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The Irish School of Economic Development: 1700-1750

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The Irish School of Economic Development: 1700-1750

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ABSTRACT

This paper develops the ideas of Anglo-Irish economists on the economic development of Ireland between 1700-1740. The survey not only casts light on the nature of economic thought prior to Adam Smith, but also, since a significant number of the Anglo-Irish economists were clergymen, relates to the contemporary debates on the role of religion in economic development.
All races have produced notable economists, with the exception of the Irish....

John Kenneth Galbraith

I. It is something of a commonplace that economics is an applied science and that it receives its major stimulus from concrete economic problems. It is therefore paradoxical that no concerted account exists of the earliest school of development economics—that of a brilliant number of Irish economists during the years 1700-1740. The viewpoint of the Mercantilists, and British Mercantilists in particular, was of course one of increasing national wealth, according to their conception of wealth, but they often lack concern for the common man; furthermore, their ideas are dispersed over a long period of time and want a cohesive structure. These criticisms cannot be made of the Irish school of development economists who will be described in this essay. Not only were all the important participants of this school linked together through common friends, but the majority of them actively supported and participated in the Dublin Society, an organization created to further the cause of Irish Economic Development.

In looking through texts on Irish history, one is struck by the speed with which the period between 1700 and 1770 has traditionally been covered. It is almost as though the period had nothing of note except the misery of the colonial Irish economy. The first half of the eighteenth century is seen only as a dull and unpleasant interlude between the stormy events of the seventeenth century and the stirring political activity of the latter half of the eighteenth century. Some
individuals associated with the Irish school have been studied by historians of economic thought, largely because of their prominence in fields other than economics.

Neither Jonathan Swift, the author of *Gulliver's Travels*, nor George Berkeley, the philosopher of immaterialism, needs any introduction. Unfortunately, such studies as do exist have focused entirely on these two men and this has prevented the realization that they were actually the most eloquent part of a much larger group. A further problem that has beset most studies by economists has been the tendency to try fitting the Irish ideas somewhere within the tentacles of that unwieldy creature "Mercantilism." The primary concept unifying the economic ideas of the two centuries before Adam Smith is the "balance of trade." This concept will be shown to have a subordinate position in the Irish schema. In what follows it will be shown that Irish ideas were a response to the specific Irish situation, English ideas being accepted, modified, or rejected according to their relevance. In view of the vastly altered intellectual structure that was raised as a result of these modifications, it is more fruitful to view the Irish as forming a new school, rather than attempting to fit them somewhere within the scattered corpus of Mercantilist ideas. The Irish school is not only linked together by its efforts to provide a development program; it is also significant that all the leaders of this school were devout Anglicans. The role of religion in economic development has unfortunately been monopolized by discussions of Weber's thesis on Calvinism and Capitalism, and it is important to provide a different perspective on this question.
The phrase "Mercantile System" was coined by Adam Smith in the *Wealth of Nations*, and Smith characterized, or rather caricatured, the Mercantile system as consisting of the self-interested ideas of merchants--a system of thought marked by an emphasis on accumulating gold and silver. Smith's own system, by contrast, emphasized freedom of trade as the best mode of enriching a nation. Nonetheless, there exists considerable affinity between Smith and his predecessors and in order to emphasize this I will continuously compare the program of Adam Smith with that of the Irish school. The rest of this section will introduce the members of the Irish school, if only to point out how little reason there is to assume that they were under the influence of the self-interested merchants whom Smith thought to have dominated economic thought prior to his own age. Section II demonstrates that the Irish certainly did not believe wealth to consist of the precious metals; in fact, their analysis of the proximate causes of economic growth is very much like that of Adam Smith. Section III shows that the difference between the Irish and Adam Smith can be traced primarily to their different objectives, with the Irish striving for full employment and the *Wealth of Nations* advocating policies which maximize the monetary value of national income. Section IV then discusses the extent to which the Irish school were careful about the empirical basis of their policies, especially as they have been recently criticized for being primarily politically motivated. Section V concludes by attempting to assess the importance of the Irish school in their own day and the significance of the Irish school to us today.
It is only the absence of a pamphlet by William King on the economic problems of Ireland that can account for the absence of his name in most discussions of the economic history of Ireland in the early eighteenth century. A theologian of some note, Bishop of Derry in 1691 and Archbishop of Dublin since 1703, King's letters provide a wealth of evidence on both the Irish Church and Ireland. His economic abilities were considerable, and there is a marvelous letter of his in 1699 in which he adumbrates almost all the economic issues that were to arise over the next fifty years.\(^4\) King also possessed some scientific abilities, as evidenced by his contributions to the Dublin Philosophical Society, which also included a paper on agriculture. A fellow bishop, who was also concerned about the economic problems of Ireland, was Francis Hutchinson, Bishop of Down and Connor, a man of considerable theological learning, who took special pains over the development of the Isle of Raghlin.

The Drapiers Letters of Jonathan Swift, in which the brilliant dean vigorously opposed the introduction of Wood's halfpence in Ireland, have become part of English literature, and neither the man nor his pamphlets need much introduction.\(^5\) With his high concern for Irish liberties and for the welfare of the poor, Jonathan Swift may perhaps be considered the inspiration for the Irish school. The core of the group consisted of Thomas Prior, the founder of the Dublin Society; Samuel Madden, a public-spirited clergyman and a friend of Prior; George Berkeley, the philosopher and close friend of Prior; and Arthur Dobbs, Irish Member of Parliament for Carrick Fergus, the only member of this school whose participation in the Dublin Society is uncertain.
The best known volume of Thomas Prior, *A List of the Absentees of Ireland* (1729), provided a serious attempt to assess the economic evils of absenteeism. The Reverend Samuel Madden was largely interested in practical issues, as reflected in his *Reflections and Resolutions* (1733), and later in the Dublin Society's *Observations* (1738). The two volumes of Arthur Dobbs, *An Essay on the Trade and Improvement of Ireland* (1729-1731), provide the most comprehensive view of Ireland's economy, while Bishop Berkeley's *Querist* (1736) is the deepest and most philosophical study of Irish poverty at this time. Several other concerned Irishmen also contributed to the program of Irish economic development, among which the most valuable efforts were those of David Bindon, Sir John Browne, Sir Richard Cox, Alexander Macaulay, Philip Skelton, and Daniel Webb. What we know of the lives of these men—and we know very little of some of them—tells us that their concern was a purely practical one—to devise methods which would enable Ireland to achieve her potentialities and to end a situation where, in Swift's words, Ireland was the "poorest of all civilized countries in Europe, with every natural advantage to make it one of the richest."
II. The economists who wrote prior to Adam Smith have become notorious for their supposed belief that money, meaning thereby gold and silver, was the only worthwhile source of riches. In a highly respected study, 8 Jacob Viner indicated that there were four common justifications for the preoccupation with acquiring a stock of precious metals: (a) to provide an emergency reserve for the State in case of war; (b) to provide a durable store of wealth; (c) to ensure higher prices; (d) to enable trade to circulate more freely. Only the last point was given emphasis by the Irish. 9 Prior begins his pamphlet on the Absentees by stating that "the great scarcity of coin, which of late we have been very sensible of, put me on considering what should be the cause thereof." It was only four years since a project to provide Ireland with copper money, Wood's halfpence, had failed, chiefly for political reasons. Jonathan Swift had played the leading part in the demise of that project, and one of the main demands of the Irish was that Ireland be permitted a National Mint. Prior does not raise this issue. His writings are concerned exclusively with providing enough money to circulate Ireland's trade. "Money being the measure of all commerce, a certain quantity thereof is necessary for the carrying on the trade of each country, in proportion to the business thereof." It is only in order to keep trade, and the flow of real goods and services, from stagnating that Prior insisted on a favorable balance of trade:

Countries that abound in gold and silver are enabled by the bounty of nature to bear an exportation of their bullion; but others, which want this natural produce and have no other way of getting or keeping money but by having the balance of trade in their favor, suffer extremely whenever they want coin sufficient for circulating their business.
In a later article for the Dublin Society, Prior makes it clear that the possession of gold mines is no substitute for honest industry. If Ireland did possess gold mines, it would not doubt ease them of worries about the balance of trade, but "the community would neither be so happy nor so powerful, as it would be, were all our people thoroughly employed." 10 Henry Maxwell pointed out very eloquently the problems caused by an inadequate system of credit.

As to the Merchant, I ask, whether, for Want of Species, or a Credit raised by Bank-Notes (which, in our Home Business is equal to Species, and at all Times convertible into It: nay, in many cases, is preferable to Species, as it saves both Time and Loss in counting, is more portable, and can from any Post-Town in the Kingdom be sent in a Letter to any Post-Town, where Credit is at the Time wanted) I say, I ask the Merchant, whether, for Want of such Species or Credit, he is not often obliged to stop his Business. Withhold his Demands on the Country for Exportation. And keep his Ship lying in the Harbour, for Want of Employment, to his own great Loss, as that Part of Stock lies dead. Whether, besides the Loss he receives by its lying useless in the Harbour; it does not create an Expence to him in keeping some one to take care of it. And whether, when it is in the Harbour, so much to his Loss, the Ship does not receive more Prejudice, than when it is gaining him Money by being employed.

These points were repeatedly raised, as in the later pamphlets of Berkeley and Webb. It would be incorrect to consider the Irish to be inflationists, for Sir John Browne did correctly state the relationship between the need for money and full employment, and this at least absolves the Irish of being simple-minded price inflationists. 12 It was an essential ingredient of economic growth and not the precious metals themselves that the Irish were so concerned to obtain. If one were to ask why the Irish emphasis was so different from the English, the answer would probably lie in the overall political status of the
two economies. England was a major European power whose economic policy could not be usefully discussed apart from its political ambitions and the need to obtain gold and silver (as the "sinews of war") was always prominent in their minds. Ireland, on the other hand, did not have to worry directly about its "power" and could focus only on the economic functions of the precious metals.

Adam Smith's magnum opus is, of course, a study of the sources of economic growth, as is made evident by its full title, *An Inquiry into the Nature and Causes of the Wealth of Nations*. Among the proximate causes of growth, the two singled out by Smith for particular scrutiny were: (a) the proportion of the population devoted to productive labor, and (b) the efficiency with which they were employed. Scattered throughout the *Wealth of Nations* one may find praise for industry and hard work, and in one of the key chapters, Chapter 3 of Book 2, we are emphatically told that "every prodigal appears to be a public enemy, and every frugal man a public benefactor." Apart from those few authors who followed Mandeville, this was the majority view of the Mercantilists, and the Irish in particular gave much emphasis to it because of their special circumstances. "How can trade flourish or the nation grow rich," Dobbs rhetorically asked, "when the number of the extravagant exceeds the frugal!" Dobbs then traced most of the hardships of trade, such as bad payments, desperate debts, and costly lawsuits, to the extravagance of the Irish. This pernicious habit was equally spread among both rich and poor, and Dobbs, Berkeley, and Prior were to lament of the heedless expenditure of the rich and the disinclination to work of the poor, both of which greatly reduced the available amount of productive labor.
To say that people should save and be productive is all very well, but what should be done about those who insist on spending? The Irish literature of the 1720's and 1730's, following a theme familiar in English Mercantilism, is replete with attacks on the luxurious expenditure of the upper classes. Jonathan Swift even urged a boycott of English goods.

Let speculative people busy their brains as much as they please, there is no other way of preventing this Kingdom from sinking for ever than by utterly renouncing all foreign dress and luxury.

Before one concludes from these passages that the Irish school thought very differently from Adam Smith, let us consider first the language employed by Smith in describing prodigality:

The prodigal perverts it [capital] in this manner. By not confining his expence within his income, he encroaches upon his capital. Like him who perverts the revenues of some pious foundation to profane purposes, he pays the wages of idleness with those funds which the frugality of his forefathers had, as it were, consecrated to the maintenance of industry.

And in another place, Smith asserts that money spent on foreign wine and foreign silks "promotes prodigality, increases expence and consumption without increasing production ... and is in every respect hurtful to society" (emphasis added). Is this really very different from Bishop Berkeley's queries?

How for the vanity of our ladies in dressing and of our gentlemen in drinking, contributes to the general misery of the people? Whether the drift and aim of every wise State should not be, to encourage industry in its members?

And whether those who employ neither heads nor hands for the common benefit deserve not to be expelled like drones out of a well-governed State?
The most important source for raising the productivity of labor was according to Smith, the division of labor. "The greatest improvement in the productive powers of labour, and the greater part of the skill, dexterity, and judgement with which it is anywhere directed, or applied, seem to have been the effects of the division of labour." Smith lays primary emphasis upon the division of labor and only a secondary one upon the growth of knowledge. This distribution of emphasis seems mistaken, and it may be noted that the Irish kept a somewhat better perspective.

In 1731 Dobbs pointed out that Irish weavers should give up farming and take exclusively to weaving if they hoped to be efficient. Five years later the same point is more emphatically made by Madden. The readiness and the neatness of the execution depend so much in every art upon daily repetitions of the self-same motions, that the least interruptions, from one business, are filled up by attending one another, which requires different motions, and those violent. The most uncurious observers are so fully satisfied of this, that 'tis usual to hear common artiscers complain, that their hand is out for want of practice, and in that expressive, tho' vulgar phrase, lament the ill effects of interruptions.

As the Dublin Society's Observations were owned by Adam Smith, it is worth asking whether Smith was influenced by Irish as well as French sources on this point. As for the importance of obtaining men of learning to worry about practical problems, Prior saw this clearly in 1729, when he looked forward to the establishment of professorships of agriculture, trade, and the practical arts at Dublin. We have been some time since informed of his Majesty's gracious intention of establishing some professorships in the University of Dublin, for the advancement of learning and it were to be wished that we had also professors of agriculture, trade and practical arts; since it is to these we owe all the necessaries, conveniences and ornaments of civil life.
III. While the Irish economists were quite in agreement with Adam Smith on the proximate causes of economic growth--industry, frugality, and the division of labor, to which the Irish added the importance of diffusing sound knowledge--they were in considerable disagreement over the economic policies that were most conducive towards achieving these ends. Adam Smith's solution is very well known: principal reliance is to be placed upon leaving individuals alone, with the government being in charge of maintaining justice and providing public works. Such reliance upon free trade was justified by Smith's belief that every individual sought to maximize the value of his own wealth and by his identification of the nation's wealth as the sum of the wealth of all its individuals. 19

The annual revenue of every society is always precisely equal to the exchangeable value of the whole annual produce of its industry, or rather is precisely the same thing with that exchangeable value. As every individual, therefore, endeavours as much as he can both to employ his capital in the support of domestic industry, and so to direct that industry that its produce may be of the greatest value; every individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it.

The Irish did not agree that maximizing the value of the GNP was the best way to enrich their nation. According to them, the principal way to ensure that Ireland was going to achieve its potential was by ensuring full employment for the Irish poor. This ideal is implicit in the writings of all the Irish authors and was certainly in the back of Swift's mind when he wrote in 1724 that "in our present situation, at least five children in six who are born, lie a dead weight upon us,
for want of employment." In A Modest Proposal (1729) Swift sarcastically suggested cannibalism as a solution to the problem of unemployment and its attendant evils of beggary and thieving. By 1737 explicit statements of the goal of full employment are to be found in the writings of Madden and Macaulay.

It should be the aim and business of every wise state to find employment for their people; where the community are fully and properly employed they will not fail to be rich, and where any great number of them are idle, the whole will be poor.

Madden, Observations, 16-17

Labour and Industry are, indeed, the Riches of every Country. It is impossible, that a Nation, whose Hands are fully employed, should ever be poor.

Macaulay (1737), 30

While the ultimate aim of the Irish economists was thus economic development, the goal that guided most of their policy pronouncements was full employment. Readers familiar with the changing patterns within Mercantilist thought know that increased emphasis upon achieving full employment was given by English Mercantilists from 1700 onwards. The move appears to have been initially forced by the protests of unemployed cloth workers and gradually made its way into upper-class Mercantilist writings. That embodiment of Whig trade doctrines, The British Merchant, which was influential in leading to the rejection of the French Commercial Treaty, begins by emphasizing the balance of trade but soon comes to lay stress upon employment. The distinction between Irish and English Mercantilism at this period can thus be drawn in terms of the directness with which the Irish stressed full employment.

Once it is realized that the aim of the Irish economists was to achieve full employment, their preference for tillage as opposed to
grazing, which is so repeatedly asserted in the literature, also becomes understandable. In 1729 Arthur Dobbs computed the average profit from grazing to be 12s. 5d. per acre, while the lowest profit in agriculture was 1.10s. The data of course present a puzzle if we assume farmers to be profit-maximizers. Why are not more lands devoted to tillage simply because they are more profitable? Dobbs should either have postulated that the farmers were often ignorant or that some socio-logical feature, such as the difficulty of assessing and collecting rents from tilled lands, prevented the adoption of more profitable methods. A more consistent approach is provided by Alexander Macaulay in 1739. He begins by stating explicitly that private gains and public profit do not coincide in the situation of Ireland.

In comparing the Profit of Tillage with that of Pasture, I shall not have any Regard to the private Gain of the Farmer: That depends on the Value of the Product, Allowance being first made for the Expence of Labour; but the full Value of the Product, without any Deduction, is the National Gain.

The reason for this divergence was that all the expenses which the farmer counted as costs, such as payment to laborers, was no doubt a real burden to him, but it was not one to the country, because the payment remained within Ireland. Macaulay explicitly recognizes that the social cost of labor is zero in an economy with widespread unemployment. "The domestic Labour that produces commodities is not a national expence in a Country where so many Hands are unemployed." A move towards tillage would thus benefit the nation by reducing unemployment, encouraging the further increase of population and providing cheap food, which was essential if Ireland was to diversify her economy and attempt to introduce manufactures. The point that perhaps rankled
most in the minds of the Irish was why a country as fertile as their own should be under the necessity of imported grain from abroad at high prices, thereby leading to a shortage of gold in Ireland, which in turn cramped trade and caused, in Macaulay's words, "our late sudden Fall from Poverty to Beggary." Self-sufficiency in food was thus a vital first step in the economic development of Ireland, and virtually all the writers of this period asked the Legislature to help their efforts. What private gain would not attempt, the public interest must force. 22

Thus we see, the Influence of Tillage, on the national Wealth, and yet, it cannot be doubted, that our Graziers find Pasture more for their private Gain. What are we then to expect? The Publick Good draws one Way; Private Interest another: It is easy to see the Consequence. This is a national Evil; and, requires a publick Remedy. Our Law-givers, alone, can unite the private Interest of the Farmer, and Public Good of the Nation; by giving such Encouragement to Tillage, as may be found necessary for the End.

Critics could, of course, respond to this approach by asking why Ireland was not self-sufficient if she really was so fertile. One answer was that Irish farmers needed granaries to stabilize their output because they themselves were too poor and the country too undeveloped for there to be a speculative market in corn. The literature of this period repeatedly provides descriptions of situations closely resembling what we would call the cobweb model of agricultural prices. The problem and the proposed solution, public granaries, are clearly set forth in the following lengthy quote. 23

The best course to guard against scarcity, is to encourage Farmers to raise large quantities of corn yearly, that the redundancy of plentiful crops may be sufficient to answer the deficiencies of bad ones. And this can no other ways be
done, than by affording them a constant and reasonable Price for the quantities of corn they shall raise. The discouragement to Tillage in the Country is the low price, to which all sorts of grain are reduced in years of Plenty; the Farmers are obliged to sell to pay their rents, and many lying under the same necessity, they so overstock the Market, that their corn either lies unsold upon their hands, or sells at a price so low, that they cannot live by their labour. Hence they quit their Tillage or lessen it considerably; this in the course of a few years brings about a new scarcity of corn and all the miseries attending it: By these means the blessing of an abundant harvest becomes in the event, and by our unhappy management, a Curse, the real cause of succeeding want and famine.

A public granary, however, is not an easy thing to manage. In essence, it devolves on government the responsibility of speculating, without a profit motive, on the corn market. How far it would have been successful in Ireland is hard to say. The same problem had been recognized in England, and, in order to steady the markets, (as well as the incomes of the landed classes) a bounty on the export of corn was granted, which found its most devoted advocate in Arthur Young. Only one pamphlet that I have been able to find proposed a similar measure for Ireland in the 1730's. It may be that the defeat of a similar Bill by the Irish House of Commons in 1710, when the Bill had already been passed by the Queen and Council of England, dampened people's enthusiasm for repeating the proposal.

It is widely accepted by modern development economists that a healthy agriculture is essential to sustain the drive for growth and the Irish emphasis was surely not mistaken. Later scholars have pointed out that, in addition to the scarcity of credit and absence of steady agricultural prices, and perhaps of as much importance, were the laws restricting and depressing the status of the Catholics on the uneasy
security of the country resulting therefrom. Whether the silence of the Irish economists on these issues was due to their innocence of or acquiescence in this state of affairs or whether they were simply being discreet about issues upon which it was hopeless to expect any action to be taken one can only speculate.
IV. The Irish school of economic development has failed to attract the attention it deserves not only because it has been subsumed within the all-encompassing rubric of "Mercantilism," but also because it has been suggested that the Irish economists were inaccurate observers who often subordinated their economics to their politics.

In one of the strongest attacks made on the economic literature of the two centuries prior to Adam Smith--commonly called "Mercantilism"--the distinguished Swedish economic historian Eli Heckscher condemned the writers of this period for paying scant attention to facts.26

There are no grounds whatsoever for supposing that the mercantilist writers constructed their system--with its frequent and marked theoretical orientation--out of any knowledge of reality however derived.

In two influential recent articles,27 L. M. Cullen has given much force to Heckscher's view by arguing that the Irish economists of the first half of the eighteenth century provide a good example of the sort of writers who are open to such criticism.28

The little work which has been done on Irish history in the eighteenth century has in most instances already drawn too extensively and uncritically on printed contemporary sources. As a result the perspective which is the best justification for writing history has been in large measure sacrificed, and the historian has inevitably and perhaps unwittingly seen Irish economic problems with the prejudices and myopia of contemporaries.

It is essential to examine the validity of Professor Cullen's strictures if we are to judge the merits of the Irish school.

Cullen is certainly right in asserting that very uncritical use of contemporary sources had been made in the past, by George O'Brien, for example. Cullen's criticism of the Lynch-Vaizey thesis of eighteenth-century Ireland as a subsistence economy is particularly valuable in
this regard. That later economic historians have misused their writings is, however, scarcely the fault of the Irish economists of the 1720's. For example, when Cullen tells us that "historians of the Irish scene have continued to assume that poverty was as extreme and as widespread as contemporary and near-contemporary witnesses described it, and that depression prevailed secularly and not simply at point of time within the century," it is clear that while writers of the 1720's can be blamed for rash generalizations if the first part of the above sentence is correct, the latter half really has nothing to do with them. The primary aim of this essay has been to consider only the two decades 1720-1740, but it may be noted that the poverty of Ireland was not self-evident to observers in the latter half of the eighteenth century. For example, in commenting on Swift's picture of Ireland in the 1720's as miserable and desolate, Lord Orrery wrote in 1752:  

Of this I need take little notice, since the present state of Ireland is, in general, as flourishing as possible. Agriculture is cultivated: arts and sciences are encouraged: and in the space of eighteen years which is almost the full time that I have known it, no kingdom can be more improved.  

Furthermore, from the 1730's onwards, many contemporary British pamphleteers praised the public spirit of the Irish, especially the Linnen Board, and we even hav the unusual spectacle of a Scotsman urging the Irish as an example to his own countrymen in 1762.  

The first, and perhaps heaviest, charge laid at the door of the Irish economic nationalists is their subordination of economics to politics.  

In the eyes of contemporaries ... economic development was subsidiary to political issues; not only subsidiary, but its achievement or negation a product of policy.
Even if the above were wholly true, and it is not, there is no reason to assume that contemporaries were not aware of this bias themselves, or to assume that they did not take morbid predictions of Ireland's economic future with a grain of salt. Dean Swift is undoubtedly the best known of these political pamphleteers, and it is worth noting that Swift's economic picture of Ireland is rarely appealed to in the later pamphlet literature. Even contemporaries were suspicious about his population figures. Sir John Browne, for example, declares himself puzzled by Swift's continual underestimation of Ireland's population; nor do Arthur Dobbs or Thomas Prior follow Swift's lead in understating Ireland's population. This is worth noting because Swift's motive in showing Ireland's population as so little must have been to indicate the oppressiveness of English rule.

More importantly, Cullen fails to point out that several of the respected economic writers explicitly accepted constitutional dependency and argued that the Irish should work for the best within existing constraints. In a pamphlet already referred to, Sir John Browne wrote thus of the restraints on Irish trade:

Tis true we are much cramped in our Trade and under heavy Inconveniences, but that is no reason sure, why we should neglect the little which remains, and by so doing, owe a great part of our misfortunes to ourselves.

Several years later, Berkeley, among others, was to make the same point:

Whether it would not be more prudent to strike out and exert ourselves in permitted branches of trade than to fold our hands and repine that we are not allowed the woolen.
Such quotes can be provided from the works of most of the leading Irish economists of this period.

In failing to distinguish adequately between those whose political biases predominated and those who wrote primarily to analyze the economic situation, Cullen is led to make some needlessly harsh criticisms of the latter. The deficiencies of Cullen's viewpoint are clearly visible in his treatment of Thomas Prior. Cullen considers Arthur Dobbs and Thomas Prior to be "altogether exceptional" commentators because they made the effort to obtain accurate statistical information. Nonetheless, even these two men could not break out of the grip of the political bias that dominated Ireland, and "the acceptance of contemporary controversial attitudes by persons of such ability and obvious intellectual integrity was itself a factor in giving weight of authority to the attitudes of the age." The specific point at which this bias intrudes upon Prior's analysis is his emphasis on the loss of Ireland's specie due to payments to absentees. Cullen asks why Ireland was not bled dry of its specie as prophets of doom like Prior had prognosticated. He should also have pointed out that Prior was aware of this objection and tried to meet it. Cullen then asserts that contemporaries persisted in their condemnation of absenteeism in the following manner:

The *deus ex machina* to solve this impasse in the argument was the smuggling trade. The restrictions on Irish foreign trade were held to have defeated their own end by encouraging an enormous smuggling trade.... This source of income was the one which enabled Ireland ... to sustain the drain in rents to the absentees.

Cullen goes on to point out that the available contemporary records do not support the belief in widespread or sizable smuggling.
It is more than a little misleading to make the above argument after naming Prior as one of the chief Irish economists without simultaneously stating that Prior combatted the contemporary assertions about the smuggling trade in some detail. Arthur Dobbs appears to have mildly supported the idea that considerable smuggling was prevalent, and Prior, who published a year after Part I of Dobbs' Essay had been published (1728), may well have had Dobbs in mind when he wrote that the reduced quantity of wool going to England was due not to smuggling but because: (a) in Northern Ireland people had shifted to the linen manufacture, (b) many farmers had reduced their flocks of sheep due to the low price of wool, (c) an increased population had led to a greater demand for wool within Ireland, (d) the dampness of the Irish climate encouraged a disease called rot, and led to the destruction of many sheep. Prior does not deny that some smuggling may take place, but he is confident that it is not sizable.  

Cullen's strictures relate not only to "facts" in the simple sense, but also to the interpretation of facts by contemporary economists. For example, he does not think the absentees to have been a serious economic drain on Ireland, contrary to the near-unanimous opinion of the Irish during the 1720's and 1730's. This should be modified in view of the fact, pointed out by Cullen, that banking crises tended to occur in years of adverse trade balance—surely the outflow of money to the absentees was an unneeded drain on the Irish economy during such years, especially as they were also years of poor harvests? Furthermore, much of the indignation against the absentees was based on the fact that the rich Irish landlords were avoiding their moral responsibilities.
Secondly, in arguing that the shift from tillage to pasturage was justified on grounds of economic efficiency, once again in direct opposition to the pamphlets of the period, Cullen does not point out that the goal of the Irish school was not maximizing GNP but attaining full employment.

It is no doubt true that the study of eighteenth-century Irish history, perhaps all of Irish history, has suffered from the political bias of historians and a consequent want of perspective. Eighteenth-century Irish economic history has been portrayed by many authors in colors of unrelieved gloom and the recent work of Professor Cullen has done much to present a more accurate picture. From the point of view of the history of economic thought, however, Cullen, having found the bow bent too much one way, has bent it too much the other way. It is true that the 1720's and 1730's were exceptionally difficult years for the Irish economy and that the economic writings of these years were suffused by the gloom of hard times. Nonetheless, it is unfair to men of the ability of Berkeley, Dobbs, Madden, or Prior to consider them as having subordinated economic analysis to political demands or having provided posterity with a grossly inaccurate picture of the times they lived in.
V. The importance of the Irish school of economics is considerable. To begin with, the Irish economists were a school, in that the major economists were personally known to each other, and they tried to tackle the same set of problems within a common framework. As such, they not only predate the Physiocrats, but they also serve to modify the claim made by economic historians that "Mercantilism" was too much of a hodge-podge to be usefully described by one label. While borrowing (or independently re-discovering) many ideas from English Mercantilism, the emphasis given by the Irish on full-employment is notable. Even when later English authors such as Josiah Tucker emphasized the importance of employment it was through the balance-of-trade that the idea was expressed.\(^{45}\) The Irish, to their credit, did not maintain such a facade. The severe economic problems of the 1720's and 1730's drew together the efforts of the Irish school and, due to the smaller and poorer Irish economy, they achieved a comprehensiveness in assessing their economy that the English generally lacked. Within a relatively short space of time they acquired widespread hearing and, with the increasing prosperity of the Irish after the 1740's the need for such sustained efforts became far less.

From the viewpoint of the history of political economy, the importance of the Irish school is at least threefold. In the first place, the Irish were all too aware—indeed, they may well be the originators—of the phenomenon that the Marxists have called a "dependent bourgeoisie." This refers to a country which displays nominal independence but whose interests are made subservient to those of some foreign
power. The ruling Irish aristocracy, with its determination to maintain the primary of the English interest, provides an excellent example of such a dependent bourgeoisie. The Reverend Philip Skelton asked sarcastically of the landlords of the south of Ireland, "Your bullocks indeed look well, but these slaves and attendants of theirs [i.e., tenants] wear the livery of such a service and look as if they had brutes indeed for their masters." Attempts to shame the Irish ruling class into remembering their duties to the Irish poor are frequently found in the literature, one of its best exemplifications being the queries of Bishop Berkeley.

Whether the number and welfare of the subjects be not the true strength of the crown?

Whether in all public institutions there should not be an end proposed, which is to be the rule and limit of the means? Whether this end should not be the well-being of the whole? And whether, in order to achieve this, the first step should not be to clothe and feed our people?

Suppose the bulk of our inhabitants had shoes to their feet, clothes to their backs, and beef in their bellies, might not such a state be eligible for the public, even though the squires were condemned to drink ale and cider?

... Whether the drift and aim of every wise State should not be, to encourage industry in its members? And whether those who employ neither heads nor hands for the common benefit deserve not to be expelled like drones out of a well-governed State?

It will rightly be pointed out that, for many in the Anglo-Irish ascendancy, the "people" would refer only to the Protestants. Since Skelton's comments are specifically made regarding the Catholic south, this would suggest a wider sympathy. As for Berkeley, his ecumenical concerns are well known and he makes them clear in a later pamphlet, A Word to the Wise, which was explicitly addressed to the Catholics.
Secondly, one finds that Irish economists provided many arguments about the benefits of an open trade. Repeatedly they argued that if only the English would permit the Irish to exert themselves in exporting cattle or wool, then England herself would gain. The prohibition of woolen exports, for example, only encouraged both smuggling and the emigration of skilled workers to France, thereby hurting England in the long run. Several Irish economists even used the absentees to argue that the richer Ireland grew, the greater would be the flow of wealth into England through the absentees. In addition to these very specific arguments, some Irish economists also argued for the beneficence of an open trade on philosophical grounds:

Trade and commerce unites in interest and affection the distant nations. As the soul, animating the natural body, makes all ... so trade, in the body politick, makes the several parts of it contribute to the well-being of the whole....

Whatever ill and mistaken use may be made of it by many in the world, it seems to be the desire of all men to live in affluence and prosperity ... nor it is prohibited by any perpect of true religion either natural or revealed....

From the pleasure we take in our neighbour's prosperity, when we are not blinded by prejudice or mistaken views of interest; we are led to relieve them from the inconveniences and apprehensions of want, and to desire the increase of their happiness. This ought to extend to all mankind....

Finally, the Irish school is sharply separated from the English by its concern for the welfare of the poor. It may well be that the grinding misery of the Irish masses stimulated a continual concern for their well-being, but there is no doubting the fact. Whether we look at the letters of Archbishop King, the pamphlets of Dean Swift, the private efforts of Bishop Berkeley, or the program of the Dublin
Society, we find that the poor were always in the hearts of the Irish economists. While urging the erection of a (Central) Bank in Ireland, Henry Maxwell describes this act as one of charity and provides an eloquent example of this concern in the following quote:

If the universal Consent of all civiliz'd Nations in all Ages have placed Charity at the Head of Moral Virtues; If Christ himself has given it the Preference to all Christian as well as Moral Virtues; let us then try whether Erecting a Bank here, that shall take no higher Interest than Five per Cent. will not be the most Charitable Undertaking, that private Men can set about, or the Legislature enact into a Law.

And to those who believe that Adam Smith was remarkable in his concern for the common man, I would like to present the justification given by Sir Richard Cox for his attempts to foster industry among the poor:

"Every Nation has the Reputation of being rich or poor, from the Condition of the lowest Class of its Inhabitants. If they are plenifully and wholesomely fed; warmly and decently cloathed; neatly and comfortably lodged; that country which they dwell in is esteemed wealthy and happy." These sentiments had also been uttered earlier by Berkeley when the bishop asked "whether a people can be called poor where the common sort are well fed, clothed and lodged." It is worth pointing out that even though there were some influential English economists, such as John Cary or Daniel Defoe, who were sympathetic to the cause of higher wages, this was based more on the economic effects of high wages rather than on an active sympathy for the poor.

In reading the biographies and collected works of men like Berkeley, Dobbs and Skelton one cannot fail to be struck by the fact that their faith in Christianity guided most of their actions. This suggests that some of the distinctive features of the Irish school—indignation at
the injustice done the Irish, faith in the benefits of an open trade with England, and compassion for the poor—may have been closely linked in the minds of these economists with their Christianity. Even though the Irish Church Establishment was guided by English interests at this time, nonetheless so many clergy appear to have supported the general views of the Dublin Society that a pedlar could plead in the 1760's that more attention should be given to the spread of Protestantism.

Permit a poor Tradesman humbly to entreat your Lordships to suspend, for a while, your care and attendance upon Linnen-boards, Navigation-Boards and Barrack-Boards; leave then to the Laity and apply yourselves to the Promotion and Propagation of the Protestant Religion among the lowest Classes of the People, among whom it is almost extinct.

Whether or not assisting the process of development is "Capitalism" a\_a\_ Max Weber, the Irish certainly point out that the involvement of Christians in economic affairs need not be based on the dour basis of Puritanism; furthermore, given the modern interest in a Marxist-Christian dialogue, it is worth asking whether Christians should not be more aware that some of them were the originators of the concept "dependent bourgeoisie," as well as some of the earliest theorists of economic development.

Would it have made any difference to the subsequent economic history of Ireland if the writings of the Irish school had been systematized and taught at Irish universities, as Prior and Madden had hoped for? After the general acceptance of Adam Smith's ideas in the early nineteenth century, Members of Parliament repeatedly asserted their agreement with the principles of Free Trade; nonetheless they just as repeatedly failed
to legislate for Ireland on Smithian grounds by claiming that Ireland was an "exception" to the rules of political economy.\(^52\)

That is was mischievous to interfere with the regular course of supply and demand in the market was a principle no less generally recognized; but, so singular was the situation of Ireland, that this great principle of political economy must be violated. (Lansdowne)

The Irish government were endeavouring to give relief in every possible way; not with strict regard to the principles of political economy, for unhappily the case was one that compelled them to set all ordinary rules at defiance. (Peel)

But why was Ireland an exception? One wishes that the underlying reasons had been more closely investigated. Instead, they were content to live in a schizophrenic world where classical economics was true, but, for some unspecified reason, not quite applicable to Ireland.

Finally, in 1870, John Stuart Mill frankly accepted a position that would have been reached much earlier if the Irish school had been listened to:\(^53\)

Ireland was a more backward country than either Scotland or England. Government might very properly undertake to do things for a country which was industrially backward, which no one would expect from them in the case of a country which was in a more advanced and prosperous condition.... It was therefore incumbent on us, now that we were wiser and able to look upon our past conduct with same, to legislate in an opposite direction, and even to risk if necessary the loss of small sums of money to advance that industry which we had formerly endeavoured to retard.
NOTES

1 Two partial exceptions are Caroline Robbins, *The Eighteenth-Century Common Wealth Man* (Harvard, 1959), and the unpublished M.A. Thesis of Arthur Collins, "Irish Economic Writing and the Irish Economy in the Eighteenth Century" (Belfast, 1970). The enlightening book of Caroline Robbins focuses on political ideas and is thus not directly relevant to this paper. It does, however, contain some very useful information on William King, Lord Molesworth, and others. The focus on Lord Molesworth is, in my opinion, somewhat misleading. It would not be proper of me to criticize the fine essay of Arthur Collins, as it is unpublished. I will make a few specific comments on it later in this essay. The period covered by Mr. Collins is not only much longer than that which interests me, but he also does not note the connection between the economists and Christianity. As a result, the two essays differ considerably in scope and content.


3 See, for example, the paper by W. K. Sullivan in *Two Centuries of Irish History, 1691-1870*, ed. R. B. O'Brien (London, 1907). For a very different viewpoint from the usual one, see T. D. Ingram's, *A Critical Examination of Irish History* (London, 1900), in which it is argued that the Irish Parliaments were effectively independent of English control.

The speed with which the Irish school was forgotten is remarkable. In compiling a list of distinguished books on Ireland for Sir Robert Peel in 1823, A. Mason can only list Sir William Petty's works in the section on finance, *Bibliotheca Hibernica* (privately printed, 1823). Seven years earlier, the editor of the reprint of Samuel Madden's *Reflections and Resolutions*, originally published in 1738, could not help remarking on the difficulty he had in finding out the biographical details of a man who was so very well known during his lifetime.

4 King to Southwell, March 1702, in T. Johnston, *Bishop Berkeley's Querist in Historical Perspective* (Dundalk, 1970). This valuable book gathers together, with additions, several important articles published earlier by the author in *Hermathena*.


6 To the best of my knowledge, Madden has yet to attract a biographer. For Berkeley et al., see: A. A. Luce, *The Life of George Berkeley* (London, 1949); Desmond Clarke, *Thomas Prior, 1681-1751* (Dublin, 1951); Desmond Clarke, *Arthur Dobbs, Esquire, 1689-1765* (Chapel Hill, 1957). There is a good account of George Berkeley in T. W. Hutchison
"Berkeley's Querist and its Place in the Economic Thought of the 18th Century," British Journal for the Philosophy of Science (May 1953), 52-77. Aspects of this paper have been criticized by I. D. S. Ward, "George Berkeley: Precursor of Keynes or Moral Economist on Under-development," Journal of Political Economy (Feb. 1959), 31-40. There is a comment upon Ward by Hutchison and a reply by Ward in the last-named journal (June 1960), 302-311. I suggest a possible reconciliation between the two views in note 46.

I have been unable to find any biographical details on Bindon, Macaulay, and Webb. For Browne, Cox, and Skelton, see the articles in the Dictionary of National Biography. Mr. W. E. Mackey of Trinity College has kindly informed me of an article in the Irish Ecclesiastical Record (1922) on Skelton by the Reverend E. J. Quigley. I have been unable to locate this journal.


The only exception to this statement that I have come across is in the otherwise excellent pamphlet of Henry Maxwell, Reasons offered for erecting a Bank of Ireland (Dublin, 1721), 52. As evidence of Maxwell's connection with other members of the Irish school has not yet come to light, I have minimized Maxwell's ideas in this essay.

Prior (1729), 3.

Op. cit., 46. The rest of this quote is too long to be included here.


The Querist, op. cit., queries 103 and 3 respectively.

Dublin Society (1738), 170. One of Berkeley's queries is on the same point "Whether if each of these towns were addicted to some peculiar Manufacture, we should not find that the employing many Hands together on the Same Work was the Way to perfect our Workmen?" The
next letter has a reference to Sir William Petty's comments on the division of labor. Edwin Caanan is clearly mistaken in considering Mandeville the only possible source for Adam Smith's views on the division of labor. Introduction to The Wealth of Nations (1937).

18 Prior (1729), 79. The same point is also made by Madden in his Memoirs of the twentieth century (withdrawn after publication in 1733).


20 Dublin Society Observations (1738), 16-17. A. Macaulay, Some Thoughts on the Tillage of Ireland (Dublin, 1737), 30. Jonathan Swift wrote the preface to this pamphlet.


22 The lower tithe on pasture seems to have considerably influenced the adoption of pature, but I have seen no pamphlet explicitly dealing with this point.


24 A Proposal for erecting Granaries (Dublin, 1739), 3. Standard microeconomic texts (e.g., H. Varian, Microeconomic Analysis [New York, 1978]) suggest that producers should actually favor fluctuations in prices. Such analyses, however, fail to take into account the threat of bankruptcy, an ever-present contingency for poor farmers.

25 A Proposal for Lessening the Price of Bread ... (Dublin, 1741).

26 A. E. Murray, A History of the Commercial Relations between England and Ireland (London, 1903); G. Sigerson, History of Land Tenures and Landed Classes of Ireland (London, 1971). More recent research has served to modify the view that the depressed state of the Catholics was the primary cause of agricultural distress, as portrayed in Sigerson. See W. H. Crawford, "Landlord-Tenant Relations in Ulster, 1609-1820," Irish Economic and Social History, vol. II (1975), 5-22.


(1968), VI, 101-124. I am happy to point out that Arthur Collins is also skeptical about the above views of Professor Cullen. The quote is from Cullen (1964), 145.

29 Cullen (1967), 5. See also, Cullen (1964), 152-153.


31 Considerations on the present scarcity of gold and silver coin in Scotland (Edinburgh, 1762), 2.

32 Cullen (1967), 1.

33 Sir. J. Browne, A reply to the observer on Seasonable Remarks (Dublin, 1728), 28.

34 C. Lein, "Jonathan Swift and the Population of Ireland," Eighteenth Century Studies, vol. 8 (1975), 431-453. I do not wish to give the impression that political issues did not influence economic issues for the worse; in some cases, such as the establishment of a Bank, they certainly did. Swift was certainly correct on the high level to which rents rose in the 1720's, an important factor inducing emigration. D. Dickson, Ulster Emigration to Colonial America, 1718-1755 (London, 1966).

35 Brown, op. cit., iv. For an earlier example, see H. Maxwell, Reasons offered for erecting a Bank ... (Dublin, 1721), 4.

36 Berkeley, The Querist (Dublin, 1736), no. 73.

37 Cullen (1964), 147. Judging by the preface to Comparative Aspects of Scottish and Irish Economic and Social History, 1600-1900 (Edinburgh, 1977), which was jointly written by L. M. Cullen and T. C. Smout, Cullen is now willing to ascribe more importance to the commercial restrictions than is suggested by his earlier papers.

38 T. Prior, A List of the Absentees of Ireland ... (Dublin, 1729), 71.

39 Cullen, op. cit., 148.

40 Prior, op. cit., 56-57.

41 Cullen, op. cit., 148.

42 This point was repeatedly made in the debate over absentees in the 1820's. In a highly respected study, R. D. C. Black has suggested that the difference between the classical viewpoint, which denied the evils of absenteeism, and the Irish viewpoint lay in the emphasis of the classicals on the long-run and the Irish on the short-run. Economic Thought and the Irish Question (Cambridge, 1960), 72-85.
These pages also contain an extended discussion of the absentee question in the early eighteenth century.

43 Cullen (1967), 18-19. Cullen also does not adequately stress the fact that contemporaries repeatedly noted the link between bad harvests and the state of the economy.

44 In order to emphasize that my criticisms relate only to the history of economic thought, I would like to note that I have found several of Professor Cullen's works enlightening on the economic history of Ireland, especially "Irish History without the Potato" Past and Present (1968), 40, 72-83. In a welcome change of emphasis, the most recent paper by Cullen appears to buttress its account by references to Prior and Berkeley, "Landlords, bankers and merchants: the early Irish banking world, 1700-1820," Hermathena (Winter 1983), 25-44.

45 Viner, op. cit., 51-57.

46 The Necessity of Tillage and Granaries in The Complete Works of the Lat Rev. Philip Skelton, ed. R. Lynam (London, 1824), vol. 5, 340-344. G. Berkeley, The Querist, Queries 130, 131, 112, and 3 respectively. A possible reconciliation of the views of T. W. Hutchison—who argues that Berkeley was concerned with involuntary unemployment—and Ian Ward—who claims the unemployment was largely voluntary—is to note the different dates of the Querist (1736-37) and A Word to the Wise (1751). In the Querist Berkeley was concerned with involuntary unemployment as the major evil facing the Irish economy; in the late forties and early fifties the Irish economy had improved considerably and now Berkeley saw fit to encourage a general rise in the level of activity, hence his exhortation to the Catholics to substitute work for leisure.

47 A. Dobbs, An Essay Upon the Trade of Ireland, Part I (1729), 11-12.

48 H. Maxwell, Reasons Offered ... (Dublin, 1721), 46.

49 Sir R. Cox, A Letter ... to Thomas Prior (Dublin, 1752), 10.

50 The Church was also more than adequately represented among those who wished to stimulate Irish science. E. T. Hoppen, The Common Scientist in the Eighteenth Century (Charlottesville, VA, 1970), 26-30.

51 The Pedlar's Letter to the Bishops and Clergy of Ireland (Dublin 1760), 1. It would be a mistake to read any quantitative significance to such quotes, which are useful only as illustrating that the activity of the clergymen was (irritatingly) visible. It should be remembered that the Irish Church establishment was considerably Erastian at this time. D. A. Chart, "The close alliance of Church and State, 1702-1760," in History of the Church of Ireland, ed. W. A. Phillips (Oxford, 1933) 175-241.

53 Ibid., 63.

An earlier version of this paper was presented at the Twelfth Annual Meeting of the Illinois Economic Association (Chicago 1982) and a summary appeared in the *Proceedings* of that meeting. I am grateful to the participants at the Meeting and to Cormac O'Grada, J. P. Henderson and Larry Neal for their comments.