

Political Economy and the Historians.¹(3)

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1. Introduction

E. P. Thompson had more in common with the political economy he criticised than he realised. Just as he placed his own radicalism in opposition to a thoroughly statized and oppressive form of socialism so also political economy set itself against the tyranny of the old aristocratic order. In looking for an alternative to the objective Marxism that went along with statized socialism, Thompson uncovered the history of an active subject, a class that made itself. Similarly, political economy had looked to an order founded on self-direction as the viable alternative to the hand of the aristocrats. In both cases then the basis for an alternative to a form of centralized political control was looked for in a

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subject capable of self-determination. Despite this, Thompson's history sets out political economy as if it stood as far removed from the self-activity of the working classes class as the aristocracy itselfs themselves. ~~To understand how this comes about we must re-examine Thompson's understanding of political economy.~~

Thompson also shares with political economy its view of itself as an exercise in social intervention. For Thompson political economy is not just social theory but also social fact, replacing that earlier state of affairs (and state of mind) known by Thompson as 'moral economy'. Again, though, his (mis)understanding of political economy sabotages a richer story that he otherwise might have told. As Coats pointed out at the time *The Making* came out, Thompson's view of political economy concedes too much to the ruling 'self-image' of the 'spokesmen for "positive" economics' (Coats, 1972, p.133). It is this insight that we wish to develop below. In fact, neither the political economists themselves nor their 'radical' contemporaries saw in political economy an attempt to reconfigure economic behaviour in amoral terms. On the contrary both saw in political economy the possibility of an effective re-moralisation of society; for, on this understanding, the principles of political economy do not deny the role of moral sentiment and judgement in economic behaviour, but rather show how, freed from the dead weight of 'Old Corruption', it is precisely the revitalised moral capacities of the self-directed individual that can be relied upon to provide a stable and prosperous order.

2. Moral Economy and the Spasmodic Self

As we will show later, the philosophy of the act that underpins Thompson's work has much in common with that of political economy; and both may be contrasted with the crude formulae that degrade later economic theory and history:

'[t]oo many of our growth historians are guilty of a crass economic reductionism, [t]oo many of our growth historians are guilty of a crass economic reductionism, obliterating complexities of motive, behaviour, and function, which, if they noted it in the work of their Marxist analogues, would make them protest. The weakness which their explanations share is an abbreviated view of economic man' (Thompson, 1991, p.187).

Both (in Thompson's view) reduce the human act to 'stimulus-response', or 'spasmodic' behaviour. Consider, for example, the standard accounts of the food riots of the eighteenth and nineteenth centuries: '[w]e know all about the delicate tissue of social norms and reciprocities which regulates the life of Trobriand islanders, and the psychic energies involved in the cargo cults of Melanesia; but at some point this infinitely complex social creature, Melanesian man, becomes (in our histories) the eighteenth century English collier who claps his head spasmodically upon his stomach, and responds to elementary economic stimuli' (Thompson, 1991 p.187). It is as if at a certain index point of hunger a riot is automatically provoked. Thompson wants to contest this: '[t]o the spasmodic I will oppose my own view' (Thompson, 1991 p.188).

~~Already we see him grouping the economic and Marxist position. The self in mind here is what Thompson refers to as the 'stimulus response', or 'spasmodic' self. This self informed an interpretation of historical events, in particular the food riots of the 18th and 19th century, that Thompson considered were looked at from a crude materialist perspective, 'We know all about the delicate tissue of social norms and reciprocities~~

~~What Thompson wants to stress is that events such as famines do not have standard responses but in fact are dealt with within existing socially established norms and cultural forms. They are irreducibly social from the beginning. It is this insight that informs his notion of a 'moral economy'. In a moral economy the response to hunger depends on what is commonly held to be right and just.~~

Thus, the 'traditional view of social norms and obligations ... [and] of the proper economic functions of several parties within the community ... can be said to constitute the moral economy of the poor' (Thompson, 1991 p.188).

Accordingly, '[a]n outrage to these moral assumptions, quite as much as actual deprivation, was the usual occasion for direct action' (Thompson, 1991 p.188). Riot, popular confiscation and re-distribution were all, within moral economy, responses to perceptions of illegitimate behaviour: the setting of excessive prices, selling abroad, etc. Moreover, such perceptions were generally shared and even recognised by the authorities. Though of wider interest, the concept of moral economy for Thompson is primarily a way of understanding a particular regime for dealing with the poor; and a way also of bringing to book a very different regime, that of political economy. Undoubtedly Thompson is right

to see political economy (in part) as a new way of seeing, and engaging with, the poor.

We will want to show below, however, that Thompson has little grasp of the nature of its novelty, nor of its relation to contemporaneous discourses.

3. The Thompsonian Critique of Political Economy

For Thompson, then, political economy and moral economy are two poles of a social development in which changes in the regime for dealing with the poor are central: ‘As we speak of the cash-nexus which emerged through the industrial revolution, so there is a sense in which we can speak of the [earlier] eighteenth century bread-nexus.’ (Thompson, 1991 p.189). But just as the political economy of the ‘cash-nexus’ dissolves the moral economy of the ‘bread-nexus’, and in the process subordinates society to the market, so also, according to Thompson, does it change our way of understanding these events. It is, he claims, ‘one symptom’ of the ‘final demise’ of moral economy ‘that we have been able to accept for so long an abbreviated and “economistic” picture of the food riot, as a direct, spasmodic, irrational response to hunger – a picture which is itself a product of a political economy which diminished human reciprocities to the wage nexus’ (Thompson, 1991, p. 258 emphasis added).

The Political economy then emerged as this ‘cash nexus’ and in the process dissolved the moral economy, subordinating society to the market. Here was a new social order of a very special kind. There is a definite sense of loss as moral economy goes, ‘One symptom of its final demise is that we have been able to accept for so long an abbreviated

'cash_' or 'wage_nexus' for Thompson implies an order from which moral, social and political considerations have been removed; or, if not removed, then made invisible. The movement to political economy then becomes this process of moral depletion: '[t]he new economy entailed a de-moralizing of the theory of trade and consumption no less far reaching than the more widely-debated dissolution of restrictions upon usury' (Thompson, 1991 p.207).

Like Carlyle, Marx and indeed Polanyi, Thompson sees the rise of political economy as regarding the fate of 'human reciprocities'. Thompson here echoes Polanyi's thesis regarding the development of political economy as the subordination of society's human substance to the abstract market. (Polanyi, K 2002)

Thompson may well be right that the spasmodic self is alive and well in some versions of modern economics and orthodox Marxism. But to sustain his thesis that this same self originates in, and characterises, political economy he needs to turn a blind eye to key elements of the new political-economic discourse, elements that would otherwise show that what he takes to be a bad case of moral depletion is rather a realignment of moral issues for a very different conception of social order.

Thompson wants to contrast a lawful, yet somehow de-humanising, world of political economy with a less lawful but more moral (i.e. more human) world ~~that of what~~ went before. We will want to contest this. Of course political economy was concerned with the general principles that govern human behaviour, but this concern arose anyway from the need to understand how order could stem from free activity. In one sense this is hardly

surprising, given that the starting point of political economy lies in the productive possibilities of the pursuit of interest. But, to reiterate, Thompson thinks that such a concern and starting point must go hand-in-hand with a de-moralised conception of the human being and its acts, as though economic and moral behaviour are mutually exclusive. Whatever the modern economist thinks, however, the political economist clearly thought otherwise. Smith, for one, thought that economic law works *through*, not in opposition to, moral sentiment (Smith, 1976). And as we will show below, Smith's vision of a principled political economy that would nevertheless make greater, not lesser, demands on people's moral capacities was one that was widely shared, and by political economists and radicals alike.

Thompson's characterisation of political economy misses important social and political elements in the role of political economy; what Thompson identifies as a stripping away, consistent with the production of a machine-like economic thought, may better be seen as a realignment of moral issues for a different conception of social order. We suggest that Thompson has on one side political economy, the doctrine of objective laws from which subjectivity was removed, while on the other was radicalism moving with or moved by an active class (whether plebeian or not). We contest this. Of course political economy was concerned with abstract laws but this concern arose anyway from the need to understand how order could arise from free activity. In one sense this shouldn't be too surprising if we bear in mind that political economy's starting point lay in the pursuit of interest. However the implications of this are not fully realised. The starting point tends to be understood somewhat statically as merely an egoistic self, and so we have the

~~As a crude amoralism detrimental to any notion of a constructive working~~

That the economists and the plebeian radicals should share anything, let alone a defence of economic principle, makes no sense on Thompson's account. By having political economy usher in a crude amoralism detrimental to any notion of a constructive working class interest, he cannot help but see plebeian radicalism as its natural enemy. Thompson's negative view prevents any reasonable presentation of the social role of political economy so necessarily involves a distortion of radicalism. If political economy is a mere apologist for a narrow, egoistic, self interest, then 'radicalism v. political economy', with the history this implies, seems clear cut. This same opposition, that colours appearing in Thompson's version of events, is carried through into the work of the work of David McNally. (McNally, D-1993, 2000). Like Thompson, McNally looks to Paine as archetypical plebeian radical, and takes up Thompson's description of the *Rights of Man* as a 'foundation-text of the English working-class movement' (Thompson, 1980 p.99). He also assumes, takes up again like Thompson, 's assumption For both, that Paine's plebeian radicalism Paine represents a strand of opposition to political economy.

According to McNally, political economy 'came to the fore' as an answer to radicalism after the French revolution (McNally 2000). Following Thompson (1980 p.125) he argues that initial British optimism for the benefits of the French Revolution were dashed in 1793 and thereafter the radical movement split into intellectual and plebeian elements. The warnings of the formerly reviled Burke appeared to have been confirmed by events and liberals drifted to reaction. However, Burke could not provide a viable alternative to

radicalism since his case was hampered by what McNally calls his voluntarism, with its open dismissal of the 'swinish multitude' and attempt to muster the elite for its task. Burke's provocative stance, involving little sense of inclusion, was more liable to raise, rather than quash, opposition and as such provided a focus for discontent just when the authorities would rather it dispersed. For McNally, political economy was the Whig alternative to Burke since it based its argument not on sentiment but on social-Newtonian scientific law.

~~did not argue about what was desirable but rather what was possible, an argument that took it away from Burke's voluntarism and towards arguments in the Newtonian scientific tradition and away from the elite as audience to the radicals themselves. Political economy offered argument in the scientific tradition, of Newton, that made a case for laws of social order.~~

Like Thompson, McNally places political economy within a social context that it sets out to intervene in and, further, suggests that its nature, both methodological and substantive, is fitting to its task. But McNally spoils his case by collapsing the whole of political economy into a shallow version of Ricardo and the outlier Malthus.

It was Malthus, says McNally, who 'constructed a pessimistic market economics which jettisoned Smith's hopes for material improvement for the majority. And in so doing, he made classical economics an open enemy of the working class' (McNally, 1993, p.91).

Or again: 'Malthus provided a powerful anti-radical weapon which became a central pillar of the emerging 'science' of political economy. Debates in political economy thus moved to the forefront of the contest between Whigs and popular radicals' (McNally, 2000 p.427).

Certainly, Paine and Malthus represent different viewpoints on such issues as political reform and the moral capacities of the poor.

But for McNally this comparison is supposed to be

symptomatic of a more general contrast between radicalism

and political economy. According to his lights political economy showed its reactionary

hand once initial hopes in the French revolution were dashed. A defining moment in the

turnaround of the liberal view appeared with the apology to Burke by James MacKintosh

in 1796. From this time, McNally argues, a labour movement emerged ready to press

reform as the liberals backed off. McNally builds on arguments already made by

Thompson: ‘ . . . the dynamic of Radicalism came not from the middle but from the

artisans and labourers’ (Thompson, 1980, p.182). For McNally, Paine’s *Rights of Man*,

especially part II, was the starting point of plebeian radicalism. It combined political and

economic issues when, as McNally says, Paine described the ‘pauperization’ of so many

as due to ‘excess and inequality of taxation’ resulting from ‘monopoly of political

power’. Also, ‘by ascribing poverty to the political machinations of the powerful and the

privileged, Paine directly challenged elite disdain for the poor: ‘the peer and the beggar

are often of the same family,’ he wrote. ‘One extreme produces the other: to make one

rich many must be made poor.’ Political reform and the extension of the suffrage would

not merely correct political ills, therefore, they would also alleviate poverty and want’

(McNally, 2000, p. 430). It is somewhat inconvenient for the Thompson-McNally thesis

that Paine also says he supports political economy and commerce as well as the poor. But

no matter. Recall that, as against Paine’s concern for the poor, Malthus has only ‘distain’.

For McNally this is good enough: whatever Paine himself says about his relation to political economy, he must *de facto* oppose it.

Taking Paine at his word, however, is not so difficult once it is recognised, as he did, that his

In the next section (5) we intend to situate Paine within the tradition of political economy. We will try to show that, *pace* McNally, Paine's words of support for political economy amount to more than just cheap talk.

McNally, like Thompson before him, fails to recognise the extent to which Paine's

radicalism depended on key elements of political economy. In order to do this we will first examine the work of Richard Price - Burke's *bete noire* and *arche*-defender of the French revolution.

Paine subsequently praised Price at the start of *The Rights of Man*. And it is in Price's work that one first finds those characteristic concerns of political economy that were to be subsequently taken up by Paine. On the other hand, we will show that the 'political' themes

common to Price and Paine reappear in the work of Ricardo. So, just as Price and Paine may be absorbed with little effort into mainstream political economy, one can include Ricardo, just as meaningfully, in

mainstream radicalism. We will then (in section 6) return to Malthus to see how his followers took up the subsequent debate on poverty. In particular, we

look to the work of Thomas Chalmers to demonstrate, again pace McNally, how Smith's optimism did indeed carry through to 'Malthusians'. Without questioning Malthus's natural system, Chalmers presented a free market vision of how the poor might be treated without disdain, and the working class included in the benefits of growing wealth.

5. Political Economy as Radicalism

Price celebrated those revolutions that he saw as ending rule by elites that were able to plunder through their control of taxation. Radical though Price's views were, we will nevertheless show them to be just as much a part of political economy. In *Observations on the nature of civil liberty* Price set out a discussion of kinds of liberty in which he identified 'one general idea . . . the idea of *self-direction, or self-government*.' (Price 1775 p.3) Where there is external force, of whatever kind, there is 'servitude' (ibid. p.4). He looked rather to a free government that exalted the nature of man: 'In such a state all the springs of action have room to operate, and the mind is stimulated to the noblest exertions' (ibid. p.17). Under liberty, arts and sciences flourish and there are incitements to emulation and improvement. In the free small state where all can participate this is manageable but in larger states difficulties arise. Then representation is unavoidable and must be done in such a way as to prevent representatives gaining excessive influence (ibid. p.10). He advocated short terms for delegates so as to preserve a government set on protecting liberty (ibid. p.13). Such a government could guard against both despotism and the licentiousness of

great men. A key element of such protection lay in the matter of taxation, for 'the right of a people to give and grant their "own money"' was 'the fundamental principle of our government.' (*ibid.* p.49) This was so important because it touched immediately on the issue of despotism; the English Civil War had been provoked by encroaching on this right (*ibid.* p.49). Such was the case also with the war against the American colonists. War was to the detriment of all; better to have 'free relations to benefit of all'. For Price, like the economists, commerce and low taxation were natural bedfellows.

The consequences of the absence of freedom, of rule control by a narrow group of rulers for their own interest, were evident to see. An~~The~~ obvious manifestation was ~~in~~ the large and still growing national debt. This not only required a great increase in tax but also required 'a large supply of cash to support high taxes' (*ibid.* p.78), and this cash had to come from the issue of paper beyond what could be justified by specie. There was little prospect here of anything but ruin. To avoid this 'an important revolution in the affairs of this kingdom' was required and this meant constitutional change, for a mere change in personnel~~otherwise whoever was in charge there we would have~~ be no lasting impact~~change to~~ on the 'system of corruption' (*ibid.* p. 79; emphasis added).

What we see in Price is an opposition to government by elite. He identified the 'grandees' as holding back the prosperity of the country through an interference that disabled a system of liberty defined by self-direction. In focussing on the government's fiscal affairs he examined a concrete and pressing problem of the system of corruption. And as with Paine and political economy the issues were general in the sense

that Price was not looking for a change at the top but in the nature of the system itself. He had high hopes that such changes were in the air: 'after sharing in the benefits of one revolution, I have been spared to be a witness to two other revolutions, both glorious. – And now, methinks, I see the ardour for liberty catching and spreading; a general amendment beginning in human affairs; the dominion of kings changed for the dominion of laws, and the dominion of priests giving way to the dominion of reason and conscience' (Price, 1789). In putting the 'amendment' in these terms Price neatly highlighted what was politically significant in political economy, being the doctrine of a self-directed, lawful, system.

Like Price before him, From the outset Paine from the outset argued for principle over tradition and, in making that argument, with that opposed 'old government' in favour of an order that he understood to be self-constituting. Paine's disdain for the elite, for McNally a sign of plebeian radicalism, was not only on behalf of political economy, Indeed but implied political economy was the basis for a real alternative to an interfering elite identified as with 'Old Corruption'. The *Rights of Man* may not have been a major contributioner to mainstream economic theory but its principle vision was of a free sphere, involving trade and moved by interest, that could be sustained without the would be an alternative to the visible hand of power.

Paine criticised Burke, wishing he were a better follower of Adam Smith (Paine, 1984, p. 75); for. The context is important, Where Burke looked to privilege to secure a stable constitution, Paine regarded privilege as one with the dead hand of monopoly and - Paine

lamented that ‘the country is cut up into monopolies’ (Paine 1984 p.75). Monopoly stemmed from political control that was itself monopolised. In keeping with this Paine praised the Physiocrats for asserting principle against despotism; for him, political economy was integral to an opposition to that old order of privilege that he so detested. How this order could change for the better was clear in the case of the new French constitution that said ‘that there shall be no monopolies of any kind – that all trade shall be free, and every man free to follow any occupation by which he can procure an honest livelihood . . .’ (Paine, 1984, p.74).

When individuals and hence partial interests had political control then principle was overruled and the system was distorted to the detriment of the whole. Paine was not looking to a better class of individual to right the situation; the problem was not the Monarch but Monarchy. Any rule by an individual or selective group was rule by particular interests. Through control of government they would control taxation and expenditure, as well as various monopolies and places (offices), and all according to their own interest. Virtue, looked for in the rulers, could not be any saviour if it resided in a system that was so fundamentally corrupt as to divert power to a few. There could be no hope for virtue, for an enlightened class; rather, both monarch and aristocrats acting in their interests, set the level and incidence of taxation, as well as the making of loans to suit their own purposes. They ensured also that it was they who benefited from the expenditure. (Paine 1984 p.227)

It might appear that Paine was exercising just the kind of criticism of the narrow pursuit of self-interest that one finds in the moralising, anti-political economic rhetoric of those such as Carlyle. Yet Paine was not looking to any moral renewal of the rulers but rather to wholesale reform of the system. The problem of corruption was not too much self-interest but its restricted scope that allowed few to take advantage. Paine did not however suppose some amoral world critically referred to by Thompson and McNally. The pursuit of interest was the means to bringing about a better world. Mankind knew its own interest (Paine, 1984, p.151) and when given scope 'prejudice will fall in a battle with interest' (Paine, 1984, p.161). Monarchy will not withstand 'reason and interest' (Paine 1984 p. 174). The order that Paine looked to was founded on the 'natural constitution of man' to which 'mutual dependence and reciprocal interest' were central. Society arose from 'wants'; government was 'imposed' (Paine, 1984, p.163). Rule *by* the aristocracy was rule *for* the aristocracy and the remedy was simple: 'If the house of legislation is to be composed of men of one class, for the purpose of protecting a distinct interest, all the other interests should have the same' (Paine, 1984, p.227). Bad government followed on the restriction of interests leading to 'the power of taxation being in the hands of those who would throw so great a part of it from their own shoulders' (Paine, 1984, p.227; see also p.226). In this case, taxation 'raged'.

Paine's case depended on, had to depend on, some argument for the viability of a self-regulating society. Old government interfered; ~~one reason was that~~ it benefited from war, ~~for example~~ from the taxation and debts raised. War was the epitome of government

imposition; people left to their own devices would not go to war, had no interest in it, since they would be engaged in their own pursuits through mutual interchange, through trade. Without interference this flourished and so everyone flourished since in trade there was mutual benefit. Paine declared himself 'an advocate of commerce because I am a friend to its effects. It is a pacific system, operating to cordialize mankind, by rendering nations, as well as individuals useful to each other' (Paine, 1984, p. 212). And with peace would come low taxation. There would be particular benefits to the poor since the incidence of taxation was such a burden, given its falling so much on consumption. Here was a vital issue since, as he put it, 'a great portion of mankind, in what are called civilized countries, are in a state of poverty and wretchedness' (Paine, 1984, p.211). The cause was not at all in 'any natural defect of the principles of civilization but in preventing those principles having a universal operation' (Paine 1984 p.211). Paine's opposition to 'elite disdain for the poor' was an opposition to imposition, to intervention, and was in favour of allowing the free operation of a natural system.

Paine's confidence in an alternative to imposition by an elite rested on his confidence in the benefits of allowing all to act according to their interests, it was from here that the 'great part of order' arises, and 'society performs for itself everything that is usually ascribed to government' (Paine, 1984, p.163). Government came in only when 'nearly the whole of the business is performed'. In dropping tradition and looking to principle he posed an alternative to 'old government'. On one side was the government from outside, what he called the 'imposition' and on the other the mass of reciprocal interchanges, according to interest, that made society. It was in the latter case that the qualities of the

self came to the fore. On this point Paine was confident of the outcome, not merely because people were equipped for this mutual interaction but because of their own interest. The system could regulate itself. 'All the great laws of society are laws of nature. Those of trade and commerce with respect to the intercourse of individuals, or of nations, are laws of mutual and reciprocal interest. They are followed and obeyed, because it is in the interest of the parties so to do and not on account of any formal laws their governments may impose or interpose' (Paine, 1984, p. 165). For Paine and the political economists alike, advocates of the law without forget that there is also a law within, for 'man, with respect to all those matters, is more a creature of consistency than he is aware' (Paine, 1984, p.165).

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. and he

was clear about the path to follow: 'the most effectual process is that of improving the condition of man by means of his interest; and it is on this ground that I take my stand' (Paine, 1984, p. 212). He went on to advocate that commerce be 'permitted to act to the universal extent'. Paine's vision is, in fact, that of political economy.

Given its roots in political economy, there was little in Paine's radicalism for the political economist Ricardo to fret over. Like Paine, Ricardo rested his system on the pursuit of interest and, again like Paine, considered this pursuit should be open to all. In Parliament he complained of a special pleading in which the 'interests of landlords were chiefly considered' (Ricardo, 1951, V p.81). Unlike some, such as Malthus, who looked to aristocracy as the only way of controlling an otherwise unruly mass, Ricardo trusted the people, even taking into account apparent threats to order. When Trower complained of a 'senseless and mischievous spirit now abroad', which 'seems to threaten danger to all' (Ricardo, 1951, VII p.45), Ricardo objected that 'outrages' were understandable, given the situation of trade, and affirmed that he perceived no threat to order. On the contrary, he argued, the people 'are both improved in morals and in knowledge, and therefore . . . are less outrageous under these unavoidable reverses than they formerly used to be' (Ricardo, 1951, VII p.49). And the 'improvement in knowledge', to which he alludes here, was none other than an effective grasp of political economy: 'I am in hopes...that as they increase in knowledge they will more clearly perceive that the destruction of property aggravates and never relieves their difficulties' (Ricardo, 1951, VII p.49). Indeed Ricardo's trust was such that he argued that 'the fear of insurrection, and of the people combining to make a general effort are the great checks on all governments' (Ricardo, 1951, VIII p.133). Without adequate constitutional arrangements it was only the 'fear which the government and the aristocracy have of an insurrection of the people, ...[that] keeps them within the bounds which now appear to arrest them' (Ricardo, 1951, V p.497). Just as for Paine, so for Ricardo, it was government captured by a narrow interest that imposed burdens. And Ricardo, like Paine, looked to the full extension of the franchise as the means of

achieving a more effective market society. He considered it 'absolutely necessary that we should have a House of Commons which should represent the people fully and efficiently, instead of representing only a small proportion of the people of England' (Ricardo, 1951, V p.484). He looked to the working classes to realise the system of free trade for no other reason than for their own interest. Free trade would allow the accumulation from which sprang the demand for labour by which an upward pressure on wages could be sustained (Ricardo, 1951, I p.50, II p.373).

6. Political Economy and the Poor~~Political economy and the Poor~~

In one important respect a case can be made for a sharp difference between Paine and Malthus/Ricardo and that is in regard to the treatment of the poor. This is also a central issue in the movement from moral to political economy. The old paternalist world was seen as being dissolved by what Carlyle called the 'cash nexus' and in keeping with this were the heartless institutions of the new poor law, in particular the 'bastilles' that were the workhouses. For Thompson 'the breakthrough of the new political economy of the free market was also the breakdown of the old moral economy of provision' (Thompson, 1991, p.258). Yet, even here, we find reasons to doubt a sharp contrast between radicalism and political economy. Paine's discussion of the treatment of the poor is liable to be interpreted as a support for the welfare state. This in turn, for some, appears to confirm his status as a representative of radical opposition to political economy. Such a position ignores the general tone of Paine's work , and its concern with reducing taxation and state expenditure. It also ignores

the possibility, according to Whatmore, that Paine's treatment of the poor in the Rights of Man was added in order to preserve a moderate wealth essential to preventing the rise of a new nobility. The key was to end the hierarchical rank that had so oppressed the progress of the nation (Whatmore, 2000, pp.152-3; see also Kramnick, 1986, pp. 48-9). ~~much of Paine's discussion is in the context of his looking to reduce taxation and expenditure.~~

Even so, it is still true that Paine's position regarding the poor is different from Malthus's. On this basis one might still cling to the notion of a radical Paine holding out against political economy, except that this notion now depends entirely on seeing Malthus as an adequate representative of political economy. And whilst it may be true to claim, as

McNally does, that Malthus defined a 'discourse of poverty which dominated political economy for fifty years' (McNally, 1993, p.91), it hardly follows from this that Malthus determined how that discourse developed. In clinging to his overly narrow and negative view of political economy, McNally mis-specifies that subsequent development. Malthus himself combined his attack on subsistence with support for aristocracy as the bulwark of order. He supported what, for many, was the basis of the old corruption. This combination of free market for labour with continuing privilege for status was closer to Burke than might be supposed. It offered little prospect of improvement either in terms of reforms or material improvements for the working classes. Malthus's initial attack

offered a new ground for argument but nevertheless did not offer sufficient alternative to Burke.

If we turn to subsequent 'Malthusians', however, we find a more positive view of the possibilities for improvement, yet without giving ground on the need for reliance on economic, rather than political, law. Ricardo

himself may be included in this category, at least with respect to the issue of the poor. In this respect, though.

Thomas Chalmers is the most interesting case. The distinctive features of Chalmers's work were his sustained advocacy for the abolition of the poor laws coupled with a carefully considered vision of how the poor and working class would benefit from a free market. Chalmers's arguments were not narrowly economic but rather took account of wider social, political and moral issues. Like Smith before him, Chalmers was persuaded that, given the opportunity, economic law would secure a prosperous order – moreover, a prosperous order in which each would share - by working through the moral sentiments rather than instead of them.

In keeping with Price and Paine, Chalmers not only clashed with privilege but also identified administrative interference as both cause of and, ironically, the unwitting organiser of dissent. For Chalmers, a fully realised market was the only practical alternative to the corruption that accompanied interference. In this case the corruption that concerned Chalmers was of the otherwise adequate, naturally ~~normally~~ occurring

interactions between people by interference from the poor laws. While Chalmers differed from Paine in how far he was prepared to extend the market into the lives of the poor, this does not mean that he thereby fulfils Thompson's expectations of a political economy [detrimental to the conditions of the poor](#). Typically, McNally paints Chalmers as little more than a [crude laissez faire](#) propagandist, but there is more to Chalmers than that. Indeed if [he](#) had looked [more closely](#) he would have found in Chalmers a system founded on the human reciprocity that [Thompson](#) considered to have been diminished by political economy. For Chalmers reciprocity was obstructed by administration; it is not possible, he argued, to 'translate beneficence into the statute-book of law, without expunging it from the statute-book of the heart' (Chalmers, 1833, vol.2, p.24). Interference both upset social order and undermined the efforts of the working class to improve [itself](#). His arguments on these matters would provide a basis for subsequent poor law reform as well as Victorian social policy, exemplified in the *Charity Organisation Society*. In Chalmers's view the threat of disorder arose when forms of administration generated exactly the [kind of egoistical behaviour that](#) he abhorred but which Thompson and McNally believe to be the basis of political economy. Administrative intervention [undermined the kind of interaction conducive to the formation of those moral sentiments](#) on which a proper liberal, free market order could be based. Administration [corrupted an otherwise adequate interactive process](#), [for](#) 'by absolving the people from all mutual care, it has well nigh stifled with them all the feelings of mutual kindness' (Chalmers, 1832, p.406); or [again](#): 'the poor man has ceased to care for himself, and relatives have ceased to care for

each other' (Chalmers, 1823, p.228). To make matters worse, interference encouraged the idea that any remedy for difficulty lay in the powers of the state, a notion that fostered disruptive argument about what was properly due, what constituted the right payment. In such circumstances, there would seem to be no natural mean around which conflict could be resolved. To cap it all, this tendency to dispute had a ready-made focus for dissent in the administration: dissenters could gather into one fractious mass, organising against the administration itself. Intervention, by cutting across normal interaction, produced the disorder that normal interaction would otherwise prevent.

For Chalmers, placing care under the prerogative of the state would at the same time produce a society of (literally) careless individuals. Each individual would feel free to act self-wisely and carelessly for himself without concern for his sentimental disposition upon which the social order could be founded. On the other hand, wAlternatively, without administrative intervention the rich could recognise the poor and, perhaps more important, the poor and working class could recognise one another the poor. An adequate social order would then could arise naturally from the sentiments that an uncorrupted interaction would produce given its full scope. The happy results of such a system rested on the sentimental consequences of what, for Chalmers, is the normal process of interaction. Such a normal process, however, is not supposed to operate outside of political economy. Rather, this is part and parcel of political economy: this is how Chalmers felt that the rich could learn to recognise the needs of the poor. Out of the learnt from the consequences of their own actions, indeed this enabled them to recognise independence in others as deserving of help when need arose. Under a Administrative con interference obstructed the operation of these laws abstract laws was obstructed to ill effect, for then: 'Life is no longer

a school, where by the fear and foresight of want, man might be chastened into sobriety – or, where he might be touched into sympathy by the helplessness of kinsfolk and neighbours, which ^{228/229} but for the thwarting interference of [\[administrative\]](#) law, he would have spontaneously provided for.’ (ibid. p.228-229). ~~A p-a~~ Pauperism ~~that~~ emancipated not from distress but from [personal obligation and duty](#); ~~would this have~~ far reaching results for the ~~whole~~ social order. It ~~would~~ intercepted beneficence and gratitude between the classes; ~~the~~ ‘the whole effect of the system is to create a tremendous chasm between them, across which the two parties look to each other with all the fierceness and suspicion of natural enemies – the former feeling as if preyed upon by a rapacity that is altogether interminable; the latter feeling as if stinted of their rights by men whose hands nothing but legal necessity will unlock, and whose hearts are denied of tenderness.’ (ibid. p.229; see also Chalmers, ~~T~~, 1832, p.40). ~~According to Chalmers’ lights, then, A~~ administration ~~then~~ intervened with nature; but ~~‘S~~ ‘So soon as the violence is removed, nature will return to her own processes.’ (Chalmers, ~~T~~, 1823, p.229). As he put the matter in an earlier essay, we ~~shouldeould~~ look to ‘interest and necessity’ as the ‘powerful agents for giving a practical establishment to many of the virtues’ (Chalmers, ~~T~~, 1817, p.257). Chalmers developed a vision for the poor that was different from Paine’s but ~~it~~ was entirely in keeping with Paine’s most cherished beliefs, especially his trust in interest and the value he placed on independence.

In the practical reform of the poor laws, ~~though~~ – it was Senior who led the commissioners – and Chadwick who was ~~its~~ secretary ~~to the commissioners~~. Both were influential in the formulation of the ~~final report~~ ~~poor law report~~. Senior appears to Thompson as an exemplar of the ~~hard-hearted~~ ~~inhumane~~ political economy, ~~ist~~ ~~a view~~ ~~that seems especially apposite~~ ~~This seemed especially evident when, in response to the~~

[plight of the weavers](#), Senior advised that they leave the industry. [We think this can be seen differently, however](#). Senior's advice, [though consistent with a move to political economy](#), is clearly meant for workers to end their miseries, not prolong them. Senior objected that a contributing factor to the plight of the weavers was the old poor law. It [kept them in a condition tantamount to slavery; for, under it](#), 'the labourers of England were treated not as freemen but as slaves or domestic animals', and what signified this fate was that they received 'not strictly speaking wages regulated by the value of their labour, but rations proportional to their supposed wants' (Senior, 1841, pp. 63-4). This gives us a perspective on the move from moral to political economy at odds with [the Thompsonian view of moral depletion](#). [In fact, in the political economist Senior's eyes, the old poor law, at the same time as purporting to be saviour to the poor, was obstructing the self-development of those moral resources whereby the poor would to able help themselves. Against this, Thompson](#) condones a nostalgia for a departed moral community that is [both](#) paternalist and hierarchical. Although he [\(of course\)](#) does [not](#) develop the point, Thompson gives evidence [in favour of Senior and his colleagues](#) when he reports labourers from the 'Speenhamland counties' as saying that farmers 'keep us here [on the poor rates] like potatoes in a pit, and only take us out for use when they can no longer do without us' (Thompson, 1980, p. 247).

The Poor Law Report was [no](#) mere recapitulation of [the](#) pessimistic Malthus, but [rather](#) was optimistic [in its view](#) of the [possibilities for the poor](#). Chadwick, also identified for criticism by Thompson, defended the new poor law as the means to improving wages ([see](#) Chadwick, 1836, p.491). This was consistent

with Ricardo's optimism that, for a significant period [at least](#), wages could rise.

[But, again](#), this issue is clouded by the [way that](#) political economy is presented.

McNally condemns Ricardo's 'doctrinaire opposition to any support for wages'.

[Yet](#), for the political economists, 'support' for wages kept wages down, quite apart from its preserving people as 'slaves'. McNally attempts no analysis of wages

[himself](#) and so has no means of assessing what Ricardo has to say. Once again,

though, we find Thompson providing evidence for a more complicated story when

he points out that the Speenhamland system was supported by large farmers

[precisely](#) because it kept a reserve of workers with low wages (Thompson, 1980 p.244).

[On the question of tax in relation to the poor, again \(from a radicalist perspective\) we have to defend the political economist.](#)

_ McNally criticises Ricardo for opposition to the proposal by John Maxwell for

_ McNally criticises Ricardo for opposition to the proposal by John Maxwell for

_ McNally criticises

Ricardo for opposition to the proposal by John Maxwell for taxation on machinery

(McNally, 1993, p. 95). [But on Ricardo's view opposition here does not equate to](#)

[an anti-working class stance.](#)

[Rather, on](#) Ricardo's understanding,

taxation would simply delay the introduction of machinery to the detriment of those

who would [otherwise](#) be employed. [Or again, consider the taxation issue in relation](#)

[to the weavers.](#)

Thompson reports the argument of weavers for taxation to level competition since so much of their daily consumption articles were already taxed (Thompson, 1980, p.320). Whilst not sympathetic to [this particular proposal](#) Ricardo was indeed sympathetic to the plight of such workers, [beset on all side by tax](#). He spoke against the demand for a duty on tallow since it would place a ‘heavy burthen upon the people of this country’ (Ricardo, 1951, V. p. 291). On another occasion he supported the shifting of tax from beer to the malt, since it would restore some element of equality (in tax burden) between the poor and rich [when the latter had avoided tax by making](#) their own beer. (Ricardo, 1951, V. p.294) For Ricardo, the whole system of taxation was part of a system distorted in favour of [a privileged](#) interest. [As](#) he put it, in relation to [the](#) duty on tallow, this was ‘one of those measures . . . aimed at putting money into the hands of the landed interest by taking it out of the pockets of the rest of the people’ (ibid. p. 291). This statement was consistent with the spirit of radical opposition to old corruption that had identified taxation as a main cause of workers’ impoverishment. [In](#) making this point and identifying the cause in political representation Ricardo made an argument that could fit comfortably in the works of Price or Paine.

7. Concluding Remarks

We have suggested that a potential gain in understanding political economy was short circuited in Thompson's work by his reliance on a partial view of political economy.

His view of its narrow conception of economic man pushes him into interpreting the emergence of political economy as a process of moral depletion, [an interpretation that has shaped historical understanding](#). Some consequences of this are carried through into the historical work of David McNally. Here the negative view allows a demarcation of Paine as radical from [a typical](#) political economy represented by Malthus. We suggest an alternative interpretation in which political economy may be seen as sharing concerns with and even vital to radicalism. Political economy as much as radicalism identified archaic, monopolistic interference as the cause of workers' impoverishment but also held an optimistic conception of how, freed from interference, the worker could improve his lot. In arguing for this self-directed world, political economy was a response to and intervention in social context. It developed a conception of social order that, requiring no visible hand, had an immediate *political* significance. Its appeal lay in the promise that focal points for dissent [would be dispersed](#) in a naturally adjusting system [in which each would be free to pursue her own interest](#).

Ricardo regarded measures to introduce free markets to be of such importance that he claimed, 'Reform is the most efficacious preventative of Revolution, and may in my opinion be at all times safely conceded . . . I think the disaffected would lose all power after the concession of Reform' (Ricardo, 1951, VIII, pp.49-50; also VII, p.381). In the main, the measures [to which he alluded went even further than](#) those that Price had praised as the proper outcomes of the Glorious and American Revolutions. Of course, he looked here to the introduction of a system in which there was, so to speak, no negotiation with

the law of gravity. This characteristic [\(one supposes\) lies](#) behind the dismissal of political economy as heartless, [as morally depleted](#), but [this is arguably better understood](#) as a repositioning [or engagement](#), rather than depletion, of moral [capacity](#). Indeed, the [political economists and radicals alike](#) trusted to a [self that would naturally develop, through a more adequate form of interaction, those moral sentiments on which a new stable and prosperous order could be based](#).

[Given the development of these sentiments](#),

it would [then](#) be possible to depend [in a general way](#) on interest [rather than status](#) as the means of securing [society](#). All could prosper, freed from privilege that watched over 'prosperity as its prey' and that 'permits none to escape without a tribute' (Paine, 1984, p.160). Price, Paine, Ricardo and Chalmers all shared this positive vision, [one in which political economy engaged with the active interest of the working class](#).

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