idea of some of the economic data he found interesting, Hume records that prices are ten times higher in Mexico than in Paris, that shares in the Royal Africa Company sell for two pounds, that wages are two pence in the pound higher in Holland than in England, and that the number of silk looms in Lyon in France had dropped from eighteen thousand to four thousand after 1695 (MEM 504; 505; 508; 510). The *Early Memoranda* also points to key

¹⁷ Quoted in John Shovlin, "Hume's *Political Discourses* and the French Luxury Debate," in Carl Wennerlind and Margaret Schabas, eds., *David Hume's Political Economy* (London and New York: Routledge, 2008), 203.

¹⁸ As a Jacobite, Steuart had lived in exile in France for some twenty years. James Steuart, *An Inquiry into the Principles of Political Oeconomy*, ed. Andrew Skinner, Noboru Kobayashi, and Hiroshi Mizuta (London: Pickering and Chatto, 1998 [1767]), 84–85.

¹⁹ See Ian Simpson Ross, *The Life of Adam Smith* (Oxford: Clarendon, 1995), 130.

²⁰ See Margaret Schabas and Carl Wennerlind, *A Philosopher's Economist: Hume and the Rise of Capitalism* (Chicago: University of Chicago Press, 2020).

²¹ Carl Wennerlind, "The Role of Political Economy in Hume's Moral Philosophy," *Hume Studies* 37, no. 1 (2011): 43–64.

events in religious history, such as the legal breach with the Pope issued by Elizabeth I or the suppression of Jewish financiers in eighteenth-century France (MEM 504; 506).

Hume's *Treatise of Human Nature* (1739-40) and his later abridged versions of this work, particularly *An Enquiry Concerning The Principles of Morals* (1751), contain economic insights of considerable importance. In the Introduction to the *Treatise*, Hume advances the view that there are legitimate moral sciences on an epistemic par with the natural sciences (THN 3-6), and makes clear in his first *Enquiry*, that this is exemplified by the science of "œconomy" (EHU 11). In Book Two of the *Treatise*, he identifies why we revere wealth and riches and links this to his general account of moral agency (THN 202-5; 231-36). In Book Three, he unpacks the concept of a contract, positions property as the critical ingredient for a stable society, and likens money to a language (THN 311-15). In his second *Enquiry*, he advances the thesis of the honorable merchant, the sense in which practical pursuits foster industry, honesty, and an overall better character (EPM 48-50; 72-82). Hume wrote about fifty essays, the first set issued in 1741 and the last in 1777. The majority of them contain some economic observations or pertain to the question of material welfare more generally. Last but not least, Hume's multivolume *History of England* (1754-62) is consistently attentive to the path of economic development and paints a picture of the triumph of the liberal commercial era over that of the restrictive if not deplorable feudal system of the pre-modern era.²² Hume, in sum, was engaged in economic thinking for the better part of his adult life.

Economics, Hume argued, is a universal science, one that posits theorems that apply to an "infinite number of individuals" (E-254). This aspiration of undertaking a global perspective is also found in his *Natural History of Religion*, a study of the world's religions that extracts universal patterns of the formation of monotheism and the human proclivity to provide a narrative of the origin of the universe and promote the belief in eternity.²³ Although Hume appears to accept that the need for a belief in a higher spirit or gods is deeply rooted and universal, he nonetheless hoped to diminish, perhaps even to eliminate, religious superstition and idolatry. And while all religions were fueled by irrational beliefs, in his view, "the Roman Catholics are certainly the most zealous of any sect in the Christian world" (THN 79). His analysis of the *longue durée* of religious pursuits has many parallels to his account of economic development from the nomadic tribes up to mercantile capitalism. Both studies sought to find the underlying principles that aligned with the science of human nature and were thus applicable across the globe and back to antiquity.

²² Jia Wei, "Maritime Trade as the Pivot of Foreign Policy in Hume's History of Great Britain," *Hume Studies* 40, no. 2 (2014): 169-203.

²³ See Keith E. Yandell, "Hume's *Natural History of Religion*," in Paul Russell, ed., *The Oxford Handbook of Hume* (Oxford: Oxford University Press, 2016): 646-59.

The more it was understood that the ethical context for commerce was inherently secular and had many beneficial ends for civil society, the more this would serve to reduce, if not eliminate, religious superstitions, idolatry, and enthusiasm, or so Hume believed. He understood that commerce, the commerce at any rate that would bring enlightenment, was not tainted by sins of the lips. Merchants were in fact the most honest and transparent citizens—Smith would later suggest they were also the least jovial.²⁴ Of all the leading philosophers of the mid-eighteenth century, Hume was the most unqualified advocate for manufacturing, trade, and capital markets. The reasons were many and nuanced, but in essence, he believed that the mercantile prosperity of Western Europe had brought in its wake a more progressive world. There were still many reprehensible practices—slavery, censorship, primogeniture, pressgangs, not to mention the many restrictions on women's rights—and Hume attended to each and every one of them. But Hume, like Mandeville, celebrated the modern era, particularly the onset of urbanization, because the bustle of town life enhanced civility and secular life, and improved the rapport between men and women.²⁵ Hume cared less than Smith that the lower orders were better fed or clothed, but he recognized that the standard of living had risen over the past half-century and that high wages were a proven incentive for increased output and hence the bolstering of national wealth and security.

A careful reading of Hume's texts, particularly his *Enquiry concerning the Principles of Morals* (1751) and his *Political Discourses* (1752), promotes the theme that merchants are the heroes of the modern age (E-300). They discern unmet needs between strangers, forge channels of trade and, for a number of reasons that Hume identifies—skill, ingenuity, competition, and economies of scale—bring down the price of goods in real terms (E-264-66; E-314-15). Everyone prospers as trade spreads across the globe and stimulates the investment of new capital. Merchants were, for Hume, the crusaders of a more liberal world, one that promoted urbanization, civility, and enlightenment. Far more than Adam Smith, Hume was sanguine that the new commercial era would carry the world to a better and happier place.

Hume offered a compelling argument that the European economy had greatly expanded since Christopher Columbus. He estimated that the quantity of specie in Europe that came mostly from Mexico and Peru had

²⁴ On the importance of honoring market contracts and acting honestly, see THN 334–42; EPM 82. See also Margaret Schabas, "Let Your Science Be Human': David Hume and the Honourable Merchant," *European Journal of the History of Economic Thought* 21, no. 6 (2014): 977–90. Smith depicts the prudent man that typifies the merchant as "reserved," temperate, discrete, and not one to frequent "convivial societies" that are known for "jollity and gaiety." See Adam Smith, *The Theory of Moral Sentiments*, eds. D. D. Raphael and A. L. McFie (Oxford: Oxford University Press, 1976), 214.

²⁵ Edward Hundert, *The Enlightenment's Fable: Bernard Mandeville and the Discovery of Society* (Cambridge: Cambridge University Press, 1994); see also Margaret Schabas, "Bees and Silkworms: Mandeville, Hume and the Framing of Political Economy," *Journal of the History of Economic Thought* 37, no. 1 (2015): 1–15.

increased by at least a factor of seven, whereas the price level had increased by at best a factor of four. The fact that the functional relation between the money supply and the price level was not equitable proved to Hume that there had been a dramatic increase in what we would call the aggregate output. The additional specie serviced the much-expanded markets and, for this reason, the real price of goods had fallen by almost one-half. He asserts the following principles: "Every thing must become much cheaper in times of industry and refinement, than in rude, uncultivated ages. It is the proportion between the circulating money, and the commodities in the market, which determines the prices" (E-291). Insofar as the increase in the money supply had much outstripped the rise in nominal prices, the fact that everything had become cheaper in real terms was due to the substantial increase in markets in the modern commercial era. "The small profit of the merchant renders the commodity cheaper, causes a greater consumption, quickens the labour of the common people, and helps to spread arts and industry throughout the whole society" (E-353).

Hume demonstrates this with some figures. "A crown [five shillings] in HARRY VII.'s time served the same purpose as a pound [twenty shillings] does at present" (E-281). This appeal to inflation and purchasing parity implies that nominal prices from the years 1500 to 1750 had risen by a factor of four. Hume knew that the money supply in Britain in his day was about ninety million pounds (E-49). Although he lacked good figures, he estimated that circa 1500, England had 4.5 million pounds and the whole of Europe had about eighty million pounds (E-320; 292). Notwithstanding the union with Scotland in 1707 that brought an additional million pounds into common circulation and the meagre sum in Ireland—half a million pounds—this would imply a twenty-fold increase in the British money stock, thus indicating remarkable economic expansion in a period of two hundred and fifty years (E-321; E-310). Approximately seventy percent of this money, Hume believed, circulated as paper notes of one kind or another.

The very monetization of quotidian life, Hume argues, is critical for a well-lubricated trade. He depicts money as the "oil which renders the motion of the wheels [of trade] more smooth and easy" (E-281). As money continues to spread and create new channels of trade, its effect as an income multiplier "keeps alive a spirit of industry in the nation" (E-288). Hume remarks on how modern commerce, "its variety of fine manufactures, with vigilant enterprising merchants, will soon draw money to a state," and how this money is then "digested" into "every corner of the state" (E-301-5). In contrast to Locke, who emphasized the tacit agreement that brought money into existence during some prehistoric era to avoid hoarding perishable goods, Hume underscores a later historical moment when "no hand is entirely empty of it [money]" (E-294). A monetized world is also one in which inventories and capital can be readily liquidated and put into circulation and one in which taxes can be gathered more effectively (E-289;

E-319-20). A banker, Hume notes, could liquidate shares in the Bank of England or the East India Company, in “a quarter of an hour” (E-353). Scottish banks had introduced low-denomination bills of ten shillings that were used to pay the weekly wages of tradesmen.

Most of all, Hume argues that money could prompt genuine growth. He describes how money brought by English cloth merchants returning to England from Cadiz in Spain could inspire the weaver to intensify his work effort and thus produce more cloth in the workweek (E-286-89). The money is initially invested to expand production; and even before wages rise, it magically inspires more attentive work. Why? The reasons are not spelled out with clarity, but one factor is that laborers suddenly had full-bodied coins to settle their debts with local purveyors in an age when most coins were severely worn and clipped and many people lived on credit, “paying on tick” as the expression went rather than with ready money.²⁶ Now they were able to purchase more and better provisions, and this sensation of feeling richer, even before wages had in fact risen in nominal terms, was sufficient to induce a better work ethic. Moreover, once that took hold and additional wealth was created, Hume believed, the work ethic could become more pervasive as wages improved in real terms. The higher standard of living for commoners in England as opposed to Ireland made this patently obvious. English workers were also more disciplined, more temperate, and more productive over all. In his efforts to explain the distinctions between rich and poor countries, Hume highlights intangibles such as the work ethic, the pursuit of artisanal skills, or the incentives to invest in more sophisticated modes of manufacturing. The influx of money is only the first prompt in the chain of economic development.

The specie-flow mechanism that Hume famously identified shows that if there is sudden inflation, citizens will purchase imported goods because they are cheaper and the money will flow out of the country. For the money to have “real effects,” more was required, namely a change in human dispositions or what Hume often deemed “the manners and customs of the people” (E-294). Hume argued that the economic decline of Spain in the seventeenth century demonstrated this pattern. Money is a critical factor, but it requires merchants to open up the channels of trade, to bring to bear many commercial skills and induce superior artisanal techniques. Spain, he realized, did not invest its new money into capital to expand output, either in the agrarian or manufacturing sectors and, as a result, was impoverished. It was also significant that the influx of money was an act of theft and not, as

²⁶ On the ubiquity of credit and “paying on tick” (running up a tab), see Joel Mokyr, *The Enlightened Economy: An Economic History of Britain, 1700–1850* (New Haven, CT: Yale University Press, 2009), 373. On the mechanisms by which money stimulated economic growth for Hume, see Margaret Schabas, “Temporal Dimensions in Hume’s Monetary Theory,” in *David Hume’s Political Economy*, ed. Carl Wennerlind and Margaret Schabas (New York: Routledge, 2008).

in the case above, a payment for exports.²⁷ Hume points to the case of the “sudden acquisition of money or of the precious metals, by means of foreign conquest” (E-304). If this money fails to be invested as “stock,” the eighteenth-century term for capital, and does not inculcate new habits of frugality and prudence, the end result will be “little commerce and industry” (E-305-6). At first the interest rate falls with the increase in the money supply, but because the habits of the people are still prone to idleness and squandering, the end result is to restore the crippling high interest rate, dampen investment, and entrench poverty even further (E-306).²⁸

It was clearly more beneficial to have a thriving economy in which money flowed in rather than a stagnant economy in which money flowed out. “A nation, whose money decreases, is actually, at that time, weaker and more miserable than another nation, which possesses no more money, but is on the increasing hand” (E-288). Hume describes this scenario as follows: “the workman has not the same employment from the manufacturer and merchant; though he pays the same prices for every thing in the market. The farmer cannot dispose of his corn and cattle; though he must pay the same rent to his landlord. The poverty, and beggary, and sloth, which must ensue, are easily foreseen” (E-288-89). There is a sense in which the downward spiral accelerates. In these circumstances, nations such as Spain that use “violent and forcible methods of carrying away money ... cannot expect to keep their gold and silver” (E-325). Hume also notes that the Vatican, while the recipient of vast sums of money that are in essence taxes, is unable to retain the funds for lack of commerce and trade. “For above a thousand years, the money of Europe has been flowing to Rome, by an open and sensible current; but it has been emptied by many secret and insensible canals: And the want of industry and commerce renders at present the papal dominions the poorest territory in all Italy” (E-326). These observations strongly suggest that there are non-economic factors at work that inhibit the development of capitalism.

Another part of the account, and one Hume gestures to in his *Early Memoranda*, is the blight of the Spanish Inquisition that commenced in 1492. He makes note that 800,000 Jews were expelled, and nearly a million Moors (MEM 508). A significant diminution of population is harmful to economic productivity, because of the decline in both the labor supply and the domestic demand for goods. The exodus of the Huguenots after 1695 had a similar effect. In several of his essays, Hume appeals to the role of aggregate demand and underscores the critical importance of population

²⁷ The fact that the additional money is endogenous to the nation it benefits is critical. See Carl Wennerlind, “David Hume’s Monetary Theory Revisited: Was He Really a Quantity Theorist and an Inflationist?” *Journal of Political Economy* 113, no. 1 (2005): 223–37.

²⁸ On Spain, see Mauricio Drelichman and Hans-Joachim Voth, *Lending to the Borrower From Hell: Debt, Taxes, and Default in the Age of Philip II* (Princeton, NJ: Princeton University Press, 2014); and David Stasavage, *States of Credit: Size and Power and the Development of European Politics* (Princeton, NJ: Princeton University Press, 2011).

growth and the additional supply of labor it entailed. Individuals are "happy and prosperous" because they have work, and because this increases the demand for nonnecessities, but this also serves to keep alive a spirit of industry that creates "a kind of *storehouse* of labour" and that keeps the people from "sink[ing] into indolence" or "sloth" (E-272).

Hume puts some weight on geographical factors. In southern Europe, Italy, or Spain, farming is an "easy art," that a single man can perform with "a couple of sorry horses"; the only "art" in use is to leave the land fallow for a year and, as a result, the peasantry remain comparatively poor (E-266-67). Conversely, in England where the soil is "coarse [and] must be cultivated at a great expense," farmers are compelled to work diligently, to undertake improvements, and to invest capital in the land. The fear of "slender crops" is unrelenting (E-266). As a result, they experiment and undertake more complex methods, introducing new techniques such as turnip husbandry. English farmers "must have a considerable stock, and a long lease," since it might take several years before they see a profit on their investment (E-266). Hume also observes that the growth of capital sums and the increasing concentration of loanable funds in banks brought down interest rates and thus prompted additional investment in capital. As capital accumulated, it tended to accelerate the pace of commercialization. Hume depicts this developmental path as having turned much of Western Europe into a veritable beehive "stocked with riches and inhabitants" (E-448). He points to the unprecedented prosperity of the two hundred mile radius of the Dover-Calais axis, an insight that today has morphed into the European Megalopolis or "Blue Banana" (E-448).

Hume had to combat a strong movement that condemned the production and consumption of luxuries, a debate that Bernard Mandeville had done much to spark. Hume argued that manufacturing and trade, including that of luxury goods, not only brought additional wealth but also enhanced the moral stock of a nation. Furthermore, because the profit rate tended to decline and wages tended to ascend in prospering nations, capital would migrate to poorer nations. Hume's vision of economic development was thoroughly cosmopolitan. He also recognized the contingent nature of national identity and the inherent weakness of colonization and prolonged military conquest. In short, he transcended many of the parochial modes of thinking of his day, and fully grasped, as would Smith, that Britain could not sustain its economic prowess indefinitely.

III. HUME AS A PROTO-WEBERIAN

In 1748, Hume traveled to Vienna on a diplomatic mission with General St. Clair, landing in Rotterdam and returning via Turin, Lyon, and Paris. The journey took a full year and exposed him to a diverse array of cultures and conditions. He found rural Austria and Italy to be much poorer than the Netherlands or German principalities. Frankfurt was particularly

memorable. As he wrote to his brother, "it is a very large Town, well built & of great Riches & Commerce. Around it, there are several little Country Houses of the Citizens, the first of that kind [summer cottages] we have seen in Germany: For every body, except the Farmers, live here in Towns: And these dwell all in Villages" (HL 1:122). Hume ends the letter with the fact that "Frankfort [sic] is a protestant Town" (HL 1:122). By contrast, he notes that the magnificent palaces along the Rhine that are in the Catholic regions, and voices concern that such extravagance had impoverished the environs (HL 1:120). In Bavaria, he found the Catholic republic of Ratisbon (Regensburg) on the Danube less prosperous than Nuremberg, a Lutheran town. Hume reflects that "'tis pretended, that the Difference is always sensible betwixt a Protestant & Catholic Country, thro'out all Germany: And perhaps there may be something in this Observation, tho it is not every where sensible" (HL 1:125). He thus gestures to a received view that marked the pattern, although no source is given.

In his essay on population, Hume claims that eighteenth-century Germany has twenty times more people than in the Roman era. As with every Enlightenment economist before Malthus, there was no better indicator of economic prosperity than population growth (E-453). Hume also conjectured, perhaps drawing on Tacitus or Leibniz, that a unified Germany "would be the greatest power that ever was in the world" (HL 1:126). This fascination for Germany evidently lingered on and may have prompted Hume to reflect further on the role of religious practices and commerce. The first person, purportedly, to draw attention to the prosperity of German Protestants was Christian Friedrich Menschenfreund, in 1772. But Hume clearly noticed this and it is in that sense that I label him a proto-Weberian. The observations in the letter to his brother suggest that Hume, starting in 1748 if not sooner, was drawing important contrasts between Catholics and Protestants and linking this to economic development.²⁹

Hume began to work on the *Political Discourses* shortly after returning from his European tour. He had also read Montesquieu's *Spirit of the Laws*, a copy of which he received while in France soon after its publication in 1748. As David Carrithers has noted, this work prompted immediate hostility in ecclesiastical circles and Montesquieu responded in the early 1750s with specific attention to the theological debates.³⁰ This also served to make prominent, in tandem with Hume, the religious context of political economy. Hume peppers his texts with deprecatory remarks about Catholicism. For example, "few ecclesiastical establishments have been fixed upon a

²⁹ Hume had lived in France for three years in 1734–37, and on moving to London lived at the Rainbow Coffeehouse, a regular meeting place for French Protestant refugees (HL 1:26). He also stayed briefly in Cork, Ireland in 1746. There are almost no letters during this period, but the two surviving letters from Reims each contain several observations about the standard of living of the burghers of the town (HL 1:19; 22–23).

³⁰ David Wallace Carrithers, "Introduction," to Montesquieu, *The Spirit of the Laws: A Compendium of the First English Edition*, ed. David Wallace Carrithers (Berkeley: University of California Press, 1977), xvi.

worse foundation than that of the Church of Rome, or have been attended with circumstances more hurtful to the peace and happiness of mankind" (HE 3:136). Moreover, Hume sees the rise of Protestantism, for the most part, in a positive light.³¹ In his *History of England*, Hume registers "the reformation, [as] one of the greatest events in history" (HE 3:134). His essay "Of the Protestant Succession" (1752) is effusive in its championing the end of Catholic rule in Britain. Hume points to the enhanced work ethic in Britain, to its capital accumulation, and to the freedoms of belief and association that prompt trade and commerce. But he does not take the added step that Weber takes, of treating Protestantism as a necessary condition. Hume's appeals are more akin to correlations than firm causal ascriptions.

Recently, several scholars have revived and modified the Weber thesis, looking to latter manifestations of spurts of capitalist growth in Protestant regions, such as Switzerland or Prussia in the nineteenth century, or post-war Scandinavia. The empirical record demonstrates that currently the most exclusively Protestant countries of Northern Europe, particularly Norway and Sweden, are also by certain metrics the wealthiest on the planet. Empirical studies of countries where Protestant practices are dominant but not exclusive, Britain or the United States for example, also bears out this pattern.³² There is almost a monotonic relationship between wealth and Protestantism. Such a salient phenomenon cries out for explanation, and several have been offered in the past dozen years. The unifying theme is that Weber was right to foreground Protestantism but the effects took much longer to percolate to the surface and to become as unequivocal as they are at present.

One neo-Weberian argument points to the fact that Protestantism induced widespread literacy, and has secured data that shows the printing press spread more rapidly in Lutheran regions in the early modern period. The fact that boys and girls learned to read the Bible, it is claimed, is analogous to the argument that has been made regarding the study of the Torah by young Jewish men.³³ In each case, the spread of commerce was an unintended consequence of spiritual pursuits, but the argument is predicated on the belief that elementary literacy prompts commercial expansion. Alternatively, an argument could be made that a sophisticated literacy would be needed for sophisticated commerce. Thomas Mun, a prominent merchant for the East India Company and author of the most influential

³¹ See Ryu Susato, "Taming 'The Tyranny of Priests': Hume's Advocacy of Religious Establishments," *Journal of the History of Ideas* 73, no. 2 (2012): 273–93.

³² See, for example, Sascha O. Becker and Ludger Woessmann, "Was Weber Wrong? A Human Capital Theory of Protestant Economic History," *The Quarterly Journal of Economics* 124, no. 2 (2009): 531–96; and Luca Nunziata and Lorenzo Rocco, "The Protestant Ethic and Entrepreneurship: Evidence from Religious Minorities in the Former Holy Roman Empire," *European Journal of Political Economy* 51 (2018): 27–43.

³³ Jared Rubin, "Printing and Protestants: An Empirical Test of the Role of Printing in the Reformation," *Review of Economics and Statistics* 96 (2014): 270–86.

treatise in the mercantilist literature of the seventeenth century, urged merchants to learn Latin in order to keep abreast of scholarly learning.³⁴

Hume, interestingly, recognized the seminal role of the printing press in spreading Lutheran doctrine, “in opening men’s eyes with regard to the impostures of the Romish Church” (HE 3:140). And he grew up in a Scotland celebrated for having greatly reduced illiteracy thanks to the Presbyterian Church. Hume also puts much weight on the spread of artisanal skills and the science of agriculture, both of which would have been accelerated by widespread literacy. And he contrasts a flourishing commercial state bolstered by the “indissoluble chain . . . [of] industry, knowledge, and humanity,” with tropical nations “buried in ignorance, sloth, and barbarism” (E-271; E-328). Hume also proclaims the importance of minimal censorship, noting that the commercial vibrancy of Britain benefits from its freedom of expression (E-12). However plausible, the argument that widespread literacy was a critical factor for the spread of capitalism is not airtight. The prospering of the Jewish communities in early modern Europe may be due to other factors, a people incentivized by their distinctive customs for usury, and their lack of landholdings or political rights. Moreover, the Catholic cities of Northern Italy were some of the first to develop banking and this transpired without widespread literacy.

Benito Arruñada has a neo-Weberian argument that emphasizes the homogeneous values that accompanied the formation of Protestant sects, and the claim that this proved to be more conducive to representative governance on a local scale, as opposed to the divided interests of feudal lords and the Papacy and the drain on taxes that entailed.³⁵ Hume recognized this divide. Because the Pope is a foreigner, he “has always a separate interest from that of the public, and may often have an opposite one” (E-510). In the feudal era, the Vatican amassed enormous revenues that only weakened the authority of the civil magistrate. It is essential for a ruler to first enlist the help of the clergy, but if the clerics serve a higher authority, then that ruler will always be negotiating conflicting interests. “All princes, that have aimed at despotic power, have known of what importance it was to gain the established clergy: As the clergy, on their part, have shewn a great facility in entering into the views of such princes” (E-66). Hume notes that with the Reformation, new alliances between church and state were forged. The first example of this transpired in Sweden, which benefitted by the allegiance of its clergy to the new Protestant Crown, and the second was when the Dutch Presbyterians and Calvinistic clergy discerned the value of becoming “professed friends to the family of Orange” (E-66-67).

Arruñada offers a strikingly original argument that links Protestantism to the rise of social capital. He provides empirical support to discredit the view

³⁴ See Thomas Mun, *England’s Treasure by Forraign Trade* (New York: Augustus M. Kelly, 1986 [1664]), 3.

³⁵ Benito Arruñada, “Protestants and Catholics: Similar Work Ethic, Different Social Ethic,” *The Economic Journal* 120, no. 547 (2010): 890–918.

that the Catholics had a weaker work ethic. Quite the contrary, he argues that theirs was similar to Protestants if one looks more closely over a longer stretch of time. But the Protestants developed a social ethic that was more supportive of political and legal institutions conducive to capitalism. His argument appeals more specifically to the Catholic practice of confession, insofar as “priests were trained to adapt the moral code to the strength of the penitent” and thus kept moral regulation under lock and eye. Moreover, this secret manner of enforcing ethics was exacerbated by the practice of indulgences that corrupted absolution all the more. This made it harder for foreign traders to trust Catholic merchants, thereby increasing transaction costs because trade is best undertaken when relations are undergirded by trust and honesty. Protestantism, conversely, outsourced the ethical enforcement to the conscientiousness of individuals, and this in turn promoted an overt community censorship of unethical conduct, thereby expanding impersonal trade relations. The claim is that one could count on a distant community to self-regulate its moral code for the honest settlement of contracts because these activities were not under the moral jurisdiction of Catholic priests. Arruñada missed the opportunity of pointing to Adam Smith who, in his *Theory of Moral Sentiments* (1759), outsourced ethical regulation from the Church to the impartial spectator, who adjudicates our daily conduct.

Hume expresses many similar points although he did not follow up with the same logic. He believes that it is obvious that if one fails to keep one’s promise or is persistently dishonest, one would not survive for long as a merchant, regardless of one’s religion (T 335; EPM 82). He emphasizes that this holds not only for the delivery of commodities but more importantly in the delivery of services, since these are almost always contracted in advance (T 334). We tend to overdiscount the future; “men are always more concern’d about the present life than the future” (T 337), hence the significance of probity as a virtue. But in his account of the fulfillment of mercantile contracts, Hume could not resist drawing a comparison to the Catholic practice of transubstantiation. This “mysterious and incomprehensible operation,” with a few words and actions, “changes entirely the nature of than external object, and even of a human creature” (T 336). His point is that like economic contracts, these are inventions designed for “the interest of society” and have no ontological warrant (T 336).

Hume’s paragon of virtue, a hypothetical son-in-law Cleanthes, is a “man of business and application” who “preserves a perpetual serenity on his countenance, and tranquillity in his soul,” notwithstanding many trials and misfortunes (EPM 73). What he has achieved is a clear conscience, and hence a “greatness of mind” that comes from being in the world of business rather than the solitary and celibate world of the priest. As Hume argued (and Adam Smith developed further), it is imperative that, if praised for good deeds, one knows oneself to be praiseworthy. In that respect, Hume has embraced the Protestant ethic that puts the burden in oneself rather than the

actions of the priest. As Hume observes, “inward peace of mind, consciousness of integrity, a satisfactory review of our own conduct; these are circumstances very requisite to happiness” (EPM 82).

Monkish virtues, by contrast, are severely condemned. “Penance, humility, and passive suffering . . . sink the human kind into the lowest submission and abasement” (NHR 63). He notes that the Vatican, with its system of indulgences, exposed its propensity for dishonest dealings (HE 3:134). Hume emphasizes the fact that Papal lands bred “sloth and ignorance” rather than “useful arts,” and that the money that went to the Vatican in the name of piety was scandalously channelled toward corrupt ends, including “taverns, gaming-houses, and places still more infamous” (HE 3:138). By contrast, the advent of clerical marriage within the Scottish Presbyterian Church in 1560 was a step forward since it alleviated the rampant “libertinism of the [Catholic] clergy,” not to mention their excessive use of prostitutes (HE 3:142).³⁶

Hume claims that the Roman Catholic Church, more than any other established religion, is the most oppressive of other faiths. “It is essential to the Roman catholic religion to inspire a violent hatred of every other worship, and to represent all pagans, mohametans, and heretics as the objects of divine wrath and vengeance. Such sentiments . . . are considered as virtues by the zealots of that communion” (E-247-48). Rightly or wrongly, Hume believes that Protestants are more tolerant and that, as their doctrine spread, it increased the toleration of other religious minorities, such as Jews and Quakers. Hume discovered this firsthand. He wrote six letters to British officials urging them to provide Isaac de Pinto, a Jewish financier and economist whom he had befriended, with a pension for services rendered in settling the Treaty of Paris in 1763.³⁷ Hume was unsuccessful at first, but persevered and secured de Pinto an annual pension of five hundred pounds, a significant sign that the British crown could respect a member of a religious minority. Hume’s gesture to our common humanity is found in other passages, for example in his remark that two Europeans would embrace in China, however much their national or religious identities diverged.³⁸ As Michael Ignatieff has shown, Hume’s analysis of commerce highlighted the importance of serving the “needs of strangers.”³⁹ The release of the monopolistic stranglehold of the Vatican also brought increased toleration and respect for others and this grew in tandem with the channels of trade.

³⁶ On prostitution in early modern Rome, see Tessa Storey, *Carnal Commerce in Counter-Reformation Rome* (Cambridge: Cambridge University Press, 2008).

³⁷ See Ernest Campbell Mossner, *The Life of David Hume*, 2nd ed. (Oxford: Clarendon Press, 1980), 639. Hume had also obtained a crown pension for Jean-Jacques Rousseau.

³⁸ See Michael B. Gill, “Hume’s Progressive View of Human Nature,” *Hume Studies* 26, no. 1 (2000): 87–108.

³⁹ Michael Ignatieff, *The Needs of Strangers* (London: Chatto and Windus, 1984).

Britain, the Protestant nation most removed from Rome, was also, Hume believed, the most tolerant nation in Europe (E-508). It had allowed minorities such as the Quakers to “become very free reasoners,” espousing beliefs akin to deism (E-78). Due to the “tolerating spirit of the *whigs*,” he claims, the high-church *tories*, and the *Roman catholics*,” have been subdued; the “whigs” that represent the merchant class are “friends to toleration” (E-79). As more general proof of the fact that religious tolerance and commercial advancement move in tandem, Hume observes that, “the three greatest trading towns now in Europe, are London, Amsterdam, and Hamburg; all free cities, and protestant cities; that is, enjoying a double liberty” (E-92). The fact that Hume linked these three features— trade, freedom of entry, and freedom of association—to Protestantism, and spoke of a “double liberty,” is testament to the fact that he believed they were causally entangled.

Voltaire, in his *Letters on England* (1733), had marveled at the mixture of faiths—he cites Moslem, Jew, Presbyterian, Anabaptist, Anglican, and Quaker—among the brokers in the London stock exchange. It was a place “more venerable than many a court,” where promises were honored and mankind served. All of them “reserve the name of infidel for those who go bankrupt.”⁴⁰ Hume also celebrated the mingling of persons of different faiths and saw this as a potent and progressive force. He points to the Huguenot immigrants who brought many skills to London after 1685. “Above half a million of the most useful and industrious subjects [Huguenots] deserted France; and exported, together with immense sums of money, those art and manufactures, which had chiefly tended to enrich that kingdom” (HE 6:471). Hume recognized other cases in which religious intolerance proved costly. He pays tribute to the Jewish money lenders of medieval England, notably Isaac of York later made famous in Walter Scot’s *Ivanhoe*, and deplored their mass execution.⁴¹ The devastation of the Thirty Years War on the European economy was also a potent reminder of the “ocean of blood” caused by religious strife. It still proved worrisome to Hume: “though it is much to be hoped, that the progress of reason will, by degrees, abate the acrimony of opposite religions all over Europe; yet the spirit of moderation has, as yet, made too slow advances to be entirely trusted” (E-510).

In Ireland, because the Protestants and Catholics have no “common intercourse” and engage in “severe revenges,” one finds “disorder, poverty, and depopulation” (E-640). He conjectures that “the common people in Switzerland have probably more honesty than those of the same rank in Ireland; and every prudent man will, from that circumstance alone, make

⁴⁰ François Marie Arouet de Voltaire, *Philosophical Letters*, trans. Ernest Dilworth (Indianapolis: Bobbs-Merrill, 1961), 26.

⁴¹ On Hume’s sympathetic account of the Jewish moneylenders in twelfth-century York, see Annette C. Baier, *The Cautious Jealous Virtue: Hume on Justice* (Cambridge, MA: Harvard University Press, 2010), 23–25.

a difference in the trust which he reposes in each" (E-197). The paradigmatic prudent man is the merchant, and Hume is thus voicing here a preliminary concept of social capital, one that includes a religious component—Switzerland was predominantly Calvinist—and is conducive to economic growth.

Protestantism reduced the powers of the priesthood, facilitated freedom of expression and association, and gave greater efficacy to one's own conscience as a source of ethical integrity. All of this, it was believed, was conducive to trade. As Voltaire recognized, "where there is not liberty of conscience, there is seldom liberty of trade, the same tyranny encroaching upon commerce as upon Religion."⁴² Hume echoes this insight: "liberty of thinking, and of expressing our thoughts, is always fatal to priestly power" (and he meant by this Catholic priests) (E-65-66). Hume emphasizes the importance of freethinking as a means to stimulate enterprise in the development of manufacturing, commerce, and trade. He singles out the fact that artisans will start to produce domestically goods that were previously imported and, more importantly, improve on them in the process (E-210; 328). Hume believes that the production of knowledge in general is facilitated under more liberal and republican regimes. Genius and inventiveness could crop up at any time or place, but nurturing them properly requires mechanisms for emulation and the dissemination of new knowledge—processes which happen most readily when autocratic rule is removed.

Toleration has a political dimension. The most absolutist kings of the early modern period, Philip II and Louis XIV, were also Catholic. By persecuting dissenters and forcing them to flee, they "filled all Europe with the manufacturers of Flanders and of France" (E-419). Hume not only positions autocracies as the most restrictive of economic development, but also sees monarchies as more inhibiting than republics. "Monarchies, receiving their chief stability from a superstitious reverence to priests and princes, have commonly abridged the liberty of reasoning, with regard to religion, and politics, and consequently metaphysics and morals" (E-126). Hume notes, however, that since the Glorious Revolution of 1688, Britain had become a quasi-republic, with the Crown serving more as a figurehead than an actual ruler. Power had shifted from the palace to the magistrates in each district. This in turn, Hume believes, served to spread both toleration and commerce, insofar as the magistrates oversaw the collection of taxes and regulated local trade practices (E-273; E-520). "If, among Christians, the English and Dutch have embraced the principles of toleration, this singularity has proceeded from the steady resolution of the civil magistrate, in opposition to the continued efforts of priests and bigots" (NHR 61). In his account of the "Perfect Commonwealth," Hume delegates national defense to the capital parliament, but the 1,100 elected magistrates distributed throughout the land would possess "the whole legislative power of the commonwealth"

⁴² Translated in Peter Gay, *The Enlightenment: An Interpretation* (New York: Norton, 1966), 24.

and appoint the “officers of revenue in each county” as well as the “ministers to all the parishes” (E-517; 520). Hume thus gives the magistrates, men drawn from the middle class, the task of promoting commerce, overseeing the Church, and keeping the peace (E-273).

According to Hume, the bourgeoisie or “middling sorts” of bankers, merchants, and manufacturers were the backbone for social progress; they were the group most likely to safeguard liberty and the rule of law, and to promote representative government. They were also likely to be Protestants. As he remarked of Great Britain since the “Protestant Succession” of 1688:

Public liberty, with internal peace and order, has flourished almost without Interruption: Trade and manufactures, and philosophy, have been cultivated. Even religious parties have been necessitated to lay aside their mutual rancour: And the glory of the nation has spread itself all over Europe; ... Nor is there another instance in the whole history of mankind, that so many millions of people have, during such a space of time, been held together, in a manner so free, so rational and so suitable to the dignity of human nature. (E-508)

Hume also makes much of the fact that Britain had finally buried the possibility of reuniting with the Vatican and expresses a strong preference to retain the line from Hanover, albeit German rule, rather than the Stuart descendants who might attempt to restore Catholicism. Hume argues that, “the Roman Catholic religion, with its train of priests and friars, is more expensive ... [and] less tolerating” than the Protestants (E-510). He sees the shift to Protestant rule as a step toward the “progress of reason ... [and] spirit of moderation” (E-510).

The diminution of religious superstition and enthusiasm fed into Hume’s ambition to bring about a more enlightened age. “Superstition,” Hume maintained, “renders men tame and submissive” and turns the priest into a “tyrant and disturber of human society, by his endless contentions, persecutions, and religious wars”; superstition “is an enemy to civil liberty,” as witnessed in the “dismal convulsions” to which all of Europe had been subjected by the Church in Rome (E-78). And civil liberties and secularism serve as the cradle of polite society. “Religious principles are also a blemish in any polite composition, when they rise up to superstition, and intrude themselves into every sentiment, however remote from any connection with religion” (E-248). Hume mocks the Catholic efforts at suffering for rewards in the afterlife with a story of Cardinal Bellarmine, who allowed his body to be the host for countless fleas and vermin rather than killing them, because the insects would not have more than the present life (NHR 64). Hume pays homage to Machiavelli, who had observed that, because the Catholic religion “recommend[s] only passive courage and suffering, [it] had subdued the spirit of mankind, and had fitted them for slavery and subjections” (NHR 63-64).

While dying of stomach cancer, Hume famously refused religious rites to save his soul. His irreligious predilections were thus made clear posthumously, but had already surfaced in his twenties. He was born and raised a Scottish Presbyterian and lived much of his adult life with his mother and sister, both of whom were pious. Hume would have attended daily prayers as a student at the University of Edinburgh (from the age of ten to fourteen years old), and he willingly affiliated himself with the Jesuit College in La Flèche for two years (when he was twenty-four to twenty-six years old), conversing with learned theologians. Nevertheless, he had already formed strong aversions to Christianity, given the vehement anticlerical remarks and attacks on religious rituals and beliefs in his *Treatise*. Hume paid a high price for these remarks. His candidacy for a professorship, first at the University of Glasgow and then at the University of Edinburgh, were both denied on the grounds that he was an infidel. In 1755-56, the Church of Scotland attempted to excommunicate him. Lord Kames saved Hume from this defamation by arguing that Hume had already ceased to be a member of the Church and hence could not be excommunicated. In a letter of 1764, Hume confessed that, "I am not a Christian" (HL 1:470). He was living in Paris at the time (1763-66) and had befriended a number of the leading *philosophes* and self-acclaimed atheists, but also made clear that he was not an atheist. Hume might have adopted the label "agnostic" had it been coined.⁴³

This judgment of Hume as a voice for secularism extends to his writings on religious beliefs and practices. His essay "Of Suicide" maintains that, "suicide is no transgression of our duty to God" (E-580). Hume submits that, "the lives of men depend upon the same laws as the lives of all other animals; and these are subjected to the general laws of matter and motion" (E-Su 582). And because animals, he argues, have no immortal souls, we must entertain the same of humans, if only because of the strong anatomical resemblance (E-IS 597). Hume's *Natural History of Religion* (1757) argues that religious beliefs came into existence to placate human fears of the unknown, fears that would abate in the age of reason. Hume's *Dialogues Concerning Natural Religion* (1779) emphasizes the vast imperfections of our world and undercuts to the core the longstanding belief in a providential order. Hume's critical stance toward religion and efforts to motivate a "secular, this-worldly, utilitarian morality ... [was] revolutionary thought of ever

⁴³ Its inventor, Thomas Henry Huxley, in 1878, wrote the first book on Hume's epistemology; moreover, this work influenced Huxley's project to establish the theory of agnosticism. See Jiwon Byun, "Thomas Henry Huxley's Agnostic Philosophy of Science," Ph.D. Dissertation, Philosophy, University of British Columbia (2017). Mossner remarks on Hume's agnosticism and unwillingness to identify with atheism. See Mossner, *The Life of David Hume*, 483-86. In his *Early Memoranda*, Hume spells out "three kinds of Atheists" with reference to ancient philosophers to illustrate each kind: Theodorus, the Epicureans, and Aristotle and the Stoics. See MEM 501.

widening application.”⁴⁴ His critical writings on theology and religion were subversive and a central part of his deep commitment to achieving a more enlightened and peaceful world that was inherently one of global commerce and trade.

Hume sought to combat religious zealots, to expose superstition and idolatry, and to move his world toward a set of virtues suitable for polite and refined society fueled by modern commerce. Hume decried the Christian virtues of fasting and penitence, and embraced the new commercial virtues of industriousness, inventiveness, and enterprise. Like Mandeville, Hume welcomed the gradual drift toward more libertine mores, believing this would yield happier and less repressed lives. To some extent, he believed this had already transpired in his own land. “There is as much liberty, and even, perhaps, licentiousness in Great Britain, as there were formerly slavery and tyranny in Rome” (E-12). Hume may not have envisioned a world populated with Moll Flanders or Roxanas—the protagonists of famous novels by Daniel Defoe and women of loose morals—but he certainly leaned in that direction.

Does Hume anticipate the famous Weber thesis? The answer seems clearly affirmative, although the specific lines of argument are different. Hume puts more weight on the gradual evolution of human institutions in Western Europe and the sense in which these unfold in part because of material prosperity, the growth of population, or the injection of silver and gold from the New World. Republican governments, or the quasi-republic of the constitutional monarchy of Britain, were also conducive to capitalism. Nevertheless, religion was a critical ingredient in Hume’s theory of economic development. Hume repeatedly contrasts the Protestant succession as a force for liberty and progress, in opposition to the Catholic Church that had “erected a regular and avowed system of arbitrary power” (E-505). Hume embraces the modern commercial world because he believed it had brought, and would bring, more peace and stability, human flourishing, knowledge, and refinement. Britain and the Netherlands are the best societies on offer, and this owed much, he thought, to the Reformation. The people in Britain enjoy more rights and freedoms since the mid-sixteenth century, and this has in turn enabled the “progress of trade” (E-505). There is, in short, a strong emphasis on the cultural context that fosters modern capitalism, and an important ingredient in this, for Hume, was the advent of Protestantism.

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⁴⁴ J. G. A. Gaskin, “Hume on Religion,” in David Fate Norton and Jacqueline Taylor, eds., *The Cambridge Companion to Hume*, 2nd ed. (Cambridge: Cambridge University Press, 2009), 506. See also Michael B. Gill, *The British Moralists on Human Nature and the Birth of Secular Ethics* (Cambridge: Cambridge University Press, 2002).