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John Elliot Cairnes, John Stuart Mill and Ireland: some problems for political economy

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In the early years of their friendship John Stuart Mill wrote that John Elliot Cairnes was 'one of the ablest of the distinguished men who have given lustre to the much-calumniated Irish colleges, as well as to the chair of Political Economy that Ireland owes to the enlightened public spirit of Archbishop Whately'.[1] It is appropriate that Cairnes, the main focus of our paper, should be reassessed in a series of lectures commemorating the founding of the Whately chair. Part of our purpose is to suggest that Cairnes's contribution to economic thought, though almost universally acknowledged as honourable, has been seriously underestimated.

This offering is the first-fruit of a larger study of the life and works of Cairnes, and is also part of a more general study of Irish political economy in the 19th century. We will begin by giving a brief life of Cairnes, noting especially his friendship with Mill. The main body of the paper will be divided into two parts. The first will deal with Cairnes's changing views on the state of Ireland with special emphasis on his contributions to Mill's understanding of Irish society. In general, this part of the paper will be modestly descriptive. In the other main section of the paper we will examine briefly Cairnes's contribution to economic thought and policy in the context of his reputation as conventionally perceived. We will then suggest how some, at least, of his contributions to political economy can be ascribed to his Irish experience. This will lead to a broadening of the paper to include some remarks of a preliminary and tentative kind on the fraught relationship between Ireland and the science, or alleged science, of political economy.

I

John Elliot Cairnes was born at Castlebellingham, County Louth, in December 1823 into a brewing family.[2] As a child he was considered so dull as to be even unfit to attend university. He incurred paternal displeasure by declining to enter the family business. However, he entered Trinity College Dublin in 1842, emerging

in 1848 complete with the B.A. degree. He collected the M.A. in 1854. William Nesbitt, Professor of Latin and later of Greek at Queen's College Galway, had turned Cairnes's attention to the study of political economy and urged him to compete for the Whately professorship. Cairnes was successful and became the sixth incumbent of the chair in 1856, holding it for the full five-year tenure. In 1859 he was appointed to the chair of jurisprudence and political economy at Queen's College Galway, an appointment he held until 1870. In 1866 he was appointed to the professorship of political economy at University College London. Thus he held joint-professorships in Galway and Dublin between 1859 and 1861 and in London and Galway between 1866 and 1870. Because of ill-health he resigned the London professorship in 1872, having already vacated his Galway chair two years previously.

It is worth noting that Cairnes was unique among the holders of the Whately chair of his time in that while trained as a lawyer — he was called to the Bar in 1857 — he never seriously practised law nor engaged in any other occupation. He was from the beginning a full-time academic economist; indeed he was one of the first professional economists in Great Britain and Ireland.

II

Cairnes and Mill first met at the Political Economy Club in London in 1859[3] and from then on they exchanged letters regularly. Cairnes was to become 'perhaps the most highly valued' of all of Mill's later correspondents.[4] The editors of the definitive Toronto edition of Mill's correspondence have claimed that 'more than any other of Mill's correspondence except perhaps that with Carlyle . . . both sides of the Cairnes-Mill series deserve publication together'.[5] Mill himself wrote to Cairnes declaring, with reference to their letters, that they were 'like . . . the philosophic correspondence in which the thinkers of the 16th and 17th centuries used to compare notes and discuss each other's opinions before and after publication — of which we have seen many interesting specimens in the published works of Descartes'.[6]

Our focus in this paper, however, is on the Cairnes-Mill correspondence as it related to Ireland. Mill had long been interested in Irish affairs, and his writings on Ireland could be divided into three phases. The first goes back to 1846-47 when Mill abandoned his work on the *Principles of political economy* for six months to write a series of articles — forty-three in all — for the *Morning Chronicle*

between October 1846 and January 1847. These were primarily concerned with discussing the implications of the Famine and particularly Thornton's proposals for the reclamation of waste lands. The second phase is represented in the various editions of his *Principles* — it went through seven between 1848 and 1871. The third phase is to be found in his pamphlet, *England and Ireland*, published in 1868. In this section we will examine the writings of Cairnes on Ireland to discover to what extent, if any, they could be said to have influenced J. S. Mill.

The year 1864 must be taken as the most appropriate starting point for our discussions. In that year Cairnes published his first article on Ireland anonymously in the *Edinburgh Review*,[7] and also planned to write a volume of essays on Ireland.[8] In the same year Mill set about the revision of the fifth edition of his *Principles of political economy*. From their correspondence of 1864, which mainly concerned the revision of the *Principles*, it is possible to trace the evolution of Cairnes's thought on Ireland. His initial reaction to Mill's invitation, in October 1864, 'to make any improvement' in his treatment of Ireland in the fifth edition 'that you can suggest, and especially to know if there is anything which you think it would be useful to say on the present state of Ireland',[9] was one of overall agreement with Mill's position on Ireland. In that edition Mill had displayed extraordinary optimism when he argued that due to the large decrease of the population and the work of the Encumbered Estates Act, which Mill termed the 'greatest of boons ever conferred on [Ireland] by any government', made, according to Mill, 'the introduction, on a large scale, of the English agricultural system for the first time possible in that country'. He concluded that 'Ireland, therefore, was not now in a condition to require what are called heroic remedies'.[10] Whatever Mill may have meant by 'heroic remedies', peasant proprietorship was not now seen as being among them. While Mill conceded that peasant proprietorship was desirable, it was 'no longer indispensable'.[11] Cairnes, apart from making a number of comments about the need for further reforms, agreed totally with Mill and clearly shared Mill's basic optimism about the future.[12]

Later that year — in reply to a query from Mill concerning the state of the cottier class[13] — we get further insight into Cairnes's perception of the problem. Writing from Galway on 6 December 1864, and promising a fuller and more accurate reply, Cairnes believed that there 'is no doubt that the class of cottier tenants has been immensely reduced in Ireland and that the causes now in

operation are tending rapidly to its entire extinction'. However Cairnes felt that the problem of over-population still remained, and that the means of raising the standard of living of 'the mass of the Irish working population' would mean 'dissociating them altogether from their present mode of life'. The methods envisaged by Cairnes for this dissociation included the provision of small parcels of land, the development of economic activity outside agriculture, along with continued emigration. Whatever Cairnes may have felt about the effectiveness of these measures in the future, he was under no illusions as to what had been already achieved. He argued that up to the present at least, the extent to which cottiers had been 'converted into labourers, no good has been done', and that were it not for emigration he felt that it could be 'confidently predicted that within a generation the [population] would be reduced once more to the starvation point'. Indeed Cairnes argued that 'even with the emigration I feel very sanguine it will not be avoided'.[14] Clearly, even within the short period between October and December 1864, Cairnes had adopted a considerably more pessimistic position with regard to the future of the cottier and labouring classes. Interestingly, when Mill replied to this particular letter he stated that, with respect to Ireland, he would '. . . cancel all I had newly written on that subject, and wait for the further communication you kindly promise'.[15]

This 'further communication' comprised the *Notes on the state of Ireland (1864)*, which were sent by Cairnes in December.[16] These *Notes* contained a more elaborate articulation of Cairnes's position in relation to Ireland. Cairnes addressed himself to four principal questions or themes. These included the 'extensive reductions' of cottierism in Ireland, the prospects of the farming class immediately above the cottier class, the arguments in favour of a peasant proprietorship, and the problems of getting the land into the hands of the actual cultivators. In this paper we will concentrate on two aspects of the material contained in the *Notes* — firstly, on those parts which were used by Mill in the revised edition of his *Principles*, and secondly on Cairnes's discussion of peasant proprietorship in which he disagreed fundamentally with Longfield's position.

The first aspect of Cairnes's *Notes* incorporated by Mill into his revised *Principles* included Cairnes's analysis of the reasons for the reduction in cottierism.[17] The contributing factors to this process identified by Cairnes included the impact of free trade, which was instrumental in the transformation of the agricultural economy from tillage to pasture[18] and the Famine, with its associated change in

the attitude of the landlords who had learned that cottierism was 'as ruinous to them as it is demoralizing to the peasantry'.[19] In addition Cairnes argued that the attitude to the new proprietors, who had acquired land through the Landed Estates Court, resulted in land being viewed primarily as an investment and from this perspective cottiers were 'an abomination'.[20] Finally, Cairnes argued that the increased contact with America and other 'new countries' facilitated continued large-scale emigration.[21] The combined impact of these factors, concluded Cairnes, would result in such an enormous reduction in cottierism as to render it unimportant.[22] What Cairnes provided here for Mill was a systematization of the reasons for the expected reduction in cottierism, something which was missing from the fifth but which Mill included in his new edition. However Cairnes's contribution to this topic did not end here. He made a number of important qualifications, which Mill reproduced in full in the revised edition. These concerned the 'influence exercised on land tenure through the commercial ideas of the new proprietory', whom Cairnes felt were unsuitable as landlords precisely because of their commercial ideas.[23] Cairnes's other qualification concerned the role of middlemen, who in their desire to get cottiers as tenants, neutralized the anxiety of the landlords to get rid of cottiers.[24]

The second major area where Mill relied on Cairnes's material concerned the position and prospects of the farming class immediately above cottiers — those holding 15 to 30 acres. With respect to this class, Cairnes argued that the accumulation of private balances and deposits in the banks between 1840 and 1861, which had risen three-fold over this period, represented the accumulated savings of this small farming class. Cairnes provided a succinct summary of the port-folio options available to the small farming class when he commented that 'for the most part they look upon the bank as the only alternative to the thatch', and concluded that 'notwithstanding the symptoms of poverty that still everywhere abound . . . wealth is growing among this class'. This conclusion prompted Cairnes to raise the question, why, given the backward state of agriculture, were their savings not invested for the improvement of their farms? Cairnes felt that the solution to this problem was 'to be sought in many directions', but went on to state that 'security of tenure' was 'an indispensable condition'. In fact Cairnes, in a footnote, argued for what he termed 'substantial security of tenure', which was not to be equated with the 'wholesale confiscation of property in favour of existing cultivators'.[25] On the general

topic of security of tenure, Cairnes expressed the opinion that 'Longfield's treatment of this project seemed to me, as a matter of speculation, to be profoundly fallacious', but he did not disagree with Longfield's assessment of the 'practical mischief which constant agitation of these schemes produces in the unsettling of people's minds'.[26]

It was in the course of his examination of the position of the small farming class that Cairnes raised the question of the prospects of a class of peasant proprietors arising in Ireland. It was on this issue that his differences with Longfield became most pronounced, and it is of some interest to examine briefly Cairnes's thinking on this issue. Longfield's position on peasant proprietorship rested on three basic assumptions:

(i) that in Ireland wherever 'substantial interests exist in land, the owner of such interest almost invariably sublets',

(ii) that 'the natural disposition of the Irish people is careless improvident given to dash and show — in a word the opposite in all respects of that mental type which is the characteristic of peasant proprietors, and which seems to be indispensable to the keeping up of peasant proprietors',

(iii) that 'the peasant proprietor regime belongs to an earlier and primitive conditions of society' and could therefore be expected to disintegrate under the impact of economic and social development.[27]

Cairnes disagreed with Longfield on all three assumptions and argued cogently against them as follows:

(i) with respect to Longfield's first position, Cairnes argued that the tendency to sublet was 'the natural and inevitable consequences of former social and political conditions', conditions which Cairnes felt had more affinity with the ethics of 'feudal and medieval' arrangements, but were now rapidly passing away as far as the landlord class was concerned. If this was true for the landlords, would it not, argued Cairnes, trickle down to the classes below them, thereby neutralizing the 'landlord passion' in the lower classes?

(ii) in relation to Longfield's second position, Cairnes accepted that 'no doubt the Irish disposition is careless and improvident' but he refused to accept the inevitability of Longfield's position, and raised the question as to whether we are 'to suppose that these qualities are ineradicable?' Cairnes argued that the presence of these dispositions could be explained historically, and in order to eradicate them it was all the more necessary to provide for peasant proprietorship. Cairnes himself stated his position as follows: 'regarded from this point of

view, peasant proprietorship appears to me to be exactly the specific for the prevailing Irish disease.'

(iii) Cairnes argued against Longfield's third position by drawing on the evidence from such countries as France and the northern states of America to demonstrate that peasant proprietorship was the prevailing form of land tenure. In fact Cairnes viewed the English system of tenure, 'as an exception to the prevailing order of democratic progress than as indicating the rule'. This was a theme Cairnes was to return to again in the future. Even if Longfield's argument was conceded, Cairnes still felt that it would be 'good policy to encourage this system as a transitional expedient to help Ireland forward in its course'. While Mill did not make use of this material, it reflected clearly the direction Cairnes's thinking was soon to take.[28]

In contrast, an area where Mill did make extensive use of Cairnes's *Notes* concerned the problem of the land 'getting in any large extent into the hands of the actual cultivators'.[29] On this issue Cairnes felt that to a limited extent 'this has been, or at least was realised'. What Cairnes appears to be concerned with here are the different factors which influenced the price of land. His principal concern was with the high cost of the conveyance of land through the Landed Estates Court. This represented a barrier to the purchase of smaller portions of land, thereby hindering the downward mobility of land. As long as this situation prevailed, Cairnes felt that 'the experiment of peasant proprietorship . . . cannot fairly be tried'.[30] What Mill had called the 'greatest boon ever conferred on Ireland by any Government' became, according to Cairnes's analysis, a less than satisfactory mechanism for the transfer of land.

Writing to Cairnes on 5 January 1865, Mill, referring to the *Notes*, commented that 'They are a complete Essay on the state and prospects of Ireland, and so entirely satisfactory that they leave me nothing to think of except how to make the most of them'.[31] What differences, one may ask, did the material contained in the *Notes* make to Mill's thinking on Ireland? Three areas can be identified. In the first place, Mill dropped all reference in the sixth edition to the possibility of the English agricultural system becoming successfully established in Ireland. This is of some significance, and could be interpreted as representing the beginning of a major shift in Mill's view on the Irish question, particularly given Cairnes's argumentation against Longfield on the issue of peasant proprietorship. Secondly, while remaining over-optimistic with respect to the disappearance of the cottier-class, the inclusion of Cairnes's qualifications which highlighted certain countervailing tendencies,

provided a more modified version of Mill's position, as contained in the fifth edition. Thirdly, Mill's continued extravagant claims for the efficiency of the Landed Estates Court as a mechanism for the transfer of land was qualified as a result of Cairnes's identification of the problem of the high cost of conveyancing in the Court, qualifications which Mill reproduced in full.[32] On balance, while the changes incorporated into the sixth edition reflect a relationship of total reliance by Mill on Cairnes, there is no evidence, at this stage, of a fundamental shift in Mill's position. This was to come later in *England and Ireland*, influenced, we will argue, by Cairnes's writing on Ireland in the course of 1865.

It soon became clear to Cairnes that facilitating land transfers would do little to solve Ireland's problems. Writing to Mill on 24 January 1865, he stated that 'something, but not very much, may be effected towards cheapening the process by a registration of titles on Lord Westbury's or Mr. Torren's plan, that might be done by a Register of Deeds; but that to accomplish anything effective — I mean that would meet the requirements of Ireland — more radical remedies are necessary'.[33] In the meantime Cairnes had been requested by Judge Longfield to give evidence before the Parliamentary Committee which had been established to inquire into tenant-right, and we know that Cairnes gave his 'conditional assent'.[34] At this time also he wrote a number of articles for the *Daily News* on the land question in Ireland.[35] But Cairnes's most significant writings on Ireland were undoubtedly a series of nine articles entitled 'Ireland in transition' which he contributed to the *Economist* between 9 September and 4 November 1865. These articles are perhaps best seen in terms of the 'state of the nation' debate which D. C. Heron had inaugurated in May 1862, and which included contributions by Longfield, Ingram, Hancock, and indeed Cairnes himself in his article in the *Edinburgh Review*.[36]

The *Economist* articles constituted a plea for peasant proprietors, and a rejection of the view that the only possible or desirable future for Irish agriculture lay in the creation of large farms based on the English or Scottish model. At the level of policy the articles modestly set forth a scheme of tenant-compensation, compatible with the principles of free-trade, to promote peasant proprietorship. But this scheme was justified on the basis of a searching critique of the accepted theory of private property in land. This represented a radical shift in Cairnes's thinking. His critique rested on a number of basic premises. Land, he argued, differed from the other agents of production in a number of respects:

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(i) It was 'absolutely indispensable to the most human needs, and at the same time was absolutely limited in quantity'.

(ii) Unlike the great mass of commodities, it was not 'the creation of any man's industry'.

(iii) In the productive process it could be 'greatly improved or deteriorated according to the treatment it receives'.[37]

For Cairnes, individual property in land was not only different from other forms of property, it was subordinate to them, in that it did not derive from 'that act which forms in the last resort the natural title deed to almost all other wealth — human labour'. In fact, the cultivator's right to the value he added to land was for this reason more fundamental than the landlord's rights to the property in his land. Cairnes argued that this 'conflict of principles' had already occurred in Ireland, and in this conflict the labourer had the 'paramount claim'.[38] For Cairnes, the 'practical exigencies of Ireland' were demanding 'a more thorough analysis and a larger theory of the facts' of land tenure. Not only was the English agricultural model totally inappropriate to Ireland, but what he called 'English theory' was at variance with 'Irish ideas' about landed property, and did not explain Irish 'fact'. He viewed the 'peculiar Irish notion' respecting landed property as being, paradoxically, a more universal phenomenon than the 'approved doctrine' of the English classical position, a notion which had 'a solid foundation in fact — a foundation of which the accepted theory takes no account'. Cairnes rejected the English doctrine of 'open competition and contract as the remedy of all social disorders arising from land tenure', and claimed that the relationship between landlord and tenant was not an ordinary contract but one that demanded 'from the State a large supervision and control'.[39] In a later article in the *Economist*, he argued that Fortescue's Irish Land Bill embodied 'a new principle in English legislation . . . the assertion in a general form of the subordination of the landlord's right in his property to the public welfare'. This principle was in Cairnes's view 'an entirely sound one, and one of which the recognition is absolutely indispensable to an effective dealing with the pressing requirement of Ireland',[40] and in a letter to Mill, in May 1867, he expressed the hope that the bill would be passed 'as affording a recognition of the principles of the limited character of the landlord's property in the soil'.[41]

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In a letter of 6 January 1866, Mill informed Cairnes that he had read several of the *Economist* articles and had 'admired them greatly', and added that the 'generalities of the question have perhaps never before been so well stated' as in Cairnes's first article.[42] Cairnes thanked Mill for the 'very handsome terms' in which he expressed approval of his *Economist* articles 'so far at least as the theoretical statement does'.[43]

It remains to be seen, if and to what extent, this admiration for Cairnes's *Economist* articles was to influence Mill when he came to write in 1868 one of the most controversial of all his works, the pamphlet *England and Ireland*.[44] In this pamphlet Mill abandoned his previously ambivalent views on Irish land in dramatic fashion, arguing unequivocally, on political and economic grounds, for fixity of tenure in Ireland. As E. D. Steele has commented, 'for the first time in all Mill had written and said about Irish land' he appealed 'to the notions of property in land cherished by the peasantry, which were quite different from those embodied in the laws of the United Kingdom'.[45] Mill conceded that absolute ownership of land by landlords in Britain had not proved unacceptable to the people. This was not so in Ireland. According to Steele, 'English landlords were now really apprehensive that a surrender to fundamental principles in Ireland would really encourage the radical wing of the Liberal party and its working-class allies to exploit it against themselves'.[46] Here clearly was a principle, as Lord Kimberly remarked on another occasion, 'which might easily cross the channel'.[47]

The hostile reception which greeted the publication of *England and Ireland* centred on its alleged attack on private property in land. Lord Bessborough saw Mill as a Fenian with 'plundering views'.[48] The *Times* wrote of 'this sweeping interference with the rights of property'. Every man, advised the *Times*, 'should make up his mind whether the received laws of property are to be upheld in the United Kingdom; or whether, beginning first with Ireland, we are to establish principles which would unsettle our whole social fabric . . . the first thing to be borne in mind is that every theory accepted for Ireland is accepted in England also'.[49] Mill was variously seen as a communist, a Fenian, a disciple of Proudhon or even of Jack Cade. In the subsequent House of Commons debate, Mill's pamphlet figures prominently and was attacked for undermining property rights. What heresy, you may well ask, did the proverbially moderate Mill preach in *England and Ireland* to draw such odium upon his head?

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In *England and Ireland,* Mill declared that the right of the labourer to appropriate the fruits of his toil was the 'foundation of property in land'. Before the Conquest, wrote Mill, 'the Irish people knew nothing of absolute property in land'. The idea of property in land in the Irish mind was connected with the right of the cultivator, not that of the rent-receiver. England forced on Ireland 'her own idea of absolute property in land'.[50]

Mill saw English laws and usages, especially with regard to land, as inappropriate to Ireland. As far as he was concerned, 'heroic remedies' were again to be prescribed for Ireland. Speaking in the House of Commons on the Maguire motion, Mill stated that in relation to Ireland 'there is a strong presumption that the remedy must be much stronger and more drastic than any that has yet been applied', for 'great and obstinate evils require great remedies'. [51] Such changes might be 'revolutionary' he declared, but 'revolutionary measures are the thing now required. It is not necessarily that the revolution should be violent, still less that it should be unjust.' No scruple of 'purely English birth', he argued, 'ought to stay our hands from affecting, since it has come to that, a real revolution in the economical and social conditions of Ireland'. For Mill, 'the rule of Ireland' now rightfully belongs 'to those who, by means consistent with justice would 'make the cultivators of the soil of Ireland the owners of it'. To support his stand, Mill drew on the experience of India to provide evidence for the Gladstonian notion that Ireland should be governed by Irish ideas. For Mill, the rule of India now devolved on men 'who passed their lives in India, and made Indian interests their professional occupation'. Such persons, he stated, needed to be stripped of their 'preconceived English ideas'. However imperfectly, argued Mill, 'India was now governed with a full perception and recognition of the differences from England. . . . What had been done for India has now to be done for Ireland'. Mill argued for the establishment of a Commission that would examine every farm that was let to a tenant, with the objective of replacing the existing variable with fixed rents. Mill saw these measures as necessary, since he felt that the time had passed for a more 'amicable mediation' of the State between the landlord and the tenant. There must, he argued, be 'compulsory powers' and a 'strong judicial inquiry'. This annual rent would be either guaranteed by or paid directly by the State to the landlord.[52] As R. D. C. Black has commented, 'the most important feature [of *England and Ireland*] . . . and the one which most startled and antagonised the upholders of the "rights of property" was the suggestion that rents should be

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controlled by law and not determined by market forces'. This should not have come as any great surprise for, as Professor Black observed, this proposal had been put forward by Cairnes in his *Economist* articles of 1865.[53]

Clearly the parallels between the *Economist* articles and Mill's *England and Ireland* are extremely impressive. Cairnes's radical shift of position with respect to (i) his critique of the absolute ownership of land by landlords which resulted in his doctrine of qualified rights of landowners, (ii) his critique of the transfer of English models of economic and social organisation, and of their appropriateness to Irish conditions, and (iii) his rejection of competition and contract in favour of greater State supervision and control, are all systematically reproduced in Mill's *England and Ireland.* Given Mill's enthusiastic approval of these articles when they were written, it is hardly coincidental that Mill should have been profoundly influenced by their contents. We would suggest that in attempting to explain Mill's radical deviations in *England and Ireland,* a major, if not the major influence, must be sought in the writings of Cairnes, especially in the *Economist* articles.

By way of concluding this section of the paper, it should be pointed out that Cairnes returned to this topic when, in 1869, John Morley, the editor of the *Fortnightly Review,* requested him to submit a paper on the subject.[54] This resulted in 'Political economy and land' which was published in 1870.[55] Here he examined again the basis of property in land. He reiterated his doctrine of the qualified rights of ownership along with his arguments for state intervention in dealing with land. Cairnes argued that only a political economy which was committed to *laissez-faire* could oppose such State intervention. Henry Maine wrote a critical review of this paper in the *Pall Mall Gazette* in which he declared that investigations into the 'true foundations of property' were 'speculatively idle' and 'practically dangerous'.[56] Mill in contrast commented that he had 'never seen the ethical distinction between property in land and in moveables so thoroughly and clearly worked out, and the philosophical limits both of the property doctrine and of the counter-doctrine so well stated'.[57]

In his first thoughts on Ireland, Cairnes rejected 'heroic remedies'. The drastic measures usually associated with Mill's *England and Ireland* (1868) were first canvassed much earlier in the pages of the *Economist* in 1865 by John Elliot Cairnes. Cairnes reiterated these radical views elsewhere. Writing to his friend Leonard Courtney on 6 April 1866, Cairnes declared that he was 'delighted to find

that your opinions on the land question are "revolutionary" and "socialistic"'. And on 27 August 1869, he told Courtney that with reference to Irish land, 'my ideas on the subject are becoming every day more revolutionary'. By 'revolutionary', he meant 'upsetting radically existing notions respecting landed property'.[58] Clearly Cairnes's relationship with Mill was not as 'deferential' as E. D. Steele claims it to have been,[59] while Cairnes as an exponent of 'rigid individualism' and as a timid epigone of Mill, in Willard Wolfe's estimation, is a gross caricature.[60]

III

We have been concerned in the previous section with highlighting the importance of just one aspect of the writings of J. E. Cairnes, and on the basis of this examination it is difficult to sustain the view of Cairnes as merely an acolyte to Mill. Cairnes had a real, if limited, influence on the sixth edition of Mill's *Principles of political economy;* but his pioneering articles in the *Economist* anticipated by a number of years, more systematically and with more cogent argumentation, the most controversial aspects of Mill's pamphlet *England and Ireland.* In passing, one might note, that there was by no means complete unanimity between Mill and Cairnes in matters of economic theory. There were, for instance, important differences between them concerning the theory of interest, supply and demand, and costs of production.

Cairnes's reputation as the Abdiel of orthodoxy seems to be based largely on his continued defence of the wages-fund theory when Mill had already recanted it. The shadow of Mill, under which Cairnes wrote, has arguably all but obscured his contributions to several other areas of economic thought. In general, Cairnes's reputation rests largely on his two major works within the mainstream of economic analysis, respectively his first and last works, *The character and logical method of political economy* (1857, 2nd edition, expanded 1875), and *Some leading principles of political economy* (1874). In particular, his *Leading principles* is seen as the final restatement of classical political economy in the Ricardo-Mill tradition. It is interesting to note, in spite of the impeccably orthodox credentials of the *Leading principles,* that, according to Kaldor among others, the theory of 'excess capacity', which was outlined in Sraffa's famous article in the *Economic Journal* in 1926, is to be found 'in essentials' in Cairnes's last work.[61]

Cairnes's *Character and logical method of political economy,* according to Professor R. D. C. Black, 'stands as the definitive statement of the methodology of the English classical school'.[62] Such a work, wrote the historian H. T. Buckle to Cairnes, 'augurs well for the University of Dublin'.[63] Walter Bagehot, in his obituary of Cairnes in the *Economist* in 1875, wrote that in this work Cairnes 'defines better, as we think, than any previous writer, the exact sort of science, which political economy is, the kind of reasoning which it uses and the nature of the relation which it, as an abstract science, bears to the concrete world'.[64] His substantial writings on Bastiat, Comte, and Herbert Spencer are best seen as contributions to this aspect of political economy.[65] Despite Cairnes's undoubted theoretical ability, and his commitment to a rigorous deductivist methodology, he was much preoccupied by the application of economic principles to practical economic and social problems, which is reflected in many of his writings collected in his *Essays in political economy, theoretical and applied* and *Political essays,* both published in 1873.

Cairnes's writings on the gold question[66] have been described as 'among the most important works of the nineteenth century on monetary theory'.[67] His *Examination into the principles of currency involved in the Bank Charter Act of 1844,* published in 1854, and which was one of his earliest technical writings in political economy, was highly thought of by Thomas Tooke.[68] Jevons recognised that Cairnes's writings on gold both anticipated and corroborated his own later statistical work on this topic.[69] But the most influential of all of Cairnes's works was *The slave power,* published in 1862 when he was Professor of Jurisprudence and Political Economy in Queen's College Galway, but the substance of which formed the subject-matter of a course of lectures in Trinity College Dublin, a year or so previously.[70] This work was described by Leslie Stephen as 'the most powerful defence of the cause of the Northern States' in the American Civil War 'ever written', and which 'made a great impression both in England and America'.[71] Darwin was very impressed by *The slave power*[72] and Jevons saw it as a 'nearly or quite irrefragable piece of reasoning'.[73] It exerted, wrote Henry Fawcett 'a powerful influence on English public opinion in favour of the North' in the American Civil War.[74] Its 'practical object' was 'completely accomplished' wrote Cliffe Leslie, but its 'philosophic purpose' gave it 'a permanent value as an economic classic'.[75] The ambitious 'philosophic purpose' of *The slave power* was 'to show that the course of history is largely determined by the action of economic causes'.[76] It

is scarcely surprising that Marx should show an interest in this work, and it is not widely known that Marx's own analysis of the slave economy is very much indebted to Cairnes. Indeed Cairnes remains a *bête noire* of some American economic historians, particularly Fogel and Engerman in their controversial revisionist study of American slavery, *Time on the Cross*, where Cairnes is condemned as an originator of a pre-cliometric, unreconstructured understanding of slavery.[77] Engerman writes that Marx drew largely on Cairnes in his analysis of the slave South, as indeed did subsequent Marxist scholars.[78] This remains true to this day — Eugene Genovese, perhaps the leading contemporary Marxist writer on slavery, is very much indebted to the work of John Elliot Cairnes.[79] Maurice Dobb, the late Marxist economist at Cambridge, claimed that Cairnes's analysis of a slave economy could be a fruitful model for an understanding of the economics of imperialism.[80]

But it is in the area of economic policy that Cairnes deserves least his reputation for unimpeachable orthodoxy. This is an aspect of his work we would like to pursue, particularly in relation to his writings on *laissez-faire*. Of interest here is the extent to which his position on *laissez-faire* arose from his writings on Ireland. In his book, *The end of laissez-faire*, published in 1926, J. M. Keynes (whose father John Neville Keynes wrote the extensive entry on Cairnes in Palgrave's *Dictionary of political economy*) stated that Cairnes 'was perhaps the first orthodox economist to deliver a frontal attack upon *laissez-faire* in general'.[81] This was in a lecture 'Political economy and *laissez-faire*' which he delivered at University College London in 1870. *Laissez-faire*, he argued, had 'no scientific basis whatsoever' and was 'at best a mere handy rule of practice'.[82] As R. D. C. Black has put it, 'already in 1870 Cairnes had exploded the myth that economists were inevitably committed to approval of the policy of *laissez-faire*'.[83] Or as H. D. Marshall has stated, 'if Mill can be described as one who, despite his sympathy for social reform, still clung to the concept of individualism and *laissez-faire*, Cairnes may best be described as one who never had any doubts about the undesirability of opposing any proposal for interfering with the free operation of the market'.[84] Indeed Cairnes's mordant critique of Bastiat is probably best seen within the context of the whole *laissez-faire* debate. He attacked Bastiat's doctrine of the harmony of interests, which for Bastiat was a quasi-theological belief which provided him with an invulnerable metaphysical underpinning for the economic policy of *laissez-faire*.[85] It was for this reason that Veblen commended Cairnes for making the foundations of econom-

ics more scientific, though he realised that the opportunity cost of this increased scientificity was a concomitant decrease in metaphysical charm. It was, in Veblen's view, a tribute to Cairnes that, in his hand, political economy had become an even more dismal science than even Carlyle had imagined.[86] P. T. Homan succinctly summarised Cairnes's position when he stated that he undermined the adequacy of the classical system 'as a basis for the political precept of *laissez-faire*' by 'divorcing the system from a beneficient order of nature and by emphasising the "hypothetical nature of its laws"'.[87]

It is, to coin a phrase, no accident that the 'first frontal attack' on *laissez-faire* should come out of the Irish experience. Cairnes rejected the view that the contract between landlords and tenants, particularly in Ireland, was an ordinary commercial transaction. In Great Britain land was but one among many modes of profitable investment, but this was not so in Ireland.[88] Lacking a significant industrial sector, the large Irish population created an intense demand for a fixed supply of land. Cairnes characterised competition for land in Ireland as that 'of impoverished men, bidding under the pressure of prospective exile or beggary'.[89] Cairnes, in 1866, saw the Landed Estates Court as 'proceeding according to rules known to our existing system of jurisprudence; it set aside solemn contracts',[90] a course he very much approved of. As Oliver McDonagh put it, Cairnes 'first argued for peasant proprietorship upon the ground that property in land was not absolute but qualified, and subject to the labourer's right to a share of the fruits of his work'.[91] McDonagh is here, of course, referring to Cairnes's *Economist* articles, as is Joseph Lee when he stated that 'Cairnes startled public opinion in 1865 by advocating peasant proprietorship in Ireland'.[92] John Bright, writing to Gladstone on 15 October 1869, confessed that Cairnes's proposal to introduce fixed rents 'alarmed him a good deal'.[93]

In a further letter to Gladstone on 1 January, 1870, Bright 'recoiled at a particular manifestation of the new British radicalism'[94] — this was Cairnes's article 'Political economy and land' in the *Fortnightly Review* of January, 1870, where Cairnes, among other things, advocated State control of rents.[95] It must be noted that even before Cairnes began informing Mill on Irish affairs, Ireland had presented problems for Mill, particularly in relation to property in land. A later economist, J. Shield Nicholson, opposing Mill's analysis, made the observation that 'no doubt Mill's views were influenced by the condition of Ireland when he wrote, and by its

history' and proceeded to admonish Mill for arguing from 'a particular case'.[96]

But the issue of Ireland as a 'particular case' must be viewed in the context of the debate concerning the applicability of political economy to Ireland. In the mid-nineteenth century a number of authors pointed out that the English agricultural model was not appropriate to Ireland. As Henry Dix Hutton put it 'English land tenure ... does not furnish a universal standard. There is no country to which English tenure, considered as an absolute test, is less applicable than Ireland'.[97] And as Mill claimed in *England and Ireland* and in his contributions to the debates on Fortescue's Land Bill (1866) and Maguire's motion (1868), Irish problems were not to be solved by a political economy based on English experience and ideas.[98] Indeed there was a widespread view in Ireland that the writs of political economy did not run in this country. The laws of political economy were, no doubt, universal, but they did not, however, apply to Ireland. Professor Bastable, who succeeded Cairnes both at Galway and Trinity College Dublin, later in the century, felt it necessary to rebut the heresy that 'economic principles are not applicable to Ireland'.[99] Hancock entitled one of his publications, produced significantly in 1847, *Three lectures on the question: Should the principles of political economy be disregarded at the present crisis?*[100] Hancock saw quite early, that 'the orthodox doctrines of political economy if applied rigidly in Ireland' led to 'startling results'.[101] John Bright suspected, doubtless in exasperation, that political economy was 'a science unknown ... in Ireland'.[102] The 'Limerick declaration' of 1868, a manifesto by an assembly of Roman Catholic priests in favour of repeal, announced, no doubt as a cogent reason for severing the connection with England, that 'Ireland had had enough of political economy'.[103] As Black notes, 'To them, and to most Irishmen ... political economy meant *laissez-faire* and freedom of contract, not the doctrines of Mill and Cairnes'.[104]

While the applicability of political economy to Ireland was vigorously attacked, this did not imply a lack of interest in political economy in Ireland. Mill's views were well known in Ireland — his *England and Ireland* was popular here,[105] and extracts from his *Principles* relating to Ireland, together with his Parliamentary speeches on Fortescue's Bill and Maguire's motion were published in Ireland, 'not by me', as he recounts in his *Autobiography*, 'but with my permission'.[106] Cairnes, in his lecture 'Political economy and *laissez-faire*' stated that 'in the not very flourishing town of Galway'

the degree of interest taken in economic science is many times, perhaps five or six times greater than in London, basing his view on the comparative number of students of political economy in Galway and London![107] Even in Tuam itself, according to the economist W. E. Hearn, 'under the gloomy shadow of St. Jarlath's — long the undisputed kingdom of Old Night', the 'faith and morals' of the townspeople were to be 'contaminated by a course of lectures in very heretical political economy'.[108]

In Ireland, according to an article in the *Irish Tribune* in July 1848, entitled 'The rights of labour', unsigned but sometimes erroneously attributed to James Fintan Lalor, what was bad in political economy 'has been acted upon, but the good has been totally neglected'. Political economy would not do too much damage, according to the author, if it were confined to 'turnip-headed candidates' for political office who uttered words like 'capital', sounds 'devoid of meaning to them'. The author, however, did not think much of Whately. 'But there are others', he fulminated 'whose poison is more insidious, and who have taken the best means of diffusing it through our veins — such as one Whately, a goodly specimen of the foreign vermin we have allowed to crawl over us — of such we must beware'.[109] It is a rather nice irony that it was another Irishman, from Trinity College Dublin, John Kells Ingram, who did not fear to speak in defence of the scientific status of political economy when it was impugned by Sir Francis Galton at a meeting of the British Association in 1877.[110]

Coming out of Ireland, it is little wonder that Cairnes should have become sceptical of the universality of the laws of political economy, of the alleged beneficent order of nature, of the theory of the harmony of interests, and of the sacredness of landed property. One feature, according to Cairnes, which was 'noticeable as more or less prominently characterising' all schemes 'recently offered [around 1870] to public notice for the settlement of the Irish land question' was 'a profound distrust of Political Economy'. Just in proportion he added, 'as a plan gives promise of being effective, does the author feel it necessary to assume an attitude, if not of hostility, then of apology, towards the science. It is either sneered at as unpractical and perverse, or its authority is respectfully put aside as of no account in a country so exceptionally situated as Ireland'.[111] For Cairnes a political economy the 'sum and substance' of whose teaching was the maxim *'laissez-faire'* had no relevance to Irish problems. In the discussions about the 1870 Irish Land Bill, Cairnes wrote that 'political economy was again and again appealed

to as having pronounced against that measure' because the Bill 'interfered with freedom of contract, violated the rule of *laissez-faire*', charges, Cairnes added, which were 'perfectly true, and which would have been decisive against the Bill had these phrases really possessed the scientific authority which members of parliament supposed them to possess'.[112]

We hope we have made a *prima facie* case for a revaluation of Cairnes's status as a political economist. We noted the rapid change in his thinking on Ireland, from rejecting 'heroic remedies' to embracing what he called 'revolutionary' and 'socialistic' doctrines with respect to private property in land. He made some contributions to Mill's thinking on Ireland in the sixth edition of the *Principles,* but his greatest influence, heretofore uninvestigated, was that of his *Economist* articles on Mill's most controversial work *England and Ireland.* In more general terms, Cairnes had a profound impact on Mill's increasing hostility to *laissez-faire* economics. We suggested that Cairnes's reputation for unsullied orthodoxy is based on his last-ditch defence of the wages-fund theory. This, we argued, does a serious injustice to his important contributions to several areas in economic analysis and policy. Finally, we attempted to explain the genesis of a number of Cairnes's contributions to political economy by locating them in their Irish context. Using Cairnes as a basis we then broadened the discussion to consider, tentatively, the uneasy relationship perceived to have existed in the nineteenth century between Ireland and political economy. And, finally, we noted the mischief wrought by Ireland, with its infuriatingly different socio-economic arrangements and ideas, to that quintessentially English discourse — political economy.

Notes

1. [J. S. Mill] review of J. E. Cairnes, *The slave power* (London, 1862), in *Westminster Review*, n.s. 22 (1862), 489-90.
2. See entry in *Dictionary of national biography; Palgrave's dictionary of political economy* (London, 1874); R. D. C. Black, *The statistical and social inquiry society of Ireland: centenary volume 1847-1947* (Dublin, 1947); Adelaide Weinberg, *John Elliot Cairnes and the American Civil War*, (London, 1967), pp 10-18.
3. Cairnes to Nesbitt. 9 May 1859 (London School of Economics, Mill-Taylor Collection, Vol. XLIV, item 23).
4. F. E. Mineka and D. N. Lindley, eds., *The later letters of John Stuart Mill*, in *Collected works*, XIV (Toronto, 1972), p. xxxviii.
5. *Ibid.*

6. *Ibid.*, Vol. XV, p. 975, reproduced in J. S. Mill, *Principles of political economy*, ed., J. M. Robson, in *CW III* (Toronto, 1965), Appendix H, p. 1072.
7. 'Ireland', *Edinburgh Review*, 119 (1864). pp 279-304.
8. Mill to Cairnes, 28 March 1864, *CW*, Vol. XV, pp 929-30, No. 684.
9. Mill to Cairnes, 3 October 1864, *CW*, Vol. XV, pp 957-59, No. 721.
10. J. S. Mill, *Principles of political economy* (5th ed., London 1862), Vol. 1, p. 407.
11. *Ibid.*, Vol. 1, p. 407.
12. Cairnes to Mill, 13 October 1864 (L. S. E., M-T Coll., Vol. LVI (i) (A), item 16).
13. Mill to Cairnes, 1 Dec. 1864, *CW*, Vol. XV, pp 967-69, No. 728.
14. Cairnes to Mill, 6 December 1864 (L. S. E., M-T Coll., Vol. LVI (i) A, item 18), mostly reproduced in Appendix H, pp 1056-57.
15. Mill to Cairnes, 12 December 1864, *CW*, Vol. XV, pp 975-79, No. 734, reproduced in part in Appendix H, pp 1072-73.
16. Cairnes's *Notes* have been reproduced *in toto* in Appendix H, pp 1075-86.
17. J. S. Mill, *Principles of political economy* (6th ed., London, 1865), Vol. 1, pp 412-14.
18. Appendix H, pp 1075-76.
19. *Ibid.*, p. 1076.
20. *Ibid.*, p. 1076.
21. *Ibid.*, p. 1076.
22. *Ibid.*, p. 1076.
23. *Ibid.*, p. 1077.
24. *Ibid.*, p. 1078.
25. *Ibid.*, pp 1079-80.
26. *Ibid.*, p. 1080.
27. *Ibid.*, p. 1081.
28. *Ibid.*, pp 1081-82.
29. J. S. Mill, *Principles of political economy* (6th ed., London, 1865), Vol. 1, pp 416-18, and Appendix H, p. 1082.
30. Appendix H, pp 1082-83.
31. Mill to Cairnes, 5 Jan. 1865, *CW*, Vol. XVI, pp 985-87, No. 741, and Appendix H, p. 1088.
32. J. S. Mill, *Principles of political economy* (6th ed., London, 1865), Vol. 1, pp 416-18.
33. Cairnes to Mill, 24 January 1865 (L.S.E., M-T Coll., Vol. LVI (i) A, item 22).
34. Cairnes to Eliza Cairnes, 9 May 1865 (National Library of Ireland, Cairnes Papers, MS 8940 (11)).
35. *Ibid.*, 23 May 1865.
36. D. C. Heron, 'Historical statistics of Ireland', *Journal of the Dublin Statistical Society*, Vol. II, 1862, pp 235-57; M. Longfield, Presidential address *JDSS*, Vol. IV, 1865, pp 129-54; J. K. Ingram, 'Consideration on the state of Ireland', *JDSS*, Vol. IV, 1864, pp 13-26; W. N. Hancock, *Report of the supposed progressive decline of Irish prosperity* (Dublin, 1863).
37. *Economist*, 14 October 1865, p. 1238.
38. *Economist*, 21 October 1865, p. 1269.
39. *Economist*, 14 October 1865, p. 1238.
40. *Economist*, 12 May 1866, p. 559.
41. Cairnes to Mill, 20 May 1867 (L.S.E., M-T Coll., Vol. LVI (i) A, item 43).
42. Mill to Cairnes, 6 January 1866, *CW*, Vol. XVI, p. 1134, No. 904.
43. Cairnes to Mill, 9 January 1866 (L.S.E., M-T Coll., Vol. LVI (i) A, item 32).
44. John Stuart Mill, *England and Ireland* (London, 1868). Reprinted in *CW* (Toronto, 1982), Vol. VI, pp 507-532.

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45. E. D. Steele, 'J. S. Mill and the Irish question: reform, and the integrity of the empire, 1865-1870' in *Historical Journal*, xiii, No. 3 (1970), p. 429.
46. *Ibid.*, p. 437.
47. Cited in E. D. Steele, *Irish land and British politics: tenant right and nationality 1865-1870* (Cambridge, 1974), p. 293.
48. Cited in Steele, 'J. S. Mill and the Irish Question: reform, and the integrity of the empire, 1865-1870', p. 438.
49. *Ibid.*, p. 439.
50 *CW*, Vol. VI, p. 513.
51. J. S Mill *Chapters and speeches on the Irish land question* (London, 1870), p. 110.
52. *CW*, Vol. VI, p. 519.
53. R. D. C. Black, *Economic thought and the Irish question 1817-1870* (Cambridge, 1960), p. 54.
54. Cairnes to Mill, 21 December 1869 (L.S.E. M-T Coll., item 54).
55. J. E. Cairnes, 'Political economy and land', *Fortnightly Review*, n.s., 7 (1870), pp 41-43, reprinted in *Essays in political economy, theoretical and applied* (London, 1873), pp 187-231.
56. *Pall Mall Gazette*, 6 January 1870, pp 6-7.
57. Mill to Cairnes, 11 January 1870, *CW*, Vol. XVII, p. 1676, No. 1509.
58. Cairnes to Leonard Courtney, 1 Sept. 1869 (L.S.E., Courtney Collection, Vol. 1, item 58). Leonard Henry Courtney (1832-1918) succeeded Cairnes as Professor of Political Economy at University College London. He became M.P. and was later created 1st Baron Courtney of Penwith. See DNB.
59. E. D. Steele, 'J. S. Mill and the Irish question: *the principles of political economy*, 1848-1865'. *Historical Journal*, xiii, No. 2 (1970), p. 232.
60. Williard Wolfe, *From radicalism to socialism* (New Haven and London, 1975), p. 50.
61. Nicholas Kaldor, *Essays on value and distribution* (London, 1960), p. 63. See also E. H. Chamberlin, *The theory of monopolistic competition* (Cambridge, Massachusetts and London, 1956), p. 106. P. Sraffa, 'The laws of returns under competitive conditions', *Economic Journal*, xxxvi (1926), pp 535-50.
62. R. D. C. Black, 'Cairnes', *International encyclopedia of the social sciences*, Vol. 2 (1968), pp 257-58.
63. H. T. Buckle to Cairnes, 1 March 1858 (N.L.I., Cairnes Papers, MS 8944 (5)).
64. Reprinted in *Biographical Studies*, ed., R. H. Hutton, (London, 1881), p. 362.
65. J. E. Cairnes, 'Bastiat', *Fortnightly Review*, n.s. 8 (1870), pp 411-28; 'M. Comte and political economy', *Fortnightly Review*, n.s. 7 (1870), pp 579-602; 'Mr. Spencer on social evolution', *Fortnightly Review*, n.s. 17 (1875), pp 63-82, and 'Mr. Spencer on the study of sociology', *Fortnightly Review*, n.s. 17 (1875), pp 200-13.
66. J. E. Cairnes, 'The Laws, according to which a depreciation of the precious metals consequent upon an increase of supply takes place, considered in connection with the recent Gold Discoveries'. Paper read to the British Association, September 1858. Published in the *Journal of the Dublin Statistical Society*, II (1859), pp 236-69. 'Essays towards an experimental solution of the gold question', *Fraser's Magazine*, 60 (1859), pp 267-78; 'Essay towards a solution of the gold question', *Fraser's Magazine*, 61 (1860), pp 38-53; Review of M. Chevalier, *On the probable fall in the value of gold: the commercial and social consequences which may ensue, and the measures which it invites* (London, 1859), *Edinburgh Review*, 112 (1860), pp 1-33, reprinted in *Essays in political economy: theoretical and applied* (London, 1873), pp 109-165.
67. 'Cairnes', entry in *Encyclopedia Britannica* (Chicago, 1963) by T. W. Hutchinson.
68. Tooke to Cairnes, 27 March 1856 (N.L.I., Cairnes Papers, MS 8944 (4)).
69. See R. D. C. Black, 'Jevons and Cairnes', *Economica*, 27 (1960), pp 214-232.
70. J. E. Cairnes, *The slave power* (London, 1862), p. vii. A second edition followed in 1863.

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71. See Stephen's entry on 'Cairnes' in DNB.
72. F. Darwin, ed., *The life and letters of Charles Darwin* (London, 1887), Vol. III, p. 11.
73. Quoted by R. D. C. Black, 'Jevons and Cairnes', p. 223.
74. Henry Fawcett, 'Professor Cairnes', *Fortnightly Review*, n.s. 18 (1875), p. 152.
75. T. E. Cliffe Leslie, 'Professor Cairnes', *Essays in political economy*, 2nd edition (Dublin and London, 1888), p. 61. Originally an obituary in the *Academy*, 17 July 1875.
76. *The slave power*, p. vii.
77. See R. W. Fogel and S. L. Engermann, *Time on the Cross: The economics of American negro slavery* (Boston and Toronto, 1974).
78. S. L. Engermann, 'Marxist economic studies of the slave south', *Marxist Perspectives*, 1 (1978), p. 149.
79. See E. Genovese, *Political economy of slavery: studies in economy and society of the slave south* (New York, 1967); see also Charles Post 'The American road to capitalism', *New Left Review*, No. 133, May-June, 1982, pp 33-34.
80. Maurice Dobb, *Political economy and capitalism* (London, 1964), p. 251.
81. J. M. Keynes, *The end of laissez-faire* (London, 1926), p. 26.
82. Published in *Fortnightly Review*, 10 (1871), pp 80-97. The quotation is from p. 86.
83. Black, *Centenary volume*, p. 52.
84. H. D. Marshall, *The great economists: a history of economic thought* (New York, 1967), p. 126.
85. See Cairnes, 'Bastiat', pp 411-28.
86. Thorstein Veblen, 'Why is economics not an evolutionary science?', *The Quarterly Journal of Economics*, xii (1898), pp 385-86.
87. P. T. Homan, cited by H. D. Marshall, p. 102.
88. J. E. Cairnes, *Political essays* (London, 1873), p. 160.
89. *Ibid.*, p. 161.
90. *Ibid.*, p. 173.
91. Oliver McDonagh, *Ireland* (Englewood Cliffs, 1968), p. 37.
92. Joseph Lee, *The modernisation of Irish society 1848-1918* (Dublin, 1973), p. 26.
93. Bright to Gladstone (B.M. Add MSS 44112), quoted in Black, *Economic thought and the Irish question*, p. 58.
94. Steele, *Irish land and British politics*, p. 293.
95. *Fortnightly Review*, 7 (1870), pp 41-63.
96. J. Shield Nicholson, *Elements of political economy* (2nd ed., London, 1909), p. 113.
97. Henry Dix Hutton, *Transactions of the National Association for the Promotion of Social Science* (London, 1868), quoted by Black, *Economic thought and the Irish question*, p. 57.
98. See above pp 13-14.
99. C. F. Bastable, *An examination of some current objections to the study of political economy* (Dublin, 1884), pp 20, 5.
100. Dublin, 1847.
101. W. H. Dodd, K.C., in *Belfast Literary Society, 1801-1901; historical sketch with memoirs of some distinguished members* (Belfast, 1902), pp 106-7, quoted in Black, *Centenary volume*, p. 58.
102. Bright to Gladstone, 15 October 1869 (B.M., Add. MSS 44112), quoted in Black, *Economic thought and the Irish question*, p. 58.
103. Quoted in Black, *Economic thought and the Irish question*, p. 70.
104. *Ibid.*, p. 71.
105. J. S. Mill, *Autobiography* (New York, 1964), p. 205.
106. *Ibid.*, p. 206. See also Mill to Cairnes, 16 November 1869, *CW*, Vol. XVII, pp 1663-66, No. 1423. The volume in question is *Chapters and speeches on the Irish land question* (London, 1870).

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107. 'Political economy and *laissez-faire*', *Fortnightly Review*, n.s. 10 (1871), p. 81.
108. W. E. Hearn, *Prize essay on the remedies of Irish distress* (London, 1851), pp 118-19.
109. 'The rights of labour', *Irish Tribune*, July 1848. We are indebted to Ms. R. O'Neill of University College Galway for providing us with this reference. We are informed by Professor T. P. O'Neill of University College Galway that the probable author of this article is Thomas Devin Reilly.
110. J. K. Ingram, 'The present position and prospects of political economy', addressed to section F of the British Association, 1878. Published in the *Journal of the Dublin Statistical Society*, VII (1876-79), Appendix.
111. 'Political economy and land', p. 41.
112. 'Political economy and *laissez-faire*', p. 90.

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VALUE AND DISTRIBUTION IN THE CLASSICAL ECONOMISTS AND MARX[1]

By P. GAREGNANI

I. Introduction

1. The theory of value and distribution is at present in a situation of unease and uncertainty: we no longer find the same general agreement about its basic elements which obtained until a few decades ago. Two main theoretical developments have undermined the dominant theory which explained distribution and relative prices by means of the "equilibrium" of the two "opposing sets of forces", demand and supply for factors of production.

The first development in order of time has been Keynes's refutation of the doctrine according to which a competitive economic system tends towards the full employment of labour, i.e. towards that equilibrium between "demand and supply" of labour, which was to determine the wage. Keynes' concentration on the short period, and the persistence in the *General Theory* of many traditional premises favoured the successive attempts to reconcile his results with orthodox long-period analysis: but the weakening of the dominant theory which nonetheless resulted from his work can be seen both in the uneasiness which, in ever-changing forms, characterizes the renewed orthodoxy, and in the tendency of Keynes' direct followers towards a more radical departure from traditional theory.

The second development consists in the critique of the notion of capital as a "factor of production" measurable independently of distribution.[2] This critique has shown the invalidity of some propositions of the theory, like the inverse relation between the rate of interest (rate of profit) and the "quantity of capital" per worker, which are basic for the explanation of distribution in terms of demand and supply for "factors of production".

The uncertainty which has resulted from these developments finds its expression in authors who think that new theoretical approaches should be explored. It is also revealed by the nature of some of the work carried out by those who adhere to the traditional approach.[3]

[1] This paper which develops under the impact of Sraffa's *production of commodities by means of commodities* some propositions contained in a Ph.D dissertation of 1955–1958, is based on notes delivered at a conference on "Marx's Transformation of Values into Prices of Production" held in Siena in 1972, and used then for lectures given in Cambridge and elsewhere since 1973-4: in the meantime, references to the ideas contained in them have appeared in other works. I would like to acknowledge the benefit I derived from discussions with Piero Sraffa and from comments from many people and in particular by K. Bharadwaj, A. Campus, B. Cutilli, H. Kurz, and M. Pivetti. Financial assistance by the 'Consiglio Nazionale delle Ricerche' is gratefully acknowledged.

[2] This line of criticism, hints of which may be found in Sraffa's 1951 p. X/IX, was first brought to light in print by Robinson 1953. (See also Robinson, 1973, pp. 144–45.)

[3] Thus, the attempt to avoid the difficulties besetting the theory appears to have led to an abandonment of the method based on "long-period positions" of the economic system, characterized by a uniform rate of profit. This notion had been central to the theory of competitive distribution and value since the very inception of systematic economic analysis. (See Garegnani, 1976, pp. 26–29.)