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## **MALTHUS, Thomas Robert (1766-1834)**

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Thomas Robert Malthus was born as a second son of a relatively wealthy, middle-class couple on 13 February 1766 in ‘The Rookery’ country house near Wotton in Surrey. He died on 29 December 1834 on a visit to Bath, and is buried in Bath Abbey. His father was Daniel Malthus (1730-1800), a person of independent means with literary and scientific interests and who was an acquaintance of Jean-Jacques Rousseau.

From 1779 to 1781 Thomas Robert Malthus was educated by the Reverend Richard Graves at his home near Bath. Malthus subsequently attended the Dissenting Academy at Warrington in Lancashire – an institution for Protestant nonconformists – until its dissolution in 1783. After a period with a private tutor, he became an undergraduate at Jesus College, Cambridge in 1784 and graduated there in 1788. He was elected a fellow of this college in 1793 and remained in that post until his marriage in 1804. He took a Masters Degree in 1791 and in 1798 he was ordained a minister of the Church of England. Malthus married Harriet Eckersall in 1804 and they had three children.

Surviving portraits and descriptions by contemporaries indicate that he was tall and handsome, with dark eyes and wavy hair, but with a hare-lip and cleft palate. In the turbulent 1790s, he took a moderate political position, opposing some Establishment policies as well as what he regarded as the excesses of the radicals. His first published work was his famous *Essay on the Principle of Population*, which appeared anonymously in 1798 and was published in five further editions during his lifetime.

In 1805 he was appointed to the East India College in Hertford as ‘Professor of General History, Politics, Commerce and Finance’, a title later shortened to ‘Professor of Political Economy’. The college was originally situated in Hertford Castle. In 1809 it moved to purpose-built premises in Haileybury, near Hertford, where Malthus’s residence is still preserved. The role of the college was to educate young men of from sixteen to eighteen for the Indian Civil Service, at a time when the East India Company administered India. Attendance was generally for four six-month terms. Although the College was not a university proper, its academic posts were relatively well rewarded and held in some esteem. Malthus was the first person in Britain to bear the title of Professor of Political Economy.

Malthus developed a friendship with David Ricardo and they had a long and illuminating correspondence. In contrast to his friend, Malthus supported the retention of the protectionist Corn Laws. After his famous *Essay*, he published his *Principles of Political Economy* in 1820 and his *Definitions in Political Economy* in 1827.

The full title of his first work was *An Essay on the Principle of Population, as it Affects the Future Improvement of Society, with Remarks on the Speculations of Mr. Godwin, M. Condorcet, and other Writers*. This shows its principal objective, to criticize the radical schemes of William Godwin, the Marquis de Condorcet and other writers. Malthus upheld that their schemes to create a perfect society came up against insurmountable demographic

and resource constraints. Malthus's core argument was that while human population increased exponentially, food production increased more slowly, in a linear fashion or arithmetic series. This constraint placed severe limits on human productive behaviour and undermined the view that a completely free or perfectible society was possible.

Malthus drew some conclusions from this argument that may be unpalatable for modern readers. For instance, he opposed some welfare handouts to the poor, on the supposed grounds that they added to the upward pressures on both prices and population and thereby exacerbated the very conditions that they were meant to relieve. In particular, he entered into controversies over the Poor Laws, arguing that the provision of cottages and other resources for the poor would encourage early marriages, leading to children and still more mouths to feed. Malthus thus applied his 'principle of population' to public policy debates of his time, most notably in his 1807 pamphlet critical of the reformist proposals of Samuel Whitbread, M.P..

Malthus's *Essay on the Principle of Population* and related works have been widely misinterpreted as an apologia for the immorality of an imperfect world. In particular, Karl Marx and Frederick Engels (1953) subjected Malthus to several venomous attacks, which both belittled Malthus's theoretical achievement and dismissed him as an apologist for the landed aristocracy. On the contrary, while conservative in some of his views, Malthus was of independent mind and did not condone many of the evils of his time. Contrary to the simplistic misinterpretation that Malthus condoned the ills of the world, for Malthus evil was something to be fought. His *Essay* is a warning that without evil to struggle against, the virtuous may become complacent or inert.

As John Pullen (1981) and others have argued, to understand Malthus's contribution it is necessary to examine the natural theology that permeates his *Essay*. Malthus addresses a key problem faced by all believers: why should a wise and caring God plan or allow the existence of such wickedness and suffering in the world? Malthus's answer is that the intended role of evil is to energize us for the struggle for good. As Malthus (1798: 364) put it in the first edition of his *Essay*: 'Had population and food increased in the same ratio, it is probable that man might never have emerged from the savage state'. Hence the principle of population was more than the divergence of an arithmetic and a geometric series; it provided the spur to constructive activity and development.

In contrast, Bernard Mandeville, in his *Fable of the Bees* of 1724, had argued that vice is both indispensable and socially useful, in that it leads to the greater good. Against this, Malthus held the view that evil should not be tolerated in any degree or form. He explained the existence of such sufferings and wrongs in terms of their function in arousing humanity to strive unceasingly for virtuous ends. For him, it was part of God's plan.

By extension, Malthus explained diversity, suboptimality, error and struggle in the natural sphere. Malthus (1798: 379) saw 'the infinite variety of nature' which 'cannot exist without inferior parts, or apparent blemishes'. This ontological diversity was seen as having an essential and ultimately beneficial role in God's creation. The function of such diversity and struggle was to enable the development of improved forms. Without such a contest, no species would be impelled to improve itself. Without the test of struggle, and the failure or even death of some, there would be no successful development of the population as a whole. For Malthus, good is invigorated by evil and life is replenished through death.

It was partly in this respect that Malthus's argument became a crucial inspiration for Charles Darwin. The biologist himself explained how he read Malthus's *Essay* in 1838 and this provided a crucial inspiration for his theory of natural selection (F. Darwin, 1887).

Malthus depicted a picture of the superfecundity of species in the face of enduring resource scarcity, upon which Darwin developed his own theory. Darwin (1859: 490) himself wrote: 'From the war of nature, from famine and death, the most exalted object which we are capable of conceiving, namely the production of the higher animals, directly follows.' This is redolent of the Malthusian paradox; that adversity and evil can stimulate beneficial outcomes.

It is ironic that Malthus's engagement with the theological problem of evil gave rise to a view of the world in terms of enduring and ineradicable variety. This involved a denial of the possibility of conceptualizing a population of entities in terms of a 'representative' unit. Hence Malthus was highly critical of models in economics that abstracted from variety and instead proceed from something like the 'representative individual' or the 'representative firm'. Today, analytical problems with the concept of the representative agent have placed the concept in question, again pointing to the lasting relevance of Malthus (Kirman, 1992). Furthermore, Malthus's ontological commitment to variety was a precursor of the key concept of 'population thinking', which modern philosophers of biology regard as a central element of the Darwinian system (Mayr, 1976).

On occasions, as in the stimulus that Malthus provided for Darwin, the development of the natural sciences and of economics has involved substantial interdisciplinary interchange. When Richard Nelson and Sidney Winter reinvigorated evolutionary economics in 1982, giving rise to a vibrant tradition of enquiry after decades of neglect, they wrote: 'It is above all a signal that we have borrowed basic ideas from biology, thus exercising an option to which economists are entitled in perpetuity by virtue of the stimulus our predecessor Malthus provided to Darwin's thinking' (Nelson and Winter, 1982: 9).

Malthus did believe that the world was capable of improvement. He accepted some reforms but upheld that the creation of a perfect social order was impossible. Furthermore, as well as offering no solace for radicals such as Godwin, there was no comfort in the *Essay* for Panglossian conservatives either. In opposition to Malthus, both the conservatives and the radical utopians believed in harmony and perfectibility; they simply differed in their idea of perfection. Malthus's conception of endless struggle, diversity and impurity within a population ruled out any such optimal outcomes. As a counterblast to unblemished optimism and theological complacency, the *Essay* became one of the most disputed and widely discussed books of the nineteenth century.

The particular details of Malthus's theory of population in his *Essay* have survived neither detailed criticism nor confrontation with the relevant demographic and resource data. Malthus overlooked the possibility of declining fertility rates resulting from higher family incomes and underestimated the possibilities for productivity improvements in agriculture. However, his central theme of global overpopulation in the face of limited material resources remains with us today. Despite the reductions in family sizes and fertility rates in the developed world, the twentieth century saw high population growth in much of Africa, Asia and Latin America. We have witnessed a population explosion that has put severe pressure on some critical global resources, despite immense improvements in the productivity of agriculture that Malthus did not envisage.

Although Malthus is typically regarded as a classical economist, alongside Adam Smith and David Ricardo, there are features of his thought that contrast with other members of the classical school. His affinity with Smith was relatively high, and Malthus used Smith's *Wealth of Nations* as his main teaching text at the East India College. However, the contrast is most dramatic and illuminating if we compare Malthus with Ricardo. A principal difference

between them was the extent to which they believed that simple theoretical models could illuminate economic reality or provide a basis for economic policy.

Malthus criticized an overemphasis on deduction and generalization. He wrote in 1819: 'The principal cause of error, and of the differences which prevail at present among the scientific writers on political economy, appears to me to be a precipitate attempt to simplify and generalize' (Malthus, 1836: 4). In accord with his recognition in his *Essay* of variety and disharmony, Malthus stressed the complex and varied nature of economic reality, and drew the conclusion that simple or general conceptual frameworks or formal models could at best be of highly limited use. In contrast, Ricardo upheld that simple models could somehow be representative of a set of varied phenomena. This key methodological difference not only divided two contemporary representatives of the British classical school, but also reverberated through the history of economics for the next two hundred years.

There were also important differences on price theory. Smith had argued that commodities had a long-run 'natural price', determined by costs of production, principally labour costs. However, short-run market prices might fluctuate around the centre of gravitation formed by the 'natural price', according to variations in market demand as well as supply. A similar treatment of prices in long-run and short-run terms is also found in the writings of Ricardo and Marx. In his *Principles of Political Economy* Malthus started from the Smithian position but proposed that the interactions of supply and demand that applied to short-run market prices might also apply to long-run 'natural prices' as well. It followed that there was no need to have two types of price and two separate theories of price determination. The 'great law of demand and supply is called into action to determine what Adam Smith calls natural prices, as well as what he calls market prices' (Malthus, 1836: 71). Accordingly, Malthus foreshadowed the post-classical view, developed by William Stanley Jevons, Alfred Marshall and others later in the nineteenth century, that the determination of price levels should generally be understood in terms of the interaction of supply and demand. In contrast, with his emphasis on the long-run, Ricardo (1951) maintained that costs of production provided a more fundamental explanation of prices. Ricardo retained a dichotomy between 'natural' and 'market' prices, and this conception remained persuasive for much of the nineteenth century. Malthus had fatally undermined the idea that long-run equilibrium notions were relevant to the explanation of price, but this radical move was not followed at the time.

Malthus opposed what has come to be described as Say's Law: that supply creates its own demand. This broad notion has itself been interpreted in several different ways (Baumol, 1999; Blaug, 1992; Sowell, 1972). Malthus rejected versions of Say's Law that proposed that the demand for commodities would alone and automatically provide a motive for sufficient investment and production to satisfy such demand, or that investment and production would alone and automatically lead to an adequate demand to absorb supply. He argued that production and consumption were impelled by very different motives. Demand adjusted slowly, according to 'habit and tastes' and hence if productivity increased significantly, demand would not necessarily match supply and gluts of commodities might result. Hence advances in demand would not necessarily follow advances in production. Furthermore, with a growth in productive activity, the 'capitalists themselves, together with the landlords and other rich persons' might 'save from their revenue and add to their capital' thus withdrawing money from circulation and reducing 'effectual demand' (Malthus, 1836: 314-22). Malthus (1836: 374) noted that one way of restoring 'effectual demand' in such circumstances was to redistribute some income from the richer to the poorer consumers. He also noted that 'effectual demand' was maintained by 'unproductive consumers' such as clergymen, who contributed to without adding to the supply of goods.

The similarity of these arguments to those in the *General Theory* by John Maynard Keynes (1936) and his emphasis on ‘effective demand’ will not escape the informed reader. Accordingly, Keynes (1972: 100-1) wrote in his 1933 essay on Malthus: ‘If only Malthus, instead of Ricardo, had been the parent stem from which nineteenth-century economics proceeded, what a much wiser and richer place the world would be today!’ An affinity between Keynes and Malthus exists on a number of questions, including their mutual rejection of Say’s Law, their aversion to long-run, equilibrium theorizing and their stress on the importance of effective demand. It should be noted, however, that the critiques of Say’s Law in the works of both Keynes (1936) and Marx (1969: 501-9) depend more on the role of money than in Malthus’s version. But the idea of a mismatch of habits and motives between producers and consumers, and the lack of adequate compensatory mechanisms, is found in both Malthus and Keynes.

In policy terms, Malthus differed from Ricardo on the question of the Corn Laws. Malthus supported their retention on the grounds that domestic production should be prioritized and protected from foreign imports, partly to ensure sufficient agricultural capacity in times of war. While recognizing the sometimes positive role of market forces, Malthus here as elsewhere rejected a doctrine of *laissez-faire*. In his *Principles* he wrote that ‘it is impossible for a government strictly to let things take their natural course’ (Malthus, 1836: 16). Similarly, his theory of gluts involved a denial of the existence of effective equilibrating mechanisms and pointed to some limitations of the free market. Consequently, for Malthus, neither self-interest nor the invisible hand had unqualified virtue. In particular, while Malthus followed other classical economists in recognizing the role of individual incentives and self-interest, he systematically added the reservation that an individual should so act only ‘while he adheres to the rules of justice’ (Malthus, 1836: 2).

While to the modern reader Malthus’s social and economic policies are reactionary and conservative, they should be put into the context of his time. Most economists of this period tolerated no more than limited social engineering and economic intervention, excepting some relatively minor intercessions deemed to enhance competition, to clear the way for the market, or to promote growth. While Malthus was politically no radical, his aptitude for penetrating causal analysis and his concern for practical policies led to a critique of absolute *laissez-faire* and ideas that are remarkably similar to those of Keynes.

After Malthus died, he was succeeded in 1835 as the Professor of Political Economy at the East India College by the Reverend Richard Jones, who has been described as a precursor of the British historical school of John Ingram, Thomas Cliffe Leslie, William Ashley, William Cunningham and others. Like Malthus, Jones criticized the Ricardian theory of rent and the ahistorical and deductivist methods of the Ricardian School. Hence the Malthusian tradition, with its emphasis on historical specificity and its scepticism of deductivism, survived at the College until its closure in 1858. With Keynes, one can only imagine what would have happened if the Malthusian had prevailed over the Ricardian tradition in British political economy. At least British economics would have been closer the German historical school, which prospered from the 1840s until the Second World War, and was much larger in terms of numbers of students and faculty (Hodgson, 2001).

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