

PERSUASION AND ARGUMENT IN THE MALTHUS-RICARDO CORRESPONDENCE

Sergio Cremaschi and Marcelo Dascal

With respect to Political Economy the period of controversy is passing away, and that of unanimity rapidly approaching. Twenty years hence there will scarcely exist a doubt respecting any of its fundamental Principles.

– Robert Torrens

The task of writing elementary works on a moral science of which the doctrines are not recognised, is something like that of administering a country imperfectly settled, where the characters of the legislator and the soldier are intimately blended... and every teacher must act the part of a controversialist

– Walter Coulson

Their quarrels lasted because often they were quarrels over misunderstandings and definitions

– Paul A. Samuelson

I. INTRODUCTION

This paper is a part of a wider project. Our aim, both in the present paper and in our overall project, is twofold: on the one hand, we intend to explore the workings of criticism in the most famous controversy between economists as a means of shedding fresh light on two leading figures in the history of economic thought; on the other, by the detour of a case study, we want to shed light on the actual workings of criticism as a means of dispelling some of the mist still lingering on the current method vs. rhetoric debate.

Let us begin by clarifying our first goal: the current understanding of both Malthus and Ricardo has been vitiated by two kinds of unjustified isolation; first, the isolation of their 'economic' contributions from the wider framework of (published or unpublished) writings and correspondence verging on politics, religion, and philosophy as well as from direct sources for their ideas on these topics (such as the writings of William Paley for Malthus and those of Thomas Belsham for Ricardo); secondly, the isolation from each other, as if the discussion with the other had not

moulded in an essential way both Malthus's and Ricardo's mind.

It is remarkable that discussion on the methodological, philosophical, and even theological underpinnings of economic doctrines is as alive as ever about Adam Smith, while it is intermittent on Malthus, and was abandoned on Ricardo since Halévy laid his own tombstone on the subject. The fact is that Adam Smith was one of the last great polymaths and his economic theory was a piece of a grand (even though rhapsodically implemented) design of a system of ideas. For most of his followers (with a few obvious exceptions such as the younger Mill, Marx, and von Hayek) only indirect sources have been available to the historian, in the form of occasional contributions by the same authors to other fields, of works by other authors who influenced them, and finally of correspondence. Even if the richest source for our case study, the correspondence between Malthus and Ricardo, has been duly considered in the context of studies on either Malthus or Ricardo, a limited number of papers has focused on the controversy between Malthus and Ricardo¹. There are indeed reasons for this circumstance: one is that the correspondence has not been accessible for a long time; the other, that interest in methodological discussions was not prominent, until rather recently, among historians of economic thought; to be sure, philosophers of science were interested in methodology, but had not enough patience for looking for fragments of methodological considerations embedded in polemic pamphlets and letters of scientists of the past; furthermore, they didn't take controversies into account, sharing the belief that the latter were mere accidents or deplorable obstacles on the road to scientific progress.

We announced that our second goal is to study criticism, not the ready-made models of criticism worked out by philosophers of science, but the *actual* workings of criticism. Our intention in undertaking a study of the controversy between Malthus and Ricardo is not primarily to contribute to the history of economic analysis (even if we believe that this study will shed light also on that history), nor is it to contribute to the history of methodology, even if most of what we do is precisely history of methodology. Instead, we intend to supply a case study in the workings of criticism or, if the reader prefers, a study of methodology-in-context. Philosophers of science most of the time did not make the effort to pay attention to the moves and countermoves that animate scientific debates, preferring to stick to rational reconstructions that fit their idealized models. Yet, knowledge in every branch of science is never reached by a detached Cartesian subject; it is always the result of activities conducted by individuals or groups who never escape sociological and psychological contingencies.

The discovery of the impact of such contingencies has led Thomas Kuhn (in his early work) and Paul Feyerabend to dismiss the Popperian doctrine of criticism as impossible, on the grounds

¹ It is not surprising that nobody approached the Malthus-Ricardo controversy from a methodological point of view, since until recently controversies were not a major concern for philosophers of science. Yet, comparatively little has been published on the controversy also from the point of view of the history of economic thought; as far as we know the list includes no more than Hollander, 1910 (who had not full access to the primary sources); Keynes, 1933 (who offers little more than a sketchy overview of sources); Pancoast, 1943; Sraffa, 1952; Paglin, 1961; Sowell, 1963; Moore, 1966; Porta, 1978; and Dorfman, 1989.

of the alleged incommensurability between different paradigms. According to them, no rational pattern can be detected in scientific change. We contend that a study of criticism can be conducted in a systematic way and that such a study reveals a rationality not reducible to logic but nevertheless powerful enough to avoid resorting only to psychological or sociological factors to account for scientific change. Scientific controversies are the privileged ground for such a study, for in a sustained controversy the moves by each opponent (e.g., complaints of misunderstanding, claims of irrelevance, escapes into abstraction or complexity) tend to cluster around recurrent themes and patterns that may be identified and analysed. To be able to do that, the speech acts by the participants in a controversy need to be interpreted, and interpretation - this will be one of our conclusions - cannot be simply semantic but must always be also a pragmatic interpretation. The latter considers a speech act in its context: it never stops at the semantics of a statement, nor at the syntax of an argument, but always asks what that particular semantic or syntax was used for, that is, who is addressing whom, what is assumed as given, what previous (really formulated) questions need to be answered, what conventions have been accepted concerning admissible kinds of arguments, and finally what effect the speaker intends to reach by performing a given speech act. Pragmatics is the study of the heuristic principles that account for the possibility of communication, and pragmatic analysis makes use of such principles.

In an earlier paper we carried out a comparative study of the methodologies of Malthus and Ricardo as a preliminary step to an attempt to understand both their positive contributions and what was at stake in the controversy². This is not enough as far as it yields only a comparative analysis of revealed or implicit methodologies. A fuller analysis must consider also the development of the controversy over time and its pragmatic dimension (of which also the appeal to methodological considerations - frequent as it is - is only a part). What we do in the present paper is the following: (i) we reconstruct the text, that is, we analyse the development of the discussion between Malthus and Ricardo both in the correspondence and in published works, paying special attention to (a) the use of methodological statements, (b) some pragmatic features of the controversy, (c) considerations pertaining to the meta-level of the controversy (assessments of the status of the controversy, of ways of solving it, etc.); (ii) we reconstruct the co-text, that is, unpublished papers by each opponent that were not made available to the other, records of exchanges between each of these and third parties, etc.; (iii) we describe the essential features of the context, focusing on events that influenced the course of the controversy; (iv) we draw lessons from our case study on the role of co-text and context, on pragmatic and semantic interpretation, and on "casts of mind"³.

Our aim is to show how the co-text and context of the controversy throw light on (a) the meaning of key-concepts and claims made by the participants; (b) the changes - if any - in their positions; (c) the scope and depth of their divergences. As we go along, focusing on the

² Cremaschi and Dascal, 1996a.

³ For further information on pragmatics, see Dascal, 1983; for its application to the study of controversies, see Dascal 1989, 1990, 1995.

methodological ideas of Ricardo and Malthus, we will also discover that many of these ideas have a dual role: they govern the conduct of inquiry and theorization, on the one hand, and the conduct of debate and criticism, on the other.

We expect to gain from this, furthermore, some clarification of the ongoing *querelle des modernes et des postmodernes* on economic method. Needless to say, we will propose a third way between the Popperian idealized model of criticism favoured by hard-line methodologists such as Blaug and the postmodernist *reductio* of criticism to rhetoric by McCloskey. What pragmatics has to offer here is a reconstruction that, while refusing to tailor actual discussions to pre-established normative models, avoids drowning scientific argument in the marshes of rhetoric as persuasion. What we study in this paper is precisely rhetorical moves and strategies, and in fact pragmatics covers some of the ground covered by rhetoric. What our pragmatic analysis has to offer is an approach to this study that takes rhetorical moves and countermoves seriously while avoiding the shoals of a self-defeating relativism. In a word, our study intends to answer the now popular question: why do economists disagree? Our answer will be that they do not disagree just because of bias, ideology, or psychological idiosyncrasies. Disagreement is instead both unavoidable and not irrational, and truth (*pace* McCloskey and Rorty) is still in several senses an proper goal for discussions between economists; and yet, the economist's truth is – no less than everybody else's – polyphonic⁴. The question "why economists disagree?" was the object of a symposium in a recent issue of the *Journal of Economic Methodology*⁵; we believe that, of the answers given to that question, neither Mayer's scientific nor McCloskey's relativistic answer are able to make sense of the facts of disagreement and intellectual progress, and we intend to show how one important case of basic and sustained disagreement was no mere accident or inconvenience, but also that its reconstruction is possible on the basis of a non-relativistic account.

A word is in order here on the strategy we follow in the study of our case. It is different from other strategies familiar to historians of science and of philosophy. It is neither a structural, nor a genetic, nor a sociological strategy, even if we will make use of those insights which these strategies – widely practiced both in the history of philosophy and in the history of economic thought – may afford. It is a strategy aimed at reconstructing *reasons* (as opposed to *causes*) for both opponents' positions, but reasons *in flux* and *in context*. The first characteristic distinguishes this strategy from genetic and sociological strategies, and the second from structural strategies.

II. AN OVERVIEW

Malthus and Ricardo first met in June 1811, at a time when Malthus already was the popular author of the *Essay on Population*, while Ricardo had just started publishing on topics of monetary policy in the *Morning Chronicle*. The circumstances of their first meeting are unknown,

⁴ We take this term from a linguist whose name economists have surely never heard: see Ducrot, 1991; quite similar ideas have been expressed throughout his work by a philosopher seldom quoted by economists, that is, Hans-Georg Gadamer.

⁵ See Mayer, 1994; McCloskey, 1994a.

but one would say that two persons who shared as many friends and acquaintances as they did were bound to meet. Let us mention that William Frend, Malthus's former tutor at Cambridge, after he was expelled from the University as a consequence of having declared himself a Unitarian, settled in London and became an acquaintance of Ricardo at the Essex Street Unitarian Chapel; besides, Ricardo was, since 1808, a member of the Geological Society of London, whose members included a number of people with close links with Malthus⁶. All we know is that they met in London, where Malthus apparently used to come regularly, since while he was in residence at Hailebury College he always kept an apartment, or a "garret", in town. From the correspondence we may also roughly reconstruct the frequency of their meetings, since invitations for breakfast and information about spare beds available at either Malthus's or Ricardo's home have been preserved in the same letters along with comments on Corn Laws, permanent and temporary effects, and effectual demand. After Ricardo moved to his estate at Gatcomb in 1814, Malthus visited him there only three times (and one of the better documented cycles of the whole controversy is precisely their correspondence on Corn Laws of 1814 right after Ricardo had moved to Gatcomb, since they never met personally during the second half of the year). Ricardo apparently spent a number of weekends with the Malthus at Haileybury; in fact, he wrote sometimes to Malthus of his arrival on Saturday "at the usual hour". Malthus apparently paid frequent visits to Ricardo at his London house in Upper Brook Street, since in some letters he mentioned the "usual" length of his visits. Besides, as the Political Economy Club was founded, they started meeting regularly at its monthly dinners that Malthus used to attend regularly with very few exceptions).

Following the first meeting, a correspondence between them began that lasted, with a greater or lesser intensity, until Ricardo's death. In the first two letters both expressed the wish to settle "by an amicable discussion in private" (*Malthus to Ricardo* 18 June 1811. In Ricardo, 1951-73, VI: 21) what appeared to be "the very few objections" which prevented them "from being precisely of the same opinion" (*Ricardo to Malthus* 18 June 1811. *Ibid.*, p. 23-24)⁷. Since then the correspondence intensified reaching its peak between 1817 and 1820, after Ricardo had published his *Principles*. Malthus's *Principles* followed, a presentation of the author's views on several topics of political economy that had been ripening for years, where he inserted his response to Ricardo,

⁶ On the Geological society and the first meeting between Malthus and Ricardo see James, 1979, pp. 208-9; on the visits they paid each other in following years see p. 258.

⁷The circumstance that both expressed the intention of carrying out a "discussion in private" is more than an anecdote for us. In fact, controversies fall into two basic sets: (i) public controversies, carried out through publications, and (ii) private exchanges, basically entrusted to correspondence. There are, yet, some intermediate cases: (iii) correspondence written with a view to possible future publication (the letter was a genre by itself both in classical antiquity and in the Renaissance) and (iv) initially private controversies that at some stage take a public character. Our controversy falls at some point under case (iv), and in fact Malthus and Ricardo made gentlemen's agreements on how much of their disagreement should be disclosed to the public (see *Malthus to Ricardo* 3 Dec. 1817, in Ricardo, 1951-73, VII: 215; *Ricardo to Malthus* 16 Dec. 1817, *Ibid.*, p. 222) and Ricardo even disclosed to a third party his hope that Malthus would not, because of his "great aversion to controversy", refrain from discussing in print his own theories (*Ricardo to Trower*, 26 Jan. 1818, in Ricardo, 1951-73, VII: 247). Besides, some of the materials fall under case (iii): this was clearly the case at least for Ricardo's *Notes on Malthus*.

while trying to avoid giving the work "a too controversial air" (*Malthus to Ricardo* 3 Dec. 1817. *Ibid.*, p. 215). Ricardo in his turn responded with his *Notes on Malthus*. It is at this point that the depth of their dissent came to the fore. At the same time the flow of written communication slowed down. Such an interruption cannot be interpreted as a univocal symptom of the intensity of the flow of communication as a whole, since they used to write less often precisely in those phases when they had an opportunity to meet more regularly (for example, at the Political Economy Club). In this phase Ricardo, then working at the third edition of the *Principles*, introduced substantive modifications in his own value theory, mostly as a response to Malthus's objections. The frequency of written records intensifies again with April 1823, confined to one decisive (or delusive) question, that of the measure of value. Here Ricardo ended up taking an attitude opposite to the one he had constantly adopted in the previous phases, that is, he acknowledged his own defeat, and tried to extract a similar acknowledgment from Malthus.

The controversy ended with no real 'closure' as far as it was brought to an end by Ricardo's death in September 1823. Yet, in Malthus's publications following Ricardo's death, he kept on arguing for his position against what had become "the new school", or Ricardianism. The revised edition of Malthus's *Principles* was delayed over several years, and at last appeared posthumous, edited by John Cazenove, a fellow member of the Political Economy Club.

Most of the positive issues in the discussion tend to concentrate on one specific phase of the controversy: this is the case for currency and foreign exchange in the first phase, or for the measure of value in the last phase. These positive topics were:

- (i) the influence of the currency upon foreign exchanges;
- (ii) Corn Laws and rent, that is, the prospective effect of the proposed corn duties upon economic classes and upon their respective incomes;
- (iii) the possibility of a "general glut";
- (iv) the existence of an inverse proportion between wages and profits;
- (v) value, its distinction from wealth, and its relationship to exchange value;
- (vi) the search for an invariable measure of value and two opposed proposals for such a measure (gold for Ricardo, a mean between corn and labour for Malthus)⁸.

Recurrent methodological claims and counterclaims are embedded in the discussion of positive topics. Among these, the issue of the scope of political economy is an overarching theme, encapsulating the issues of mono- or multi-causality, of realistic or unrealistic assumptions, of the alleged dangers of oversimplification, and finally of language and definitions. In Malthus's words, the controversy was aimed at "settling some important points relating to the metaphysics of Political Economy" (*Malthus to Ricardo* Oct 9 1814, *Ibid.*, p. 139)⁹.

⁸ For detailed descriptions of the positive topics discussed in the various phases of the controversy see Porta, 1978; Dorfman, 1989.

⁹ The expression "metaphysics of political economy" had already been used in the *Edinburgh Review* in 1804 (See [Brougham], 1804, p. 344). In 1822 William Whewell, while expressing his dislike of this expression, assumes as a matter of course that it indicates the "peculiar principles of observation or deduction employed in that science" (Todhunter, 1876, II: 48).

III. THE PRIMARY TEXT

In the present section we distinguish between the 'primary' and 'secondary' text of a controversy. The primary text consists of all the pieces more or less explicitly addressed by each of the opponents to the other and therefore mutually known. Its particular importance for understanding and interpreting the opponents' claims lies in the fact that it is the immediate dialogical (or dialectical) context where such claims are made, as direct reactions to the demands created by the opponent's intervention. Just as we cannot understand a 'yes' without knowing the question that precedes it, so too we cannot fully appreciate any piece of a contribution to a controversy without relating it dialectically to other pieces.

We divide our controversy into cycles. We propose to define a cycle as a period of comparatively intense and continuous correspondence, usually triggered by some external event, such as a relevant publication by one of the opponents, or a relevant public event, such as a parliamentary discussion. Each is dominated by one main topic, into which other sub-topics, often methodological, are grafted. We follow a chronological, not thematic, order because our project is precisely to unfold the actual development of the controversy paying attention more to the ways of arguing than to positive contents. We believe this is a price to pay in so far as, even if the positive topics are well-known to Malthus and Ricardo scholars, the controversy has never been studied in this light. For the same reasons, we pay comparatively more attention to the correspondence than to published works: our aim is to survey the no-man's land lying between one economic classic and the other. Besides, we will not reconstruct as systematically the aftermath of the controversy

It may be useful to add that the prevailing meaning attached in Britain to the term 'metaphysics' was in those years the Baconian meaning of "*mater scientiarum*". In this vein Bentham wrote that "modern Metaphysics, genuine Metaphysics, of which Locke was in a manner the inventor, is that science which teacheth the signification of words, and the ideas which they signify: which it does... [by] shewing how all the ideas we have that are complex, arise from, and are made up of simple ones. Thus it is that... every science has its metaphysics: there is no science that has not a set of terms that are most particularly its own... in the improvement [of any science] experience and metaphysics must go hand in hand" (Jeremy Bentham, (unpublished), p. 177; quoted in Mack, 1962, p. 152); in other words, metaphysics is for Bentham "a *spring*, and that but a small one, of the branch termed *logic*"; the task of both logic and metaphysics is to "remedy" those instances of "error and deception" that originate from use and misuse of language; he notes that, when compared with Aristotle's use, "within the last century or two the word has received an import of which it may in general terms be said, that it is much more *extensive*, but which is in the highest degree vague and indeterminate", and adds that writers of different kinds, such as "religionists, lawyers, politicians... have, under the name of metaphysics, found something which has appeared to them to thwart their views, opinions, interests or prejudices", and accordingly endeavoured "to cover it with reproach and bring it into disrepute" (Bentham, 1843, p. 221). In his turn, Dugald Stewart, writing in 1796, had drawn a distinction between metaphysics and "experimental philosophy", where the former has the 'Kantian' meaning of "metaphysics of nature" and "metaphysics of morals". He had written: "natural philosophers have, in modern times, wisely abandoned to metaphysicians, all speculations concerning the nature of that substance of which it [the soul] is composed" or concerning "the efficient causes of the changes which take place in it", but confined themselves to "the humbler province of observing the phenomena it exhibits, and of ascertaining their general laws... This experimental philosophy no one is now in danger of confounding with the metaphysical speculations already mentioned". In the field of the philosophy of mind, the general fact of the association of ideas is "a fact totally unconnected with any hypothesis concerning the nature of the soul" (Stewart, [1796, 1814, 1827], I: 13-14).

after Ricardo's death as the correspondence and other writings between 1811 and 1823 again because we want to focus on the interaction between Malthus and Ricardo.

A. Between 1811 and 1812: On currency

The first subject discussed was "the subject of money, and the laws which regulate its value" (*Ricardo to Malthus* 18 June 1811. *Ibid.*, p. 24). This topic covered the timespan between June 1811 and March 1813, when it was already "our old question" (*Ricardo to Malthus*, 17 Dec. 1812. *Ibid.* p. 87); an agreement was reached on the *status quaestionis*: their disagreement was on the duration of the effect of the temporary causes which operate on exchange (*Ricardo to Malthus* 25 Feb. 1813. *Ibid.* p. 89). The opposition of the permanent and the temporary will become one of the recurrent methodological issues in the controversy, to which they will constantly tend to shift. Here, as soon as the discussion shifts to this distinction, Ricardo comments: "I think we never so well understood each other before" (*Ibid.*). Also comments of this kind will become recurrent towards the end of each cycle in the controversy (e.g., at the end of discussion on the Corn Laws in 1814; see sect II. B.)

The issue of language and definitions, also bound to become one of the recurrent methodological battlegrounds, was raised by Malthus in the first letter of the whole correspondence: the term "redundancy" as used by Ricardo in *The High Price of Bullion* (see Ricardo, [1811], p. 61) seemed to him to convey "an incorrect expression of the fact" under scrutiny (*Malthus to Ricardo* 16 June 1811, in Ricardo, 1951-73, VI: 24)¹⁰.

A third recurrent methodological issue that was raised from the very beginning was the opposition between mono-causality and pluri-causality. Ricardo advanced, against Malthus's admission of more than one cause for an unfavourable balance of trade, the claim that redundancy of currency was its only cause (*Ricardo to Malthus* 18 June 1811. *Ibid.* p. 26; *Malthus to Ricardo* June 20 1811. *Ibid.* pp. 28-29). In connection with mono-causality Ricardo introduced for the first time what was bound to become one of his favourite methodological assets, namely a distinction between questions "of fact" and questions "of science", with the assumption that the only the latter are a proper object of inquiry. This assumption carries the consequence of immunizing economic theories from empirical confutation. Let us take a closer look at what Ricardo does in this case: he defends his claim that the only reason for exporting bullion as a way of paying a nation's debts is relative redundancy of it, by identifying the real cause of a behaviour with the interest rationally served by the same behaviour (implying an assumption of rationality of the parts involved). He writes:

I assume indeed that nations in their commercial transactions are so alive to their advantage and profit... that *in point of fact* money never does move but when it is advantageous both to the country which sends and the

¹⁰ For Ricardo's answer and further comments by Malthus see *Ricardo to Malthus* 18 June 1811. in Ricardo, 1951-73, VI: 26-28; *Malthus to Ricardo* 17 July 1811. *Ibid.*, pp. 35-40.

country that receives that it should do so. The first point to be considered is, what is the interest of countries in the case supposed? The second is what is their *practise*? Now it is obvious that I need not be greatly solicitous about this latter point; it is sufficient for my purpose if I can clearly demonstrate that the interest of the public is as I have stated it. It would be no answer to me to say that men were ignorant of the best and cheapest mode of conducting their business... because that is a *question of fact not of science*, and might be urged against almost every proposition in Political Economy. (*Ricardo to Malthus* 22 Oct. 1811. *Ibid.* p. 63-4; emphasis added).

In this case, as in other cases in following years, it is precisely by escaping from empirical relevance, by admitting that not a single proposition in political economy may count as an accurate report of facts, that Ricardo bars any possible way of criticizing his own theories except by discovery of mistaken links in the deductive chains derived from hypothetical (and accordingly immunized) premises. In the meantime, yet, these immunized premises are assumed to be close enough to facts, so that consequences may be believed to hold "in point of fact" also for the real world. Both Ricardo's distinction (science vs. fact) and his assumption (rationality) are two basic items of his methodology that will be constantly invoked in following years.

Let us explain more in detail how the insulating strategy works. By an insulating strategy, a protective security belt is created in order to make some doctrinal core immune from some given kind of criticism. Its purpose is to shift the discussion from one level or domain to a different one. One classical instance of this kind of strategy in modern philosophy may be found in the seventeenth- and eighteenth-century reaction to scepticism. In this case it consisted in showing that not *all* judgments, but only *theoretical* judgments, were affected by it. A more sophisticated application of that strategy is Kant's transcendentalization of reason, by which he reinterprets the subjective idealistic thesis of the sceptic in such a way as not to shake the objective character of our knowledge.

Insulating strategies, in our present case, are most typical of Ricardo. This is hardly surprising, granted that he had been taught a kind of sceptical epistemology by his first mentor, Thomas Belsham¹¹. It is worth noting that Ricardo is setting up here both a methodological principle and a principle *for the debate*. In what follows we try to assess Malthus's reactions to this principle and Ricardo's consistency in appealing to the principle throughout the controversy. We shall see that Malthus tends not to meet Ricardo's request (that is, he keeps on using facts as confutations) and on a few occasions explicitly defends an opposite principle (that keeping facts constantly in mind helps avoid mistaken entailments). We shall also see that Ricardo tends to be true to his own principle to a great extent, but also that he does not refrain on a few occasions from taking advantage of facts that seem not to fit Malthus's theories.

It is worth noting also that Ricardo's introduction of this principle, with its twofold use, is carried out by a special kind of speech act, namely, *presumption*. It is a speech act (weaker than

¹¹ see Cremaschi and Dascal, 1996a.

assertion but stronger than *assumption*) through which one accepts "a provisional commitment, not characterized by an obligation to defend the proposition in question, if challenged"¹². Here, Ricardo's presumption is that a theory is true/valid unless it is deductively shown to be defective. The usual (empiricist) presumption is that a theory is true or valid unless it is either deductively or empirically defective. Malthus seems to adopt the empiricist presumption with an emphasis on the second requirement (because of its mentioned secondary function as a further guarantee against mistakes at some stage in the deductive chain).

We miss probably Malthus's direct answer, since the next letter dates from two months later and refers to arrangements for a visit by Ricardo. In a letter dated a few months later, Malthus first introduces his own favourite asset, namely methodological discussion itself: he traces the root of their divergence on multiplicity or unicity of causes with regard to (real or apparent) redundancy of bullion, to different overall methodological attitudes. He believes he has detected in Ricardo the same flaw that Adam Smith and Dugald Stewart had criticized in Cartesianism, namely a "desire to simplify". Malthus is echoing here the countless eighteenth-century variations on the theme of Newton's first rule¹³. He writes to Ricardo:

a desire to simplify, which has often led away the most scientific men, has induced you to ascribe to one cause phenomena that properly belong to two, and not to give sufficient weight to the facts which... appear to make against your doctrine (Malthus to Ricardo, *Ibid.* p. 82).

And significantly, a few lines below he adds that there is "one part of the question between us which can only... be determined by *experience*" (*Malthus to Ricardo* 23 Feb. 1812. *Ibid.* p. 82; emphasis added). What "experience" means for Malthus shall emerge in what follows. Unfortunately, no record is left of Ricardo's answer to this criticism (the following letters by Ricardo are dated August 1812 and deal again with arrangements for visits).

B. Between 1813 and 1814: On the Corn Laws and the causes of the growth of wealth.

In summer 1813 the ground of the controversy shifts for the first time. Such shifts will become a recurrent feature of the controversy. The trend will be the following: at some point both believe they have understood what the opponent means and where the real difference lies; at this stage both seem to lose interest in discussing the present issue and gradually drop it. Then the exchange finds a fresh start thanks to some event, such as the publication of a pamphlet by any of them or a parliamentary discussion¹⁴. This time the occasion is the debate on the "Corn Laws" between supporters of agricultural protectionism and upholders of free trade. The discussion between Malthus and Ricardo, starting with the contingent issue of the Corn Laws gradually comes

¹² Walton, 1993, p. 125.

¹³ Cf. Smith, [1795] IV.66; Stewart, [1796, 1814, 1827], II: 180.

¹⁴ See Cremaschi and Dascal, 1996b.

to include wider topics: positive topics such as the causes of the growth of wealth and methodological topics such as multi- and mono-causality; after having grown so much, the discussion gradually drops out issues, till finally both agree that their disagreement is, after all, only the length of "intervals" between two "permanent states".

We meet very soon an occasional (but on a closer look just apparent) admission of weakness by Ricardo, in this case an admission of inability to fit facts in his own theory. Ricardo's admission is the following: "the facts you extracted... are curious and are hardly reconcilable to *any* theory" (*Ricardo to Malthus* 17 Aug. 1813. *Ibid.* p. 95; emphasis added). This admission is a way to rule out one typical objection by Malthus, a confutation by recourse to facts.

Causality, in this cycle of the controversy, wins greater relevance than any other methodological topic. For example, we find the charge, levelled at Malthus by Ricardo, of mistaking effects for causes, in so far as "the increased value of commodities is always the effect of an increase either in the quantity of the circulating medium or in its power... and is never the cause" (*Ricardo to Malthus* 10 Aug. 1813. *Ibid.*, p. 93). Also, the distinction soon emerges between "necessary" and "probable" connections (*Malthus to Ricardo* 5 Aug. 1814. *Ibid.*, p. 116; *Ricardo to Malthus* 11 Aug. 1814. *Ibid.*, p. 119) or between, on the one hand, "natural and necessary" causes and, on the other, "accidental" causes (*Malthus to Ricardo* 23 Nov. 1814. *Ibid.*, p. 154). Their disagreement is on which factors should be assigned to which category. The distinction seems to be intertwined with the issue, which had already emerged, of permanent and temporary effects (*Ricardo to Malthus* 30 Aug. 1814. *Ibid.*, p. 128).

In the argument, the opposition of mono- and pluri-causality comes to the fore more than once, being used by each writer with a different purpose in view. In an attempt to single out what are natural and necessary causes of high profits, as contrasted with those "of temporary duration" (*Ricardo to Malthus* 25 Feb. 1813. *Ibid.*, p. 89), Ricardo becomes unexpectedly a 'groupie' of multicausality (after having strenuously boosted mono-causality in connection with the currency issue). He admits that "the scarcity of a commodity, or the increasing demand of it will for a time increase profits", but he denies that it would be correct "to say that where profits are high they are so because the demand for produce is great compared with the supply. There are many other causes which will occasion profits to be permanently high" (*Ricardo to Malthus* 30 Aug. 1814. *Ibid.*, p. 128). Profits, Ricardo adds, may be higher in a country where there is bad government and consequent insecurity of property than in another where demand for produce were the same, but in absence of those further conditions. Thus, when read carefully, Ricardo's plea for multicausality turns out to be an attack on the rash supposition of a causal link where only occasional concomitance between phenomena occurs (and this attack is in line with Ricardo's prevailing mood; other, prima-facie paradoxical, appeals to multicausality by Ricardo will show up in what follows).

Malthus, in his turn, appeals to multi-causality in order to lessen the impact of Ricardo's paramount "natural and necessary" cause, namely "the state of production from the land", which –

according to a doctrine that Ricardo in his turn owed to Malthus himself – was apparently assumed by Ricardo to be "*almost the sole cause*" which regulates profits (*Malthus to Ricardo* 9 Oct. 1814. *Ibid.*, p. 139; emphasis added). Malthus insists on the need to take other causes into account in order to make the connection effective, thus denying that particular causal link any privileged status (*Ibid.*, p. 140).

In connection with discussion on causality, Malthus appeals to the category of "final cause". Such an appeal seems to be required in order to find room, among the causes of the growth of wealth, for "effectual demand" (*Malthus to Ricardo* 11 Sept. 1814. *Ibid.*, p. 131). Malthus argues that sugar and tobacco are sold at a higher price than exported manufactured goods because "there is no greater power to purchase them, but there is a greater will. And the *final cause* of the wealth which the country derives from these commodities... is the existence of a taste for them" (*Malthus to Ricardo* 9 Oct. 1814. *Ibid.*, p. 141). Ricardo – who will always hang back from discussion of typically philosophical concepts – never comments on Malthus's use of the notion of final cause, nor does he ever mention this concept. His silence, a peculiar kind of speech act, may deserve to be taken notice of, as one of the moves in the controversy.

Within the same context, the notorious category of "tendency" shows up for the first time. Malthus typically points out an unjustified identification by Ricardo of two concepts that should be kept distinguished. He contends that the assertion of a "general tendency of the accumulation of capital upon the land to diminish profits" is not identical to "the general position that the state of the land regulates profits" (*Malthus to Ricardo*, 23 Nov. 1814. *Ibid.*, p. 152)¹⁵.

Malthus introduces in the same letter what will become another recurrent topic, namely the distinction between scientific terminology and ordinary language. He writes: "The wants and tastes of mankind... essentially influence general profits and the growth of raw produce", since, not supposing man "to accumulate without motive... these tastes and wants as contradistinguished from the desire of mere necessaries" are the cause of the production of more raw produce. This holds true in so far as "accumulation of *produce* is not accumulation of *capital*, unless what is

¹⁵ The notion of "tendency" was a sore point for classical political economists, as noted by Richard Whately (See Cremaschi and Dascal, 1996a). Here, Malthus's argument for keeping a sharp distinction between both assertions typically leans on multi-causality: it is "certain" that "the state of the land is the main cause of high wages, or the most scanty wages", but "it would be most incorrect to say that the state of the land *regulates* wages; because there are numerous instances where land is fertile and abundant and yet wages are very low and the population stationary or retrograde". The reason is that, even if fertility and plenty of land are "the main cause of high wages of labour, yet they are not the sole or regulating cause, and without the accumulation of capital... are inefficient to produce such high wages" (*Malthus to Ricardo* 23 Nov. 1814. In Ricardo, 1951-73, VI: 152-3). The same holds true for profits: the state of the land "is by no means the sole cause which determines profits, but as they are powerfully influenced by the varying demands for produce occasioned by the prosperous or adverse state of commerce and manufactures, and the constant tendency to a fall in the wages of labour, it neither accords with theory or experience to call the state of the land the *regulator* of general profits" (*Ibid.*). Malthus goes on denying that "agriculture always takes the lead in the determination" of profits and asserting that often foreign commerce does, and adds that "the throwing of new objects of desire into the market", i.e., keeping effective demand high may also raise profits "for a period of some duration" (*Ibid.*).

accumulated is worth more than it costs" (*Malthus to Ricardo* 23 Nov. 1814. *Ibid.*, p. 155). Thus, a higher effectual demand accounts for more production and more employment of capital. Ricardo's answer goes in the direction of denying the importance of the conceptual distinction introduced by Malthus. He writes: "Accumulation of produce if properly selected may always be accumulation of capital, and it cannot fail to be worth more than it cost, estimated in corn or labour" (Ricardo to Malthus, 18 Dec. 1814. *Ibid.*, p. 164); the reason for this is that, even if a shoemaker's demand of bread must be limited by his wants, yet "whilst he has shoes to offer in exchange he will have an effective demand for other things" (*Ibid.*).

Let us mention also the distinction made by Ricardo between the "truth" and the "utility" of a principle. He declares that he is interested in the truth of principles for the truth's sake, apart from their "being of any use", which "is another consideration" (*Ricardo to Malthus* 18 December 1814. *Ibid.*, p. 163). This distinction is, obviously enough, an implication of the previously introduced distinction between questions of fact and questions of science

This cycle of the controversy allows for an exceptionally close inspection of its closure (since Malthus and Ricardo never met at least during the last six months of the cycle). As we announced in the beginning, after raising more side-issues in the course of the cycle, they gradually drop them, and finally try to identify *one* point around which the disagreement turns. Malthus proposes to single out the meaning of "permanently" as the real issue and adds that he means for 20 years (*Malthus to Ricardo* 1 Dec. 1814. *Ibid.*, p. 167). Ricardo seems to admit that his aim was understanding, not persuasion. In fact, his reply to Malthus sounds: "I thought you maintained... I now understand you to say" (*Ricardo to Malthus* 13 Jan. 1815. *Ibid.*, p. 170), and goes on accepting Malthus's proposal as to the definition of the length of a "permanent" state as the real issue, while proposing a different duration (4 or 5 years). Having won such a better understanding of the other's position, as well as of his own, each of seems to rest content with such a closure of the cycle (with no persuasion and no victory). In fact, in a short time, thanks to a new publication by Malthus and a letter by Ricardo with comments, a new cycle begins.

C. Between January and April 1815: On rent.

This happens in February 1815, bringing about the second shift in the ground of the controversy, from the topic of the causes of the growth of wealth to the topic of rent. The shift is occasioned by Malthus's essay *On the Nature and Progress of Rent* where he argues that there is "a point towards which the actual rents paid are constantly gravitating" beyond "accidental and temporary circumstances" (Malthus, 1815, p. 116), and that the laws governing rent are different from those of a monopoly, because rent arises from a peculiar characteristic of the necessities of life, as contrasted with all other commodities, namely that the demand for them "is dependent upon the produce" (*Ibid.*, p. 123). In the letters following this essay, Malthus on one occasion mentions "theory" and "experience" as two alternative ways of probing a claim (here, the claim "that profits depend solely on the price of corn"). He mentions "calculations" he had shown to Ricardo on a

previous occasion and that may be found now in a letter by Malthus to Horner (14 March 1815. *Ibid.*, p. 186-188). These calculations were intended as an alternative to Ricardo's account, in the *Essay on Profits*, of the way in which capital employed on the land produces profits (see Ricardo, [1815], p. 17). The "calculations" are actually a discussion of a 'strong case' of the kind Ricardo liked. The difference in the approach to this case between Malthus and Ricardo seems to be the choice of a different staple out of which the advances of the farmer should be assumed to be constituted: corn, that is "the actual materials of which the capital consists", for Ricardo, or money, that is "the best representative of a variety of commodities", for Malthus (*Malthus to Horner* 14 March 1815. In Ricardo, 1951-73, VI: 187-8). Malthus believes that his own strong case shows "that general profits may be determined by the general supply of stock compared with the means of employing it, and not merely by the stock employed on the land" (*Malthus to Ricardo* 10 March 1815. *Ibid.*, p. 182-3) and adds that he cannot convince himself "from either *theory* or *experience* that profits depend solely on the price of corn" (*Ibid.*; emphasis added). He concludes that he is struck by Ricardo's "persevering conviction" of the goodness of his own strong case; Malthus seems to be admitting that on the level of theory the match may end in a tie, but he also believes he has one more kind of those reasons that may *incline* to believe in the goodness of a thesis: "experience" – as opposed to theory – "is clearly against" Ricardo's "persevering conviction" (*Ibid.*).

A comment is in order here: what is at stake in this apparently cursory remark is Ricardo's previously advanced request to stick to "science", leaving facts alone. Malthus here is making a presumption opposite to Ricardo's and refusing to comply with Ricardo's principle for the debate. He is adhering to what we have called the usual empiricist presumption. But, while adhering to Ricardo's distinction between science and fact (in Malthus's words, "theory" and "experience"), he seems to add that, while on the former level we often come to a stalemate, on the latter, instead, reasons may be amassed for believing in the truth of one proposition, thus making the balance of persuasion lean in one direction.

A very close exchange follows during April 1815. According to Ricardo, on no subject had they "so materially differed" as on the one they were discussing in that phase (*Ricardo to Malthus*, 21 March 1815. *Ibid.*, p. 196). In the course of the exchange, Ricardo resorts to the move of *reductio ad absurdum*, trying to show that Malthus's present position "if established would... overturn both [Malthus's] theory of rent and [his theory of] population" (*Ricardo to Malthus*, 21 March 1815. *Ibid.*, p. 196; cf. *Ricardo to Malthus* 17 March 1815. *Ibid.*, p. 192). Besides - while accepting to answer Malthus on a ground he has chosen – he has recourse occasionally to falsification via an appeal to "fact". He writes: "the improvement in agriculture, I believe, have had more effect in keeping down rents than we have ever imagined. On my theory they fully account for rents being no higher; on yours they would tell the other way" (*Ricardo to Malthus* 14 March 1815. *Ibid.*, p. 190). In the following letter he insists: "your statement if true does not account for the less proportion of the population now employed on the land, because you always suppose more men to be employed but at less corn wages" (*Ricardo to Malthus* 17 March 1815. *Ibid.*, p. 193-4). These

two instances of empirical falsification are mainly a rebuttal of Malthus's iterated recourse to two-tiered (theory *and* experience) arguments of the kind illustrated above. He had written: "if poor land be brought under cultivation by a rise of prices as has been the case during the last 20 years... the whole capital on the land must have become more and more productive. This *seems to be confirmed* by the circumstance of a much smaller proportion of the population being employed on the land than formerly" (*Malthus to Ricardo* 15 March 1815. *Ibid.*, p. 191; emphasis added).

A few days later, through a casual remark Malthus discloses his attitude to public controversy (and this will be of interest for us in order to understand his attitude in the controversy with Ricardo when, a few years later, it will become a public controversy). He says that he had written part of an answer to Torrens's *Essay on the External Corn Trade* for a new edition (which was never published) of his second pamphlet of 1815 on the Corn Laws *The Grounds of an Opinion on the Policy of Restricting the Importation of Foreign Corn*, but he thinks "it would be too long" and adds: "I fear if I begin to answer I shall be led too much into publick controversies, which I had rather avoid" (*Malthus to Ricardo* 24 March 1815. *Ibid.*, p. 201-202). Shortly before, he had promised to Ricardo to do as he liked concerning the idea "of saying something" of his *Essay on Profits* in the planned new edition of this pamphlet, besides commenting on Torrens (*Malthus to Ricardo* 12 March 1815. *Ibid.*, p. 186).

Besides a number of other moves such as complaints of misunderstanding, claims of irrelevance etc., that we shall not analyse here, it is worth recalling one of the few references to the Newtonian paradigm made by Ricardo. Here he is arguing, against Malthus, a tendency of the corn value of goods to fall, up to that limiting point at which there will be no more profits since the landlord will have "appropriated to himself in the form of rent nearly the whole surplus produce of the land" (*Ricardo to Malthus* 27 March 1815. *Ibid.*, p. 204), and against Malthus, who had argued that this tendency never operates in a void but is always counterbalanced by other tendencies, he adds that this principle (bound to become later a typical Ricardian doctrine) "is as certain as the principle of gravitation" (*Ibid.*; emphasis added).

Finally, Malthus complains that Ricardo does not respect the limitations of Malthus's "principles". Ricardo's reading of Malthus's argument was that "the higher the price of corn rises, in consequence of more men being employed on the poorer land, the greater will be... the ratio of that surplus produce to the whole capital employed on the land" (*Ricardo to Malthus* 21 March 1815. *Ibid.*, p. 196). It is on this reading that in the same letter he argues the abovementioned inconsistency between Malthus's present position and his theory of rent and population. Malthus's answer is that Ricardo tries to erase a number of limiting conditions to which he had implicitly committed himself. His complaint is: "you push my principle much too far; and do not recollect the limitations to which it must necessarily be subject" (*Malthus to Ricardo*, 24 March 1815. *Ibid.*, p. 199). As an answer to Ricardo's following letter, where he had resorted to the opposite move of declaring Malthus's argument irrelevant, since to admit what he was contending for at that stage "would not affect" his theory (*Ricardo to Malthus*, 27 March 1815. *Ibid.*, p. 204), Malthus complains

about the fact that now Ricardo understands his proposition as going "perhaps not quite far enough" (*Ricardo to Malthus*, 2 April 1815. *Ibid.*, p. 207); on the contrary, he contends that his proposition does affect Ricardo's theory "essentially". What is worth noting here is that Malthus is advancing a methodological principle (stick to multicausality and realism of hypotheses) that is also a principle for the controversy (keep constantly in mind all the explicit and implicit limiting conditions that may be reasonably presumed to hold) of a tenor almost opposite to Ricardo's "no facts" principle.

D. Between 1815 and 1817: On the growth of wealth, multi-causality, the temporary and the permanent.

Within a short time, the discussion insensibly shifts again, from the topic of rent to the wider topic of the causes of the growth of wealth. A few letters of this phase, between April 1815 and January 1817, include the clearest and often quoted methodological statements.

An already-mentioned claim by Ricardo is that the theory he is putting forth concerning the relationship of the price of corn and the price of other commodities is "*simple*" and that "it accounts for all the phenomena in an *easy, natural* manner" (*Ricardo to Malthus*, 17 April 1815. *Ibid.*, p. 214; emphasis added). Here Ricardo seems to show precisely that "desire to simplify" which in Malthus's eyes is a danger to which "scientific men" often succumb.

Another popular passage from the correspondence occurs a few months later, carrying a comment by Ricardo on Malthus's attitude as a whole:

If I am too theoretical which I really believe is the case – you I think are too practical. There so many combinations –, so many operating causes in Political Economy, that there is a great danger in appealing to experience in favour of a particular doctrine, unless we are sure that all the causes of variation are seen and their effects duly estimated (*Ricardo to Malthus*, 7 Oct. 1815. *Ibid.*, p. 295).

Here Ricardo is appealing again to Malthus's favourite asset, multi-causality. In the previous case, it went with a warning against the danger of mistaking mere coincidences for causal links. Here the methodological import is the same, but the use made of this concept in terms of principles for the controversy is much more sweeping: in fact, Ricardo is giving an argument for disregarding Malthus's second kind of proofs, those based on "experience."

A piece of co-text which discloses Ricardo's appraisal of the status of the controversy at this stage is a letter to Mill of Oct 24 1815 (See sect. **IV. B.**).

A comment by Ricardo at the end of this phase is also a reflection on the whole course of the controversy up to that point. He writes:

one great cause of our difference in opinion... is that you have always in your mind the immediate and temporary effects of particular changes – whereas I put these immediate and temporary effects quite aside,

and fix my whole attention on the permanent state of things which will result from them (*Ricardo to Malthus* 24 Jan. 1817. In Ricardo, 1951-73, VII: 120).

This statement may help us in understanding why Ricardo's retreat from experience does not amount, in his view, to a defeat. He seems to believe that multiplicity of causes is presumably higher during periods of transitory unrest, while a lesser number of causal connections may be presumed to be acting in the following permanent states. One may conjecture that, in Ricardo's eyes, the fewer causes which are able to account for the phenomena of permanent states are, after all, coincident with the "natural and necessary" causes which would act in a state of nature¹⁶. So, on the one hand, by some kind of legerdemain, Ricardo's strong cases are immunized from criticism by being described as hypothetical, but, on the other hand, no further explanation for the permanent states seems to be required, since the strong cases overlap with the permanent states fairly well. It is important to note, yet, that in the passage we are discussing, Ricardo is talking psychology of research more than methodology; besides, he is even in an auto-critical mood. The following reads:

Perhaps *you estimate these temporary effects too highly*, whilst I am too much disposed to undervalue them. To manage the subject quite right they should be carefully distinguished and mentioned, and the due effects ascribed to each (*Ricardo to Malthus* 24 Jan. 1817. In Ricardo, 1951-73, VII: 120; emphasis added).

Let us see now what Malthus's response is: he had already objected, two years before, to Ricardo's proposed "simple doctrine" on the price of corn and other commodities that, even if he thought Ricardo's theory to be "simple just and consistent", yet he thought him "wrong in the application of it" in so far as he expected "similar results when the premises are essentially different" (*Malthus to Ricardo* 18 April 1815. In Ricardo, 1951-73, VI: 216). Ricardo, according to Malthus, was assuming something (a rise in the price of corn) to be the cause of something else (an accumulation of stock and fall of profits) which was simply concomitant with it. The preoccupation manifested by Malthus then was that more variables should be taken into account as we shift from one case to a different one, or from an abstract model to an empirical case. Malthus's reaction to Ricardo's considerations on the role of temporary effects and permanent states reflects the same preoccupation. He first declares his approval (at least to a point) of Ricardo's diagnosis of the status of the controversy. He agrees that "one cause" of their "difference in opinion is that which" Ricardo had mentioned. But he adds:

I certainly am disposed to refer frequently to things as they are, as the only way of making one's writings practically useful to society, and I think also the only way of being secure from falling into the errors of the

¹⁶ On the function of the state of nature in Ricardo see Moore, 1966.

tailor of Laputa [the flying island in Swift's *Gulliver's Travels* whose inhabitants were addicted to visionary projects], and by a slight mistake at the outset arrive at conclusions the most distant from the truth (*Malthus to Ricardo* 26 Jan 1817. In Ricardo, 1951-73, VII: 121-2).

Malthus is methodologically concerned, first, with the practical relevance of economic theory – as opposed to Ricardo's love for truth for the truth's sake – and, second, with the already noted 'corrective' function of the realism of hypotheses, in so far as unnoticed mistakes in the initial assumptions are more easily detected when the deductions drawn from them apply to the observable phenomena of a 'real' world, rather than to the ideal world of strong cases.

Besides these methodological aspects, Malthus singles out two positive doctrines which he believes are at the root of their divergence. The first is Ricardo's belief in a uniform progress, as opposed to Malthus's belief that the progress of society consists of irregular movements, and that to omit the consideration of causes which for eight or ten years will give a great *stimulus* to production and population, or a great *check* to them, is to omit the causes of the wealth and poverty of nations – the grand object of all enquiries in Political Economy (*Malthus to Ricardo*, 26 January 1817. *Ibid.*, p. 122).

And he continues with a methodological comment that brings the issue back to the importance of practice:

A writer *may*, to be sure, make *any hypothesis he pleases*; but if he supposes what is not at all true practically, he precludes himself from drawing *any practical inferences from his hypothesis* (*Ibid.*; emphasis added).

The second positive doctrine, one that Malthus believes to be "a still more specific and fundamental cause of our difference", concerns tastes and wants:

You seem to think that the wants and tastes of mankind are always ready for the supply; while I am most decidedly of opinion that few things are more difficult, than to inspire new tastes and wants (*Malthus to Ricardo*, 26 Jan 1817. *Ibid.*, p. 122).

In other words, Ricardo believes Say's law to hold without exceptions¹⁷, while Malthus had already clarified that he believed it to hold only for such commodities as "the necessaries of life", which only are able to create their own demand via the population principle (*Malthus to Ricardo* 29 Dec. 1814. In Ricardo, 1951-73, VI: 168). All this comes back again to the need for practical relevance of theories. Malthus believes "that *practically* the actual check to produce and population arises

¹⁷ Say's law (let us mention it for the philosophical readership) is the proposition that supply creates its own demand, or that the production of output tends of itself to generate purchasing power equal to the value of that output.

more from want of stimulus than want of power to produce" (*Malthus to Ricardo* 26 Jan 1817, WC, VII: 123) or, in other words, that also long-term effects may be obtained by acting on those causes (having to do with demand) that may create for some time a *stimulus* to production.

Two comments are in order here. The first concerns the example we have met of a shift from the object-level to a meta-level, through Ricardo's assessment of the controversy's status. He proposes a definition of what is at stake and also makes a proposal for a solution (temporary effects should be distinguished, and the due effects ascribed to each cause). Actually, Ricardo describes in terms of psychological propensities the same attitude (preference for multicausality) that he had previously defended on the grounds of the unmanageable complexity of temporary causes. One of our aims is to assess whether such an admission has any bearing on Ricardo's ensuing conduct on the controversy's object-level.

The second remark concerns the adjective "practical". It is used sometimes to refer to what pertains to human needs, sometimes to what occurs in the real world. In the second sense, what is true *practically* is what is proved true by Malthus's second way, that is, "experience". In the first sense it indicates what is "practically useful to society". Understood in this sense, it marks an important explicit disagreement between Malthus and Ricardo. The passage quoted from Malthus should be read as follows: yes, I agree with you (only partially) on the causes of our recurrent disagreement; this is (just) one cause of our disagreement, but I can advance two good reasons (what you can't do) for my propensity; the second is the already mentioned function of the realism of hypothesis as a safeguard against unnoticed mistakes in deductive chains; the first is my 'presumption' that scientific truth must also be useful. It is important to note that Ricardo's opposite presumption, that scientific truth is truth for the truth's sake, had been expressed earlier, and that Ricardo's following letter does not apparently reply to this one. It would have been extremely important for us to discover how Ricardo modified or qualified his presumption once this had been challenged by the formulation of an opposite one. Another goal we should pursue is to assess how these opposite (and from now on explicitly formulated) presumptions had a bearing on the choice of criteria to assess the achievements of science and of viable argumentative strategies in favour of given theories.

E. Ricardo's *Principles*

A peculiar feature of Ricardo's *Principles* is the scarcity – not to say absence – of methodological considerations. This is no conclusive proof for Schumpeter's claim regarding Ricardo's 'unphilosophical' attitude¹⁸. We believe that methodological considerations are almost absent from the *Principles* for reasons other than lack of methodological awareness.

Despite Ricardo's renown as having given a systematic character to economic science, the *Principles* are far from systematic. The theoretical part of the work consists of the first seven

¹⁸ Ricardo's "busy and positive mind had no philosophy at all" (Schumpeter, 1954, p. 471).

chapters, dealing virtually with one entry of Smith's table of contents, namely value theory. The remainder consists of a (James Mill's promised editorial advice notwithstanding) somewhat loose arrangement of chapters covering questions of 'applied' theory, mainly taxation. This structure of the work may be thought to derive from Ricardo's strategy with regard to his 'paradigm' or 'exemplar'. He admits that political economy has been "improved" by the writings of Adam Smith, an author who "so justly excites" much admiration, and other able writers (i.e. Turgot, Stuart, Say, Sismondi, and others). Yet, he feels that Smith and the others "afford very little satisfactory information respecting the natural course of rent, profit, and wages", or on "the principal problem in Political Economy". The missing piece of the puzzle has been provided by Malthus's and West's theory of rent. Ricardo's self-appointed task is "to supply this deficiency" in Smith's work, by highlighting a few of the "many important truths" which can be discovered after the missing piece has been supplemented in Smith's incomplete puzzle. Ricardo's task concerns "the laws of profits and wages" and "the operation of taxes" (Ricardo, [1817], pp. 5-6).

Ricardo's strategy is the typical puzzle-solving strategy of a 'paradigmatic' scientist in Kuhn's sense. Let us note that Ricardo's 'exemplar' is *The Wealth of Nations* supplemented by Malthus's "Inquiry into the Nature and Progress of Rent". This accounts perhaps for the absence of a systematic treatment of methodological matters: in fact, the *Principles* are not a systematic 'treatise' on political economy, but only an 'essay' on value-theory and taxation. Yet, even that strategy is guided by a methodological rule – tacitly accepted here but spelled out more than once in the correspondence with Malthus – namely a desire to account for all the phenomena "in an easy and natural manner", or, in Malthus's words, "a desire to simplify".

Of the very few explicit methodological statements in the work, the first worth mentioning is the well-known definition of political economy (or of most of political economy), as a science dealing with the "principal problem" of the determination of "the laws which regulate this distribution", or "the proportions of the whole produce of the earth which will be allotted to each" of the three classes of which society is composed (Ricardo, [1817], p. 5). That definition, in so far as it bears on the whole science, has been often contrasted with that of Malthus, centred on causes rather than on laws, and focusing on the growth of wealth, rather than on its distribution.

It is important to note that this definition is closely associated with the most fundamental innovations in the work around which Ricardo's whole project turns. These innovations are: (i) the choice of a labour value theory as the (tendentially) universally valid theory; (ii) the use of the idea of a state of nature (Adam Smith's "rude and early state of society") as the key theoretical device. The first step taken by Ricardo is to use Smith's expression "natural price" as meaning "production costs". The second is to assume that production costs are basically identical with wages. The third is to work out a simplified scheme of the evolutionary process leading from the state of nature to capitalist society including only two stages (instead of the four stages allowed for by Adam Smith). These are a simple market economy (of self-employed workers using no capital goods) and a capitalist economy (of capitalists whose production costs consist entirely of salaries).

It is worth noting also that the first and (partially) the second step are introduced by Ricardo by means of definitions. These are typical examples of those "innovations in language" against which Malthus reacted more than once because of their arbitrariness. Obviously, Ricardo's was an innovation in matters of theory, not of definition; and we need to clarify what kind of reasons Malthus had for expressing his dissent from Ricardo on these points in terms of charges of misuse of language. As regards the third step, it is worth noting that there was one unspoken assumption, and that this was probably essential if Ricardo's line of argument were to hold, namely the assumption that two transitions occurred simultaneously: (i) from a classless to a class society; (ii) from an economy where the ratio of living labour to labour embodied in raw materials is uniform throughout the different lines of production to an economy where this ratio varies from one industry to another. On the basis of this assumption, Ricardo attacks Smith for having denied some basic continuity between the mechanisms of price determination in pre-capitalist and capitalist economies. The complicating factors of accumulation of capital and division of labour are said to be of minor importance, and relative values to be still regulated by labour costs, though now only *roughly and predominantly*¹⁹.

Laws are mentioned again at other places in the work, along with tendencies and axioms (See Ricardo, [1817], pp. 67, 108). On one occasion, also the expression "laws of nature" appears, in a typically Malthusian sense, describing what has "limited the productive powers of the land" (Ricardo, [1817], p. 126). The term "axiom" is mentioned when Ricardo complains that the "opinion that the price of commodities depends solely on the proportion of supply to demand "has become almost an axiom in political economy" (Ricardo, [1817], p. 382). The qualifier "almost" implies that it is not a real axiom; in fact, this alleged axiom "has been the source of much error in that science" (*Ibid.*). The term "tendency" occurs twice, once in connection with a claim that a few economic tendencies described by Ricardo are as certain as the "principle of gravity" (Ricardo, [1817], p. 108) and the other time equating the natural tendency of profits to decrease with a "gravitation as it were of profits" (Ricardo, [1817], p. 120).

A couple of times mention is made also of questions of language and definitions, even if Ricardo is careful in avoiding such a mention with regard to his most sensitive point, the equation of natural price and production costs. Awareness of the gap between ordinary and scientific language, which had already emerged in the correspondence with Malthus, is testified by the

¹⁹ See Moore (1966), who argues that on "at least one issue Ricardo did retreat from the positions he had taken in the first edition: under pressure from Malthus, he revised his "theory of pre-capitalist price" with an "explicit denial of an earlier claim" (p. 79); yet, after abandoning in the third edition the claim that in *any* economy, capitalist or pre-capitalist, prices are determined solely by labour costs" (*Ibid.*), and having reduced the discussion of pre-capitalist economy, from one of historical facts, to a discussion of hypothetical models different from capitalist economy only in questions of degree, he still sticks to a "discussion of pre-capitalist price that has been altered in such fashion as to render most of it redundant and the rest trivial" (p. 86). Moore concludes that Ricardo was not the first (following Hobbes, Locke, and Smith, "to argue from a tendentiously simplified model of society, alternatively appealing to it as historical fact and apologizing for it as analytic fiction. Nor did he invent the practice of reasoning in a circle from the essential to the original and back again" (p. 89).

splitting into two of the concept of rent in ch. 2: "in popular language, the term is applied to whatever is annually paid by a farmer to his landlord" (Ricardo, [1817], p. 67), while political economy needs to distinguish between rent and profit. In ch. 28 mention is made of the possibility of a proposition "being meaningless", if one talks of high or low value of commodities in different countries without specifying "some medium in which we are estimating them" (Ricardo, [1817], p. 377).

F. Malthus's *Principles*

The publication of Ricardo's *Principles* seems to have acted as a catalyst of differences. In March 1817 Ricardo believes that on some points "there is no difference" between himself and Malthus, and on others their "chief disagreement would be in the mode of representing them". He believes that Malthus would "object to the correctness" of many terms as they were used by himself, and still he believes he would agree "with much of the matter" (*Ricardo to Malthus* 26 March 1817. In Ricardo, 1951-73, VII: 145). In an important piece of co-text, a letter to Trower (see sect. IV. B.), he admits that his discussions with Malthus were useful in order to clarify his own thought.

A change in the atmosphere takes place as soon as Ricardo's *Principles* are published. In fact, Malthus raises objections that he believes to verge on basic issues (See *Malthus to Ricardo* 21 Oct. 1818. *Ibid.*, p. 312) and discloses the intention to present these objections in detail in his own *Principles*, while presenting an alternative system (*Malthus to Ricardo* 3 Dec. 1817. *Ibid.*, p. 215). After publication of Malthus's *Principles* in 1820, for a time the controversy is brought back again to methodological divergences.

Let us see, first, what methodological claims in Malthus' *Principles* may be read as responses to Ricardo's counterclaims advanced in previous phases of the controversy. A preliminary remark is in order. Malthus's work, even if in the author's intentions it was meant also as a response to Ricardo²⁰, differs from the latter's *Principles* in several respects. Malthus, no less than Ricardo, accepts *The Wealth of Nations* as the paradigmatic work; he even insists that this work "is still of the very highest value" (Malthus [1820], I: 5) and that accordingly, "till a more general agreement shall be found to take place, both with respect to the controverted points of Adam Smith's work, and the nature and extent of the additions to it... it is obviously more advisable that the different subjects which admit of doubt should be treated separately"; thus, a "consistent whole" may be the final output of a phase of discussion in which what is true may be separated from what is false (*Ibid.*). That is, both Ricardo and Malthus believe that their contributions fit in a "paradigmatic" phase whose paradigm-constituting exemplar is *The Wealth of Nations*; yet Ricardo believes that there was one big puzzle to be solved, namely value theory, and that his own solution to the puzzle has given the paradigm more stability. Malthus, though a more fervent admirer of Adam Smith, believes that there is more than one puzzle to solve, and that it is important to keep

²⁰ See Pullen 1989, pp. xxxv-xxxvi.

the discussion open on all the controversial points, while avoiding any rash unification of economic doctrines into a new "consistent whole". Thus, some ambivalence may be detected in Ricardo's and Malthus's attitude to *The Wealth of Nations*: the warmer admirer is also the one who believes there is still a greater number of dubious points in it. This attitude explains, on Malthus's side, why his *Principles* had a more complex and 'open-ended' structure than Ricardo's. Malthus indeed had been pondering over publishing a collection of essays instead of a unified work (*Malthus to Ricardo* 18 Oct. 1818. In Ricardo 1951-1970, VII, p. 312) in so far as the time looked to him "unpropitious to the publication of a new systematic treatise on political economy" (Malthus [1820], I: 5). The choice to discuss extensively methodological issues in the preface should be located within the above framework: differences on positive issues are intertwined with different attitudes in *method* and, in order to highlight the reasons supporting his viewpoints he believes he needs to resort to *methodology*. For example, Malthus differs from Ricardo on such matters as rent and effective demand precisely in so far as he thinks that more factors are at work, and so his own treatment of those points needs to be located within a treatment of other aspects of political economy; those which for Ricardo are given or 'frozen'.

This difference in overall intellectual strategies carries different strategies in the reading of *The Wealth of Nations*: Ricardo, as we have noticed, concentrates on one "puzzle" in the paradigmatic work; Malthus on the one hand depicts himself as the truest follower of Adam Smith, on the other believes that no point of the science should be taken for granted, and that what Adam Smith had chosen to leave in his unpublished papers, namely discussion of anthropological and methodological assumptions, should be brought to the forefront of a treatise in political economy²¹²¹. One of the questions we should try to answer is: what are the implications of the presence or the absence of methodological comments in systematic works like these?

Adam Smith was hardly unphilosophical, but while writing one of the first systematic works in political economy, he meant it as an argument against the "mercantile system"; as a consequence, even if he had a quite clear picture of the 'Newtonian' method he was following when transforming a branch of natural jurisprudence into an 'experimental' theory of the workings of commercial society, he chose to put – in his own words – "Ciceronian" persuasion, not "Newtonian" explanation in the forefront, that is, he gave his work the shape of an essay addressed at a non-academic public and starting with the background shared by this public, not that of a treatise presenting systematically the eventual foundations of a science and then developing their applications²²²². In fact, he avoided methodological digressions, did not elaborate on the

²¹ The difference has been described by Sowell in the following terms: Ricardo is the typical paradigmatic scientist, while Malthus stands with one foot inside and one foot outside the classical paradigm (Sowell, 1974, p. 7). This description, that echoes Würzler's (1957, pp. 194-200) claim of a partly "unclassical" character of Malthus's theories, may be a useful characterization of Malthus's way of proceeding, or of his attitude to the *exemplar*, but it may be misleading in so far as it overlooks how much Ricardo had in common with Malthus, or the centrality of Malthus's assumptions for the classical *disciplinary matrix* (see Samuelson, 1978; Dorfman, 1989).

²² On the distinction between a Newtonian method that unifies phenomena connecting them with a few principles and an Aristotelian method which assigns familiar principles to each set of phenomena, avoiding

justification of the hypothetical "principles" he employed in explanation, such as the "propensity to truck and barter", the "desire of bettering our condition", that are assumed to be plausible enough (even in other works he did inquire into their ultimate foundation), had recourse to various rhetorical figures and devices, from metaphor and simile to invective (against landlords, merchants and manufacturers)²³. Ricardo, even if we believe that he was hardly "unphilosophical" and that his "busy mind" made room enough for metaphysics and theodicy, was reluctant to engage in philosophical and methodological discussion. Malthus probably felt the need to introduce sustained methodological comments in his *Principles* in order to show how little should be taken for granted in political economy (and this contrasts with Ricardo's attitude, since Ricardo's *Principles* take most of the contents of *The Wealth of Nations* for granted and concentrate on a couple of points to be improved). This task is plainly carried out through all the remarks that stress the limits to certainty in political economy (See Malthus, [1820; 1836], I: 2; *Ibid.* II: 141-142), as well as the practical character of this discipline (*Ibid.*, I: 12). The repetition of Quesnay's and Adam Smith's iatro-political simile with an appeal to the "healing power of nature" goes in the same direction (See *Ibid.*, I: 20) in so far as it prompts the belief that the economic system always tends to find a way of functioning, thanks to spontaneous adjustments and re-adjustments that overcome obstacles brought about by misdirected interventions.

Malthus's warning against the danger of mistaking commodities for mathematical magnitudes, ignoring their essential connection with human wants and desires, also reveals a similar preoccupation. He writes, referring to Say, Mill, and Ricardo:

they have considered commodities as if they were so many mathematical figures, or arithmetical characters, the relations of which were to be compared, instead of articles of consumption, which must of course be referred to the number and wants of the consumers (*Ibid.*, I: 355).

Other remarks resume one thread of the previous discussion with Ricardo and are overtly polemical with Ricardo's approach. All the discussion of causality is directed against the "precipitate attempt to simplify and generalize"; it is the tendency to hasty simplification and generalization that leads to "unwillingness to acknowledge the operation of more causes than one" (*Ibid.*, I: 6). Along with awareness of the multiplicity of causes, also the existence of feedbacks runs against the tendency to simplification; in many cases the effect "becomes in its turn a cause" (*Ibid.*,

the effort to unify phenomena beyond the habits already acquired by our imagination, see Smith (1980), ii. 134-135. On this distinction, and on the self-aware combination of a rhetorical strategy (based on a kind of Socratic method, or in Smith's words, on "Ciceronian" persuasion), with a 'Newtonian' model of explanation centred on the construction of "imaginary machines" in *The Wealth of Nations* see Cremaschi (1984), pp. 118-126; and Pack (1991), pp. 108 ff.

²³ Pace Vivienne Brown (1994), who believes *The Wealth of Nations* to be "monological" and written in a "didactic" voice, this work is an intervention in a dialogue, whose other "voices" are those of the Physiocrats, of the supporters of the "mercantile system", of the republican social critics and of the Natural Law and Neo-stoic philosophers, and it is hard to make any sense of the work's subtle argument if this dialogue is forgotten.

I: 249).

A third line of argument is centred on "proportions". This line aims at undermining Say's law, in so far as there is always an optimal point beyond which supply of commodities, capital, and productive labour becomes excessive. By undermining Say's law, proportions contribute to make economies more complicated, in so far as every cause may have a twofold effect, and in so far as most of the time the middle point cannot be established with any degree of precision²⁴.

A fourth point is the positive issue of the determinants of relative values in pre-capitalist societies, associated here with a methodological issue, that of language and definitions. Let us recall first Malthus's criticism on value and price. Malthus's attack intends to prove that Ricardo's simplified scheme is not only unrealistic, but also analytically unsound. Malthus introduces conceptual distinctions that Ricardo had omitted. So, Ricardo's pre-capitalist economy is more carefully described as the hypothesis of a classless economy where the durability of a fixed capital and the ratio of fixed to circulating capital are uniform throughout its various sectors. Yet, such a hypothesis does not hold even for one of the simplest instances of an "early stage of society", that of a society of fishermen and hunters. In fact, the different amount of labour required in order to produce arrows and canoes is enough to upset, via the time factor, Ricardo's presupposed proportionality of relative values and labour costs²⁵.

It is worth noting that Malthus's criticism to Ricardo is not for having put forth a mistaken claim, but for having used an arbitrary language; his advice is to stick to the "accustomed and natural meaning attached to the term" (*Ibid.*, I: 216) or the "accustomed language of political economy" (*Ibid.*, I: 212).

G. Between 1820 and 1821: on language and definitions, theory and practice

Ricardo's defensive move, following Malthus's attack, was like the one he had already performed (See *Ricardo to Malthus* 7 Oct. 1815, Ricardo, 1951-73, VI: 295), namely he resorts to stressing the theoretical and 'unpractical' character of his own theory:

After the frequent debates between us, you will not be surprised at my saying that I am not convinced by your arguments on those subjects on which we have long differed. Our differences may in some respects, I think, be ascribed to your considering my book as more practical than I intended it to be. My object was to elucidate principles, and to do this I imagined strong cases that I might shew the operation of those principles (*Ricardo to Malthus* 4 May 1820. In Ricardo, 1951-73, VIII: 184).

²⁴ See Malthus, [1820; 1836], II: 217; I: 515, 518, 352 fn.; see also Malthus's reminder that this "tendency to extremes is one of the great sources of errors in political economy, where so much depends upon proportions" (*Ibid.*, II: 252); and that "all the great results in political economy, respecting wealth, depend upon proportions" (*Ibid.*, I: 432), even if it is not "in political economy alone that so much depends upon proportions, but throughout the whole range of nature and art" (*Ibid.*, II: 269).

²⁵ See Malthus, [1820; 1836] I: 88-91; for comments on this point see Moore, 1966: pp. 83-84.

It is worth noting that, while Ricardo in 1815 had defended his own theoretical attitude by the devious device of a self-criticism verging on psychological tendencies, here he shifts to attacking Malthus; that is, first, he has recourse to one of his usual complaints of misunderstanding, second, he turns the alleged weakness into an advantage (he suggests he has made unrealistic assumptions on purpose, in order to highlight individual causal links).

In another letter, Ricardo comes back again to the topic of language and definitions, but without trying any more the conciliatory move he had tried three years before when he had written: "You may... object to the correctness of many of my terms, as they will appear to you fanciful, and not always properly applied, but making allowance for such deviations you will I am sure agree with much of the matter" (*Ricardo to Malthus* 26 March 1817. In Ricardo, 1951-73, VII: 145). Instead, he now dismisses a number of Malthus's objections on the basis of their "merely verbal" character (*Ricardo to Malthus* 4 Sep. 1820. In Ricardo, 1951-73, VIII: 228). Here, as with regard to the previous point, the reader should note a kind of escalation in the controversy, particularly on Ricardo's side. Ricardo's reactions after the publication of Malthus's *Principles* as disclosed by his correspondence with McCulloch (see sect. V. C.). Taking these reactions into account, one may think that Ricardo at this stage began to perceive the gap between himself and Malthus as widening.

Malthus seems to overlook the charge that several of his objections are merely verbal; he concentrates on Ricardo's criticism of his definition of value and responds by denying that it is "merely a question of arbitrary definitions" and by invoking the test of "the relative *utility* of the two definitions" of value "in an inquiry into the nature and causes of wealth" (*Malthus to Ricardo* 25 Sept. 1820. *Ibid.*, VIII: 261).

Ricardo's answer makes the divergence on the definition of value dependent on a divergence on the definition of political economy. He writes:

Political economy you think is an enquiry into the nature and causes of wealth – I think it should be called an enquiry into the laws which determine the division of the produce of industry among the classes who concur in its formation. No law can be laid down respecting *quantity* but a tolerably correct one can be laid down respecting *proportions*... the former inquiry is vain and delusive, and the latter only the true object of science (*Ricardo to Malthus* 9 Oct, 1820. *Ibid.*, p. 278-9, emphasis added).

It is worth pointing out, besides the fact that Ricardo assigns to scientific inquiry the discovery of laws, not causes, as its task, his avowal of the limits beyond which a scientific treatment of economic phenomena becomes delusive. The price to be paid for a higher degree of exactness – now Ricardo seems to be prepared to admit the full consequences of his often-repeated distinction between "fact" and science – is a more restricted scope of inquiry. Malthus's answer comes back again to a familiar point, namely Ricardo's reduction of political economy, from a science "practically useful", to "one which would merely serve to gratify curiosity" (*Malthus to Ricardo* 26

Oct. 1820. *Ibid.*, p. 286).

In another letter by Ricardo, commenting on Malthus's *Principles* on the function of demand, the question of intervals and permanent states comes back again. Ricardo is able to see Malthus's point but, after all, the difference between them seems to be that of *caring* or *not caring* for what happens in the short run. Ricardo concludes as follows:

I acknowledge the intervals on which you so exclusively dwell, but still they are only intervals (*Ricardo to Malthus* 24 Nov. 1820. *Ibid.*, p. 302).

H. Ricardo's *Notes on Malthus*

The *Notes on Malthus* by Ricardo were written right after publication of Malthus's *Principles* with a view to publication. Then Ricardo was persuaded by James Mill that they were of too limited interest to the public to be worth publishing²⁶. Malthus asked Ricardo for his *Notes* in order to take them into account in a second edition of his *Principles* (*Malthus to Ricardo* 27 Nov. 1820. *Ibid.*, p. 308). It is well-known how this edition was delayed for sixteen years and finally appeared posthumous and thus it is far from clear how much of the notes was taken into account by Malthus when revising his own work (on this point see sect. **IV. H.**).

The discussion was interrupted by Ricardo's sudden death in 1823, but already in 1820, after Malthus's *Principles*, the perception of an unbridgeable cleavage may have imposed itself on Ricardo's mind. He seems, for a time, either to have lost any hope of conquering his friend's mind or to have ceased to believe in the usefulness of discussion even as a means of clarifying his own mind. While keeping amicable terms with Malthus, his correspondence with McCulloch bears witness to his half-aware complicity in a 'war' waged against Malthus by the would-be exponents of the Ricardian alignment (see sect. **IV. C.**).

Let us see, first, what are the points on which Ricardo's criticism focuses. It is worth noting that Ricardo avoids any comment on the methodological introduction to Malthus's *Principles*. Yet, he commented on that point in a letter to Mill (See sect. **H. C.**). The points on which Ricardo concentrates in the *Notes* are instead particular points of doctrine: the measure of value, profits, and salaries.

In this connection, Ricardo's admission that in no economy labour costs alone determine relative values, which amounts to an admission of his having been wrong in the *Principles*, is of the utmost importance. He writes:

²⁶ The doubt is legitimate whether this was one more piece of ill-advice by James Mill. In fact, the latter, instead of keeping in mind a dispassionate consideration of the real interest of the public, possibly wanted to avoid paying too much attention to Malthus's positions in public as a means of marginalizing him, more through boycott than by argument. This tactic matches McCulloch's successful attempt to suppress any echo to Malthus's work on the *Edinburgh Review*. On public reactions from various sides to Malthus's *Principles* See James, 1979, pp. 310-16.

In all the observations of Mr. Malthus on this subject I most fully concur. I have myself stated that in proportion as fixed capital was used; as that fixed capital was of a durable character; and in proportion to the time which must elapse before commodities can be brought to the market, the general principle of the value of commodities being regulated by the quantity of labour necessary to their production, was modified; but I was of opinion, and still am of opinion, that in the relative variety of commodity, any other cause, but that of the quantity of labour required for production, was comparatively of very slight effect. Mr. Malthus remark that this cause operates in every stage of society is most just. (Ricardo, [1928], 23, pp. 58-59).

It is important to note that, in the third edition of the *Principles*, Ricardo will modify substantially his previous claims on the determinants of relative values in a pre-capitalist economy (See sect. III. I.). Nevertheless, here Ricardo does a typical controversialist's move: he admits first that Malthus was right on a certain point, and then he immediately adds that this is also what he meant ("In all... I *most fully* concur"); he then declares that this point has "comparatively" a "very slight" importance. Yet, in the third edition of the *Principles*, he will change his position (with no acknowledgment to Malthus) and will argue that the difference between them is just a matter of *more* or *less*: that is, prices are more or less frequently in a direct proportion to labour costs respectively in a pre-capitalist or in a capitalist economy. It is worth noting that also rephrasing questions in terms of more or less, instead of yes or no, is another recurrent move in controversies.

One of the methodological issues on which Ricardo and Malthus had different views, the topic of language and definitions, shows up also in the *Notes*. Ricardo responds to Malthus's criticism of blurring "the very important distinction between cost and value". He contends that if Malthus by cost means cost of production "he must mean what Adam Smith calls natural price, which is synonymous with value". He continues:

The real value of a commodity I think means the same thing as its cost of production, and the relative cost of production of two commodities is nearly in proportion to the quantity of labour bestowed upon them. There is *nothing arbitrary in this language*; I may be wrong in seeing a connection where there is none but then the objection rests on an error in principle, and not on *an error in nomenclature* (*Ibid.*, 11, p. 35; emphasis added).

It is worth noting that Malthus, here as well as at other points, is trying to interpret doctrinal differences in terms of questions of appropriateness of definitions, faithful to his principle that the language of science should neither be drastically separated from ordinary language nor be based on arbitrary definitions, but should rather conform to the usage of "the most educated part of society". Ricardo on the contrary relies on the presumption that the language of science should be artificial for clarity's sake (and we have argued that he was comforted in his presumption but the teachings of Belsham)²⁷. The use of the hedge "nearly" in the quoted passage deserves to be

²⁷ See Cremaschi and Dascal, 1996a.

noted. Ricardo adds, *à propos* his use of the term "natural value": "If then my expression conveys the same meaning as cost of production, it is *nearly* what I wish it to do" (*Ibid.*, 11, pp. 34-35; emphasis added). This "nearly" corresponds to the clause "almost exclusively" that – we shall see – will be introduced systematically in the third edition of the *Principles* as a qualifier to the claim that exchange value depends on costs of production. By doing this, an important retreat by Ricardo is presented in terms of near continuity with what he had been saying before. On a few occasions, such as the discussion of the identity of "natural price" and "cost of production", he holds that Malthus's is a "dispute about words" (*Ibid.*, 143, p. 225; see also 145, 160, 165, and 171, pp. 227, 250, 259, and 266). On another occasion, discussing Malthus's use of the word "cost" and the question of a measure of value, he throws the charge of ambiguity and inconsistency back on Malthus (*Ibid.*, 173 and 63, pp. 273 and 126).

Another related point that is raised concerning accumulation is the recurrent issue of the abstract character of scientific terms, earlier raised by Malthus in the correspondence. Ricardo takes up both Malthus's distinction between two senses of "accumulation", namely the economic sense of the term and that of "hoarding", and the preoccupation to keep a constant distinction between economic terminology and ordinary language. We have mentioned that he may have had in mind both Malthus's and Belsham's lessons. Here Ricardo attacks Malthus on having lapsed himself sometimes into the prejudices conveyed by popular language:

The word accumulation misleads many persons and sometimes I think it misleads Mr. Malthus. It is by many supposed that the corn is accumulated, whereas to make such a capital productive and to increase wealth it must be constantly consumed and reproduced (*Ibid.*, 208, p. 320fn).

We come now to the most interesting point of this section. Ricardo addresses the *status quaestionis*: he tries to show that the discussion should be confined to well-defined, factual matters, appealing to one of his favourite methodological theses, that is, the need for a sharp distinction between value judgments and statements of fact, on the presumption that a value-free social science is possible. Political economy, he says, should not consider what is "morally useful" but only what is "great or little" (*Ibid.*, 126, p. 210). Accordingly, while commenting on a sentence by Malthus where reference is made to "a gift of Providence" he declares that he "does not agree that in a treatise on Political Economy it ["the gifts of nature"] should be so considered" (*Ibid.*); in fact, it "may be better for the health of my friend, that I should restrict him to a pint of wine a day, but my gift is more valuable if I give him a bottle a day" (*Ibid.*); so, we should not ask

whether the Creator did not consult our real happiness by limiting the productive powers of the land, but whether the fact be not, that he has so limited it, – He has given us an *unbounded* supply of water, of air, and has set *no limits* to the use we may make of the pressure of the atmosphere, the elasticity of steam and many other services rendered to us by nature (*Ibid.*; emphasis added).

Therefore, his "great complaint" against Malthus

is that he is *constantly departing from the question in dispute*. He first begins by disputing the position whether certain measures will make corn cheap, but before the end of the argument, he is endeavouring to prove that it would not be expedient that it should be cheap, on account of the moral effects which it would have on the people. These are *two very distinct propositions* (*Ibid.*, 225, pp. 337-8; emphasis added).

Here the issue is the scope of political economy and its greater or lesser autonomy from the wider field of moral and political science. It is worth noting that, with regard to this issue as well as to others that emerged previously, Malthus constantly manifests the tendency to try to shift to wider questions (his predilection for discussions about methodology and about the definition of political economy as opposed to Ricardo's reticence is a good example thereof) and Ricardo constantly tries to stick to questions of detail. This is one more typical feature of controversies: each contender seems to be inevitably led to try to shift the ground on which the battle is fought, according to its being apparently more or less favourable to himself.

It is worth noting that this phase of the controversy is exceptionally well documented, since we may compare Ricardo's reactions to Malthus's *Principles* in the *Notes* (made available to Malthus) and those he manifested in letters to Mill, Trower, and McCulloch which were not available to Malthus (see sect. IV. C.).

I. In and about the third edition of Ricardo's *Principles*: On value and machinery.

The third edition of Ricardo's *Principles* contains important changes in value theory, as well as the celebrated chapter on machinery. This chapter gives occasion to a brief exchange of opinions. A wider discussion takes place on the topic of an invariable measure of value, a discussion that yields a few published or unpublished essays on the issue.

Let us consider first, what is perhaps the apex of the most important positive contribution to the controversy, namely Ricardo's modifications to his own theory of value in the third edition of the *Principles*. Ricardo's modifications imply an admission that Malthus was right in principle as regards the determinants of relative value in a pre-capitalist economy. The assertion that in the "early stages" of society labour cost is the sole determinant of price is denied, and Ricardo's description of the pre-capitalist economy is explicitly presented as a purely hypothetical model. In fact, a paragraph added in the third edition to chapter 1, at the beginning of section iv, starts with the following words:

In the former section we have *supposed* the implements and weapons necessary to kill the deer and salmon, to be equally durable, and to be the result of the same quantity of labour... but in *every* state of society, the tools, implements, buildings, and machinery employed in different trades may be of various degrees of

durability, and may require different portions of labour to produce them (Ricardo, [1817], p. 30; emphasis added).

We face here another typical pragmatic feature of controversies, namely a *shift in the argument's direction*. What happens is that Ricardo accepts totally Malthus's criticism, and then proceeds to show how his previous general line of argument may be kept, since what he has admitted is only a small difference: while he accepts now the falsity of the proposition that in any economy relative values are determined solely by labour costs, he does not accept Malthus's claim that in the earlier stages of society relative values were less frequently in proportion to labour costs, and he claims that the former and the latter were *more nearly* proportionate than they are in a capitalist economy. No argument is offered to support this claim, which is in fact nothing else than a less absolutist version of his previous pure labour theory of the determinants of relative values. The typical mark of Ricardo's tactics is his substitution, in the third edition, of the expression "almost exclusively" for the word "solely" that appeared in the first edition as a qualifier in all statements concerning the role of labour costs in determining relative values. Thus, Ricardo succeeds in sticking to his main line of argument even if abandoning its main premise. Far from drawing consequences from claims or observations eventually refuting some conclusions (as any Popperian economist should do), Ricardo sticks to the deductive chain as a whole, while modifying the main premise to such an extent as to ward off criticism. In other words, his 'derivation' of the capitalist economy from the primitive economy is kept but substituting (as far as determinants of relative values other than labour costs are concerned) "a temporal transition from 'none to some' with a temporal transition from 'less to more'"²⁸.

Another relevant feature in the third edition of the *Principles* is a drastic change of views on salaries and technical innovation in the new chapter on machines. In this chapter, Ricardo endorses the conclusion that the replacement of human labour by machinery often runs against the interests of the working class, in so far as it may raise the net revenue of a society while diminishing its gross revenue (that is, a revenue in which wages are included). Curiously enough, even if not surprisingly, in following letters it is Malthus who tries to stem these 'Malthusian' consequences drawn by Ricardo. The familiar opposition of theory and practice comes back again in this connection. Malthus says he agrees with Ricardo "in the theory" of his proposition, but "practically" he thinks "that the cases are very rare" (*Malthus to Ricardo* 16 July 1821. In Ricardo, 1951-73, IX: 18) and adds that they "may however consistently differ in the application of a principle" in which they agree (*Ibid.*, p. 21).

Note that, while the device employed (the distinction between "theory" and "practice") is typically Malthusian, the positions on positive issues are inverted. With the machinery chapter, as Ricardo himself avowed, he had made indeed an important "concession" (Ricardo to Malthus, 21

²⁸ See Moore, 1966, p. 81. This is a striking example of a recurrent feature of controversies: the attempt to overstress or deemphasize counter-instances by clauses such as "almost" and "predominantly", according to the *direction* each part wishes to give to the argument.

July 1821. *Ibid.*, p. 23). The question is: why both changed positions? For Malthus, the first half of the answer has to do with political consequences of economic theory: he notes that Ricardo has "used one expression which is liable to be taken fast hold of by the labouring classes" (*Malthus to Ricardo*, 16 July 1821. *Ibid.*, p. 18). But this is only one half; he adds that perhaps Ricardo has "not fully considered all the bearings of [his] concession on the other parts of your work" (*Ibid.*, pp. 18-19) and then proceeds to point out a supposed inconsistency by Ricardo, which the latter promptly denies to be such (*Ricardo to Malthus*, 21 July 1821. *Ibid.*, p. 23). Even if the alleged inconsistency was based on a misreading of a statement by Ricardo, Malthus's argument is typical: he tries to limit the consequences of Ricardo's argument (against which he has no objection in principle) because of its possible implications for other parts of the theory (on which basically both agreed). This may reveal different priorities assigned by each of them to different parts of the theory, or two different hierarchies on what was the 'core' and what the 'periphery' in their research programs.

Ricardo's defence consists, first, in objecting that it is not true that – as Malthus contends – "repeated experience" proves "that the money relative value of labour never falls till many workmen have been for some time out of work". Having thus once more dismissed Malthus's favourite way to proof, he comes back to the way he prefers all "general reasoning" – he contends – supports his view (*Ricardo to Malthus* 21 July 1821. *Ibid.*, p. 25).

At this point one of the few pieces of co-text on Malthus's side occurs, namely a letter to Sismondi where he discloses an assessment of the status of the public controversy (see sect. **IV. D.**). Another piece of co-text occurring at the same stage is made of reactions to the chapter on machinery disclosed to Ricardo (see sect. **IV. E.**).

J. Between April and August 1823: on an invariable measure of value.

The last topic discussed during Ricardo's lifetime is the issue of an invariable measure of value. This final phase starts with Malthus's *The Measure of Value* (See Malthus, [1823]) and with a letter by Ricardo of 29 April 1823 (Ricardo, 1951-73 IX: 280-284) commenting on this text. The contents of this letter as well as of the following ones mirror the contents of his manuscript *Notes on Malthus' 'Measure of Value'*. What is discussed in this phase is a topic on which the controversy had already focused for a time, in connection with Malthus's *Principles*, Ricardo's *Notes on Malthus*, and the third edition of Ricardo's *Principles*. Here Ricardo introduces changes in his previous views. In his *Principles*, Malthus had proposed labour commanded as a measure of value alternative to Ricardo's proposal, namely, labour embodied. At this stage, Ricardo's response was to emphasize invariability as a requirement for a suitable measure. Subsequently, he increasingly recognized that perfect invariability is an unattainable goal and that, if Malthus's proposed measure is arbitrary, so too is Ricardo's, and the question becomes one of the greater or lesser disadvantage carried by each proposed measure. This is the line of argument followed in the third edition of the *Principles*, in the essay on *Absolute Value and Exchangeable Value*, in the *Notes on*

Malthus' 'Measure of Value' (see sect. **IV G**) and in the last letters²⁹.

Also in the letters to Malthus, the measure proposed by the latter is now considered to be a plausible one, even if only for the most simple kind of economy, where all commodities were produced by labour employed only for one day, for ex. an economy where laborers picked up shrimps or grains of gold on the sea shore, and thus there would be no capital employed and no profit. Ricardo's proposed measure, labour embodied, is said to be valid for a different kind of economy, with *no advantage in principle*, since it would be too variable a measure.

The final letter contains Ricardo's last attack on Malthus, who is still defending his own proposal for an invariable measure of value, not yielding to Ricardo's verdict of a failure by both. The attack is typically Ricardian in style, since it consists of a *reductio ad absurdum* of Malthus's argument. He writes:

You cannot avail yourself of the argument that a foot may measure the variable height of a man, altho' the variable height of a man cannot truly measure the foot, because you have agreed that under certain circumstances the man's height is not variable, and it is to those circumstances that I always refer. You say of my measure, and say truly, that if all commodities were produced under the same circumstances of time & c.a as itself, it would be a perfect measure; and you say further that is now a perfect measure for all commodities produced under such circumstances. If then, under certain circumstances, mine is a perfect measure, and yours is always a perfect one, under those circumstances certain commodities ought to vary in these two measures just in the same degree. Do they so? certainly not; then one of the measures must be imperfect (*Ricardo to Malthus* 31 Aug. 1823. *Ibid.*, p. 380).

K. In 1823: On the status of the controversy

In the last months of Ricardo's life, a change occurs also in Ricardo's appraisal of the status of the controversy. At the time of his *Notes on Malthus*, Ricardo appeared rather self-confident, either suggesting that he always meant what Malthus had argued (see Ricardo, [1928], 23, pp. 58-59), or claiming he had been misunderstood (*Ibid.*, 270, 276, and 312, pp. 402, 455, and 448), or levelling at Malthus the charge of ambiguity in the use of language (*Ibid.*, 173 and 63, pp. 273 and 126), or trying to reduce Malthus's objections to disputes on words (*Ibid.*, 143 and 160, pp. 225 and 250). He also issued rather harsh judgments on Malthus's alleged inconsistencies in his letters to Mill, Trower, and McCulloch (See sect. **IV. C.**). At the beginning of the last phase, he writes to McCulloch that Malthus's argument in *The Measure of Value* appeared to him "fallacious from beginning to end" (*Ricardo to McCulloch*, 3 May 1823. In Ricardo, 1951-73, IX: 287); and in his *Notes on Malthus' 'The Measure of Value'* he first attacks him for vicious circularity ("you make use of the word value to explain what you mean by the word value", Ricardo, 1992, p. 7), then claims that Malthus "allows the whole for which I contend" (*Ibid.*, p. 13), and, while admitting that "all the phenomena of political economy may be explained with any measure however arbitrarily selected"

²⁹ See Porta, 1992, p. xiv.

(*Ibid.*, p. 12), contends that Malthus's is "an arbitrary selection not founded on any sufficient reason and therefore unsatisfactory as a scientific measure" (*Ibid.*, p. 14). Shortly after, however, he admits that, if Malthus's proposals are untenable, so are his own, and that they "have both failed" (*Ricardo to Malthus* 15 Aug. 1823. In Ricardo, 1951-73, IX: 352; see also *Ricardo to Malthus* 3 Aug. 1823. *Ibid.*, p. 325).

To sum up: in this phase, an incurable disagreement on the scope, method, and function of political economy is left as a matter of fact; Ricardo abandons the (typically Malthusian) strategy he had adopted for a short time after Malthus's *Principles*, of resorting to methodology in order to defend positions under attack on the positive level; he comes back to a more direct defensive tactic, that is, trying to find a positive response to Malthus's criticism on a point of positive doctrine.

Ricardo's last letter contains a kind of epitaph to their correspondence, as if he had a foreboding that this should have been the last letter. Both Malthus's and Ricardo's first letters of June 16 and June 18 1811 had suggested "an amicable discussion in private" (Ricardo, 1951-73, VI: 21, 24) as a means of removing "the few objections" which prevented them "from being precisely of the same opinion" (*Ibid.*, p. 24). Now Ricardo concludes:

Like other disputants after much discussion *we each retain our own opinions*. These discussions however never influence our friendship (*Ricardo to Malthus* 31 Aug. 1823. In Ricardo 1951-73, IX: 382; emphasis added).

This conclusion by Ricardo is important insofar as it discloses what might be Ricardo's final appraisal of the value of controversies for the growth of knowledge and of their impact on the shaping of opinions. Here, even if Ricardo may be thought to refer just to the last cycle in the controversy, on the measure of value, he seems to believe that the controversy as such had little effect in *modifying* both opponents' opinions; yet we should not forget that five years earlier he had declared in a letter to Trower that the exchange with Malthus had actually helped him in *clarifying* his own views (See sect. IV. B.). Our impression is that in the course of the various phases of the controversy, both opponents aim at *self-clarification*, not at *victory or persuasion*³⁰.

So, the most famous correspondence between economists ended. And so, ends too our reconstruction of the primary text. We proceed now to locate the text within the framework of co-text and context.

IV. THE CO-TEXT

A. Paley and Belsham

A co-text, when understood in a comprehensive way, includes all texts by the author himself or by other authors which influenced the performance of those linguistic acts performed in

³⁰ At least this is what both seem to admit at the end of one cycle in the controversy, namely the discussion of corn laws in 1814-15 (see sect. III. B.), and what Ricardo admits in a letter to Trower (See sect. IV. C). We elaborate on this point in Cremaschi and Dascal, 1996b.

the course of the controversy. In a narrower sense, it includes the records of all sorts of 'meta-controversy' statements, i.e., the statements by the author himself or by others either on the subject of the controversy or on its status or on disputes and controversies in general.

In the former sense, we may reconstruct a co-text both on Malthus's and on Ricardo's side. On Malthus's side it would include his writings not available to Ricardo, that is, his manuscript notes on Adam Smith³¹ and his early pamphlet *The Crisis*. The importance of both to an understanding of Malthus's overall design of a science of society should not be underrated, granted that the scope of political economy was one of the sources of disagreement and misunderstanding between Malthus and Ricardo. In particular, *The Crisis*, a writing whose content we know only through a summary and a few quotations by William Otter³², is decisive for understanding Malthus's conception of a science of society, a science based on an awareness of the limits to human development and of the existence of "retrograde" as well as of "progressive" movements in the evolution of human societies – a conception that Ricardo may have never had grasped as a whole. Needless to say, this missing piece of co-text might have been at the root of a great deal of misunderstanding between them.

Besides Malthus's writings (probably) unknown to Ricardo, works by other authors with whom Malthus was conversant included probably a more explicit statement of views held by Malthus, never spelled out in full detail in his exchange with Ricardo. We have discussed at some length elsewhere³³ which works and authors were apparently familiar to Malthus and Ricardo in various phases of the controversy and which works presented views that, on the basis of internal or external evidence, may be thought to have been shared by each of them or both. As far as Malthus is concerned, Dugald Stewart's *Elements* and William Paley's *Principles* may be the main items of this part of the co-text. In these works, the case for "philosophic Whiggism" – a political outlook shared by Malthus but hardly comprehensible to Ricardo, who had received his political imprint at the Essex Street Chapel, in a milieu of Dissenters and Radicals – was argued for at length³⁴. In Paley's works a number of anthropological doctrines, on which Malthus relied without ever arguing them in any detail, were illustrated diffusely, the most curious of these being an apology of laziness, the indispensable *vis inertiae* of the moral world³⁵. Note that this doctrine is somehow related with one of Malthus's doctrines Ricardo was less prone to digest, that of the usefulness of unproductive consumption. So, Malthus's wider co-text may be useful in reconstructing the vision he had constantly before his eyes (and that Ricardo was not in a position

³¹ The occasion of one of Malthus's notorious literary misfortunes; see James, 1979, pp. 245-49.

³² See Otter, [1836]; for a reconstruction of the context out of which this pamphlet originated see James, 1979, pp. 46-55.

³³ Cremaschi and Dascal, 1996a.

³⁴ See Paley, [1795].

³⁵ Paley argues, against Hume, that it is impossible to distinguish once forever between idleness and "love for ease". He adds: "If it were possible, in every instance, to give a right determination to industry, we could never have too much of it. But this is not possible, if men are to be free. And without this, nothing would be so dangerous, as an incessant, universal, indefatigable activity. In the civil world as well as in the material, it is the *vis inertiae* which keeps things in their order" (Paley, [1802], 548).

to see it)³⁶.

Of course, we are able to make only guess-work as to what had been read by each opponents: the hard facts are that Malthus was a close connection of Paley and that he looked familiar with Dugald Stewart's *Elements* after he began teaching at the East India College, and that Ricardo never appeared to be acquainted with Paley's books, and he first read Dugald Stewart after the publication of the first edition of his *Principles*. Being conversant with an author is not tantamount to sharing his views. Yet, in those cases in which *either* we know that Malthus or Ricardo explicitly shared some view that was defended at length in another author's works, or may prove on some independent evidence that they were directly influenced by another author, we may take (even if with caution) those authors' texts as co-text. This means that they may provide indispensable evidence for our understanding of concepts and implicit arguments that were at the root of much misunderstanding during the controversy.

A co-text in a narrow sense, that is, including statements of Malthus's point of view on the controversy, is scarcely documented on Malthus's side (see sect. IV. D. and F.)³⁷. Ricardo's co-text at large includes, first of all, Thomas Belsham's *Elements*, the textbook where, according to our hypothesis, he first learned logic and philosophy of mind. Secondly, it includes those writings through which James Mill tried to impart him a political education, that is, his *History of India* and the other readings he made on Mill's advice (John Millar, etc.). The latter readings, however, were a part of Malthus's background too, and thus belong to the shared co-text.

What is striking in Ricardo's case is the abundance of the narrow co-text (or its accessibility, thanks to Sraffa). Ricardo's correspondents seem to care for his sustained dialogue with his friend/opponent and inquire again and again about the status of the controversy. Ricardo as a rule manifests also in private his high opinion on Malthus, a better opinion than those held by

³⁶ Yet, after Ricardo's death, Malthus was prepared to revise his position after it had been overcome by events; at least if Malthus himself was the author of the footnote on p. 380 of vol. 2 of the 2nd ed. of the *Principles* which approves of the Reform act of 1832 by which "a reform of a more sudden and extensive nature than prudence would have perhaps suggested" had been brought about because of "imperious circumstances"; and yet "all which has been done, is to bring the practical working of the constitution nearer to its theory" (Malthus, [1820; 1836]. II: 270).

³⁷ Obviously enough, the fact that we lack anything like Sraffa's edition of Ricardo's correspondence is as deplorable as the circumstance that we still lack any real biography on Ricardo's side. Yet, it is astonishing how Malthus's family did apparently little to preserve his correspondence and papers. It is even possible "that we overemphasize the importance of Ricardo in Malthus's life because this friendship is so fully documented: Malthus may have had relationships with other people which were of great significance to him but about which we know nothing, either because they were not orderly keepers of letters or because the letters at a later date were used as curl-papers, or rolled up into spills to light candles from an open fire" (James, 1979, p. 272). As a fact, besides his letters to Ricardo, there are a number of letters to other people (his father, Horner, Brougham, his publisher Murray, Senior etc.) dispersed in various archives or published in nineteenth century editions of memoirs by his correspondents and, in a couple of cases, in journals. Generous quotations from this correspondence may be found in James's biography. And yet, most of these letters are hardly useful for our concern, since they either date from a period before 1812 or after 1823 or do not mention Ricardo at all.

any Ricardian, beginning with Mill and McCulloch, but he seems to become less sympathetic with him after publication of his *Principles* and even manifests some complicity with McCulloch's and Mill's conspiracy against Malthus; after the chapter on machinery, the correspondence with McCulloch reveals how far the private controversy was intertwined with a public controversy between opposing alignments interested in controlling the public opinion, in getting rid of the opposition of the "practical men" to political economy as such, and in exorcizing the spectre of the working class.

B. Ricardo to Mill and Trower in 1815 and 1818

During the third cycle in the controversy with Malthus, on the growth of wealth, in a letter to Mill of October 1815, Ricardo writes:

Mr. Malthus and I continue to write to each other but not so actively as we sometimes do. We differ nearly as much as ever. There appears to be an astonishing mixture of truth and errors in the opinions which he holds on the subject of rent profit and wages (*Ricardo to Mill* 24 Oct. 1815. In Ricardo, 1951-73 VI: 314).

That is, even though he is critical of Malthus, he acknowledges – while addressing precisely Mill who was no admirer of Malthus – a measure of truth in the latter's views. And Ricardo goes on, with an exclamation that may be a proof of the fact that his *Principles* originated to a wide extent from this controversy: "Oh that I was capable of writing a book!" (*Ibid.*).

In an important piece of co-text, a letter to Hutches Trower, one of his followers in economic matters (albeit not in politics), he makes an important consideration on the usefulness of the controversy: he admits that his discussions with Malthus were useful in order to clarify his own thought. He writes:

in my eagerness to convince him that he was wrong... I was led into a deeper consideration of many parts of the subject than I had before given them, and though I have failed to convince him... *I have convinced myself*" (*Ricardo to Trower* 26 Jan. 1818. In Ricardo, 1951-73 VII: 247; emphasis added).

C. Ricardo to Mill, Trower, and McCulloch on Malthus's *Principles*

Ricardo's reaction to Malthus's *Principles* is reflected in his letters to Mill, Trower, and McCulloch. In a letter to McCulloch he discloses the opinion that both Malthus and Torrens, even if "they will assist in disseminating many sound principles", yet "adhere too firmly to their old associations to make a very decided progress in the science" (*Ricardo to McCulloch* 7 April 1819. In Ricardo, 1951-73, VIII: 22). By the word "associations" Ricardo seems to refer to the circumstance that both were committed to the "philosophic Whig" cause. The point deserves mention, since Ricardo (adopting a kind of proto-Marxist theory of ideology) here suggests that a given interest may hinder theoretical progress in social science.

Writing to Mill, Ricardo reacts rather harshly to Malthus's claim that political economy is an 'inexact' science, interpreting this claim as a justification by Malthus for his using "words in a vague way, sometimes attaching one meaning to them, sometimes another" (*Ricardo to Mill* 1 Jan 1821. *Ibid.*, p. 331). He attacks again, in a letter to Trower, Malthus's inability to understand his use of "strong cases". Malthus's objections on the subjects of rent were

a question of fact and degree, not of principle, and it is one of my complaints against him that he does not answer your principle but wishes to show that you have taken your case so wide, that it could under no circumstances exist (*Ricardo to Trower* 11 Sept. 1820. *Ibid.*, p. 234-5).

The correspondence between Ricardo, Mill, Trower, and McCulloch provides rich evidence concerning the role played by Malthus's *Principles* in determining a change in Ricardo's judgment on Malthus as an economist and on the status of the controversy. While waiting for publication of Malthus's book, he thinks that Malthus is coming closer, even if "under different words", to his opinions (*Ricardo to Trower* 25 Sept. 1819, *Ibid.*, p. 80)³⁸ and he describes again and again to his correspondents his discussions with Malthus as being carried out "with the best disposition towards each other possible" (*Ricardo to McCulloch*, 22 June 1819. *Ibid.*, p. 41). To McCulloch, who considers Malthus's "reputation as an Economist to be very much overrated" (*McCulloch to Ricardo*, 5 Dec. 1819. *Ibid.*, p.139), he answers that, only after reading his book he would have been able to make up his mind "whether his abilities as a Political Economist have not been overrated" (*Ricardo to McCulloch*, 18 Dec. 1819. *Ibid.*, p. 142). After reading Malthus's book, though, Ricardo seems to be disappointed; he confesses: "I do not very clearly perceive what Mr. Malthus system is" (*Ricardo to McCulloch* 2 May 1820. *Ibid.*, p. 182); he feels the book is full of "false reasoning and inconsistencies" (*Ricardo to Trower* 21 July 1820. *Ibid.*, p. 209), and complains of "a great (unintentional I am sure) misrepresentation of an adversary's argument" with regard to the effects of free trade in corn (*Ibid.*, p. 208); besides, he complains he has been misrepresented also on the conflict of interests between the landlords and the public (*Ibid.*, p. 207-8). In a letter to Mill of a few days later there is an escalation: he says that he is noting the passages in Malthus's book which he thinks deserve comment, and that he is discovering that they are more numerous than he expected; he adds that the attack on Say's and Mill's doctrine of accumulation is "supported by the weakest arguments, inconsistent with many of his own declared opinions, and so palpably fallacious that one's wonder is how he could have *deliberately* written it" (*Ricardo to Mill* 27 July 1820. *Ibid.*, p. 212; emphasis added). It is worth keeping in mind, in evaluating these judgements by Ricardo, that these are utterances addressing Mill, the target of Malthus's attack (this may be a good example of the reason why statements from published works, unpublished notes, and correspondence may not be put on the same level: the audience and the

³⁸ See also *Ricardo to Mill* 28 Dec 1819, in *WC*, VII: 380.

speaker's meaning are among the factors which any interpreter of any text needs to keep in mind). Thus, Ricardo seems to be optimistic about the controversy for a time (till he believes he may have convinced Malthus of the validity of some of his doctrines) and then becomes suddenly very pessimistic both about the controversy and about the quality of Malthus's contribution. Even with our proviso concerning the "audience" in mind, it is still remarkable that he could express himself in terms so harsh as those employed in the last quotations after he had more than once praised Malthus even against the opinions held by his own allies.

And yet, in following letters, as soon as the controversy focuses on the subject of value, he makes again important concessions to Malthus. He makes the most explicit admissions that exchange value and real value have little to do with each other. He writes:

I do not, I think, say that labour expended on a commodity is a measure of its exchangeable value, but of its positive value. I then add that exchangeable value is regulated by positive value, and therefore is regulated by the quantity of labour expended (*Ricardo to Trower*, 4 July 1821. In Ricardo, 1951-73, IX: 1-2)³⁹.

D. Malthus to Sismondi

In a letter to Sismondi Malthus writes that the *Edinburgh Review* "has so entirely adopted Mr. Ricardo's system of Political Economy that it is probable neither you nor I shall be mentioned in it" (*Malthus to Sismondi* 12 March 1821. In Ricardo, 1951-73, VIII: 376); he formulates his own appraisal of his and Ricardo's respective influence, stating that he believes that "though Mr. Ricardo's doctrines have certainly captivated some very able men" yet they are not very popular "among the great body of political Economists" (*Ibid.*); he adds his opinion about Ricardo's doctrines (in terms rather milder than those used occasionally by Ricardo when commenting on Malthus), declaring that he is "inclined to think that many of them will not stand the tests of examination and experience" (*Ibid.*, pp. 376-7); and finally comments favourably on Ricardo's change of mind in the machinery chapter: he thinks Sismondi "will be rather pleased to hear that he [i.e., Ricardo] has altered his opinions on the subject of the effect of machinery on the labouring classes of society" (*Ibid.*, p. 377).

E. McCulloch to Ricardo in 1821

We mentioned that Ricardo had argued that technical change may affect negatively the condition of the working class. That admission was not such as to be enthusiastically welcomed by his followers, in so far as its political consequences looked undesirable. McCulloch seemed shocked. He wrote to Ricardo:

Little did I expect after reading your triumphant answer to the arguments of Mr. Malthus that you were so

³⁹ See also *Ricardo to Trower* 22 Aug. 1821 and 4 Oct. 1821, in Ricardo, 1951-73, IX: 38 and 87.

soon to shake hands with him, and to give up all... which you had contended for a month or two before (*McCulloch to Ricardo* 5 June 1821. *Ibid.*, p. 382).

What is of interest to us here is that McCulloch goes on giving advice on the conduct of a public controversy, and clarifies that he was shocked precisely because Ricardo's move was noxious both to his position in the controversy and to the prestige of Political Economy as such in the eye of the public. More in detail, McCulloch believes that controversies are noxious to science because their existence gives a science the Kantian air of a "field of endless struggles" (i.e., of pseudo-science). In fact, he adds:

the fundamental differences that formerly existed (for I am sorry to think they have now nearly disappeared) between you and Messrs. Malthus and Sismondi induced many to believe that Political Economy was a thing of fudge, a fabric without a foundation (*McCulloch to Ricardo* 5 June 1821. *Ibid.*, p. 382).

But he believes also that avowed change of opinion by a scientist is even worse than a public controversy: "nothing can be more injurious" to "the real interests of the science" than seeing "an Economist of the highest reputation strenuously defending one set of opinions one day, and unconditionally surrendering them the next" (*Ibid.*). Accordingly, his advice on the proper conduct of a controversy is:

(i) change your opinions as soon as you are convinced that they are wrong; he writes: "It was certainly proper that you should have renounced your previous opinions the moment you were satisfied of their fallacy" (*Ibid.*);

(ii) but when you formulate a new opinion always claim this is what you always meant; and he continues: "this may be done in various ways, and I do not think *it was at all necessary for you to make a formal recantation*" (*Ibid.*). "Excess of candour" had been Ricardo's fault and shrewdness, not candour is the good controversialist's virtue, since controversies, provided that they are noxious to the reputation of science, are to be closed as soon as possible through victory.

Ricardo's answer shows his usual mildness and good temper: he reminds McCulloch that "Mr Malthus does not think that I have given up any thing to him" (*Ricardo to McCulloch* 18 June 1821, *Ibid.*, p. 387).

F. Malthus to Napier

There is also a (perhaps pathetic) example of attempt by Malthus at doing what Mill and McCulloch were doing with ruthless efficiency at the same time for Ricardian economic theory. In his correspondence from 1821 with Macvie Napier, the editor of the *Supplement to Encyclopaedia Britannica* to which he contributed an entry on Population, he tries to push his point of view, complaining that the adoption "of the new theories of [his] excellent friend Mr. Ricardo into an Encyclopaedia, while the question [i.e., the Corn Laws] was yet *sub judice*, as rather premature"

(*Malthus to Napier* 27 Sept. 1821. In Napier, 1879, p. 29). He tries also (in a rather awkward way) to convince the editor that neither Mill nor McCulloch could have been an adequate contributor for the planned entry on Political Economy and compares, perhaps for the first time, what he is coming near to identifying as "the new school" with the now discredited Physiocrats. McCulloch and Mill, whose merits he is "fully aware" – he writes – "have adopted a theory which will not stand the test of experience. It takes a partial view of the subject, like the system of the French economists" and is "unable to support itself against the testimony of obvious facts, and the weight of those theories which, though less simple and captivating, are more just, on account of their embracing more of the causes which are in actual operation in all economical results" (*Malthus to Napier* 8 Oct. 1821. *Ibid.*, p. 32).

G. Ricardo's Notes on Malthus's 'The Measure of Value'

The manuscript *Notes on Malthus' 'The Measure of Value Stated and Illustrated'* of 1823 may also be included in the co-text, since Malthus never had access to these notes. Even if Ricardo's letters of the last phase of the controversy were based on these notes, the latter deserve attention on their own (and the recent edition of this manuscript by Pier Luigi Porta has been indeed highly valuable for our project) since they include a more systematic view of the subject that was not made available to Malthus. In note I, Ricardo attacks Malthus's use of definitions on the grounds of circularity. He writes:

In this passage... you make use of the word value to explain what you mean by the word value (Ricardo, 1992, p. 7).

And in the same note he clarifies in an interesting way the basis of his dissent with Malthus. Here Ricardo's epistemology, which, we have argued, is a sceptical one, comes to the fore more explicitly than ever. He writes:

all the phenomena of political economy may be explained with any measure [of value] however arbitrarily selected – I think you have arbitrarily selected yours and by so doing have made the science more difficult (*Ibid.*, p. 12; emphasis added).

This is why Ricardo thinks that "the correct language" and that which "mankind universally use" (*Ibid.*, p. 11) is to say that labour may fall in value like any other commodity. It is no matter of truth, but only of a choice based on the criterion of simplicity.

Again, in note II, Ricardo criticizes Malthus's choice of words on arbitrariness, arguing that "it is an arbitrary selection not founded on any sufficient reason and therefore unsatisfactory as a scientific measure" (*Ibid.*, p. 14). It is worth noting here the use of the adjective "scientific" in an honorific sense, the only instance of such use in the works and correspondence of Ricardo; the

fact that this use shows up in the last year of Ricardo's life is perhaps a symptom of the changing intellectual lexicon.

These comments on Malthus by Ricardo are reflected also in the latter's correspondence with McCulloch (See *Ricardo to McCulloch* 3 May 1823. In Ricardo, 1951-73 IX, 287; *McCulloch to Ricardo* 11 May 1823. *Ibid.*, p. 290). In one of these letters, Ricardo states more clearly than in his letter to Malthus the reasons why he is convinced now that both had been in search of a philosopher's stone. Also, here an anti-essentialist stance is implied by his opposition to Malthus's proposal: the reasons why Malthus's measure cannot be accepted are only reasons of inner consistency. The fact is that Malthus's sticking to the labour-commanded measure of value may have been connected with some "higher consideration" of a sort, namely its character of a truest (in terms of truth-as-correspondence, or even in 'ethical' terms) measure of value. Ricardo notes that Malthus's measure is adequate only for particular cases, those of "commodities produced by labour alone" which are far from being "the most numerous"; indeed they are "at one extreme of the scale", whose opposite extreme is instanced by oak trees (an example previously given by Malthus of a commodity that embodies virtually no labour). In a word, it

is in vain, therefore, to attempt to measure [value] accurately, unless your measure agrees precisely in the proportion of wages and profits with the commodity measured. A commodity which has wages in it alone, and no profits... is not an accurate measure for commodities which have both labour and profits in them (*Ricardo to McCulloch* 21 Aug., 1823. *Ibid.*, p. 361).

H. After 1823.

In *On Political Economy*, shortly after Ricardo's death, Malthus manifests his agreement with Ricardo on one point, the definition of profits, a point on which Ricardo has established one of the most important truths, namely "that profits are determined by the proportion of the whole produce which goes to labour" (Malthus [1824], p. 277); the approval goes with a distinction, as he adds that this important truth requires to be completed by establishing "the cause which, under all circumstances, regulates this proportion of the whole produce which goes to labour immediate and accumulated" (*Ibid.*).

Then, Malthus, contrary to his habits, engages in public controversy, and does so by proposing an assessment of the controversy's status. First, he singles out the "new school", (that is Ricardo, James Mill, and McCulloch) as his opponent; second, he places his position under the aegis of a prestigious exemplar, Adam Smith, in so far as he describes the current debate as an opposition of two "systems", namely the new school and the system of Adam Smith and Malthus; third, he places his re-defined opponent under the aegis of a defamatory exemplar, by comparing the new school with the "French Economists" (who, after Smith's rise to superior fame around the year 1800 had fallen into disrepute; note that in the first *Essay* Malthus used to speak in quite respectful terms of the Physiocrats). He suggests that both schools have an aprioristic style:

Their systems were equally distinguished for their discordance with common notions, the apparent closeness of their reasonings, and the mathematical precision of their calculations and conclusions founded on their assumed data (*Ibid.*, p. 297).

This style goes with two similar errors on points of positive doctrine: the Physiocrats had a confined view of wealth, not including "the results of manufacturing and mercantile industry"; the new school has a "confined view of *value* as not to include the results of demand and supply" (*Ibid.*).

Another statement of his agreement with Ricardo on one point is in *Value of a Commodity*. Here he writes that Ricardo was right in the *Principles* in criticizing Smith for having confused wealth and value: when Smith says that a man "is rich or poor according to the quantity of labour which he can command", what he is doing actually is not "describing riches, but giving his own definition of value" (Malthus [1827a], p. 318).

The last writing published during Malthus's lifetime that adds something to the controversy is *Definitions in Political Economy*. Here Malthus dedicates the whole of chapter 5 to "the definition and application of terms by Mr. Ricardo". In this chapter he repeats his praise for having drawn "a marked line of distinction between riches and value" (Malthus, [1827b], p. 16). But also here the praise is immediately followed by criticism: Ricardo has nowhere succeeded "in making out the propriety of that peculiar view of value which forms the most prominent feature of his work" in so far as the claim that the rates of exchange correspond to the amount of labour embodied is "contradicted by universal experience"; accordingly, Ricardo has founded his theory of profits upon the rise and fall in the value of wages, but "the meaning here attached to the term real wages... is quite unusual, and decidedly contradicts all the most obvious rules" (*Ibid.*, p. 21). In general, Ricardo is said to have been "very far from cautious" in the use of economic terminology because he has departed from the usual meanings and has introduced a new usage without developing any previous criticism to the sense in which terms were before applied. It must be said that, given the recurrent presence of the topic of language and definitions during the lifetime of both Malthus and Ricardo, the whole essay appears to be a kind of epilogue to the controversy.

Another piece of co-text worth mentioning is Malthus's correspondence with Whewell of 1831. Ten years earlier there had been a (strongly pro-Ricardian) public assessment of the status of the controversy by a third party, Torrens. He had written:

A few years ago, when the brilliant discoveries in chymistry began to supersede the ancient doctrine of phlogiston, controversies analogous to those which now exist amongst Political Economists, divided the professors of natural knowledge; and Dr. Priestley, like Mr. Malthus, appeared as the pertinacious champion of the theories which the facts established by himself had so largely contributed to overthrow... With respect to Political Economy the period of controversy is passing away, and that of unanimity rapidly approaching. Twenty years hence there will scarcely exist a doubt respecting any of its fundamental principles (Torrens,

[1821], p. xiii).

Malthus mentions this passage in a letter to Whewell of May 31 1831. In this latter Malthus defends Ricardo against a criticism formulated by Richard Jones from an inductivist perspective and expresses surprise at the circumstance that now is Ricardo under attack, while only ten years before he "almost stood alone... and was compared to Dr. Priestley amidst the new discoveries in chemistry". He manifests his fear that "the tide is setting too strong against" Ricardo (de Marchi and Sturges 1973, p. 183) and takes side with Ricardo, as he had done more than once against the "so-called practical men", in favour of theoretical generalization⁴⁰.

It is not easy to assess the impact of Ricardo's criticism in his *Notes on Malthus* on the second posthumous edition of Malthus's *Principles*; yet, a reaction to Ricardo's *Notes* may be easily detected behind a number of Malthus's modifications (mostly deletions without substitution of passages attacked by Ricardo), e.g., pages on the productivity of labour and on rent⁴¹. Besides, after 1823, Malthus kept on defending his own views against Ricardo and his followers, adding more arguments on specific issues (e.g. language and definitions) that had already shown up in previous phases. He repeats the familiar criticism to Ricardo of having "changed on particular occasions" what is the "usual and correct meaning of terms", such as that of "productiveness of labour" (Malthus, [1820; 1836], II: 244) or that of "wages". For example, if "wages as well as profits were estimated by proportions, it would be perfectly true, as stated by Mr. Ricardo, that they would not both rise or fall together... This is the necessary consequence of the language adopted. But Mr. Ricardo, I believe, was the first who used the term wages in this sense" (*Ibid.*, II: 217). Several of Ricardo's doctrines, he believes, are tautologies, true by definition but devoid of explanatory power (See *Ibid.*, II: 244-5).

As a whole, the influence of Ricardo's *Notes* on the new edition seems to have been weaker than one would expect. There may have been various reasons for this: we do not know whether Malthus copied the notes while they were in his possession; if he did not, when they were returned to Ricardo it would have been virtually impossible from him to recall the details of the notes; one more plausible reason could have been Malthus notorious aversion to public controversy; finally, he may also not have taken many of them into account because "he quite simply believed that they were wrong, and that he had adequately responded to Ricardo's errors already"⁴². The issue is made more complicated by the circumstance that Malthus left the work unfinished, and the posthumous edition was prepared by somebody (John Cazenove) who was aware of the details of his discussions with Ricardo but was not Malthus himself⁴³.

⁴⁰ On the circumstances of the correspondence between Whewell, Jones, and Malthus see James, 1979, pp. 439-443.

⁴¹ Pullen, 1989; see also Porta, 1978, pp. 324-25.

⁴² Pullen, 1989, p. xli.

⁴³ See Pullen, 1978; Pullen, 1989, pp. lxi-lxiv and lxxviii-lxix.

V THE CONTEXT

A Context at large

In order to complete the picture, some information should be added on what went on in the world surrounding Malthus and Ricardo during the second and third decades of the nineteenth century. This is a necessarily simplified picture, its purpose being mainly to illustrate the significance of the context for a proper understanding of the primary text.

The first component of the background is the industrial revolution, or better, the process of change in the British economy in the second and third decades of the nineteenth century. The industrial revolution was located until recently between 1760 and 1830. The fact that the classics, allegedly living in the midst of such a revolution, seem to work most of the times with the model of an agrarian capitalist economy may perhaps be explained away by recent revisionist trends in the economic history that tend to postpone the peak of the revolution to the period between 1820 and 1830. In fact, if we look at the available data on the number of power-looms in the cotton industry, which was the sector with the highest rate of growth (2100 in 1813, 14150 in 1820, 55500 in 1829)⁴⁴, one has the feeling that Ricardo's machinery chapter of 1821 and Malthus' fresh attention to the comparative weight of manufactures in his essays of 1824 and 1827 were rather on-time reactions to changes in the real world.

The world both authors describe was made of landlords, tenants, and laborers, a world where the determinants of rent, the race between the growth of population and the increase in the production of food had a primary importance. This may sound less strange if we keep in mind the kind of agricultural revolution that took place in Britain in the eighteenth century, reaching its peak between 1760 and 1815, a revolution centred on enclosures and on the tillage of marginal lands⁴⁵; the division into three "classes" reflects fairly well a peculiarity of British agriculture, where the farmers were most of the times tenants who employed hired workers; besides one should keep in mind both the increased importance of the production of food during the Napoleonic wars and the high instability of agricultural relative values in the same period⁴⁶; finally, one related event was the extraordinary growth of the population in the British Island, a growth that, going with an increase in the standard of living, seemed to disavow Malthus's principle right after it had been formulated (and Malthus was an accurate enough observer as to take this disavowal into account in his writings following the first *Essay*).

The alternative between luxury and idleness, often discussed by Malthus and Ricardo, more than a feature of an unchanging feature of human nature, seems to economic historians to be a natural side-effect of the manufactory system, and the introduction of the factory system was also a means of restricting the range of choice left to the labouring poor in such matters.

⁴⁴ See Landes, 1969, ch. 2.

⁴⁵ See *Ibid.*

⁴⁶ See James, 1979, pp. 279-80 on the relationship between this unique context and the theory of rent as discussed by Malthus and Ricardo.

Also the discussion of the causes of poverty by Malthus and Ricardo should be located against a wide background of realities and images: the relief of poverty as codified by the Poor Laws was a part of the social responsibility according to the aristocratic ethos and to some (non-Calvinist) versions of the Christian ethos; from the beginning of the eighteenth century the prevailing attitude to poverty had been changing, from compassion to an unavoidable evil to reproof to a consequence of sin. After 1766 the attitude to poverty had been changing (hand-in-hand with the attitude to luxury) thanks to an awareness of a Smithian "invisible chain" linking riches and poverty in any given society, and the problem was becoming one of designing the best policies in order to foster the growth of opulence. The dismal view proposed by Malthus's first *Essay* on such possibilities was only one out of several possible answers, and it is remarkable that the hard line was adopted by all kind of reformers, while a milder answer was adopted by Malthus himself, and then by the proponents of Christian political economy and by the proponents of the most moderate versions of Toryism. The Poor Laws, besides becoming a battleground for opposing values and worldviews, were also a real problem for which a solution was required. That the solution finally adopted ended in a tragedy, because of blindness of the winning 'progressive' camp was the theme of one of the most controversial classics in economic history⁴⁷.

The second component of the background is the shifting political scenario of Britain towards the end of the Napoleonic wars, carrying an obliged redefinition of political allegiances, including those of them Malthus and Ricardo. The fact that they came from quite different backgrounds, had quite different visions of the overall situation of Britain in that time and of the desirable goals of political action cannot be underrated. This may explain why, while discussing for more than a decade general gluts, accumulation, and value in exchange, they never came to understand each other on their wider visions, which at times did influence heavily the course of their arguments. Malthus was a philosophic Whig, one of those Cambridge-educated intellectuals who, following William Paley, tried to redefine the rationale of Whiggism vis-à-vis the French Revolution⁴⁸. This redefinition focused on the substitution of human nature to historical mythology as a basis of rights and liberties and on the qualification of traditional subversive weapons of Whiggery (like the right of resistance), which appeared too embarrassing in the light of the new Radicalism of the late eighteenth century. Such a redefined Whiggism sounds much like a new conservatism based on reasons of expediency and not of right and starting with extremely radical arguments against the legitimacy on principle of monarchy and private property to conclude with a defence of the status

⁴⁷ See Polanyi 1957; on the industrial revolution as a whole the standard work is still Landes, 1969; for a reconstruction of the background of problems, ideas, and ideals against which the moral and political discourse of political economy after Adam Smith took shape (and primarily of the overarching problem of the hidden connection between riches and poverty, instead of the overarching problem of sixteenth century discussion, the beneficial or detrimental character of luxury), see Winch, 1996.

⁴⁸ On philosophic Whigs see Collini, Winch, and Burrow, 1983, ch.3; Gascoigne, 1989, ch. 7; and Waterman, 1991a

quo on considerations of expediency⁴⁹. Thus, Malthus was no less 'liberal' than Ricardo was on a number of issues, such as religious toleration, and, starting with the second Essay of 1803, adopted an increasingly milder, much milder than Ricardo's, attitude on matters of social policies.

Ricardo, who appeared to be much further left than Malthus on the British political spectrum of those years, was an even stronger supporter of the inviolability of private property and a much firmer opponent of poor relief ('leftism' and a defence of private property make strange bedfellow to any twentieth century reader but they made a quite plausible pair for nineteenth century democratic Radicalism). On other issues Malthus was definitely more 'on the right' than Ricardo was: during Ricardo's lifetime he was always sceptical of his demand for reform of the British system of political representation, centred on enlargement of the franchise, because he cared for the virtues of the 'British Constitution', that is, the mixed system of government⁵⁰. In a word, Malthus had all the assets required in order to become unpopular at both ends of the political spectrum. His stance on the Corn Laws made him lose any support of his Whig friends and later caused him to be depicted as Parson Malthus, the lackey of the landlords; opposition to the Poor Laws alienated him sympathies both from those who branded him as a reactionary and from humanitarian conservatives; his support to the proposal that England should institute universal free schooling could only sound subversive for Tory landlords, for whom he was after all only a professor on the East India Company's payroll, who used to mingle with Dissenters, Jews and Catholics.

As Dorfman notes, Malthus and Ricardo "were born and bred in two subcultures that were as disparate as could be found in England"⁵¹. In fact, Ricardo, besides being born a Jew, received his first political education in a milieu of outsiders, the Unitarian Essex Street Chapel, a hotbed of radical reformers. His mentor Thomas Belsham represented a moderate version of a Rational Dissenter in politics⁵². Ricardo too seems to have belonged to a moderate tendency in this milieu:

⁴⁹ See Paley, [1795]; from this work it may be worth mentioning the statement that the "final view of all rational politics is to produce the greatest quantity of happiness in a given tract of country" (p. 587); see also those at pp. 92-95, 193, 203 on the legitimacy of property; and at pp. 406-9 on the legitimacy of government.

⁵⁰ The most often quoted piece of internal evidence as to Malthus's attitude to the 'British Constitution' is the passage on the right of primogeniture in Malthus, [1820; 1836], I: 437 ff.

⁵¹ Dorfman, 1989, p. 162.

⁵² On the radical ideology of the 1790s see Dickinson, 1977, ch. 7; on radicalism in London in those years, and on the role of Unitarians, see Hone, 1984; Belsham's politics may be reconstructed from Belsham, 1814a and 1814b; Ricardo in 1819 manifested the opinion that Belsham was "not much of a reformer" (*Ricardo to Mill* 6 Sept. 1819, in Ricardo, 1951-73, VIII: 56). The importance of Ricardo's association with the Unitarians (not with Dissenters at large), that is with a movement of Christian Enlighteners and of Radicals in politics, after his conversion from Judaism could hardly be overstressed. The same holds for Belsham's works, the familiarity with which was for Ricardo, as a Unitarian, a matter of course; for ex. Harriet Martineau wrote that she had read with interest Belsham's books "as any Unitarian in England" (Martineau [1855], I: 38).

One possible source of confusion is the circumstance that Malthus too may seem to have been associated with the Dissenters, having been educated at a Dissenting Academy before going to Cambridge. This is hardly a proof of the irrelevance of Ricardo's association with the Unitarians. In fact, the choice by Malthus's father of a school for his son was determined both by the higher standards for which Dissenting Academies were renowned and by the eccentric leanings of an eighteen-century country gentleman who was a fan of Rousseau. Besides, at Cambridge Malthus was involved in that kind of redefinition of eighteenth-

his volunteering to a chevalier regiment was the mark of a 'patriotic' attitude (opposite to that of the most militant Radicals) during the Napoleonic wars. Yet, he was later a supporter of reform in more radical terms than Thomas Belsham was, and appears to have been immune to old (even if *prima facie* 'Radical') Whiggish prejudices, like the right of resistance in which even Mill occasionally indulged⁵³.

The third item comprises the debates of the time in matters of economic and social policies: The Corn Laws and the Poor Laws⁵⁴. These were debates with immediate policy implications, and the role played by both Ricardo and Malthus was, up to a point, similar: stemming much nonsense being talked by people with an immediate interest in the issues debated but not very enlightened even about what their real interest was. Yet, on several issues their attitudes diverged, owing to a mix of theoretical arguments and 'ideological' stances. On agrarian protectionism Malthus's position was different from Ricardo's, due both to a different account of the role of demand and to 'sociological' reasons, namely, the role his overall science of society assigned to the landed gentry in preserving the mixed system of government⁵⁵. To Ricardo such considerations appeared to be

century pro-Enlightenment tendencies within the British elites that took place after the French Revolution and has been illustrated by Waterman (1991a, 1991b); for further comments see also Cremaschi and Dascal, 1996a.

⁵³ On the political implications of establishing a cavalry (and hence middle and upper class) territorial defence force, and on the ideological implications of the choice of volunteering such regiments, see Dickinson, 1985, pp. 35 ff.; differences between Mill's and Ricardo's approaches in politics are discussed in Milgate and Stimson, 1991; see particularly their conclusions on pp. 144-46; even if the claim that Ricardo had a political vision different from Mill's and that they often spoke at cross purpose is sound, their attempt to prove that Ricardo's worked out a self-contained democratic political theory is carried out in the widespread Whiggish historian's spirit, ignores important evidence and often ends in circularity and anachronism (see Cremaschi, 1994; and Elliot, 1994). Yet, the destruction by Hutchison (1995) of Milgate and Stimson's attempt is even weaker than the attempt itself, in so far as it rests on a specular bias: Hutchison just repeats what he kept on reprinting from 1952 on with regard to Mill's influence on Ricardo, insisting on Ricardo's lack of originality vis-à-vis Mill (even in economic theory), on his moderatism, and on his lack of any clear idea in political matters. Our view of the subject is that both Milgate and Stimson *and* Hutchison fail to see the relevant context (that is, the process of self-redefinition of British radicalism in the aftermath of the Napoleonic wars); that both fail to grasp properly how, within that context, being on the left side of the political spectrum in matters of democratic reform of representation, or being a "radical" was not incompatible with a faith in the sacredness of the rights of property, even if such a faith is enough to locate anybody on the right in twentieth-century terms; that Hutchison fails to understand that when Ricardo first met Mill he was by no means a *tabula rasa* or an "unlettered paterfamilias", his avowal of a "neglected education" notwithstanding (if we are not to take any statement of any author on himself at its face value) and that the influence of Thomas Belsham and the Essex Street Chapel milieu is the first item with which any reconstruction of Ricardo's politics should start (See Cremaschi and Dascal, 1996a).

⁵⁴ See James, 1979, pp. 252 ff.

⁵⁵ And yet, Malthus after Ricardo's death was prepared to revise, besides his opposition to the extension of the franchise, also his position on agricultural protectionism as soon as he was convinced that the free trade program undertaken by the British government in the Twenties was likely to foster a major expansion of British manufacturing exports with a contemporary absorption into the industrial section of surplus agricultural capital and labour (see Hollander, 1992, p. 657). Also, the passages from Malthus's writings after Ricardo's death that we have quoted in sect. IV. H. show a fresh awareness of the growing role of manufactures in comparison with agriculture. Also his letters to Thomas Chalmers of 1832 and 1833 deserve mention: besides expressing his agreement "in regard the moral advantage of repealing the corn laws" he adds that, without her export trade, Great Britain would be "less powerful, and I should certainly add less wealthy... It is owing to the abundance of her exports, derived from her skill, machinery and capital, that

an intrusion of moral considerations which ought to be kept away from science. On poor relief Malthus's approach became increasingly softer, owing to the increasing weight he assigned to moral restraint as a workable check to population and to culturally established standards as determinants of patterns of consumption. But he remained consistent with the original pro-poor intentions of his inquiry into population (whose harsh consequences in the first Essay he only reluctantly accepted). The Radical Ricardo remained always a hard-liner in matters of poor relief, for both theoretical reasons (i.e. his sticking to a 'pure' version of the Malthusian population theory, consistent with his predilection for strong cases) and for reasons of shared values or 'ideology' (the urban middle class aversion to charity as a relic of a feudal way of life).

Such complex juxtaposition of different positions on various issues, where for ex. Ricardo becomes a firm upholder of Malthus's population principle, and of its more drastic consequences in a phase when Malthus himself had softened it down, makes more sense if one looks at the wider framework of discussion and controversy on economic, political, and social issues in British reviews of those decades. The periodicals with the widest circulation and the greatest influence on the educated public were the Whig *Edinburgh Review*, the ultra-Tory *Quarterly Review*, the Tory-humanitarian *Blackwood's Edinburgh Magazine*, and the Radical *Westminster Review*. The economic articles were published along with articles on other subjects, and in the two Tory periodicals articles on economic issues were often written by authors interested in social, political, moral issues at large (since one of the constant goals of these periodicals was to show that political economists as such were wrong). The stances taken by these periodicals on the big political issues of the day such as the Poor Laws (with the implications concerning population) and the Corn Laws reflected well what was the agenda the British public had to face, which were the practical issues Malthus and Ricardo too had to face besides (or, quite often, interwoven with) theoretical questions, what were the public controversies on matters of policies, moral dilemmas, and visions of the future of the British society with which their "amicable discussion in private" at a certain stage was bound to collide. As Fetter writes:

The economic controversies in the reviews also bring out, in a way that is not done in the standard works of classical economics, the crosscurrents of opinion that finally gave direction to policy. Many British economic issues of the first half of the nineteenth century have come down... in such capsule phrases as repeal of the Corn Laws, reform of the Poor Laws, currency principle versus banking principle, free banking versus note issue monopoly, and Malthusian principle. Such simplification often fails to take account of the complex and often diverse considerations that went into economic analysis, and into the translation of this analysis into legislative action⁵⁶.

money rents and the money prices of corn and labour are high, and that with a small quantity of English labour a large quantity of the products of foreign labour is purchased" (*Malthus to Chalmers* 6 March 1832. In James, 1979, p. 433)

⁵⁶ Fetter, 1965, p. 437.

The *Edinburgh* and the *Westminster* were always hard-liners on poor laws, used to stick to Malthus's population principle in its hardest version, fought state intervention at any level and accordingly persisted in their blindness to the social evils of the day and in their faith in the immediate effect of the self-adjusting equilibrium of the market. These ready-made outlooks mixed up values, predictions, descriptions, and ad-hoc theoretical assumptions in a way not unfamiliar to the twentieth-century sociologist of knowledge. Keeping in mind the existence of such wider public controversies is of some use for the interpretation of our primary text. For ex., a few utterances by Ricardo we have met in previous sections which were recorded in writings with a more directly political character than the correspondence or the theoretical writings, manifest a belief in an 'immediate' self-adjustment of the market (while in the correspondence he often admits that "temporary" states of unrest usually last 5 or 6 years). If one keeps the context in mind, these utterances start to make more sense and to look less as contradictions or devious changes of opinion. Or also the fact, described by Malthus in a letter to Sismondi (see sect. IV. D.), of the boycott of his work by the *Edinburgh* helps to explain how Malthus felt quite isolated for a phase, in the Twenties, and thus resorted to publishing a couple of essays in the ultra-Tory Quarterly even he was a philosophic Whig who had little to share with the Tory, and even if (as far as he was becoming less pro-Agrarian, more pro-free trade, and more pro-Reform) he was moving more to the left, not to the right.

B. Narrow context

The story of public controversies in reviews at a certain point becomes the story of the narrow context of our controversy. This happens when the controversy between Malthus and Ricardo becomes a public controversy, and unavoidably also a part of those wider public controversies that were raging. McCulloch is keen in redefining the controversy in terms of a clash of interests: Malthus's *Principles* – he says – is in Scotland "the text book – the very gospel indeed – of a few landlords who have read it in order to find arguments to enable them to defend our factitious system" (*McCulloch to Ricardo*, Nov. 28 1820. In Ricardo, 1951-73 VIII: 312) and he believes that "the reputation he has acquired renders his errors the more dangerous" (*Ibid.*). The alignment which appointed Ricardo as its standard-bearer was interested in presenting Ricardianism as a tight and uncontroversial doctrinal body. Ricardo's reservations on the labour value theory, not to mention his change of mind on machinery, were hardly understood (or better, were understood too well, but were not accepted) by Mill and McCulloch *in so far as they were dangerous* for the struggle to establish a new orthodoxy⁵⁷.

We mentioned that there was probably a phase in the Twenties when Malthus was losing influence, and a recovery of influence in the Thirties, when "Christian Political Economy" was

⁵⁷ See for example Mill's expression of dislike for the "hypocrisy" displayed by pseudo-reformer Whigs, Malthus included, in *Mill to Ricardo* 24 Dec. 1818, in Ricardo, 1951-73, VII: 373-76; besides, let us recall that McCulloch's attitude to Malthus bordered upon hatred (see James, 1979, p. 311).

flourishing. What happened to Ricardianism in the Twenties was that it was adopted by a tightly organized group, the philosophic Radicals, with its review, the *Westminster*, as well as by the most influential British periodical of the day, the Whig *Edinburgh*⁵⁸. This is different from Malthusianism's destiny, in so far as the exponents of the Christian Political Economy never came to constitute so tightly organized a group, and if they became a school at all, this happened in the Thirties⁵⁹. On the other hand, Malthus paid a price in public influence also to his intellectual honesty: the fact of being the author of the population principle, extolled by the Radicals and Reformers and abhorred by the Tory, placed him under heavy pressure from both sides, and made wholehearted adoption of his (in themselves far from clear-cut) later economic views less appealing to any alignment. Any author who contradicts himself in public can hardly be adopted by anybody as an "oracle" (as Ricardo was by his supporters); this is what McCulloch proves to know too well in his reactions to Ricardo's machinery chapter (see sect. IV. E.). Thus, in the competition between Malthusianism and Ricardianism in the Twenties, the latter enjoyed a few assets that the former lacked: a mix of strictly intellectual reasons (a looseness of Malthus's suggestions, contrasted with the cogency of Ricardo's more rudimentary, and even deficient, system) with political reasons (the falling into disrepute of items of the Malthusian theoretical apparatus in the eye of a part of the educated public because of their having been adopted by the 'wrong' supporters, such as the landed gentry), 'ideological' reasons (the fact that Ricardianism was allegedly a part of a powerful system of ideas, namely philosophic Radicalism); and the successful propaganda in favour of Ricardian economics

⁵⁸ On the circumstances of Malthus's boycott by the *Edinburgh Review* see James, 1979, p. 259.

⁵⁹ See Paglin [1961], ch. 6; Fetter, 1965; Waterman, 1991a. As regards the missing link between Ricardianism and the Benthamite philosophy we have argued that Halévy failed to find it, and nobody after him ever tried (see Cremaschi and Dascal, 1996a). Terence Hutchison (1995, ch. 3) has argued quite plausibly that James Mill did influence Ricardo, that the latter was indebted with Mill's early economic essays on a few points of positive doctrine (primarily Say's law) and that Mill's influence was at the root also of some of the shortcomings in his work (namely the Ricardian vice and a doctrinaire economic liberalism). We do not deny these circumstances, but we cannot see how they could amount to a "methodological revolution". Besides, we think that Sraffa was right in feeling that Halévy's speculations about the lectures on "method" Mill should have imparted his alleged "pupil" are unjustified, that Mill's promised assistance in the writing of the *Principles* boiled down eventually to mere psychological support with some suggestions in matters of editing, that Mill's supervision on Ricardo's reading in philosophy and politics amounted more or less to handing in Dugald Stewart's reading lists to him, that Ricardo's expressions of admiration for Mill's *History of India* are a proof of Ricardo's kindness and modesty, not of the objective value of the work, and are not a sufficient proof of its real influence on Ricardo's mind (See Cremaschi and Dascal, 1996a). Besides, Hutchison informs us that "*Halévy has said that... 'Mill during the long walks which he loved to take with Ricardo, was chiefly concerned to give him lessons in method'"* (p. 28) and treats this as a proof; he adds that Halévy's "*hints*" are "*penetrating and important*" (p. 37), that Ricardo, since he complained once of his education having been neglected, was "unlettered", that he and Mill "*seem*" to have been much closer to one another personally as well as intellectually than were Ricardo and Malthus" (pp. 29, 39), and concludes that Mill "*may*" not only have been Ricardo's educator in philosophy, method, but "*may also*, in his masterful way, have decisively shaped the substance of Ricardo's general economic assumptions and theorizing", and "that it is *difficult to suppress the conjecture*" (p. 29) that "those Millian 'lessons in method', mentioned [sic] by Halévy, may already have been influencing his pupil as early as 1810" (p. 33; emphasis added). We refer the reader to De Marchi (1983) for a balanced argument to the fact that Mill "simply does not merit the place nor, by implication, the opprobrium that Hutchison has reserved for him" (p. 176), and we recommend the almost forgotten Patten (1899, pp. 310-17) as an antidote to Halévy: see his description of the cross-purpose talk that went on between Ricardo and Mill.

carried out by a tightly organized political faction⁶⁰.

Last of all, at a certain stage, also Ricardo's wealth, his prestige, the larger amount of leisure he enjoyed played in his favour. Malthus was struggling over and over again with his teaching and his at times (in coincidence with turmoil at the College) heavy administrative duties, giving up or mismanaging several occasions to publish. One example for all is the miscarried second edition of the *Principles* (and perhaps also of an edition of Collected Works) in 1821⁶¹.

VI A PROVISIONAL MORAL

A On texts, co-texts, and contexts

In the above sections we have carried out a detailed reconstruction of the controversy focusing on two aspects: first, the various kinds of moves and countermoves performed by each opponent; second, the use made of methodological considerations, this use being understood as just one out of several kinds of admissible arguments. Our reconstruction of the secondary text here has been limited to the narrow sense of this notion. In our first paper we provide a much wider reconstruction of the wider co-text. In sect. V we have illustrated those aspects of the context that we deem necessary in order to understand what was going on in the controversy strictly understood. Because of obvious limits of space we will not develop here a systematic discussion of recurrent themes, typical sequences of moves and counter-moves, different strategies, and various kinds of moves employed in the exchange between Malthus and Ricardo; we will develop these more technical considerations on the pragmatic rules controlling the course of the controversy in a third paper.

We shall limit ourselves to discussing two basic questions: first, what benefits can be derived from a study of economic texts, when read against the background of co-text and context, in particular when such texts are embedded in a lifelong controversy? Second, what does pragmatic interpretation add to the usual, purely semantic, interpretation of such texts?

Our answer to the first question is that scientific works, such as Ricardo's and Malthus's *Principles*, can only be understood within the context of ongoing debates within which they function as major moves or countermoves. Indeed – and this is precisely what the present paper shows – there were in our case interrelations between (i) claims on positive issues in economic theory; (ii) methodologies, understood as explicitly formulated (even if not ready-made) bodies of rules; (iii) strategies, understood as a heuristics governing the conduct of the debate by each participant. The point of carrying out a study like ours is that the above interactions may be detected only when such works are not considered as floating in a void; and the story of the history of economic analysis in our century shows too well how readers of economic works from the past have been often left facing a kaleidoscope of conflicting and unrelated positive claims.

Among the various approaches in the history of science and philosophy, those that stress

⁶⁰ See James, 1979, pp. 310 ff.

⁶¹ See James, 1979, pp. 316-18.

the *genetic* dimension (and pay accordingly a lot of attention to correspondence, unpublished documents, biographical details, influences) are often victims of the 'genetic fallacy': after having traced the *causes* that have led a writer to formulate his own positive theories, nothing is said about the *reasons* he may have had to defend such conclusions. Furthermore, the 'genetic' causes are often expressed in very general terms (e.g., political allegiance, upbringing, etc.), which are insufficient to account for the details of the theoretical choices (and moves) of the author. In the history of philosophy such approaches were exemplified by the historicist tradition (let us name Eugenio Garin and his school as an example). In the history of science, they were exemplified by "externalist" approaches of the Sixties and Seventies. And in the history of economic thought, most of the attempts to react to the shortcomings of the standard Whiggish history of economic analysis (let us mention Donald Winch as the author of some of the most enjoyable results of these attempts) are still the victims of some kind of genetic fallacy and leave the reader unsatisfied in so far as he still fails to see the relevance of a reconstruction of, say, Adam Smith's opinions on militias and standing armies to his contribution to a growing discourse on "commerce", or "policy", or "political economy".

On the opposite side, *structural* approaches tend to concentrate on the unity and coherence of an author's work, disregarding influences, the difference in status between published works, manuscripts, and letters, the evolution of an author's views, and political agendas. Such approaches tend to stress the logical scaffolding of the theory, and often seek to provide a quasi-axiomatic reconstruction thereof. They thus overlook the dynamics of theory development, as well as the quite frequent non-logical *reasons* an author has to make a particular claim. In the history of philosophy, the strongest example of an approach of this kind has been offered by Martial Gueroult, the Spinoza and Descartes scholar, whose insistence on the key-idea of the "oeuvre" and on the "order of reasons" illustrates well this kind of strategy. In the history of science, pre-Kuhn "internalism" was the quintessence of the structural approach. In the history of economic thought these approaches are exemplified by the mainstream 'Whiggish' history of economic analysis, from Joseph Schumpeter to George Stigler⁶².

We argue instead that the writing of works such as Ricardo's and Malthus's *Principles* was influenced by a number of contingencies that could not be predicted on principle by any methodologist's algorithm; nevertheless, those contingencies should not be left in the limbo of purely contingent and casual factors. Every book – not just Wittgenstein's *Tractatus* – consists of two parts, and the part the author did not write, or in a few cases just did not publish, is perhaps as important as the published part. In other words, such books as Ricardo's and Malthus's *Principles*

⁶² Let us add that also the now much celebrated "text analysis" as a key to the reading of economic classics, fostered by Vivienne Brown (1994) following Bakhtin and Derrida, is but another structural approach with all its limits and shortcomings. The fact of having dismissed not only the dogmatic teleology that used to dominate the Whiggish history of economic analysis but also the author's intentions makes so that the reading of economic classics becomes even more whimsical than in more sober mainstream 'structural' readings.

came as contributions to an ongoing discussion, and their authors assumed that the readership was familiar with some other text (e.g. *The Wealth of Nations*), had in mind their opponents' arguments that were actually or potentially accessible to the readership, and knew that the readership had a preference for some kind of arguments, shared some background knowledge, condoned certain prejudices, and had been taught given criteria on what should count as a proof.

Thus, every book exceeds the limits of its front- and back-covers, and any text comes with a co-text. The latter includes all other publications by the author, his unpublished writings, writings of other authors that developed parts of arguments he took for granted and, last but not least, the writings by his opponents to which he purported to answer.

The co-text is useful not just in order to detect influences as the genetically minded historians do, but to make sense of the terminology, the definition of problems to be solved, the author's pre-comprehension of social phenomena, as well as the precise meaning of his statements. For example:

(i) modifications in the third edition of Ricardo's *Principles*, such as the substitution of "almost exclusively" by "solely", may appear to be totally irrelevant to anybody who reads the works in isolation; when located in their context, such slight variations become clues to the 'real' meaning of Ricardo's theory, and to the problems that the theory was supposed to settle;

(ii) any attempt to read theories of economists of the past as research programs, by distinguishing a core and a periphery, is doomed to arbitrariness and anachronism if research programs are not understood more dialectically than in Lakatos's original version, that is, by including consideration of the opponents' reactions as clues to the division between core and periphery; when understood in this way, a research program is carried out not only by its supporters but also by its critics, and the task of (actual) criticism is what singles out the actual core of a research programme⁶³; in our case, Ricardianism would have never existed without Malthus, and sudden changes by Ricardo that make little sense in Ricardo's biography, such as those on value or on machinery make

⁶³ Economic methodologists or anti-methodologists are familiar with either a Popperian-Lakatosian trend in the philosophy of science or of a thin-hermeneutic and thin-pragmatist (i.e., Jamesian-Rortian) trend. Our approach instead intends to supplement with an indispensable item, the pragmatic approach to controversies, the construction of a non-objectivistic and non-subjectivist (with McCloskey's blissful expression, *conjectivistic*) alternative to the standard view in the philosophy of science. This north-west passage has been sought for since 1962 through the combined efforts of philosophers of science like Mary Hesse and Ian Hacking who have stressed the character of a network of scientific theories as well as the practical dimension which constitutes the empirical basis of science, of the French tradition of Bachelard and Granger which has been stressing the same features of science, plus the recovery of 'thick' pragmatism (i.e., Peirce) proposed among others by Richard Bernstein, and the 'thick' Hermeneutics instantiated by the "Sociology of Scientific Knowledge" (for a rather similar view of the status of science studies see Pickering, 1992). Our own conjectivism is different from McCloskey's in that we believe that economists don't simply "make things with words" but instead that: (a) the theoretical networks they build are in constant interaction with practices *in* and *about* the economy (and these practices are no more mere "conversation" than blind mechanisms); (b) these networks emerge out of conjective conversational practices (i.e., controversies) where economists do more than "persuading" each other, but are instead both actors and pawns of a game that they don't fully control; the fact that the game is out of their control yet does not imply its blindness or irrationality, since it has a kind of rationality embedded in its own rules.

perfectly sense in the course of the conversation of Malthus and Ricardo;

(iii) any ascription of a methodology, a "cast of mind", or a style to economists of the past runs the same risk if it is based on statements from the author taken at their face value; in fact, we have shown that there is a constant feedback between practice on the positive level and revealed methodology; our results indeed fly in the face of some conventional wisdom when we show that methodological considerations first advanced by Malthus (e.g., on language and definitions) may be appropriated by Ricardo in order to defend a different point in matters of positive doctrine or that they may reverse the roles previously played (as on machinery).

The co-text, furthermore, is also essential in order to reconstruct the whole of the author's argument (on both the positive and the methodological level as well as in its political and theological underpinnings), or to understand how and why (in terms of *reasons*, not only of *causes*) he tailored the materials he decided to publish in such and such a way. In this respect, we have to bring one more element into the picture, namely the context. This should be understood as the set of events among which the writing of a work (itself an event) fits. It includes, first, extra-linguistic events more or less related to the texts produced by an author, such as editorial policies of the author or of some group he belongs to, as well as editorial fortunes or misfortunes, activities directly connected with writing, such as Malthus's teaching and Ricardo's involvement in politics, and, last but not least, the circumstances surrounding the controversies in which the author was involved.

Secondly, the context includes surrounding events at a wider scale, such as the parliamentary discussion of Corn Laws, the debate on the Poor Laws, the various proposals for Reform, the different political strategies of philosophic Radicals and philosophic Whigs in the aftermath of the Napoleonic wars. Events which are part of the context are not anecdotes. They are not just occasions for the historian musing in search of one more fragment of a historical truth. Indeed, the context in which a work was written allows to make sense of most of what may later look *prima facie* incomprehensible. For example, Malthus's *Principles* with their pro-agrarian and pro unproductive consumption attitude make sense only when seen against the philosophic Whig project to defend Britain's mixed Constitution, (a project that had already been overcome by the course of events at the time of the posthumous edition).

Economic treatises, just as any other form of discourse, are records of speech acts of various kinds, not only of the purely assertive or expository kind. And the utterance of a statement may have radically different meanings in different contexts. Its meaning can only be properly reconstructed if one takes into account its context of utterance. This has been barely taken into account by historians of economic thought, perhaps because a distinction between a statement and its utterance may sound like a truism, but it is a truism which yields a number of consequences.

B. On semantic and pragmatic interpretation

Answering our first question has led us to the second, namely, why do we need to take these features – the context and co-text, the implicit meaning – of an author's utterances into account instead of sticking to the plain sense of those passages where he is apparently making some straightforward assertion? In other words, what does pragmatic interpretation add to semantic interpretation? Some of the alternatives that have been proposed to the *standard view* of science fall indeed prey to the semantic fallacy, i.e., they tend to consider theories to be understandable per se, independently of their formative context. Others alternatives, aware of the significance of the context, commit the genetic fallacy, either looking for causal explanations of theory change in terms of external factors, or contenting themselves with describing the bewildering diversity of factors influencing actual changes in scientific theories, and concluding by theorizing the impossibility of theorizing about scientific change, i.e. adopting one more version of an older doctrine, radical relativism.

The appeal to pragmatics is intended to provide an alternative that avoids the above pitfalls, while benefiting from the insights of each of its predecessors. It is systematic but does not attempt to explain the growth of knowledge in terms of a well-defined, quasi-algorithmic set of rules of method. It does not disregard the role of semantics and logic but does not ignore the fact that the correlation between such factors and theory development obtains only at a level of generality that does not allow for an account of specific theory content. Finally, it provides means for handling context in an organized and principled way. Pragmatics, as it has developed so far, is the theory of the social uses of natural languages, mainly for the purpose of communication. It views communication as a form of cooperation, guided by certain norms of instrumental rationality. The application of such norms ensures, in most cases, the intelligibility of discourse, i.e., it allows for the reasonably correct interpretation of utterances and texts, provided their context is taken into account. Thus Paley is not just an odd reading for moral philosophers after hours, but is instead an indispensable piece of evidence for historians of economic thought who try to understand Malthus, because his work contains moral doctrines and a general social theory that was almost a matter of course for Malthus; the latter did not linger on these aspects in his writings precisely because they were highly familiar to most of his readership; some misunderstanding by Ricardo derived from the fact that Ricardo was not a Cambridge-educated offspring of the gentry, but an Essex-Street boy. And those "higher" considerations in Malthus "which come under the head of politics and morals" may or may not appear to be intrusions of moralistic nonsense into economic science according to the view one adopts of the scope of the latter and of the relationships between government, morals, and markets. Ricardo had a quite different (even if not yet fully articulated) vision of that scope and those relationships. Or again, Ricardo's changes in the third edition of his *Principles* will always remain a mystery, even on the genetic level, if the dynamics of the controversy is not taken into account.

Granted that *this*, i.e., the study of the pragmatics of science – we believe – is the way out of familiar conundrums of the philosophy of science and of more recent conundrums of economic

methodology-cum-rhetoric, controversies like that between Malthus and Ricardo, far from being annoyances forcing the economist to deviate from the 'right way to truth' (as they appeared to McCulloch, but also, as we noted in sect. I., to contemporary economists), should be viewed instead as the force that compels economists to work out and improve their theories in the light of stern criticism. Since controversies can be conceptualized as sequences of communicative exchanges, they impose on their participants compliance with certain pragmatic norms. Thereby, they provide the immediate context wherein the "meaning" of a theory or a change in theory can be properly grasped. A study of the pragmatics of controversies is, thus, an invaluable tool for the history of economic ideas.

The recent appeal, in economics, to 'rhetoric', is a step in the right direction, in so far as it acknowledges the importance of discursive strategies as constitutive of theory formation and evolution, rather than as mere expository devices. In some of its versions, namely McCloskey's original version in *The Rhetoric of Economics*, such an appeal is understood as entailing some kind of demise of reason and truth as the regulative principles of the scientific endeavour of economists. The following discussion has yielded much more reasonable versions, including McCloskey's views in *Knowledge and Persuasion in Economics*⁶⁴. However, the careful investigation of a controversy, such as the one here undertaken, reveals that the contenders, even in the heat of debate and in their appeal to rhetorical devices, do not give up such regulative ideals. They are compelled to respect the rules of the pragmatic/communicative game in so far as they wish to be understood, to have their arguments accepted, and finally to persuade their opponents (i.e., to "win"). No matter how strong their desire to win may be, they seek to fulfil it within the limits set by discursive rationality. To be sure, this is less than 'Pure Reason' or 'Absolute Truth', but it is still much more than 'Pure Power'.

C. On casts of minds.

Keynes, describing his own impressions when faced with the newly found correspondence between Malthus and Ricardo, spoke of a clash between two very different "casts of minds" or two temperaments, unable to communicate with each other. He wrote:

The contrast between the intellectual gifts of the two were obvious and delightful. In economic discussions Ricardo was the abstract and a priori theorist, Malthus the inductive and intuitive investigator who hated to stray too far from what he could test by reference to the facts and his own intuitions. Time after time in these letters Malthus is talking plain sense, the force of which Ricardo with his head in the clouds wholly fails to comprehend. Time after time a crushing refutation by Malthus is met by a mind so completely closed that Ricardo does not even see what Malthus is saying⁶⁵.

⁶⁴ See McCloskey, 1944b; see also Cremaschi, 1996.

⁶⁵ Keynes, 1933, pp. 95-98.

Keynes here describes the opposition between Malthus and Ricardo in the broadest possible terms, that is, in terms of global psychologies. Such a holistic characterization of a global attitude is what linguists would call "styles". In our view this (what Keynes takes as the explanans) is precisely what needs to be analysed; in fact, we believe that a style results from a number of different factors that can be really discerned through a careful analysis of the actual unfolding of the controversy. The style or "cast of mind" of each of them does not lie in exclusive use of this or that kind of move, methodological consideration or strategy; in fact, both resort to practically all the repertoire of such moves. The mark of a style is instead a kind of preference for, or an "elective affinity" with, some sub-set of the above factors.

The contrast Keynes draws between Malthus and Ricardo, besides being conceived in holistic terms, focuses on psychology, or on "intellectual gifts". This may conceal a rather naive view of the role of individual psychology in the context of discovery, a view that during the Sixties was at the root of endless and rather inconclusive debates within the Popperian School. We believe that what was the explanans for Keynes as well as for Popper should be viewed instead as the explanandum, or that 'psychologies' should be viewed at in non-psychologist terms. In other words, what matters are scientific styles, and these result from a constellation of positive doctrines, policies, philosophical assumptions, explicitly formulated methodological theses, theological underpinnings, political outlooks, and, last but not least, a cluster of shared basic metaphors. All these factors (within which the individual writer at most manifests a preference) fit in a whole which may not be very easily overviewed since it is partly below the waterline; they are related with each other by a relationship which is not one of logical deduction but of "elective affinity"; they explain individual choices of positive doctrines, of methodological claims, of tactical moves not in terms of a Platonic relationship between what is behind the veil and what is manifest, but in terms of a whole-part relationship.

And yet, a controversy is not a juxtaposition of two monologues. If, on the one hand, individual moves by one opponent are determined by his scientific style as a whole, on the other, they are determined in a no less compelling way by the network of syntactical, semantical, and pragmatical constraints that the framework of the controversy imposes on him. Within this network, he may reveal at most a preference for a given kind of positive or methodological claims, but he is first of all under a pressure to face in a pertinent way the controversy's *demand* and he is willy-nilly caught within the controversy's *dynamics*. This is something less than 'Method', but nonetheless something more than 'Persuasion'.

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