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- The publisher of the German translation of the *Political Discourses* had also been forced to reissue its edition with a different title page in 1766 (Ibbe 1988, 134).
- 49 Schröder canceled the three works he published in the second volume from Le Blanc's list, namely, *Considerations on the Spanish Finances* (Forbonnais), *Essay on the Interests of Sea Trade* (O'Hegerty) and *The Political Testament of Lord Bolingbroke*. He added to the list the *Noblesse commerçante* by the abbé Coyer, another member of Gournay's circle (Tsuda 1979, 426-27). In addition to these writings, he also published a pirated edition of Cantillon.
- 50 After Gournay's death in 1759, his circle broke into two camps: One comprised Turgot, Abeille, Morellet and, to a lesser extent, Clicquot de Blervache, and moved toward the physiocrats; the other group challenged the physiocrats, especially in the *Journal d'Agriculture, du Commerce et des Finances*, when they had control over its content (1767-69). The latter group consisted of Dangeul, Forbonnais, Montandoin de la Touche, Butel-Dumont and, to a lesser extent, Buechet du Pavillon.
- 51 There were no less than six articles, in total almost 200 pages, dedicated to this new translation in the *Journal d'Agriculture, du Commerce et des Finances*, from February to July 1767. At that time, Forbonnais was acting as one of the editors of the *Journal*, and he contributed to many articles attacking the physiocrats.
- 52 Some of the Italian translations of these English writings were made through their French translations, for example Cary's *Essay on the State of England*. Since Butel-Dumont, the French translator, claimed that only a small part of his two-volume translation was taken from Cary's original text, one wonders whether the Italian translation testifies to the influence of English thought or that of Gournay's "science of commerce" on Italian political economists.
- 53 See Genovesi (1769 [1765-67], 2:144-52 and ch. 7).
- 54 Another interesting point concerning this translation is that, like the French edition of 1767, it reproduced only the "economic" essays of Hume's *Discourses*.
- 55 It is all the more surprising in that case, since Dandolo's edition was bilingual—English and Italian.

11 Hume's *Political Discourses* and the French Luxury Debate

John Shovlin

When one considers commerce as a merchant, I am not surprised that luxury should be praised. But why did M. Hume, a Philosopher and a Statesman, fall into this glaring error?

Gabriel Bonnot de Mably, *Principes des négociations* (1757)

When David Hume traveled to France in 1763 to serve in the British Embassy, he was accorded an enthusiastic welcome in the Paris salons. "Those who have not seen the strange effects of modes," he wrote later, "will never imagine the reception I met with at Paris, from men and women of all ranks and stations" (Hume 1985, xxxix). Hume's reputation in France owed much to the success of his essays, particularly the *Political Discourses*, published in 1752. As Loïc Charles demonstrates in his contribution to this volume, during the 15 years after their initial publication in English, three different French translations of the *Political Discourses* were produced, the most influential published in 1754 by the abbé Jean-Bernard Le Blanc, author of the celebrated *Lettres d'un Français sur les Anglois* (1745). Le Blanc's *Discours politiques de Monsieur Hume* aroused a lively interest in the French reading public. The *Affiches de province*, an advertising sheet sold in provincial cities, likened public enthusiasm for the new work to the reception of "the latest novel," remarking that the *Political Discourses* was being "snapped up as fast as the most agreeably frivolous book" (Labrosse 1988). The *Année littéraire*, one of the leading literary reviews of the day, stated that, in translating the *Political Discourses*, Le Blanc had rendered a service to his country (Balcon 1975, 122).

A theme of the *Political Discourses* that was particularly significant for French readers, I will argue, was Hume's treatment of luxury. The second essay in the book, "Of Luxury" (a title changed to "Of Refinement in the Arts" in editions published from 1760), made a critical contribution to the eighteenth-century luxury debate. A spirited controversy about the benefits and drawbacks of luxury had agitated the French Republic of Letters since the Regency. At the simplest level, the disagreement was about whether spectacular consumption by the rich, and the middling and poorer sort's growing taste for fashionable clothing, colonial commodities, and other consumer goods, had positive or negative economic consequences.

Apologists for luxury argued that expenditure on frivolities by the rich created employment for the poor and stimulated their industry. Critics charged that such luxury drew labor away from more productive activities, or engendered a negative balance of trade by drawing expensive foreign imports into the country. But to assume that the debate was simply about the economic effects of consumption would be incorrect; the storm over luxury functioned to articulate deeper issues of social, moral, and political order.

One intimation of the luxury debate's complexity lies in the unending efforts to define the concept, none of them successful. At midcentury, Denis Diderot singled out *luxe* as emblematic of those terms whose uncertain meaning led to interminable and pointless intellectual wrangling (Diderot and d'Alembert 1751). *Luxury* could not be defined because it was one of that class of words whose meaning and power inheres in their capacity to evoke a wide range of ideas or feelings not contained in any formal definition. In contemporary terms, one thinks of words such as *science*, *nature*, *art*, or *racism* that have powerful legitimating or censuring functions but whose precise meaning will always be a matter of dispute. Indeed, arguments concerning the meaning of such terms are necessarily confrontations between worldviews rather than merely semantic deliberations (Skinner 1988). In an important sense, the luxury debate was generated by a philosophical effort to neutralize the powerful sense of disapproval conveyed by the term *luxury*. The *philosophes* were intensely aware that ordinary language was not a neutral medium for the communication of information but that, through the associative process analyzed by Locke, words became freighted with multiple deposits of meaning. The *philosophes* pursued a politics of language intended to redefine the word *luxury* and thereby sap its power.

The Enlightenment effort to redefine luxury was simultaneously an attack on the negative view of the passions that undergirded Christian asceticism, an assault on prejudices holding that aristocrats were superior to people of the middle rank, and a strike against the civic humanist view that economic modernity heralded a process of political, cultural, and moral degeneration. In Christian theology, Saint Augustine used the term *luxury* to signal the comprehensive sin of worldliness, while Thomas Aquinas emphasized that the luxurious man is unable to contain his passions, and is blinded by insatiable desires (Sekora 1977, 41–46). Such views continued to enjoy authority in early modern Europe, and were championed particularly by moralists in the Augustinian tradition such as Pascal, Pierre Nicole, and the duc de La Rochefoucauld. To redefine *luxury* as morally worthy or, at worst, morally neutral was to strike a blow against this gloomy morality so inimical to the Enlightenment view of the passions. The concept of luxury had also traditionally functioned to support an aristocratic vision of the social order that denounced upward social mobility conferred by money and sustained noble prejudices against merchants. The seventeenth-century antiluxury

discourse, as Renato Galliani has noted, was the expression of a "noble ideology" aimed at reversing the process whereby a class of parvenus had come to compete with the ancient nobility for office and honor (Galliani 1989). The Enlightenment effort to redefine luxury was an attack on such "Gothic" attitudes. However, by the time Hume wrote, the most important question at issue in the debate on luxury was the political, cultural, and moral status of commercial modernity. What was at stake was whether the growth of modern wealth ought to be seen as a positive and progressive development or, as civic humanists held, the source of a process of moral, cultural, and political decline. The example of the ancient Roman Republic, which, according to Roman moralists, had been corrupted and ultimately destroyed by luxury, loomed large in the thinking of the critics of luxury (Berry 1994). They argued that luxury enervated and feminized men, sapping their capacity for military virtue; they claimed that luxury was a tool of potential despots who used it to weaken the commitment of their subjects to liberty and the public welfare; and they claimed that it made both rulers and their subjects corrupt and self-serving.

French writers immediately recognized Hume's apology for luxury as the single most powerful and compelling argument made to date in favor of *le luxe*. Apologists and critics alike singled out his views for applause or reproach. However, as I will demonstrate in this essay, Hume's views on luxury failed, in the final analysis, to settle the luxury debate in France. In fact, the criticisms the *Political Discourses* generated helped to catalyze a shift in the thinking of French Enlightenment writers toward a less complacent view of luxury. Ultimately, I suggest, the reason why Hume failed to persuade the French—even those committed to the philosophic defense of civilization and commercial modernity—was that the word had important additional resonances in the French context that Hume's analysis failed to capture. A representation of luxury that equated it with commercialization could not be adequate in France, where the system of taxation and public finance had long been regarded as a central source of luxury, and where the financiers and courtiers who benefited from this system were the prototypically luxurious classes. As concern grew in France during the 1750s and 1760s about the baneful effects of fiscalism on national prosperity and power, French critics found the word *luxury* too useful a stick with which to beat the financiers and their courtly allies to allow it to be transformed into a synonym for commerce, manufactures, and refinement in the arts.

1. Hume and the Enlightenment Apology for Luxury

Hume's essay in the *Political Discourses* was the culmination of a substantial eighteenth-century literature articulating a defense of luxury. The utilitarian argument in favor of luxury was expressed most trenchantly by Bernard Mandeville in his *Fable of the Bees*, published in 1714. Mandeville argued that a prospering powerful society depended on the selfishness,

vanity, and self-indulgence of its citizens. If the people of a great state were suddenly to give up luxury, he suggested, the economy would disintegrate, population would collapse, and the state would be rendered vulnerable to foreign invasion (Mandeville 1988). In his *Persian Letters*, published in 1721, Charles-Louis Montesquieu had one of his characters—the Persian aristocrat Usbek—articulate a similar apology for luxury, disputing the received wisdom of antiquity that luxury saps the virtue of nations and renders them prey to conquest by simpler, less decadent peoples. A state that chose to abandon the arts and commerce, Usbek warns, would enfeeble itself: the revenues of individuals would dry up, and with them the revenues of the prince; social bonds based on exchange would languish, and population would collapse (Montesquieu 1993, 193–96). Perhaps the most important French contribution to the defense of luxury was that of Montesquieu's friend, the political economist Jean-François Melon. In his *Essai politique sur le commerce* (1734), Melon suggested that, if luxury harmed individuals, it nevertheless afforded wealth and security to states and was a spur to industry because it provided incentives for work (1734, 133–34). Melon's defense of luxury inspired Voltaire to launch his own apology for *le luxe* in two witty, polemical poems, "Le Mondain" (1736) and "Défense du Mondain, ou L'Apologie du Luxe" (1737). In these works, Voltaire represented consumption, refinement, and pleasure as allies of the arts and taste, and enlorged the "polish" of the worldly man. He vaunted civilization and refinement in place of asceticism and stoic control of the passions, and he celebrated the rise of new needs and new pleasures brought about by commercial prosperity and international trade (Morize 1970 [1909]).

If the apologists for luxury had enjoyed the upper hand in French intellectual life during the first half of the century, in the latter half of the 1740s the critics began to recover the initiative. In 1745, François-André Bourcau-Deslandes published his *Lettre sur le luxe*, which criticized the Enlightenment apology for luxury and especially Melon's *Essai politique sur le commerce*. Two years later, Etienne de La Font de Saint-Yenne published his *Réflexions sur quelques causes de l'état présent de la peinture en France*, suggesting that luxury had caused the degeneration of painting—a position that ran directly counter to the philosophic view that commerce and luxury sustained the arts. In 1750, Jean-Jacques Rousseau caused a sensation with his *Discours sur les sciences et les arts*, which savaged the philosophic defenders of luxury and reiterated in trenchant terms the claim that *luxe* weakened politics by sapping the civic virtue of their citizens: "I know that our philosophy, always fertile in singular maxims, claims against the experience of all ages, that luxury is what underpins the splendor of a state," Rousseau chided, but would it deny "that good manners are essential to the duration of empires, and that luxury is diametrically opposed to good manners?" (Rousseau 1964a [1754], 43).

Though there is no evidence that Hume was aware of the resurgence of French criticisms of luxury, his statements about luxury in the *Political*

Discourses seem custom-made to refute them and, in the French context, were undoubtedly read as such. In "Of Luxury," Hume claims a position of moderation for himself by denouncing both "men of severe morals" who blame luxury for "all the corruptions, disorders, and factions, incident to civil government," and those "men of libertine principles"—namely, Mandeville—who "bestow praises even on vicious luxury, and represent it as highly advantageous to society" (1985 [1752b], 269). Hume's principal interest, however, was to criticize the severe moralists. He met these critics on their own terrain, claiming that luxury actually fosters a range of critical social virtues. He maintained that ages of luxury are also the most virtuous epochs, an argument that rests on his view that refinement in the mechanical and liberal arts stimulates sociability, and that sociability enlivens the sentiment of humanity: "Thus," he observes:

industry, knowledge, and humanity, are linked together by an indissoluble chain, and are found, from experience as well as reason, to be peculiar to the more polished, and what are commonly denominated, the more luxurious ages.

(Hume 1985t [1752b], 271)

Having established that luxury, far from undermining virtue, actually contributes to fostering it, Hume moves on to counter the charge that luxury undermines the power and stability of states. He affirms that industry, enlightenment, and humanity, which he celebrates, are not advantageous in private life only, but "diffuse their beneficial influence on the *public*, and render the government as great and flourishing as they make individuals happy and prosperous" (Hume 1985t [1752b], 272). Hume argues that modern kingdoms have grown prodigiously in power as a result of advancements in the arts and sciences. When Charles VIII of France invaded Italy, he notes, the 20,000 men he took with him nearly exhausted the resources of the nation, yet his descendant, Louis XIV, was able to maintain 400,000 men in arms over a period of 30 years (*ibid.*, 273).

The chief conceptual innovation in Hume's political economic argument in favor of luxury is his claim that the artisans who are engaged in manufactures form "a *storehouse* of labour, which, in the exigencies of state, may be turned to the public service" (Hume 1985t [1752b], 272). Here he adverts to an argument he made at length in "Of Commerce," the essay preceding "Of Luxury" in the *Political Discourses*, and his only other substantive consideration of the benefits of luxury. In that essay, Hume concedes that ancient Sparta and Rome were incomparably more powerful than any modern societies of similar size, and argues moreover that their military prowess stemmed from their eschewal of commerce and manufactures (1985s [1752a], 257). He suggests, however, that for a modern state to follow the same policy would be foolhardy: "Though the want of trade and manufactures, among a free and very martial people, may *sometimes* have

no other effect than to render the public more powerful," he states, "it is certain, that, in the common course of human affairs, it will have a quite contrary tendency" (ibid., 260). In most countries where agriculture alone is practiced, he argues, farmers easily win a subsistence for themselves and have no incentive to create a surplus (ibid., 260-61). When in time of war some of them are called for military service, the remainder "cannot increase their skill and industry on a sudden" and their armies may have to "disband for want of subsistence" (ibid., 261). On the other hand, artisans employed in manufactures, who produce goods to exchange against an agricultural surplus, can be mobilized without any serious injury to the national economy.

Hume counters the charge that luxury sows venality and corruption, saps military virtues, and heralds the onset of tyranny. The art of government improves in ages of luxury and refinement, he argues; knowledge expands, superstitions are abandoned, and rulers act with more mildness and moderation. As a consequence, he holds, "factions are then less inveterate, revolutions less tragical, authority less severe, and seditious less frequent" (Hume 1985t [1752b], 274). Civilization does not lead to a loss of martial spirit, he argues, because honor takes the place of ferocity in the personality of the soldier. The bravery of the English and the French, he remarks, is as "uncontestable as their love of the arts, and their assiduity in commerce" (ibid., 275). He offers an alternative explanation of the decline and fall of Rome. What the ancients ascribed to the effects of luxury, Hume suggests, was really the fault of an "ill-modeled government, and the unlimited extent of conquests" (ibid., 276). "Luxury and refinement on the pleasures and conveniences of life has no natural tendency to beget venality and corruption," he affirms (ibid., 276, 631). The only factor that can be expected to restrain the love of money that abounds in all ages and all classes of people, Hume argues, is "a sense of honour and virtue," which, he claims, "will naturally abound most in ages of knowledge and refinement" (276). The progress of the arts in England, he notes, was accompanied by the expansion of liberty. Before the development of commerce and the arts, society was divided into two classes: lords and peasants. The former tyrannized the latter and feuded among themselves, creating a destructive political chaos. But the development of commerce and the arts enriched the peasantry and shifted the balance of power toward the middling ranks, "the best and firmest base of public liberty" (ibid., 277).

Hume sharply criticizes the author of the *Fable of the Bees*, while appropriating and integrating the most compelling features of his argument. In the final paragraphs of the essay, Hume considers what he calls "vicious luxury," that is, sensual indulgences that prevent a man from carrying out duties such as the education of his children, the support of his friends, and the relief of the poor. But if he allows that such extravagances can be vicious, he implies that this is a problem affecting the individual and his family rather than society or the polity. Hume also attacks Mandeville's

utilitarian claim that all consumption is morally equivalent because it stimulates circulation, industry, and employment. Though like Mandeville, he discerns some benefit even in vicious luxury. Vicious luxury is a poison, he says, but as "one poison may be an antidote to another," vicious luxury may be a remedy for worse ills such as laziness and indolence (1985t [1752b], 279). He suggests that in *philosophical* terms Mandeville is wrong: one can imagine a utopian society in which all vices have disappeared and people are better off than in the quotidian world of the present. However, as a *political* question, it is quite otherwise. The magistrate "aims only at possibilities" and

very often he can only cure one vice by another; and in that case, he ought to prefer what is least pernicious to society. Luxury, when excessive, is the source of many ills; but is in general preferable to sloth and idleness.

(Hume 1985t [1752b], 280)

Hume's divorcing of the apology for luxury from a Mandevillian position was significant in two ways. In the middle decades of the eighteenth century, Mandeville's extreme position was more a liability than a strength for French defenders of luxury. His radical utilitarianism did not resonate with the central tenets of French Enlightenment moralism (Hullung 1994, 19). It was associated with a deeply pessimistic, Jansenist moral framework that was out of step with the moral optimism of the Enlightenment at mid-century. Moreover, in one crucial respect, Hume's apology for luxury was more comprehensive and radical than Mandeville's. The luxury of which Mandeville approved was principally a luxury of the rich. He was much more ambivalent about the possibility that luxury might function to stimulate the industry of working people. In remarks appended to editions of the *Fable of the Bees* from 1714, he identified a strong leisure preference among the lower orders and argued that the only means to sustain the diligence of artisans was to keep them poor:

Every Body knows that there is a vast number of Journey-men Weavers, Tailors, Clothworkers, and twenty other Handicrafts; who, if by four Days Labour in a Week they can maintain themselves, will hardly be persuaded to work the fifth. . . . When Men shew such an extraordinary proclivity to Idleness and Pleasure, what reason have we to think that they would ever work, unless they were oblig'd to it by immediate Necessity?

(Mandeville 1988, 1:192)

Hume's view was very different. As E. J. Hundert has pointed out, Hume argued that the industry of the poor, just as much as any other class, could be animated by the prospect of comforts and luxuries (Hundert 1974, 343).

2. The French Reception of Hume's Apology for Luxury

French writers recognized in Hume's *Political Discourses* the most coherent and powerful defense yet elaborated for *le luxe*. Indeed, almost from its first appearance, Hume's essay became a central point of reference for the French debate on luxury. Apologists for luxury drew on the Scot for support, and the most uncompromising critics of luxury singled out his argument for attack. Ultimately, however, Hume's resolution of the antinomy between wealth and virtue satisfied few French commentators. Even those, like the writers close to the intendant of commerce, J.-C.-M. Vincent de Gournay, who were attracted to Hume's claim that commerce fostered certain virtues, were unwilling to concede that vicious luxury was a purely private and individual problem. They continued to use *luxury* as a term of censure for the wealth associated with courtiers and financiers. Other critics of Hume, including the abbé de Mably and the marquis de Mirabeau, were skeptical about Hume's claim that commercial wealth was the foundation of the power of modern states. Decrying the "luxury" that Hume defended, they advocated a development strategy based on agriculture. I will suggest that some of Mably and Mirabeau's hostility to luxury also turned on an association between *le luxe* and financier interests.

What were these interests, and why did they loom so large in the thinking of French political economists in the second half of the eighteenth century? The provision of financial services to the state was one of the largest and most sophisticated businesses in eighteenth-century France, and perhaps the most lucrative. Contractors, known generically as financiers, handled most of the financial business of the royal administration—from collecting taxes, to paying troops, to managing public services—in return for an opportunity to make a profit. Syndicates of tax farmers, entrusted with the collection of indirect taxes, advanced sums of money to the Crown in return for the right to collect a particular tax over a specified period. Any difference between the amount of taxation collected and the monies advanced to the Crown constituted the tax farmers' profit, and those profits could be enormous (Matthews 1958, 263–60). The collection of direct taxes—the *taille*, the *vingtième*, and the *capitation*—was entrusted to the receivers general who, though technically royal officials, functioned no less as private entrepreneurs than the tax farmers did. As J. F. Boshier has noted, the office of a receiver was "a business investment to be exploited for maximum profit at the expense of the Crown and the general public. No cynicism and no exaggeration are necessary to draw the conclusion that in practice a royal accountant was engaged in a private enterprise" (Boshier 1970, 11). Finally, the Crown also depended on treasurers general, *triatans*, and *partisans* who undertook to advance money to supply the army and navy, purchase and transport public grain supplies, manage the postal service, or any number of other public services. This private enterprise in public finance, as Boshier characterizes it, was big business in the old

regime, and the top stratum of financiers were among the richest men in the kingdom.

Financiers had played an important role in French politics and social life since the seventeenth century (Dessert 1984). But their power and social prominence grew in the eighteenth as the upper tiers of finance increasingly merged with the court nobility to form a plutocratic hybrid class. Marriages between the sons and daughters of financiers and those of court nobles became increasingly common in the eighteenth century. By midcentury, according to Guy Chaussinand-Nogaret, "There were hardly any great noble families who had not felt the attraction of financiers: integration between the two worlds was total, and irreversible" (Chaussinand-Nogaret 1985, 124). Links with the court nobility gave financiers and their relations broad access to office and honors. Many of the officials who served as controllers general in the 1750s—effectively royal ministers of finance—came from the financial milieu. Nothing symbolized the rise of financiers to positions of authority and eminence so powerfully as the accession of Madame de Pompadour to the position of royal mistress in 1745. As Louis XV's closest confidante for 20 years, the political influence of Madame de Pompadour was enormous. The new favorite could not have been more thoroughly a creature of *la finance*. Her family members were clients of the Paris brothers, the most influential financier clan of the day; with their *protégée* installed as royal mistress, Paris influence and prestige reached its apogee.

In addition to marriage ties, the court nobility and financiers were increasingly linked by shared investments. Court nobles benefited directly from the profits of tax farming through their ownership of *croupes*—shares in the investment capital of tax farmers that entitled them to a portion of the profits (Matthews 1958, 235; Chaussinand-Nogaret 1972, 49). Court influence, in turn, was indispensable in order to secure a place as a tax farmer (Durand 1971, 61). Financier-aristocratic joint ventures played an important role in the mercantile world. The shares of large-scale, privileged trading companies were owned almost exclusively by financiers and court nobles (Chaussinand-Nogaret 1972, 69). When it was first established, the capital of the Indies Company was raised primarily from members of the royal family, courtiers, and financiers, and, in the 1760s, the company was still dominated by court and financier capital. According to Guy Chaussinand-Nogaret, the period between 1748 and 1756 was the golden age of this "court capitalism." Taking advantage of the peace that followed the Treaty of Aix-la-Chapelle (1748), he argues, several major joint-stock companies were founded by financiers and court nobles to pursue opportunities for profit in international commerce. Similar patterns of investment prevailed in the privileged large-scale manufacturing sector.

Antipathy to financiers and their courtly allies animated the circle of young political economists who were linked to the reforming intendant of commerce, Vincent de Gournay, and his administrative allies; and it powerfully

influenced their attitude toward luxury. Members of Gourmay's circle generally took a positive view of luxury, and drew on parts of Hume's argument to establish the benefits of *le luxe*. They argued that well-distributed, general prosperity and high consumption of both basic goods and luxuries were the conditions of a flourishing economy and hence of a powerful state. In his *Considérations sur les finances d'Espagne*, François Veron de Forbonnais observes that a state "is not rich through the great fortunes of a few subjects, but when everyone . . . is able to spend above real needs. It is in this sense that luxury is really useful in an Empire" (Forbonnais 1753b, 171-72). In his *Éléments du commerce*, Forbonnais comes close to identifying luxury with commerce and consumption, defining it as "the use made by men of the faculty of existing agreeably through the work of others" (Forbonnais 1754a, 2:291). Luxury, he suggests, generates a useful competition among men to be esteemed by others, a competition that drives them to work harder, making the state stronger and more prosperous. Forbonnais identifies in Hume's arguments a useful corrective to the moralized vision of the opponents of luxury. Citing the *Political Discourses* for support, Forbonnais claims that luxury "humanizes mankind, polishes their manners, softens their humors, spurs their imagination, perfects their understanding" (*ibid.*, 299-300).

However, while the dominant thrust of Forbonnais's argument is that luxury is beneficial, he insists that the circumstances that bring luxury into being may more than counterbalance its advantages. If the source of luxury is not commerce—that is, implicitly, if it has its origins in the court of fiscalism—then its effects will be transitory, and will be experienced only by a few people. It will be confined to a small number of cities, or to just one; useless occupations will multiply while the most useful portion of society will languish; debauchery will be encouraged and depopulation worsened (Forbonnais 1754a, 2:302-4). The defenders of luxury are defending a paradox, Forbonnais argues, if they do not think such excesses are capable of sapping the vitality of a political body. "If luxury is not general," he insists, "if it is not the fruit of national affluence, one will see arise at the same time as it disorders capable of destroying the political body" (*ibid.*, 2:308). These warnings were echoed by another member of Gourmay's circle, Forbonnais's cousin, Louis-Joseph Plumard de Dangeul. "Well ordered luxury consumes," Dangeul argues, while "excessive luxury abuses and destroys." Great fortunes that do not arise from commercial or agricultural activity, Dangeul remarks, arise at their expense. Moreover, he argues, when wealth is very unevenly distributed, consumption is disrupted; 20 households with an income of 1,000 livres act as a far greater stimulus to production than one household disposing of 20,000. The baneful effects of such luxury are exacerbated, he argues, if the great fortunes are all concentrated in one place—as he says they are, in Versailles and Paris (Plumard de Dangeul 1754, 60-65).

If Dangeul and Forbonnais embraced a version of Hume's apology for commercial society, nuanced by criticisms of the malign luxury of plutocratic

elites, Mably was much more pointedly critical of the Scotsman. "When one considers commerce as a merchant," he wrote in his *Principes des négociations*, "I am not surprised that luxury should be praised. But why did M. Hume, a Philosopher and a Statesman, fall into this glaring error?" (Mably 1757, 238). If the principal object of government in favoring commerce is to increase the strength of a nation, Mably argues, its efforts are misplaced; the money commerce brings into a state causes more harm than good because of its destructive effect on manners. It is agriculture rather than commerce, Mably argues, that deserves the attention of the legislator. "It is the commerce of cultivators which merits the principal attention of statesmen. If their industry is not encouraged, one may have several cities rendered flourishing by their manufactures, but the whole body of the nation will always be badly constituted. The majority of citizens will just get by, living in poverty" (*ibid.*, 236-37).

Separating luxury conceptually from commerce, Mably denies that luxury is beneficial even to trade. He argues that "luxury, far from being favorable to commerce, is, on the contrary, a symptom of its imminent decadence" (Mably 1757, 239). He cites Richard Cantillon's *Essai sur la nature du commerce en général* (1755) as a "complete proof" of this thesis (*ibid.*, 239n). Mably argues that luxury causes labor to become more expensive, thus raising the price of a country's merchandise, causing it to be undersold by poorer, cheaper competitors. "Since luxury destroys the commerce of which it is the fruit," he maintains, "instead of seeking whatever means one can to encourage it, would it not be better to examine whether it is possible to retard its progress?" (*ibid.*, 239).

Mably's views on luxury are best seen as a component of a larger attack on Colbertist strategies of economic development, which, he implies, are geared toward increasing the fiscal revenues of the monarch rather than the prosperity of the people, and are, even in the former respect, ineffective. In a veiled remark on the relationship between commerce and fiscalism, Mably writes:

I suspect that commerce ought not to be considered separate from finances, nor finances from commerce. Those wheels of the machine, ever united, ought to mesh with one another in order to produce only a single movement; and unfortunately, our books of commerce and of finance always have a different object; the former show only the means to make money enter the state, and the latter how to enrich the prince, or rather how to procure for him all the sums he demands. (Mably 1757, 237-38)

Does Mably here imply that a treatment of commerce separate from the fiscal purposes to which commercial development is harnessed must be misleading? If so, he is criticizing Hume for considering the effects of commercial development in the abstract, rather than in the context of actually existing

political economic structures such as fiscalism and Colbertism. Mably saw commercial development in France as ineluctably tied to an economy of privilege. He opens the chapter with an attack on the practice of giving privileges to merchants who engage in international trade. Such privileges are always abused he claims, and give rise to monopolies. Manufactures are also inseparable from the apparatus of Colbertism that protects and sustains them. "A manufacture has only to invent new superfluities . . . for the minister who protects it to be praised as a great man," Mably remarks acidly, when "perhaps he has merely opened a new wound in the state" (1757, 241).

I noted above that Mably thought Cantillon's *Essai sur la nature du commerce en général* provided powerful support for the view that luxury was pernicious. Cantillon seems to have been read in similar fashion by France's most important critic of luxury in the 1750s, the marquis de Mirabeau. Both Mirabeau and Mably appear to have seen in Cantillon a vindication of the classical political insight that all states degenerate due to luxury and are eventually surpassed by poorer neighbors (Wright 1997, 61). Whether this was Cantillon's own view is by no means clear; in general he seems to have used the word *luxury* in a narrow sense to refer to the acquisition of expensive commodities, regarding such consumption as disadvantageous to the extent that the luxury purchases are imports. But Mably and Mirabeau read Cantillon's argument about the long-term effects of an increase in the money supply as an argument about the way luxury will eventually weaken a state's ability to compete internationally. Cantillon argues that a sustained favorable balance of trade, by bringing money into a country, increases prosperity and enhances the capacity of a state to wage war. In the very long run, however, an increasing money supply will cause domestic prices and wages to rise, undercutting the competitiveness of the affected country in the international marketplace. Cantillon identifies several factors that slow this process, but eventually, in his view, a rich manufacturing nation can expect to be undersold by neighboring lands where money shortages will limit both wages and prices. At a certain point, the favorable flow of specie will reverse and the nation previously rich and powerful will become relatively less so until prices and wages rise among its competitors. This is hardly an argument about the degenerative effects of luxury on state power. However, Cantillon confuses matters by claiming that the Roman Empire was destroyed as a consequence of the specie-flow mechanism he analyzes. Through their success in arms, the Romans greatly increased the amount of specie in circulation, giving rise to luxury. Eventually, however, the rising price of Roman goods engendered a reverse in the flow of money and the Romans lost their specie, and along with it their power. Thus, according to Cantillon, "the Roman Empire fell into decline through the loss of its money before losing any of its estates. Behold what Luxury brought about and what it always will bring about in similar circumstances" (Cantillon 1964, 199). It is not entirely surprising that Mably

and Mirabeau might have drawn civic humanist inferences from such statements.

Cantillon's *Essai* was a touchstone for Mirabeau in writing his *L'Ami des hommes, ou Traité de la population* (1756). The first draft of *L'Ami des hommes*, which is preserved among Mirabeau's papers, offers a paragraph-by-paragraph commentary on Cantillon's work (Weulersse 1968, 3). But Mirabeau's is a very different kind of work than Cantillon's. It can usefully be regarded as an effort by a moralist in the civic humanist tradition to appropriate elements of political economy to bolster a thesis about the destructive effects of luxury. *L'Ami des hommes* has three central and closely intertwined themes: that patriotic virtue is necessary to sustain the health of a polity; that agriculture is the true foundation of national wealth and power; and that luxury undermines the power and well-being of states. "I am going to finally prove," Mirabeau states in the foreword, "that luxury is . . . the ruin of a large state even more so than of a small one" (1756, 1:iv). To sustain his thesis on luxury, Mirabeau thought it necessary to rebut Hume's argument; he described the Scot as "one of the cleverest men . . . who has written on political subjects" (*ibid.*, 2:125), and he devoted half of a lengthy chapter to refuting the argument on luxury articulated in the *Political Discourses*.

Mirabeau did not disagree with the substance of Hume's thesis on the benefits of commerce and refinement in the arts. Rather, he contested Hume's equation of such beneficent agencies with luxury. Mirabeau charged that what Hume analyzed was not *luxury* at all:

from one end of his treatise to the other he confounds luxury with politeness, industry, and the arts. I remain in accord with him concerning all the good effects which he attributes to these; but in the sense I mean, this is not luxury at all.

(Mirabeau 1756, 2:124)

For Mirabeau, a central aspect of luxury is consumption that disturbs the proper hierarchical arrangement of society. In his view, goods ought to be made visible to the social order; when they signify only wealth, the social order is threatened: "In their original institution," he observes, "these things were supposed to designate power, but from the point when they designate only wealth, from hence, I argue, luxury reigns" (1756, 2:106). In a military monarchy, he argues, birth and military services ought to constitute the first order of citizens, but, "it is the lowest classes who make pecuniary fortunes," and by the "apothecosis of gold" overthrow the proper order of society (*ibid.*, 2:132). In the context of such luxury, Mirabeau complains, honor, prestige, and esteem are lavished on people according to their wealth, rather than birth or merit. The passion for honor draws men to pursue profit rather than to serve the public. He refers to this "consideration for money" as "an illness more redoubtable for a state than plague or famine" and

affirms that it “reigns today without rival” (*ibid.*, 1:97). Like Mably’s critique of Hume, Mirabeau’s claim seems to be that modern economic forces, in the context of the French institutional order, will have problematic effects that Hume’s argument elides.

Not only should luxury not be equated with politeness, industry, and the arts, Mirabeau argues, but it actually damages these: “I said that politeness, industry and the arts were not at all [the same thing as] luxury. I say more, and I hold that luxury tends to destroy them entirely” (Mirabeau 1756, 2:125). Politeness “cannot be observed in a society composed of people who are all out of place” (*ibid.*, 2:132), he contends, and, in general, the fine arts are damaged by luxury. When the taste of the nation tends toward trinkets, he suggests, art must necessarily degenerate (*ibid.*, 2:131). According to the marquis, it is not industry that luxury animates so much as a rapacious desire for money, and this desire can actually be damaging to ordinary commerce and agriculture (*ibid.*, 1:119–20). He concedes that luxury may excite the kind of industry that produces trifling things, but this variety of manufacture is evanescent and unstable: “A few years of a war, even if it goes well, deranges and throws into necessity half the artisans of Paris” (*ibid.*, 2:134). Agriculture, in particular, suffers as a consequence of luxury. Mirabeau’s central concern is that agriculture, which he regards as the true basis of national prosperity and power, has been sacrificed to the pursuit of a mercantile wealth that is at once illusory and destructive in its social, economic, and moral effects. False ideas of urbanity and politeness have made agriculture seem contemptible. The land is neglected also because there is too much greed for quick and easy wealth.

Mirabeau did not share Hume’s confidence that social affections and private virtues would necessarily flourish in the conditions of commercial modernity. For Mirabeau, the fundamental problem facing any social order is to foster sociable impulses in human beings and to restrain their avarice. From sociability, he argues, follows attachment to one’s near and dear, to one’s friends, to “the public,” and finally to “*la patrie*” (Mirabeau 1756, 1:5). Cupidity is the enemy of such social affections and the patriotism they sustain. It is manners, Mirabeau argues, that decide toward which of these tendencies—cupidity or sociability—human beings gravitate. To the extent that manners degenerate, he suggests, “the bonds of society slacken in proportion,” and this process enervates and destroys the state (*ibid.*, 2:58). By manners, Mirabeau means private virtues, principally qualities associated with the moral paradigms of sensibility and domesticity. These civil virtues, he suggests, form a kind of foundation for patriotism. For Mirabeau, luxury is the antithesis of sociable impulses. As the fruit of unrestrained interest, it destroys manners; sociability, on the other hand, is disinterested—a selfless disposition to care for others.

Mirabeau’s themes resonated with the French reading public. For a brief period in the summer of 1757 the marquis became the most celebrated writer in France. It was rumored at court that the dauphin wanted him appointed

preceptor to his son, the future Louis XVI. From Saint-Malo in Brittany, Mirabeau’s brother reported that he was basking in the reflected glory of the “friend of mankind” (Loménie 1889, 2:169–70). In the three years following its initial publication, *L’Ami des hommes* appeared in 20 editions, and over the rest of the century seems to have enjoyed 20 more (Carpenter 1975). It appeared in nearly a quarter of the 500 private libraries inventoried by Daniel Mornet, suggesting that it was among the most widely disseminated books of the century (Mornet 1910). Certainly *L’Ami des hommes* did not win its enormous popularity based on its literary merits. The work is long, poorly organized, and written in an eccentric style. Friedrich-Melchior Grimm acknowledged as much when he criticized the quality of Mirabeau’s writing but praised his principles, which he described as “the only ones that a wise government ought to follow” (Loménie 1889, 2:140).

3. The Reformulation of the Enlightenment Perspective on Luxury

In the 1760s, Enlightenment commentators began to recast their thinking on luxury. If an earlier generation of *philosophes* had viewed luxury with complacency, many of those writing in the three decades before the Revolution took a much more critical view. One aspect of the Enlightenment apology for luxury—the effort to represent commerce in a beneficent light—had proven a triumph. However, the second dimension—the attempt to change the meaning of the word *luxury* itself, to evacuate it of its negative valence—was less successful. In essence, writers like Mirabeau insisted that it was necessary to preserve the older, negative meaning of the word to capture and condemn those effects of economic modernity that could not be seen as positive. For Mirabeau, these effects included the weakening of social hierarchy, the spread of the mercenary personality, and the orientation of economy and culture away from the necessary and toward the trivial. For others, such as Mably or the writers associated with Vincent de Gournay, it was important to preserve *luxury* as a word of censure in order to denounce the effects of courtly and financier parasitism. This latter perspective, in particular, proved persuasive to *philosophes* in the 1760s. Such writers continued to hold to the view that the effects of commerce are positive, but they had to concede that, in the French context of privilege, monopoly, and fiscalism, economic modernity had also produced distinctly negative effects. They argued that the debility and corruption from which the nation seemed to be suffering was a product of the institutional order, not the fruit of commerce or luxury. If mobile wealth as it had actually developed in Europe was a source of corruption, critics argued, liberated from the monopolies, privileges, and fiscal expedients of the absolutist political order, it would function quite differently. Instead of undermining agriculture, it would foster it; instead of generating dangerous inequalities, it would permit moderate wealth for all and great fortunes for none. A commercial order severed from the institutions of the absolute

monarchy would be a foundation for the virtue and patriotism of the nation, not its bane.

One of the most prominent expressions of the new approach was the marquis de Saint-Lambert's essay, "Luxe," published in the *Encyclopédie* in 1765. Saint-Lambert was quite critical of Hume; indeed the first paragraphs of the encyclopedia article constitute an ironic restatement of the opening lines of Hume's essay. Saint-Lambert criticizes both the moralists who have censured luxury with "more gloominess than enlightenment," and those "*politiques*" who have spoken about it "more as merchants or clerks than as philosophers or statesmen." This latter comment was a swipe at Hume, whom Mably had criticized in almost exactly these terms, while Saint-Lambert's formula, contrasting gloomy moralists with tradesman-like *politiques*, parallels the contrast Hume drew at the beginning of his own essay between "men of severe morals," and "men of libertine principles." Just as Hume distanced himself from the extreme position of Mandeville while borrowing some of its substance, so Saint-Lambert implicitly rejects Hume's argument while co-opting parts of it. Saint-Lambert lays out and refutes the positions of both the apologists for luxury and their critics. He denies that luxury always contributes to population, enriches states, facilitates circulation, softens manners, and improves the fine arts. In what seems to be another direct critique of Hume, he notes that the apologists have claimed "that luxury increases both the power of nations and the happiness of citizens." Saint-Lambert rejects this view, giving examples of ancient peoples who became luxurious and were conquered, and arguing that in luxurious modern states the great majority of ordinary people are not happy. However, he insists that the "censors of luxury are also contradicted by the facts" (Saint-Lambert 1765b, 764).

At the core of Saint-Lambert's argument is the claim that luxury is useful under a good government but becomes dangerous as a result of the ignorance or ill will of those in authority. Depopulation should not be attributed to the seductive luxury of cities, he remarks, but rather to fiscal policies that impoverish the inhabitants of the countryside. It is the forces of fiscalism, privilege, and monopoly, not luxury, he argues, that have driven country dwellers into the cities. Indeed, luxury is a partial palliative to these other scourges, softening and delaying their full impact. Nor will Saint-Lambert attribute to luxury the excessive inequality he believes characterizes modern states. Again, he argues, this ill is a consequence of bad government: "The extreme inequality of riches, supposedly due to luxury, finds a sufficient cause in the oppression of the rural population." The effects of such oppression have been amplified by other disastrous policies—the practice of privileging great trading and manufacturing enterprises, and of permitting scandalous profits to financiers:

There are countries where the government has taken still other measures to intensify inequality of wealth: exclusive privileges have been

distributed or kept in force for the benefit of various manufacturers, of a few citizens who exploit the colonies, and of a few companies which hold the monopoly on a lucrative commerce. In other countries these mistakes have been compounded by rendering excessively lucrative those financial offices that it should have been an honor to hold.

(Saint-Lambert 1765b, 767)

According to Saint-Lambert, the root cause of these disastrous derangements of the political economic order is the system of public finance that has developed since the last decades of the reign of Louis XIV. "In France," he remarks, "luxury has exceeded acceptable limits only since the misfortunes of the war of 1700 brought disorder to its finances and caused some abuses" (Saint-Lambert 1765b, 770). Such abuses have created a class of financiers and monopolists, and it is for these that Saint-Lambert reserves his opprobrium. "The fortunes of the holders of a monopoly, of the administrators and collectors of public funds are the most despicable," he states, and "these men have been unjustly preferred to the majority of their fellow citizens whom they have prevented from making money." The other kind of wealth Saint-Lambert regards as pernicious are the *rentes* enjoyed by the creditors of the state. "In several countries of Europe there exists a type of property that demands from the owner neither investments nor upkeep," he observes. "I am speaking of the national debt," he continues, "and this type of property too is very liable, in the large cities, to add to the excesses that are the necessary effect of an extreme opulence combined with idleness" (*ibid.*, 768).

Saint-Lambert's essay marks a critical moment in the history of the luxury debate because it captures the process whereby philosophic defenders of economic modernity came to terms with the fact that the political economy of modern France was not productive of power, prosperity, or virtue. Saint-Lambert's essay is ostensibly a defense of luxury. Defining *luxe* as "the use that is made of wealth and industry to procure an agreeable existence" (Saint-Lambert 1765b, 763), he insists that "the desire to become rich and to enjoy one's riches forms part of human nature . . . [and] this desire supports, enriches, and gives life to every important society. Thus luxury is good and does no harm in itself" (*ibid.*, 770). However, he breaks sharply with earlier apologists for luxury. He accepts virtually every aspect of Mably and Mirabeau's critique of French society, but denies that luxury is the direct cause of these calamities. Flawed institutions, he argues, account for all the derangements of the economic, social, and moral order that the critics of luxury underline. Through much of the essay, Saint-Lambert seems to wish to reserve the word *luxury* for the positive, vivifying effects of commerce and consumption, but in practice he is unable to do so, and slips occasionally into using the word in a negative sense.

The complexity of Saint-Lambert's position on luxury was not generally appealing to later writers in the Enlightenment tradition. For example, Diderot—in a dialogue on luxury that he wrote in the late 1760s, with Grimm as the interlocutor—opted for the much simpler position that there are two kinds of luxury, one beneficial and the other destructive. The former is “born of wealth and general affluence,” the latter “of ostentation and misery” (Diderot 1995, 78). Diderot's conception of the useful variety of luxury can be described as general, well-distributed prosperity, marked by a large consumption not just of necessities but of aesthetic objects. Such beneficial luxury, he insists, is based on the generalized prosperity diffused by a thriving agriculture. Destructive luxury, on the contrary, is a consequence of defective government, which fosters venality and financiers. The Grimm character in the dialogue goes on to identify Colbertism, fiscalism, and public credit as the progenitors of a destructive luxury. Such luxury, he says, is the work of

He who first advocated the superiority of industry, and its right to flourish on the ruins of agriculture. . . . he who, after having degraded agriculture, encumbered free exchange with all kinds of fetters. . . . he who created the first of the great extortionists and their numberless clan. . . . he who facilitated the taking of ruinous loans by foolish, spendthrift sovereigns.

(Diderot 1995, 76)

A similarly dualistic conception of luxury was offered by Alexandre Deleyre in his *Tableau de l'Europe* (1774). For Deleyre, the luxury generated by commerce and manufactures is unambiguously a social good. The taste for luxury and comforts, creates an appetite for work, which constitutes the principal strength of European states. However, he concedes there is also a destructive variety of luxury, connected with the activities of aristocrats and financiers. The economically active members of society are not the ones corrupted by commercial wealth; rather, it is the idle classes who are tainted by it. When a nation grows rich, Deleyre argues, those who hold the reins of power engross much of the benefits, giving themselves over to “luxury,” “intrigue,” and the “baseness that is called grandeur” (Deleyre 1774, 80). He criticizes the effects of public borrowing, arguing that it causes the fruits of industry to pass from those who work into the hands of the idle. Love of gain does not have to supplant virtue under a good government, he argues. However, under a government organized around the interests of one, or the few, it will always happen, as it will under arbitrary authority (Deleyre 1774, 156–57).

Hume himself may have shared in the rethinking that occurred around the category *luxury* during and immediately after the Seven Years War. One of the principal thrusts of the French critique of his argument was that, in identifying luxury with commerce, manufactures, and refinement in the arts,

his theory did not adequately consider the baneful economic, moral, and political influence of plutocratic elites. Some of the remarks on luxury Hume made in other essays in the *Political Discourses* suggest that he was himself quite negatively disposed toward luxury when it was attached to aristocrats and profiteers in public finance. In “Of Public Credit,” he adverts to the “stupid and pampered luxury, without spirit, ambition, or enjoyment” into which stockholders in the public debt can be expected eventually to fall (Hume 1985a [1752h], 357–58). In “Of the Populousness of Ancient Nations,” he refers to “the seats of vast monarchies” as places of “extravagant luxury, irregular expence, idleness, dependence, and false ideas of rank and superiority” (Hume 1985b [1752j], 448).

Hume recognized the problem posed by financiers in the French context, but seems to have regarded it as less intractable than did his peers across the Channel. All that would be necessary to solve the problem, he argued in “Of Civil Liberty,” was a far-sighted minister with the interests of the kingdom at heart. “The greatest abuses, which arise in FRANCE,” he argued,

proceed not from the number or weight of the taxes, beyond what are to be met with in free countries; but from the expensive, unequal, arbitrary, and intricate method of levying them, by which the industry of the poor, especially of the peasants and farmers, is, in a great measure, discouraged, and agriculture rendered a beggarly and slavish employment. . . . The only gainers by it are the *Financiers*, a race of men rather odious to the nobility and the whole kingdom. If a prince or minister, therefore, should arise, endowed with sufficient discernment to know his own and the public interest, and with sufficient force of mind to break through ancient customs, we might expect to see these abuses remedied.

(Hume 1985i [1741j], 95)

Hume was wrong, as the failure of Turgot's ill-fated ministry in 1776 would show. The odium of the financiers did not prevent them from building intimate and powerful alliances with the court aristocracy, and courtly allies could be depended on to unseat a dangerous minister. It was obvious to many in France as early as 1759 that no reforming minister was likely to be able to solve the problem of parasitic financiers and courtiers. In that year, the controller general, Etienne de Silhouette, who had attempted to retrench the profits of the farmers general, was unceremoniously driven from office after only six months (Marion 1914–27, 1:191–97).

It is possible that the French reaction to the *Political Discourses* persuaded Hume that it might be useful to retain the term *luxury* to criticize the harmful influence of parasitic aristocrats and financiers. After all, Hume changed the title of his essay on luxury to “Of Refinement in the Arts” for the 1760 and subsequent editions. He made another revision in a similar

vein for the 1760 edition, changing the sentence "Luxury and refinement on the pleasures and conveniences of life has no natural tendency to beget venality and corruption" to "Refinement on the pleasures and conveniences of life has no natural tendency to beget venality and corruption" (Hume 1985t [1752b], 276). What does the excision of the word *luxury* from this sentence and from the title of the essay signify? Was Hume himself retreating from a full-blown defense of luxury? Had he come to the conclusion that luxury *did* have "a natural tendency to beget venality and corruption"? There is no evidence in Hume's published correspondence to decide the issue, but it is tempting to view the revisions as evidence that Hume modified his original position on luxury in response to the reception his argument on luxury met with in France.

12 Constitution and Economy in David Hume's Enlightenment

Paul Cheney

Introduction

In several of his essays and in the *History of England*, David Hume explored the relationship between the patterns of economic activity to be found in states from antiquity to the present, and the constitutions—or regime types, in modern parlance—that characterized them. In this respect, Hume did not differ from any number of eighteenth-century writers, including Adam Ferguson, James Steuart, Voltaire, Jean-Jacques Rousseau, and Charles-Louis Montesquieu, all of whom used constitutional form as an analytical grid for understanding issues of wealth and poverty. Hume's attempts to understand the relationship between constitutional forms and economic prosperity were part of a broader Enlightenment movement that was transforming older historiographical practices. By the eighteenth century, it was hardly original to use the Platonic (later Aristotelian and Polybian) typology of state forms—monarchical, aristocratic, and democratic—in order to trace patterns in the rise and decline of states. What was new, however, was to apply this typology to the task of coming to terms with the revolutionary consequences of the discovery of the New World and the expansion of European commerce that followed from this event. Hume himself argued that by dint of their regularity, impersonality, and sheer number, economic activities now enjoyed a privileged status in all scientific "political" inquiries: European history had become the history of commerce, and the study of this subject paved the way for the development of political economy.¹ From this point of view, Guillaume Raynal's best-selling *Histoire Philosophique et Politique des Etablissemens et du Commerce des Européens dans les deux Indes* (1773–74) represents less a decisive shift in eighteenth-century historical writing than a culmination of trends well under way.

Eighteenth-century writers transformed established historiographical practice by integrating the economy into the very heart of a historical method that generally privileged regime type, or the constitution, as a basis for the analysis of the political and economic fortunes of ancient and modern states.² For the historian of commerce—a subtype of political economist