

## RICARDO, DAVID (1772-1823)

David Ricardo was born in London to an affluent Jewish Portuguese-Italian-Dutch family. After private education he went into business as a stock-jobber. Later, he became a “hearer” of the Unitarian minister Thomas Belsham, published a few papers on monetary policy, which provided the occasion for meeting James Mill and Thomas Robert Malthus, wrote a book on economic theory, and was elected to Parliament. He died suddenly at a rather young age at his estate at Gatcombe Park in Gloucestershire.

Ricardo’s is a tricky case in the history of Utilitarianism, since in Mill’s dreams he should have been in charge of the School’s economic branch, and the dream turned into legend in histories of Utilitarianism by Stephen (1876) and Halévy (1901-4). As a reaction, later historians of economic analysis, such as Schumpeter (1954) and Hollander (1979), tried hard to detect in Ricardo a purely ‘scientific’ contribution free from philosophical considerations. Sraffa, the editor of Ricardo’s *Works*, shared the same attitude, but at least pointed at Ricardo’s acquaintance with natural science as a possible source of methodological inspiration.

A partial return to Halévy’s position was staged by Hutchinson (1978, pp. 26-57) (followed by Depoortère, 2008), even if with intentions opposite to Halévy. Hutchinson sought to prove that more than a Benthamite, Ricardo was the follower of James Mill’s methodology and the protagonist of a “scientific revolution” yielding a more abstract “economic science” than that offered by Smithian “political economy”.

One of Halévy’s myths is that Mill schooled Ricardo in Cartesian methodology by teaching him Dugald Stewart’s philosophy. Thanks to Sraffa we have abundant evidence now that Mill taught Ricardo party-politics and

publishing policies but not “Method”. Moreover, it is most unlikely Mill would have taught Ricardo both Stewart’s philosophy and Cartesianism, since Stewart was, no less than Hume and Adam Smith, an anti-Cartesian. As early as 1899, Patten suggested a more balanced picture, while de Marchi has argued that it is “unlikely that James Mill tutored Ricardo in *method*” and contended that the relationship between Mill and Ricardo concerned political matters not theory (1983, p. 175), a conclusion reached also by Hollander. Further, it is as well to keep in mind that what constituted Utilitarianism in Ricardo’s day was not entirely clear, and many were prepared to accept utilitarian legal philosophy who rejected its moral and psychological postulates, and held back from its democratic conclusions. The following may be a few plausible conclusions on Ricardo’s ‘philosophy’. Prior to his relationship with Mill, Ricardo was exposed to Belsham’s philosophical ideas. Among these were arguments for a limited scepticism, according to which knowledge of essences and causal connections is impossible, with the implication that law-like explanations were to be preferred to causal explanations. In addition, Ricardo opted for simplification at the price of the lesser realism of hypotheses, and stressed the need for the explicit definition of terms. His ethical theory was a blend of intuitionist and consequentialist elements, matching psychological eudemonism with universal benevolence, and assuming the greatest happiness to be the goal for action. On the other hand, after reading Mill’s *History of British India*, Ricardo raised objections to the idea of utility as a mark of rational action and to the possibility of measuring and comparing the utility of different goals for action (*Works*, vol. 7, p.242). Also his quest for an invariable measure of value (vol. 1, p.429; vol. 7, p.185) reflects misgivings about the Benthamite doctrine of utility.

Ricardo refers twice in his correspondence to the principle of utility. In a letter to Francis Place in defence of

Malthus's use of the words "right" and "law of nature", he argued that these amounted roughly to "utility" or "the good of the whole", and added: "I as well as you am a disciple of the Bentham and Mill school" (*Works*, vol. 9, p.52). When writing to Maria Edgeworth, he declared that he would have supported any policy encouraging cultivation of potatoes if he were convinced that this would be a remedy to famines, concluding that he would fight "till death in favor of the potatoe, for my motto, after Mr. Bentham, is 'the greatest happiness to the greatest number'"(ibid., pp.238-9). Yet, it is as well to reflect that in the former case Ricardo was arguing that differences *in theory* between Benthamite Utilitarianism and Malthusian natural law was irrelevant *in practice*, and in the latter his intention was to poke fun at Bentham and Mill.

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Sergio Cremaschi

*See also* BENTHAM JEREMY; ECONOMICS; HALÉVY ELIE; MALTHUS THOMAS ROBERT; MILL JAMES; POLITICAL ECONOMY.