

## **THE WHATELY PROFESSORS OF POLITICAL ECONOMY AND ECONOMIC POLICY 1832-1932**

by Gareth Davis

*"The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else".*

*J.M. Keynes p 383 of "General Theory".*

IRELAND'S EXPERIENCES over this century inspired a host of prescriptions from a veritable galaxy of writers. Great economists such as Mill and Marx diverted much analytical firepower to the study of our situation. But what has been largely ignored by most commentators has been the role and influence of Irish economists in general, and of the Whately Professors [1] in particular, in the shaping of the political measures applied to our problems.

The boundary between what constitutes a contribution to theory and what exists as a contribution to the policy making process is an arbitrary and transparent one. Almost all economic theory, even at its most abstract and generalised level, poses implications for policy makers. However I intend to mark out my territory as being an examination of the work of these men which was specifically designed to influence governmental or political action rather than that designated to contribute to the general body of theory possessed by our discipline. But despite this delineation the overlap between the two areas will be, in many cases, quite substantial.

### **LONGFIELD AND THE FOUNDATION OF THE CHAIR**

It is a commonly held maxim that classical liberalism and classical political economy were usually victorious together. Such was the case with political economy in Trinity. The actual recognition and creation of the Whately Chair by the college authorities and the appointment of the relatively Whiggish Mountfort

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I would like to thank two holders of the chair Professor G.A. Duncan, holder from 1932 until 1967 and the current holder, Professor Dermot McAleese. I would also like to thank Dr. Antoin Murphy. Their assistance and guidance proved of great help during my period of researching this essay.

Longfield as the first holder was a manifestation of the political ascendancy, at that particular moment in time, of liberalism, both within and outside the College [2]. This was the climate which had just seen the appointment of Bartholomew Lloyd, still revered as Trinity's great reforming Provost, and in which the Whig government had just succeeded in passing the great Electoral Reform Bill of 1832 which had widened the franchise enormously.

Montfield Longfield served as Whately Professor, for the first tenure of 5 years [3], from 1832 to 1837. For the last 3 of these he had to combine this task with being Regius Professor of Laws. During this limited period he acquired a formidable reputation as a theorist. No less an authority than Joseph Schumpeter, in his definitive "History of Economic Analysis", cites him as a man who "overhauled the whole of economic theory and produced a system (in 1833) that would have served well in 1890" [4].

His first contribution to the policy debate came in 1834 with the publication of "Four Lectures on Poor Laws". This pamphlet reflects the timeless concern with striking a workable compromise between compassion and economic efficiency when designing a system for the relief of poverty. It implicitly rejects an absolutist laissez faire approach stating that "every individual is entitled to the means of support .... from that society which would compel him to obey its laws" [5]. But it also points to the dangers which overprovision for the poor could pose in terms of undermining their incentive to work. In 1840 he wrote a piece on monetary reform calling for a state monopoly in the provision of currency in order to ensure a stable financial climate.

However Longfield's most major and enduring contribution to Irish public life, and one which has been grossly underestimated by historians, was on the land question. In the period 1858 to 1867 Longfield had first hand experience of the issues involved in the tenant right question as a judge of the landed estates court. Over this time he acquired a reputation as a staunch advocate of the rights of tenant farmers and of the necessity for legislation to protect those rights. His impeccable credentials as a judge and after 1867 as a Privy Councillor gave influence to his name.

In 1870 his proposals for ensuring the right of tenants to a fair rent, to fixity of tenure and to the free sale of any improvements, made known in the press as the "Longfield Scheme" were tabled in Parliament by the Liberal M.P. Walter Morrison. They were however, too radical at this stage for Gladstone, and became law only in a much more conservative form as the 1870 Land Act. This however implied a moral victory for the concept of tenant rights in that it contradicted for the first time, the absolute property rights of landlords.

Longfield is the forgotten idealogue of the Land League movement which ensued in the following decades. He provided the theoretical basis for much of their

ideology. As Moss puts it "by an unusual and perhaps unique marriage of Lockean and Benthamite principles, Longfield provided a philosophical underpinning for his advocacy of land reform" [6].

## BUTT, HANCOCK AND THE FAMINE

Isaac Butt was appointed to the chair in 1837 as the second professor. He is primarily known as the father of the Home Rule movement in the 1870s. However Butt was also a notable economist whose contribution to the development of the theory of value is lauded by Schumpeter [7].

In 1846, whilst still a young Tory, he published a pamphlet entitled "Protection to Home Industry: some cases of its advantages considered". This piece consisted of a call for tariff barriers as a remedy for Ireland's stunted economic take off. Praised highly by his political opponents in the Young Ireland movement [8] this piece formed an important and perhaps crucial contribution to a body of protectionist thought which exercised much influence on Irish public life all the way up to DeValera's experiments in this century.

His second major policy work was published in 1847 at the height of the Famine and entitled "A Voice for Ireland: a Famine in the Land". It consisted of a powerful critique of the incompetent and incoherent government policies which had allowed this catastrophe to claim its terrible price in lives. It was widely read and drew much attention, especially in nationalist eyes, to the political calibre of the author [9].

Within many circles the name of the fourth holder of the chair, who was Professor from 1847 to 1852, is contrasted unfavourably with that of Butt's. William Neilson Hancock has remained a *bête noire* amongst many commentators on the famine. He is characterised as a dogmatic and callous advocate of a laissez faire approach to the problems involved with his pamphlet of 1847, "Should the principles of political economy be disregarded during the present crisis?", cited as evidence of this. Such a judgment underestimates the true ability of the man and obscures the real nature of the role which he played.

John Kells Ingram writing his obituary [10] leaves us enough evidence, especially in the light of modern theory, to refute this fallacy and to do justice to his memory. What Hancock advised during the early days of the Famine was not crude non-interventionism. Rather, what he advocated was that the state should provide direct cash payments to the poor in order to enable them to purchase food rather than trying to provide this food directly to them. Given that modern theory sees that most famines occur, not because of physical shortages of food, but rather due to a group's loss of purchasing power, purchasing power which gives entitlement to food, then perhaps Hancock's much abused prescriptions should be re-evaluated.

It is unfortunate that his controversial role during the Famine has obscured his other significant contributions to the administrative process in Ireland. He acted as the voice of one of the powerless groups in Irish society, the inmates of orphanages, and succeeded in gaining an improvement in their conditions [11]. Ingram describes his book of 1850, called "Impediments to the prosperity of Ireland", as "fitted to be a handbook for every Irish reformer" [12]. He also served dynamically as the secretary to the Irish Railways Commission. The weight of his influence can be gauged by the fact that at one stage Prime Minister Sir Robert Peel declared publicly that Neilson's writings were a major determinant in the shaping of his opinions towards Ireland [13].

## CAIRNES, BASTABLE AND THE AMERICAN CIVIL WAR

The Whately Professor from 1856 to 1861 was a first rate economic theorist with an enduring and international reputation. John Eliot Cairnes has been described by R.D.C. Black as being, in his day, "the second best economist in the British Isles, surpassed only by John Stuart Mill" [14]. Along with Senior and Mill he was the pioneer in the development of a methodology for orthodox economics. His writings on the "gold" question were recorded by T.W. Hutchinson as being "amongst the most important works of the nineteenth century on monetary theory"[15].

Cairnes' work on the Irish land question was both influential and extensive (in its own right and by virtue of its impact on J.S. Mill's Irish stance) [16]. However it was his role during the American Civil War which gave international prominence to his name.

At the commencement of the conflict British sympathies, especially those of the political establishment, weighed heavily in favour of the South. It is conceivable that, had this mood persisted, Britain, at that time considered the world's policeman, may have eventually abandoned its neutrality and proceeded to intervene militarily in order to prevent the collapse of the South.

That this feeling did not persist is due in no small part to the work of Cairnes. His book of 1862, "The Slave Power", was described by Leslie Stephens as "the most powerful defence of the cause of the Northern States ever written" which "created a great impression both in England and America" [17]. It ran to two editions and was a best seller in Britain. It consisted of a penetrating use of economic analysis combined with acute historical observation which demonstrated how the whole Confederate economy rested upon the institution of slavery and how this institution, unless it was removed, would bar the social and economic progress of these states.

Cairnes' influence upon the whole nature of the relationship between orthodox economic theory and policy making was a very profound one. "The Slave Power" and other works of his dealt some fatal blows to the laissez faire dogmatists who held that the unregulated market would in all circumstances and in all case lead to a spontaneous and simultaneous maximisation of the welfare of each economic

actor. This was the group which clung to the precept of government non-intervention, (even to relieve social evils such as slavery), as some sort of transcendental law of science. Cairnes' achievement was that, whilst remaining a respected mainstream economist, he was able to show that "the maxim of laissez faire has no scientific basis whatever", but is "at best a mere handy rule of practice" [18]. John Maynard Keynes shares this view of Cairnes' role in the development of economics stating that he "was perhaps the first orthodox economist to deliver a frontal attack upon laissez faire in general" [19].

Professor Bastable, appointed in 1882, remained throughout his 50 years in the chair, somewhat reluctant to immerse himself in the hustle of political debate. As he states in the introduction to one of his most prominent works "I have not sought to specially discuss matters of temporary or local political interest, or to delude on the merits of conflicting arguments of party advocates.... For the purpose of scientific study it is the general and permanent aspects that require elucidation"[20].

However despite this reticence towards political debate Bastable enjoyed a notable career during which he made important contributions to the teaching of economics. A founding member of the Royal Economic Association, his 3 major publications "Public Finance"(4 editions over 1892-1903), "The Commerce of Nations" (nine editions over 1891-1923) and "The Theory of International Trade" (two editions, first published 1887) were standard text books in most British and Irish universities right up to the Keynesian revolution.

"Public Finance" was the first significant volume on the subject since McCulloch's book of 1845 and has been used as the definitive exposition of classical wisdom, on the topic [21]. The study of trade provided the inspiration for his other 2 widely read books. As an outline of the classical view of the dangers of protectionism, and of the merits of free trade, chapters 8 and 9 of the "Theory of International Trade" possess a timeless persuasiveness which remains relevant even to this modern age.

Bastable did however play a role in the internal politics of this college. He was involved in the controversy of 1910-11 as a representative of the non-fellow professors and lecturers who had risen in protest against their relatively powerless and subordinate position within the structures of the university. Later when this group had gained representation on the college board he sat as their member. He also served on the 1923-26 Fiscal Inquiry Committee set up by the infant Irish Free State [22]. However his impact upon the work and findings of this group must have been slight given his teaching burden, his previous shyness towards party political entanglements and the fact that his vision had by that stage been adversely affected by cataract problems. He retired in 1932, the 100th Anniversary of the foundation of the Chair.

## CONCLUSION

This short investigation has demonstrated the significant role which even a small, though remarkable, group of economic thinkers and practitioners have had in shaping the nature of our present world. It hints at the powerful influence which economic thought can play in the formation of policy and shows the need for those who hold the reins over such logic to exercise responsibility and thoughtfulness in their work. On a lighter note I venture to hope that this study, by helping to unlock some of the rich, but often overlooked, heritage of economics at this college can provide a little inspiration to those of us at labour today.

## NOTES

1. The chair was named for Richard Whately, then the Church of Ireland Archbishop of Dublin and sometime Drummond Professor of Political Economy at Oxford, who provided the funding for the holder's salary at his own expense. This was set initially at £100 per annum. A century later in 1932 Professor Duncan's starting wage was £150!
2. Antoin Murphy constructs a powerful case for this view; casting the appointment of Longfield as a victory for the Whig elements on the College board and providing ample evidence of Longfield's Whig allegiances. See pp.13-25 in Murphy A.(ed.), (1984) "Economists and the Irish Economy" Dublin; Irish Academic Press.
3. The terms of the Chair initially set a tenure of 5 years. In 1887 this clause was removed (allowing C.F. Bastable to serve for 50 years).
4. p.465 in Schumpeter J.(1954)"History of Economic Analysis" London;Allen and Urwin
5. pp.153-179 in Moss L.S.(1976)"Mountifort Longfield; Ireland's first Professor of Political Economy" Ottawa; Greenhill
6. Moss op cit. pp 153-179
7. Schumpeter op cit p464
8. see chapter 4 in White T.De V.(1946)"The Road of Excess " Dublin;
9. White op cit chapter5
10. see pp.384-393 of "Journal of the Statistical and Social Inquiry Society of Ireland",November 1888
11. see Ingram op cit. pp 390-3
12. see Ingram op cit. p388
13. see Ingram op cit. p392

14. quoted in entry for "Cairnes, John Eliot" in "New Palgrave Dictionary of Economics" (1987) London; Macmillan
15. quoted in entry for "Cairnes, John Eliot" in "Encyclopaedia Britannica" (1963) London; Encyclopaedia Britannica
16. see pp 96-115 in Murphy A. (ed.) op cit.
17. quoted p 110 in Murphy A. (ed.) op cit.
18. quoted p 111 in Murphy A. (ed.) op cit.
19. p26 in Keynes, J.M., (1926). "The end of laissez-faire."
20. quoted p 6 in preface to "Public Finance" (First Edition 1892)
21. see entry in "New Palgrave" op cit. by Bristow J.A. under "Bastable, Charles Francis"
22. see obituary for "Professor C.F. Bastable" written by G.A. Duncan in "Journal of the British Academy" 1945