

Marshall at the British Association Meetings, 1904

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After delivering his presidential address⁽¹⁾ to Section F (Economic Science and Statistics) of the British Association for the Advancement of Science in 1890, Marshall seems to have had little further involvement with the Association. However, in August 1904 the Association met in Cambridge under the overall presidency of A. J. Balfour, then Prime Minister. Marshall was drawn into taking a hand in the arrangements and entertaining visiting economists at Balliol Croft⁽²⁾. Under the sectional presidency of William Smart, Section F met between Thursday August 18 and Wednesday August 24 to hear and discuss some 16 papers besides Smart's presidential address⁽³⁾. *The Times* reported the proceedings quite fully. Marshall probably attended most of the sessions and is reported as intervening in two of the discussions.

The first intervention was on the controversial paper "Economic Theory and Fiscal Policy" by L. L. Price, the text of which subsequently appeared in the *Economic Journal* (vol. 14, September 1904, pp. 372-87). The paper was a severe attack on the academic economists for their dismissal of Chamberlain's protectionist proposals as unsupported by economic science, especially in the infamous "Professors' Manifesto" of August 1903 which Marshall, among others, had signed and Price had opposed⁽⁴⁾. Price, aligning himself explicitly with the emerging group of economic historians and with inductivism, decried both the use of professional authority to suppress discussion and the reliance on a priori considerations to rule on complex issues of a changing society. Marshall may have felt himself to be to some extent the target, although the only reference to him by name was complementary. In any case, he apparently rose with some heat to counter Price. *The Times* (August 20, p. 8) noted "some little polemic" between the two, and Price himself later recalled that "Marshall chid me like an irate dominie flogging a naughty schoolboy, for my support of Tariff Reform. I imagine that he had not liked the ridicule in the Times of the damning pontifical Manifesto of the Free Trade professors against Chamberlain, and had nursed his wrath"⁽⁵⁾.

Marshall's remarks as they were reported by *The Times* (August 20, p. 8) appear less than incendiary. The report runs as follows:

Professor Marshall regretted that Mr. Price had again brought up the matter of the professors' manifesto, of which he had not given a fair account. There was no dogmatism intended – no closing of a question as authoritatively settled. He was induced to sign the manifesto by a statement in the House of Commons that it was mathematically certain that the importation of any article from abroad which could be produced at home diminished employment. As the leader of the movement which he believed to be extremely dangerous based his case on this line of argument, he felt bound to express simply the negative of that proposition. But Mr. Chamberlain's proposals were not really economical; their force depended on wholly other considerations; though as a citizen he believed those proposals would be subversive of rather than conducive to Imperial union.

He had carefully examined the conditions prevalent in the United States and Canada, and had had long conversations with the leading protectionists, and had come to the conclusion that protection did not prevent dumping; and what he held to be the proved fact that the real wages of labour in Germany had not risen so much as they had here.

The *Manchester Guardian* (August 20, p. 8) reported more briefly:

Professor Marshall said that he was not certain that Mr. Chamberlain's policy was a mistake. There were pros and cons of a most difficult character, the most interesting of which had something to do with economics, but he strongly protested against the doctrine that it was "a mathematical certainty" that the importation of goods which could be produced by home labour would diminish employment.

More interesting is the report from *The Standard* which Edgeworth chose to reproduce in the "Current Topics" of the *Economic Journal* (vol. 14, September 1904, pp. 483-84)(6).

He [Marshall] regretted that the attack which a minority of economists had made upon the Manifesto issued by the majority had been renewed. Hitherto he had refused to reply, or even correct misinterpretation. But, if silence was maintained now, those who signed would seem to acquiesce in the version given. Mr. Price had said that the Manifesto was mainly negative. The only fault that he [Marshall] had to find with it was that there were one or two sentences which seemed to be constructive, and there was no room for construction in so short a document. He was abroad when it was written, and could not speak in details for the motives of others. But he himself objected to all manifestoes by economists on political questions, and consented to sign only because, in an epoch-making speech in the House of Commons, a great Statesman had laid down the corner-stone of his policy in a sentence – (he was quoting from memory). "It is mathematically certain that the importation of goods which could be produced at home diminishes employment." He would have liked the Manifesto to consist of the quotation of this sentence with the statement that its signatories did not agree with it. He himself would never use the word "mathematical" in a case of that kind. But the chief corner-stone of policy would rather be that sentence inverted, omitting the word "mathematically." For it was generally true that the less employment is required in order to produce a certain effect, the larger is the surplus available for wages in all trades. Of course, this does not mean that any violent change is good. To abolish Protection suddenly would throw people out of employment, and no Free-trader proposed any violent change.

Marshall's second intervention was in the discussion of a paper on "Cotton Growing in the Empire" by J. Arthur Hutton, vice chairman of the British Cotton-growing Association, founded 1902. In the face of an increasing dearth of raw cotton, which had enforced periods of short-time working on the Lancashire cotton industry, the Association's aim was to encourage by direct support the growing of cotton in various parts of the British Empire, especially India. The paper was delivered on Monday August 22 and discussion opened with a long speech from Balfour himself. Marshall's intervention, as reported in *The Times* (August 23, p. 5) ran as follows:

Professor Marshall thought that Government ought to extend its functions in the way of giving facilities to new enterprise. He would be glad if the Governments of Europe would spend large sums in developing the growth of cotton. But he did not think that the increase of the supply of cotton would be a remedy for fluctuations in employment. The whole business would be on a larger scale; and what was really wanted was increased elasticity and a greater number of sources of supply. Much the same might be said of wheat, and the alternation of cotton and wheat would increase this elasticity. He was a fervent admirer of Adam Smith, who was charged with being too cosmopolitan; but this proposal for international co-operation was, perhaps an excess of cosmopolitanism.

The report in the *Manchester Guardian* (August 23, p. 8) supplements that of *The Times*:

Professor Marshall thought that Governments ought to enlarge very much their activity in a constructive direction – not by undertaking business themselves, but by giving increased facilities to movements which clearly had a future before them, but in which the pioneers could not expect to do more than make both ends meet. The Governments of Europe would do well to spend large sums in promoting the culture of cotton in various parts of the world. He did not agree with the reader of the paper that an increase in the supply of cotton was the main remedy for fluctuations in employment. What was wanted was rather increased elasticity of supply.

Apart from the interest of the specific occasion and issues, the case suggests that newspaper reports can be an interesting source of supplementary information for historians of economics. The quality of

newspaper reporting, and the extent to which intellectual issues were covered, in the period, say, 1870-1914 may come as a surprise to those acquainted only with modern newspapers. Even so, it is clear that even if a report tells the truth, it may not tell the whole truth, so that there is value in seeking out further reports on the same matter. This can be both tedious and inconvenient even if microfilm copies exist, as they often do not. It would be helpful to develop a better understanding for the British scene of newspaper and journal sources beyond *The Times* and the *Manchester Guardian* which are likely to contain extensive reports of public discussions and events that would be of interest to historians of economics.

Notes

1. "Some Aspects of Competition", reproduced in A.C. Pigou (ed., 1925), *Memorials of Alfred Marshall*, London: Macmillan, pp. 256-91.
2. For details see J.K. Whitaker (1996), *The Correspondence of Alfred Marshall, Economist*, Cambridge: Cambridge University Press, vol. 3, pp. 78-82, 88-89.
3. Reproduced as "The Problem of Housing", *Economic Journal*, vol. 14, December 1904, pp. 527-40. See also the British Association's *Annual Report* for 1904.
4. See *Correspondence*, vol. 3, pp. 53n3, 55-56, 60n8. Also A.W. Coats (1964), "The Role of Authority in the Development of British Economics", *Journal of Law and Economics*, vol. 7, October, pp. 85-106, especially pp. 99-103.
5. See A.W. Coats (1972), "The Appointment of Pigou as Marshall's Successor: Comment", *Journal of Law and Economics*, vol. 15, October, pp. 487-95, at p. 488n2; also A.W. Coats (1968), "Political Economy and the Tariff Reform Campaign of 1903", *Journal of Law and Economics*, vol. 11, April, pp. 181-229, at p. 226.
6. I have not been able to consult the original. *The Standard* was published in London as a morning newspaper from 1857 to 1920. *The Evening Standard* was its afternoon companion.

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