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HISTORY AND ECONOMICS

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Not long ago an eminent American economist, in a conversation with the writer of this article, expressed great impatience with history. He said in effect that history seemed to him a hopeless jumble of events and personalities held together by no system or logic of relationships. He had tried again and again to force himself to read history, in the hope that he might get something out of it, and had always been compelled to give it up in despair, if not disgust. He did not join Henry Ford in declaring history to be "bunk," but it was evident from his tone and temper that he sympathized with this view of the subject. At all events he turned with positive relief to a discussion of wages and prices where he found something "positive" to consider—or at least the mathematical symbols of something positive. "Here," he added with apparent satisfaction, "we have data that can be handled without any tinge of partisan politics or ethical aspirations."

How representative this opinion may be there is no way of knowing, but it is highly probable that many economists share the view. At all events a cursory examination of economic journals in the Library of Congress discloses no considerable interest in the theory and practice of historical composition. Indeed, it reveals not much interest in history at all, save that dealing with "economic factors." That economists have made important contributions to the history of "economic phenomena" must be admitted, but their concern with the past does not run far beyond such aspects of history.

This indifference is doubtless reciprocated by most historians. It would be interesting to know how many American students of history have read the great classics in economics from Adam Smith through Marx to Marshall and John Bates Clark. Not many, it may be guessed. Some historians have given a little thought to

economic matters. In dealing with Hamilton, Webster, Calhoun, and Andrew Jackson, they can scarcely escape seeing banks, tariffs, currency, and slavery. Yet historians seldom deal with these topics in the coherent manner that characterizes economic thought. Either they do not have the requisite training, or, having training, they find it impossible to bring the stubborn facts of the historical uproar into any consistent and meaningful whole.

For the state of affairs herein mentioned no one in particular deserves criticism. In a large measure it is due to the growth of specialization. And specialization comes out of the quest for more minute and exact knowledge. Thus knowledge is advanced and vague theories are punctured.

As an old fashioned kind of humanist, with no special competence in any field, I confess, however, that I am appalled by the volume and nature of the results of specialization. It is my custom, out of sheer curiosity, to visit a library periodically and run through the journals in economics, sociology, politics, anthropology, history, international relations, jurisprudence, ethics, and philosophy. In forty years the number of such journals has increased enormously. That is not the whole story. The amount of technical knowledge required to read any of them intelligently seems to have grown in about the same proportion. In trying to keep in sight of the procession, to say nothing of keeping up with it, an old fashioned humanist is inclined to quote the words attributed to the late Justice Holmes: "At the age of ninety-three I seem to have lost interest in improving my mind."

No wonder that the economist is impatient with historians. He has little time to look at their doings, and he finds their work running into such minute matters as: "Was George Washington actually at Mount Vernon on that day?" Or something even less "important." Perhaps the historian is trying to find out whether Washington married for love or money. Certainly no person who is concentrating his mind on the prices of cotton in the Liverpool market can stop to play with such "trivialities."

Yet, without trying to read any lessons to economists, I venture to suggest a few points in behalf of history. You will note that I say "history," not "historians." Just when a village chronicler rises to the dignity of a historian I cannot pretend to say. Words are used loosely in America—and elsewhere.

Just what is this "history" which my disdainful economist threw out of the window? He had in mind "written history." That is, books on the subject. But a distinction is helpful. It is well to remember that history, as Croce reminds us, may be considered under three heads: actuality, records, and written history. History as actuality—the object of historical study—includes all that mankind has thought, said, and done since it began its career on this planet. Records tell us many things about this actuality. Written history selects and organizes various facts presented by records—facts pertaining to periods, countries, or aspects of human affairs.

If the economist grows impatient with the scholars who collect, collate, and edit records, if he finds written history a hopeless jumble, he will do well to remember that he and the object of his affection—economics—are a part of history as actuality. He does not work merely on the plane surface of the living present. For price movements, to use an example, he goes back into the past—ten years, fifty years, perhaps all the way back with Thorold Rogers to the middle ages. For some of his materials he is indebted to the dust-sifting historian who collects, preserves, collates, and publishes. Doubtless the severest critic of history will make this concession to the facts in the case.

The economist has a lot of difficulty in disentangling from the records of history the facts that he wants for his purposes. Historians who "specialize" in politics are frequently oblivious to the importance of economic records. I can cite a beautiful example. Years ago I found in the barn of a New England family a trunk full of "old papers." Antiquarians had pawed over them and taken out letters exchanged by persons in various walks of life. They had left behind "old trash." And what was that? The remainders consisted of the account books of a local merchant in the eighteenth century, showing day by day and year by year goods bought and sold and prices paid. All on good linen paper in clear hand writing.

Although I knew nothing about economics worthy of mention in polite society I almost went into ecstasies over these account books. In them I could visualize, more or less, the civilization of that community at the time the American republic was coming into being and taking its place among the nations of the earth.

Things bought from the merchant showed in part the material basis of that civilization. Still more. They showed the desires of the community—the objects of desire for which purchasers were willing to make sacrifices. They showed also the commodities which the community produced—its talents, skills, and activities. Price movements suggested correlations with colonial, national, and international events. To make a long story short, I managed to get those account books transferred to the Yale Library for the use of dust-sifters and perhaps some economists.¹ If the economist would not quarrel with historians, but would give his spare energies to enlightening them, the results would be good—in terms of increased knowledge.

Likewise, if the economist would cease to think of history as made up of the few history books he knows, and consider some of the problems of historiography, the result might be good also—in another way. He knows full well how hard it is to get his own “facts,” to bring consistency into his arrangement, to make the whole water-tight in logic and system against the probing criticism of his colleagues. Yet his facts make up only a part of the facts with which the poor historian must wrestle. Many of his facts may be expressed in quantitative terms—in part, not wholly. Many of his facts display certain uniformities. He does not have to bother with Caesar, Cleopatra, the women of the Caesars, Catherine the Great, Napoleon, Parnell, or Huey Long, and the doings of multitudes of eminent persons—their deeds, distempers, and affairs.

It may be a surprise to our economists to learn that this problem of seeking order and meaning in the totality of history, which includes economists and the objects of their interest, has received the consideration of many powerful minds during the last fifty years, especially during the last twenty years. It would be possible to list here a veritable library of books and articles in many tongues to demonstrate the truth of this statement. How many economists who are impatient with historians could present an analysis of and discuss the works of Croce, Heussi, Karl Mannheim, Scheler, Dilthey, Müller-Armack, and a dozen other writers who have posed and tackled fundamental problems of historiography? Whatever may be the merits of these writers, it cannot be

said that they are mere dust-sifters, chroniclers, tale tellers, and amusement artists. On any count they must be reckoned as first-rate thinkers, and the literature they have created, like the highly technical literature of contemporary economics, requires for comprehension high technical competence.

And what are some of the ideas advanced by these thinkers worthy of consideration by economists? A few may be set down, on the understanding that systematic consideration is deliberately excluded.

First of all, the historian confronts the total actuality of history—the whole career of mankind on this planet, and he is unable to find any unequivocal beginnings and endings in the totality. Wherever he begins, whatever may be his first word, he cuts, as Maitland finely says, “a seamless web.”

Second, in this totality are embraced all events and personalities. Political facts, economic facts, ethical facts are not isolated particularities; they are phases or aspects of events and personalities. In actuality they appear in the total context, and separate treatment is arbitrary. An economic fact does not exist as a separable particularity. It may be at the same time a political or ethical or military fact. Whoever *chooses* to treat a phase of history, such as economics, can merely make a formal category for his “facts” in his mind. The separate category does not exist in reality—in the totality of history.

Third, the historian finds in this context a multitude of relationships in time development, unfolding, or jumble (according to the standpoint). There are political, economic, and ethical relationships. Some of them may be traced more or less successfully and treated as uniformities, contemporaneous or in time reproduction (not exact repetition). But every so-called uniformity discovered is surrounded by events and personalities that are not yet reduced to law or uniformity, is conditioned by them. So the historian must always be saying, “Other things being the same.”

Fourth, the historian finds himself unable to reduce the totality of history, which includes all phases, to a consistent, meaningful whole—to any kind of arrangement having the appearance of law (as used in physical science). Still worse, the historian is driven to the horrible conclusion that no “science” of history is possible,

for the reason that the records are at best partial, fragmentary, and often untrustworthy

Fifth, if no science of history is possible, then no science of any phase of history is possible, for each phase is conditioned by, in part determined by, unknown and unknowable circumstances, which cannot be reduced to order and law. What the economist will say to that when he masters the technical literature of historiography, I have no way of knowing. At all events there it stands.

Sixth, what then can the historian say for himself? He can describe, with more or less accuracy, according to the nature of the records and his skill, conditions which made possible what happened in many particular cases. The "chain of causes," the law of events, he cannot trace, assuming its existence. And in seeking to describe the conditions which made possible what happened in particular cases, the historian cannot stop at economics or politics or war; he must push his inquiries to the fulness of the circumstances as far as possible (finding no end) and take into account all known relevant relationships, *if* he is true to his subject matter and its realities. Thus the historian is forced outward from any particular event or series of events into the totality of environing culture in time unfolding. Any special treatment, under this view, is not realistic. It is arbitrary, partial, and pertains to temporary and partial circumstances.

In fine the historian has stated a problem that he cannot solve, has linked the fate of the economist to the totality of history in which men and their little systems have their day and cease to be. For this conclusion he is likely to be called a "mystic," but his answer may appropriately be: "I am a realistic agnostic who distrusts all those who are sure that they *know*."