

The Secret History of Primitive Accumulation and Classical Political Economy

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The Laissez Faire Message of Classical Political Economy

Classical political economy, the core works of economic literature from the time of William Petty through that of David Ricardo, presents an imposing facade. These towering figures of early political economy forged a new way of thinking systematically about economic affairs with little more than the writings of business people and moral philosophers to guide them.

For more than two centuries, successive generations of economists have been grinding out texts to demonstrate how these early economists discovered that markets provide the most efficient method possible for organizing production. This conclusion is ostensibly the intended lesson of classical political economy.

Most contemporary readers of Adam Smith, David Ricardo, and the other classical political economists accept their work at face value, assuming these early writers to be uncompromising advocates of laissez faire. For the most part, even many Marxists accept this interpretation of classical political economy.

Alongside their work on pure economic theory, the classical political economists engaged on a parallel project: to promote the forcible reconstruction of society to remake it into their a purely market oriented society. While economist historians may debate how deeply most people were involved in market activities, the incontestable fact remains that most people in Britain did not enthusiastically engage in wage labor -- at least so long as they had an alternative.

The classical political economists actively advocated measures to deprive people of any alternative to wage labor. The brutal acts associated with the process of stripping the majority of the people of the means of producing for themselves might seem far removed from the laissez faire reputation of classical political economy. In reality, the dispossession of the majority of the people and the construction of laissez faire are closely connected, so much so that Marx, or at least his translators, called this expropriation of the masses, "primitive accumulation."

The very sound of the expression, primitive accumulation, drips with poignant echoes of human consequences. The term, "primitive," has a number of connotations. It suggests a brutality,

lacking the subtleties of the more modern forms of exploitation with which we are familiar. It implies that primitive accumulation was prior to the form of accumulation that people generally associate with capitalism. Finally implies something that we might associate with the "primitive" parts of the world, where capital accumulation has not advanced as far as elsewhere.

Keep in mind that the second term in the expression, "primitive accumulation," reminds us that the primary focus of the process is the accumulation of capital and wealth by a small sector of society. In this regard, recall Marx's description of accumulation as "the conquest of the world of social wealth. It is the extension of the area of exploited human material and, at the same time, the extension of the indirect and direct sway of the capitalist" (Marx 1977, pp. 739-40). Certainly, at least in the early stages of capitalism primitive accumulation was a central element in the accumulation process.

Although many modern scholars acknowledge the pervasive nature of primitive accumulation during the time that the classical political economists wrote, nobody to my knowledge has recognized that the classical political economists strongly advocated policies that furthered the process of primitive accumulation.

In addition, I argue that the classical political economists engaged in a serious subterfuge. While energetically promoting their laissez faire ideology, time and time again, they advocated policies that flew in the face of their laissez faire principles, especially in their analysis of the role of small-scale, rural producers.

The Secret History of Primitive Accumulation

Perhaps because so much of what the classical economists wrote about traditional systems of agricultural production was divorced from their seemingly more timeless remarks about pure theory, later readers have passed over such portions of their works in haste. Although this aspect of classical political economy might have seemed to fall outside the core of the subject, I argue that these interventionist recommendations were a significant element in the overall thrust of their works. Specifically, classical political economy advocated restricting the viability of traditional occupations in the countryside to coerce people to work for wages.

The vitality of these rural producers generally rested upon a careful combination of industrial and agricultural pursuits. Despite the efficiency of this arrangement, classical political economy was intent on throttling small producers. Classical political economists often justified their position in terms of the efficiency of the division of labor. They called for measures that would actively promote the separation of agriculture and industry.

Marx's concept of the social division of labor is very important in this respect. In contrast to Smith's exclusive emphasis on the division of labor -- the arrangement of work within the firm -- Marx suggested that we also pay attention to the deployment of resources between individual firms and households -- the social division of labor.

Classical political economists paid virtually no attention to the social division of labor in their theoretical works. For example, Adam Smith offered a detailed description of the division of labor in his famous pin factory, but he did not bother to extend his discussion to the next question: What does it mean that society is partitioned in such a way that the pin industry purchases its metals or fuels instead of producing them itself? How does such an arrangement originate? Could such changes in the pattern of industries make a difference in an economy, even if technology were unchanging?

These questions seemed to be so far removed from the purview of classical political economy that more than two centuries later Ronald Coase won a Nobel Prize for bringing them to the attention of mainstream economists. Following in the wake of Coase, a group of modern economists developed the new institutionalist school of economics (see Perelman 1991). According to the new institutionalists, economic forces naturally arrange themselves into some optimal pattern. Like many other economists, the new institutional school takes pride in locating anticipations of its work in classical political economy, especially in the works of Adam Smith. Even though the new institutionalist school concerns itself with the social division of labor, its theories are of no use in analyzing primitive accumulation.

I suspected that the continuing silence about the social division of labor might have something important to reveal. Following this line of investigation, I looked at what classical political economy had to say about the peasantry and self-sufficient agriculturalists. Here again, the pattern was consistent.

The classical political economists were unwilling to trust market forces to determine the social division of labor because they found the tenacity of traditional rural producers to be distasteful. Rather than contending that market forces should determine the fate of these small-scale producers, classical political economy called for state interventions of one sort or another to hobble these people's ability to produce for their own needs. Their policy recommendations amounted to a blatant manipulation of the social division of labor.

We cannot justify such policies in terms of efficiency. If efficiency were of great importance to them, the classical political economists would not have ignored the law permitting the gentry to ride across small farmers' fields in pursuit of foxes, while forbidding the farmers from

ridding their land of game that might eat the crops. These laws destroyed an enormous share of the total agricultural produce.

The Secret History of Classical Political Economy

Why has this aspect of primitive accumulation gone unnoticed for so long by so many students of classical political economy? True, the classical political economists generally maintained their silence regarding primitive accumulation when discussing matters of pure economic theory -- although they were not absolutely consistent in this regard.

Because of the novelty of their subject, these writers were not entirely in control of their own ideas. Specifically, I found that classical political economy openly expressed its dissatisfaction with the existing social division of labor quite clearly in diaries, letters, and more practical writings about contemporary affairs. This discovery led me to give a substantially new reading to the history of classical political economy.

In their unguarded moments, the intuition of the classical political economists led them to express important insights of which they may have been only vaguely, if at all, aware. As a result, they let the idea of the social division of labor surface from time to time even in their more theoretical works. Typically, the subject of the social division of labor cropped up when they were acknowledging that the market seemed incapable of engaging the rural population fast enough to suit them -- or more to the point, the people were resisting wage labor. As a result, much of this discussion touched on what we now call, "primitive accumulation."

Although these slips flew in the face of the laissez faire theories of their books, they add much to the value of classical political economy. Indeed, if classical political economy were nothing more than a conscious attempt to come to grips with and to justify the emerging forces of capitalism, it would have far less interest today.

Just as a psychologist might detect an important revelation in a seemingly offhand remark of a patient, from time to time classical political economy discloses to us insights into its program that the classical political economists would not consciously welcome. These insights will reinforce the conclusions that we draw from their diaries, letters and more practical writings.

This book is novel in four major respects. First, it addresses the question of what determines the social division of labor, the division of society into independent firms and industries from the perspective of classical political economy. Second, it develops the theoretical implications of primitive accumulation. Third, it offers a significantly different interpretation of classical political economy, demonstrating that this school of thought supported the process of primitive

accumulation. Finally, it analyzes the role of primitive accumulation in the work of Karl Marx. All of these threads come together in helping us to understand how modern capitalism developed and the role of classical political economy in furthering this process.

Dark Designs

Classical political economy is the product of a stormy period, distinguished by the emergence of capitalist social relations. Yet, the truly momentous changes of the time do not seem to appear in the great theoretical works of classical political economy. Indeed, these writers displayed little interest in conveying information about the great conflicts between capital and labor or between capital and the early pre-capitalist relations in the countryside. Nonetheless, these matters were of great importance to classical political economy.

While we catch an occasional glimpse of primitive accumulation in the canonical works of classical political economy, for the most part we must read of the great conflicts of the time indirectly. Our tactic is to approach classical political economy, the way children learn to view a solar eclipse by punching a small hole in a piece of paper held above another piece. The dark design that appears on the lower paper is a shadow of the eclipse, albeit with some refraction.

The classical political economists made this indirect approach necessary because they were generally successful in obscuring the role of primitive accumulation in their theoretical texts. Yet, when we turn to their letters, diaries and more policy oriented works, the importance of primitive accumulation becomes far clearer.

We can push our analogy of classical political economy and solar eclipses a bit farther. Both represent rare and fascinating events. People superstitiously interpreted solar eclipses as a sign of impending epochal changes. Similarly, the titans of political economy were thought to have been able to see over the heads of their contemporaries into the future. In this sense, their theories foreshadowed coming changes in the structure of society.

Both phenomena, planetary configurations found millions of miles away and the social changes a century or more in the past, reflect important forces that still shape our lives. Specifically, the struggle against self-provisioning is not confined to the distant past. It continues to this day (see Perelman 1991b).

In effect, we can look at the eclipse of pre-capitalist production relations in much the same fashion with one major exception: in the case of solar eclipses, the brilliance of the source can destroy our vision. In the case of classical political economy, our vision suffers from the dimness of the source.

Revising Classical Political Economy

Our classical forbearers may have been brilliant, but they were fallible human beings. They were certainly not wholly disinterested observers. Their theories were intended to advance their own interests or those of the groups with whom they identified. These interests colored their works, whether or not they realized this influence themselves.

In the case of the struggle over primitive accumulation, these writers seemed to have been intentionally obscure in so far as they could, lest they undermine their claim to generality for their theory. Consequently, the struggle against the self-provisioning of rural people cast only a light shadow across the pages of classical political economy, a shadow of an all but forgotten way of life, now obliterated by the process of primitive accumulation. This process has largely gone unnoticed among modern readers of classical political economy, in large part because the classical political economists attempted to prevent their readers from catching a glimpse of this process.

Although we find ourselves reduced to studying the shadows of this struggle, the attempt is still worth the effort. Indeed, classical political economy conforms to a consistent pattern of almost always supporting positions that would work to harness small-scale agricultural producers to the interest of capital.

This contradicts the commonly accepted theory that classical political economy offered its unconditional support for *laissez faire*. I question the relative importance of the almost universally admired Adam Smith and make the case that Smith and the other classical authors attempted to promote the process of primitive accumulation. This rereading suggests that classical political economy followed a different project, one that contradicts the standard interpretation of classical political economy.

Before turning to the main body of this work, I wish to append a caveat about my imagery of the eclipse. By studying the shadows cast by the classics, we must keep in mind that such images have fewer dimensions than the object under study. One dimension that disappears from the perspective of classical political economy concerns the social relations between labor and capital. Writing from the comfortable heights of their elevated social position, the classical political economists interpreted working-class organization as mere disorder. Because of this insensitivity, a work, such as this one, is necessarily imbalanced. Much attention is given to the efforts of capital to control labor, but little is devoted to the reverse. I leave the reader with the responsibility of estimating the actual balance of forces.

Compulsion and the Creation of a Working Class

The brutal process of separating people from their means of providing for themselves, known as primitive accumulation, caused enormous hardships for the common people. This same primitive accumulation provided a basis for capitalist development.

The enclosing of the commons was the most well-known technique of primitive accumulation. Wealthy members of the gentry would claim as private property, land that groups of people had previously shared. Joan Thirsk, one of the most knowledgeable historians of early British agriculture, described the nature of some of the social and personal transformations associated with the enclosures in the long citation at the top of this chapter.

Some people denounced this expropriation. Marx echoed this sentiment, charging, "The expropriation of the direct producers was accomplished by means of the most merciless barbarianism, and under the stimulus of the most infamous, the most sordid, the most petty and the most odious of passions" (Marx 1977, p. 928).

Still, this dispossession was legal in a sense. After all, the peasants did not have property rights in the narrow sense. They only had traditional rights. As markets evolved, first land-hungry gentry and later the bourgeoisie used the state to create a legal structure to abrogate these traditional rights (Tigar 1977).

Simple dispossession from the commons was a necessary, but not always sufficient condition to harness the common people to the labor market. Even after the enclosures, laborers retained privileges in "the shrubs, woods, undergrowth, stone quarries and gravel pits, thereby obtaining fuel for cooking and wood for animal life, crab apples and cob nuts from the hedgerows, brambles, tansy and other wild herbs from any other little patch of waste Almost every living thing in the parish however insignificant could be turned to some good use by the frugal peasant-labourer or his wife (Everitt 1967, p. 405).

To the extent that the traditional economy might be able to remain intact despite the loss of the commons, a supply of labor satisfactory to capital might not be forthcoming and the level of real wages would be higher, thereby impeding the process of accumulation. Not surprisingly, one by one, these traditional rights also disappeared. In the eyes of the bourgeoisie, "property became absolute property: all the tolerated' rights' that the peasantry had acquired or preserved ... were now rejected" (Foucault 1979, p. 85).

Primitive accumulation consisted of two parts that we might compare to the two blades of a scissors. The first blade served to undermine the ability of people to provide for themselves. The other blade was a system of stern measures required to keep people from finding alternative

survival strategies outside of the system of waged labor. A host of oftentimes harsh measures designed to undermine whatever resistance people maintained against the demands of wage labor accompanied the dispossession of the peasants rights, even before capitalism had become a significant economic force.

For example, beginning with the Tudors, England enacted a series of stern measures designed to prevent peasants from drifting into vagrancy or falling back on welfare systems. According to a statute of 1572, beggars over the age of 14 were to be severely flogged and branded with a red-hot iron on the left ear unless someone was willing to take them into service for two years. Repeat offenders over 18 were to be executed unless someone would take them into service. Third offenses automatically resulted in execution (Marx 1977, pp. 896ff; 1974, p. 736; Mantoux 1961, p. 432). Similar statutes appeared almost simultaneously during the early sixteenth century in England, the Low Countries, and Zurich (LeRoy Ladurie 1974, p. 137). Eventually, the majority of workers, lacking any alternative, had little choice but to work for wages at something close to the subsistence level.

In the wake of primitive accumulation, the wage relationship became a seemingly voluntary affair. Workers needed employment and employers wanted workers. In reality, the underlying process was far from voluntary. In Foucault's words:

Historically, the process by which the bourgeoisie became the politically dominant class in the course of the 18th Century was masked by the establishment of an explicitly coded and formally egalitarian juridical framework, made possible by the organization of a parliamentary, representative regime. But the development and generalization of disciplinary mechanisms constituted the other, dark side of these processes ... supported by these tiny, everyday, physical mechanisms, by all those systems of micro-power that are essentially non-egalitarian. [Foucault 1979, p. 222]

Indeed, the history of the recruitment of labor is an uninterrupted story of coercion either through the brute force of poverty or through more direct regulation, which made a continuation of the old ways impossible (Moore 1951). A purported need for discipline justified the harsh measures that the poor endured. Indeed, writers of every persuasion shared an obsessional concern with the creation of a disciplined labor force (Furniss 1965; Appleby 1978). Supporters of such measures typically defended their position in terms of need to civilize the workers or to stamp out sloth and indolence.

Capital required these harsh measures to conquer the household economy in order to be able to extract a greater mass of surplus value. In fact, almost everyone close to the process of primitive accumulation, friend or foe of labor, agreed with Charles Hall's verdict, that, "if they were not poor,

they would not submit to employments" (Hall 1805, p. 144) -- at least so long as their remuneration were held low enough to create substantial profits.

Employers were quick to perceive the relationship between poverty and the chance to earn handsome profits. Ambrose Crowley, for example, set up his works in the north rather than in the midlands, for there "the cuntry is verry poore and populous soe workmen must of necessity increase" (cited in Pollard 1965, p. 197).

This process was cumulative. An increase in poverty begat more population, which, in turn, stimulated further population. In this regard, Marx noted that the level of wages in agricultural districts of England varied according to the particular conditions under which the peasantry had emerged from serfdom (Marx 1865, p. 72). The more impoverished the serfs, the lower their descendants' wages would be.

Classical Political Economy and the War on Sloth

The classical political economists joined in the chorus of those condemning sloth and indolence on the part of the poor. Although they applauded the leisure activities of the rich, they denounced all behavior on the part of the less fortunate that did not yield the maximum work effort as sloth.

Consider the case of Francis Hutcheson -- "the never to be forgotten Dr. Hutcheson" as his student, Adam Smith, later described him (letter from Smith to Dr. Archibald Davidson, 16 November 1787; reprinted in Mossner and Ross 1977, p. 309) -- the same Francis Hutcheson, whose *A Short Introduction to Moral Philosophy in Three Books* (1742) seems to have served as a model for the economic sections of Smith's Glasgow lectures (see Scott 1965, pp. 235, 240). A later work, his *System of Moral Philosophy*, exemplifies Dr. Hutcheson's contributions to that noble field of moral philosophy. After a few brief notes on the need to raise prices, Hutcheson mused:

If a people have not acquired an habit of industry, the cheapness of all the necessaries of life encourages sloth. The best remedy is to raise the demand for all necessaries Sloth should be punished by temporary servitude at least. [Hutcheson 1755; 2: pp. 318-19; emphasis added]

These three sentences were all contained in the same paragraph. The menacing 'at least' in this citation suggests that the never-to-be-forgotten professor might have had even sterner medicine in mind than mere temporary servitude. What else might the good doctor recommend to earnest students of moral philosophy in the event that temporary servitude would prove inadequate in shunting people off to the work place?

This attitude, of course, is not unique to classical political economy. Indeed, we might ask, was there ever a nation in which the rich found the poor to be sufficiently industrious? The universal howl of 'sloth and indolence' could be heard as far away as nineteenth century Japan (see Smith 1966, p. 120). However, no country seems to have gone as far as England in its war on sloth. Writers of the time charged a want of discipline was responsible for criminality, as well as disease (Ignatieff 1978, pp. 61ff). By the late eighteenth century, even hospitals came to be regarded as a proper medium to instill discipline (see Ignatieff 1978, p. 61).

Almost poetically, Thomas Mun railed against the "the general leprosy of our piping, potting, feasting, fashions, and misspending of our time in idleness and pleasure" (Mun 1664, p. 193). Josiah Tucker employed a military metaphor of war to make a similar point:

In a word, the only possible Means of preventing a Rival Nation from running away with your Trade, is to prevent your own People from being more idle and vicious than they are So the only War, which can be attended with Success in that Respect, is a War against Vice and Idleness; a War, whose Forces must consist of -- not Fleets and Armies -- but such judicious Taxes and Wise regulations, as will turn the Passion of private self-Love into the Channel of Public Good. [Tucker 1776a, pp. 44-5]

Primitive Accumulation and the Eradication of Holidays

Although their standard of living may not have been particularly lavish, the people of precapitalistic northern Europe, like most traditional people, enjoyed a great deal of free time (see Perelman 1977, chap. 18; and Ashton 1972, p. 204; see also Vernon Smith 1992, and Wisman 1989). The common people maintained innumerable religious holidays that punctuated the tempo of work. Joan Thirsk estimates that in the sixteenth and early seventeenth centuries, about one-third of the working days, including Sundays, were spent in leisure (cited in Thomas 1964, p. 63; see also Wilensky 1961). A much more extravagant estimate was produced by Kautsky, who estimated that 204 annual holidays were celebrated in medieval Lower Bavaria (Kautsky 1899, p. 107).

Despite their numerous holidays, the peasants still managed to produce a significant surplus. In English feudal society, for example, the peasants survived even though the gentry was powerful enough to extract on the order of 50 percent of the produce (see Postan 1966, p. 603). As markets evolved, the claims on the peasants' labors increased. For example, in southern France, rents appear to have grown from about one-fourth of the yield in 1540 to one-half by 1665 (LeRoy Ladurie 1974, p. 117).

Although people increasingly had to curtail their leisure in order to meet the growing demands of non-producers, many observers still complained about the excessive celebration of holidays.

Protestant clergy were especially vocal in denouncing excessive holidays (Hill 1967, pp. 145-218; see also Marx 1977, p. 387; and Freudenberger and Cummins 1976). Even as late as the 1830s, we hear the complaint that the Irish working year contained only 200 working days after all holidays had been subtracted (Great Britain 1840, p. 570; cited in Mokyr 1983, p. 222).

Time, in a market society, is money. Sir Henry Pollexfen, for example, calculated: "for if but 2 million of working people at 6d. a day comes to 500,000 l. which upon due inquiry whence our riches must arise, will appear to be so much lost to the nation by every holiday that is kept" (Pollexfen 1700, p. 45; cited in Furniss 1965, p. 44).

We must not interpret zeal in the suppression of religious festivals as an indication that representatives of capital took working-class devotion too lightly. In some rural districts of nineteenth-century England, working in one's garden on the Sabbath was a punishable offense. Some workers were even imprisoned for this crime (Marx 1977, pp. 375-76n). Piety, however, also had its limits. The same worker might be charged with breach of contract should he prefer to attend church on the Sabbath rather than report for work when called to do so (Marx 1977, pp. 375-76n).

In France, where capital was slower to take charge, the eradication of holidays was slower. In 1766, Tobias Smollett complained of the French: "Very nearly half of their time, which might be profitably employed in the exercise of industry, is lost to themselves and the community, in attendance upon the different exhibitions of religious mummery" (Smollett 1766, p. 38).

Voltaire called for the shifting of holidays to the following Sunday. Since Sunday would have been a day of rest in any case, employers could enjoy approximately forty additional working days. This proposal caused the naive Abbe Baudeau to wonder about the wisdom of intensifying work when the countryside was already burdened with an excess population (Weulersse 1959, p. 28). How could the dispossessed be employed?

Of course, these changes in the religious practices of Europe were not induced by a shortage of people, but by their unwillingness to conform to the needs of capital. For example, the leaders of the French Revolution, who prided themselves on their rationality, decreed a ten day week with only a single day off.

Classical political economy enthusiastically joined in the condemnation of the celebration of so many holidays (see Cantillon 1755, p. 95; Senior 1831, p. 9). This suppression of religious holidays was but a small part of the larger process of primitive accumulation.

Classical Political Economy and the Ideal Working Day

Once capital began to dislodge the traditional moorings of society, the bourgeoisie sought every possible opportunity to engage people in productive work that would turn a profit for those who employed wage labor. Accordingly, classical political economists advocated actions to shape society according to the logic of accumulation in order to strengthen the dependency on wage labor.

In the utopia of early classical political economy, the poor would work every waking hour. One writer suggested that the footmen of the gentry could rise early to employ their idle hours making fishing nets along with "disbanded soldiers, poor prisoners, widows and orphans, all poor tradesmen, artificers, and labourers, their wives, children, and servants" (Puckle 1700; 2: p. 380; cited in Appleby 1976, p. 501).

Others called for new institutional arrangements to maintain a steadily increasing flow of wage labor. Fletcher of Saltoun recommended perpetual slavery as the appropriate fate of all who would fail to respond to less harsh measures to integrate them into the labor force (see Marx 1977, p. 882). Hutcheson, as we have seen, followed suit. Always the idealist, Bishop Berkeley preferred that such slavery be limited to "a certain term of years" (Berkeley 1740, p. 456).

No source of labor was to be overlooked. For example, in a movement that Foucault has termed "the great confinement," institutions were founded to take charge indiscriminately of the sick, the criminal, and the poor (Foucault 1965, pp. 38-65). The purpose was not to better the conditions of the inmates, but rather to force them to contribute more to the national wealth (For a selection of citations that reflect more charitably on the early political economists, see Wiles 1968).

Joseph Townsend proposed that in the evenings when farm workers return from threshing or from ploughing, "they might card, they might spin, or they might knit" (Townsend 1786, p. 442). William Temple argued for the addition of four-year-old children to the labor force (Temple 1770, p. 266; Furniss 1965, pp. 114-15). Not to be outdone, John Locke, often seen as a philosopher of liberty, called for the commencement of work at the ripe age of three (Cranston 1957, p. 425).

Occasionally, writers of the time found signs of progress. By 1723, Daniel Defoe was delighted to discover that so much progress had taken place in Norwich that "the very children after four or five years of age, could every one earn their own bread (Defoe 1724-26, p. 86; see also p. 493).

For classical political economy such edifying scenes of hard labor were not common enough. To his credit, Jean-Baptiste Say, generally a strong proponent of capitalist development, penned one of the few protests of the state of affairs in Britain in a letter to Robert Malthus:

I shall not attempt to point out the parts of this picture which apply to your country, Sir But if social life [a term which Say used almost like the social division of labor] were a galley, in which after rowing with all their strength for sixteen hours out of the twenty-four, they might indeed be excused for disliking social life I maintain no other doctrine when I say that the utility of productions is no longer worth the productive services, at the rate at which we are compelled to pay for them. [Say 1821, pp. 50-51; see also Ricardo 1951-73; 8: p. 184]

Sadly, no other classical political economist was willing to side with Say in this regard.

Bentham and Laissez-Faire Authoritarianism

Classical political economy frequently couched its recommendations in a rhetoric of individual liberty, but its conception of liberty was far from all-encompassing. Liberty for capital depended on the hard work of the common people.

Lionel Robbins, a strong proponent of market society, also alluded to this authoritarian side of laissez faire, noting, "the necessity of a framework of law and an apparatus of enforcement is an essential part of the concept of a free society" (Robbins 1981, p. 8). Earlier, he wrote, "If there be any 'invisible hand' in a non-collectivist order, it operates only in a framework of deliberately contrived law and order" (Robbins 1939, p. 6; see also Samuels 1966).

Within this contrived law and order, workers found their rights to organize unions and even to act politically severely restricted. The entire judicial edifice was erected with an eye toward making ownership of capital more profitable (Tigar 1977).

Max Weber once noted that rational accounting methods are "associated with the social phenomena of 'shop discipline' and appropriation of the means of production, and that means: with the existence of a 'system of domination' [Herrschaftsverhaeltniss]" (Weber 1921, p. 108; also Perelman 1991, Ch. 3). Similarly, the rational accounting system of political economy required a 'system of domination', albeit on a grander scale. Weber concluded, "No special proof is necessary to show that military discipline is the ideal model for the modern capitalism factory" (Weber 1921, p. 1156).

In this sense, we may see Jeremy Bentham, rather than Adam Smith, as the archetypal representative of classical political economy. Indeed, Bentham's dogmatic advocacy of laissez faire far exceeded that of Adam Smith. For example, after Smith made the case for a government role in controlling interest rates, Bentham caustically rebuked him with the words, "To prevent our doing

mischievous to one another, it is but too necessary to put bridles into our mouths ..." (Bentham 1787b, p. 133).

Although Bentham theoretically championed laissez faire in the name of freedom, he was intent on subordinating all aspects of life to the interest of accumulation. Bentham limited his passionate concern with laissez faire to those who conformed to the norms of a capitalist society; a jarring confrontation with state power was to be the lot of the rest. According to Bentham, "Property -- not the institution of property, but the constitution of property -- has become an end in itself" (Bentham 1952; i, p. 117).

Bentham was absolutely clear about the need for this 'constitution of property'. He realized that, although control over labor is a major source of wealth, labor stubbornly resists the will of the capitalist. In Bentham's inimitable language:

[H]uman beings are the most powerful instruments of production, and therefore everyone becomes anxious to employ the services of his fellows in multiplying his own comforts. Hence the intense and universal thirst for power; the equally prevalent hatred of subjection. Each man therefore meets with an obstinate resistance to his own will, and this naturally engenders antipathy toward beings who thus baffle and contravene his wishes. [Bentham 1822, p. 430]

Bentham never acknowledged a contradiction between his advocacy of laissez faire and his proposals for managing labor. For him:

Between wealth and power, the connexion is most close and intimate: so intimate, indeed, that the disentanglement of them, even in the imagination, is a matter of no small difficulty. They are each of them respectively an instrument of the production of other. [Bentham 1962, p. 48; cited in Macpherson 1987, pp. 88-89]

Bentham understood that the struggles to subdue the poor would spill over into every aspect of life. He hoped to turn these struggles into profit for himself and, to a lesser extent, others of his class. Given labor's natural resistance to creating wealth for those who exploited them, unfree labor held an obvious attraction for Bentham. He designed detailed plans for his fabled Panopticon, a prison engineered for the maximum control of the inmates in order to profit from their labor.

A 1798 companion piece to his design for the Panopticon, *Pauper Management Improved*, Bentham proposed a National Charity Company, organized on the model of the East India Company -- a privately owned, joint stock company, partially subsidized by the government. It was to have absolute authority over the "whole body of the burdensome poor" starting with 250 industry houses accommodating one-half million people, expanding to 500 houses with one million people (Bentham n.d, p. 369; cited Himmelfarb 1985, p. 78).

Bentham planned to profit handsomely from these inmates, especially those born in the houses who would have to work as apprentices within the company. He rhapsodized, "So many industry-houses, so many crucibles, in which dross of this kind [the poor] is converted into sterling." A strict regimen, unremitting supervision and discipline, economies of diet, dress, and lodging would make profits possible. Jeremy Bentham, vigorous advocate of freedom of commerce that he was, dreamed of the profits that would accrue from the use of inmate labor:

What hold can another manufacturer have upon his workmen, equal to what my manufacturer would have upon his? What other master is there that can reduce his workmen, if idle, to a situation next to starving, without suffering them to go elsewhere? What other master is there whose men can never get drunk unless he chooses that they should do so. And who, so far from being able to raise their wages by combination, are obliged to take whatever pittance he thinks it most his interest to allow? [Bentham 1797, p. 56; see also Ignatieff 1978, p. 110; and Foucault 1979]

Bentham was intent on subordinating every facet of human existence to the profit motive. According to classical political economy, all social conditions and all social institutions were to be judged merely according to their effect on the production of wealth. Bentham recommended that children be put to work at four instead of fourteen, bragging that they would thereby be spared the loss of those "ten precious years in which nothing is done! Nothing for industry! Nothing for improvement, moral or intellectual!" (cited in Himmelfarb 1985, p. 81).

Bentham even wanted to promote the "gentlest of all revolutions," the sexual revolution. In this regard, Bentham was not the least concerned with furthering the bounds of human freedom, but with ensuring that the inmates would have as many offspring as possible (Ibid., p. 83). Bentham was even planning to call himself "Sub-Regulus of the Poor." Unfortunately, because of lack of government support, his plans came to naught. In his memoirs, he complained, "But for George the Third, all the prisoners in England would, years ago, have been made under my management" (Bentham 1830-1, p. 96).

Alas, Bentham never succeeded in his personal goals. Perhaps, he was too greedy. Perhaps, his methods were too crude. Instead, as we shall see, capitalism found more subtle methods for harnessing labor. As a result, today we remember Bentham as a valiant defender of the ideals of *laissez-faire* rather than as Sub-Regulus of the Poor.

Victory

Classical political economy was generally more coy about its intentions than Bentham. Despite its antipathy to indolence and sloth, it covered itself with a flurry of rhetoric about natural liberties. On closer examination, we find that the notion of the system of natural liberties was considerably more flexible than it appeared. Let us turn once again to Francis Hutcheson, who taught Adam Smith about the virtue of natural liberty. In a work that served as a model to Smith's own lectures, Hutcheson wrote:

It is the one great design of civil laws to strengthen by political sanctions the several laws of nature The populace needs to be taught, and engaged by laws, into the best methods of managing their own affairs and exercising mechanic art. [Hutcheson 1749, p. 273; emphasis added]

In effect, Hutcheson realized that, once primitive accumulation had taken place, the appeal of formal slavery diminished. Extra-market forces of all sorts would become unnecessary since the market itself would ensure that the working class remained in a continual state of deprivation. Patrick Colquhoun, a London police magistrate, noted:

Poverty is that state and condition in society where the individual has no surplus labour in store, or, in other words, no property or means of subsistence but what is derived from the constant exercise of industry in the various occupations of life. Poverty is therefore a most necessary and indispensable ingredient in society, without which nations and communities could not exist in a state of civilization. It is the lot of man. It is the source of wealth, since without poverty, there could be no labour; there could be no riches, no refinement, no comfort, and no benefit to those who may be possessed of wealth. [Colquhoun 1815, p. 110]

In Marx's words, "we find on the market a set of buyers, possessed of land, machinery, raw materials, and the means of subsistence, all of them, save land, the products of labour, and on the other hand, a set of sellers who have nothing to sell except their labouring power, their working arms and brains" (Marx 1865, pp. 55-56).

Later political economists disregarded the compulsion required to force labor into the market, blithely assuming as if the market, alone, were sufficient to guarantee that the accumulation process could advance without the aid of extra-market forces. Workers at the time generally understood the strategic importance of these measures to foster primitive accumulation. In this spirit, Thomas Spence, a courageous working-class advocate, proclaimed, that "[It] is childish ... to

expect ... to see anything else than the utmost screwing and grinding of the poor, till you quite overturn the present system of landed property" (cited in Thompson 1963, p. 805).

The system, however, was not overturned. Instead, it became stronger. The workers were forced to surrender more and more of their traditional periods of leisure (see Hill 1967; and Reid 1976, pp. 76-101). The working day was lengthened (Hammond and Hammond 1919, pp. 5-7). The working class, in the person of Thomas Spence, cried out:

Instead of working only six days a week we are obliged to work at the rate of eight or nine and yet can hardly subsist ... and still the cry is work -- work -- ye are idle We, God help us, have fallen under the hardest set of masters that have ever existed. [cited in Kemp-Ashraf 1966, p. 277; see also Tawney 1926, especially p. 223]

This statement was eloquent enough to earn its author a sentence of three years' imprisonment after its publication in 1803. This incident is typical of the fate of those who challenged the capitalist order. Whenever the working class and its friends effectively protested against capitalism, the silent compulsion of capital (Marx 1977, p. 899) gave way to compulsory silence.

Spence's silencing was not completely effective. Although some merely wrote him off as a "radical crank" (Knox 1977, p. 73), more recent studies have demonstrated that Spence deserves a more respectful reception (Kemp-Ashraf 1966). Indeed, Spence's biographer asserts that Owenism and the subsequent heritage of British socialism follows a direct line of descent from Spence's critique of capitalism (Rudkin 1966, pp. 191ff). Journalists of the day agreed with this evaluation (see Halevy 1961, p. 44fn). Unfortunately, the Spences of the world were unable to reverse or even impede the process of primitive accumulation.

No society went so far as the British in terms of primitive accumulation. This aspect of capitalist development is all but forgotten today. Instead, separated by two centuries, modern economists, such as Milton Friedman, gloss over the dark side of capitalism, ignoring the requisite subordination, while celebrating the freedom to dispose of one's property (Friedman 1962). These modern economists are very much mistaken in their interpretation of the evolution of the so-called free market.

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