



Doom and Gloom: The Future of the World at the End of the Eighteenth Century

LINA WEBER

University of St Andrews

Abstract

This article challenges the widely held assumption that Thomas Robert Malthus was a lonely pessimist in the late eighteenth century. Interpreting the sources that Malthus had used to write his *Essay on the Principle of Population* as predictions of the future, the article argues that Malthus inherited a sense of looming doom from his predecessors. In the second half of the eighteenth century, David Hume, Adam Smith, Richard Price, and Thomas Paine predicted Britain's ruin through national bankruptcy. Although Malthus, too, expressed anxiety about excessive growth, he changed the parameters by worrying about overpopulation, rather than overspending. By considering Malthus in the context in which he originally formulated his famous principle of population, this article sheds new light on what he was doing when he first published his *Essay* in 1798.

The search for the origins of modernity often starts with the Enlightenment. In the late eighteenth century, as numerous commentators have asserted, philosophers started to argue for liberty, democracy, equality and tolerance. An inexorable march of progress was expected to bring about the betterment of society. Eradicating historical pessimism, Enlightenment optimism found its ultimate expression in the prognostications of Nicolas de Caritat, marquis de Condorcet, and William Godwin, real-life equivalents of Voltaire's fictional Dr Pangloss.¹ Belief in progress has been seen to be a particular feature of the evolving science of political economy. After David Hume unequivocally praised the blessings of commercial modernity, Adam Smith propagated the idea of increasing open-ended economic growth. The new, scientific, quantifying spirit of Enlightenment political economists served to counter traditional moralistic jeremiads.²

I would like to thank Richard Whatmore, Lasse Andersen, Conor Bollins, Sebastian Meurer, Becky Taylor, and the two reviewers for their comments on earlier versions of the article.

¹ David Spadafora, *The Idea of Progress in Eighteenth-Century Britain* (New Haven, 1990), pp. 15–17; Roy Porter, *Enlightenment: Britain and the Creation of the Modern World* (London, 2001), pp. 424–45; Dan Edelstein, *The Enlightenment: A Genealogy* (Chicago, 2010), pp. 22, 74, 107.

² See, for example, Porter, *Enlightenment*, pp. 383–96; Carl Wennerlind and Margaret Schabas, 'Introduction', in Carl Wennerlind and Margaret Schabas (eds), *David Hume's Political Economy* (London and New York, 2008), pp. 1–9, at p. 8; Robert Mayhew, *Malthus: The Life and Legacies of*

2 DOOM AND GLOOM

Political economy, scholars often claim, was radically transformed by Thomas Robert Malthus. A lonely, isolated pessimist, Malthus had little connection with the widespread belief in substantial improvement that the Enlightenment had brought about. In his *Essay on the Principle of Population* of 1798, he argued that the future progress of mankind was severely limited: if unchecked, population will rapidly outgrow food supply, causing poverty and famine. Consequently, the view emerged that Malthus broke completely with his predecessors and turned political economy from the Enlightenment analysis of progress into the dismal science.³

This widely held view about the late eighteenth century raises the question of how we interpret and evaluate the Enlightenment. When proponents are made to speak to our contemporary concerns, the meaning of what they were doing in their time becomes distorted. The case of Malthus is illustrative. Often, his theological arguments are neglected to show his enduring relevance as an economic thinker or an ‘untimely prophet’ of population’s tendency to outgrow limited resources.⁴ To answer calls for a global approach to historical studies, scholars have recently set out to find ‘the new worlds’ in the *Essay* and to analyse ‘Malthus across nations’.⁵ This article aims to further our historical understanding of Malthus. By the means of intellectual history, it considers the *Essay* in the context of Enlightenment speculation about Britain’s future, raising doubts about the presumed radical break between Malthus and his predecessors.

It is well established that Malthus wrote the first edition of his *Essay on the Principle of Population* in 1798 to continue a disagreement with his father Daniel Malthus over ‘the future improvement of society’. As the subtitle made clear, he engaged particularly with the utopian visions of human perfectibility of Godwin and Condorcet. Where the principle of population itself originated from is less clear. The first edition of the *Essay* has almost no references. Consequently, some scholars have

an Untimely Prophet (Cambridge, MA, 2014), pp. 24, 66–71; Jonathan Sachs, *The Poetics of Decline in British Romanticism* (Cambridge and New York, 2017), pp. 38–69.

³ Gertrude Himmelfarb, *The Idea of Poverty: England in the Early Industrial Age* (London, 1984), pp. 44–126; Jacques Dupâquier, ‘Preface’, in Jacques Dupâquier, A. Fauve-Chamoux and E. Grebenik (eds), *Malthus Past and Present* (London and New York, 1983), pp. vii–xiii, at p. x; John Avery, *Progress, Poverty, and Population: Re-reading Condorcet, Godwin, and Malthus* (London and Portland, 1997); Ernesto Screpanti and Stefano Zamagni, *An Outline of the History of Economic Thought* (Oxford and New York, 2005), pp. 82–3; Murray Milgate and Shannon C. Stimson, *After Adam Smith: A Century of Transformation in Politics and Political Economy* (Princeton, 2011), pp. 121–3.

⁴ See, for example, Samuel Hollander, *The Economics of Thomas Robert Malthus* (Toronto, Buffalo and London, 1997), pp. 917–48 and Mayhew, *Malthus*, pp. 27–74. Numerous scholars have by now investigated the importance of theology for Malthus’ *Essay*, see the overview provided by Sergio Cremaschi, *Utilitarianism and Malthus’s Virtue Ethics: Respectable, Virtuous and Happy* (London and New York, 2014).

⁵ Alison Bashford and Joyce Chaplin, *The New Worlds of Thomas Robert Malthus: Rereading the ‘Principle of Population’* (Princeton and Oxford, 2016); Gilbert Faccarello, Masashi Izumo and Hiromi Morishita (eds), *Malthus across Nations: The Reception of Thomas Robert Malthus in Europe, America, and Europa* (Cheltenham and Northampton, 2020).

emphasised the impact of ‘real experiences’ from Malthus’ rural parish life, the ongoing socio-economic changes and the food shortages Britain faced in the 1790s, while others have searched for traces of earlier studies of demography, statistics and society’s material betterment.⁶ The mathematical law underlying the ratio of growth, often considered to be the reason why Malthus’ prediction seemed so convincing and dangerous, is usually explained by his training at the University of Cambridge.⁷ Malthus himself revealed the sources which had originally suggested the principle of population to him. In the preface to the second edition of 1803, which was reprinted in all subsequent editions, he stated:

It [the first edition of the *Essay*] was written on the spur of occasion, and from the few materials which were within my reach in a country situation. The only authors from whose writings I had deduced the principle, which formed the main argument of the essay, were Hume, Wallace, Dr. Adam Smith, and Dr. Price[.]⁸

Crudely put, scholars commonly relate the named authors to Malthus as follows. In the controversy over the populousness of ancient nations between Robert Wallace and David Hume, Malthus sided with Wallace.⁹ A minister of the Church of Scotland, Wallace calculated that a much greater number of people had been living on earth in antiquity. The decline in population he explained in terms of natural and, more decisively, moral causes.¹⁰ Even if restrictions to reproduction were removed under a perfect government, Wallace claimed, a miserable catastrophe had to follow since providence had set limits to the capacity

⁶ For scholars who explore the influence of ‘real experience’ on Malthus, see B. Stapleton, ‘Malthus: the local evidence and the principle of population’, in Dupâquier, Fauve-Chamoux, and Grebenik (eds), *Malthus Past and Present*, pp. 45–59, and M. W. Finn, ‘Malthus and his time’, *ibid.*, pp. 85–96. For studies of earlier authors on demography in relation to Malthus, see Johannes Overbeek, *History of Population Theories* (Rotterdam, 1974), pp. 35–41; Patricia James, ‘Population’ *Malthus: His Life and Times* (London, 1979), pp. 55–61; Ted McCormick, ‘Who were the pre-Malthusians?’, in Robert Mayhew (ed.), *New Perspectives on Malthus* (Cambridge, 2016), pp. 25–51; Bashford and Chaplin, *The New Worlds*, pp. 17–53. Mayhew combined both explanations, see his *Malthus*, pp. 3–65.

⁷ William Petersen, *Malthus* (Cambridge, MA, 1979), p. 61; Donald Winch, ‘Introduction’, in Donald Winch and Patricia James (eds), *Malthus, An Essay on the Principle of Population* (Cambridge 1992), pp. vii–xxiii, at p. xi; Avery, *Progress, Poverty, and Population*, p. xvi, 63; Mayhew, *Malthus*, p. 67.

⁸ Thomas Robert Malthus, *An Essay on the Principle of Population, or, a View of its Past and Present Effects on Human Happiness. With an Inquiry into our Prospects Respecting the Future Removal or Mitigation of the Evils which it Occasions*, 2nd edn (London, 1803 [1798]), p. iii.

⁹ See, for example, James, ‘Population’ *Malthus*, pp. 58–60. The most nuanced interpretation of their relation is given by Winch, *Riches and Poverty: An Intellectual History of Political Economy in Britain, 1750–1834* (Cambridge and New York, 1996), pp. 233–35.

¹⁰ Robert Wallace, *A Dissertation on the Numbers of Mankind in Antient and Modern Times: In which the Superior Populousness of Antiquity is Maintained* (Edinburgh, 1753). The publication was based on a paper that Wallace had presented at the Philosophical Society in Edinburgh which had provoked Hume to publish his ‘Essay on the Populousness of Antient Nations’. Similar fears about depopulation were expressed in France, by Rousseau and Montesquieu for instance, see Hont, ‘Luxury and the Route to Revolution in Rousseau’s *Discourse on Inequality*’, unpublished paper (Special Collections, University of St Andrews).

4 DOOM AND GLOOM

of the earth to provide food.¹¹ However, Hume cast doubt on the assumption of population decline. Since data about population was insufficient for both antiquity and the present, he made conjectures based on observations about historical circumstances. In antiquity, Hume observed, slavery, infanticide, frequent wars, violent politics and limited commerce restricted population growth. Modern institutions, morals and politics were more favourable to increasing the number of people on earth.¹² Richard Price's *Observations on Reversionary Payments* provided Malthus, who owned the fourth edition from 1783, with the estimation that the population of the American colonies doubled every twenty-five years.¹³ While Adam Smith had little to say about population, his theories about progressive economic growth, wealth and poverty were a prime target of Malthus' *Essay*.¹⁴

While the relationship between Malthus' ideas and those of his predecessors about population and poverty is well known, another shared preoccupation has hitherto been neglected. That is the concern about unlimited growth. Revisionist scholarship of the Enlightenment era has shown that purportedly unequivocal celebrators of commerce like Hume and Smith expressed ambivalence about modernity. While they praised the general increase of prosperity and refinement in manners, the national debt caused them great concern. These worries were widely shared by authors such as Arthur Young and the French Physiocrats: mobile forms of property, new instruments of corruption, and the rise of a monied interest threatened established ideas about independent citizens, the well-balanced constitution and international competition for power. The development of Britain was used as an example to show how a country's ability to finance warfare and maintain empire through long-term loans threatened the future existence of the polity. Either the resulting social inequality would cause revolution, or the overwhelming debt burden would make Britain unable to defend itself against a foreign aggressor.¹⁵

¹¹ Robert Wallace, *Various Prospects of Mankind, Nature, and Providence* (London, 1761), pp. 109–25.

¹² Hume's 'Of the Populousness of Antient Nations' was first published in his *Political Discourses* (Edinburgh, 1752), pp. 155–261.

¹³ Richard Price, *Observations on Reversionary Payments*, 4th edn (2 vols; London, 1783 [1771]), I, p. 282. Price makes this claim in a published letter to Benjamin Franklin and refers to the American clergymen Ezra Stiles for the data, who had taken the statistics from Franklin, see Bashford and Chaplin, *The New Worlds*, pp. 45–8.

¹⁴ Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (2 vols; London, 1776), I, p. 86; the relationship between Smith and Malthus has provoked considerable scholarly controversy. See further, for example: Petersen, *Malthus*, p. 10; Himmelfarb, *The Idea of Poverty*, pp. 100–11; Milgate and Stimson, *After Adam Smith*, pp. 130–8.

¹⁵ John Pocock, *The Machiavellian Moment: Florentine Political Thought and the Atlantic Republican Tradition*, 2nd edn (Princeton, 2003), pp. 423–505; idem, *Virtue, Commerce, and History: Essays on Political Thought and History, Chiefly in the Eighteenth Century* (Cambridge and New York, 2002), pp. 125–41; Donald Winch, *Adam Smith's Politics: An Essay in Historiographic Revision* (Cambridge, 1978), pp. 121–45; Istvan Hont, *Jealousy of Trade: International Competition and the Nation-State in Historical Perspective* (Cambridge, MA and London, 2010), pp. 325–53; Michael Sonenscher, *Before the Deluge: Public Debt, Inequality, and the Intellectual Origins of the French Revolution* (Princeton and Oxford, 2007), pp. 52–67.

To avoid the anticipated national ruin, statesmen such as William Petty, 2nd Earl of Shelburne and philosophers such as Richard Price tried to formulate and implement reforms. The realisation that their attempts to overcome the corrupt mercantile system through a science of the legislator had failed brought an end to Enlightenment, as Richard Whatmore has recently argued.¹⁶

Drawing on these findings about the Enlightenment, the article develops a new context for reading Malthus' *Essay on the Principle of Population*: gloomy predictions about the future of Britain. The first section outlines Malthus' principle of population and the consequences for mankind's future resulting from it. This is followed by an analysis of the principles of the growth of national debt that Malthus' sources had laid down. Hume, Smith and Price worried that an uncontrolled increase of outstanding financial liabilities would soon outgrow sources of national revenue and concluded that catastrophe was a not-so-distant prospect. Although this article focuses on the original context for Malthus' first formulation of the principle of population, Thomas Paine is added to the discussion because he introduced the terms arithmetical and geometrical progression to the debate. By placing the *Essay* in the context of envisioned futures for Britain, this article suggests certain continuities that raise considerable doubt about the idea of a radical break between the *Essay* and the Enlightenment.

I

It is now conventional to distinguish between the first edition of Malthus' *Essay* from 1798 and the second edition from 1803. The first edition was an anonymously published pamphlet, the second edition appeared under Malthus' name in a much-extended form. Since the four subsequent editions relied on this second edition, it is considered to constitute the definitive text.¹⁷ The starting point for the first edition was the extreme logic of Godwin's and Condorcet's perfectibilism, which Malthus tried to invert by pointing out the necessary misery and pain resulting from the principle of population. The English journalist and novelist William Godwin's *An Enquiry Concerning Political Justice* was published in 1793, the French mathematician and philosopher Nicolas de Caritat, marquis de Condorcet's *Esquisse d'un tableau historique des progrès de l'esprit humain* appeared in 1795. For Malthus, these authors represented the body of able and candid 'advocates for the perfectibility of

¹⁶ See Richard Whatmore, *Terrorists, Anarchists, and Republicans: The Genevans and the Irish in Times of Revolution* (Princeton, 2019), pp. 215–55 and his forthcoming book *The End of Enlightenment* (London, 2021).

¹⁷ For the differences between the editions, see Donald Winch, *Malthus* (Oxford and New York, 1987), pp. 16–53. The works Malthus referred to in the several editions of the *Essay*, too, changed considerably, see E. A. Wrigley and David Souden (eds), *The Works of Thomas Robert Malthus, I: An Essay on the Principle of Population* (London, 1986), pp. 54–8.

mankind' that had lately fuelled political 'speculations'.¹⁸ Their erroneous works were highly dangerous, and refutation was vital.

Godwin and Condorcet claimed that mankind was free, equal and good by nature. They both blamed the currently desolate state of men in society on political and economic institutions. Assuming that the world was constantly changing for the better, Godwin and Condorcet reasoned that repressive institutions would be dissolved and perfection gradually accomplished. Future men would be immortal. They conceded that the resulting population growth might well put pressure on the available means of subsistence, but Godwin and Condorcet explained that the problem was distant and easily solvable.¹⁹ Malthus aimed to prove them wrong. Admitting that he would like to believe in these visions of mankind's future, he came to the 'disheartening' conclusion that 'any extraordinary improvement in society' was rendered impossible by the principle of population.²⁰

Malthus set out to show that Condorcet and Godwin had reached their conclusions by unphilosophical speculation. Relying on general and abstract propositions, they made conjectures that were 'unwarranted by any appearance in the law of nature'.²¹ Malthus, by contrast, employed 'Newton's mode of philosophizing' to analyse the prospects of mankind. He started by observing the experience of the past (histories and descriptions of rude societies) and the present (statistical information about civilised societies). The collected evidence enabled Malthus to derive two laws that were fixed by mankind's nature: humans needed food and passion towards the other sex to subsist.²² From this premise Malthus derived his famous principle: 'Population, when unchecked, increases in a geometrical ratio. Subsistence increases only in an arithmetical ratio.' Due to the fact that natural laws, as well as their causes and effects, were immutable, they could be used to calculate probabilities about the future. Men's power to procreate exceeded the earth's ability to produce food. Since the diverging progressions led to a want of the means of subsistence, misery was an 'absolutely necessary consequence' and vice a 'highly probably consequence'.²³

To show that this prospect was not remote but 'imminent, and immediate', Malthus contrasted the geometrical growth of population (1,

¹⁸ [Thomas Robert Malthus] *An Essay on the Principle of Population, as it Affects the Future Improvement of Society: With Remarks on the Speculations of Mr. Godwin and Mr. Condorcet* (London, 1798), pp. 8f.

¹⁹ William Godwin, *An Enquiry Concerning Political Justice, and its Influence on General Virtue and Happiness* (London, 1793); Jean Antoine Nicolas de Caritat Condorcet, *Esquisse d'un Tableau Historique des Progrès de l'Esprit Humain* (Paris, 1795).

²⁰ [Malthus], *An Essay on the Principle of Population*, p. 346. Many scholars have discussed Malthus' response to Godwin and Condorcet; the most nuanced treatment can be found in Donald Winch, 'Malthus's attack on perfectibilism', in Pierre Morère and Cécile Révauger (eds), *Enlightenment: Nature and Nurture in Eighteenth-Century Britain* (Grenoble, 1992), pp. 127–42; Winch, *Riches and Poverty*, pp. 228–32; idem, *Malthus: A Very Short Introduction* (Oxford, 2013), pp. 25–33.

²¹ [Malthus], *An Essay on the Principle of Population*, pp. 157, 253.

²² *Ibid.*, p. 11.

²³ *Ibid.*, pp. 14f., 143.

2, 4, 8) with the arithmetical growth of food (1, 2, 3, 4) and concluded that in 25 years the proportion would be 512 to 10.²⁴ An increase of population raised the price for food and lowered wages, making the lower strata of society miserable and vicious. The low price of labour will encourage cultivators of land to hire more labourers and improve the soil, leading to more food and happiness. Yet, once the labourer is in a comfortable position, he will start a family and population will again begin to increase. The principle of population destroyed the hope for mankind's perfection as Malthus made clear: 'I see no way by which man can escape from the weight of this law which pervades all animated nature. No fancied equality, no agrarian regulations in their utmost extent, could remove the pressure of it even for a single century'.²⁵

Instead of inexorable progress, a perpetual oscillation between misery and happiness was to be expected. Malthus claimed that no form of society was able to prevent it and that the parochial system of tax-based relief instituted by poor laws in England even worsened the conditions of the lower strata of society. The only true means to realise as much improvement as was possible within the limits set by God was the increase of the means of subsistence, either by cultivating new land or by increasing the fertility of the currently worked soil. Thereby, the condition of the poor would be improved to a certain degree, but Malthus maintained that preventing 'the recurrence of misery is, alas! beyond the power of man'.²⁶ To reconcile the unavoidable existence of pain in the world with the belief in an omnipotent and benevolent God, Malthus stated in the last two chapters that the principle of population brought about more good than evil. The necessity to work hard for one's subsistence stimulated naturally sluggish mankind and enabled it to reach moral excellence and to increase knowledge.²⁷

Although these theological chapters were omitted from the second edition, Malthus took a more optimistic stance in the 1803 version of the *Essay*. An extensive survey of past and present societies in Europe and overseas confirmed the basic assumptions of the first edition: the principle of population resulted from the immutable 'laws of nature, which are the laws of God' and operated in 'every state in which man has been placed'.²⁸ What changed Malthus' outlook in the second edition was his finding that benevolent God provided human beings with the means to avoid the misery resulting from overpopulation. Contrary to other living organisms, man was equipped with reason and the ability to evaluate the consequences of actions. It was his duty to exercise 'moral restraint'

²⁴ Ibid., pp. 25–6, 30–1, 143.

²⁵ Ibid., p. 16.

²⁶ Ibid., p. 98.

²⁷ Ibid., pp. 361–5, 394f. For Malthus' theodicy, see John Pullen, 'Malthus' theological Ideas and their influence on his principle of population', *History of Political Economy* 81/1 (1981), pp. 39–54; A. M. C. Waterman, *Revolution, Economics, and Religion: Christian Political Economy, 1798–1833* (Cambridge, 1991), pp. 97–112.

²⁸ Malthus, *An Essay on the Principle of Population* (1803), pp. 374, 540.

and regulate his passion by waiting for marriage until he could support a family through his own industry. Permanent improvement was attainable only through the prudential habits of the poor. To cultivate the necessary ‘spirit of independence, a decent pride, and a taste for cleanliness and comfort’, Malthus proposed to institute a system of national education in England.²⁹ Although, he maintained, not all members of the lower ranks could be elevated to the middle strata of society, some ‘partial good’ would follow and ‘the sum of social happiness’ would be augmented.³⁰

The main obstacle to convincing the members of the lower ranks that they alone were able to alleviate hardship was, according to Malthus, the existing poor laws. Since they gave the lower ranks false ideas about their ability to rear children, they encouraged population growth, lowered the price of labour and increased the price of food. To convey a sense of urgency, Malthus made a striking comparison: ‘The first grand obstacle which presents itself in this country, is the system of the poor laws, which has been justly stated to be an evil, in comparison of which, the national debt, with all its magnitude of terror, is of little moment’.³¹ In the early nineteenth century then, England’s parochial system of tax-based relief was thus replacing Britain’s debt as the principal cause impeding society’s progress.

II

In the second half of the eighteenth century, the increasing expenditure upon warfare and the accumulating costs of the national debt provoked fierce debate about their effects on Britain. Although the wider economic and political benefits of the funding system began to be appreciated, apprehension about the effects of governmental overspending largely dominated public debate. Contemporary ‘theories’ of bankruptcy have often been dismissed by scholars as moralistic jeremiads by authors who did not understand the technicalities of state finance.³² However, they were not without significance for the philosophers developing them.

Not the first but the most significant prediction of Britain’s ruin through debt was made by David Hume (1711–76). In his *Political Discourses*, first published in 1752, he set out to prove the republican idealisation of antiquity wrong. Modern commerce created prosperity, luxury had helped civilise European societies, and contemporary Britain

²⁹ Ibid., p. 557. The economic dimension of Malthus’ changed prospects for the poor is described in E. A. Wrigley, ‘Malthus on the prospects for the labouring poor’, in *The Historical Journal* 31/4 (1988), pp. 813–29; Malthus’ programme of social reform is outlined by Niall O’Flaherty, ‘Malthus and the “end of poverty”’, in Robert Mayhew (ed.), *New Perspectives on Malthus* (Cambridge, 2016), pp. 74–104.

³⁰ Malthus, *An Essay on the Principle of Population* (1803), pp. 595, 604.

³¹ Ibid., p. 536.

³² Joseph Schumpeter, *History of Economic Analysis* (London, 1994), p. 186. Such criticism is summarised and sensibly answered by Donald Winch, ‘The political economy of public finance in the “long” eighteenth century’, *Intellectual History Archive*, <<https://www.arts.st-andrews.ac.uk/intellectualhistory/islandora/object/intellectual-history:56>> [accessed 19 May 2021].

provided citizens with unprecedented civil liberty and security. The essay 'Of Public Credit' was devoted to investigating the political and economic effects of state finance. Hume identified public borrowing as a modern phenomenon and as 'a practice, which appears ruinous, beyond the evidence of a hundred demonstrations'.³³ Admitting some advantages of the funding system, Hume stressed that it necessarily and inevitably harmed the polity and the economy. National debt increased the price of provisions and labour, encouraged idleness and raised taxes. Since the resulting increase in taxation ruined the poor and the countryside, it changed the geographical distribution of the population: people either moved to London to enjoy the privileges of the capital or emigrated to the foreign countries that benefited from Britain's debt by investments.³⁴ However ruinous poverty, depopulation and loss of commercial competitiveness were, the ultimate cause of catastrophe lay in the international system of rivalry, which also was the origin of national debt. While Hume held that Britain's military engagement to maintain the balance of power was necessary, he emphasised that 'above half of our wars with France, and all our public debts, are owing more to our own imprudent vehemence, than to the ambition of our neighbours'.³⁵ Since public borrowing enabled politicians to fight unnecessary wars while devolving responsibility to pay off the accumulating debt to an unknown future generation, it was an attractive instrument to statesmen.

Hume's concern arose from the possibility that financial obligations could grow unchecked and from the fact that lightening the resulting burden was unlikely. 'We all own', he stated,

that the most sanguine imagination cannot hope, either that this or any future ministry will be possessed of such rigid and steady frugality, as to make a considerable progress in the payment of our debts; or that the situation of foreign affairs will, for any long time, allow them leisure and tranquillity for such an undertaking. *What then is to become of us?*

Modern commercial Britain faced a difficult dilemma. For its solution, Hume offered two alternatives: 'It must, indeed, be one of these two events; either the nation must destroy public credit, or public credit will destroy the nation'.³⁶

Since, according to Hume, all proposals to pay off the national debt were unrealistic or deceitful, the most likely cause for governmental spending to reach its limit was a crisis caused by a foreign aggressor. If France attacked, Britain would be heading for catastrophe either in the form of foreign usurpation or in a compulsory expropriation of public creditors. If, in such a case, the British government preferred honouring its obligation towards stockholders to defending the country, Britain would

³³ Hume, *Political Discourses*, p. 124.

³⁴ *Ibid.*, pp. 130–1.

³⁵ *Ibid.*, p. 111.

³⁶ *Ibid.*, pp. 134f.

be conquered, and public credit would die a ‘violent death’. If, by contrast, the government would declare itself insolvent and use the money that was dedicated to pay interest for self-preservation, public credit would die a ‘natural death’. Although it would bury ‘thousands in its ruins’, Hume advocated the solution of a voluntary bankruptcy since the safety of millions would be guaranteed. However, he feared that Britain was less likely to resort to such a drastic measure than an absolute monarch would be. In free states, members of the governing bodies had ties with public creditors and would seek to avoid a bankruptcy in order to prevent their own financial ruin.³⁷

The threat that the national debt posed to Britain was not only inherent in the funding system but also imminent. To convey the urgency of the problem, Hume compared the current policy of states to engage in warfare amidst their enormously grown financial obligations to playing a match of cudgel in a china shop. Although Hume considered foretelling the future to be unscientific and imprudent, he offered a timeframe within which the predicted catastrophe would take place: ‘a very near period, such as half a century’. He did not provide his readers with a vision of Britain after bankruptcy. All he stated was that public credit would not remain dead but would quickly revive and that the practice of public borrowing to finance warfare would continue.³⁸ Hume stressed that this was not a prophecy inspired by ‘divine fury or madness’. His prediction of the imminent collapse of Britain was based on reason and on the ‘natural progress of things and men’, observable for anyone who was free from ‘popular madness and delusion’.³⁹ In his nuanced and convincing interpretation, István Hont has characterised Hume as ‘calm, measured, and even cautiously optimistic’ in the first edition of ‘Of Public Credit’.⁴⁰ However, if we read Hume’s assessment of national debt as a prediction of the future, the Scottish philosopher emerges as deeply apprehensive. Britain’s collapse seemed to be necessary, immanent and unavoidable.

In the early editions of ‘Of Public Credit’, the main threat to Britain’s prosperity and independence was posed by an external aggressor. After the experience of the Seven Years War and the resulting growth of Britain’s debt, Hume added an internal cause of catastrophe in 1764. According to him, the war had increased the threat. Britain had significantly augmented its ‘natural strength’ and it was this excess that constituted the source of all current dangers. Hume constructed the new scenario for Britain’s future as follows: as a consequence of the immensely grown national debt land would be taxed to the limit, commerce and industry would be burdened with the highest duties and all sources of revenue were mortgaged in perpetuity. These ‘seeds of ruin’ brought

³⁷ Ibid., pp. 137–41. Hume elaborated on Britain’s constitutional difficulty in declaring bankrupt in his essay ‘Of Civil Liberty’.

³⁸ Ibid., pp. 138–41. Hume heavily criticised the practice of predicting the future in his essay ‘Whether the British government inclines more to absolute monarchy, or to a republic’.

³⁹ Ibid., p. 141.

⁴⁰ Hont, *Jealousy of Trade*, p. 340.

about an ‘unnatural state of society’ in which only the public creditors received any revenue. This class of men was notoriously unpatriotic and unreliable; their only claim to authority, public stocks, was extremely volatile. Consequently, the existing social order would be replaced by a highly unstable one, depriving the polity of the power to resist a domestic tyrant or a foreign usurper. The most likely result of this situation, Hume explained, was a ‘degree of despotism which no oriental monarchy has ever yet attained’: an absolute prince who taxed public creditors so that all revenue of the country would ultimately be concentrated in his hands, rendering him the sole proprietor of all land and production.⁴¹

It was therefore the likelihood of the unlimited growth of national debt, a phenomenon of commercial society and a product of warfare, that fuelled Hume’s fear. Based on the ‘natural course of things’, he predicted that overspending would necessarily and imminently cause a catastrophe. Governmental expenditure grew more rapidly than the sources of revenue and the resulting taxes additionally increased pressure on productivity and consumption. This development, Hume argued, must end in fiscal despotism or foreign usurpation. The only realistic alternative was a voluntary bankruptcy, after which, however, public borrowing would continue, causing the same dilemma as before. Hume’s gloomy prospect of Britain’s near future was widely disseminated. ‘Of Public Credit’ was part of numerous editions of Hume’s essays and of many translations. Lengthy quotations were reproduced in lexica, textbooks and pamphlets.⁴² His prediction of Britain’s future also proved highly controversial. Some authors accused him of entertaining too favourable an opinion of national debt;⁴³ others claimed that his false ‘gloomy prophecies’ deceived the public and they explicated the benefits of national debt.⁴⁴ Many used him as an authority to warn against the calamitous effects of the funding system.⁴⁵ The most interesting elaborations of Hume’s apprehension were made at a time of acute crisis by Adam Smith and Richard Price.

⁴¹ See the revised version of ‘Of Public Credit’ in David Hume, *Essays and Treatises: On several Subjects*, I (London and Edinburgh, 1764), pp. 391–4.

⁴² See, for example, Jacques Savary des Brûlons and Malachy Postlethwayt, *The Universal Dictionary of Trade and Commerce* (London, 1757), pp. 630f.; *The Politician’s Dictionary: Or, a Summary of Political Knowledge*, I (London, 1775), pp. 196–202; Franz Swediauer, *The Philosophical Dictionary: Or, the Opinions of Modern Philosophers on Metaphysical, Moral, and Political Subjects*, I (London and Edinburgh, 1786), pp. 61–6.

⁴³ Malachy Postlethwayt, *Great-Britain’s True System* (London, 1757), pp. 213–17.

⁴⁴ James Steuart, *An Inquiry into the Principles of Political Oeconomy: Being an Essay on the Science of Domestic Policy in Free Nations*, II (London, 1767), pp. 348–480; Isaac de Pinto, *Traité de la Circulation et du Crédit* (Amsterdam, 1771), pp. 38f.; Thomas Mortimer, *The Elements of Commerce, Politics and Finances, in Three Treatises on those Important Subjects: Designed as a Supplement to the Education of British Youth, after they Quit the Public Universities or Private Academies* (London, 1772), pp. 367–81.

⁴⁵ Richard Price, *Additional Observations on the Nature and Value of Civil Liberty, and the War with America* (London, 1777), p. 153; James Currie, *A Letter, Commercial and Political: Addressed to the Right Hon. William Pitt* (Dublin, 1793), pp. 8–9, 32.

III

The conflict between Britain and its American colonies in the 1770s lent a new urgency to the issue of state finance. With the outbreak of armed conflict, Britain had to incur new debts to cover the expenses of warfare. In his *Wealth of Nations* from 1776, Adam Smith not only inquired into the nature and causes of national prosperity but also assessed Britain's current state in a time of crisis and its possible future. He dismissed the claim that the country was on the road to ruin because of a negative balance of trade as an erroneous presupposition of the mercantile system, arguing instead that Britain had become more productive and prosperous over the last centuries.⁴⁶ This positive assessment of economic growth constituted a powerful counterargument to moralistic jeremiads about luxury and decline, and it led to the interpretation of Smith as an uncritical optimist.⁴⁷ However, Smith's history of commercial states also revealed that they had sown the seeds of their own destruction. He warned that 'The progress of the enormous debt which at present oppress, and will in the long-run probably ruin all the great nations of Europe, has been pretty uniform'.⁴⁸ The reason Smith gave for Britain's growing financial obligations was the misguided mercantile policy of empire: to advantage a minority of merchants and producers, the generality had to sustain a costly colonial empire.⁴⁹

Overall, Smith's account of Britain's unproductive overspending was more refined and better supported by data than that of Hume. He traced the historical origins of public borrowing to modern times and explained its development in the following terms. In the rude stages of society, governments were parsimonious and hoarded money in their treasuries during times of peace which could be used to meet the costs of warfare. The commercial stage, by contrast, both necessitated and enabled sovereigns to meet the exigencies of war by borrowing from the public. Although Smith approved of expenses for durable national magnificence he criticised governments for spending their regular revenue in peaceful years on extravagant luxuries, counting on their subjects' willingness and ability to advance their savings in case of emergency.⁵⁰

To this explanation of the general evolution of national debt Smith added an account of the technicalities and historical development

⁴⁶ Smith, *An Inquiry into the Nature and Causes*, I, p. 418; idem, *An Inquiry into the Nature and Causes*, II (London, 1776), p. 85.

⁴⁷ That this judgement needs qualification has been shown by Winch who provided an insightful discussion of Smith's politics. However, in Winch's perspective, Smith's warning about national debt was primarily 'conventional'. Donald Winch, "'A great deal of ruin in a nation'", in Peter F. Clarke and Clive Trebilcock (eds), *Understanding Decline: Perceptions and Realities of British Economic Performance* (Cambridge, 1997), pp. 30–48, at p. 45.

⁴⁸ Smith, *An Inquiry into the Nature and Causes*, II, p. 539.

⁴⁹ *Ibid.*, pp. 586–7.

⁵⁰ Smith explained that the growing prosperity in commercial societies created merchants and manufacturers who had an abundance of capital that they voluntarily advanced to the government because they trusted the regular administration of justice. *Ibid.*, pp. 533–9.

of public finances in Britain. He explained the different methods of borrowing from the public and asserted that the practice of anticipating a source of revenue several times over was the most 'ruinous expedient'. It locked up income in perpetuity that could be liberated only by bankruptcy. To trace the history of Britain's debt, Smith provided detailed sums of the total debt (to the shilling and pence) after each increase and reduction since the introduction of the funding system. Thus, it was revealed that the national debt had been growing perpetually and that the sinking fund was insufficient to guarantee relief. The resulting taxation was harming agriculture, trade and manufacturing. The common people were impoverished, and the wealthy encouraged to emigrate.⁵¹ From the examples of the Italian republics, Spain, France and the Netherlands, Smith concluded that public borrowing enfeebled every state that made use of it. Neither could Britain be expected to avoid catastrophe. Smith warned:

Great Britain seems to support with ease, a burden which, half a century ago, nobody believed her capable of supporting. Let us not, however, upon this account rashly conclude that she is capable of supporting any burden; nor even be too confident that she could support, without distress, a burden a little greater than what has already been laid upon her.⁵²

The chances of a prosperous future were minimal. To avoid ruin, Britain had to increase its revenue and at the same time reduce its expenses. Smith offered two solutions: reforming the empire or abandoning colonial ambition. In the first scenario, sufficient revenue could be raised by extending taxation to America and Ireland. Making the colonies contribute to the discharge of Britain's debt, Smith maintained, was 'not contrary to justice' since the loans were contracted to defend the empire and a government that had brought them liberty, prosperity and the Protestant religion. This financial contribution to the debt was achievable only in exchange for political representation of the colonies in parliament and in return for removing commercial restrictions upon North America and Ireland. Such recommendations meant that Smith considered the option of imperial reform to be 'very difficult, perhaps altogether impossible'.⁵³ The alternative strategy to avoid Britain's ruin from its growing national debt, the second scenario described by Smith, was to abandon the colonial enterprise and 'to accommodate her future views and designs to the real mediocrity of her circumstances'.⁵⁴

Smith has been classified as less pessimistic than Hume. Donald Winch justified this assessment by explaining that Smith refrained from offering a timescale within which catastrophe would occur, emphasised the prospects for long-term economic growth and adopted a nuanced

⁵¹ *Ibid.*, pp. 551–61.

⁵² *Ibid.*, p. 563.

⁵³ *Ibid.*, p. 569.

⁵⁴ *Ibid.*, p. 587.

tone.⁵⁵ However, several points should be taken into consideration when we compare how the two Scotsmen reflected upon Britain's likely future. Smith's less alarming tone can be explained with reference to the difference in genre and aim – he did not write *Political Discourses* like Hume but a comprehensive, systematic *Inquiry into the Wealth of Nations*. It is true that Smith's assessment of national debt was more 'scientific': he gave an elaborate account of the origins of modern state funding and supported his history of state finance with data on the amount of the national debt. Yet this exposure actually underlined the continuous growth of Britain's financial liabilities. Considering that Smith used terms like 'enfeeblement' and 'ruinous expedient' in his overall detached and calm argumentation, catastrophe emerged as a necessary consequence of governmental overspending. After the loss of the American colonies, a national bankruptcy seemed inevitable.

This sense of impending doom was brought to broader public notice by the highly popular pamphlets of the dissenting minister Richard Price (1723–91). According to this 'warm admirer' of Hume⁵⁶ the growing debt of Britain had caused the conflict with its American colonies and would ultimately destroy the motherland. In his *Observations on the Nature of Civil Liberty* of 1776, Price claimed that Britain's corrupt ministers had attempted to service the increasing debt by levying taxes on the American colonies and thereby infringed the liberty of their subjects. The resulting American resistance posed a grave danger to Britain: a war would be unaffordable, and the inevitable victory of the colonists would financially ruin the country. Price's description of the current situation sounded remarkably similar to that of Smith:

And, upon the whole, it is undeniable, that it [British exports to the American colonies] has been one of the main springs of our opulence and splendour; and that we have, in a great measure, been indebted to it for our ability to bear a debt so much heavier, than that which, fifty years ago, the wisest men thought would necessarily sink us.⁵⁷

Price concluded that the independence of the American colonies would cause Britain to collapse. Not only would thousands lose their lives in an unjust civil war, but commerce and manufacturing would decline and the national debt would grow considerably while revenue would fall. National bankruptcy loomed. Such a severe crisis offered foreign aggressors an unparalleled opportunity to invade Britain.⁵⁸

To convey urgency, Price annexed detailed lists of the amount of Britain's debt in 1775 and of the country's annual income and expenditure.

⁵⁵ Winch, *Adam Smith's Politics*, pp. 121–45. See also his unpublished paper 'The political economy of public finance'.

⁵⁶ Pocock, *Virtue, Commerce, and History*, pp. 139f. <https://arts.st-andrews.ac.uk/intellectualhistory/islandora/object/intellectual-history%3A56> [Accessed 19 May 2021].

⁵⁷ Richard Price, *Observations on the Nature of Civil Liberty, the Principles of Government, and the Justice and Policy of the War with America* (London, 1776), pp. 72f.

⁵⁸ *Ibid.*, p. 73.

These numbers revealed the enormity of the debt and the inadequacy of the revenue, underlining the hopelessness of the situation. Price concluded that '[a]n important revolution in the affairs of this kingdom seems to be approaching. If ruin is not be our lot, all that has been lately done must be undone, and new measures adopted'.⁵⁹

The only effective remedy was a reform of the empire and Price recommended a proposal by his acquaintance William Petty, the second earl of Shelburne. Shelburne suggested, following Smith, that the American colonies contributed towards discharging Britain's national debt in exchange for wide-ranging liberties, such as free trade and political representation. Price was sure that Britain would become more powerful and prosperous once corruption was eliminated and the well-balanced constitution restored. However, he feared that no minister would act like a 'blessed Saviour' and expected that the war with America 'may soon leave us nothing to be anxious about'.⁶⁰

Price repeated this prophecy of ruin in the various editions of his *Observations on Reversionary Payments* that appeared between 1771 and 1783. The work was devoted to explaining how the values of life assurance are calculated and how widows and the elderly could be provided with annuities. Although this did not directly serve his main purpose, Price included an entire chapter on Britain's debt and justified this digression on the grounds of the relevance of the issue. Since its introduction during the Glorious Revolution, Britain's debt had continuously grown with each war. Again and again Price repeated that this practice constituted 'a burden which must be always growing heavier and heavier, 'till it becomes unsupportable', that it 'must in the end prove destructive'.⁶¹ The state of Britain was 'discouraging and hazardous' and the country 'got so near to the limits of the resources of the nation, that it cannot be allowed much time'.⁶² Referring to Hume, Price warned about the evil and dangerous effects of the excessively swollen debt: the resulting increase in taxation raised the price of food and labour and caused depopulation; the interest of the people in the funds made the rule of a despot inevitable and the impoverished country would become easy prey for a foreign aggressor.⁶³ Price concluded that '[a]ll these are evils which must increase with every increase of the national debt; and there is a point at which, when they arrive, the consequences must be fatal'.⁶⁴

⁵⁹ Ibid., p. 109.

⁶⁰ Ibid., p. 128.

⁶¹ Richard Price, *Observations on Reversionary Payments* (London, 1771), p. 135f.

⁶² Ibid., pp. 147, 155.

⁶³ Price explained the relation between a growing national debt and depopulation more detailed in *An Appeal to the Public*. He claimed that the number of people in England and Wales had declined by one quarter in the last eighty years, and he lists the national debt as one of the causes. Since the taxes needed to service the debt doubled the prices for food, maintaining a family became more difficult and marriage and procreation were discouraged, see Richard Price, *An Appeal to the Public, on the Subject of the National Debt* (London, 1772), pp. 45–8.

⁶⁴ Price, *Observations on Reversionary Payments* (1771), p. 161.

By the time that the fourth edition of *Observations on Reversionary Payments* appeared, it had become clear that Britain had missed the chance of forming a fiscal union with its American colonies. Consequently, Price needed to find another strategy to prevent calamity and he proposed to reinstitute the sinking fund. In an appendix, he offered a historical account of this amortisation fund, stressing that it had been raided regularly. His updated account of Britain's debt underlined the enormous increase since the beginning of the war with America. The concluding sentences nicely illustrate Price's gloomy vision of the future: 'Such at *present* is the state of our debts. Time alone can unfold their *future* progress, and the calamities towards which they are carrying us'.⁶⁵

Although Smith and Price have been contrasted as the calmly observing impartial spectator and the polemical republican Jeremiah,⁶⁶ they were singing from the same hymn sheet in their apprehension about national debt. Both elaborated and refined Hume's concerns about the future of Britain by adding numerical data about the size of national financial liabilities. While they refrained from offering a date for the predicted collapse, Smith and Price repeatedly stated that catastrophe would happen soon. It was as a natural, necessary, almost inevitable consequence of the unchecked growth of national debt. The American war was decisive since it constituted an acute crisis in which reforms of the empire that were necessary to avoid ruin could have been realised. With the declaration of independence, the excessively grown debt and the loss of profitable colonies, all hope seemed lost. The growing gap between governmental war expenditure and national income increased the sense of impending doom.

This apprehension for Britain's future was widely shared. One telling example is *The Free Born Briton or a Perspective of Taxation* (Figure 1) from 1790 by the printmaker William Dent (fl. 1783–93).

John Bull, representing the British nation, is surrounded by taxes and duties. From publications to drink and bricks to birth and death, everything was mortgaged. The accompanying text explains that John 'must sink beneath the evil'. From the two yokes, inscribed 'civil list' and 'national debt', hang symbols of various taxes and customs. The heavy burden makes the strong man angry. Stamping his foot on the ground, he breaks the staff of liberty.

IV

Hume's, Smith's and Price's predictions of Britain's looming bankruptcy were developed further after the outbreak of the war with revolutionary France.⁶⁷ Written during his exile in Paris, Thomas Paine's (1737–1809)

⁶⁵ Price, *Observations on Reversionary Payments* (1783), p. 235.

⁶⁶ Winch, "A great deal of ruin in a nation", p. 45.

⁶⁷ Paine refers to Smith and Price in the pamphlet. The resemblance to Hume is analysed by Allan Potofsky, 'Paine's debt to Hume? On the origins of Paine's *Decline and Fall of the English System of Finance* (1796)', *Journal of Early American History*, 6(2–3) (2016), pp. 137–51.

The Decline and Fall of the English System of Finance of 1796 was devoted to detecting the principles underlying the growth of national debt and to deducing the political consequences thereof. The title and front page of the pamphlet prominently made plain that Britain was immediately facing catastrophe. In the middle of the title page, the following citation was placed: “‘On the verge, nay even in the gulph of bankruptcy” Debates in Parliament’. By omitting that Prime Minister Pitt, who made this statement, had referred to France, Paine created the impression that the process of Britain’s irreversible demolition was well under way.

Paine started his pamphlet by claiming that the point at which the English funding system would reach its limit could be calculated by analysing the patterns of its progress and by observing serial symptoms of decay. Since he based his reasoning on facts and data, Paine contended that his ‘scientific’ approach was more convincing than that of his predecessors, Smith and Price, who had expressed opinions that were merely based on the assumption that the perpetual duration of Britain’s debt was a ‘natural impossibility’. Therefore, they had remained vague about the timeframe within which the predicted collapse would take place.⁶⁸ Despite this criticism, Paine relied on the data about the national debt that the *Wealth of Nations* provided. From the six wars Britain had fought in the 100 years since the introduction of the funding system, Paine deducted a pattern, a ‘ratio’, to determine the costs of future wars and the moment of collapse. Paine emphasised the novelty of his move in the existing debate on national debt when he claimed that ‘[h]itherto no idea has been entertained that any such ratio existed, or could exist, that could determine a problem of this kind’.⁶⁹ Britain’s debt grew neither in an ‘arithmetical progression’ (2, 3, 4, 5) nor in a ‘geometrical progression’ (2, 4, 8, 16) but ‘in the series of one half upon each preceding number’ (8, 12, 18, 27). Applying this ratio, Paine determined the future growth of governmental overspending. The next five wars would increase the debt of Britain to £320 million and the tax burden to £128 million. ‘Is there’, he asked, ‘a man so mad, so stupid, as to suppose this system can continue?’⁷⁰

In addition to elaborating the means of the precise measurements of decline, Paine refined the technicalities of bankruptcies inherited from his predecessors. It was not the inability to procure loans that would cause catastrophe but, to the contrary, the ease with which the British government could take up new ones. According to Paine, within the next twenty years a new war would break out and necessarily lead to a bankruptcy. This prediction was substantiated with the argument that never had more than twenty years passed before another war was provoked by England’s interference in continental politics and its disposition to provoke commercial rivals. The next war, however, would

⁶⁸ Thomas Paine, *The Decline and Fall of the English System of Finance* (Paris [London], 1796), pp. 1f.

⁶⁹ *Ibid.*, p. 6.

⁷⁰ *Ibid.*, pp. 6–10.

overstretch the country's resources and the massive increase in debt and taxation would depreciate paper money so much so that the Bank of England could not guarantee its value with its gold and silver provisions. A resulting bankruptcy must – Paine referred to the recent examples of France and America – necessarily lead to a revolution in government.⁷¹

To explain that Britain's debt could not continue to grow without limits, Paine referred to 'the scheme of creation'. From the beginning of the world the existence of all things living relied on the death of the old and the succession of the new. The examples of men, animals and plants revealed that nature 'always acts by renewed succession, and never by accumulating additions perpetually progressing'. The expectation that the funding system would continue to exist forever was as idiotic as foreseeing immortal men living together in eternal youth – a comparison that, without naming him, referred to Godwin.⁷²

V

This article has gone beyond the question of the immediate occasion that inspired Malthus to write his *Essay on the Principle of Population*. Intellectual history aims to understand past authors on their own terms and reconstruct the context in which they forged their arguments. Instead of addressing twenty-first-century questions towards selected sources, it explores concerns that were central to their own time. Setting Malthus in the context of Enlightenment apprehension about national debt, the article challenges the scholarly assumption of a sharp break between the Anglican pastor and his predecessors. Malthus was not thoroughly pessimistic, nor were proponents of the Enlightenment unequivocally optimistic. Rather, there was a remarkable degree of similarity between Malthus' concern about population and his contemporaries who were preoccupied with the consequence of an excessive national debt. However different in their political stance and ambition, Hume, Smith, Price and Paine all shared concerns about the political consequences of public borrowing. They, like Malthus, warned about unlimited growth. They, like Malthus, considered current politics unable to solve the problem of the day. They, like Malthus, used evidence and experience to lay down the principles of growth that could be used to 'scientifically' make predictions about the likely future. Compared to the doom and gloom that Hume, Smith, Price and Paine expected for Britain's near future, Malthus' outlook of perpetual oscillation between misery and happiness seems relatively optimistic, especially with the admission of 'moral restraint' in the second edition of the *Essay*.

Placing Malthus in this context sheds new light on what he was doing when he formulated the principle of population in the late eighteenth

⁷¹ Ibid., pp. 16–22.

⁷² Ibid., pp. 27–8. The opening sentences, similarly, can be read as a reply to Godwin's utopia of immortality.

century. The view emerging is that Malthus' novelty lay not so much in the urgency or the scientific nature of the apprehension but in the cause that impeded society's future progress. Instead of governmental overspending, it was overpopulation that threatened Britain; thus, the danger arose from within. Misguided poor laws and the inevitable misery of the lower classes of society were the cause for Malthus' concern, not belligerence, empire and foreign aggressors. While continuing his predecessors' preoccupation with excessive growth, Malthus thus changed the parameters of the established debate decisively. His perspective had a powerful impact on the development of political-economic discussions in the nineteenth century.

This finding raises important questions. Did the debate on governmental overspending directly influence Malthus and did he intentionally revise this tradition? It is highly likely that Malthus was aware of Hume's, Smith's and Price's predictions of Britain's bankruptcy when he first wrote the *Essay*. He referred to their work and acknowledged their importance for his own thinking. The case of Paine's inquiry into the principles of Britain's finance is more uncertain. *The Decline and Fall of the English System of Finance* was widely distributed, partly through a subsidy of the French revolutionary government, and it has been classified as the most famous tract on monetary theory in the eighteenth century, a topic Malthus wrote on as well.⁷³ Although the catalogue of the Malthus library in Jesus College, Cambridge lists a copy of the pamphlet, this entry proves neither that Malthus had owned it himself nor that he read it.⁷⁴

If we assume that Malthus was aware of the apprehension about public borrowing, the question arises why he preserved the form of his sources' concern for the future but transformed the underlying cause. Why did he make overpopulation in the very late eighteenth century more threatening than governmental overspending? Why was he himself conspicuously silent on the issue of state finance?⁷⁵ Possible explanations might be found in the experience of the French Revolution; it revealed to contemporaries the power of the masses. Malthus, in the second edition of the *Essay*, warned that the lower classes are easily manipulated into blaming the government for their misery, making the establishment of a military despot highly likely: 'Of the tendency of mobs to produce tyranny, we may not be long without an example in this country'.⁷⁶ He explained that Britain's liberty during the last food scarcities had been

⁷³ Carine Lounissi, *Thomas Paine and the French Revolution* (New York, Berlin, and Heidelberg, 2018), pp. 270–1; Alexander John Dick, *Romanticism and the Gold Standard: Money, Literature, and Economic Debate in Britain, 1790–1830* (Basingstoke, 2013), p. 206.

⁷⁴ Jesus College and Thomas Robert Malthus (eds), *The Malthus Library Catalogue: The Personal Collection of Thomas Robert Malthus at Jesus College, Cambridge* (New York, 1983), p. 128.

⁷⁵ Takuo Dome, 'Malthus on taxation and national debt', *History of Political Economy*, 29/2 (1997), pp. 275–94; Nancy Churchman, 'Public debt policy and public extravagance: the Ricardo–Malthus debate', *History of Political Economy*, 31/4 (1999), pp. 653–73.

⁷⁶ Malthus, *An Essay on the Principle of Population* (1803), p. 526. For the broader debate on poverty in Britain during the 1790s, see Gareth Stedman Jones, *An End to Poverty? A Historical Debate* (New York, 2012), pp. 66–109.

saved only by the existence of a standing army; the standing army was naturally financed by borrowing money from the public. It is noteworthy that the shift from national debt to population occurred during a time when the British government contracted loans on an unprecedented scale. This might point towards the success of Pitt the Younger in making the long war against France appear to be a necessity. Investing in Britain's national debt became a patriotic act, questioning its creditworthiness by prophesying a bankruptcy treason.⁷⁷ Further research into the intellectual climate of the end of Enlightenment is needed to answer these questions satisfactorily.

⁷⁷ Winch, *Riches and Poverty*, p. 328; Anna Plassart, *The Scottish Enlightenment and the French Revolution* (Cambridge, 2015), pp. 101, 190.