

# Of goats and dogs: Joseph Townsend and the idealisation of markets—a decisive episode in the history of economics

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Joseph Townsend's *Dissertation on the Poor Laws* (1786) played a major role in the development of economic thought. Its originality lies in the fact that the notion of competitive markets was defined as a 'natural law', a principle of nature that should not be meddled with. This principle was explained by describing the struggle for survival between goats and dogs on a remote Pacific island. The *Dissertation* stands in the shadow of Thomas Malthus's *Essay on the Principle of Population*. Yet Malthus has been accused of plagiarising Townsend. I argue that an overlooked aspect in this debate is that Townsend's *Dissertation* and Malthus's *Essay* share a revolutionary methodology that removed the market mechanism from any cultural and social context in the name of science—a feature that has been a part of market-fundamentalist economics ever since.

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## 1. Introduction

The *Dissertation on the Poor Laws* (Townsend 1971 [1786]) is a short text of roughly 50 pages. It was published in 1786 under the anonymous authorship of a 'Well-Wisher to Mankind'. Being only one of many political pamphlets at the time condemning the practice of relief under the English Poor Laws, the *Dissertation* and its author, the Reverend Joseph Townsend, are mostly forgotten today. Yet the text was highly influential in fostering a belief in the superiority of self-regulating markets and in warning against outside interference in the market mechanism.

In French *laissez-faire* theory and in the ideas of Adam Smith as put down in his *Wealth of Nations*, markets were part of a wider social, political and moral context. The *Dissertation* was a novel contribution to the debate in arguing that it was not men but nature that made markets. Nature itself was ruled by the workings of atomistic competition, and markets behaved according to a 'natural law' that should not be tampered with.

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To prove this ‘law’, Joseph Townsend adduced an example from the animal kingdom. By dwelling in some detail on the brutal struggle for existence between goats and dogs on the uninhabited island of Juan Fernandez in the South Pacific, Townsend argued that humanity was in a similar fight for survival—but one that would lead to optimal economic equilibrium if left undisturbed.

During Townsend’s lifetime, opponents of the Poor Laws were looking for scientific arguments to substantiate their political conviction that society was best left to its own devices. It was their belief in the universal existence of markets and natural equilibria that provided them with the necessary theoretical framework to gather ever more political support for the abolition of poor relief. The commandeering of ‘scientific evidence’ to support certain economic ideas originally based on assumptions, simplifications and abstract models has its roots in the *Dissertation*, thus making it a milestone in the history of economic thought. Karl Polanyi believes that Townsend’s *Dissertation* provided a whole ‘new starting point for political science’ (Polanyi, 2001, p. 119). Polanyi highlights the instrumental role that the *Dissertation* played in fostering belief in the market mechanism as the supreme organisational principle of nature and man.

Thomas Robert Malthus is usually credited with having taken the initial steps in transforming economics from a field of philosophy to a social science. Yet Malthus has also been accused of plagiarising Townsend. Although there is no ultimate proof that Malthus copied from Townsend, I argue that Townsend’s *Dissertation* was a manifest influence on Malthus when the latter was conceptualising his *Essay on the Principle of Population*. The *Essay* and *Dissertation* are similar not only in their argument, ideas and structure but in their use of the device of scientific abstraction and generalisation. It is therefore not Malthus alone who should be revered as the father of modern economic logic and market fundamentalism but also Townsend.

In the following, I first give some biographical background to the ‘Well-Wisher to Mankind’ and summarise the main arguments of the *Dissertation*. I then comment on the debate of whether Malthus copied from Townsend and argue that Malthus must have taken up and expanded Townsend’s methodology and reasoning. I summarise the legacy and importance of Townsend for the later course of economic theory.

## 2. A colossal utilitarian

Townsend, a vicar and medical doctor, was a towering figure. Measuring slightly over two meters in height and having been in charge of the surveillance of the king’s highways in Wiltshire, his nickname was ‘the Colossus of Roads’. A fossil sponge was named after him, he was made honorary member of the London Geological Society and before the advent of antibiotics, ‘Townsend’s mixture’ was a standard medication for syphilis. He was the author of *The Physician’s Vademecum* (1794), a medical manual translated into a number of European languages (Morris, 1969). His politically most visible contribution, however, were his writings on the Poor Laws, especially his *Dissertation*.

Townsend was born in London on 4 April 1739. His father was a successful businessman and Member of Parliament; his brother James, known as Alderman Townsend, became mayor of London. Joseph studied theology at Cambridge and was ordained in 1765. He went on to study medicine in Edinburgh and became the rector of Pewsey in Wiltshire, a post he held for almost 50 years. During his time in Edinburgh he became a Calvinist and later joined the new movement of Methodists led by George Whitefield. Having made his name as a gifted public preacher, Townsend spent a number of years

as a Methodist missionary touring the English countryside accompanied by an assistant of rather small physical stature, making them an easily recognisable duo—and so well known that they were subject to literary ridicule. A certain Reverend Richard Graves published a satiric novel in 1773 titled *The Spiritual Quixote or the Summer Ramble of Mr. Geoffrey Wildgoose*, which enjoyed considerable success far into the nineteenth century. It openly poked fun at the attempts of the Methodist missionary Wildgoose and his assistant Tugwell to convert the British to a more puritan lifestyle, and it was more than obvious to the contemporary reader who the real-life model for this peculiar Mr. Wildgoose was (Graves, 1816 [1773]).

During his missionary work Townsend gained detailed insight into the plight of the poor and ineffective attempts to relieve widespread destitution. In his own parish he established a medical consultancy for the poor after having learned that such used to be the prerogative of the local blacksmith. For a man of his upbringing—and compared to others who later theorised about poverty—Townsend had very close contact with the poor. In 1786 he anonymously published his *Dissertation on the Poor Laws by a Well-Wisher of Mankind*, which was translated into French and reissued in 1817. In 1788 he followed up on the subject in *Observations on Various Plans Offered to the Public for the Relief of the Poor*.

Having become the personal vicar of the Duke of Atholl, Townsend accompanied him on various trips to the continent, especially to Spain. Townsend's best-known publication was the resulting three-volume work *A Journey through Spain in the Years 1786 and 1787* (1791). Given its encyclopaedic treatment of history, geology, politics and cultural customs, for many years it was regarded as the most authoritative and comprehensive book on Spain in English, and in it can be found various observations on poverty and poor relief.

Townsend was in possession of one of the most important fossil collections in England. His friendship with William Smith resulted in the latter making the seminal discovery that specific fossils are characteristically found in certain strata of the Earth's surface and can thus be used to estimate the age of soil layers. Townsend himself was an adherent of Neptunism, a theory that had a large following throughout Europe at the time and whose adherents sought to prove the veracity of the story of the flood, and by extension the truth of Genesis, by analysing rocks and soils. Shortly before his death, Townsend published *The Character of Moses Established for Veracity as an Historian, Recording Events from the Creation to the Deluge* (1815), which was held in high esteem and regarded as a standard work of geology by contemporaries.

Most important, however, Townsend was a close friend of Jeremy Bentham, who in 1781 wrote,

[Townsend] seems a very worthy creature, has been a good deal abroad, and has a great deal of knowledge; his studies have lain a great deal in the same track as mine; he is a utilitarian, a naturalist, a chemist, a physician; was once what I had liked to have been, a Methodist, and what I should have been still had I not been what I am. . . . In short, we have become great friends . . . there is a mixture of simplicity, candour, and a composed earnestness, tempered with good breeding, that has won upon me mightily. . . . He is to come here again ere long, that I may cast an eye over a work of his, part of which is printed, and he, in return, is to assist me in the revisal of mine, which he enters into the spirit of most perfectly. (Christie, 1971, p. 57)

In this letter, according to Ian Christie, the word *utilitarian* is used for the very first time.

Townsend was married twice and died on 9 November 1816. The highly popular *Gentlemen's Magazine* ran a detailed obituary that enumerated his many merits. These were so manifold that not all of them could be touched on in the article, and in the

next issue of the magazine, in a letter to the editor, a reader bitterly complained of the omissions and duly enumerated the missing facets of Townsend's life (*Gentlemen's Magazine* 1816a, p. 477; *Gentlemen's Magazine* 1816b, p. 606).

### 3. The Dissertation

Criticism of poor relief was mounting in the final decades of eighteenth-century England. Naysayers argued that the financial aid paid out in the parishes under auspices of the Poor Laws was corroding the character of the poor. Relief payments were viewed as providing a perverse incentive to remain idle and indulge in immoral behaviour. Critics held that the Poor Laws had precisely the opposite effect of their original intent since poverty had increased and not decreased. Voices calling for full abolition of the Poor Laws grew in volume and number until the laws were considerably changed in 1834.

Townsend sought to provide a new and scientific explanation for the obviously perverse effects of poor relief. His line of argument was that financial aid to the poor violated the natural workings of competition. He felt that there would always be poverty in the world. Society was static and everyone had their well-defined place in it: 'It seems to be a law of nature that the poor should be to a certain degree improvident' (Townsend, 1971 [1786], p. 35). Yet problems would arise if the number of poor were to unduly increase—that is, if there were too many people living in Britain. For Townsend it was a simple fact 'that in England we have more than we can feed' (1971 [1786], p. 47). The Poor Laws, by guaranteeing subsistence, allowed the poor to have ever more children without simultaneously producing the means to care for them. According to Townsend, relief to the poor tended 'to destroy the harmony and beauty, the symmetry and order of that system, which God and nature have established in the world. . . . In the progress of society, it will be found, that some must want; and then the only question will be this, Who is most worthy to suffer cold and hunger, the prodigal or the provident, the slothful or the diligent, the virtuous or the vicious?' (1971 [1786], p. 36)

Townsend found his answer in nature:

In the South Seas there is an island, which from the first discoverer is called Juan Fernandez. In this sequestered spot, John Fernando placed a colony of goats, consisting of one male, attended by his female. This happy couple finding pasture in abundance, could readily obey the first commandment, to increase and multiply, till in the process of time they had replenished their little island. . . . When the Spaniards found that the English privateers resorted to this island for provisions, they resolved on the total extirpation of the goats, and for this purpose they put on shore a greyhound dog and bitch. These in their turn increased and multiplied, in proportion to the quantity of food they met with; but in consequence, as the Spaniards had foreseen, the breed of goats diminished. Had they been totally destroyed, the dogs likewise must have perished. But as many of the goats retired to the craggy rocks, where the dogs could never follow them, descending only for short intervals to feed with fear and circumspection in the vallies [*sic*], few of these, besides the careless and the rash, became a prey; and none but the most watchful, strong and active of the dogs could get a sufficiency of food. Thus a new kind of balance was established. The weakest of both species were among the first to pay the debt of nature; the most active and most vigorous preserved their lives. It is the quantity of food which regulates the numbers of the human species. (1971 [1786], pp. 36–38)

For Townsend, the situation on Juan Fernandez illustrates the 'very nature and constitution of the world' (1971 [1786], p. 36), highlighting a natural law applicable to all creatures on the planet, including humans. Competition and a fierce struggle for survival

is a natural feature of existence, but one where in the end a ‘balance’ and equilibrium is achieved and the ‘harmony’ and ‘symmetry’ of the planet is restored. The risk was a universal one that population would advance in excess of a nation’s ability to feed it, so ‘some check, some balance is absolutely needful,’ and for Townsend this check was ‘poverty and distress’ (1971 [1786], p. 40) and above all hunger, which ‘will tame the fiercest animals, it will teach decency and civility, obedience and subjection, to the most brutish, the most obstinate, and the most perverse’ (1971 [1786], p. 27). ‘Were it not for this the equilibrium would not be preserved so near as it is at present in the world’ (1971 [1786], p. 44). Hunger, ‘as foreseen and feared for [the] immediate offspring’ could help ‘blend the shafts of Cupid, or at least quench the torch of Hymen’ (1971 [1786], p. 44).

Townsend labelled workhouses mere ‘palliatives’ as well as other such schemes to make productive use of the indigent so as to overcome deficiencies in the Poor Laws (1971 [1786], p. 52). Instead, he pleaded for a gradual annual reduction of poor relief payments so that within 10 years’ time they would be completely abolished. His alternative to the Poor Laws was based on theological assumptions regarding the universality of compassion and charity: ‘The poor might safely be left to the free bounty of the rich, without the interposition of any other law’ (1971 [1786], p. 63)—but to evoke the necessary compassion in the wealthy to obtain such donations, the poor must be industrious and conduct themselves with decency, in complete contrast to that behaviour allegedly resulting from the Poor Laws: ‘When the poor are obliged to cultivate the friendship of the rich, the rich will never want inclination to relieve the distress of the poor’ (1971 [1786], p. 69).

Townsend argued that ‘no system can be good which does not, in the first place, encourage industry, economy, and subordination; and in the second place, regulate population by the demand for labour’ (1971 [1786], pp. 61–62). Earlier in the *Dissertation* he had already made clear that his natural law was in fact the same as the law of markets by insisting that ‘it is with the human species as with all other articles of trade without a premium; the demand will regulate the market’ (1971 [1786], p. 46). Townsend was sure that ‘the course of nature may be easily disturbed, but man will never be able to reverse its laws’ (1971 [1786], p. 39); however, ‘should things be left thus to flow in their proper channels, the consequence would be, that . . . our population would no longer be unnatural and forced, but would regulate itself by the demand for labour’ (1971 [1786], p. 65).

#### 4. Influence on Malthus and accusations of plagiarism

Sydney and Beatrice Webb considered Townsend to be a ‘leading authority’ on the Poor Laws (Webb and Webb, 1917, p. 418) and Bentham quoted at length the example of goats and dogs in his *Pauper Systems Compared* of 1797 (Quinn, 2001). But others criticised Townsend’s extremist position. In the first volume of *Das Kapital*, Karl Marx saw Townsend as the most despicable example of how an unequal and unfair society was justified by reference to a ‘natural law’ so different from Marx’s own law of the accumulation of capital and the pauperisation of the proletariat. Marx ridiculed Townsend’s ideas of symmetry and balance as well as his view that certain members of society will always be poor, and he added insult to injury by calling Townsend ‘der fette Pfründer’ (roughly, ‘the fat sinecurist’) and ‘der delicate Pfaffe’ (‘the delicate parson’) (Marx, 1977 [1868], p. 676).<sup>1</sup>

<sup>1</sup> The German word *Pfaffe* is usually translated as ‘parson’. Yet *Pfaffe*, especially when used by Marx, has a decidedly disrespectful and derogatory connotation that might be better rendered as ‘Holy Joe’.

Even though Townsend's views were perceived as extreme, his 'scientific' method of explaining the natural workings of competition was seen as such an important contribution to political economy that former Prime Minister William Windham re-issued the *Dissertation* in 1817. In his introduction, Windham argued that the text was useful not because of Townsend's practical proposals as to how the Poor Laws might be superseded but because it 'exhibits, in a narrow compass, a clear and comprehensive view of that most important subject' and is 'grounded on the true principles of science' (Townsend, 1817, p. v).

The combination of 'scientific' method and arguments concerning over-population and the Poor Laws bear a clear resemblance to Thomas Malthus's *Essay on the Principle of Population*, which was first published anonymously in 1798. In his book the Cambridge-educated theologian and mathematician described how necessary it was that population 'always be kept down to the level of the means of subsistence' but 'no writer that the Author recollects has inquired particularly into the means by which this level is effected.' For his part, Malthus claimed to have unearthed 'truth', 'facts' and 'evidence' (Malthus, 1976 [1795], p. 19) and he referred to natural laws such as that whereby 'population, when unchecked, increases in a geometrical ratio. Subsistence increases only in an arithmetical ratio' (p. 20), a feature he named the 'population principle', and he also insisted that 'necessity' perforce restricts over-population through 'misery'.

Malthus wished to position himself over and against the speculative philosophers of unlimited human progress such as Godwin and Condorcet, but the *Essay* was primarily a tract arguing against the perverse effects of the Poor Laws. The headings of chapter V of the *Essay* thus read: 'The true cause why the immense sum collected in England to the poor does not better their condition—The powerful tendency of the poor laws to defeat their own purpose—Palliative of the distresses of the poor proposed—The absolute impossibility from the fixed laws of our nature, that the pressures of want can ever be completely removed from the lower classes of society—All the checks to population may be resolved into misery or vice' (Malthus, 1976 [1795], p. 36). The poor, he concluded in his later chapter on the 'Gradual Abolition of the Poor Laws', should no longer have a right to relief. This would create the necessary check on population growth, as every man would solely be responsible for supporting his children or otherwise endure 'the punishment provided by the laws of nature' (1976 [1795], p. 135). Generally speaking, the poor should be left to 'the pity of some benefactor' (1976 [1795], p. 134) and thus to the care of those making voluntary charitable contributions.

Malthus's *Essay* was an unexpected success. For Gertude Himmelfarb (1984) the success was mostly due to Malthus's innovative 'scientific' methodology. More important, however, was that the *Essay* was quickly taken up by a group of highly influential conservative politicians and intellectuals. It became the theoretical fundament of the movement that later brought about the abolition of the Poor Laws.

However, not everyone had a positive impression of Malthus. Marx felt that the *Essay* was anything but original. Again, in *Das Kapital*, Marx states that 'this work in its first form is nothing more than a schoolboyish, superficial plagiarism of De Foe, Sir James Stuart, Townsend, Franklin, Wallace &c., and does not contain a single sentence thought out by himself.' He further asserted that 'Malthus often copies whole pages' from Townsend (Marx, 1990, p. 560).

Malthus published a second edition of the *Essay* in 1803. In this version he not only attempted to provide statistical evidence for his hypothesis but offered comments on the existing literature of population studies. He also tried to deflect charges

of plagiarism by claiming that the 1798 edition was written in haste and that other authors had touched on the same issue prior to Malthus without his having been aware of the fact. He explicitly cites Townsend as one of those authors, calling the *Dissertation* ‘excellent’ and quoting it several times (‘admirable dissertation on the Poor Laws’; Malthus, 1992 [1803], p. 284).

Although long passages of the *Essay* bear more than a passing resemblance to the *Dissertation*, most experts, especially biographers of Malthus, blithely downplay the charges of plagiarism—even though they all grant that Malthus was indeed putting old wine in new bottles (Schumpeter, 1986 [1954], p. 551; Keynes, 1972 [1933], p. 86).

Geoffrey Gilbert has written that ‘Malthus’ most noteworthy predecessor . . . was Joseph Townsend, another Cambridge-educated cleric, whose brief *Dissertation on the Poor Laws* (1786) set out many of the same stern views on poverty that Malthus later did, though a bit more crudely’—but then he goes on to claim that the accusation of plagiarism was ‘intriguing but difficult to confirm’ (Gilbert, 1993, p. xv).

For James Bonar, one of the first biographers of Malthus, the *Essay* did not emerge *ex nihilo*; yet he holds that Malthus had expressed ‘his opinion of Townsend’s work in the best of all possible ways’ and leaves it at that (Bonar, 1885, p. 32).

Himmelfarb finds it at the very least ‘interesting that Townsend’s *Dissertation on the Poor Laws*, published in 1786, which most closely approximated the *Essay* both in its theory and its proposals, was at first unknown to him, in spite of the fact that it had attracted some attention at the time’—but she does not take the issue any further (Himmelfarb, 1984, p. 65).

Patricia James, author of one the most influential biographies of Malthus, called Townsend a ‘pre-Malthusian’ and ‘the eccentric rector of Pewsey whose reflections on population and the Poor Law had anticipated those of Malthus’ (James, 1979, p. 163). But she does not take Townsend very seriously and harshly argues that he ‘obliterated himself through eccentricities which bordered on the insane’. In her view, Townsend’s studies in mineralogy and geology were ‘obsessive’ (1979, p. 107). James apparently under-estimates the high scientific esteem in which both Townsend and Neptunism were held in the eighteenth century. She nevertheless admits that Malthus was openly admiring of Townsend’s *Journey through Spain*, which Malthus also quotes in the 1803 edition of the *Essay*, and she concedes the fact that the phrase ‘population principle’ first appeared in Townsend’s *Journey*—albeit without Malthus’s later ‘mathematical’ proof for it (1979, p. 108). In yet another flight of sarcasm, James concludes that anyone who wishes to accuse Malthus of plagiarism can easily find ways of doing so. As with the other quoted authors, the accusation of plagiarism is either not taken ‘too seriously’ (Montagu in Townsend, 1971, 11), or Malthus’s assertion that he was oblivious to Townsend’s work before 1798 is taken at face value.

But others support Marx’s claim. Whilst working in the British Library, Marx scribbled down page-long quotations from all the texts he read on poverty and the Poor Laws into what have come down to us today as the ‘London Notebooks’. In notebook 13, Marx drew ample textual comparisons between Townsend and Malthus. For the editors of these notebooks, ‘the excerpts clearly show that Malthus widely plagiarized Townsend’ (Marx, 1991a; Marx, 1991b, p. 638).

Whether or not the word *plagiarise* is appropriate in this case, there can be little doubt that the *Dissertation* must have strongly influenced Malthus and given him many of the ideas he later fobbed off as his own. It is highly improbable that Malthus, as he himself claimed, was unaware of the *Dissertation* when writing the first edition of

the *Essay*. In the 1798 edition, Malthus wrote that the text grew out of a conversation 'with a friend'. This friend was no less a personage than his father, David, an acquaintance of Jean-Jacques Rousseau and David Hume. Given the obvious influence of the *Dissertation* on the *Essay*, it is not only improbable that they would not have considered the older critical literature on the Poor Laws during their conversation (which had more the dimensions of an ongoing quarrel), but there is another curious reason father and son probably knew and discussed Townsend. In his youth, Thomas Malthus, like John Stuart Mill, had been the object of an educational experiment carried out by his father in which he had private tutors, one of them being the Reverend Robert Graves, the author of *The Spiritual Quixote*, the well-known satire on Townsend.<sup>2</sup>

However, at the time of the publication of Malthus's *Essay*, Townsend's *Dissertation* had all but vanished from public discussion. One reason was that Townsend's writings on the Poor Laws had been only a small part of his manifold oeuvre and the man himself was no longer a conspicuous figure in debates on poor relief at the turn of the century when Malthus's *Essay* caused such a stir. Another reason was that the so-called Speenhamland Act, which increased and facilitated payments to the poor in 1795, almost a decade after Townsend's *Dissertation*, had become the prime target for opponents of the Poor Laws. Writings published before Speenhamland, or which failed to reference it, were not part of the public debate. Malthus could have easily taken up arguments from the *Dissertation* without much danger of being found out.<sup>3</sup> Were it not for the excessive reading habits of the father of communism, there is very good reason to believe that Townsend would have been forgotten altogether in the wake of Malthus's success.

## 5. The legacy of the *Dissertation*

Consequently, Malthus's *Essay* had a much larger impact than Townsend's pamphlet. Himmelfarb writes:

The effect of Malthusianism was immediate and dramatic. For half a century, social attitudes and policies were decisively shaped by the new turn of thought. It was in this form, the form given it by Malthus and modified by Ricardo, that political economy took hold in the early part of the nineteenth century. And it was under the aegis of Malthus and Ricardo that political economy freed itself from its ties to moral philosophy and emerged in the guise of a natural science—a 'natural economics', one might say, which professed to be nothing more than the application to the economy of the simple, inviolable laws of nature.

For Himmelfarb, Malthus's *Essay* constituted the 'naturalisation' of economics, the birth of an economics based on 'immutable facts of nature' (Himmelfarb, 1984, p. 101).

In turn, Himmelfarb claims that Townsend had not based 'his case on the inexorable laws of physical and human nature' (1984, p. 135). Yet nothing could be further from the truth. The whole originality of Townsend lies precisely in the fact that he attempted nothing less than a naturalisation of the workings of self-regulating markets.

<sup>2</sup> Redman claims that Malthus's tutors were 'unusual characters', but for unspecified reasons she states that Graves was 'by far the dullest' (Redman, 1997, p. 269). Yet another curious fact or two: in 1804, Malthus was married by his close friend Robert Cropp Taunton, who later became his brother-in-law, and Robert Cropp Taunton's brother was married to Townsend's daughter and heiress (James, 1979, p. 163).

<sup>3</sup> A further factor contributing to positive reception of Malthus's ideas was the ruling British elite's fear of social upheaval in the aftermath of the French Revolution as well as apprehension about waging war against the French Republic. Malthus's text served as a welcome justification of the social status quo.



The idea that human action was beholden to some abstract, general and universal natural law was based on the tenets of social naturalism, which held that society was a biological entity and ‘thus subject to biological laws of nature’ (Block and Somers, 2005, p. 271). According to this reasoning, society was a ‘self-regulating system that when untouched by political intervention, will tend toward equilibrium and order’ (2005, p. 271). The notion that humanity was part of nature and thus subject to its laws was still a novel thought at the time. It was only after publication of *Systema Naturae* (1758), in which Swedish botanist Carl von Linné classified the ‘homo sapiens’ (a term he invented) as being part of nature, that humankind could be conceived as subject to some external natural law and that direct comparisons between humans and the workings of nature could be made at all. In this respect Townsend was extremely modern.

Yet despite all their resemblances, there is an important difference between the *Essay* and the *Dissertation*. Although both explain the workings of self-regulating markets using an identical logic and structure, the story of goats and dogs was *not* taken up by Malthus. But his famous population principle, heralded by Bonar as having turned ‘probability into certainty’ (1885, p. 32), is a clear mathematical expression of it. Malthus was strongly influenced by Newton (see Redman, 1997), his *Essay* being ‘full of mathematical allusions allegedly provided by Newton’s scientific discoveries, and it abounds with images of ballistics, weight springs, and countervailing forces’ (Block and Somers, 2005, p. 272). Others before Malthus had expressed the numerical relationship between population growth and the availability of food, especially Robert Wallace in 1761. Mathematical expression of the principle was not in itself original. The ingenuity of Malthus’s argument lies in the fact that he replaced the example of goats and dogs with numbers and threw in some scientific rhetoric—otherwise leaving the essence of Townsend’s argument untampered with. This is what Ashley Montagu meant when he wrote that ‘Townsend was a strewer of seed which fructified in the fertile brain of Thomas Robert Malthus’ (Mantagu in Townsend, 1971 [1786], p. 11).

Malthus’s *Essay* and Townsend’s *Dissertation* stand in a direct line with one another. Townsend’s text was first to explain self-regulating markets in an abstract and natural fashion, seemingly disconnected from specific social, cultural, historical and moral factors. Malthus refined Townsend’s approach with a numerical example that gave his argument a more neutral and scientific touch than Townsend’s rather poetic example of goats and dogs. But their overall methodological approach of identifying the market mechanism as a universally valid and superior organisational principle of nature and society was the same.

Alas, there is seldom eternal and natural scientific truth to be found when analysing social actions. What Townsend and Malthus presented as natural laws were merely their own personal interpretations disguised as natural laws or science to give special authoritative weight to their own beliefs in self-regulating markets. Neither was there any real empirical evidence for the principle of population, nor do the sources quoted by Townsend mention any struggle between goats and dogs on Juan Fernandez (Polanyi, 2001 [1944], p. 118). The ‘scientific’ evidence employed by both authors was deliberately construed in pursuit of a clear political goal—abolition of the Poor Laws.<sup>4</sup>

<sup>4</sup> Research has long shown that the impact of the Speenhamland Act—which supposedly guaranteed the poor a minimal standard of living based on the price of bread, and which was condemned as the main reason for soaring welfare payments and rising poverty—was highly exaggerated by critics of the Old Poor Law (see, for instance, Block and Somers, 2003).

Their ‘scientism’ was a methodological and rhetorical device of political persuasion to prove that any interference in the market mechanism was not only futile but harmful (Hirschman, 1991; also McCloskey 1998 [1985]) and that device proved extremely successful. Following publication of the *Essay*, Malthus’s views on markets and the perverse effects of poor relief were ‘repeated so frequently by political economists, the clergy and various Parliamentary commissions that it gained the quality of truth’ (Block and Somers, 2003, p. 313). This was possible not only because ever more politicians believed in the rhetoric of markets as an argument against welfare but also because Malthus had been given England’s first university chair in political economy (East India Company College). He was not just another polymath or clergyman discussing the inefficiencies of the Poor Laws, but someone who spoke with the authority of a new discipline. When the New Poor Law was passed in 1834, it marked not merely the end of the century-old practice of providing public welfare benefits to the poor but the first victory of market fundamentalism as a political ideology—an ideology that could claim it was based on truths unearthed by economic science. Its effects resonate to the present day.

Malthus not only secured a lasting place in politics for market fundamentalism, he paved the way for an economic science that sought increasingly refined arguments to ‘prove’ the functionality of unfettered markets. But he could never have succeeded in quite the way he did had Townsend not invented the story of goats and dogs on Juan Fernandez.

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