

CHAPTER V

THE SYSTEM AND THE INDIVIDUAL

In the preceding chapter, our concern was primarily with Marshall's analysis of the specific structure of industrial organization. We noted that he did not look upon technological organization, which he held to be the dynamic element in the System of Economic Freedom, as automatic in its operation. Its effect upon the public weal depended in large measure upon the decisions made by the economic leaders of the community, for their methods in the pursuit of economic gain would determine whether the goal of the elimination of poverty and the attainment of standards of morality necessary for the future growth and development of the System of Economic Freedom would be achieved.

In dealing with Marshall's further analysis of the System, we shall examine first, the general categories he found useful for analysis and, second, the role of the individual in the System. In the first instance, we shall be concerned with what has come to be known as the "problem of Capitalism;" and in the second instance, we shall deal with Marshall's abandonment of the utilitarian position and some of the implications of that abandonment in the light of the impact of Evangelical morality upon his analysis of the motives of the individual. The two elements, the problem of [196] capitalism and the role of the individual are separated only for purposes of analysis. Marshall thought of them as two sides of the same coin; especially he did not separate his beliefs concerning the moral man from his analysis of the "spirit of free enterprise." Here as well as at every other level of analysis we are able to discern Marshall's familiar insistence upon the continuity of analysis as well as events.

In the first chapter of this study, the idealistic preconceptions of Marshall's approach were emphasized. The architectonics of his system of thought was profoundly influenced by this tradition, especially as developed by the Hegelian wing. A number of his own statements made it clear that he found certain of the Hegelian categories

extremely useful.¹ But Marshall's notion of progress was primarily Spencerian, not Hegelian; that is; progress [197] occurred because of the necessity of effecting successively more adequate solutions to the problems brought about by each alteration in the character of the individual, his customs, and the state of the arts. This implied treating the individual in the role of a problem solver as the dynamic moving force in development. The analysis of progress in dialectical terms, which characterized the Hegelian approach, is based on a similar process of continual problem solving; but there is an important difference in that the dialectical process involves opposition and conflict as the necessary path to the new synthesis. Marshall believed in a more simplified resolution of conflicting elements, if any. This resolution did not necessarily involve opposition, for the element to be resolved need not be contradictory to the existing elements but might involve, for example, only the intrusion of some new factor. However, even though many of the more specific Hegelian doctrines were not acceptable to Marshall, he was led by the general orientation of his analysis to deal with the aggregative notion of Society, a notion that none of the social philosophers of Idealist leanings in the Nineteenth Century were able to escape, in what were very close to Hegelian terms.

Marshall possessed an intimate knowledge of the development in German philosophy from Kant to Hegel. In the 1860's, like so many other Victorians, he was disturbed by the difficulties experienced by Henry Longueville Mansel in defending the Establishment [198] with the Kantian weapons of William Hamilton against Mill's

¹ Marshall was no Hegelian in the doctrinaire sense; but it has been argued at some length in this study that he drew intellectual sustenance from the same tradition as did Hegel—albeit the British tradition was much less pure than on the Continent, for the dominant philosophical tone in England from William of Occam to John Stewart Mill with the notable exception of the Cambridge Platonists, had been empiricist. The Nineteenth Century triumph of the organic and evolutionary conceptions with their inherently historical outlook at least in the natural sciences and, in the case of Marshall in the social sciences, displaced for a while the empirical and mechanistic bias of the prevailing tendencies of British Philosophy, and the stream of Platonic thinking, reflecting the continental flood, ran full and strong in England. Cf. John H. Muirhead, *The Platonic Tradition in Anglo-Saxon Philosophy*, (London: George Allen & Unwin Ltd., 1931), esp. Pt. I and Pt. II.

assault.² And, like many of the other Victorians, Marshall continued his intensive study of German philosophy. In 1868, and again in the winter of 1870-71, he traveled to Germany for the specific purpose of studying Kant; and Keynes mentions in this connection that his thinking was profoundly influenced by Hegel's *Philosophy of History*.³ In fact, Keynes recalls as one of his last conversations with Marshall a lengthy discussion of Hegel's works—a discussion which comes as no surprise for Marshall, in his last days, was preoccupied with these topics. In fact, he proposed at the very end to reexamine the Platonic theory of the state for possible adaptations to contemporary England.⁴

In the first chapter of this study Marshall's insistence on the continuity and interrelationship of events and ideas was treated as being essentially in the Platonic tradition of the Great Chain of Being. It was pointed out that the task of the Eighteenth and Nineteenth Century philosophers was the temporalization of the Great Chain. That is, the process of development and evolution with an emphasis on the details of the processes was increasingly emphasized. The philosophical implications of temporalizing the Great Chain was one of Hegel's major undertakings; and its [199] temporalization from the point of view of the implications for the natural sciences and, to a lesser extent, sociology, was the concern of the Victorians—Lyell, Tyndall, Spencer, Darwin and Huxley. More and more the emphasis was on continual and unending process: And consistent with this outlook, the heart of Nineteenth Century philosophical, scientific and sociological thinking was the genetic treatment of the major problems of knowledge.

In the case of Hegel, this is abundantly clear. His principal work was in history and the history of philosophy, and his metaphysical speculations were concerned primarily with the issue of the genesis and relationship of historical events. As Windelband has pointed out:

² *Memorials*, p. 8.

³ *Ibid.*, p. 11.

⁴ *Ibid.*, p. 65.

Hegel's philosophy is, therefore, essentially historical, *a systematic elaboration of the entire material of history*. . . . The interest in his philosophy lies less in the individual conceptions, which he took from the intellectual labours of two thousand years, than in the systematic combination which he brought about between them. . . .⁵

The parallel between Marshall's historical orientation and that of Hegel should, by now, be apparent. A more striking example of the connection is to be found in the footnote variations in the *Principles* on a theme by Hegel. Speaking of the transition in ancient society from the dominance of Greek Culture to Roman Culture, Marshall quoted Hegel at some length: [200]

This fundamental opposition in the Greek and Roman tempers was made clear by Hegel in his *Philosophy of History*. He calls the freedom from outward control, whether of thought or action, *objective freedom*; while he gives the name of *subjective freedom* to the freedom from waywardness, "the freedom of the spirit which reposes on itself, absolute self-determination." The former belonged to the Greeks, the latter to the Romans; while the Teutonic spirit under the influence of Christianity is uniting the two and working towards complete freedom.⁶

Apropos of this point, Cunningham in his attack on Marshall's qualifications as an historian suggested that Marshall had misread Hegel's treatment of the "spirit of each ancient civilization."⁷ We know that Marshall was extremely sensitive to criticism of all sorts, and that it was largely because of Cunningham's attack that he reorganized the *Principles*, moving the lengthy historical discussion from the beginning of the book to an appendix (a move which has misled many of Marshall's readers into thinking of the work as essentially non-historical), and it is unquestionable that he gave full consideration to the utmost implications of Cunningham's criticism. As a result, the passage in the later editions of the *Principles* read:

⁵ Windelband, *History of Philosophy, op. cit.*, p. 612.

⁶ *Principles*, 1st. ed., p. 18.

⁷ W. Cunningham, "The Perversions of Economic History," *Economic Journal*, Vol. II, September 1892, p. 492.

This fundamental opposition between the Greek and Roman tempers was made clear by Hegel in his *Philosophy of History*. "Of the Greeks in the first genuine form of [201] their freedom we may assert that they had no conscience; the habit of living for their country without further analysis or reflection was the principle dominant among them. . . Subjectivity plunged the Greek world into ruin;" and the harmonious poetry of the Greeks made way for "the prose life of the Romans," which was full of subjectivity, and "a hard dry contemplation of certain voluntary aims."⁸

The important and consistent element in both passages is the emphasis on the Hegelian distinction between objective and subjective freedom. This distinction along with the use Marshall made of it will constitute one of the principal themes of this chapter.

In this connection, Hegel's famous statement that "The History of the world is none other than the progress of the conscience of freedom . . ."⁹ should be recalled. The teleological implications of this remark were accepted without, in many cases, an appreciation of Hegel's meaning, by most of the Liberal historians of the Nineteenth Century. Now Marshall, as we shall shortly see, without accepting Hegel's teleology made full use of the categories of subjective and objective freedom in his analysis of the relationship between the microcosm of individual value and the macrocosm of social value.

According to Hegel, the rise of the spirit of individuality or "particularity" is the initiating element in the process of Freedom revealing itself as History. This particularity, which [202] takes the form of the individual's insistence that he alone must be considered as the final end of value judgments, constitutes the objective freedom of the individual. But objective freedom is in continual conflict:

Particularity by itself, given free rein in every direction to satisfy its needs, accidental caprices, and subjective desires, destroys itself. . . . At the same time, the satisfaction of need, necessary and accidental alike, is accidental because it breeds new desires without end, is in thoroughgoing dependence on caprice and

⁸ *Principles*, p. 730n.

⁹ Georg Wilhelm Friedrich Hegel, *The Philosophy of History*, trans. J. Sibree, (New York: Willey Book Co., 1944), p. 19.

external accident, and is held in check by the power of universality. In these contrasts and their complexity, civil society affords a spectacle of extravagance and want as well as the physical and ethical degeneration common to both.¹⁰

Ultimately, thought Hegel, the full realization of the potentialities of objective freedom leads to anarchy or the absolute despotism of the Terror.¹¹

It is only when the individual realizes fully his relation to the group and identifies himself with the ideal requirements of the State that the Spirit of Subjective Freedom is revealed. That is to say, the individual must identify himself with the social [203] organism of the State, and the ends of the State must become the ends of the individual before the individual can achieve the highest form of freedom, viz., subjective freedom. Or, as Hegel said:

. . . individuals can attain their ends only insofar as they themselves determine their knowing, willing, and acting in a universal way and make themselves links in this chain of social connexions.¹²

This freedom must be pursued by “. . . an incalculable medial discipline of the intellectual and moral powers” on the part of the individual, and ultimately, without the individual feeling a requirement for the subordination of any of his rights, the highest freedom will be attained.¹³

The implications which Hegel drew from his systematic analysis of the dialectical development of freedom and its final culmination in the absolutism of the Prussian State is well known. Popper, for example, saw in Hegel and his analysis of the role of the State as the final realization of subjective freedom, one of the supreme antagonists of the

¹⁰ Georg Wilhelm Friedrich Hegel, *Philosophy of Right*, trans. T. M. Knox, (Oxford: Clarendon Press, 1942), p. 123; and also by same author, *The Phenomenology of Mind*, trans. J. B. Baillie, (2nd ed.; London: George Allen & Unwin Ltd., 1931), pp. 599 ff.

¹¹ Hegel, *Philosophy of History*, *op. cit.*, pp. 43-4; also *Phenomonology*, *op. cit.*, pp. 599 ff.

¹² Hegel, *Philosophy of Right*, *op. cit.*, p. 124.

¹³ Hegel, *Philosophy of History*, *op. cit.*, pp. 40 ff.

“Open Society.”¹⁴ But as Benedetto Croce, no doctrinaire Hegelian though profoundly and positively influenced by Hegelian thinking, has implied, the question as to whether the [204] absolutist Prussian State marks the fullest realization of freedom is one requiring an examination of the historical data, no matter how freedom is defined.¹⁵ Nor is it impossible, though perhaps unlikely, that court philosophers may express ideas of great merit, though their position calls for a somewhat more detailed scepticism.

Thus Hegel's State, which was identified with Government, was to function as the ultimate realization of subjective freedom. However, Marshall, true to the English tradition, would reject the social control implied by this conception; for the development of English political history from 1688 onward was a demonstration of one of the basic precepts of English political life, at least until Marshall's time, viz., that Government could not be expected to act with any degree of disinterestedness.¹⁶ It would scarcely be thought by one so thoroughly committed to the English political tradition as Marshall that the Government could act as the vehicle for the realization of the hopes of mankind in the abolition of poverty and the enjoyment of the moral life. Rather, the proper vehicle was to be found in the informal organization of society which Marshall sometimes spoke of as the State (in contradistinction to Government, cf. *infra* p. 232). [205]

As an economist, Marshall's central concern was with the social and technological relationships of consumption and production of wealth as one of the important aspects of the State or as characterizing the System of Economic Freedom. In discussing the Spirit of Economic Freedom, which is an important element of the System, Marshall in a crucial passage emphasized the abstract qualities of the historical situation:

These were the conditions under which the modern industrial life of England was developed: the desire for material comforts tends towards a ceaseless straining to extract from every week the greatest amount of work that can be got out of it. The firm resolution to make everyone constantly ask himself whether he could not

¹⁴ Popper, *The Open Society and Its Enemies*, Chapter XII.

¹⁵ Croce, *History as the Story of Liberty*, pp. 52 ff.

¹⁶ Cf. *Memorials*, p. 249.

improve his position by changing his business or by changing his method of doing it. And, lastly, complete political freedom and security enables everyone to adjust his conduct as he has decided that it is his interest to do and fearlessly to commit his person and his property to new and distant undertakings.

In short, the same causes which have enabled England and her colonies to set the tone of modern politics have made them also set the tone of modern business. The same qualities which gave them political freedom gave them also free enterprise in industry and commerce.¹⁷

Thus the conditions necessary for the System of Economic Freedom are to be found in the spirit of acquisitiveness accompanied by political and economic freedom. Given full sway, these qualities lead to modern business techniques and the development of modern technology. Finally, and for Marshall perhaps the most important, as we have seen, is the spirit of morality. *These four* [206] *characteristics—freedom, acquisitiveness, morality, and modern technology—taken together define the System; and his treatment of the role of the individual vis-à-vis the State and his analysis of social evolution and progress must be seen in the light of their relationship to these characteristics.*

It has already been indicated that nothing is gained by calling Marshall an Hegelian, though much of his analysis drew on the same tradition as did Hegel's. But Marshall treated the social group in his discussions of the System of Economic Freedom as an abstract entity possessing certain definite characteristics. It is, of course, a possible interpretation to argue that this reflects certain stylistic peculiarities and that the references to modern business as characterized by more self-reliant habits¹⁸ or the evil influences of economic freedom¹⁹ or the spirit of humanity²⁰ or the spirit of free enterprise²¹ and the like, are not to be taken as indicating belief in the "social organism." But it is not only the method of statement which furnishes the clue to Marshall's beliefs:

¹⁷ *Principles*, p. 744.

¹⁸ *Ibid.*, p. 10.

¹⁹ *Ibid.*, p. 41.

²⁰ *Ibid.*, p. 765.

²¹ *Ibid.*, p. 727

We must consider his constant recurrence to biological analogies; his emphasis upon the organic nature of society; his deliberate rejection of mechanical causation in the social sciences [207] and the corollary of that rejection, the refusal to accept mathematical reasoning as useful for economic analysis in other than the initial stages; and above all, we must consider his essentially Platonist preconception of the nature of the world about him.

The issue is an important one, for it is necessary to understand Marshall's attitude towards the ultimate nature of the economic system before it is possible to appreciate the implications of his treatment of the State and the role of the individual. The argument that Marshall looked upon society as apart from the individuals who participated in it and upon the System of Economic Freedom as an independent characterization of a particular period of history is not to be taken dyslogistically unless it can be shown that he failed in the task of relating the formal concepts to the real world; otherwise this philosophical bias would make the task of obtaining useful knowledge one of supreme difficulty. For, as Leo Rogin has pointed out in evaluating the position of another philosopher of Capitalism, Werner Sombart:

. . . when the objective spirit, *instead of being articulated in terms of its empirical institutional aspects*, is given a purely ideological transcendental incarnation; when the entire culture is conceived to be the exfoliation of this spirit, then verily there takes place a perversion both of social science and of social criticism. The scientist has then degenerated into a very bad philosopher [*italics mine*].²² [208]

In a very real sense, however, the Hegelian philosophy when seen in the light of its implications for social policy differed from the implications which Marshall drew from his analysis. It is notorious that Hegel made the most of his dictum that what is real is rational in justifying the political and economic *status quo*.²³ When faced with the obvious existence of injustice, squalor and suffering and other historical situations

²² Leo Rogin, "Werner Sombart and Transcendentalism," *American Economic Review*, Vol. XXXI, September 1941, pp. 510-11.

²³ E.g., Sidney Hook, *From Hegel to Marx*, (New York: The Humanities Press, 1950), pp. 19 ff.

unjustifiable on any ethical or humanitarian grounds, Hegel defended the status by the doctrine of “the cunning of reason” (*die List der Vernunft*):

Reason is as cunning as it is powerful. Cunning may be said to lie in the intermediary action, which, while it permits the objects to follow their own bent and act upon one another, till they waste away, and does not itself directly interfere in the process is nevertheless only working out the execution of its own aims. With this explanation, Divine Providence may be said to stand to the world and its process in the capacity of absolute cunning. God lets men direct their particular passions and interest as they please; but the result is the accomplishment of—not their plans, but His, and these differ decidedly from the ends primarily sought by those whom He employs.²⁴

For Marshall the concept would have been a nonsense one: The existence of misfortune in the world was a real and abiding evil; and if the social or political status possessed any mechanism for the continuance of such evils, then most certainly that status [209] should be changed. This change could be accomplished if individuals would but recognize those evils for what they were and take it as their duty to effect the necessary changes rather than to accept them as the working of Providence. Nothing was to be gained by a failure to recognize evil:

. . . is there not a great fund of conscientiousness and unselfishness latent in the breasts of men, both rich and poor, which could be called out if the problems of life were set before them in the right way, and which would cause misery and poverty rapidly to diminish?²⁵

The whole concept of “the cunning of reason” is inextricably tied to the teleological nature of the Hegelian system. But in Marshall's system of thought there are no distant goals implied towards which men's activities will ineluctably lead them. In fact, Marshall felt that at the important conjunctures of History, the future of nations hung always in the balance; and results would be good or bad as individuals achieved the highest potentials of their moral and ethical nature. Marshall opened the historical discussion in the earlier editions of the *Principles* with the flat statement that:

²⁴ William Wallace, *The Logic of Hegel*, (Oxford: Clarendon Press, 1874), p. 302.

²⁵ *Memorials*, p. 83. Quoted by Pigou from a lecture given by Marshall.

The chief events in history are due to the action of individuals. The conditions which have made these events possible are nearly all traceable to the influence of inherited institutions and race qualities and of [210] physical nature. But race qualities themselves are mainly if not entirely caused by the action of individuals and physical causes in more or less remote times.²⁶

Thus, Marshall's attitude towards the role of the individual in the macrocosm of historical decision-making is paralleled by his attitude towards the role of the entrepreneur in the microcosm of economic decision making (Cf. *supra* p. 174).

It must not be thought, however, that the individual "makes" history in any sense, for the role played by the individual in history is determined largely by the ability of that individual to reflect the best qualities of the group of which he is a member. For example, concerning the important historical conjuncture that saw the passing of Empire from the Mediterranean to the North Atlantic Marshall says:

But the power of industry had by this time become sufficient to sustain wealth and civilization in a northern climate. Spain and Portugal could not hold their own for long against the more sustained energy and the more generous spirit of northern peoples.²⁷

Thus, the individuals who were responsible for the commercial and [211] economic hegemony of the Atlantic powers were able to draw sustenance from a stronger and more worthwhile source; and so, inevitably, the victory was theirs. Or, in one of many references to the origins of the greatness of England, all of which turn upon a similar point, Marshall emphasized the historical significance of the individual who reflects the best qualities of his race:

This fusion of different ranks [the sons of noble families and the common people] tended to make politics business-like; while it warmed the veins of business adventure with the generous daring and romantic aspirations of noble blood.

²⁶ *Principles*, 1st ed., p. 10; in later editions, the expression becomes much more cautious: Although the proximate causes of the chief events in history are to be found in the actions of individuals, yet most of the conditions. . ." (*Principles*, 8th ed., p. 723). The modification serves the end of greater caution, but the scholastic distinction is not maintained in the text.

²⁷ *Principles*, p. 739.

Resolute on the one hand in resistance to tyranny, and on the other in submission to authority when it is justified by their reason, the English have made many revolutions; but none without a definite purpose . . . they alone have united a thorough reverence for the past with the power of living for the future rather than in the past. But the strength of character which in later times made England the leader of manufacturing progress showed itself at first chiefly in politics, in war, and in agriculture.²⁸

And so we see again the reason for the very great importance of the entrepreneur in the historical setting. In an age characterized by the spirit of acquisitiveness, morality, political and economic freedom, and an access to those techniques derived from an ultimate application of the division of labor, the entrepreneur, if he reflects in his personal conduct, in his desires, and in his expectations the spirit of his age thus characterized, will realize fully the historical potential. [212] For Marshall, these potentials involved the fastest possible rate of economic progress as he defined it.²⁹

²⁸ *Ibid.*, p. 740.

²⁹ The parallel between Marshall's entrepreneurs and Hegel's great men or "World-Historical persons" is a striking one. Speaking of these great men Hegel said: "They are men, therefore, who appear to draw the impulse of their life from themselves; and whose deeds have produced a condition of thing and a complex of historical relations which appear to be only *their* interest, and *their* work.

"Such individuals had no consciousness of the general Idea they were unfolding, while prosecuting those aims of theirs; on the contrary, they were practical, political men. But at the same time they were thinking men, who had an insight into the requirements of the time—*what was ripe for development.*" *Philosophy of History, op. cit.*, p. 30.

The emphasis was always on the ability of the great man to understand the requirements of his age: "They are great men, because they willed and accomplished something great; not a mere fancy, a mere intention, but that which met the case and fell in with the needs of the age." *Ibid.*, p. 3.

Marshall in referring to the class of undertakers or entrepreneurs emphasized, in a similar fashion, their ability to pursue "great ends" with an energy and a daring that set them off from the rest of men: "Men of this class live in constantly shifting visions, fashioned in their own brains, of various routes to their desired end; of the difficulties which nature will oppose to them on each route, and of the contrivances by which they hope to get the better of her opposition. This imagination gains little credit with the people, because it is not allowed to run riot; its strength is disciplined by a stronger will; and its highest glory is to have attained great ends by means so simple that no one will know. . . ." *Memorials*, p. 332; also, cf. *Principles*, pp. vi f.

However, as Rogin has pointed out (*supra* p. 208), any discussion confined to the spirit of an historical movement as such may be intellectually dangerous unless it is articulated in terms of its empirical aspects. Most of Marshall's institutional and historical analysis is concerned with that articulation, i.e., with giving content to what he feels to be the spirit of the System of Economic [213] Freedom. But it cannot be said that Marshall was interested in an examination of the historical and institutional data solely for purposes of validating a pre-conceived system of thought. The signs are plentiful that no position which was to be questioned because of the nature of the relevant data was permitted by Marshall to stand unqualified. One of the most unsatisfactory aspects of his approach, for many critics, has been his care in avoiding dogmatism by almost endless qualification.

As we have already indicated, one of the important aspects of the System of Economic Freedom is to be found in the acquisitive character of individuals. This acquisitiveness is crucial in Marshall's discussion of the nature of the individual; it is the link between the remnants of the utilitarian philosophy of wants with its corollary, the randomness of ends, and the essentially Victorian (and Evangelical) belief held by Marshall and his contemporaries of the hierarchy of ends. Acquisitiveness means something more than the fact that wants are insatiable—a postulate of utilitarian economics which Marshall felt to be a correct but inadequate explanation. A flat statement as to the insatiability of wants would conceal the important aspects of motivation which are largely of an ethical nature. In general, Marshall felt that the mainspring of economic motivation was found in the cultural and psychological complex of the family as one of the most [214] important characteristics of Western European peoples. Marshall's reasoning at this point was somewhat tortured and, at times, obscure; but the reasoning must be followed in detail, for it was here that his Evangelical morality relates most closely to his economics.

As we have noted, the rate of accumulation tends to be cumulative because with each increase in new investment there is a wider field for further new investment;³⁰ and this increase in wealth would have an impact upon both the aggregate of wealth and upon the moral qualities of individuals. These moral qualities must continually be sharpened and improved lest the accumulation of wealth lead to social disaster through the indolence and generally enervating circumstances which it would make possible. Now the moral qualities of certain peoples, for example the Irish and Indians, Marshall felt, were not such as to enable them to save any significant amount out of whatever surplus they might have.³¹ However, of the English in particular and of the Teutonic peoples in general, this cannot be said; for among them family affection is one of the most powerful motivating forces. As Marshall said, “. . . after all, family affection is the main motive of saving.”³² The other suggestions which he made as to the motives for acquisition are largely an implementation of the primary motive of providing security for the family. This quality of family affection when coupled with the other qualities of Evangelical morality, Marshall felt, constituted the necessary condition for the greatest advances of the race:

The growth of general enlightenment and of a sense of responsibility towards the young has turned a great deal of the increasing wealth of the nation from material capital to investment as personal capital.³³

By personal capital Marshall meant the skills and moral qualities acquired by the population. Further, as this investment in “personal capital” grows, the individual increases further in moral stature:

. . . [the individual] is more unselfish, and therefore more inclined to work and save in order to secure a future provision for his family; and there are already faint signs of a brighter time to come, in which there will be a general willingness to

³⁰ *Principles*, p. 224.

³¹ *Ibid.*, p. 225.

³² *Ibid.*, p. 227; also p. 533.

³³ *Ibid.*, p. 681.

work and save in order to increase the stores of public wealth and of public opportunities for leading a higher life.³⁴

A serious criticism can be made of Marshall's analysis of this quality of acquisitiveness: In the discussions of the ethical connotations of certain aspects of economic analysis, the normative and positive elements are hopelessly confused. Thus, the family, [216] because of its connection to both acquisitiveness and morality as aspects of the System of Economic Freedom, was sometimes treated by Marshall as the underlying reason for the greatness of Western European peoples (excluding the Irish) and at other times, when defined as the embodiment of the moral life, as constituting a goal towards which man must strive.

Marshall's position on the role of the family was undoubtedly dictated for non-economic reasons; but Marshall had that overpowering compulsion of systematic philosophers to relate every part of their thinking. In this instance, Marshall's attitude towards women was reflected in his treatment of accumulation; and it is difficult to see at what other point it might have been introduced without unduly distorting the system of analysis. As Edgeworth pointed out:

In Marshall's ideal State family life would play a leading part. The central figure would be the wife and mother practising pristine domestic virtues. But her interests were not to be confined to the family circle. At the opening of his remarkable discourse on the future of the working classes 1873 (sic)—comparable with Mill's chapter on that subject—Marshall asks “whether the quick insight of woman may not be trained so as to give material assistance to man in ordering public as well as private affairs.” Nothing that I have heard him say or have read in his writings leads me to believe that he answered this question in the negative.³⁵

Edgeworth further indicated that Marshall's opposition to the admission of women to degrees at Cambridge was largely because [217] He feared that placing women on the same footing as men would deprive them of their unique position of responsibility for the

³⁴ *Ibid.*, p. 680.

³⁵ *Memorials*, p. 72.

family. In fact, Marshall felt that one of the important signs of weakness among Anglo-Saxon people was to be found in the changing relations of the sexes:

. . . [there is] selfish desire among women to resemble men; with the effect that, without rendering any high service to the state in masculine work, they destroy that balance and mutual supplementary adaptation of masculine and feminine character, which enabled a man to secure rest and repose by marriage. . . ³⁶

Marshall, it must be remembered, felt that the success or failure of the System of Economic Freedom depended upon the level of economic virtue practiced by the population as a whole. Now the dynamic element in the spread of economic morality was the expansion of wealth and income; but the necessary condition for this was to be found in the institution of the family with the mother achieving her highest purpose in the education and care of the young and in the inculcation in them of the desire for a virtuous life.

In this one matter, the future of the family, Marshall, confronted on all sides by the advance of that alarming symptom of the changing role of women in society was something less than sanguine: [218]

An optimistic tone, in nearly all matters except the relations of family life under the influence of aggressive womanhood, fills my voice more and more as I grow old. ³⁷

These considerations explain the bitterness with which Marshall attacked Pearson, who had suggested that there was no necessary correlation between alcoholism of parents and delinquency of their children—a bitterness found in none of Marshall's other writing. The denunciation was that of the prophet speaking his conviction with full understanding of the Divine intentions

If he [Pearson] has shown it to be true [that parental intemperance has no causal relation to filial degeneration] economists must have readjusted some of their views as to the conditions of Social Progress; but if, as I believe, it is wholly

³⁶ *Ibid.*, p. 459.

³⁷ *Ibid.*, p. 468.

untrue, any one who acquiesces in its being taught to the people incurs a very heavy responsibility. That is the only cause which induced me to break my almost absolute rule against controversial correspondence.³⁸

For Marshall, the moral man was the rational man; that is, the business man or worker in the System of Economic Freedom would succeed by leading the moral life and fulfilling his duty to the State. Thus, if rationality is defined as the selection of the most propitious course of economic behavior, rational behavior will meet the requirements for the moral life. The highest form of rationality lies in the recognition of the social nature of individual [219] behavior, for the well-being of a rational society required that each individual act in a moral fashion and that he be able to depend upon other individuals conducting themselves in a like manner. Without this condition, the conduct of business and even the most simple forms of economic life could not be carried on in accordance with the requirements for economic progress.

Marshall felt that each national or racial group (he believed that there was a great measure of racial homogeneity in each national group) had certain specific characteristics which enabled it to excel along certain lines. For example, the German is affectionate to those near him but given to press the interest of his own group to the exclusion of all others; further, he more readily accepts discipline than others; and he is willing to pay greater attention to detail.³⁹ The Jews, on the other hand, have an enormous power of analyzing particular issues and seeing their relationship with other matters as well as a most complete understanding of the possibilities of new business ventures.⁴⁰ Americans are self-reliant, self-contained and "rugged."⁴¹ In the case of the English people, however, the "qualities of body and character which ultimately gave . . . a certain leadership in industry and trade" [220] were to be found in the "characteristics of firm will,

³⁸ Alfred Marshall, "Alcoholism and Efficiency," Letter to *The Times*, August 19, 1910.

³⁹ *Industry and Trade*, pp. 123, 130; also *Principles*, p. 753.

⁴⁰ E.g., *Industry and Trade*, pp. 48, 582.

⁴¹ E.g., *ibid.*, p. 358.

self-determination, love of freedom.”⁴² But above all, the English possessed a high degree of moral vigor which was made effective by their physical prowess:

This strength of the man himself, this resolution, energy and self-mastery, or in short this “vigour” is the source of all progress: it shows itself in great deeds, in great thoughts and in the capacity for true religious feeling.⁴³

This quality was a unique possession of peoples living in cold or temperate climates; in general, Marshall felt that warm climates were enervating and tended to sap man of his vigor and moral strength. For example, much of the difficulty experienced by the people of Southern Europe in their failure to achieve the same level of economic well being as the people of more temperate portions of Europe, was due to their lack of moral strength which was a result of their warmer environment.⁴⁴

These characteristics of the English people are directly related to the more favorable environment and are largely typical of Western European and particularly of American society. It is [221] these qualities which make possible the other characteristics of the System of Economic Freedom, viz., modern productive and distributive techniques. For it would be impossible for business to exist in the modern sense without the “business point of view,”⁴⁵ which is based upon qualities of moral behavior. It is these qualities that enable the members of a society to realize their individual potentialities with full confidence that their behavior will be in accordance with the requirements of economic progress:

The whole mechanism of society rests on confidence: it permeates all life, like the air we breathe: and its services are apt to be taken for granted and ignored, like those of fresh air, until attention is forcibly attracted by their failure. When confidence is shaken by a rumour of war or of civil commotion, or of disturbing financial legislation, or of extensive frauds or rash trading by important firms, then

⁴² *Ibid.*, p. 35.

⁴³ *Principles*, p. 194.

⁴⁴ *Ibid.*, pp. 724-25.

⁴⁵ *Industry and Trade*, p. 163.

business life is stifled; and men yearn for the wholesome atmosphere that is associated with the general re-establishment of confidence.

This trust contains a personal element: but it contains much more. For most of those on whose actions anyone relies are personally unknown to him. It is sometimes called "commercial credit." But that term seems not to cover the whole of it: we may call it "social credit." But it is also, and for the larger part, trust in the character of society; in the stability of public order, in freedom from disturbance at home and from foreign attack; in the gradual and harmonious development of economic conditions; in the probity and reasonableness of people generally, and especially business men and legislators. . .⁴⁶

Thus, Marshall again emphasized his belief that individual morality reaches its highest form when the ends of the individual are never in conflict with the ends of society. [222]

The relationship, then, between the first three characteristics of the System of Economic Freedom is clear. Without the general condition of acquisitiveness operating in the context of the family, society would remain in a completely static state which "would be likely to produce men who were little better than machines."⁴⁷ Acquisitiveness without the mediation of family affection would involve a degree of social irresponsibility which would militate against the rational fulfillment of acquisitive purposes. At the same time, this desire for acquisition with the end of achieving the full life, when accompanied by economic and political freedom, the final characteristic of the System of Economic Freedom, leads to the evolution of modern business techniques of production and distribution. But, to close the logical system, these modern techniques could not be effective, or for that matter, could not have developed at all without the existence of the moral society.

Before proceeding to a more specific analysis of economic and political freedom in the economic system, it may throw some light on Marshall's historical view of the development of that economic system to discuss briefly his use of "racial characteristics." As we have noted before, Marshall in discussing the historical

⁴⁶ *Ibid.*, pp. 165-6; also *Principles*, p. 752.

⁴⁷ *Ibid.*, p. 195.

development of Europe is never very far from directly relating the physical environment to the historical events in the sense that the physical environment furnishes the probable range through which events can occur. In a moving passage, Marshall, in his last [223] published work, portrays the connections between history and environment in broad, bold colors:

It is conceivable that inhabitants of some other planet, whose civilization is of earlier date than that of this world, may have made a full study of the changes wrought in the surface of this earth by the development of railroads and in other ways. They may have surmized that our civilization had its origin not far from the equator; but that its strongest forms have been developed rather far from the hearts of the equator. Aided by telescopes superior to ours, they may have noted the large and varied physical conditions of that northern continent, which has been artificially divided into Europe and Asia. They may have laid stress on the fact that easy communications by water suffice for many of the purposes of a great trading city. Finally, when their telescopes, more subtle than ours, revealed innumerable roads, straightened out and levelled almost regardless of expense, they may have anticipated that these railways may have effected the concentrated unity of great industrial regions of the world, which are not either archipelagos or deltas of great rivers. Thus they may have conjectured that the civilizations of Europe and southern Asia dominated the world for a long while: America having been kept a little in the background by her lack of islands and small peninsulas, whose populations had easy communications over relatively smooth waters. They may have understood better than the inhabitants of this world did till recent times, the causes of the fertility of Egypt: as well as of the backwardness of Australia; and of those parts of Asia, which are not in close touch with either the Pacific or the Indian Ocean. They may probably have guessed that social inequalities began in very early phases of civilization; and that they increased in all parts of the world, as civilization progressed; partly because growing wealth would give an ever increasing advantage in education and material resources to those strains of the population who had already obtained some wealth and some predominating influence.⁴⁸ [224]

Marshall continually emphasized the physical conditions of the environment as being responsible for the shaping of man's destiny. In an early address (1879) on "Water as an Element in National Wealth"⁴⁹ Marshall discussed in a highly imaginative fashion the

⁴⁸ *Money, Credit and Commerce*, pp. 101-2n.

⁴⁹ *Memorials*, pp. 134 ff.

influence of water upon both trade and commerce and the day-to-day modes of behavior of a population, and how the presence or absence of water has shaped the progress of cultures.

The general environment, particularly in its climatic aspects, Marshall felt, had a profound effect upon the inhabitants of a certain area. He felt, for example, that much of the lack of achievement of India could be explained by the debilitating effect of the hot climate. Indeed, he was concerned with the effect of the Indian climate upon the British Colonial Administration; but he found some cause for hope:

This [the notion that fresh, invigorating air cannot be obtained when nature does not freely give it] may have to be modified a little, but only a little, if F. Galton should prove to be right in thinking that small numbers of a ruling race in a hot country, as for instance the English in India, will be able to sustain their constitutional vigour unimpaired for many generations by a liberal use of artificial ice, or of the cooling effects of the forcible expansion of compressed air.⁵⁰

Nor is it possible to question his seriousness in this matter. His continual concern with the necessity for an invigorating ^[225] environment is reflected in many places in his writings as well as in a number of biographical details.

Now it is true, as we have mentioned, that Marshall treated nationalities as having certain characteristics; and his favorite example refers to those special qualities of the Anglo-Saxon people which have put them in the forefront of Western economic development. When faced directly with the problem of deciding whether people possess certain characteristics as a *genetic* right, Marshall generally took the position that although it is possible that a race may possess certain genetic characteristics, this assumption is not necessary, nor is it a very useful one for most historical purposes:

Vigour depends partly on race qualities: *but these, so far as they can be explained at all, seem to be chiefly due to climate* [italics mine].⁵¹

⁵⁰ *Principles*, p. 725n.

⁵¹ *Principles*, p. 195.

And in a curious footnote to that statement he seemed almost to take the position that genetic characteristics are a matter of class rather than race:

Race history is a fascinating but disappointing study for the economist: for conquering races generally incorporated the women of the conquered; they often carried with them many slaves of both sexes during their migrations, and slaves were less likely than freemen to be killed in battle or to adopt a monastic life. In consequence nearly every race has much servile, that is mixed blood in it: and as the share of servile blood was largest in the industrial classes, a race history of industrial habits seems impossible.⁵² [226]

This position is further strengthened by Marshall's reference to the laws of primogeniture operating so as to add the ". . . generous daring and romantic aspirations of noble blood..." to the new business classes.⁵³

There is, however, another explanation of Marshall's position in this matter which minimized the racial explanation, or which, at least, does not presume the validity of any racial doctrine; that is, Marshall felt that there was no reason why it should not be assumed that acquired behavior characteristics were transmissible:

This remark does not assume that acquired faculties are inherited from parents by children at their birth: it is sufficient for the argument that children automatically imitate the actions of those by whom they are surrounded, and are especially sensitive to suggestions from the examples of mother and father: while acquired skill and faculty in small matters as well as in the large, pass from parents to children by definite instruction. But a protest may be permissible against the pretensions of some exponents of Mendelian doctrine that arithmetical averages of observations of inheritance by mice and vegetables afford conclusive proof that the characters which children bring into the world with them are incapable of being affected by the past mode of life of their parents. Mendelians do not claim to know what causes originate differences between elementary germs; it seems to be certain that changes in the mental and moral habits of a human being are reflected in his face: and Mendelian arithmetic has little direct bearing on the question whether the nutrition supplied to germs in the body of a person excessively addicted to drink or other sensual indulgences may not result in the birth of [227] a child with less firm character than it would have had, if the parent had lived soberly and chastely. Some Mendelians concede that it does: and the gradual development of

⁵² *Idem.*

⁵³ *Ibid.*, p. 740.

trustworthy statistics of inherited mental and moral characters may ultimately lead to further admissions in the same direction.⁵⁴

This position is generally consistent with the Victorian and Evangelical faith in education—a faith Marshall held in a thoroughgoing fashion. As he pointed out, it is only necessary to assume a degree of imitative behavior on the part of children to validate the faith in cumulative and continuous moral progress. But, and surely this must be the underlying reason for Marshall's position, it is less than sanguine to assume that the improved characteristics of the parents cannot be transmitted when the evidence to the contrary is certainly not conclusive. This was the burden of his argument in the discussion with Pearson referred to above (p. 219).⁵⁵ [228] The position that Marshall finally took was that qualities, and he generally meant those characteristics of behavior we have treated as reflecting the morality characterizing the System of Economic Freedom, are transmitted by parents to their children even though the mechanism of transmission may not be a genetic one:

The worse fed are the children of one generation, the less will they earn when they grow up, and the less will be their power of providing adequately for the material wants of their children; and so on to following generations. And again, the less fully their own faculties are developed, the less will they realize the importance of developing the best faculties of their children, and the less will be their power of doing so. And conversely any change that awards to the workers of one generation better earnings, together with better opportunities of developing their best qualities, will increase the material and moral advantages which they have the power to offer

⁵⁴ *Industry and Trade*, p. 163-4n. Without concerning ourselves with the ideological issues, it is of some interest to note that the Michurin-Lysenko school of biologists claim doctrinal descent from Darwin, who, along with Thomas Huxley, was largely responsible for the shaping of Victorian thinking in genetic matters. The Lysenko group in opposition to the "Morganists," representing what has become the accepted tradition, have argued for a position similar to that taken by Marshall at a much earlier date. The "Morganists" if not Mendelian *in sensu stricto* at least unite in rejecting the transmission of acquired characteristics through the action of environmental factors (except that their attitude towards changes engendered by cosmic rays and colchicine appears to be that these are the exceptions proving the rule).

⁵⁵ Of course, the discussion proceeds currently on a much more subtle level. That is, the characteristics which Marshall had in mind are clearly neither somatic or genetic by rather psychological; and the position taken by Marshall and the other Victorians in this matter might, strangely enough, find their nearest defense in Jung's analytic theories.

to their children: while by increasing their own intelligence, wisdom and forethought, such a change will also to some extent increase their willingness to sacrifice their own pleasures for the wellbeing of their children. . .⁵⁶

In more general terms, a statement of Marshall's position as to origins and development of the moral characteristics of the System of Economic Freedom consistent with the vagaries of his expressions on the matter would be as follows: Because of its nature and psychological predisposition, however originally acquired, and through the influence of its general environment, a national group will be characterized by certain moral qualities. However, an individual member of the group may or may not reflect [229] the characteristics of the group; but given proper environment, such as a good education and proper family surroundings, with the passing of successive generations the individual will, whether by genetic inheritance or mutation or the acquisition of transmissible characteristics, come to reflect the qualities of the group. For example, the Anglo-Saxon people with the admixture of Norman blood are endowed with a vigorous and open disposition. This national trait is given full opportunity to develop in the temperate environment of the British Islands, which by its location and the general conditions for earning a livelihood it imposes, channels activities in the direction of the modern system of production and distribution of wealth. Individuals are given a chance to overcome whatever innate meanness they might have in the generous surroundings of the family and of the political and economic freedom to which they are heir. Further, by education, successive generations will be able to achieve a closer approach to the highest aspirations of the group.

These considerations as to the characteristics of national groups bring us back to the final aspect of Marshall's System of Economic Freedom, viz., that of political and economic freedom. Freedom was necessary to progress. Marshall felt that group organization in more advanced societies should be identified with the State. With regard to the origin of the State, he believed along with many of his contemporaries who had

⁵⁶ *Principles*, pp. 562-3.

been influenced by Spencer, [230] Stephen and others, that it had evolved because individuals could only survive as a species by identifying themselves with a form of social organization. The essence of social organization for Marshall was the coordination of all the specialized roles performed by the individuals constituting the society. These roles had no meaning when seen in isolation; only when coordinated into a working whole did they become significant. In most highly developed societies, the functions performed by the individual had little meaning for the immediate life of the individual except for the income provided:

But deliberate, and therefore moral, self-sacrifice soon makes its appearance; it is fostered by the far-seeing guidance of prophets and priests and legislators, and is inculcated by parable and legend. Gradually the unreasoning sympathy, of which there are germs in the lower animals, extends its area and gets to be deliberately adopted as a basis of action: tribal affection, starting from a level hardly higher than that which prevails in a pack of wolves or a hoard of banditti, gradually grows into a noble patriotism; and religious ideals are raised and purified. The races in which these qualities are the most highly developed are sure, other things being equal, to be stronger than others in war and in contests with famine and disease; and ultimately to prevail. Thus the struggle for existence causes in the long run those races of men to survive in which the individual is most willing to sacrifice himself for the benefit of those around him; and which are consequently the best adapted collectively to make use of their environment.⁵⁷

The origins of the State, then, are found in the necessity for survival on the part of individuals; and the limited function performed by individuals ought not take precedence over the requirement that the proper functioning of the State be not impaired by the selfish [231] willfulness of those individuals who may elect immediate ends in conflict with the final ends of the State. For, as Marshall said:

. . . if an individual, devoted merely to material ends, is but a poor creature, still more ignoble is a nation that is devoid of national ideals; that is of ideals which recognize a national life as something more than the aggregate of individual lives.⁵⁸

⁵⁷ *Ibid.*, p. 243.

⁵⁸ *Industry and Trade*, p. 3.

Or again, speaking largely in the context of politically democratic organization:

If particular groups of the people look on the polls, as opportunities for advancing their own sectional interests, rather than for rendering an upright and dutiful service to the State, the Mother of all, then the nation as a whole will become less noble, weaker and ultimately poorer.⁵⁹

It is necessary that a careful distinction be made in Marshall's writing between two usages of the term, "the State": first, Marshall sometimes used the term to refer to Society in a sense similar to the use by the sociologists; and second, Marshall occasionally used the term to refer to the political structure of government. The apparent conflict between his attitude of extreme caution and conservatism towards the government and his opinion of duty of the individual towards the State is easily reconciled. [232] Marshall stated in his famous essay, "Social Possibilities of Economic Chivalry":

I am only urging that every new extension of Governmental work in branches of production which need ceaseless creation and initiative is to be regarded as *prima facie* anti-social, because it retards the growth of that knowledge and those ideas which are incomparably the most important form of collective wealth.⁶⁰

Thus the government is identified as one interest among many interests which compose the State, and as an interest which had a function to perform in furthering the ultimate goals of the welfare of the State. Nor in the properly ordered State should the functions of government overlap or conflict with the proper functions of the other groups composing the State. The matter is stated even more explicitly in one of the fragments of Marshall's unpublished writings collected by Pigou for inclusion in the *Memorials*:

The government, especially in a free country, is not an entity outside the nation, but a considerable part of the nation; and it can discharge its duties to the nation only by so arranging and developing its work as to make government itself a great education.⁶¹ [233]

⁵⁹ *Ibid.*, p. 495.

⁶⁰ *Memorials*, p. 339.

⁶¹ *Ibid.*, p. 363.

Marshall felt that all too often the government had been used- for selfish purposes especially during the earlier periods of English history. But the possibilities of beneficial governmental intervention were increasing because of the increased morality of individuals as well as the development of higher standards of government performance.⁶² To the extent that it is possible to depend upon a completely disinterested government, there will be beneficial results from its undertakings. In this matter Marshall was, as always, optimistic as to what the future held in store:

A higher notion of social duty is spreading everywhere. In Parliament, in the press and in the pulpit, the spirit of humanity speaks more distinctly and more earnestly.⁶³

Thus, Marshall had no distrust of the government *per se*: In fact, time, should it be allowed to continue along the road of progress to the final goal of the highest standards of moral conduct, would bring as its greatest gift to man the socialist state. But man, for the present, was something less than perfect, and until his lower instincts had been put behind him, the rest of the people should be protected from the selfish desires of the few. As Marshall said:

There is therefore strong *prima facie* cause for fearing that the collective ownership of the means of production would deaden the energies of mankind, and [234] arrest economic progress; unless before its introduction the whole people had acquired a power of unselfish devotion to the public good which is now relatively rare.⁶⁴

It must not be thought, in this connection, that Marshall believed that property rights were somehow inviolable. For he recognized that laws affecting the use of property were matters of custom and as such must be treated in the historical context.⁶⁵ His main objection to the program of Bentham and his disciples was their “. . . almost superstitious

⁶² E.g., *Industry and Trade*, p. 703.

⁶³ *Principles*, p. 765.

⁶⁴ *Ibid.*, p. 713.

⁶⁵ E.g., *Industry and Trade*, p. 695.

reverence for the existing institutions of private property.”⁶⁶ Laws governing the use of property should, however, be changed only gradually as the situation may warrant; for especially in the proper operation of the System of Economic Freedom it is the right to the accumulation of property that furnishes one of the main incentives for industrial endeavor:

The rights of property, as such, have not been venerated by those master minds who have built up economic science; but the authority of the science has been wrongly assumed by some who have pushed the claims of vested rights to extreme and antisocial uses. It may be well therefore to note that the tendency of careful economic study is to base the rights of private property not on any abstract principle, but on the observation that in the past they have been inseparable from solid progress; and that therefore it is the part of responsible men to proceed cautiously and tentatively in abrogating or modifying even such rights as may seem to be inappropriate to the ideal conditions of social life.⁶⁷ [235]

Marshall's position, then, on political freedom was essentially this: Man was less than perfect; he, therefore, needed certain incentives to propel him along the path of progress which lay in achieving success in industrial and trade ventures. The government should not, therefore, interfere in any way with the “. . . springs of material wealth. . . [and] those higher qualities of human nature the strengthening of which should be a chief aim of social endeavour.”⁶⁸ Political freedom though, did not imply that the government as one of the major interests of the State should absent itself from all endeavors, for that would not be fulfilling its proper function; and the proper function of government was largely to assure that the necessary corollary to political freedom, viz., economic freedom, would be fully accessible to the population. *Laissez faire* as the governmental imperative meant that “anyone who thought that he could make anything with advantage . . . should be at liberty to do so.”⁶⁹

⁶⁶ *Principles*, p. 760.

⁶⁷ *Ibid.*, p. 48.

⁶⁸ *Industry and Trade*, p. viii.

⁶⁹ *Ibid.*, p. 726; also *Principles*, p. 757n.

In speaking of freedom, whether economic or political, it should be borne in mind that Marshall thought that the highest form of freedom was that which involved an identification of the interests of the individual with those of the State. He felt that in the earlier days of the development of the System of Economic Freedom that all too often individuals, especially the employers, were [236] “. . . tempted to subordinate the wellbeing of his workpeople to his own desire for gain. . .”⁷⁰ But the progress of knowledge and understanding will lead individuals to a more complete knowledge of their duties and rights.

We have from time to time in this study indicated the principal sources of Marshall's attitudes towards the individual and the relationship between the individual and the State. They are to be found in his implicit acceptance of the Evangelical Social Gospel and his conclusions, similar to those of Hegel, as to the requirement for the identification of individual interests with those of the State if progress is to be achieved. In addition to these elements, Marshall inherited from his predecessors in English Political Economy the utilitarian theories as expressed particularly by Bentham, James Mill and John Stuart Mill. The terminology of much of his technical economic analysis and the *form* of many of his arguments were taken directly or indirectly from the utilitarians. However, attaching too much importance to the utilitarian form of many of Marshall's theoretical statements would be misleading for reasons which will now be considered.

It would be beyond the purpose of this study to examine in any great detail the development of the utilitarian doctrines as a whole as it relates to their influence upon the structure of Marshall's economics; but it will be useful to indicate the evolution of the [237] utilitarian position respecting the role of the individual *vis-a-vis* the State in order to place Marshall's beliefs in this regard in their proper place in this doctrinal development.

The “paradox of freedom” which underlay the principal difficulties of the utilitarian position was clearly stated by Plato:

⁷⁰ *Principles*, p. 750.

Now putting all these things together, I proceed, do you perceive that they amount to this, that the soul of the citizens is rendered so sensitive as to be indignant and impatient at the smallest symptom of slavery? For surely you are aware that they end by making light of the laws themselves, whether statute or customary, in order that, as they say, they may not have the shadow, of a master.

I am very well aware of it.

This then, my friend, if I am not mistaken, is the beginning, so fair and gay, out of which despotism grows.⁷¹

In the early development of the Utilitarian doctrines in England, Hobbes suggested his solution of the paradox in the context of what was to become the Eighteenth Century belief in the equality of individuals' abilities and faculties and the inherent independence of individuals as a corollary of equality.⁷² As a result of this independence, every individual has a natural right to self-assertion and unrestricted movement. This right leads to conflict and the [238] continual struggle of each one against all others, which would continue indefinitely for the equality of individuals would prevent anyone from imposing a peace. Hobbes' politically reactionary solution to the dilemma of the relationship of the individual to the rest of society is well known:

The only way to erect such a common power, as may be able to defend them from the invasion of foreigners, and the injuries of one another, and thereby to secure them in such sort, as that by their own industry, and by the fruits of the earth, they may nourish themselves and live contentedly; is, to confer all their power and strength upon one man, or upon assembly of men, that may reduce all their wills, by plurality of voices, unto one will: which is as much as to say, to appoint one man, or assembly of men, to bear their person; and every one to own, and acknowledge himself to be author of whatsoever he that so beareth their person, shall act, or cause to be acted, in those things which concern the common peace and safety; and therein to submit their wills, every one to his will, and their judgments to his judgment.⁷³

⁷¹ Plato *Republic* 562. trans. John Llewelyn Davies and David James Vaughan (London: Macmillan Co., 1929), p. 294.

⁷² Thomas Hobbes, *Leviathan*, ed. Michael Oakeshott (Oxford: Basil Blackwell), p. 80.

⁷³ *Ibid.*, p. 112.

Hobbes' solution, then, involved the acceptance of an absolute monarch with power to establish ends towards which all individuals in the State would be compelled to work.⁷⁴

The importance of Hobbes for our purposes is twofold: First, he clearly set forth the implications of his nominalist position respecting the composition of the State; i.e., each individual was [239] looked upon as an independent entity, motivated by his own individual drives towards personal ends. Second, Hobbes also recognized that independent action on the part of individuals would lead to social conflict, and that some method of eliminating or mitigating the worst aspects of this conflict must be found.

The first conclusion was accepted by most of the utilitarian writers: The Aristotelian position of man as a political animal was rejected in its entirety. But the later utilitarians were unable to accept Hobbes' solution for the problem of social conflict. England after 1688 was not the England of Charles II to which Hobbes had addressed his *Leviathan*.

However, once the individual was established as the ultimate unit, it was but a short step to Locke's definition of the imperatives of behavior as being determined by the wants and desires of individuals, with the value of an object equated with its want-satisfying potentials. As Locke pointed out:

Things then are good or evil, only in reference to pleasure or pain. That we call *good*, which is apt to cause or increase pleasure, or diminish pain in us; or else to procure or preserve us the possession of any other good or absence of any evil. And, on the contrary, we name that *evil* which is apt to produce or increase any pain, or diminish any pleasure in us: or else to procure us any evil, or deprive us of any good.⁷⁵ [240]

⁷⁴ Hobbes' philosophy had, of course, much wider implications for both political and philosophical tradition. Cf., Frederick Albert Lange, *The History of Materialism*, trans. Ernest Chester Thomas, (3d ed.; New York: Humanities Press, 1950), pp. 289 ff. The present discussion indirectly owes much to Lange's study.

⁷⁵ John Locke, *An Essay Concerning Human Understanding*, in *Everyman's Library*, (London: J. M. Dent & Sons Ltd., 1947), p. 107.

Locke's conclusions as to the possibilities of social action envisioned an organization of the State on democratic, contractual terms in contradistinction to Hobbes. But he felt with Hobbes that the rules for social actions had to be agreed to by the individual members of society—that the idea of society as an entity apart from its individual members had no meaning.

After the early period of defining the utilitarian approach, the problem of how the individual might be brought to act without compulsion so as to minimize conflicts between individuals became the major one. If an action could be judged in accordance with the pleasure or pain it gave the individual, then what was there to compel that person to choose actions which would not be injurious to the well-being of other persons? Two general solutions to this problem were proposed, those of Paley and Jeremy Bentham. Archdeacon William Paley⁷⁶ argued that individuals would select those courses of actions which would be the best for all because of the possibilities for reward or damnation in the hereafter. Thus God's judgments on the activities of men would serve to minimize the conflict between men. This conclusion was the result of Paley's distinguishing between "higher" pleasures and "lower" pleasures in terms of a theological ethic.⁷⁷ [241]

However, Paley's implied solution in terms of qualitatively distinguishable pleasures was forgotten for a while, perhaps because of the theological context in which it was developed, until J. S. Mill's restatement of the proposition. Bentham's sanctions, which were more in the tradition of Hobbes' compulsion by the absolute monarch, were taken as the answer to the problem of social conflict. The sanctions were the sources of decisions as to the pleasure-pain content of activities. They included the physical sanction, the political sanction, the moral or popular sanction, and the religious

⁷⁶ By an interesting coincidence, the great-grandfather of Mary Paley Marshall.

⁷⁷ Ernest Albee, *A History of English Utilitarianism*, (New York: Macmillan Co., 1902), pp. 165 ff.

sanction.⁷⁸ Bentham felt that insofar as these sanctions are common to all individuals and insofar as individuals are largely homogeneous, they would react in similar fashions, thus reducing the possibility of conflict.

The utilitarian position as stated in its purest form, consistent with the materialist tradition of English philosophy, as finally set forth by James Mill, embodied the following principles: First, society was only an aggregation of independent individuals; second, the only measure of good (or evil) was to be found in the pleasure (or pain) which an activity or an object would impart to an individual;⁷⁹ and third, conflicts between individuals would probably be minimal because the sanctions governing pleasure and pain were common to all. [242]

The subsequent development of the utilitarian doctrines involved the successive abandonment of each of these principles; at the same time the form of the doctrine, particularly as it related to the pleasure-pain calculus as developed by Bentham, was retained for purposes of dealing with an analysis of consumption and as the basis for a real cost theory of production in more specifically economic writings. There is another reason why the abandonment of the strict utilitarian doctrine was not always apparent; that is, it was a part of a much wider complex of ideas known as "philosophical radicalism," which included an adherence to the associational psychology and logic, and an acceptance of the political program and the economic analysis of English Liberalism. Among these aspects of philosophical radicalism there was an intermingling of terminology and ideas with the result that when the strict utilitarian position had been largely abandoned, it still appeared to play an important role because many writers had

⁷⁸ Jeremy Bentham, *Works of Jeremy Bentham*, ed. John Bowring, (Edinburgh: William Tait, 1843), I, 14.

⁷⁹ For the first two points cf. Leslie Stephen, *Science of Ethics*, (New York: G. P. Putnam's Sons, 1882), p. 362.

pardonably confused it with the other aspects of philosophical radicalism which retained currency.⁸⁰

The major departure from the utilitarian position came when John Stuart Mill asked whether the sanctions were universal. If they were not, then what could be done about the problem of conflict? [243] Mill's answer was that all pleasures were not of equal value. Some ends were higher than others, and the greatest good for society was to be found in maximizing not all pleasures, but rather in maximizing the highest pleasures, i.e., those which were best for the social good. As Mill said:

It is quite compatible with the principle of utility to recognize the fact, that some *kinds* of pleasure are more desirable and more valuable than others. It would be absurd that while, in estimating all other things, quality is considered as well as quantity, the estimation of pleasures should be supposed to depend on quantity alone.⁸¹

The first of the principles of the utilitarian doctrine of Bentham and James Mill was abandoned.

The second development in the Nineteenth Century which led to the abandonment of the utilitarian treatment of society is to be found in the attempt of Spencer and Leslie Stephen to combine the evolutionary theory of social development with J. S. Mill's version of utilitarianism.⁸² Thus, according to Spencer, the highest pleasures, hence the highest goods, are those conducive to the survival of society: [244]

The acts adjusted to ends, which while constituting the outer visible life from moment to moment further the continuance of life, we saw become, as evolution progresses, better adjusted; until finally they make the life of each individual entire in length and breadth, at the same time that they efficiently subserve the rearing of young, and do both these not only without hindering other individuals from doing

⁸⁰ For the classic discussion of this entire range of ideas, cf. Elie Halevy, *The Growth of Philosophic Radicalism*, trans. Mary Morris, (London: Faber & Faber Limited, 1949), esp. Pt. III.

⁸¹ John Stuart Mill, *Utilitarianism, Liberty, and Representative Government*, *Everyman's Library*, (London: J. M. Dent & Sons, 1947), P. 7.

⁸² Cf. John A. Irving, "Evolution and Ethics," *Queen's Quarterly*, Vol. LV, Winter 1948-9, p. 450.

the like, but while giving aid to them in doing the like. And here we see that goodness is asserted of such conduct under each of these three aspects. Other things equal, well-adjusted self-conserving acts we call good; other things equal, we call good the acts that are well adjusted for bringing up progeny capable of complete living; and other things equal, we ascribe goodness to acts which further the complete living of others.⁸³

Thus goodness is defined in terms of survival; and Spencer further argued that goodness would give pleasure in amounts depending upon the contribution of the act to the survival of the group, thus giving at least lip-service to the utilitarian position.⁸⁴

But it remained for Leslie Stephen to argue explicitly that the proper unit for ethical consideration is not the individual or an aggregate of individuals but Society considered as an organic whole.⁸⁵ The various aspects of a society were compared with the tissue and the organs of an organism. This tissue was “. . . built up of men, as the tissue of physiology is said to be built up of cells.”⁸⁶ And social good was to be found in anything which [245] contributed to the health of the social tissue, i.e., which increased its survival potential.⁸⁷ Like Spencer, Stephen continued to give lip service to the utilitarian position by arguing that the higher forms of behavior were both conducive to the health of the social tissue and would also give pleasure to the individual. The position taken by Stephen and Spencer and other writers in this tradition has sometimes been spoken of as evolutionary utilitarianism, but this terminology serves to confuse the fact that the principal tenets of the utilitarian position as it related to the structure of society and the relationship of individuals to society had been abandoned.

The utilitarian position as originally developed was firmly grounded in the nominalism and empiricism of Hobbes and Locke. The development by the middle of the

⁸³ Herbert Spencer, *The Principles of Ethics*, (New York: D. Appleton and Co., 1896), I, p. 44.

⁸⁴ *Ibid.*, p. 46.

⁸⁵ Cf. Irving, *op. cit.*, pp. 458-9.

⁸⁶ Stephen, *Science of Ethics*, p. 120.

⁸⁷ *Ibid.*, esp. pp. 405 ff.

Nineteenth Century, however, must be looked upon as an attempt to deal with the ethical problem of the relationship between individuals in the context of that Century's analysis of the "world of the outer order" as a continuing process of development and evolution. In a sense the utilitarian position abstracts from the problem of change and development. It is concerned with the static problem of making the most of what exists at any moment of time. Leslie Stephen stated this thesis quite explicitly: [246]

. . . I regard utilitarianism as giving what maybe called instantaneous morality. It corresponds to the way in which men actually reason and are justified in reasoning provisionally as to moral questions. We see that a certain social arrangement or regulation produces bad and good effects. We try roughly to sum them up, and to regulate or repeal accordingly. Our moral judgments are in all cases determined by these observations, or must be in conformity with them. Any class of conduct which clearly produces a balance of misery is so far bad, and that which produces a balance of happiness is so far good. A constant and steady attempt to get rid of the misery-causing, and to encourage the happiness-causing activities is the condition of all moral progress. . . . The actual progress in morality is always determined at every point by utilitarian considerations. But when we try to generalise from this, and to say that the form of morality or the criterion of moral conduct is the tendency to produce happiness, we get into difficulties. . . . We are generalising in such a way as to omit an essential condition of an accurate statement. We are taking constants for variable and variables for constants.⁸⁸

That is to say, the utilitarian approach cannot, according to Stephen, properly deal with the fact that every activity will affect not just the individual involved, but the entire social structure; and though immediate decisions as to the value of certain activities can be made in strictly utilitarian terms, the ultimate justification of those activities must include an analysis of the changes wrought in the social organism with respect to their effect on the health of the entire organism, or, to use less metaphorical terminology, in terms of its contribution to the high ends of social progress. [247]

⁸⁸ *Ibid.*, pp. 368-9. In this connection it is interesting to compare Stephen's remarks as to the limited usefulness of the utilitarian position with the dilemma of modern welfare economics, which had been derived largely from post-Marshallian static analysis with incomes (and wants) taken as a constant and with a denial of the validity of an interpersonal comparison of utilities.

Marshall expressed his attitude towards utilitarianism⁸⁹ (in the post-Bentham tradition of psychological hedonism) and its connection with economics as follows:

It has however unfortunately happened that the customary uses of economic terms have sometimes suggested the belief that economists are adherents of the philosophical system of Hedonism or of Utilitarianism. For, while they have generally taken for granted that the greatest pleasures are those which come with the endeavour to do one's duty, they have spoken of "pleasures" and "pains" as supplying the motives to all action; and they have thus brought themselves under the censure of those philosophers, with whom it is a matter of principle to insist that the desire to do one's duty is a different thing from a desire for the pleasure which, if one happens to think of the matter at all, one may expect from doing it . . .⁹⁰ [248]

It is the concept of duty, then, that Marshall used to bridge the gap between the individual and society; and it is the nature and meaning and origins of duty that concerned him the most. In the same footnote, Marshall mentioned two possible ways of looking at the reconciliation of the ends of the individual with those of society:

⁸⁹ Of course, much more could be said about the development and transition of utilitarian thinking; but the sole purpose of this discussion has been to delineate certain factors important to a final analysis of Marshall's position. However, some reference should be made to Henry Sidgwick who was a contemporary and close friend of Marshall. His work undoubtedly influenced Marshall to a considerable extent. Marshall's career as an economist at Cambridge was begun under Sidgwick in the 1870's. Briefly, Sidgwick's ethics began, first, with what he called the "morality of common sense," which constituted what we have treated largely under the heading of Evangelical morality. Secondly, Sidgwick held that the highest moral obligation was the "optimific act" which involved balancing the net good against the net evil (judged by the standards of common sense morality) through all future time and in all its remotest effects. Third, the immediate connection with hedonism is in the fact that Sidgwick believed that the optimific act would always be the felicific or most pleasurable act for the individual. This position he justified by a *prima facie* analysis of the specific elements of morality. Fourth, treating the felicific act as the equivalent of the optimific act involved in the last analysis an act of faith or a belief in a system of rewards after death in a manner reminiscent of Paley. It was this last possibility that led Sidgwick to spend the larger portion of the work of his later life in psychical researches in an attempt to prove experimentally a connection which he did not feel to be amply demonstrated on *a priori* grounds. Henry Sidgwick, *Methods of Ethics*, (6th ed.; London: Macmillan Co., 1901), esp. bk. IV. Also C. D. Broad, *Ethics and the History of Philosophy*, (London: Routledge & Kegan Paul Ltd., 1952), pp. 64 ff.

⁹⁰ *Principles*, p. 17n.

It may however be noted that some followers of Bentham (though perhaps not Bentham himself) made this large use of "pain and pleasure" serve as a bridge by which to pass from individualistic Hedonism to a complete ethical creed, without recognizing the necessity for the introduction of an independent major premiss; and for such a premiss the necessity would appear to be absolute, although opinions will perhaps always differ as to its form. Some will regard it as the Categorical Imperative; while others will regard it as a simple belief that, whatever be the origin of our moral instincts, their indications are borne out by a verdict of the experience of mankind to the effect that true happiness is not to be had without self-respect, and that self-respect is to be had only on the condition of endeavouring so to live as to promote the progress of the human race.⁹¹

Marshall clearly favored the second possibility; i.e., that man in dealing with his environment in a rational fashion, developed through experience, would come to regard as his duty the promotion of the ends of the human race.

This highest good, because of changing historical circumstances, may make the nature of activities performed in accordance with the social ends vary from time to time:

[249]

The problem of social aims takes on new forms in every age; but underlying all forms there is the one fundamental principle, that progress mainly depends on the extent to which the strongest, and not merely the highest, forces of human nature can be utilized for the increase of social good. There are some doubts as to what social good really is; but they do not reach far enough to impair the foundations of our fundamental principle. For there has always been a substratum of agreement that social good lies mainly in that healthful exercise and development of faculties which yields happiness without pall, because it sustains self-respect and is sustained by hope. No utilization of waste gases in the blast furnace can compare with the triumph of making work for the public good pleasurable in itself, and of stimulating men of all classes to great endeavours by other means than that evidence of power which manifests itself by lavish expenditure. We need to foster fine work and fresh initiative by the warming breath of the sympathy and appreciation of those who truly understand it; we need to turn consumption into paths that strengthen the consumer and call forth the best qualities of those who provide for consumption.⁹²

⁹¹ *Principles*, p. 17n.

⁹² *Memorials*, p. 310. This paragraph is reproduced in *Industry and Trade*, p. 848.

It is, then, in the working towards the ends of social good that man finds his highest pleasure. The pleasure derived comes not only from the attainment of the end but from the actual working towards the end. In this connection Mary Paley Marshall, while a student at Newnham College,⁹³ recorded an interesting discussion by Alfred Marshall during a lecture on ethics: [250]

Life means a deliberate choosing an aim and working to that aim, and people should regard the steady performance of their work as giving them the pleasure that they need and if excitement tends to deafen our ears to the more delicate tones then it is wrong. Relaxation has the opposite effect for it gives us greater power of appreciating delicate harmonies.⁹⁴

The meaning of economic chivalry for Marshall should be seen in this context; business men being especially responsible for the technological aspects of progress, would fulfil their duty by exercise of economic chivalry and at the same time achieve the satisfaction derived from "self-respect" which Marshall held in such esteem:

Chivalry in business includes public spirit, as chivalry in war includes unselfish loyalty to the cause of prince, or of country, or of a crusade. But it includes also a delight in doing noble and difficult things because they are noble and difficult; as knightly chivalry called on a man to begin by making his own armour, and to use his armour for choice in those contests in which his skill and resource, his courage and endurance, would be put to the severest tests. It includes a scorn for cheap victories, and a delight in succouring those who need a helping hand. It does not disdain the gains to be won on the way, but it has the fine pride of the warrior who esteems the spoils of a well-fought battle, or the prizes of a tournament, mainly for the sake of the achievements to which they testify, and only in the second degree for the value at which they are appraised in the money of the market.⁹⁵

One of the principle social arrangements by which the individual would serve the ends of society and at the same time enjoy the fullest [251] measure of pleasure in this activity was, Marshall felt, the family. It will be recalled that he assigned an important

⁹³ Newnham College was founded largely through the efforts of Henry Sidgwick so that women might have the advantages of Cambridge instruction.

⁹⁴ Mary Paley Marshall, *op. cit.*, p. 19.

⁹⁵ *Memorials*, p. 330-1.

role to the family in his analysis of the System of Economic Freedom. The family plays an equally important role in providing ethical standards for individual activities for it is in serving the ends of family life, of the care and rearing of children in accordance with the highest principles of morality that the ends of social progress as well as the individual enjoyment of the full life are attained; and whereas the practice of economic chivalry is open principally to the business man and to a lesser extent the artisan, the activities and enjoyments of family life are available to all and may even constitute the principle source of the noble life for the working classes:

. . . [family life is] the tree whose fruits and flowers contribute much more than half to the sum total of all that is known of beauty and happiness by the people in general, and especially by the working classes.⁹⁶

On the other hand, just as the highest good is to be found in furthering the ends of society, the greatest evils are to be found in crimes against society. These, Marshall held in almost direct contradiction to Bentham's position, were more heinous than crimes against individuals. His horror of smuggling is an excellent example of this position: [252]

It is a crime of a very grave nature. It is as much worse than ordinary stealing as getting drunk in church is than getting drunk in the streets, for it is an offence against the religious feeling towards the state.⁹⁷

Marshall's connection with the utilitarian should by now be clear. Not much of the earlier utilitarian teachings remained. Like Stephen, he rejected the notion of society as composed of independent atoms individually pursuing their own ends. And, like Stephen and J. S. Mill, he felt that those ends could be arrayed from lowest to highest; at any given time society could be advanced by concentrating its efforts on the higher ends. Speaking of the distribution of income in England, Marshall said:

These facts are consistent with the belief that a vast increase of happiness and elevation of life might be attained if those forms of expenditure which serve no high purpose could be curtailed, and the resources thus set free could be applied

⁹⁶ *Ibid.*, p. 329.

⁹⁷ Mary Paley Marshall, *op. cit.*, p. 19.

for the welfare of the less prosperous members of the working classes; the whole change being so made as not considerably to slacken the springs of productive energy.⁹⁸

For Marshall, then, the utilitarian scheme of Bentham and James Mill was useful only insofar as it constituted a description of the *proximate* cause of individual behavior; that is, individuals, Marshall felt, were motivated by what they *think* will give them pleasure though [253] they may very often be incorrect. Those motivations may spring from impulsive desires for emulation or from morbid cravings or from illusions.⁹⁹ But an increasing moral awareness would tend to lessen these possibilities and improve the chances for progress. Hence, the bare statement that individuals acted in accordance with their desires for pleasure is of little more significance for Marshall than to say that an organism reacts to a stimulus. *The important thing is the development of individual beliefs as to proper and desirable pleasures.*¹⁰⁰

Thus Marshall had to all intents abandoned the utilitarian tradition. He did not even attempt to make the same tenuous compromise that Sidgwick had made when the latter sought to reconcile the pleasure ends of the individual with the ends of society. Marshall felt that the only individual ends (in a normative sense) were ultimately those that served to further the ends of society.

It is now possible to examine the connection between Marshall's ethical position and the rest of his system of thought. First, the specific elements of ethical behavior were those already discussed in an analysis of his Evangelical preconceptions. These, it will be [254] recalled included a desire for hard and diligent labor, family affection, an avoidance of luxury, honesty, frugality, and so forth. Second, all of these elements were to serve the ends of progress as it has been defined in the course of this study, for an increase in the moral qualities of the individual constituted one of the important aspects of progress.

⁹⁸ *Memorials*, p. 329.

⁹⁹ *Principles*, pp. 92-3n.

¹⁰⁰ In Marshall's system of formal analysis, the sociological equation determines, to a considerable extent, the development of these beliefs.

Third, the furthering of the ends of society, which was the ultimate criterion for judging conduct, could be assessed with relation to the rate of progress, for the finest achievement of a society was in obtaining the highest rate of economic progress consistent with the difficulties associated with altering custom, technology and the individual. Fourth, Marshall's ethical beliefs are consistent with his analysis of the characteristics of the System of Economic Freedom in that the proper operation of the System envisioned economic and political freedom. But that freedom was defined as subjective freedom, i.e., the identification of the ends of individuals with those of the State. This, of course, is but an alternate expression of his more specific ethical analysis.

Marshall always felt that, even though the highest form of activity involved an identification of the ends of the individual with those of the State, the problem of whether any single activity conformed with this requirement was difficult and complex. This was true because of the inadequacy of man's knowledge and his [255] inability to see all of the ramifications of his activities. This issue of the social effects of individual activities concerned him more and more as he grew older and as he became, as Keynes has said, more like a sage or prophet. Towards the very end he wrote:

Organic life on this little planet, which has been inhabitable for only a few thousand years, may indeed perhaps claim to have made fair progress, morally as well as physically, in a minute fraction of the period during which the stellar universe is known to have been nearly in its present form. Other planets, which have been suitable for the maintenance of organic life during much longer periods, may have gone a long way towards solving socio-economic problems, of which we are only able to touch timidly the outskirts. In particular they may have probed many of those responsibilities of the individual to the State and of the State to the individual, as to which we have learnt so much in the last few generations, that we appear to have made some considerable way towards fathoming the depths of our ignorance. But it seems that, the longer we ponder, the greater must be our diffidence in prediction, and the more profound the awe with which we regard the Divine Governance of the Universe.¹⁰¹ [256]

¹⁰¹ *Industry and Trade*, p. 849.