

The Inner Eye of Victorian Economists: John Elliot Cairnes on the Slave Power¹

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First very rough version, not to be quoted

The eye of the world is on us, and the imagination has formed a picture upon this subject, even in our own country, which, when compared with truth, is as the midnight darkness in contrast with the light of noonday. Such is the hideous deformity of the picture, that we who are accustomed to the daily inspection of the original cannot recognise the picture from the original.

This is no fancy sketch – it is a picture, the original of which we have often admired – and we venture to say, that no more beautiful sight has ever been viewed in the countries of voluntary servitude, however great the boast of its superiority as a system of labour over slavery.

John A. Calhoun of Alabama,² “Management of Slaves,” DeBow’s Review 1855

Introduction

In his introduction to the fourth edition of the *Encyclopaedia Britannica*, the Edinburgh moral philosopher Dugald Stewart used the two, in his words, “diametrically opposite” fields of “observation” and “reflection” to distinguish between the sciences of matter and mind. Taking issue with seventeenth and eighteenth century classifications of the sciences, that of the

¹ This paper was written during my stay as visiting scholar at the *Max Planck Institut für Wissenschaftsgeschichte* in Berlin and is part of the interdisciplinary project *The History of Scientific Observation*. I would like to thank the Institute for its material and the members of its Department II for their mental support while working on this paper, Fernando Vidal in particular.

² To my knowledge this is not John C. Calhoun, an ardent pro-slavery’s politician (he was vice-president under John Quincy Adams), who died 1850, but possibly a relative.

Encyclopédie in particular, Stewart considered that “the word *Physics*, in particular, cannot fail to strike every ear as *anomalously*, and therefore *illogically*, applied, when extended to those of Thought and Consciousness.” This was of particular importance when classifying the science of history of which political economy, in Stewart’s view, was a sub branch. In contrast with natural philosophy, Stewart argued, the study of history aimed “to treasure up particular facts” so as to “comprehend all our knowledge of particular facts and particular events.”³ This did not mean that there were no general laws governing these particular events, indeed political economists had been most prominent in their discovery. Yet these general laws were not arrived at by the ordinary means of induction of the natural scientists, that is, by proceeding from particular observations towards systems of classification and causal explanations, as in natural history and mechanics respectively. They were arrived at by “reflection.” Stewart gave the example of Adam Smith to show how political economists proceeded. Political economists appealed to “the maxims upon which men act in private life.” Thus, Smith “indulged in theory” by simply exposing “the common sense which guides mankind in their private concern.”⁴ A particular event was explained under a general principle by showing how individuals, acting on their motives and passions, brought about the event. Stewart also emphasized that this procedure was in full conformity with the inductive method that Bacon had made the basis of all true science.⁵

Historians and philosophers of economics are much better acquainted with the distinction Stewart made through John Stuart Mill’s famous 1836 essay on the definition and method of political economy in which Mill argued that “the sciences of Mind and Matter are so

³ Stewart and Playfair (1975). Dissertations on the Progress of Knowledge. New York, Arno Press.

⁴ Stewart (1792). *Elements of the Philosophy of the Human Mind*. The Collected Works of Dugald Stewart. Hamilton. Bristol, Thoemmes Press.

⁵ Rashid (1985). "Dugald Stewart: 'Baconian' Methodology and Political Economy." Journal of the History of Ideas 46(2): 245-257.

dissimilar in their nature, that it would be contrary of all principles of rational arrangement to mix them up as part of the same study.” Indeed, the laws of political economy only belonged to this first branch – that is to the sciences of Mind: only “laws of the human mind *and no others*, belong to political economy” (Mill 4:315).

Some years ago, and recently in her *Natural Origins of Economics*, Margaret Schabas emphasized the peculiarity of Victorian economists to take psychology as so fundamental to their subject, a peculiarity that, it might well be argued and has been argued, vanished in the twentieth century, under the pressure and growing influence of behaviourism, logical positivism, operationalism – indeed all twentieth century scientific and philosophical currents that showed hostile to any claims about the possibility of knowledge of the inner province of the mind. In that sense John Maynard Keynes’ remark to Sir Roy Harrod that economics deals with “introspection and with values”, that it deals with “motives, expectations, uncertainties,” and Lionel Robbins’ appeal to the common sense knowledge that individuals can and do order their preferences, are both as much part of a Victorian world that vanished with operationalist verdicts over the legitimate use of introspection in economics. In the twentieth century, it has often been observed, psychology moved out of economics to only gradually move back in at the end of the twentieth century.⁶

Twentieth century economists of various brands may have discredited the appeal to psychology, but in perhaps much modified form economists they still took recourse to what Stewart referred to as the “maxims upon which men act in private life.” Following Popper, contemporary philosophers of the social sciences refer to this modified form as situational

⁶ See, for example, Davis (2003). [The Theory of the Individual in Economics: Identity and Value](#). London and New York, Routledge, Giocoli (2003). [Modeling rational agents : from interwar economics to early modern game theory](#). Cheltenham [etc.], Elgar, Sent (2004). "Behavioral Economics : How Psychology Made Its (Limited) Way Back into Economics." [History of political economy](#) 36(4): 735-760.

analysis.⁷ This paper, then, is a first step in writing the history of this method, which Popper in my view rightly perceived central to the scientific practice of economists.⁸ And for reasons some of which hopefully shine through in the sequel, I would like to think about this history as the history of a particular mode of observation in the social sciences.

In this paper I will look into more detail at what Victorian political economists meant with their recourse to “introspection” or “reflection” as a source of knowledge in political economy. To do so, I will first move back in time, to the eighteenth century, to bring out the very new role and meaning the imaginative faculty acquired in the order of knowledge. From here I will move, once again, to John Stuart Mill’s nowadays overly discussed writing on the method of political economy and to John Elliot Cairnes’ lectures on the same topic.

Part of my argument will be that for Scottish moral philosophers, the imagination opened up a field of uncertain knowledge that can be clearly distinguished from the field of uncertainty that became such a heated topic of study for the French *philosophes*. For the Scots, uncertainty was related to an emerging market that rapidly undermined vested institutions and traditions.⁹ In this new world individuals had to trust their own feelings and sentiments and

⁷ I would like to thank Mary Morgan for bringing out to me the connection of my queries to Popper’s notion of situational analysis. Another way to think about this, is in terms of “folk psychology” which in economic methodology is best scrutinized by Hausman and Mäki. One may consider the emergence of behavioural economics in the past decades as a challenge to both traditions.

⁸ For recent accounts of Popper’s theory of situational analysis, see Morgan, forthcoming, *Hands* (2001). Reflection without Rules: Economic Methodology and Contemporary Science Theory. Cambridge, Cambridge University Press. and a special issue of Philosophy of the Social Sciences on this topic (1997).

⁹ In my view no one expressed the sense of loss of the old natural order better than Richard Jones, by William Whewell considered as *the* authority in political economy, in a passage that was rightly highlighted by Marx: “An intermediate class (of capitalists HM) appears between the landowners and a portion of the non-agriculturists, upon which intermediate class, those non-agriculturists are dependent for employment and subsistence. The ties which formerly bound the community together are worn out and fall to pieces; other bonds, other principles of cohesion, connect its different classes: new economical relations spring into being.” Jones (27th February, 1833). An Introductory Lecture on Political Economy, delivered at King’s College, London. (18-19).

make guesses about similar feelings and sentiments with others they perhaps would never meet, but nevertheless were dependent on if they wanted to engage in trade. For the Scots, uncertainty was not about the calculus of probabilities, but about the intentions of fellow beings.¹⁰ The imagination served as a reflective mode of observing intentions and so gaining certainty about the behaviour of others that became central to what Victorian political economists perceived the appropriate method for political economy. If anything was meant with introspection, it was this. As recently forcefully argued in Peart and Levy, this method made sense on the assumption of a universal nature of man.¹¹

But this does not inform us about the practical side of introspection. As a case study of how this reflective mode of observation was used, I will turn to John Elliot Cairnes' book on the slave economies of the American South, *The Slave Power*, first published 1862. From my discussion it will also transpires that the distinction between induction and deduction in economics is not so easily made – at least not for my case study. While *The Slave Power* is commonly considered an example of “inductive” economics, it is equally well a deductive piece of work that mirrors Mill and Cairnes' views on the appropriate method of political economy.

Political Economy: imagining motives of action

How was the imagination used as a reflective mode of observation in Victorian England? To start thinking about this, let me turn to Edgar Allen Poe. Wikipedia calls Poe the inventor of

¹⁰ Though I think it is important to conceptually distinguish between both kinds of uncertainty, the two are not unrelated, as it is most obvious in the re-evaluation of the trustworthiness of evidence given in Courts of Law, an issue that Jeremy Bentham and John Mill were much interested in. On this last issue, and its importance for Mill's views on the method of political economy, see in particular De Marchi (2002). *Putting Evidence in Its Place: John Mill's Early Struggles with "Facts in the Concrete". Fact or Fiction*. Mäki. Cambridge, Cambridge University Press.

¹¹ Peart and Levy (2005). *The "vanity of the philosopher" : from equality to hierarchy in postclassical economics*. Ann Arbor, University of Michigan Press., ch. 1.

the *deductive* detective. There has been some ado on the HES-list about the merits of Wikipedia, but whatever its merits may be, deduction seems nicely chosen for my purposes. To start with Poe is the more fit because Poe explicitly addressed the difference between uncertainty that can be dealt with by means of the calculus of probabilities, and uncertainty that relates to human intentions.

Poe was born in the same year as Mill, 1806, and so a full contemporary of the political economist who first championed the *deductive method* as *the* primary mode of reasoning on economic agency. Due to his excessive life style, we all know, Poe did not really live out Mill. He died in 1849, leaving a small but impressive and highly influential collection of writing. Poe described the procedure followed by Dupin, his protagonist detective, to solve his murder cases in terms of “deduction” or “analysis”. The first pages of ‘The Murders in the Rue Morgue’ programmatically state Poe’s meaning.¹²

Comparing different games with one another, Poe asked himself what are the characteristics of the analysing mind? The games Poe was particularly interested in were those games in which people play against one another; social games, in particular card games. Probabilities might be of help in figuring out the likely distribution of cards over the players – as in a game of whist for example. But this was not the focus of Poe’s attention. The “higher art of analysis” of card playing, Poe argued, was not just about mathematical deduction from axioms as in the case of geometry, or about estimating probabilities in the case of uncertainty;

¹² Historians and philosophers of science have recently turned to Conan Doyle’s Sherlock Holmes as a similar example of a deductive, analytic style of reasoning that clarifies reasoning in science. This literature takes Holmes’ as an example of case based reasoning. See for example (check, still forthcoming?) Creager, Lunbeck and Wise Science without Laws: Model Systems, Cases, Exemplary Narratives. Chapel Hill, Duke University Press. Though case based reasoning and situational analysis are closely related, an important difference is the emphasis on human motivation and agency in the last. For this reason, for reasons of priority, simultaneity with my political economists, and his explicitness in addressing themes that were of their immediate methodological interest, I take Edgar Allan Poe, rather than Conan Doyle as point of departure.

it was about making observations and inferences on the basis of sparse indications where these observations say something about the inner mind of the other party.

To make good inferences on the basis of sparse indications, it is presupposed that one has to have some idea of what to observe, and then to observe attentively, and here the imagination came into play. Poe distinguished the “merely ingenious” from the “truly imaginative” mind. Where the first was “always fanciful,” the last (in Poe’s words) was “never otherwise than analytic.” In his detective stories, Poe made Dupin focus his attention on what was peculiar, irregular, to get grip on what motive or motives – if any – might explain the case at hand.

According to Poe, this reasoning process was also deductive. In making these kind of deductions (in contrast with mathematical, logical or probabilistic deductions), Dupin transported himself “in fancy,” that is in the imagination, to the *locus delicti* to seek for explanatory clues. In this imaginary space, nothing is certain, as Poe repeatedly and with reference to the theory of probabilities argued, but the use of the imagination, again according to Poe, beat probability theory in making connections that, once made, could stand comparison with the best proofs in mathematics. Indeed, one did not necessarily always have to visit the *locus delicti* itself to make infallible inferences on the basis of just some loose traces of evidence, as Poe emphasized in a footnote to ‘The Mystery of Marie Rogêt’:

The ‘Mystery of Marie Rogêt’ was composed at a distance from the scene of the atrocity, and with no other means of investigation than the newspapers afforded. Thus much escaped the writer of which he could have availed himself had he been upon the spot and visited the localities. It may not be improper to record, nevertheless, that the confessions of two persons ... made at different periods, long subsequent to the

publication, confirmed, in full, not only the general conclusion, but absolutely all the chief hypothetical details by which that conclusion was attained.¹³

To solve the murder of Marie Rogêt, Dupin sifted traces according to what they said about possible motives of action. He thus gradually discovered what could be seen as a credible motive for the murder, and a credible situation in which the murder might have been committed. In doing so Dupin could identify “with certainty” the true perpetrator.

In “The Purloined Letter,” where it was known who committed the act, Dupin’s goal was to find out where the important and compromising letter might be hidden. He compared his procedure with that of a schoolboy’s guess in a betting game. A boy that was particularly good at it told that his success was based on his “*thorough* identification” with his opponent. By mimicking the winking of an eyebrow, or a slight shivering of a shoulder, the boy gained knowledge of the “reasoning process of his opponent,” and thus of the best way of betting him out. Identification, and so knowledge of other minds, was obtained by imagining the secrets hidden behind small observational clues (1994, 347).¹⁴

In both cases, Marie Rogêt and the Purloined Letter, Dupin proceeded on the implicit assumption that there is a general motivational structure in human nature, even though specific motives might vary over different individuals and in relation to the situation at hand.

¹³ Poe (1994). Selected tales. London; New York, Penguin Books.

¹⁴ Poe also made clear that mathematics – algebra in particular – would be of no help in solving these cases, just as mathematics “failed” for chemistry. “Mathematical axioms are *not* axioms of general truth. What is true of *relation* – of form and quantity – is often grossly false in regard to morals, for example. In this latter science it is very usually *untrue* that the aggregated parts are equal to the whole.” (1994, 350). Though I am not aware of any references from contemporary political economists to Poe (De Quincy perhaps?), the similarity in reasoning on the usefulness of mathematics to economics with that of the political economist I take as my main example here, Cairnes, is striking. My discussion of Cairnes here will not touch upon the relation of mathematics to political economy, however.

The target of explanation was in both cases a specific event for which general principles were invoked.

Poe may stand exemplary for a more general movement in which the imagination was re-evaluated from an obscure and corruptive source of knowledge into a source of knowledge that was particularly relevant in uncertain and hazy domains like that of human agency. As a source of knowledge the imagination traditionally seated between the senses and the intellect, where these last two were far superior over the imagination in that the senses provided immediate knowledge of an object, while the intellect was the infallible seat of deductive – that is geometrical - reasoning. By contrast, the imagination provided knowledge of an object in its absence, and thus might give rise to all sorts of deformations and errors. Such deformations might well be taken literally, because the imagination had mental as well as physiological properties. For example, before the 18th century, a woman could give birth to a deformed child by looking at a child painted in deforming perspective. The imagination, which in the case of women was seated in the womb, could deform the foetus in the image of the painting.

From the eighteenth century onward the imagination became a positive source of knowledge, gradually losing its physiological characteristics. Early that century (1712), the Scottish philosopher Joseph Addison devoted an essay to the imagination. David Hume considered the imagination a fund of true knowledge. It “may conceive fictitious objects with all the circumstances of place and time. It may set them, in a manner, before our eyes, in their true colours, just as they might have existed” (Enquiry). The imagination became one of the most theorized terms in aesthetics, but it also played an important role in moral philosophy, as may be witnessed from Adam Smith’s *Theory of Moral Sentiments*. Let me give Smith’s famous introduction of the notion of sympathy as an instance:

As we have no immediate experience of what other men feel, we can form no idea of the manner in which they are affected, but by conceiving what we ourselves should feel in the like situation. Though our brother is upon the rack, as long as we ourselves are at our ease, our senses will never inform us of what he suffers. They never did, and never can, carry us beyond our own person, and it is by the imagination only that we can form any conception of what are his sensations. (I.I.1.2)

Smith introduced in this passage not just the notion of sympathy but as much that of the imagination; the imagination as a positive source of knowledge. Indeed, knowledge necessary for sympathy to arise could in no way be obtained from mere sense experience, including observations with the eye (“our senses will never inform us ... They never did ...”). Even if we see our brother upon the rack, we can only know what he feels by *imagining ourselves in his position* and thus gathering a “conception” of his “sensations.” It was not the external eye, but the inner eye of the imagination that incited corporeal, physiological effects, for we “tremble and shudder at the *thought* of what he feels” (my emphasis). The imagination thus was a go-between, a mediator, between specific, concrete experiences, and general, conceptual knowledge. At the beginning of the twentieth century and under the influence of the German philosopher Theodor Lipps in particular, Smith’s notion of sympathy was considered to be about empathy, but I would like to leave a discussion of this conceptual change, and possible controversies that it generated, at rest here and note that in the given fragment, Smith also plays with the elements of proximity and distance.

We have no “immediate experience” of the suffering of our fellow being, that is, we do not feel this suffering directly through our senses. We may well find ourselves “at ease” where our fellow being is in great pain, that is we may find ourselves in space or in time distanced

from our fellow being and yet we are able to have positive knowledge of his suffering. But we still need something to trigger our imagination.

To see this, let me return to Smith's example of our "brother upon the rack." The following engraving is taken from John Gabriel Stedman's *Narrative of a Five Years' Expedition against the Revolted Negroes of Surinam*, written 1774-1777 and was made by William Blake. Recently Debby Lee very interestingly pointed out the antagonism between Stedman's text and Blake's engravings. While Stedman described the slaves, for example, as "living automatons" or "walking skeletons covered over with a piece of tanned leather,"¹⁵ Blake's engravings show an image that is in complete opposition to this (see figure 1). "Our brother upon the rack" is portrayed as a human being with whom the reader could identify. An engraving from the British Abolitionist Thomas Clarkson's *An Essay on the Slavery and Commerce of the Human Species* (1788) provided abstract images of slaves that were stored in a ship (see figure 2). Such images greatly spurred the cause of the Abolitionist movement in Britain. Even though the readers were at a distance, the images triggered their imagination to an act of identification with their sufferings.

Images, novels, travelling journals, official reports might all trigger an act of identification, and *Uncle Tom's Cabin* is of course one of the most famous examples. Triggered by the book, the political economist Nassau Senior wrote an article length review that mixed considerations about the relation of slave breeding and slave consuming states with a detailed discussion of the characters of the novel, and the realisticness of their "fortunes".¹⁶ For Senior, "the illusion of reality" was "admirably kept up" and, though the characters were

¹⁵ Quoted from Lee (2002). *Slavery and the Romantic imagination*. Philadelphia, University of Pennsylvania Press., 100-101. Chapter four of Lee's book provides a brilliant exposition on these engravings.

¹⁶ Senior (1855). "Slavery in the United States." *The Edinburgh Review* (CCVI): 293-331. As was then usual, the review was anonymous.

“generally simple ... the actors in ‘Uncle Tom’ act and talk as we expect them to do.” (Senior, 1855, 317). For Senior, though the characters of the book were stylized, they acted as fellow human beings, not as specimens of another race.¹⁷

In the *Wealth of Nations* we see a similar, though more implicit, highlighting of the relevance of the imagination in understanding our fellow human being in the act of trade; one has to imagine what motives drive the person you are trading with. Let me give Smith’s perhaps most quoted passage ever:

[Man] will be more likely to prevail if he can interest their self-love in his favour, and show them that it is for their own advantage to do for him what he requires of them. Whoever offers to another a bargain of any kind, proposes to do this. Give me that which I want, and you shall have this which you want, is the meaning of every such offer; and it is in this manner that we obtain from one another the far greater part of those good offices which we stand in need of. It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages. (I.2.2)

Smith is imagining motives that make people strive to a certain goal, and how to influence these motives, as these people themselves imagine such motives in the act of trade. We have to imagine goals and needs of others, and primary motives to act upon goals and needs, to understand the act of trade. As highlighted by Peart and Levy (2005), to be able to do so

¹⁷ More is to be said on this. Recently Peart and Levy (2005) pointed to the important dehumanising effect of picturing Africans (or Irishmen) as apes. No engraving of course serves neutral purposes. Like the examples I gave previously, pictures always steer our attention, and many pictures were made to do so, just as travelling journals and other evidences of “direct observation.” These “facts” were the materials on which the imagination was put to work, as we will see for Cairnes’ case.

implies a claim about the humanity of others, that is their “natural propensity to truck, barter and exchange.” At the turn of the eighteenth century the English moral philosopher William Hazlitt made an explicit link between the imagination, ends and means, and rationality, in his *Essay on the Principles of Human Action* (1805, 1-3), though the connection with rationality at the time in Britain still was the exception rather than the rule. The language of Smith is a much more layered language, to be sure (see Rothschild, Forget, Brown), not the language of goal-oriented or instrumental rationality as we would call it today.¹⁸ According to Hazlitt,

The imagination, by means of which alone I can anticipate future objects, or be interested in them, must carry myself into the feelings of others by one and the same process by which I am thrown forward as it were into my future being, and interested in it.

By use of the imagination, Hazlitt argued, man became a “moral agent” who was capable of “rational or voluntary pursuits.”

As said, this positive re-evaluation of the imagination as a source of knowledge would become of particular relevance to the newly emerging field of aesthetics, but Smith’s theory of moral sentiments shows its importance for the moral domain as well, including political economy. From the imagination we learn what other people feel and how they will act in specific circumstances. It was a point emphasized by the English Romantics and Poe as well.¹⁹ For Wordsworth, the imagination was the source of “teaching truth.”²⁰

¹⁸ The difference with the 18th and 19th century discourse is in my view primarily that the notion of instrumental rationality refers to the structure of an action, irrespective of the material system that fulfils it.

¹⁹ In *Autobiography* John Mill paid explicit tribute to Wordsworth for his own personal development. Though Wordsworth considered political economists and “statists” teachers of the same “false philosophy,” Mill would have agreed with his verdict on the latter, but (as will be seen in some more

From the preceding it follows that Victorian economists did not so much take an interest in psychology that had not been there before or waned afterwards. Rather, this interest lay at root of how moral philosophers, including political economists theorized about gaining access to motives guiding individual agents in their social or moral, including market, behaviour. As Peart and Levy recently and in conformity with Stewart's views on this issue argued, there was little in this judgement that separated the Victorian political economist from ordinary people or from their subject of study (Peart and Levy, 2005, 130).

John Stuart Mill's distinction between "real" and "trifling" thought experiments

As I have emphasized in the preceding, there is something inherently conjectural, or hypothetical, in gaining this access to the sentiments and feelings of others, while at the same time this conjectural element is denied. The imagination relates to feelings of others that can only be conjectured, but it also relates to the feelings of oneself in their position, feelings of which certainty is claimed. So, despite being conjectural, these imagined motives were seen as certain and real. Increasingly reframed on an emerging distinction between ends and means, these conjectures moved from being about sentiments to being about motives of action. We find this emphasis on motives, and on their reality, in Mill's 1836 essay on the method of political economy. For Mill, motives were the causal factors explaining agency. As is well known, Mill's masterstroke was to explicitly identify a limited set of motives political

detail below) of course considered political economists in a more positive light, just because of their use of the imagination in understanding human agency. For Wordsworth on political economists and statisticians, see again *The Prelude*, 220. On Wordsworth, see James Henderson, "Avaunt this Economic Rage! William Wordsworth's Critique of Political Economy," paper presented to HES 2003 at Duke University. Also see Oliver Bennett, "Intellectuals, Romantics and Cultural Policy," forthcoming in *International Journal of Cultural Studies*, July 2006.

²⁰ Wordsworth (1969). *The prelude or growth of a poet's mind (text of 1805)*. Oxford, Oxford University Press. As Debbie Lee extensively argues, the "Romantic imagination reveals things hidden to the naked eye." See Lee (2002). *Slavery and the Romantic imagination*. Philadelphia, University of Pennsylvania Press.

economists should concentrate on so as to narrow down the kind of behaviour and the type of situations economists could and should be concerned with.

It has been argued, also by myself, that when Mill made motives the ultimate springs of human action, he importantly relied on the association psychology as developed for example by his father. Yet it is not quite clear how one might get from the principles of the association psychology to motives such as “aversion of labour” or “desire for wealth.” If we read Mill’s explanation of the a priori method, we can see that it crucially invoked what we have called so far the work of the imagination, rather than some fixed laws of association psychology. In Mill’s hands the imagination opened up a space for what we now call thought experiments on human agency, and it is interesting that Mill drew a similar parallel. Rather than speaking about *imagination*, however, Mill wrote about his thought experiments in terms of *observation*, thus implicitly claiming that political economy started from the same empirical grounds as the natural sciences. Mill strengthened this claim by considering “desires” and “circumstances exciting the human will to action” as “materials”, as if “desires” had the same kind of materiality as the “materials” of a botanist or chemist:

Although sufficiently ample grounds are not afforded in the field of politics, for a satisfactory induction by a comparison of the effects, the causes may, in all cases, be made the subject of specific experiment. These causes are, laws of human nature, and external circumstances capable of exciting the human will to action. The desires of man, and the nature of the conduct to which they prompt him, are within the reach of our observation. We can also observe what are the objects which excite those desires. The materials of this knowledge every one can principally collect within himself; with

reasonable consideration of the differences, of which experience discloses to him the existence, between himself and other people.²¹

Economists, and historians of economics, have sometimes degradingly dismissed Mill's image of thought experiments as "arm-chair" theorizing. But Mill did not conceive of his thought experiments as a kind of *theorizing*, but as a mode of *observation*.²² Mill's "observations" did not demand him to rise from his chair and go out in the world and observe, as in travelling journals, rather they took travelling journals, parliamentary reports and other such sources as materials (facts) for his thought experiments. Far from being passive, the political economist had to actively put these materials in place to make the "experiment" work. The true materials of Mill's thought experiments were not so much "desires" collected within one's own consciousness, but travelling journals and other sources from which inferences to desires could be made.²³

In line with this, Mill did not consider all experiments made within our own mind equally good. He distinguished thought experiments that were merely "trifling," and thought experiments where the imagined situation resembled "real" circumstances. While the first kind of experiments ended up in pure fiction, the second were anchored in reality. From these,

²¹ Mill (1963). Essays on Economics and Society. Toronto, University of Toronto Press.

²² It is interesting in itself, that what Mill considered to be an act of observation, in twentieth century economics came to be seen as an act of theorizing, that is of reasoning rather than observing. Though this shift in vocabulary needs careful examination, let me here only note that in Stewart's description of how Smith's theorized, reasoning and observation were very closely connected as well: Smith "indulged in theory" by simply exposing "the common sense which guides mankind in their private concern."

²³ One might argue that travelling journals, official reports, articles in journals and the like, served a similar sort of function indeed as the drawings in botany, though a more refined account of differences and similarities in their use would be necessary to make that argument. Drawings in botany were specific and yet conveyed the general characteristics of natural specimens. On these drawings, see for example Daston and Galison (1992). "The Image of Objectivity." Representations 40(Fall): 81-128. Also, see Daston (2004). "Type Specimens and Scientific Memory." Critical Inquiry 31(1): 153-182. Travelling journals were similarly specific and yet created general images of societies far away.

knowledge was obtained that could stand comparison with the natural sciences. In *Logic* Mill repeatedly claimed that political economy rested on the same procedures of “observation and experiment” as the natural sciences. Mill’s distinction thus mirrored the similar distinction that emerged in the beginning of the nineteenth century between “fantasy” (or “fancy”), and “imagination”; the imagination kept its productive claims to truth, while fantasy did not.

We do not learn very much more about how to distinguish the one kind of experiments from the other from Mill’s text and so my remarks about the materials on which thought experiments were based are themselves conjectural. As I will clarify on Cairnes’ work, “real” circumstances should be thought of in terms of the kind of traces Poe mentioned in relation to “The Murder of Marie Rogêt.” It implied a partisan use of his sources (“facts”). But let me first expand on Cairnes’ own version of Mill’s methodology.

John Elliot Cairnes’ on the method of political economy

John Elliot Cairnes gave his lectures on the method of political economy in his first year as Whately professor of political economy and they were published 1857. As Tadgh Foley and Tom Boylan in their wonderful introduction to the recent edition of the *Collected Works* of Cairnes note, these lectures were a lucid and in many respects much more pointed account of the method of political economy than Mill had given in his *Essay* and in *Book VI* of *Logic*.²⁴ Rather than restricting political economy to the study of a limited set of motives, Cairnes focused on its subject matter: the study of wealth.

According to Cairnes, Mill had wavered inconsistently between thinking of the laws of political economy as being only laws of mind, or a combination of mental and natural laws. Cairnes unambiguously argued that political economy dealt with both sides. Cairnes

²⁴ Boylan and Foley, Eds. (2004). *John Elliot Cairnes: Collected Works*. London, Routledge., &&

considered the Ricardian principle of diminishing returns of land and Malthus' law of population natural rather than mental laws – something that was not so clear from Mill's account. In consequence Cairnes argued that political economists studied how motives worked out in a setting that was constrained by Ricardian and Malthusian principles. That is: the strive to wealth was its central subject, and political economists studied how human agents pursued this goal, given the challenges and limitations set by agricultural and population laws. In contrast with Mill, Cairnes did not put an a priori constraint on the kind of motives which might be relevant for the economist, just as there might be other natural laws than the two mentioned that might fall into his considerations (for example, natural laws clarifying technical progress, something of relevance once one moved to the study of manufacture and industry). But he did imply a certain order of motives, in which the economic, self-interested striving for (material) wealth was fundamental over other motives of action. However, Cairnes was in full agreement with Mill about the manner in which the political economist gained insight in these motives.

In contrast with the tedious method of observation of the natural scientist – the method of induction that someone like William Whewell advocated for political economy as well, political economists were in no need of this “circuitous route”, because they had “direct access” to motives. There was no need to “collect and classify the phenomena of wealth,” because “everyone who embarks in any industrial pursuit is conscious of the motives which actuate him in doing so” (Cairnes, 1857, 88). By an act of identification with these motives, the political economist could claim to know these motives with certainty.²⁵

²⁵ Cairnes' emphasis on the hypothetical status of every scientific principle or law does not affect the certainty of these principles themselves, only the possibility to observe their working in the concrete. Contrary to recent claims by Hands, Foley and Boylan, the hypothetical status of mental laws does not make them less certain. Mental laws are not hypothetical in any modern sense.

What followed from this was that the “business of the political economist” was “finished” as soon as he had traced an economic event back to its motivational origins, and had shown how these motives work out in relation to restrictions imposed upon them by the laws of nature. In practice this meant that the “course taken by most thinkers” in political economy was the following. It was “silently assumed” that people try to “obtain wealth at the least possible sacrifice,” and following their “self-interest”. To exemplify this, Cairnes gave the same quote from the *Wealth of Nations* I gave above, in which Smith made self-interest the guiding motive of market behaviour. Such an appeal to self-interest was for example “sufficient” to explain the doctrine of international trade, because one could show on its basis how wine producers in France or Spain were “induced” to sell their wine in Britain. Thus, the political economist imagined an economic situation that was sufficiently “real” and then “deduced” how agents would act in such circumstances.

It might of course happen that the political economist in this way came to conclusions that were at variance with statistical data. This did not invalidate his conclusions, however. It only showed that “real world” situations could be more complex than could be covered by the “fundamental laws” of economics. Very much in line with the low esteem in which Smith, Stewart and others held statisticians, or political arithmeticians, Cairnes argued that in those cases where the economists’ deductions seemed at variance with statistical facts, the “proper use” of statistics was to search for causes that might have contributed to these different outcomes. Statistics did not invalidate the reference of theory to reality; it just modified it to greater complexity. The imagined situation, a combination of motives and natural circumstances, was real, even if it did not show itself in the statistics. Political economy was similarly immune for the details of history, basically for the same reason. The “logical process” of reasoning for the economist was to combine motives – self-interest to start with –

with natural laws, and then to “see” what happened in the imaginary space that thus was opened up.

John Elliot Cairnes on the American Slave South

Historians of economics will tend to consider Victorian political economists’ use of the imagination in terms of *theorizing* rather than of *observing*. If we look back at Dugald Stewart, we see that his way of expression oscillates between the vocabulary of observation and reasoning: Smith “indulged in theory” by reasoning on the “common sense” of mankind. Common sense, after all, is a *sense* that emerged in Reid’s philosophy from highly refined debates about the existence of an “inner” or “moral sense.”²⁶ We have seen how Mill considered this mode of theorizing as a mode of observation.

The virtue of my discussion so far, I hope, may consist in that it modifies the idea that the first indubitable motivational principles Victorian economists departed from in their theoretical endeavours functioned somewhat like logical axioms, devoid of empirical content. Quite by contrast, political economists reasoned upon motives to which they had “direct access.” When Cairnes discussed these “ultimate principles,” he did not treat them as purely formal axioms, but considered them the “salient principles” political economists traced “in their own consciousness.” These ultimate principles were then used to analyse economic situations – that is situations in which self-interest, the striving to personal wealth, ran into collision course with the limits set by nature and society. History and statistics only came into play to complete the image thus constructed into a more complex one; into an image that was increasingly close to an observed historical event. The inner eye of the economist served to observe this event in its essence, but also in its absence; no personal experience was needed to

²⁶ The re-evaluation of the role and meaning of the imagination in making judgments about human agency is of course also related to discussions about the existence of an “inner” or “moral sense.” It is not my present aim to say anything in detail on this connection.

imagine how in concrete circumstances motives guiding human agents played out to produce a particular historical event. But the economists' inner eye still needed materials to trigger the imagination. Cairnes' sources served just this purpose. They served as a test, and to add detail, not to change the laws governing the production of the historical particular. Let us now see how Cairnes made use of these sources in his rightly famous study of the causes that lay at root of the American Civil War.

In the preface to *The Slave Power* Cairnes made clear that he initially had not been interested in the American slave economies for political reasons, but for reasons of a "purely speculative" kind.²⁷ His lectures aimed to show that the "course of history is largely determined by the action of economic causes." It was only because of the turn political circumstances in America took afterwards, that he realised the wider meaning and political significance of his lectures on the American slave south. That is, his speculative image of the American slave economies could be of help to explain the outbreak of the Civil War and to reveal its true cause. Cairnes solicited for advice among his close friends and Mill, and these reactions were so encouraging that he decided to rewrite and expand on his lecture notes.²⁸

²⁷ Cairnes almost certainly derived his title from Palfrey (1846). Papers on the Slave Power: First Published in the "Boston Whig". Boston, Merrill, Cobb and Co. John Gorham Palfrey was the son of a slave-owner who became a spokesman for the abolitionist cause. Moreover, Palfrey was the first Dean of Harvard. See <http://www.hds.harvard.edu/library/exhibits/online/palfrey/index.html>.

²⁸ For the correspondence between Mill and Cairnes, see Mill CW relevant correspondence volume. For Mill's review of *The Slave Power*, see Mill, CW, 21: 143-164. That slavery was the real issue underlying the Civil War was clear to Mill of course before then. See "The Contest in America," CW, 21: 123-142. Mill's engagement with the "negro-question" recently has been most extensively documented in David Levy's *How the Dismal Science Got Its Name* (Ann Arbor, 2001), and Levy and Peart's joint book *The "Vanity of the Philosopher"* (Ann Arbor, 2005). From this last book, part III "debating sympathy," that makes sympathy the primary entry to the theorizing of the political economists in (roughly) the first half of the nineteenth century, is closest to my own concerns in this paper. Peart and Levy interestingly, and in my view correctly, argue that the central importance of sympathy for political economists from Hume up to Cairnes makes that political economy was driven by a "deep analytical egalitarianism" (132).

To enhance its public effect the book was preceded with a letter to Mill, but the book mostly worked for itself. Within a year the book was published and within another year a second edition appeared in which Cairnes answered some of the criticisms that were raised against it. Reviews were generally most favourable, not only as might be expected in those periodicals that favoured the cause of the Union. Also journals siding with the South, like *The Times*, praised the book. The book was well received in America, though it was more or less ignored in the Southern press, as might be expected. Even if reviewers expressed disagreement with Cairnes' political conclusions (particularly so in the Union States), they were nearly unanimous in their praise for the sound factual basis of the work, and its coherent depiction of the Southern slave economies. There were some important contemporary criticisms that I will briefly discuss at the end.

How could it be that a book written at such a distance of the scene of events, and by someone who himself had never been in America, at the time was considered such a convincing account?²⁹ One might argue that part of the book's success was its persuasive rhetoric. Books seldom thrive on rhetoric only, however. It rather seems to me that Cairnes' method of observation, and the conclusion he arrived at, themselves were convincing, despite of the fact that there were factual inaccuracies in the book. To see why this was so, it will be helpful to invoke Poe's distinction between the "merely ingenious" and the "purely imaginative" writer, a distinction that mirrors Mill's distinction between "trifling" and "real" though experiments.

Cairnes used the first chapter of the book to "state the case," that was to show that the true cause of the American Civil War was the fact that the economies of the Southern States

²⁹ The fact that much of the criticism against Cairnes's use of factual evidence could have been raised right after the publication of the book, was forcefully made by the Dutch historian A.N.J. den Hollander, who in 1967 was clearly still outraged by Cairnes' method, and by its success. See Den Hollander (1967). "Countries Far Away - Cognition at a Distance." Comparative Studies in Society and History 9(4): 362-376.

essentially depended on the institution of slavery. If correct, this diagnosis should have important consequences for the attitudes and actions of the British government vis-à-vis both parties, because “it would indeed be a grievous misfortune if, in one of the great turning points of human history, Great Britain were found to act a part unworthy of the position which she occupies and of the glorious tradition which she inherits” (SP, 17). That slavery was the true issue could be shown by making use of “a fruitful but little understood instrument of historical inquiry – that which investigates the influence of material interests on the destinies of mankind” (PS, liv).

Cairnes cleared the ground for his political economist’s analysis by first considering the present situation in which the sympathies of the British public, and government were with the Southern States, just because surface events gave no reason to think that slavery was at any point the main issue that led to the Civil War. It was indeed quite understandable that the cause of the Union had met with little sympathy in Britain so far. Cairnes considered these surface events one by one, to dismiss their relevance.

The Southern States argued that the reasons to separate were their wish to be independent, and free trade. The argument was that the Union favoured protectionism, something that amongst others could be shown by pointing at the taxes it imposed on the Southern States, its protectionist politics towards foreign imports, while the South maintained low foreign tariffs, so that the South in fact paid for the industrialisation of the North. Protectionism, it was further argued, ran against the interest of all trading nations, including Britain. In this vein, James Spence had best defended the Southern case in Britain, in his 1861 book *The American Union*.³⁰ Spence’s explanation for the civil war was clearly one of Cairnes’ main targets,

³⁰ Spence (1861). The American Union; its effect on national character and policy, with an inquiry into Secession as a constitutional right, and the causes of the Disruption, London.

though he hardly mentioned the book. Spence's account was the more credible because – in words at least – he showed himself an ardent opponent of the institution of slavery. *The Times* summarized the surface view of events however most neatly: “The watchword of the south is Independence, of the North Union, and in these two war-cries the real issue is contained.”³¹

Cairnes did not deny the validity of this summary, but he denied that this summary contained the real issue at stake, which should be sought in the slavery issue even though surface events gave little clue to think otherwise. Though slavery of course had been the subject of major political debates through the nineteenth century and before, at the outbreak of the Civil War there was little pointing in that direction. In conformity with the analysis of Spence and others, Cairnes took great pains to show that declarations of Lincoln, for example, did not lead one to think that slavery was an issue in the contest. To the contrary, had not Lincoln himself emphasized on several occasions that the Union in no way aimed to challenge the right of the planters on slaveholding, as this right was laid down in the Constitution? From this perspective, it seemed that the *Saturday Review* correctly argued that “slavery is but a surface question in American politics” (SP, 10, Cairnes quoting the *Saturday Review* for November 9th 1861).

Indeed, as was pointed out by sympathizers with the South, to think the Northern States to oppose the institution of slavery was to deny the self-interest that a great many traders and manufacturers in the Northern States had in its continuation, for example in terms of taxes levied on the Southern States, or in terms of an inflow of cheap raw materials. It should even been considered that ship-owners in the North showed interest in reopening the slave trade with Africa, from which they had benefited enormously in earlier days. So the North only attempted to restore the full integrity of the Union for its own interests, and to invoke the

³¹ *The Times* for 19 September 1861. As said *The Times* importantly favoured the case of secession.

issue of slavery was mere hypocrisy. Being thwarted by the North in its expressed wish to be independent, there did not remain much alternative for the South than to take up arms to get by force what was not granted to it by wish.

This image then, combined with the Southern mantra of free trade where the North favoured protectionism, made the British public and government easily lean to the side of the South. Cairnes obviously did his best to make this image as strong as possible so as to enhance the effect of arguing for the opposite. According to Cairnes, “never there was an explanation of a political catastrophe propounded in more daring defiance of all the great and cardinal realities of the case with which it professed to deal.” Why did this explanation deal with “superficial appearances” only? (SP, 4-5).

To make people see this, Cairnes invoked on the very first page of the book the “incredulity” in Britain when South Carolina expressed its wish to secede after Lincoln was elected president, the first Republican elected to that office “in the ordinary constitutional course.” (SP, 1) The first comments in the press then were that the wish to secede was a “political feint intended to cover a real movement in some other direction” (SP, 2). Unfortunately, the course of events, and the turn of arguments had pushed this first view to the background, whereas from here the “real movement” of events could have been explained. Answering one of his critics in a letter to the *Economist* of 8 February 1862 Cairnes wrote that “it must be remembered – what seems now to be almost forgotten – that the war was commenced by the South, commenced for no other reason, on no other pretext, than because a Republican President was elected in the regular constitutional cause. The cause of the rupture, therefore, must be sought, not in the measures of the North, but in the aims of the South.”³²

³² See Boylan and Foley, Eds. (2004). John Elliot Cairnes: Collected Works. London, Routledge., &&

So one had to pick out the right surface fact to be able to gain insight into the true causes of a complex event like the American Civil War. The fact that the Southern States had started the animosities indicated that one had to search for motives on the side of the South, rather than the North. To see the aims of the Southern States, Cairnes first turned to American history to show that the stated reasons for secession were a “political feint” to cover up their true cause. The gist of his argument was that the Southern States had never had any difficulty with protectionism or with their place in the Union as long as they were in sufficient control of political power to further their interests, that is to say the interests of their economic elite, the slaveholders. Only every once there was tampering on the institution of slavery, did the Southern States raise the issue of secession. Cairnes gave a long list of events, ranging from the Mexican War, via the Fugitive Slave Law or the Missouri compromise, to imprint the reader that the “unity of the national drama” of the United States, its “grand central question ... to which all others were subordinate, and around which all political divisions ranged themselves,” was that of slavery. Lincoln could only have been chosen because the Democratic Party had become split over the issue of slavery between Northern and Southern States. This undermined political control of the Southern States, on which they declared independence and attacked Fort Sumter. Cairnes then laid out why the institution of slavery was central to the functioning of the Southern economies, an image he detailed in its economic, social, and political consequences in subsequent chapters of book.

The a priori method and the Slave Trade

Cairnes described his own method of proceeding as similar to that of the “comparative anatomist,” who, “by reasoning on those fixed relations between the different parts of the animal frame which his science reveals to himself, is able from a fragment of a tooth or bone, to determine the form, dimensions, and habits of the creature to which it belonged.” With “no less accuracy” could the political economist “by reasoning on the economic character of

slavery and its peculiar connexion to the soil, deduce its leading social and political attributes, and almost construct, by way of *a priori* argument, the entire system of the society of which it forms the foundation” (SP, 69-70). To reason *a priori* did not mean that the relation to facts was only established after the image of the slave economy was constructed. Rather, the political economist was in need of “fragments of a tooth or bone” to decide in what direction to develop his argument.

Cairnes derived these “fragments” from a limited number of sources, mainly travelling journals, such as those of Tocqueville, Olmsted, and Russell, and one widely read journal containing statistical information, DeBow’s *Review*.³³ The weight of evidence however was with travelling journals rather than with numerical statistical information. Having no personal experience from the United States (something Southerners more in general complaint about, as witnessed from the motto to this paper), Cairnes sifted its closest proxy for fragments until

³³ Robert Russell’s travelling journal *North America: its Agriculture and Climate* (1856) contained much statistical material that gave flesh to Tocqueville’s and Olmsted’s more cursory observations on the differences between the Northern and Southern States. Nowadays Frederick Olmsted is best known as the landscapist who designed Central Park in New York, and many other parks. In the 1850s Olmsted wrote a travelling journey for the *New York Daily Times* (now the *New York Times*) to give the Northern readers an impression of life in the Southern States. Olmsted’s lively impressions of plantations first published as *Seaboard Slave States* (1856) conveyed the idea of the slavery system as generally inefficient. The partisan *Putnam’s Monthly Magazine* for February 1856 praised the book as “an important work” that substituted many of the “fictitious representations of slavery” for a “true account of an eye witness.” Olmsted “directed his attention more particularly to the influence of slavery upon the material prosperity of the people, and has shown, as well by an array of statistics, as by his observation, and the confessions of planters, and other interested parties, that they are uniformly deteriorating” (218). Olmsted in fact only visited three plantations, something that is not to be gathered from his book. James Dunwoody Brownson DeBow was one of the most important American statisticians of his day and, in contrast with Olmsted, an ardent defender of the institution of slavery. DeBow’s *Industrial Resources* was a compilation of DeBow’s *Review*, one of the most widely read Southern periodicals that contained the most extensive resources on agricultural and other statistics and essays, many of them on (and in defence of) slavery. Many articles in his *Review* praised the moral superiority of the institution of slavery. Its statistics articles, many of them written by DeBow, covered a wide range of aspects of the economics in the ante bellum South. DeBow also supervised the American Census of 1850. Despite his defence of slavery, DeBow’s commentaries to the statistics equally conveyed the image of economic deterioration in the Southern States. Just this image of a stagnant and even deteriorating South would be challenged by cliometricians like Fogel and Engerman in the nineteen sixties.

he found something relevant upon which further reasoning might commence. Let me give some examples. British migrants in the Union States were of different social origin (middle and working class) than migrants to the Southern States such as Virginia, much of who made part of the English gentry. The Northern migrants were accustomed to “work with their hands,” while the latter were not. This argument might partly explain the persistence of slavery in the Southern States, but slavery was a profitable source of income in the Northern States as well, so it fell short in explaining why slavery died out in the Northern States.

The “more generally accepted” explanation for slavery to subsist in the Southern States fared equally bad. It was commonly assumed that blacks were better equipped to work the soil under the conditions of the South than whites, but comparison with the South of Europe did not leave much of this argument. (SP, 32-39) Cairnes thus worked his way towards a “circumstance” that was “more influential in determining the history of slavery in America than either origin or climate,” namely the different conditions of the soil in the Northern and the Southern States. From Tocqueville’s and Russell’s observations on this matter, Cairnes concluded that the soil in the North was of low frugality, while this was the opposite in the South. But differences in conditions of the soil alone could not explain the different economic developments between the South and the North. Thus moving on, Cairnes gradually touched upon the “true causes of the phenomenon,” that was the difference between free and slave labour. Once this difference was explained and put into connection with the natural conditions in which it appeared, Cairnes’ analysis of the characteristics of slave economies got wings – most the “principles” or “laws” governing slave economies followed from it.

Cairnes first considered the pro’s and con’s of free versus slave labour. The main advantages of slave labour were that labour costs were minimal (only “that which is necessary to maintain the slave in health and strength”), while control could be maximal. Its disadvantages were that

slave labour was only given “reluctantly”, that it was “unskilful,” and that it was “wanting in versatility” (SP, 44). In evidence, Cairnes referred to Bentham’s exposition on slavery in his *Principles of the Civil Code*, but similar considerations could be found in the *Wealth of Nations* and elsewhere.³⁴ That the slave only gave his labour “reluctantly” made “fear” rather than “hope” was stimulus for action. This did not mean that blacks were “indolent” by nature, however, as Cairnes showed with the example of Barbados where freed slaves had shown “remarkably industrious habits” (SP, 40), neither that they lacked “the motive of self-interest,” as it was argued by Southerners (DeBow, 1955, 718). Rather, the slave would try to “conceal his powers” out of self-interest: “his ambition is the reverse of that of a free man, he seeks to descend in the scale of industry, rather than to ascend” (SP, 45, Cairnes quoting Bentham). This was different for a freeman, who was incited to use “the full powers of his mind and body” (SP, 49).

When the two different “productive agencies” of slave and free labour were brought into connection with “the external conditions” of production, that is the differences in frugality of the soil, Cairnes was in the position to “construct, by way of *a priori* argument, the entire system of the society of which it forms the foundation” (SP, 69-70). In brief, the poor fertility of the soil led to small scale agriculture in the Northern States, while the highly fertile soil of the Southern States led to the cultivation of large scale crops like tobacco and cotton. Extensive agriculture (cotton) easily combined with slave labour, since it “required labour to be combined and organised on an extensive scale” (SP, 50). The poor conditions of the soil in the North led to the “dispersion of labour” so that slave labour could not easily be employed because of limited possibilities for surveillance and control.

³⁴ Bowring’s edition, part 3, ch. 2. The text is on the internet:
<http://www.la.utexas.edu/research/poltheory/bentham/pcc/pcc.pa03.c02.html>

In this manner, Cairnes explained how slave labour petered out in the Northern States, while it thrived in the South. But he drew a wealth of other conclusions as well. Free labour and poor conditions of the soil worked together so as to ask the highest ingenuity of the Northern farmer. This was just the opposite for the Southern planter. Not only did the system of slave labour prevent the development of skills and ingenuity of the slave, the conditions of the soil did not give an incentive to the planter to improve the soil either. The results for the South were devastating, not only in their consequences for the natural environment, but also in terms of morals.

Cairnes used his sources to substantiate this fundamental image and to illustrate in more detail how the different systems of labour worked out in their different environments. Travelling journals like those of Olmsted and Russell served as the empirical ground to test the consequences of his thought experiment on how a slave economy might function.

Approvingly Cairnes quoted DeBow and Olmsted, for example, who both complained that the Southern planters were “land-killers,” who “exhausted” the soil so as to make it “worthless”.

(56) This led to demands for new arable lands, which “they may and will despoil and impoverish in like manner.” (SP, 57-58). But agriculture based on slavery undermined the morals of the population as well. Because unskilled slaves did plantation work, the very idea of work became “confounded” with slave labour, and so work itself came to be held in low esteem. Non-slave holding whites thus received a negative incentive to show their ingenuity and they descended in idleness. “Idleness, which in free countries is regarded as the mother of all vices, becomes in the land of the slave the prerogative of a caste and is transformed into a title of nobility.” Approvingly Cairnes quotes Tocqueville’s observation that a “traveller, who floats down the current of the Ohio, may be said to sail between liberty and servitude. Upon the left bank of the stream the population is sparse, society seems to be asleep, man to be idle, and nature alone offers a scene of activity and of life. From the right bank, on the contrary, a

confused hum is heard which proclaims the presence of industry ... for the white population extends its activity and its intelligence to every kind of employment” (SP, 78-79).

From his fundamental image of a slave economy, Cairnes thus derived that there must exist a class of “white mean” or “white trash,” that was inevitably linked to the system of slave labour. In the first edition Cairnes estimated the magnitude of this class at five million people, in the second, using the 1850 census, he lowered it to the still tremendous amount of four million (on a white population of rough six millions, and a slave population of some four million). The initial advantages and profitability of slave production (that Cairnes perceived as well) turned increasingly against it, and according to Cairnes, a general decline of their economies could be clearly perceived. By then, slave-holding and non-slave holding whites were trapped in an economic system that did not provide any incentive for improvement, but rather elevated vice to virtue and that could only grow by territorial expansion. Every once it was threatened in its territorial expansion, it threatened in its turn to secede from the Union. So at that point Cairnes had returned full circle to his opening chapter that had only signalled all instances in which the Southern States had threatened to secede. But now Cairnes could explain these threats as the result of an inherently aggressive and degenerating economic system. This then was the true cause of the Civil War, and this system, Cairnes argued in his comments of the preferred kind of attitude and politics that Britain should maintain in the conflict, needed to be contained within strict territorial boundaries that would be small enough so as to make its permanent survival impossible.

Reception of *The Slave Power*

Let me stop my brief tour through Cairnes *Slave Power* here and look, by way of conclusion, at how it was received. Political economists like Cliffe Leslie and Neville Keynes considered Cairnes’ study as “inductive.” Indeed, according to Leslie, the book established Cairnes name

as a political economist. Within the history of economics this is the received view on Cairnes' work. From my story so far, I hope it is clear that this received view only makes sense on a specific distinction between induction and deduction. We have seen that Cairnes mined travel journals in particular to add historical detail to a backbone argument that consisted of not much more than a different scheme of labour conditions (slave and free labour) and different conditions of the soil. From here, Cairnes constructed a "speculative" image that fits in uneasily with a notion of induction in which inferences are made from particular facts to general laws. Cairnes had denied just such a "circuitous route" of induction its relevance for political economy.

After having been criticized for factual inaccuracies, he added more historical detail, and more references to statistics – to the American census of 1850 in particular – to state his case. But a remark to one of his critics is actually indicative that statistics only came in after the fact, that is to enrich, but not to find or alter any of the many "principles" or "laws" according to which the Slave Power, as Cairnes called the economic system of the Southern States, functioned. Being challenged on his claim that there was an internal slave trade in the South between slave breeding and slave consuming states, and after having produced some statistical tables to prove his point, Cairnes wrote in an irritated voice: "In truth, however, there is something ludicrous in the attempt to prove the existence of a slave trade in the South by inferences from a census. We might as well ... prove the existence of Napoleon Bonaparte by an appeal to the bills of mortality. The thing is notorious. Slave breeding and Virginia – 'the two ideas,' says Mr. Weston, 'are as indissolubly associated as cotton spinning with Manchester, or as cutlery with Sheffield.'"³⁵ Hence, Cairnes trusted his reconstruction of the logic of the Slave economies more than statistical data to prove his point. And rather than

³⁵ Boylan and Foley, Eds. (2004). John Elliot Cairnes: Collected Works. London, Routledge. Vol. 6, 133.

drawing in statistical evidence to prove his point, he included an exposition of a Southerner, L.W. Spratt on the “Philosophy of Secession,” published in the Charleston Mercury for 13 February 1861, that was in conformity with his own analysis.

In defending himself to his critics, Cairnes thus basically argued that the inaccuracies of fact in the book only related to surface events, but left the veracity of his analysis on a deeper level unaffected. Indeed, already in the first edition of the book Cairnes took great care in measuring out the distinction between surface events and events that could only be seen by considering the structure and interplay of the motivations of agents that gave rise to these surface events. This distinction made the two major criticisms raised against the book, his gross overestimation of the non-slaveholding white population of the South, and his analysis of the relation between slave breeding and slave consuming states, in his eyes a mere trifling affair. Though wrong on numbers, the existence of the phenomena, and hence their consequences, were for Cairnes never in doubt.

The book rose to the textbook vision of the “true course” of events that led to the Civil War in the United States, until Ulrich Bonnell Phillips gave a blistering summary of its “merits” in his important 1918 *American Negro Slavery*. It is worthwhile to quote Phillips at length:

The force of circumstances gave this book a prodigious and lasting vogue. Its confident and cogent style made scepticism difficult; the dearth of data prevented impeachment on the one side of the Atlantic, and on the other side the whole Northern people would hardly criticise such a vindication of their cause in war by a writer from whose remoteness might be presumed fairness, and whose professional position might be taken as a stamp of thoroughness and accuracy. Yet, the very conditions and method of the writer made his interpretations hazardous. An economist, using great

caution, might possibly have drawn the whole bulk of his data from travelers' accounts, as Cairnes did, and still have reached fairly sound conclusions; but Cairnes gave preference not to the concrete observations of the travelers but to their generalisations, often biased or amateurish, and on them erected his own. Furthermore, he ignored such material as would conflict with his preconceptions. His conclusions, accordingly, are now true, now false, and while always vivid are seldom substantially illuminating. His picture of the Southern non-slaveholders, which he observed, he applied in his first edition to five millions or ten-eleventh of that whole white population, and which he restricted, under stress of contemporary criticism, only to four million souls in the second edition, is merely the most extreme of his grotesqueries. The book was, in short, less an exposition than an exposure.³⁶

According to Phillips, economists before Cairnes hardly fared better, and most economists after Cairnes lost interest in the topic of slavery anyhow. Most of them made, like Cairnes, partisan use of facts, and preferred "generalisations" over "concrete observations." Yet for Cairnes, to ignore facts, or to prefer generalisations to concreteness was just what good political economy was all about. Just like the political economist "correct" the errors of "political arithmeticians," so Cairnes reasoned on an assumed universal model of man, which backed claims about how individuals would act in concrete circumstances. On this model it was legitimate to pick out concrete observations that fitted the conclusions arrived at.

That this was unacceptable for Phillips is first of all because Cairnes' universal model of man, with whom everyone on every part of the globe could imagine to identify, was unacceptable for Phillips. Phillips was, in Fogel's words, "so frank and unabashed in declaring his belief

³⁶ Phillips (1918). American Negro slavery; a survey of the supply, employment and control of Negro labor as determined by the plantation regime. New York and London, D.Appleton and company. 346

that blacks were a childlike, inferior race,"³⁷ that he was much more willing than Cairnes to take "concrete observations" of slave-owners like John A. Calhoun for evidence. To prove that he was right, Fogel continues, Phillips challenged existing criteria for how to write history by systematic data collection on the ante bellum south and thus dramatically changed "American historiography in general" and "Southern historiography in particular" (Fogel, 2003, 5).

After the Second World War, when economists did return to study the American slave South, Phillips's systematic data gathering, not Cairnes' introspective thought experiment became the nut that had to be cracked, but Phillips' racist account of the Slave South. In passing, economists agreed with Phillips that Cairnes's book should be dismissed as an example of how economic history should not be written.³⁸ The post WW-II interest of economists in slavery culminated in Fogel and Engerman's seminal *Time on the Cross*, a book that was one of the reasons for co-awarding Fogel the Nobel-prize in economics in 1993 "for having renewed research in economic history by applying economic theory and quantitative methods in order to explain economic and institutional change."³⁹ Fogel and Engerman boasted themselves of their use of modern economic theory, which as Margaret Schabas points out relies on "the implicit assumption that human rationality has remained the same over the centuries."⁴⁰ This was a different kind of agent than Cairnes had reasoned upon. It is another story to show how this different type of agent affected the choice of materials on which economists reason.

³⁷ Fogel (2003). The Slavery Debates, 1952-1990: a Retrospective. Baton Rouge, Louisiana State University Press., 4.

³⁸ Starting with Conrad and Meyer (1957). "Economic Theory, Statistical Inference, and Economic History." The Journal of Economic History 17(4): 524-544, Conrad and Meyer (1958). "The Economics of Slavery in the Ante Bellum South." The Journal of Political Economy 66(2): 95-130.

³⁹ <http://nobelprize.org/economics/laureates/1993/>

⁴⁰ Schabas (1995). Parmenides and the Cliometricians. The Reliability of Economic Models: Essays in the Epistemology of Economics. Little. Dordrecht, Kluwer: 183-202., 192.

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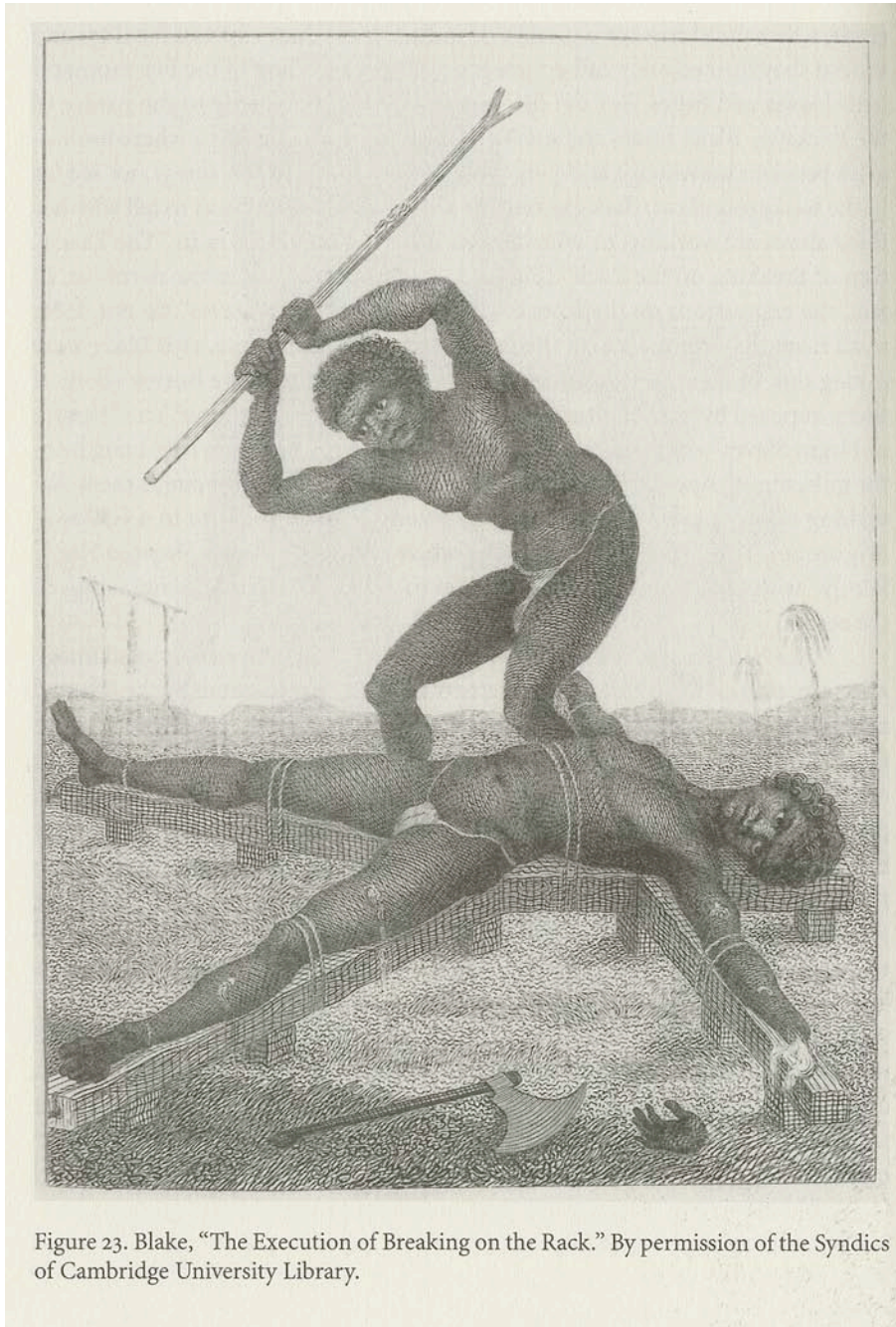
Illustrations

Figure 23. Blake, "The Execution of Breaking on the Rack." By permission of the Syndics of Cambridge University Library.

Figure 1. From Lee, 2002, 106

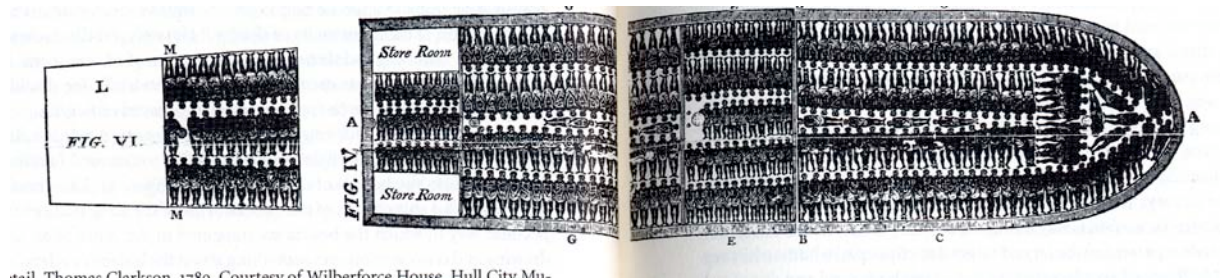


Illustration by Thomas Clarkson, 1789. Courtesy of Wilberforce House, Hull City Museum.

Figure 2. Slave ship, Thomas Clarkson, from Lee, 2002, 16-17