

《Special Contribution》

The Turning Point in Eighteenth Century French Economics and Population Studies: Cantillon and Mirabeau*

Christine Théré**

Two beliefs, that population had diminished and was diminishing in France and that population growth was susceptible of stimulation by the State, gave rise to a great volume of repopulationist literature in the middle of the eighteenth century.

The idea that France, like all the world, was less peopled than formerly, became popular after the appearance of Montesquieu's *Persian Letters* (1721) and, above all, the *Spirit of laws* (1748). The great plague at Marseille in 1720-1722, the last great pestilence in Western Europe, contributed to spread the fear of depopulation.

Among the writers who paid a great attention to population problem during the 1750th, a part of them underlined the key-role of agriculture for economic prosperity and for population well-fare. The eco-

nomie and demographic crisis, which marked the last decades of the reign of Louis XIV, explained in part the rise of such ideas. The policy of Colbert, more favorable to trade than to cultivation, was condemned.

Two books especially exercised a strong influence: an *Essay on the nature of the trade in general* by Cantillon published in 1755¹ and the following year, *The Friend of Mankind* (L'Ami des Hommes) written by Mirabeau², before his meeting with Quesnay.

¹ R. Cantillon, *Essai sur la nature du commerce en général*. (London), Fletcher Gyles, 1755.

Modern editions in French: Ined, 1952 and 1997; Tokyo, Hitotsubashi University, ed. by Takumi Tsuda, 1979. The English quotations come from the first translation made by H. Higgs (Royal Economic Society / Macmillan, 1931).

² Mirabeau, *L'Ami des Hommes, ou Traité de la population*. Avignon, 1756, 3 parts. [*The Friend of Mankind, or Treatise of Population*]. The English quotations come from Joseph. J. Spengler, *French Predecessors of Malthus. A Study in Eighteenth-Century Wage and Population Theory*. Durham, Duke University, 1942.

* This paper is based on the writer's lecture that was given in May 31st 2004 at the Faculty of Economics, Hokkai Gakuen University (Sapporo, Japan).

** Head of the Research Unit "Population and History," INED (Institut National d'Études Démographiques / National Institute for Demographic Research), Paris; Guest Professor, Chuo University, Tokyo.

Cantillon and his Treatise³

Richard Cantillon was born in the 1680s in Ireland, into a landed family who was dispossessed of their estate by the English government. He immigrated to France around 1708 and he became a successful businessman as a banker in Paris. He speculated during the Law System and his financial operations earned him vast wealth (1719-1720). Cantillon became a multimillionaire, but he then spent a decade in litigation because of his speculating and banking operations. Several customers of his bank had lost a lot of money and they prosecuted him. (They had purchased shares of Mississippi Company and did not sell them before the crash.) Cantillon left Paris and stayed in London. Officially, he died in 1734 in a fire in his London home. Some people said that he might not have died in his sleep in the fire, but perhaps he might have been murdered by one of his servants. Now we think that perhaps Cantillon himself staged his death to escape to the justice. According to A. Murphy, a certain Chevalier de Louvigny

³ The main works used for this lecture are those of Antoin Murphy: his book, *Richard Cantillon: Entrepreneur and Economist*. New York, Oxford University Press, 1986 and his presentation for the last edition of Cantillon's *Essay* (INED, 1997); about Cantillon's population theories, the best and detailed study remains the chapter IV of Joseph. J. Spengler, *French Predecessors of Malthus. A Study in Eighteenth-Century Wage and Population Theory*. Durham, Duke University, 1942; for the calculation of Cantillon, C. Théré, "Connaître le nombre des hommes chez Montchrestien et Cantillon: le dénombrement, l'arithmétique et les principes du peuplement," work in progress.

who arrived in Surinam six month after the event could be Cantillon. This man had papers that belonged to the economist. But after few months, he disappeared, and certainly died, in the jungle.

The treatise of Cantillon was first published in French in 1755. We know that few people had his manuscript in French since twenty years. Perhaps the author wrote directly in French, perhaps he wrote it in English and after he translated it himself in French, as said Mirabeau, who considered that the text was not written in a perfect French.

The *Essay on the nature of the trade in general* is divided into three parts. But unfortunately, it is missing the statistical supplement which is referred to on a number of occasions in part I, around seven times. The manuscript of this supplement was lost just after the death of the author, it seems. We know that Mirabeau for instance had never seen it. The existence of this supplement was significant and illustrated how Cantillon dealt with calculation and its results. Unlike former political arithmeticians, especially Petty, Cantillon separated the analysis eventually grounded or proved by calculation, and the extent of the calculation, rejected outside the chief text of the treatise.

Cantillon had an ambitious objective, the production of a general economic treatise. The title of his *Essay* says it all. The French term "commerce" was a synonym for economics - the latter term not coming into use until the late 1750s. Cantillon wished to study the nature of

economics in general. To achieve this objective, he needed to produce an economic model.

How can economic behavior be modeled? Cantillon's method was to isolate the key elements working in the economy, and that by the abstraction of a single large landed estate. Let us assume — he said like all economic model builders after him — that there exists just a single large landed estate. At this stage we have a command, a barter and a closed economy. After the analysis of this first stage, we find a progressive transformation of the single landed estate in the following way, as shown A. Murphy:

from a command economy to a market economy, from a barter system to a monetary system, and from a closed to an open economy.

Population Theories of Cantillon

Before examining the opinions of Cantillon, we shall determine to what extent his major opinions were original. Cantillon was English and a lot of his ideas came from English writers, above all the works of William Petty, despite his criticisms against them. But Cantillon's emphasis upon the role of the landed proprietors, as Spengler underlined it, does not appear in the works of any of the English thinkers. It is original with him, and may have been the result of his observation of the role of rich landed proprietors in France. According to Mirabeau, Cantillon used to travel across the French kingdom and had taken a lot of notes.

Cantillon is important in the history of population theory - and not only for the French one- for three chief reasons:

- 1) he was the first economist to analyze the influence exercised by landed proprietors upon both the distribution of income and the growth of population

- 2) he was also the first to demonstrate clearly the manner in which foreign trade and the distribution of wealth and income affect population growth

- 3) he also was one the first to examine the causes and the effects of the variations in living standards and ways of life.

We have to underline that Cantillon never used the word "population", which did not yet enter again in the French and English vocabularies, but he wrote "number of people", of inhabitants, of men, and increase or decrease of its number.

I

Cantillon's population theories are linked to his presuppositions concerning the class structure of the society and the nature of economic production.

"Land is the source or Matter from whence all Wealth is produced", he wrote and added further: *"The Labor of man is the Form which produces it: and Wealth in itself is nothing but the Maintenance, Conveniencies, and Superfluities of Life"*. (I, I, 3)

Labor of men merely serves to give "the form of wealth" to the products of the land and water.

Therefore, man's ability to obtain subsistence is conditioned by the degree of his access, direct or indirect, to land. This

access can be restricted or non-existent: according to Cantillon, the “*ownership of the Land ... will necessarily belong to a small number*” since a “*society of men*” is formed. There is no society without property, property marks in Cantillon’s mind the birth of society.

If the organization of a society is the result of conquest, land is very unequally distributed from the first, because, according to Cantillon, the “*Prince will distribute the lands among his officers or favorites*” in function of their merits or of other elements which pleased to the sovereign. Even if, on the contrary, land is originally equally distributed, after the first distribution, variations in family size, industry, frugality, health, etc, give rise to inequality and to concentration of ownership. Inheritance laws tend to perpetuate, if not also to aggravate, such concentration whatever its origin.

Thus, according to Cantillon, society comprises two principal groups:

- 1) the landless, that is to say the majority of the population;
- 2) the landowning minority.

The landless are dependent, directly or indirectly, for employment and subsistence, upon the landowning minority (I, chapter XIII). The landowners, the proprietors, control the sources of subsistence and its supply; so in consequence they determine the demand for the agricultural and non-agricultural labor of the landless.

Cantillon concluded that the landed proprietors constitute the chief, if not the sole, prime movers in an economy. He

said that “*the expense of the proprietors of land*” represents the main engine of economic activities.

Among the landless, Cantillon distinguished two kinds of people: the entrepreneurs and the hired people. The entrepreneurs play an important role in his conception of the economy: they take the risks for production of goods and their transports. The hired people receive fixed wages for a work. But both of them remain dependent, even the entrepreneurs who are on unfixed revenue and lived in a state of uncertainty.

II

Population growth is conditioned by the volume of production, by the manner in which it was distributed, and by the living standards of the various categories of the population. In more specific terms, according to Cantillon, the population of a country depends upon: 1) the total amount of subsistence produced; 2) the proportion of this amount made available by landowners for the hire of agricultural and non-agricultural labor; 3) the level of wages and the level of life obtaining by the dependent classes; 4) the scale of living of the landowning and wealthy classes.

He developed his views mainly on the chapter XV, entitled: “*The Increase and Decrease of the Number of People in a State chiefly depend on the Taste, the Fashions, and Modes of Living of the Proprietors of Land*”.

These determinants will be considered in order.

The amount of subsistence produced depends upon the wills of the proprietors and the uses to which they put the land. If they prohibit the cultivation of their estate, Cantillon says, “*there would be neither food nor raiment [clothing] for any of the Inhabitants*” (I, chapter XV). For instance, they can keep their land for gardens or for hunting parks. In such case, the land cannot sustain a large number of men. If, on the contrary, the proprietors pay attention to the population and want to favor its growth, they command the full and effective use of their land for cultivation and so the production of as much subsistence as possible.

Thus population growth depends chiefly upon the behavior of the landed proprietors. The supply of subsistence depends principally upon their fancies and inclinations, their “*Taste, Humours (moods) and Manner of Living*” wrote Cantillon. It means according to him that the control of proprietors over the number of landless people proceeds from their power as consumers. He did not think that the other classes could have the same power on production for two reasons: most part of the landless “*live day to day and change their way of living only from necessity*”; only few farmers, craftsmen or entrepreneurs have enough money to “*vary their expense and consumption*” and if they can change their kind of consumption, according to Cantillon, they always imitate the taste of the lords and owners of the land.

Cantillon demonstrated that this thesis is valid for both a closed and an open economy. The landowners and other rich consumers could influence the supply of

subsistence through the international commerce as well as through the domestic commerce. His main idea is that whether or not the foreign trade would augment the population depends upon whether or not it augments the employment.

III

More important is his reflections on the links between living standards and population density. He indicated three elements:

- 1) living standards vary widely in time and place, generally ranging between a subsistence and a comfort level of existence.
- 2) the number of persons which a given supply of the means of subsistence (or of land) can support depends upon the quantity of these means (or of the land) required to support the individual and permit his replacement.
- 3) the population multiplies up to the level, which can be supported at the accepted standard of life. According to Cantillon, “*if all land were devoted to the simple sustenance of Man the race would increase up to the number that the Land would support...Men multiply like Mice in a barn if they have unlimited means of subsistence*” (I, XV, 67).

To show the importance of the level of life upon the density of population in a country, Cantillon underlines the difference between China and Europe. For European

writers in the eighteenth century, China was a country where population is carried to a greater height than elsewhere. One of the principal reasons of such a great number of inhabitants in China, they believe, is that Chinese people accept to live with little and not varied foods and to wear very simple clothes.

“The is no Country where the multiplication is carried to a greater Height than in China. The common People are supported by Rice and Rice Water; they work almost naked and in the southern provinces they have three plentiful harvests of Rice yearly, thanks to their great attention to Agriculture... Those who are clothed have generally Clothing of Cotton, which needs so little Land for its production that an Acre of Land, it seems, is capable of producing a Quantity of five hundred grown-up Persons. The Chinese by the Principles of their Religion are obliged to marry, and bring up as many Children means of Subsistence will afford.... Their number is incredible if the relations of Voyages is to be depended upon, yet they are forced to destroy many of their Children in the Cradle when they apprehend themselves not to be able to bring them up, keeping only the number they are able to support.” (I, XV, 67-69)

The living standard is not the sole element taken in account by Cantillon here: religious practices and technical level of agriculture played also a role. This latter element was important too for the example of a country where the density of population is one the lowest:

“.. there is no country where the multiplication of men⁴ more limited than among the Savages in the interior parts of Amer-

ica. They neglect Agriculture, live in woods, and on the wild beasts they find there. As their forest destroy the sweetness and substance of the earth, there is little pasture for animals, and since an Indian eats several animals in a year, 50 or 100 acres supply only enough food for a single Indian.” (I, XV, 69)

Since the multiplication of men could be carried furthest in a place where the people are content to live the most poorly and on the contrary could be limited where “all the peasants and laborers are accustomed to eat meat and drink wine, beer etc”, given also these conditions vary according time and historical circumstances, it was impossible for Cantillon to estimate how the population had progressed in the past and to forecast its increase or decrease. Cantillon therefore criticized Petty’s arithmetic essays in this field:

“Sir Wm Petty, and after him Mr Davenant, ... seem to depart from nature when they try to estimate the propagation of the race by progressive generations from Adam, the first Father. Their calculations seem to be purely imaginary and drawn up at hazard. On the basis of what they have seen of the actual birth rate in certain districts, how could they explain the decrease of those innumerable people formerly found in Asia, Egypt, etc. and even in Europe ? ... We see daily that Englishmen, in general, consume more of the produce of the land than their fathers did,

⁴ Higgs translated “multiplication des hommes” by the too modern formula “increase of population,” we altered the wordings in quotation.

and this is the real reason why there are fewer inhabitants than in the past" (I, XV, 83)

This is the sole passage where Cantillon seems to agree with the thesis that the Europe was less peopled than formerly. But he did not question really this assertion.

IV

Cantillon was also the first author who recognized three demographic adjustment mechanisms.

He indicated that population growth and population density are kept adjusted to the supply of subsistence and the level of living principally by the variations in the age at which men marry, or by migrations. As a check, mortality exercises only a secondary influence.

Cantillon said a little about international migrations. For him, migrations serve above all to proportion "*the number of laborers, handicraftsmen and others ...to demand for them*" in a village and to proportion the number of inhabitants in the several regions composing a country. Workmen tend to move to places where employment could be obtained. If they are jobless and if they don't want to move, they don't marry, Cantillon believes. Thus the population will finally diminish.

Cantillon thought that most men, especially in the lower social classes, desire to marry and to have a family. But they in general refuse to do so until their incomes are sufficient "*to keep their families in the same style as they are content to live them-*

selves" and also to prevent their children from sinking in socioeconomic status. Thus, even among the lower classes, according to Cantillon, parents do not only want to be sure that they will be able to provide food for their family but also to be able to establish their children in the same place in the society as their owns.

So they defer marriage until they will obtain the means to support a family in keeping with the customary scale living of families in their social class. In short, fear of falling in social and economic status, rather than ambition to rise in the social hierarchy constitutes the real motivation to the deferment of marriage. Nuptiality according to Cantillon, is the principal ultimate check to population growth.

Cantillon believes that only few people not marry at all, so celibacy is not in general an important check, except for the higher classes, especially the aristocracy. "*In Europe*", he said, "*the Children of the nobility are brought up affluence; and as the largest share of the Property is usually given to the Eldest sons, the younger Sons are in no hurry to marry. They usually live as Bachelors, either in the Army or in the Cloisters*". Cantillon added that in the lower classes of the society, if few men prefer also to live without supporting a family, it is "*from pride and from reasons similar to those of the Nobility*". (I, XV, 77-79)

Cantillon used the work of the English astronomer Edmund Halley as a proof of his assertion. Petty had already made such a calculation, but Cantillon preferred to use that of Halley, based on better data, because the city of Breslaw had less inter-

nal migrations. The work of the astronomer was published in the 1693 Philosophical Transactions of the Royal Society of London.

“From the observations of M Halley, at Breslaw in Silesia, it is found that of all the females capable of childbearing, from 16 to 45 years of age, not one in six actually bears a child every year, while, says M. Halley, there ought to be at least 4 or 6 who should have children every year, without including those who are barren or have still-births. The reason why four Women out of six do not bear children every year is that they cannot marry because of the discouragements and difficulties in their way. A young Woman takes care not to become a Mother if she is not married; she cannot marry unless she finds a Man who is ready to run the risk of it. ...Therefore they do not all marry, or marry so late that of six Women, or at least four, who should produce a child every year there is actually only one in six who becomes a Mother.” (I, XV, 79)

If people marry and have children despite they have not enough means to live, the infant mortality constitutes a secondary check to the population growth. If an unemployed man marries, Cantillon says, the children he has will soon die of starvation, “as we see every in France”.

Cantillon didn't speak about the existence of another mean to regulate the population: to reduce the number of children, to control the fertility.

The Friend of Mankind, Mirabeau⁵

Following the appearance of *The*

Friend of Mankind, “nearly everybody, upon the word of the authors, believed in the depopulation of France”, said Messance, an earlier demographer, who demonstrated it was not the case in 1766. The book was very successful, and after his conversion to physiocracy, Mirabeau kept the surname of Friend of Mankind and published all his writings under this surname.

Victor Riquetti, marquis de Mirabeau (1715–1789) was an aristocrat, a landlord from Provence, in the southern area of France. He was in the army around a decade before beginning to write and to live in Paris most part of his time or in one of his estates.

The subtitle of *The Friend of Mankind* is important: “or treatise of population”. It was the first “treatise” upon population. Population was a new world, just reappeared after two centuries, and Mirabeau was one of first authors to use it. Cantillon, his major source, never used it. At this time, population, in French and also in English, had two significations: the number of inhabitants and the action, to populate. The work of Mirabeau, by many ways, was probably more responsible than any others for the attention given to population problem in the second half of the

⁵ The main works used here are Joseph. J. Spengler, *French Predecessors of Malthus. A Study in Eighteenth-Century Wage and Population Theory*. Durham, Duke University, 1942, p. 128–136, and C. Théré and J. M. Rohrbasser, “L'emploi du terme population dans les années 1750”, Symposium “Commerce, population et société autour de Vincent de Gournay (1748–1758): La genèse d'un vocabulaire des sciences sociales en France”, INED, February 19–21, 2004.

eighteenth century, and that, despite the fact that the author became just after a scholar of Quesnay, who converted him to his own ideas upon population.

Mirabeau was one of the first readers of Cantillon, he had his manuscript fifteen years before its edition. The first part of *The Friend of Mankind* is very close to the text of Cantillon. Mirabeau followed the same plan and he emphasized many of Cantillon's conceptions.

I

Despite Cantillon's influence, however, and despite the author's contact with Montesquieu and his works, Mirabeau at this time inconsistently made population both the source of wealth and the resultant of agricultural production or subsistence. Moreover, Mirabeau did not classify luxuries and the different levels of comfort carefully, reasoning rather than all types of luxury were nearly equal, if not equal, in their unfavorable effects upon population growth. Finally, unlike Cantillon, Mirabeau specifically advocated the promotion of population growth.

Much of Mirabeau's work is based upon the premise that since population growth is the basic source of wealth, obstacles to its growth, as luxuries, must be removed, and agriculture, its ultimate source, must be stimulated. In the foreword of his book, he wrote that he would develop:

“a moral philosophy so austere that it will revolt many people. I am going to create an infinity of men; what an embarrassment to govern them. I am going to render them laborious and wealthy; how

many people have sagely told me that it is not necessary that the lower classes experience a comfort that would render them insolent. I am going to diminish the number of horses and equipages, ...; I am going to prove finally, yes, demonstrate that luxury is, in proportion, the abyss of the great State even more than of the small.” (I, III-IV)

He concluded his treatise by these words:

“True wealth consists only in population; population depends upon subsistence; subsistence is drawn only from the soil; the product of the soil depends upon agriculture, whence it follows that all other means, commerce, gold, the sciences, the arts, serve and establish a fixed and independent prosperity, in so far they vivify, encourage and illuminate agriculture, the first, the most useful, the most innocent and the most precious of the arts”. (III, 216)

II

Despite his emphasis upon the wealth-creating power of population, Mirabeau observed in words similar to those of Cantillon that population growth was governed by subsistence and that all animated beings, and so human beings, tend under the urge of the reproductive and multiplicative “faculty”, to increase to the limit of subsistence.

Mirabeau said *“the measure of subsistence is the measure of population”* and he demonstrated it by this way:

“if the multiplication of the species depended upon its fecundity, certainly there would be in the world one hundred times more wolves than sheep ... The earth is

covered with [sheep] ... whereas [wolves are] very rare. Why is that? It is because grass is extremely scanty for wolves, and very extensive for sheep." (I, 12)

It is also the case with men. They, wrote Mirabeau by a sentence largely borrowed from his major reference, "*multiply like rats in a barn, if they have means of subsistence*".

Like Cantillon, therefore, Mirabeau reasoned that since population depends upon subsistence, numbers are conditioned both by the uses to which land is put and by the effect of foreign trade upon the supply of subsistence. If land is left uncultivated, or used for other purposes than the production of subsistence (e.g., for decorative gardens, unnecessary roads, provision of food for many horses, etc), both the supply of subsistence and population will be less than they might be.

III

Unlike Cantillon, Mirabeau apparently believed that the uses to which land was being put were more dependent upon the "moeurs and usages" than upon the mere wills of the proprietors. The "moeurs", he said like Montesquieu, "*have infinitely more influence in society than the Laws ... [and] must be the principal point of view of a populator.*" (II, 56-59). The term "moeurs" or mores, hard to define, means all social and cultural practices, all the moral values prevailing in a society.

In consistence with his thesis that population growth is determined by the supply of subsistence, Mirabeau described as without much effect a number of conditions

then viewed as unfavorable to population growth. Since subsistence is the measure of population, war, epidemics, emigration, and the maintenance of permanent armies cannot, in the long run, check population growth. Religious celibacy cannot check population growth so long as the celibates produce as much as they consume; if they consume less, they support population growth. Sumptuary laws and laws to promote marriage and natality were almost certain to prove futile, useless. But it would be some use to aid the widows who had children for instance.

Although Mirabeau did not deal directly with the effect of the standard of life upon population growth, he clearly recognized its operation in his treatment of luxury and of the effects of inequality. He denied that luxury industries were necessary to provide employment.

According to him, luxury checks population growth in three ways: 1) it diverted land from its proper employment, the yielding of subsistence; 2) it fostered the development of urban and luxury-creating industries and arts, and thus diverted man-power from agriculture; 3) it served, in conjunction with bad customs, to inspire contempt for agriculture and rural life, to inculcate in men the desire for more goods and for higher social status for themselves and their children, and thus to cause men either to avoid marriage or to limit family size. Moreover women, by the influence of luxury, were unwilling (for personal reasons) or physically unable, to bear many children. Luxury had already brought about physical degeneration of part of the French population.

IV

Mirabeau believed that the State could affect the rate of population growth. He observed that the best policies are those designed to rehabilitate rural life and revivify agriculture. These policies constitute the best means to accelerate population growth not only because the countryside is the “sole source of subsistence”, but also because country people are healthier and more frugal than the inhabitants of the cities. As a populationist, therefore, Mirabeau urged a reduction of the tax and other burdens incident upon agriculture, the development of esteem for agriculture in order that hands might be attracted to it, the provision of sufficient agricultural capital at low interest; economic liberty and security for cultivators; a diminution in economic inequality which hurt agriculture and checked population growth.

Although Mirabeau developed no wage theory in *The Friend of Mankind*, he observed several times that growth of population intensifies competition among workers. He believed apparently that wages tend always to remain at a low near-subsistence level.

Mirabeau conceived of society in hierarchical terms, and believed that the shortening day to be a check to the growth of wealth. Yet he asserted that misery causes indolence, not laboriousness, that the prospect of some comfort inspires men to work hard and that the common man is the foundation of an economy.

Conclusive Remarks

Cantillon subscribed only in part to the populationist views so common at this time. He criticized for instance the behavior of the landowners when they do not decide to use land for subsistence. But he also said that it was “*outside*” the scope of his discourse “*whether it is better to have a great multitude of inhabitants, poor and badly provided, than a smaller number, much more at their ease*”. When States are great, he observed, they have “*no need to increase the number of their inhabitants*”. Cantillon’s chief purpose remained theoretical.

His analysis was so rich and new, that it exercised a strong influence upon both the premalthusian authors and the populationist ones as Mirabeau.

Mirabeau shared most parts of Cantillon’s analysis, but he extended his own point of views. Cantillon’s approach of the population problem was essentially economic, Mirabeau’s one was wider, and at least most social, moral and political. He embraced the population topic in the whole as an independent object of knowledge. Mirabeau said it explicitly, it was one of his aim to do so. The main other one was to show that population was also an object of government, even not the first one. He called in favor of policies in order to restore and to strengthen the human resources of the kingdom, and thus the power of the State.