Journal of Markets & Morality Volume 15, Number 1 (Spring 2012): 257–269 Copyright © 2012

## PHILOSOPHY, HISTORY, AND METHODOLOGY OF ECONOMICS

Herbert Spencer Alberto Mingardi

New York: Continuum, 2011 (168 pages)

Alberto Mingardi's *Herbert Spencer* is a handsome little book, volume 18 in the Continuum series Major Conservative and Libertarian Thinkers produced under the direction of John Meadowcroft. Written in an accessible, readable style (with a few grammatical infelicities), the book includes a short biography of Spencer's relatively uneventful life; an analysis of his major political ideas as elucidated in *The Proper Sphere of Government* (1842–1843), *Social Statics* (1851), *The Man Versus the State* (1884), and his *Principles of Ethics* (1891); a discussion of thinkers who followed in Spencer's idiosyncratic footsteps (with particular emphasis on libertarian-leaning authors such as William Graham Sumner, Murray Rothbard, and Friedrich Hayek); a bibliography of primary and secondary sources; and a short index.

Although Spencer achieved celebrated, cultlike status during his long life (1820–1903), an uncharitable commentator might describe his beliefs as a hodgepodge of eccentric, historical curiosities. Mingardi cites scholar Michael Taylor who describes Spencer's work as "a museum piece: an essential subject of study for those who wish to understand the Victorian age, but not the work of a major philosopher" (148). This seems a fair assessment. Although Spencer views himself as an intellectual rebel, opposing ideas one finds in more prominent thinkers such as Hobbes, Locke, Bentham, Mill, and Smith, his variegated opinions now appear, with the passing of time, as minor variations on similar themes. A follower of Auguste Comte, Spencer is perhaps best known today for his contributions to sociology.

## Reviews

Spencer has been variously described as a social Darwinist, a libertarian Marx, a *rational* utilitarian, an anarchist, an eccentric, a pacifist, a champion of laissez-faire and the free market, an enemy of organized religion, and a religious agnostic. The helter-skelter list goes on and on. He rails against aristocratic privilege, he is deeply suspicious of representative democracy and universal suffrage, he argues *against* private ownership of land, and he denounces the reliance of modern corporate capitalism on mechanisms of limited liability and shareholder ownership. As he grew older, the famous intellectual felt increasingly alienated from contemporaneous political developments, which only accentuated his contrarianism.

Mingardi aims to recuperate some of the more plausible aspects of Spencer's political thought into a new libertarian canon. This project makes historical sense. Still, we need more than an informative list of his beliefs if we are to critically evaluate his liberal worldview. It is not enough for a fellow-sympathizer to proclaim: "On this or that point, he is one of us."

We cannot properly describe Spencer's philosophical stance without summarizing the systematic account of knowledge he expounds in ten volumes in *Synthetic Philosophy*. An autodidact with an uneven education, Spencer was determined to arrive at one sweeping formula that could provide a credible basis for all knowledge. He settles on evolution as the key to everything. On his account, the entire universe exhibits and partakes in a nonteleological process of structural change that inevitably moves forward from homogeneity to heterogeneity in search of sustainable equilibrium. The same mechanistic laws of progress manifest themselves in physics, biology, genetics, psychology, ethics, sociology, politics, and history. Societies, as well as planets and individual organisms, continually evolve so as to produce ever more complex aggregates of specialized parts. "In the development of the Earth, in the development of life upon its surface, in the development of society, of government, of manufactures, of commerce, of language, literature, science, [and] art" (30), everywhere evolution is paramount.

Spencer aims at a purely naturalistic account of the world. At the same time, he does posit the existence of an ambiguous something he calls "the Unknowable," a capacious metaphysical category that refers to first principles that defy explanation such as cause, time, space, matter, motion, and the infinite. He claims to reconcile science and religion through this idea of an inscrutable Power that is the cause behind everything.

Spencer's stance on evolution is of a piece with his liberalism in a way that is insufficiently elucidated in Mingardi's text. Like other utilitarians, Spencer posits as the proper goal of government the maximization of happiness. Why then is individual freedom, understood in negative terms as freedom of choice, so important? Because Spencer believes that liberalism is the best way to achieve the greatest happiness. He posits "a law of equal freedom" which turns out to be a restatement of Hobbes' second law of nature: that a man ought to grant every other man an equal amount of the liberty he wishes for himself. This is, in Spencer's version, tantamount to Mill's no-harm principle: that government is only justified in interfering with someone's freedom when their behavior infringes on the freedom of others.

## Philosophy, History, and Methodology of Economics

Spencer has a metaphysical reason for preferring the largest possible scope of personal choice. He believes that the laws of evolutionary progress will spontaneously produce appropriate political and economic mechanisms. Societies efficiently adapt to changing circumstances without outside interference. If governments resist from meddling with the deeper metaphysical forces at work, economic and political progress will naturally happen through uncoerced individual initiative. (Think of Adam Smith's "invisible hand.") Any attempt to force the issue fails, for government oversight is inevitably misguided, clumsy, subject to great abuse, and counterproductive.

Seen from Spencer's perspective, evolution has a moral dimension. "Survival of the fittest" (a phrase he coined) rewards the industrious and punishes the lazy. This is in accordance with the strictest requirements of justice. Brought up among Dissenting or Nonconforming Protestants (who had left the Church of England), Spencer exhibits a Protestant appreciation for the dignity and value of work. He emphasizes the importance of individual responsibility, identifying "a law of conduct and consequence" such that "each individual shall receive the benefits and evils of its own consequent conduct" (70). Legislative attempts to interfere in the unregulated consequences of personal economic choices are then morally pernicious. To help the undeserving poor is to reward the bad (that is why they are poor) and to punish the good (through taxation). Although Spencer does not overlook the ethical importance of charity, he believes that effective charity must be exercised (like effective business dealing) through individual initiative. In criticizing the British Poor Law System, he insists that the hardship that naturally follows poor decision-making is a necessary corrective to bad behavior. Feeding the undeserving poor "not only takes away the punishment, but also destroys the most powerful incentive to reformation" (39).

Mingardi does an admirable job canvassing Spencer's scattered and sometimes insightful opinions, but Spencer's political views ultimately rest on an old-fashioned metaphysics that has lost its earlier appeal.

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Institutions and European Trade: Merchant Guilds, 1000–1800

Sheilagh Ogilvie
Cambridge, United Kingdom: Cambridge University Press, 2011 (493 pages)

Sheilagh Ogilvie offers an erudite critique of the medieval and early modern merchant guilds, so often defended in academic debates. She eyes in particular the allegation that merchant guilds were key to European economic modernization, improving commercial security and contract enforcement, acting as clearing houses for information, and solving the problems of long-distance commerce in an era before modern communications.