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Richard Cantillon

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## RICHARD CANTILLON

IN any comparative study of writings upon the early history of economics, it is curious to observe to what a degree Cantillon remains relatively unnoticed in his own country—the remarkable paper of Jevons always excepted.<sup>1</sup> He exercised, notwithstanding, so powerful an influence upon the best intellect of the time in his own department of knowledge, that he may fairly be called, prior to Adam Smith, the economist's economist. His posthumous *Essai sur la Nature du Commerce en général*, 1755, was studied in France by philosophers like Condillac,<sup>2</sup> by publicists like Condillac's brother, the Abbé de Mably,<sup>3</sup> by literary chroniclers like the writers in Grimm's *Correspondence*,<sup>4</sup> and Fréron's *Année Littéraire*,<sup>5</sup> and by the leaders of the Physiocrats, Gournay,<sup>6</sup> Quesnay<sup>7</sup> and Mirabeau.<sup>8</sup> In Germany it received the homage of John Philip Graumann,<sup>9</sup> an able writer on currency and a monetary adviser of Frederick the Great. In England it was shamelessly rifled by Malachy Postlethwayt in his *Great Britain's True System*, 1757; was utilised without acknowledgment by Harris, in his *Essay upon Money and Coins*, 1757-8; was referred to by Adam Smith;<sup>10</sup> and, in its English dress, quoted by Sir James Steuart.<sup>11</sup> In Denmark, Savary's continuation of the great *Dictionary of Commerce* had to defend itself against a charge preferred by rival editors in the *Mercure de France* for June 1763,

<sup>1</sup> *Richard Cantillon and the Nationality of Political Economy*. 'Contemporary Review,' January 1881, p. 61.

<sup>2</sup> *Œuvres*, 1803, vi. 141.

<sup>3</sup> *Œuvres*, 1789, v. 169; vi. 311-328.

<sup>4</sup> 1813 edition, i. 394, 420.

<sup>5</sup> Amsterdam, 1755, v. 357.

<sup>6</sup> *Mémoires de Morellet*, 1821, i. 38.

<sup>7</sup> Art. *Grains*, in the *Encyclopédie* of Diderot and D'Alembert, 1757.

<sup>8</sup> See pp. 264 *sqq.* *post.*

<sup>9</sup> *Gesammelte Briefe*, Berlin, 1762, p. 114. For this reference I am indebted to Mr. Dana Horton. See his *Sir Isaac Newton and England's Prohibitive Tariff upon Silver Money*, Cincinnati, 1881, p. 6—a spirited reply to some observations of Jevons in his article upon Cantillon.

<sup>10</sup> *Wealth of Nations*, 1776, i. 5.

<sup>11</sup> *Works*, 1805, iii. 22.

that insufficient advantage had been taken of the best sources—said to be ‘Melon, Cantillon, Hume, Child, De Witt, Le Negociant Anglois, and the English works.’<sup>1</sup> In more recent times the extent and effect of Cantillon’s influence have been recognised on the Continent mainly by Daire<sup>2</sup> and Lavergne,<sup>3</sup> as historians of the Physiocrates, by Dr. von Sivers<sup>4</sup> in his estimate of Turgot’s position in the history of economics, and by Dr. Stephan Bauer<sup>5</sup> in connection with a study of the Economistes. The last-mentioned writer has imparted an interest of actuality to the subject by discovering what is described as ‘a manuscript copy of Cantillon’s *Essai*’<sup>6</sup> among the papers of the elder Mirabeau in the National Archives at Paris. The lives of Cantillon written for the *Dictionary of National Biography*<sup>7</sup> and the forthcoming *Dictionary of Political Economy*<sup>8</sup> revive the problems of his personality and career. And Professor Marshall arouses the curiosity of students by the incidental expression of an opinion that Cantillon, though ‘very acute, and in some respects much ahead of his time,’ seems to be ‘wanting in solidity.’<sup>9</sup>

There is reason to think that the direct influence of Cantillon upon Adam Smith was not unimportant.<sup>10</sup> The mere publication at Amsterdam of Cantillon’s *Essai* in De Mauvillon’s edition of Hume’s *Discours Politiques* (vol. iii. 1755), must have brought it to Adam Smith’s notice. And, having regard to the fashion of the time and the habit of Adam Smith himself, the easy way in which he names ‘Mr. Cantillon,’ without the ceremony of an introduction to the reader, points to a familiarity which he assumed would be shared by those for whom he wrote. He probably, however, owed still more to Cantillon indirectly through the Physiocrates. And the man who made Cantillon a force among the Physiocrates, was, it can hardly be doubted, the Marquis de Mirabeau.<sup>11</sup> The *Essai* was published in 1755. In

<sup>1</sup> Copenhagen, 1765, preface to vol. v.

<sup>2</sup> *Physiocrates*, 1846, p. 74.

<sup>3</sup> *Les Economistes français du xviii<sup>e</sup> siècle*, 1870, p. 167.

<sup>4</sup> *Jahrbuch* (Hildebrand and Conrad), Jena, 1874, p. 145.

<sup>5</sup> Conrad’s *Jahrbuch*, August 1890, p. 145.

<sup>6</sup> *Harvard Quarterly Journal of Economics*, October 1890, p. 101.

<sup>7</sup> *Art. Cantillon*, by H. R. Tedder; ed. L. Stephen and Sidney Lee.

<sup>8</sup> Ed. R. H. Inglis Palgrave.

<sup>9</sup> *Principles of Economics*, 1890, i. 53 n.

<sup>10</sup> See the passages quoted by Jevons, *op. cit.*

<sup>11</sup> Gournay, too, had induced his friends to make special study of Cantillon’s *Essai*, ‘an excellent work,’ says Morellet, ‘which was being neglected.’ *Mémoires, ubi sup.* Morellet included it in the catalogue of an economic library, appended to his *Prospectus d’un nouveau Dictionnaire de Commerce*, Paris, 1769. Turgot thought Melon eclipsed by Montesquieu, Hume, Cantillon, Quesnay, Gournay. *Œuvres*, éd. Daire, 1848, ii. 819.

1756 appeared *L'Ami des Hommes*, the anonymous work of the elder Mirabeau. The author makes a prefatory excuse for his want of method as partly due to the 'variations survenues dans la contexture du plan. Je l'entrepris d'abord dans la forme d'un Commentaire libre sur un Ouvrage excellent que je possédois alors en manuscrit, et que je voulois donner au Public. Cet Ouvrage parut avant que j'eusse entrepris la troisième Partie; cela me détermina à changer la forme de mon Ouvrage, et à rassembler sous des titres à moi des morceaux épars et négligés que j'avois laissé couler de ma plume.'<sup>1</sup> The excellent work here referred to was Cantillon's *Essai*.

A little later occurs an explicit and interesting passage concerning Cantillon. After quoting from the *Essai*, Mirabeau adds:

Ces paroles sont tirées de l'Ouvrage de Mr. Cantillon, qui a été imprimé l'année passée. Ce fut, sans contredit, le plus habile homme sur ces matières qui ait paru. Ce morceau, qui a passé dans la foule de ceux de ce genre que la mode produit aujourd'hui, n'est que la centième partie des Ouvrages de cet homme illustre, qui périrent avec lui par une catastrophe aussi singulière que fatale. Celui-ci même est tronqué, puisqu'il y manque le supplément auquel il renvoie souvent, et où il avait établi tous ses calculs. Il en avoit lui-même traduit la première Partie pour l'usage d'un de ses amis; et c'est sur ce manuscrit qu'il a été imprimé plus de vingt ans après la mort de l'Auteur.

Le principe qu'il établit ici, n'est qu'une suite d'inductions démontrées, et tellement liées l'une à l'autre, qu'il est impossible de leur échapper. J'y renvoie ceux qui me nieront les principes. J'aurois pu les répéter, ou les extraire; mais d'une part le rôle de plagiaire ne me va pas; de l'autre, tout est tellement lié dans cet Ouvrage, qu'il n'y a pas une pensée à déplacer. On ne peut douter d'ailleurs que la sécheresse de cette lecture n'ait été la cause de l'indifférence avec laquelle on a laissé passer dans la foule un Ouvrage tellement hors de pair.<sup>2</sup>

It may be imagined with what pleasure these words, vying in admiration with his own, would have been read by Jevons. But it does not seem that he ever observed them. They were first pointed out to me by his successor, Professor Foxwell, to whose impulsion the present article is due.

The purpose of the article is (i.) to exhibit from Mirabeau's unpublished papers the nature of his relation to Cantillon, (ii.) to add some contribution to the story of Cantillon's life.

I. The document<sup>3</sup> discovered by Dr. Bauer is, in truth, not a faithful copy, but an abridged edition of the *Essai* with occasional

<sup>1</sup> *L'Ami des Hommes*, ed. 1762, Avignon, i. pp. vii. viii.

<sup>2</sup> *Ibid.* i. 119, 120.

<sup>3</sup> Arch. Nat. M. 779.

additions calculated to deceive the reader as to the personality of the original author. It is preceded by a dedicatory letter in these words :

A M. l. d. d. N.

Le désir de vous plaire, Monsieur le duc, a produit cet ouvrage ; permettez qu'il vous soit offert. Dans l'âge où l'on ne songe d'ordinaire qu'au plaisir, vous vous êtes occupé de l'étude la plus digne d'un homme, et d'un homme de votre rang, la plus capable d'étendre les vues et d'étouffer les préjugés, je veux dire de l'étude du gouvernement. Vous connoissés un homme laborieux, dont le coeur vous est livré, dont l'esprit vous est soumis. Vous l'aimés ; et la bonté que vous avés de vouloir qu'il en soit digne, vous le fait croire tel. Sous vos auspices et par vos conseils, il a étudié la partie de la politique qui est du ressort de l'imagination, et depuis peu vous luy avés recommandé de repasser et se rendre présentes le peu de connoissances qu'il peut avoir, sur la partie de cette science qui dépend du calcul, et qu'on désigne par le nom général de commerce. Son obéissance a peut-être été trop loin, mais tel qu'en soit le fruit il a l'honneur de vous l'offrir. Excusez la sécheresse que vous trouverés dans cet essay ; persuadé qu'en cette matière on ne sçauroit trop resserrer l'imagination pour aller pied-à-pied, et me défiant de la mienne, j'ay donné dans un excès contrair. D'ailleurs c'est icy un précis d'une infinité d'inductions qui se suivent, dont j'ay elagué la plus grande partie pour être prêt, ce qui ne peut que nuire à la liaison ; mais il falloit être court, et si quelque point excite votre curiosité de façon à vouloir qu'il soit plus étendu, vous connoissés l'auteur. Pardon, Monsieur le duc, de vous entretenir icy de choses que vous sçavés mieux que je ne les aprendray jamais. Vous ne voulés que connoitre l'employ de mon loisir, je le consacre tout entier à me rendre plus digne de l'amitié dont vous m'honorez. Cecy se divise en trois parties ; les deux dernières, qui traitent l'une du commerce intérieur et l'autre du commerce extérieur, paroissent d'abord les seules nécessaires ; mais la première est indispensable pour servir d'introduction et vous rendre moins étrange ma façon de raisonner terre à terre ; si ces matières ne sont prises à la racine, si la base de ces raisonnements n'est bien assise, ils courent risque d'être aussy frivoles et inutiles que tant d'autres essays sur le commerce très propres pour le cabinet.

It is pretty certain that the initials at the head of this letter stand for M. le duc de Noailles.<sup>1</sup> According to Millot the duke left behind him more than 200 folio volumes of manuscripts relative to commerce and finance. These are understood to have been dispersed at the Revolution.<sup>2</sup> 108 foolscap papers of the

<sup>1</sup> Compare what is said of him by his biographer, the Abbé Millot, *Mémoires du duc de Noailles*, 1777, iii. 332, v. 16, 17, etc.

<sup>2</sup> See, however, the account given of them in 1854 by M. Levasseur at p. vi. of his *Recherches historiques sur le Système de Law*.

duke are still preserved in the Archives of the French Foreign Office, where I have courteously been allowed to examine them ; but they prove to be entirely of military or political interest.

The letter, like the transcript of the *Essai* which it accompanies, was revised by Mirabeau in the process of writing. He breaks off in the midst of a word or a phrase to substitute another form of expression. The language of the dedication bears the strong imprint of Mirabeau's style. Most of its phrases may be matched from his published writings ; and the spirit of egotism and arrogance, of which Cantillon shows no trace, peeps out even here to remind us of Mirabeau's absolute deficiency of self-control.

A few examples of the personal touches added to the transcript may suffice. Fearing, apparently, that the intimate acquaintance with the working of commerce shown in the book might arouse suspicion, he concludes Part II. (Home Trade) with the remark, ' peu de gens me reconnoitront à ce que j'ay dit pour être au passé présent et futur de la classe des emprunteurs et non entrepreneurs.' Part III. (Foreign Trade) opens thus :

Ce qui me reste à traiter dans cette dernière partie dépend presque en entier des connoissances plus ou moins exactes qu'on a pris de ce qui concerne le change et la valeur numéraire de l'argent ; je n'ay rien épargné de ce qui a été à ma portée pour m'en instruire avec les plus habiles gens en ce genre, et en prendre des mémoires soit sur le présent ou le passé ; je puis avec cela me tromper beaucoup en bien des choses, mais au fonds une teinture de ce qui concerne cette partie suffit à qui n'est pas de la profession.

And Cantillon's history of the variations in the ratio between gold and silver is replaced by the sentence :

Je crois inutile de grossir mon ouvrage des détails de l'affinage et des monnoyes.

What use Mirabeau actually made of this compilation is not clear. The authorities at the National Archives are unable to say from what quarter it came into their custody. But it is hardly possible to resist the conviction that Mirabeau's motives in the matter were entirely dishonourable. The circumstances were such as might have shielded from detection such an imposture ; for he possessed what he believed to be, and what perhaps really was, the only existing fragment of Cantillon's Works. But this possession came to him through dishonest hands ; and he was obliged, it would seem, to make restitution of the manuscript to its rightful owner. For this, or some other reason, he next

endeavours to serve up the same dish in another form. Under the head of *Mémoire sur la Population*<sup>1</sup> we find a closer (though not close) copy of Cantillon's *Essai* written mainly by one of Mirabeau's secretaries and coming down to page 213 of the *Essai* as printed, while Mirabeau fills the margins with a running commentary, chapter for chapter, of little relevance. This does not go beyond the first book of the *Essai*. It afterwards grew, however, into *L'Ami des Hommes*, which opened with the appeal to the Epicureans, a passage followed in the manuscript by this abrupt transition :

Mais il est temps de rendre la justice à qui elle est due. Parmi tant et tant de traités qui ont paru dans ces derniers temps sur l'industrie et le commerce, et que j'ay lu, la plupart avec satisfaction, à travers bien des notions utiles je sentoie peu d'exactitude dans le principe. Il m'est enfin tombé entre les mains un manuscrit rare, unique reste des travaux immenses d'un des plus habiles hommes que l'Europe ait produit. Cet homme je l'eûs nommé avec plaisir<sup>2</sup> et je luy dois trop pour ne pas être empressé de luy rendre le service de faire passer à la posterité son nom et quelques uns des détails de sa vie laborieuse, ceux du moins qui pourroient donner à son ouvrage le genre d'authenticité qu'il mérite ; mais quand à ce point, la lecture seule de l'ouvrage y pourvoira. Pour ce qui est de l'autre, on m'a assuré que je facherois sa famille, et sur cette simple allégation, sans vouloir vérifier ny même suposer un fait qui seroit selon moy un reproche sensible pour les personnes qu'il regarde, il suffit de l'incertitude de pouvoir choquer quelqu'un pour arrêter ma plume, instrument sacré dans des mains honnêtes, poignard empoisonné dans celles d'un insensé ou d'un coeur corrompu.

Je diray donc seulement que c'est l'ouvrage d'un des premiers génies pour le commerce qui ayent paru dans notre siècle. Laborieux à l'excès, sa profonde érudition embrassoit tout, et toujours relativement à ces sortes de vues. Il prévit la marche entière du fameux système de Mr. Law ; et, obligé par des considerations de détail d'y prendre part, il s'éloigna du théâtre de cette étonnante révolution, mais laissa en partant des ordres à son correspondant relatifs d'avance aux différents points du cercle que devoit parcourir cette catastrophe. Ce fait n'est point icy allégué à la légère ; les détails en ont paru devant un des premiers tribunaux de l'Europe. On n'ignore pas que les hommes de cette volée sçurent se mettre à l'abry des ruines de ce colossal et frêle bâtiment, et en retirer même de bons débris. Il luy fut aisé de profiter de la sorte dès la crise où se trouvèrent, à peu près dans le même temps, les effets publics presque dans toute l'Europe, à Venise, à Amsterdam, et en Angleterre. Mais cet homme, vrayment génie par le coeur

<sup>1</sup> Arch. Nat. M. 780.

<sup>2</sup> At first, Cet homme est M. Cantillon.



comme par l'esprit, regarda toujours l'or comme esclave, et parcourant d'un coup d'oeil tout le commerce et les richesses de l'univers, il les fit servir à ses goûts et à sa curiosité, sans jamais penser à en acquérir, qu'au moment qu'il luy survenoit ou une fantaisie nouvelle ou quelque occasion de suivre son penchant à la générosité. Livré quelquefois aux passions comme tous les hommes ardents, sa principale fut cependant toujours l'indépendance et la liberté. Cosmopolite, ou pour mieux dire, également citoyen partout, il avoit des maisons dans sept des principales villes de l'Europe, et le moindre objet de connoissance à acquérir ou de calcul à vérifier la luy faisoit traverser d'un bout à l'autre. Un de ses amis m'a conté l'avoir un jour trouvé chez luy à Paris en robe de chambre, ayant Tite Live sur son pupitre : ' Je vais,' luy dit-il, ' faire un petit voyage. On s'est toujours trompé sur la valeur numéraire des pièces de monnoye dont les romains rachetèrent leur ville de la main des gaulois. Que le fait soit vray on non les interprètes sont des ânes, et je veux réduire en certitude mes idées sur cela. Il y a une des pièces de ce temps là dans les médailles du grand duc, et je vais en vérifier le poids et l'alloy.' Tandis qu'il parloit les chevaux arrivèrent et il prit en effet congé de son amy pour monter en chaise. Dans ces voyages il mettoit tout à point, descendoit de sa voiture et alloit questionner un laboureur par son champ, pesoit la qualité de la terre, en tâtoit le goût, faisoit ses notes, et un calculateur qu'il menoit toujours avec luy redigeoit le tout le soir au gîte. Tant et tant d'écrits prétieux ont péri avec luy par un catastrophe singulière et déplorable ; il n'en reste que cette esquisse qui fera plus encore regretter le reste. Ce morceau m'est tombé entre les mains par une espèce de vol, avoué depuis par la personne pour laquelle cette traduction avoit été faite.

And again :

La lecture de cet excellent ouvrage fixa toutes mes idées et les ramena en un point exact. Deux raisons cependant m'empêchoient de le donner au public, car celle de conserver pour soy tout seul un manuscrit rare, ou celle encore de se parer des plumes du paon et s'approprier les travaux d'autrui n'auront jamais entrée dans mon cœur. La dernière est une bassesse, l'autre est un vol selon moy. . . . Mais d'une part il [the manuscript] est informe en soy puisqu'il nous manque le supplément auquel il renvoie sans cesse et dont les calculs jettoient une clarté phisique sur ses principes. Cet ouvrage fut d'abord composé en anglois. L'auteur<sup>1</sup> le traduisit luy-même pour l'usage d'un de ses intimes amis et remit à un autre temps le supplément qui a péri avec ses autres papiers. D'autre part quoy qu'il sçût parfaitement notre langue, ce que l'on voit assez par une traduction aussy chargée de différents tours de phrase et d'expressions que l'est celle cy, comme il n'avoit jamais prétendu que cet ouvrage parut en françois, et qu'il ne l'avoit traduit que pour un amy dont la solidité d'esprit luy

<sup>1</sup> At first, Mr. Cantillon.



étoit connu, il s'étoit moins attaché à la diction qu'il ne l'eût fait s'il eut prévu ce qui luy arrive aujourd'huy. Quand à ce défaut là j'ay d'abord pensé à le corriger. Je me flatay au 1er coup d'oeil de pouvoir rétablir le style, retrancher quelques longueurs, transposer des inductions, et éclairer certains endroits qui me paroissoient abstraits. Mais je me suis aperçu (et ce n'est pas la première fois) qu'il est impossible de toucher aux ouvrages des grandes hommes si l'on n'est au moins leur égal. J'ay consumé plus de temps et de peine à ce genre de tentative, essayée à plusieurs reprises, que je n'en employay jamais à aucun ouvrage, et la fin de mon travail après bien des ébauches a été de l'abandonner. Tout est tellement lié dans cet ouvrage et il sçait si bien où il va lors même qu'on croit qu'il s'égare, que j'ose affirmer qu'il n'y a pas une pensée à déplacer ; la tournure des phrases même est nécessaire, et quand à la correction des mots je ne sçais encore si la justesse de l'auteur n'a pas choisi les plus propres, de façon qu'on y échoueroit ; mais j'avoue que je croirois perdre mon temps si je l'employois à un travail aussy mécanique. . . . Loin de m'asservir à la tournure d'un commentaire je renferme dans mon propre ouvrage celuy de mon auteur qui en fait la base ; et je le présente sous un titre particulier qui est le mien et non pas le sien, mais on est rebatu d'essais *sur le commerce*. . .

This defence does not explain why the *Essai* received the frequent addition of the first personal pronoun ; nor why the author is made to disclaim a practical acquaintance with commerce. On the whole Mirabeau might have done well to remember the proverb, *Qui s'excuse, s'accuse*. Further evidence of Cantillon's influence upon Mirabeau might, if need there were, be given from these unpublished papers. But the history of the genesis of *L'Ami des Hommes* is already sufficiently complete.

When Mirabeau's work appeared it attracted the attention of Quesnay, who wrote upon his copy :

The child has been suckled on poor milk, the strength of his constitution often sets him right in the result, but he does not understand anything of the principles.

Since then the inequality of Mirabeau's work has been oftener observed than explained. Those who have seen his later manuscripts covered with the unwearying and critical annotation of Quesnay may incline, however, to agree that a fitter figure would be to compare him to a tree, luxuriant of wood and leaf, but bearing little fruit except upon grafts.

The doctor sought out the author, and around them grew the school of Economistes which the secluded gravity of the one or the social vivacity of the other might have failed singly to attract

or to retain. It was at their Tuesday meetings, held at Mirabeau's house, that Adam Smith is alleged to have made the acquaintance of the Economistes, and to have conceived a rounded system of economic science; but he probably little dreamed that those meetings might never have been held but for his compatriot, Cantillon. Whether it is dignified or even sensible to wrangle about the nationality of economics may well be doubted—much as one may respect the motive of Eugène Daire, when he exhorts his countrymen not to abandon to England the application of a science born on French soil. But the claims advanced on Mirabeau's behalf by his latest editor,<sup>1</sup> that Mirabeau is the father of Political Economy in France, that *L'Ami des Hommes* is his masterpiece, and that he lost more than he gained in joining himself to the Physiocrates, require, as Mirabeau's own papers show, correction or interpretation to the credit of an English predecessor.

True, Mirabeau thought it necessary to renounce Cantillon before he chose Quesnay as his guide. But the liking for opposites, though it led him to attach himself to one hard thinker after another, did not enable him to fully understand either the first or the second.

II. According to a genealogical tree of the family of Cantillon, shown in Burke's *Heraldic Illustrations*, 1845, plate 51, Richard Cantillon was the son of Richard Cantillon of Ballyheigue, Co. Kerry, Ireland, to whom Charles I. had granted and confirmed by charter, dated 7 September, 1636, several lands in the Barony of Claremoris, as a reward for his services. But the economist can hardly have been born before 1680, and a generation must have slipped out of this account. A very full history of the family is given in the *Revue Historique de la Noblesse*, Paris, 1841, iii. 28, under the title 'Notice historique, généalogique, et biographique de la Famille de Cantillon.' The article, signed O'S, *gentilhomme irlandais*, was evidently inspired by the elder branch of the family of Cantillon, still resident in France. It shows an intimate knowledge of records concerning the family, but attributes the economic and financial reputation of Richard to a Philip who is shown as his brother. The founder of the family, Sir Henry de Cantelon, came from Normandy with the Conqueror; and some of his descendants crossed over to Ireland with Strongbow. The opinion of Jevons that Cantillon was of Spanish descent is, therefore, unfounded.

That a Richard Cantillon was at Paris as early as 1705,

<sup>1</sup> M. Rouxel, *L'Ami des Hommes*, Guillaumin, Paris, 1883.

appears from a letter of Pope to Mr. Caryll, under date June 23rd, 1713 :

I have a kindness to beg of you—that you would please to engage either your son, or some other correspondent you can depend upon at Paris, to take the trouble of looking himself into the books of the Hôtel de Ville, to be satisfied if our names be there inserted for 3,030 livres at ten per cent. life rent, on Sir Richard Cantillion's life, to begin Midsummer, 1705, and again, in my father's name for my life, for 5,220 livres at ten per cent., also to begin July, 1707. I should not trouble you with this inquiry but for my father's ease, who by any solicitations we yet could urge cannot obtain an attested copy of the contract from Cantillion or Mr. Arthur, who lays the neglect on his correspondent.<sup>1</sup>

With this may be compared the following, from the Marquess Townshend MSS. :—

1715, May 10th. Nouvelles de Paris le 10 May, 1715. Mil[ord] Bullingbrock part pour aller faire sa residence dans le Lionnois à portée de Genève, muni d'une bonne lettre de crédit sur le Chevallier Richard Cantillon, Irlandois, banquier en cette ville et Chevallier de la façon du Prétendant.<sup>2</sup>

We shall presently find 'Richard Cantillon' describing himself as *chevalier d'Angleterre*. He most probably, therefore, received the accolade from the Old Pretender. His family claimed relationship with the Stuarts.

On the 13th October, 1706, a Mr. Cantillon bound himself in a sum of 3,000 livres to the French Government for a passport delivered to him for the ship Catherine, of Dublin, of 50 tons. Called upon for the return of the passport, Cantillon pleaded that his correspondent at Dublin was unable to furnish it 'because the said ship having been convenient for the transport service of the Princess of Denmark had been taken by force.' An *Arrêt* of the King's Council (Versailles, 29th July, 1709), recites these facts and condemns Cantillon to pay the 3,000 livres, unless within three months he can produce a valid certificate that the ship was forcibly taken 'by the orders and for the service of the Princess of Denmark'—*i.e.*, of course, Queen Anne, whose title was not officially recognised in France until the Treaty of Utrecht, 1713. It may be noted that the Duc de Noailles was one of the ten persons who signed the Order.<sup>3</sup>

On the 28th May, 1709, an *Arrêt* of the King's Council at Paris

<sup>1</sup> Pope's Works, Elwin's edition, 1871, vi. 188.

<sup>2</sup> *Historical MSS. Commission*, 11th Report, iv. 157.

<sup>3</sup> Arch. Nat. E. 1948, f. 98.

shows that Richard Cantillon, merchant at Paris, had represented to His Majesty that, whereas foreigners, even though subjects of hostile princes, had been declared free to acquire life annuities created by the Government, the petitioner had in consequence acquired several for certain English Catholics; but the war existing between France and England prevented them from complying with the prescribed formalities for receipt of their payments. If they seek to obtain life certificates from the magistrates, the annuitants will have just cause for fearing the rigour of the English law, on discovery that they have property in France and keep up correspondence there, which is expressly forbidden. Cantillon therefore begs that the annuities may be paid upon the certificate of a notary at Paris, attested by two notable merchants. The request, with some cautious limitations, is granted. These are no doubt the annuities referred to by Pope.<sup>1</sup>

In the correspondence of the Caryll family, in the British Museum, is a letter dated 7 June, 1713, asking John Caryll to 'write to Mons. Cortis, chez Mons<sup>r</sup>. Cantillon, and give it to Mr. Arthur y<sup>e</sup> Banker.'<sup>2</sup>

On the 11th (22nd) January, 1715, Matthew Prior, writing from Paris to the Earl of Halifax, on his recall from France, states that he requires money before he can come home. '1,200 l., for which I presume Mr. Arthur or his agent dayly sollicite the Treasury, must be pay'd. I stand bound for it to Cantillon, and in case I could escape from hence I must be arrested for it on my arrival at London.'<sup>3</sup>

On his return to England, 25th March, 1715, Prior was, as he writes in *The History of his Own Time*, 1740,<sup>4</sup> taken up by an Order of the House of Commons. . . . 'And on the first of April, I underwent a strict examination before a Committee of the Privy Council. . . . The Committee . . . desired to know what Money I drew from the Treasury in 1711, when I went into *France*. I answered, Two hundred Pounds. . . . I had either credit from Mr. *Clifford*, or his correspondent, or from Monsieur *Cantillon*. . . . Being asked of whom I received Money in *France*? I answered, Of Monsieur *Cantillon*. *Bosc[awen]*. Was he not a Papist? *P[rrior]* Else, Sir, he could not have been a Banker at Paris, which he had been for several years before I knew him. In one Word, he was the common Banker to whom the *English* addressed themselves, and I think *Clifford* of *Amsterdam* was his correspondent.'

<sup>1</sup> Arch. Nat. E. 804, f. 157.

<sup>2</sup> Add. MSS. 28,227, f. 157.

<sup>3</sup> See *Calendar of Treasury Papers*, 1714—1719, pp. 186, 187.

<sup>4</sup> Pp. 416—420.

Can this refer to the author, who, according to the statement of Mirabeau was a Protestant?<sup>1</sup> Mirabeau's opinion was obviously based upon Chapter 16, Part I. of the *Essai*, in which Cantillon attacks the idleness of monks, especially those of the mendicant order. 'Without useful work themselves, they often interrupt and hinder the industry of others. They take from poor folk as charity the subsistence which should fortify them in their work. They make them lose a lot of time in useless conversation; to say nothing of those who intrigue themselves into families and those who are vicious. Experience shows that countries which have embraced Protestantism, and have neither monks nor mendicants, have become visibly stronger in consequence. They enjoy also the advantage of having suppressed a great number of Fêtes, which are holidays in Roman Catholic countries, and which diminish the work of the people by nearly the eighth part of the year.'<sup>2</sup> Mirabeau had some excuse for doubting whether this was the language of a Catholic. But Cantillon was dealing here with labour as a cause of wealth, and arguing that, as Mill might have said, idle monks and mendicants are 'unproductive.' The weight of other evidence indicates that he was probably a Catholic; though, what with penalties upon Protestants on one side of the Channel and Roman Catholic disabilities on the other, an Anglo-Frenchman of that time may have thought it prudent to observe a studied neutrality in face of both Churches.

A Committee of the House of Commons which examined one John Plunket, a suspected Jacobite, found that a letter had been sent (in 1714?) to *Lady Middleton, à Mons. Plunket, chez Monsieur le Chevalier Cantillon, Paris*. One Isabella Creagh informed the Committee that Plunket had given into her keeping a promissory note for 930 livres, signed Richard Cantillon.<sup>3</sup>

A small parchment document preserved in the Bibliothèque Nationale, Paris, reads thus:

Anno 1712. Richard Cantillon, chevalier d'Angleterre et banquier à Paris, au nom et comme procureur de D<sup>e</sup> Elizabeth Begue a reconnu avoir reçu de (       <sup>4</sup>       ) la somme de soixante livres pour l'année entière mil sept cent douze à cause de pareille somme de rente constituée sur les aydes et gabelles le dix huit décembre mil sept cent onze, dont quitte fait et passé à Paris ès études l'an mil sept cent quinze le dernier septembre, et a signé Richard Cantillon.<sup>5</sup>

<sup>1</sup> *L'Ami des Hommes*, i. 27.

<sup>2</sup> *Essai*, pp. 124-5.

<sup>3</sup> *Reports from Committees of the House of Commons*, reprinted 1803, i. 224.

<sup>4</sup> Blank in original.

<sup>5</sup> *Pièces Originales*, vol. 589, No. 13688.

On the 23rd October, 1716, Lord Bolingbroke concludes a letter to Swift: 'If you write to me, direct à *Monsieur Charlot, chez Monsieur Cantillon, banquier, Rue de l'Arbre Sec.*' This letter was enclosed in another to Swift from Charles Ford, Esq., Paris, October 28, 1716. He too says: 'If you will do me the favour to write to me, direct to be left with Mr. Cantillon, banker in Paris.'<sup>1</sup>

We now come to the puzzling story of the Benedictine Lottery, as gathered from the records of the Council of Finance during the Regency. Louis XIV. had granted to the Princess of England (probably Louisa, sister of the Old Pretender) a lottery in favour of the Irish nuns of the Royal Abbey of the Benedictines, transferred from Dublin to Ypres. Richard Cantillon, banker at Paris, was Receiver-General of the lottery, which was opened in January, 1708, and was to be of the amount of 600,000 livres in tickets of twenty sols apiece, to be drawn at Paris when complete. Cantillon sent books of tickets throughout France and into some other countries; but the lottery met with relatively small success. After more than seven years it appears to have been necessary to put pressure upon Cantillon to proceed to the draw, as we find him appealing to the Council on the 23rd May, 1715, to be allowed to deduct his expenses, and a certain further sum on account of the debasement of the coinage. 5,073 livres 10 sols were deducted on these grounds from the 21,248 livres, the proceeds of tickets sold. On the 1st September, 1716, an *Arrêt* orders a draw forthwith, 'so that the parties interested may have no ground for complaining any longer of their lot,' which might be taken for a pleasantry if the crabbed formality of the document did not raise it above suspicion of humour. Cantillon had urged that eleven of his forty-five books of tickets could not be recovered from the persons to whom they had been sent. The *Arrêt* excludes the holders of these tickets from participation in the lottery, but affirms Cantillon's responsibility to repay such holders the cost price of their tickets. The draw took place on the 7th November for eighty-nine prizes amounting to 16,174 livres 10 sols. But the winners were doomed to still further delay and to some disappointment. An *Arrêt* dated Paris, 20th August, 1717, recites that the king 'pour faire cesser les plaintes des intéressés' had ordered a draw, and continues, 'His Majesty being informed that Mr. Cantillon is deceased the 5th of the present month of August without having rendered account of the payment which he should have made of the said sum of 16,174

Swift's Works, Sir W. Scott's edition, 1824, xvi. 262, 263.



livres, 10 sols,' orders that Cantillon's heirs, legatees, and successors, stand bound to the holders of tickets or winners of lots, that the latter be preferred to all other creditors, and that Cantillon's goods be sold if necessary for their satisfaction.

Another *Arrêt* exactly a year later (20th August, 1718) declares that the passive debts of the late Richard Cantillon amount to 305,963 livres 5 sols, including his debts to the lottery, but excluding 4,036 livres, the cost of inventory, wages, &c. The assets available to discharge this total of 310,000 livres amount only to 68,200 livres, consisting of scrip of the Hotel de Ville, Government notes, merchandise, furniture, and debts to the estate. The *Arrêt* concludes by making arrangements for the complete payment of the winners in the lottery.<sup>1</sup>

According to the *Revue Historique de la Noblesse*, already cited, the economist had a cousin, Richard Cantillon, who commanded a company of dragoons at the Battle of the Boyne, was wounded there, went to Paris in King James's suite, and, dying in 1717, was buried at St. Germain l'Auxerrois (*Extrait des Archives de cette Paroisse*). It is fortunate that this extract was made before the parochial archives were burned during the Commune. Now, as the *Revue* asserts that each of the cousins was *chevalier*, we are confronted with the question how far the previous passages relate to the author of the *Essai*. The history which follows may be thought to justify a suspicion that the economist, skilful to make use of identity of name, was the real though not the nominal banker in 1717. For in a sworn statement he admitted that he had himself carried on the banking business at Paris for many years before 1719. If the old soldier's bank was separate and concurrent, the *Arrêts* would almost certainly have distinguished one Richard Cantillon, banker at Paris, from the other. And we find the relations with Bolingbroke, with Arthur, and Clifford, and the Benedictines, kept up after 1717 as well as before.

Two further references, and we come upon more connected ground and are able to call Cantillon himself as a witness to several facts of his life. On the 2nd February, 1718, Lord Bolingbroke writes to the Abbé Alari asking him to send a packet of old books to the address of Mr. Cantillon, Rue de l'Arbre Sec; and, writing again next day, says, 'A clerk of Mr. Cantillon will bring you this letter, have the goodness to hand him the parcel.'<sup>2</sup> On the 28th June, 1721, he gives the Abbé another address for his

<sup>1</sup> E. 913, 1983, 1986.

<sup>2</sup> *Lettres de Bolingbroke*, édition Grimoard, Paris, 1808, ii. 452,455.



books, *chez Gobert, peintre, place du Palais Royal*, in the same neighbourhood.<sup>1</sup>

In 1723 Lady Mary Wortley Montagu writes to her sister, the Countess of Mar—

If you please to send my night-gown to Mr. Hughes, an English banquier at Paris, directed for Madame Cantillon, it will come safe to my hands; she is a new neighbour of mine—has a very handsome house in the village, and herself eclipses most of our London beauties.

A foot-note explains that the lady is the wife of Cantillon, the banker.<sup>2</sup>

The *Letters and Journals* of Jevons<sup>3</sup> show that he held in his hand a clue which, rightly followed, may yet lead to a satisfactory account of Cantillon's career. Jevons had seen at Somerset House a copy of the will, in which Cantillon speaks of lawsuits depending against him. Search among the papers of the Public Record Office has brought to light numerous Chancery bills and answers relative to these suits. Others remain hopelessly entombed until they are indexed and rendered accessible.

Before passing to these records (which include copies of over thirty letters written by Cantillon) it may be well to repeat the outline of the history to which currency was given by Grimm, that Cantillon carried on business first as a merchant in London, and then as a banker at Paris. His great credit during the Regency aroused the jealousy of John Law, who held blunt language with him: 'I can send you to the Bastille to-night if you don't give me your word to quit the kingdom in four and twenty hours!' Cantillon answered: 'I shall not go away; but I will make your system succeed.' Accordingly he floated a mass of Law's paper to great advantage, made a large fortune in a few days, prudently retired to Holland, and ultimately returned to London, where he was murdered by his cook. Cantillon's own story is to the following effect.<sup>4</sup> He was 'a naturall born subject of the Crown of Great Britain,' and 'did for severall years carry on the Business of a Banker in the City of Paris until the beginning of the month of August 1719.' Being 'then desirous to exercise his Trade in the names of others,' he took into his House—the *Château de la Samaritaine, Rue de la Monnoye, paroisse St. Germain l'Auxerrois, Paris*—Mr. Edmund Loftus & Co., and

<sup>1</sup> *Lettres de Bolingbroke*, édition Grimoard, Paris, 1808, iii. 93.

<sup>2</sup> *Letters*, ed. W. Moy Thomas, London, 1861, i. 468. <sup>3</sup> 1886, p. 425.

<sup>4</sup> See especially, Chancery Proceedings, 1714–1758: Hughes v. Moore, 1441; Hughes v. Harrold, 1441, 1746; Herbert v. Cantillon, 1596; Herbert v. Garvan, 356; Stafford v. Cantillon, 573.

intrusted them with his Trade, subject to his control and for his profit. In other words, he remained as *commandite*. He then went into Italy, leaving his House 'in as good credit and business as any House'; but on his return to Paris, February 1720, 'having some reason to repent the great confidence he reposed in Mr. Loftus,' he turned him out, and appointed one John Hughes, who had been a banker in London, but was then resident in Paris, to manage the House. Cantillon had a nephew and namesake, Richard Cantillon, at that time about four years of age; and 'with a view to bring his nephew into Business and credit in the said House when he should come of Age,' he established a partnership between Richard Cantillon the younger and John Hughes, for twenty years. Cantillon senior found the whole capital, 50,000 livres Tournois, and was to have two-thirds of the profits, Hughes taking one-third. Hughes was to manage the whole business, and sign 'Cantillon and Hughes.' But Cantillon senior was to be in every respect supreme, and might oust Hughes or determine the partnership at his own pleasure. The nephew was to get nothing but what he might expect from his uncle's bounty. The uncle was not to be liable for any debts of the firm beyond his capital. He reserved part of his House for his own use when in Paris. This, says Cantillon, was the relation of *commandite*, 'which is known to all Merchants and Traders in Foreign parts to be a person who erects and fixes a House in business which he is supposed to encourage and support without his name being concerned in the said House or being himself liable to any transactions therein.' He opened a cash account with the firm, or made them his Paris bankers, and was so active and solicitous about the success of the House that probably few persons suspected the Richard Cantillon of the partnership to be the penniless nephew instead of the wealthy uncle.

One of the first great strokes of business of the firm was on the 11th April, 1720, to lend to Lady Mary Herbert, daughter of the Earl of Powis, £15,333 13s. 8d. on two bills, payable at London on the 1st January following, amounting to £23,850, and accepted by the Hon. William Herbert, commonly called Lord Montgomery, brother of the borrower. Lady Mary was an intrepid speculator in Mississippi stocks, and this operation was carried out by her with the object of avoiding a sale of stock, which she expected to rise. She therefore deposited eight hundred primes or ninety-three actions in the French India Company with the firm as security for the advance. Lord Montgomery borrowed £5,000 from Cantillon senior, and Joseph Gage, husband of Lady

Mary, borrowed £3,457 about the same time, on similar conditions. On his side Cantillon was firmly convinced that the stock would fall. His plan was to charge a high rate for the loan on the plea that French specie would fall, and the exchange with London rise, then to obtain actions enough as security to cover the whole loan, and to sell the actions before they fell. By this means he gained the interest without parting with the principal, and profited by any downward turn of the stock; while his risk in case of a rise was limited to his stake in the business.

The bills at length became due, in addition to £20,000 which had been advanced upon the note of hand of Lady Carington, Lord Montgomery's aunt. Cantillon sued Lord Montgomery upon the notes in the King's Bench, and got judgment on May 19, 1731, for over £40,000. Lady Carington endeavoured to get her liability set aside by an action against Cantillon in the Court of Exchequer. And Lord Montgomery filed several Chancery bills, accusing Cantillon of usury and fraud, and claiming an account of the proceeds of his stock. The proceedings were kept open by successive bills until Cantillon's death. Meanwhile, Hughes had died suddenly in Paris, June 9, 1723, whereupon Cantillon ordered his cashier, George Verdon, to pay the debts of the firm, and remit the books, balance of effects, &c., to Cantillon. Soon after this the widow, Esther Hughes, came upon Cantillon for an account, and to some extent made common cause with the Herbert family.

The allegations of the Herberts are best explained by their production and interpretation of the following extracts of letters from Richard Cantillon to the firm:—

‘London, 29 April, 1720. . . the dividend of Actions will hardly exceed £3 per centum per annum. They will hardly sell freely higher than 1,200. Be that as it will, where you have no want of money it will be best keeping Actions, because you are to repay Actions. But, upon the whole, if you should want a parcel of them, I don't much fear you should come to any great loss upon them above twenty-eight pence. As to Carrolls<sup>1</sup> and the others, they seem merely to run upon the Goddesses scent [meaning Lady Mary Herbert], and perhaps have their informations from some persons near her; but I cannot help thinking they play a desperate Game, even on the supposition of keeping Actions. I am every day more sanguine that Scaramouch<sup>2</sup> will brighten, and that you have the finest Game in the World to play;

<sup>1</sup> See p. 284, *post*.

<sup>2</sup> An unprincipled but ingenious trickster, the story of whose expedients to gain a living was very popular at this time. See *La vie de Scaramouche, par Angelo Constantini*, Paris, 1695.

and that, putting everything to the worst, you cannot be hurt in the Business.'

The plaintiff (Lord Montgomery) explains the drift of this letter. He says that 500 livres Tournois were paid upon each action, and that '1,200' means so much per cent., so that an action would, in Cantillon's opinion, in a short time afterwards, sell for no more than 6,000 livres; though then, and till the 22nd May following, they passed for 9,000. '28d.' means that a French crown would only be worth 28d.; though by *Arrêt* of 11th March preceding it was to be worth about 50d. the next December or January; and the Herberts thought this *Arrêt* would have its intended effect. As Cantillon and Hughes took the crown at 28d. (for which they had advanced only 18d.) Cantillon did not doubt but that they would make a profit of 3,000 livres on each action. 'Scaramouch will brighten, and that you have the finest Game in the World to play,' meant that 'the actions and other the paper credit of France would greatly sink in value, and that darkness and misfortune would fall upon the people of that kingdom, whereby the said partnership would be great gainers by reason that they had or would sell at 9,000 livres each' all the actions left as securities, and replace them at a cheaper rate. The Regent's *Arrêt* reducing the actions from 9,000 to 6,000 livres was dated 21 May, 1720, *new style*. 'Ever after this *Arrêt* the actions and paper credit of France did continue to sink in value, and finally became worth little or nothing.' Immediately the *Arrêt* was known it was communicated by Hughes to Cantillon, whose replies are dated 15th and 19th May; but this is *old style*.

'15 May, 1720.—I observe what you mention of R— and L— [meaning the then Regent of France and Mr. John Law] and it is plain Scaramouch begins to appear. If he continues we shall get considerably; and you are made in Reputation as well as Fortune.'

'London, 19 May, 1720.—I could not well contain my Pleasure in the gain I suppose made by this Turn; but I told Furnese<sup>1</sup> I did not expect it so soon, and that I told you I would disinherit you if you gave him or any other the least Hint of our views. But 'tis reported now the Bank Bills are reinstated. Be that as it will, I shall always have an Eye to the Teaster and splendid Shilling. I am surprised Mr. L— [meaning the late Mr. John Law] should say they were declared Enemies who remitted, since there was no declaration against it. I have Stock for the P—s and Lady M— [meaning the Princess d'Auvergne and Lady Mary Herbert], but everything is strangely risen

<sup>1</sup> One of his intimate friends.

here, and they must fall soon after you have brought Interest to Four per cent. at Paris. If the Report proves true that they have again restored Bank Bills, I reckon it will be as broad as it is long in Process of time, and that Scaramouch will do what is intended. I have desired Martin Harrold and Sir John Lambert to draw a sum, at least as much as may answer the Sterling wanted here for the primitive cost of all bargains; and then we may take our chance for the rest. You will take care to provide Bank Bills to answer your Occasions. You are still to pursue the same Views, but you are at the centre of Motion, and will discover sooner than can be done here the motions of Scaramouch.'

By 'this Turn' is meant the *Arrêt* and their gain thereby.

'London, 15 May, 1721.—I have another affair to acquaint you of; which is that when Jos. Gage was here in the Mint, tho' I sent him a message I should not lay any action against him, yet, as I have been since informed, he laid the greatest Stress of a Future fortune on his Pretensions upon you and me. By which you may see that if the affair of Lady Mary was to be carried against us, Gage would in his Turn come upon us. Now if the worst should happen, there is no medium but your flying or going to Prison. I think the latter case the more eligible. You remember upon our first broaching these schemes you were content to stand in the Gap; and if you observed what I formerly recommended to you, of putting these matters on your books, as transacted for my account, I take it that it will be your own interest to take an imprisonment of a twelve month rather than see all our schemes pulled to pieces; for, by standing the Tack, you have a maintenance secured to your Family, and if all were turned the other way you would be in an ordinary condition. And, let the case turn as it would, you could be kept in Prison no longer than the counter-operation or Lawsuit here were depending; and the reinstating your house in Business after the majority would be still practicable and easy.'

This letter, according to Lord Montgomery's Bill,

'is a positive proof that the schemes mentioned therein to be first broached by the said Cantillon the elder and John Hughes . . . were to lend moneys to severall persons upon French India Actions and to take high premiums or advanced prices on French crowns, and to sell out such Actions, and to remit the produce thereof into Foreign Countries in order to turn the same into Sterling money for their own profit; and after the bills and notes which the said Cantillon and Hughes had taken from persons with whom they dealt in that manner should become payable, they intended to oblige such persons to pay the whole money thereon, and not to disclose that they had sold the said Actions and raised anything thereby; and that the said John Hughes was at the first broaching of the said schemes "content to

stand in the Gap," which meant that when the said pretended partnership was first established he then took upon him to be alone answerable for the money they should raise by the sale of the aforesaid Actions, and in case that the said agreements or Bargains had happened to turn in favour of your orator,<sup>1</sup> the said Lady Mary Herbert, and Mr. Gage, the said John Hughes was to run away or go to prison, and so the said Cantillon the elder in his said letter advised him to do to prevent his making good even what he had raised by the sale of the said Actions. . . . And your orator charges that the said Cantillon the elder established the said pretended Partnership on Premeditated Fraud, and that he endeavoured to skreen himself from being liable to answer for the transactions of the said John Hughes under the name of Cantillon and Hughes, for it is expressly stipulated in the articles of Partnership that Cantillon should not under any pretence or for any reason whatever be subjected to the debts of the said Partnership beyond the sum of 50,000 livres tournois which was at the time of no more value than about £1,250 sterling.'

John Hughes (for Cantillon and Hughes) to Richard Cantillon:—

'Paris, 22 November, 1722.—We beg leave to assure you that you have no Loftus to deal with, and that we have no view of other Fortune or Livelyhood than what shall immediately proceed from your Bounty.' This letter of Hughes is alleged to be 'positive proof that he was in very indigent circumstances, and that the said Cantillon had him so much in his power that he might influence him to do any fraudulent or unreasonable Act he should think fit to put him upon . . . and the said John Hughes' low circumstances were such that he would have been unable to make good to your orator, Lady Mary Herbert, and Joseph Gage, the value of the aforesaid Actions and French crowns in case the said *Arrêts* had had their intended effect, or even to make good the money the Partnership raised by the sale.'

The allegations of the widow Hughes are of a different character. Instead of referring to a 'pretended partnership,' she insists that the partnership was a real one between her husband and the elder Cantillon. Her husband had told her so; and it was incredible otherwise that Cantillon should have controlled the business as he did, sending daily instructions and inquiries to her husband, and very often express or special messengers from foreign countries at great expense. By the device of a separate account, Cantillon was able to 'lend money to several persons without the concurrence of the said John Hughes, and afterwards, when the said Debts were like to become desperate, caused the same to be set upon the Books of the said House at Paris, as if the said money had been lent out of the said Partner-

<sup>1</sup> A Chancery Bill was in the form of a petition to the Lord Chancellor.



ship money.' This was the case with a sum of £1,000, lent by Cantillon, senior, to a Mr. Carroll in Amsterdam (October, 1720). On the other hand, when an affair promised to be lucrative, as in a large dealing for copper with one Mr. Colebrook in Amsterdam (July 1720), Cantillon insisted that the affair was his personally, and coerced Hughes into submission by reminding him that he was 'not too old to sett his hand to the plow again.' Again, Cantillon had forced her husband, much against his will, in June 1720, to lend Mr. William Law £20,000 out of the Partnership money. To all which Cantillon replies that he was never partner with Hughes, but only *commandite*, that he could not be expected to be at the loss of Carroll's money, since his views were merely to advance the Firm's profit, that the business with Colebrook was private to himself, and that he was reluctant to advise Hughes to advance money to William Law, but he believed 'the great power of the said Mr. William Law and Mr. John Law in France at that time determined the said John Hughes to lend' it. As for accounting to the widow, Cantillon says that, after the loans to the Herberts, he sent the Firm a million of livres from Holland to strengthen its reserves; and that, on the whole, the House still owes him money.

In June 1720 Cantillon left Paris, and did not return thither, as he says, for nearly six years. In August 1720 we find him at Amsterdam; but his home seems now to be his house in London, in the parish of St. Paul's, Covent Garden. On the 16th February 1722 he executed his marriage settlement with Mary Mahony, daughter of the Lady Clare by her second husband Daniel Mahony, a rich merchant of Paris. Born in France, and spending most of her life, before and after marriage, in Paris, she came to Covent Garden to be married. Martin Harrold, banker, of Throgmorton-street, London, apparently a relative of Cantillon, joined in her settlement. It was Cantillon's intention to take her with him for a tour in Italy and elsewhere, but the Bill of the Widow Hughes (13th March, 1723) asks for a *ne exeat regno*, causing Cantillon to explain in his answer (18th May, 1724) that, for some years last past, since he had resided in London, he had gone beyond sea, whither his business or his inclination invited him, and returned again to London. Necessary business called him abroad in the spring of 1724, and he had intended to take his wife with him to Naples and some other places in Italy, where he had business, and to return again to London to reside, 'where he hath a House and a Family, and a son at Nurse near London.' This son must have died young.



In 1726 the family started upon its travels. Cantillon wrote frequently, during the tour, to Francis Garvan, Esq., of the Middle Temple, his friend and confidential agent. In these letters we hear much of certain documents, abstracted from the papers of Hughes, which, according to French law, had been inventoried and put under seal by the King's officers on Hughes's sudden death. William Law's bill, and a book relative to the Firm business, though entered on the inventory, disappeared before the seals were removed. According to Mrs. Hughes, these were surreptitiously taken away by Cantillon's representatives at the ceremony—the Abbé Maurice and Daniel O'Keeffe, an Irish lawyer. The other side asserted that one Heguerty had taken them and given the book to Gage. Much capital was made by the Herberts out of the loss of this book. They say that it showed the real state of the profits made on their actions—the accounts actually furnished postdating the sales. Moreover, Cantillon, even if personally innocent, had been known to complain that Hughes probably cooked some of the accounts of Stock sales, and kept part of the profits for himself.

The letters of Cantillon show that he was at Nampon, near Abbeville, on the 20th April, 1726, at Paris in May, Rotterdam in July, Brussels and Cologne in December. At Verona (2nd April, 1728) a storm bursts upon him, as shown by a letter which he writes to Garvan from Chamberry, 7th April, 1728:—

'I have been forced from Verona by a barbarous attempt of J. Gage's at Paris against my reputation by a criminal process carried against me at the Chatelet clandestinely. He accuses me of Fraudulous Bankruptcy, evasion without paying debts *pro rata*, and supposition of name. It's above a year since he had a *Prise de Corps* against me and I never heard a word on 't till five days ago. I send my letter of attorney now to defend my fame and name if it be yet time. . . . [He then states his intention of proceeding at once to Paris to seek a rehearing.] I shall send Mrs. Cant[illon] in a few months to Paris, and there leave her till it please God to ease me from these Virulent Persecutions.'

After a visit to Geneva he dated again from Verona, 15 May, 1728.

'It seems the Lieutenant Criminal has so made his warrant of *Prise de Corps* against me as to require my going to Paris to have it taken off and dignifye the accusation, *Pour vol, usure, violation de depôts, fraude, supposition de personne*. Now the *vol* and *fraude* are, I suppose, terms of art; but *usure* for a difference in exchange (and that in a place where exchange in that very month carryed about 30 per cent.), for six to eight months, was stretching his power, and *violation de depôts*, in a

place where all mankind sold actions, was as weak a foundation to go upon. *Supposition de personne* was directly contrary to a solemn contract, and all this criminal sute had not furnished matter *pour fouetter un chat* if they had not had a mind to vex and injure me. In short Mrs. Dupe has, in my opinion, been at the bottom of all this farce; though she is now the principal person, says the Abbé, who staves off the consequences and wants to be well paid for her services, since no effects of mine have been found to lay the hands of French justice upon. Thus have my adversaries, by corrupting witnesses and judges, and I suppose promising several sums out of my Fortune, been playing Law against me at the Hazard and expense of my reputation and substance.'

Two printed papers of fifty pages folio, in the Bibliothèque Nationale,<sup>1</sup> give respectively the case of Cantillon against John and Remy Carol, bankers at Paris, and their case against him. Cantillon's advocate says: 'Mr. Cantillon, an Irishman by birth, settled down in France (*vint s'établir*) in 1716, and formed a public banking business, which in a short time became pretty flourishing.

'The famous system, which commenced to develop itself in 1719, did not seduce him as it did so many others. On the contrary, he thought proper to put himself into shelter from the storm which he foresaw. This it was which engaged him to renounce the business, wherein he saw too many dangers.

'He enclosed all his papers in a coffer, which he entrusted to the English Benedictins, and set out for Italy, after having transferred his goodwill to one Loftus,' &c., &c.

Appended to this 'case' is something of the nature of a certificate of character, signed by the representatives of the creditors of the late Richard Cantillon. They say that after much trouble they succeeded in paying 25 per cent. of the debts of the deceased, between 1717 and 1719, and discharged the estate. But in March 1720, 'M. Cantillon, who in the lifetime of the chevalier Cantillon was known by the name of Richard Cantillon junior, graciously offered to pay all the creditors of the deceased the three-fourths which were wanting to their satisfaction in full, though he was himself one of the creditors for a large amount; . . . and carried his offer out . . . being impelled thereto by no reason known to us beyond that of doing honour to a person whose name he bore.' Was this act inspired by a delicate generosity, or by conscience and a prudent fear that his

<sup>1</sup> Fm. 2740, 2838, printed *chez André Knapen, Paris, 1730*. The records of the Carol affair have been inspected for me through the kindness of a friend, M. Léonce Vié.

new business might suffer from just or unjust confusion between the bankrupt and himself? At any rate we see that his commercial relations with the deceased were close and considerable. The statement for the Carols is mainly interesting in that it describes Cantillon as a silk mercer of Paris, but formerly a banker; and adds that 'this Richard Cantillon, who calls himself to-day an Irish gentleman, declared himself a native of Cherbourg, in Normandy, in a mercer's license which he took out in 1716.' It may be observed here that, according to a note to Horace Walpole's letters,<sup>1</sup> 'Cantillon was a Paris wine-merchant and banker.'

The lengthy English correspondence shows Cantillon to have been a person of extreme ability and very great energy. The Carols had accused him of usury, and, before Cantillon was aware of the charge, had obtained from Thelusson, and other leading bankers, certificates justifying their contention. Directly Cantillon heard of this he whipped up the remaining bankers of note, pointed out that his adversaries were confusing bills payable at Amsterdam with bills paid at Amsterdam, and by *Arrêt* of February 1, 1730, was discharged from the complaint of usury. He got judgments by default against William Law and Gage at the *Bureau des Actions* (July 19, 1733), and judgments, civil and criminal, with costs against the Carols (June, 1733) in Parliament and at the Bureau. Gage still kept off a final issue by dilatory tactics, so that we find Cantillon writing from Brussels, July 27, 1733, to tell Garvan that Gage's affair is nearing its end, 'but I now almost despair of compassing it thoroughly till about this time twelve months, and if any other obstructions intervene, the Lord knows when it may be ended.' His own death intervened within the period named.

Emerging thus triumphantly from the Courts in France, Cantillon was impatient for a conclusion at home. But he observes, 'I can easily believe the desperate situation of Gage and Lady Mary makes it difficult for them to want the theme which keeps up the spirit of their creditors.' As a matter of fact their success in the suits would have still left them in Cantillon's debt, though we must hope Lady Mary was unaware of this, for she appeals to her friends to help her to compound with her creditors, otherwise Cantillon will 'buy up her bills for a song,' and pay her too literally in her own coin in case she should win. Her correspondence, with that of Lady Carington,<sup>2</sup> is so full of

<sup>1</sup> Ed. Cunningham, 1857, i. 241.

<sup>2</sup> Brit. Mus. Add. MSS., 28,238, 28,251.

allusions to Cantillon's suit that she can have thought of little else for some years.

A fragment of a letter from Cantillon to Garvan (1732?) shows that attempts were made to compromise the suits. 'But since his Grace the Duke of Norfolk desires to be informed of my intentions in this affair, I desire you will acquaint his Grace that if it be to be managed by him, I shall come in to anything his Grace shall judge proper in this affair, so I may be of some certainty; for which end it is well necessary to be observed to his Grace that, though I should be brought to discharge the Family from the Debt so far as it may belong to me, yet the Bills and Notes are not to be delivered up, but lodged in his Grace's hands, and by agreement subject to any demands that may be brought against the House of Cantillon and Hughes for actions sold, &c. . . . I am more solicitous about the certainty of my condition than the Quantum you may stipulate for me, though I have been at great expense since the former Proposal, and must make them pay something for using me so ill.'

The firm had sold actions belonging to Tonson, the bookseller, during Loftus' time. But Loftus was made the scapegoat on that occasion, and Tonson left 'Mr. Cantillon to act in all this affair as he judges best, I leaving everything to be done as he would act for himself.'<sup>1</sup> Such a mark of confidence was not, it seems, misplaced.

Cantillon was much in Paris from 1729 to 1733. He asked Garvan to direct the commission to take his examination 'to the Prior of the English Benedictines, Mr. Knight, or any other of the English you may know here. Paris, 25 August, 1731.' In 1733 he was at Utrecht, Paris, and Brussels in turn (June, July), and in 1734 was in London again, his residence being then in Albemarle-street, Piccadilly. An inventory of his property, roughly sketched out about this time, shows that he had cautiously put much of it in trust. Apart from cash with bankers in London, Amsterdam, Vienna, Cadiz, and Brussels, he had an estate at Pinchbeck, in Lincolnshire, purchased in the name of Edward Wadson; a house at Paris, purchased in the name of his friend, Edmund Gough, of Kilmanherse, and settled upon Mrs. Cantillon; a house at Asnières in the name of M. Le Grand, and an annuity of £1,000 a year out of the Barbadoes customs, purchased by Joseph Lord Micklethwait from the Duke of Chandos for £17,000, and held in trust for Cantillon, who found the purchase-money. There are various debts due to himself

<sup>1</sup> Brit. Mus. Add. MSS., 28,275, f. 150.

(including 7,180 livres, old arrears of the Paris Benedictines) and small annuities (one of 100 pounds on the Benedictines). Other effects are an estate in Louisiana, Panama Lacos, furniture, plate, &c.; 'A gold watch, a book of Mappes, Cornelius Nepos, a Silver Opera Ticket, a couple of saddle horses, an old chariot.'

On Monday, May 14th, 1734, Richard Cantillon was driving about London to his friend Garvan's in the Middle Temple, and to a house at Queen Square, Westminster, where he supped, and was set down at his door at ten at night. According to the evidence of a servant the next day,<sup>1</sup> 'for about three weeks last past his Master had taken the key of the Street-Door up into his Bed-Chamber; and [the Examinant] believes his reason for so doing was upon some Distaste he took to a Servant discharg'd three weeks ago; but that last Night he left the key, together with his Watch, below in the Parlour; and believes it was on account of this Examinant's being to go early in the morning to take a Box for him in the Opera; because that he gave him Directions for that purpose . . . his Master last Night . . . undrest himself in the Parlour as usual, took his Candle and Book, and went up to Bed soon after; and told this Examinant he would read.' This, it seems, was his usual practice.

It was at first supposed that Cantillon fell asleep with his candle burning, and set fire to the house by accident. But facts soon transpired which left little doubt that the dismissed servant, Joseph Denier, *alias* Le Blanc, entered the house in the night with the complicity of the other servants (three men and two maids), and, having murdered and robbed his former master, set fire to the house. He made good his escape to Holland by way of Harwich.<sup>2</sup> Three of the servants were tried for Cantillon's murder at the Old Bailey in December, but were acquitted. His ashes were probably buried in London, an entry in the executor's accounts reading: 'By an Undertaker for burying the Remains of Richard Cantillon, £6 2s. 6d.'

Cantillon's will, written and signed by himself, but unattested, bore date July 12, 1732. Legacies of £11,200 were left to his brothers Thomas and Bernard, the first his senior, his niece Catherine, nephews, Richard and Thomas Cantillon, and his friends Garvan and Lord Micklethwait, the last two his executors. Provision was made for his wife, and the residue left to

<sup>1</sup> *Old Bailey Sessions Papers, 1734.*

<sup>2</sup> See *The Weekly Miscellany*, by Richard Hooker, of the Temple, Esq., 1734, for details of the affair.

his daughter Henrietta. Lord Micklethwait, however, died before the testator, and Garvan refused to act owing to the intricacy of the affairs, and the want of any provision empowering the executors to compromise the unsettled suits in a summary or amicable manner. This difficulty was overcome by a private Act of Parliament, 1735 (8 Geo. II., c. 10), 'for the better execution of the last Will and Testament of Richard Cantillon, Esquire, deceased.' A recital in the Act states that the deceased left 'Issue only one Daughter, Henrietta Cantillon, who is now an Infant of about the Age of Six Years.' The will was proved May 21, 1735, and the widow, who had hurried to England with her daughter after the tragedy, returned to Paris. Soon afterwards, however, 'His Excy. the Rt. Honble. Horatio Walpole, Esq., then Ambassador and Plenipotentiary from the Crown of Great Britain in Holland, acquainted the Rt. Hon. the Earl of Scarborough that the Governor or Resident of Surinam had thence sent advice to Holland of several papers having there been found relative to the affairs of Richard Cantillon, and supposed to have been carried thither by one of the Assassins and Robbers of the said Richard Cantillon, amongst which was described to be a Codicillary or Testamentary disposition, together with an inventory of all his effects.' These papers were transmitted to the Foreign Office by Robert Trevor, Esq., secretary at the Hague, in 1736.<sup>1</sup> The new will, dated April 11, 1734, appointed William Sloper and Francis Garvan executors. The Act now became a nullity. Sloper was dead. Garvan renounced. And administration was granted (July 6, 1737) to the widow, who had married her maternal cousin, the Honble. Francis Bulkeley, afterwards a general officer in the French army.

Cantillon's daughter and heiress married, in her sixteenth year (July 1743), William Howard, third Earl of Stafford, who died in 1751. In 1759 the Countess married Robert Maxwell, first Earl of Farnham, and died two years later, leaving, by the second marriage, one child, Lady Henrietta. This lady survived until 1852. She married the Right Hon. Dennis Daly, and was mother of the first Lord Dunsandle, whose descendants are the direct representatives of the economist. The Princess of Auvergne, whose name has shed the glamour of romance around him, was the well-known Olive Trant,<sup>2</sup> daughter of the Sir Patrick Trant, Bart., whose extensive estates in Ireland were confiscated when he followed James II. into France. Sir Patrick

<sup>1</sup> See also *Hist. MSS. Comssn.*, 10th Report, i. 438.

<sup>2</sup> *Histoire généalogique du père Anselm*, 3rd ed., Paris, 1728, iv. 542.



came back in 1695 to 'make his peace and solicit for his estate.' He was committed to Newgate, and died there the following March.<sup>1</sup> Olive was an intriguing spirit in the councils of the Old Pretender. As an adventuress at the Court of the Regent, with whom she was a favourite, her reputation was sure to suffer, and historians have treated it with severity.<sup>2</sup> In a letter to Cantillon, dated Paris, Good Friday (1723?), the Abbé Maurice assures his friend that 'la prin[cesse] est au fait de notre créature,' which, the context shows, means that she had been reassured as to Mrs. Hughes's assertions. In the same letter the Abbé says that 'Renny MacDonnel has been to William Law's to ask for thirty-four actions belonging to the Duke of Ormond. After putting him off several times, Law told him that you have them, as a deposit for the money he owes you. Renny begs you, for love of the Duke, to say if this is true or false.'

The impression left on the mind by a perusal of Cantillon's letters is that the writer was possessed of great clearness and grasp, quick to penetrate ambiguity or weakness of argument, able at combination and calculation, and so thorough a master of the foreign exchanges that his speculations exhibit a scientific prevision amounting almost to certainty. His position with respect to the actions was that, not being distinctively numbered, they were kept indiscriminately; but that the firm had always enough on hand to supply a proper number of actions to those who had the right to demand them. If, indeed, they had been bound to restore the specific actions deposited, it would have been impossible for them to carry out the order of any client who wished his actions sold, lest some other depositor should claim those particular actions as his own. But, when all has been said, it must be admitted that Cantillon's strategy was unscrupulous. Though he kept on the safe side of the law, his letters of April and May 1720, and May 1721, quoted above, show him in an unpleasant light. His former cashier, Verdon, describes him as 'a Tyrant whom it would be more Justice and Charity to crush than to be the least usefull to.' On the other hand, he was very popular with his staunch friends. The openness to which he himself confesses—'I am commonly too frank'—was, very likely, the cause of his quarrel with John Law; for we find evidence that Cantillon was in the habit of decrying Law's paper schemes. He told witnesses at Paris 'he had no good Opinion of the Actions, and believed

<sup>1</sup> *N. Luttrell*. A Brief Historical Relation of State Affairs, 1671-1714. Oxford, 1857, iii. 553, 554; iv. 31.

<sup>2</sup> See e.g. Bolingbroke's *Letter to Sir W. Windham*, 1753, pp. 124, 145, 173, &c.



the same would fall considerably and come to Nothing.' Law was not likely to let his schemes be discredited in this way, at the outset, if he could avoid it. Cantillon plaintively informed Garvan (Paris, 21st June, 1730), 'I find that if I had continued here from the beginning of Hughes's Partnership (which you know the Minister of the Scheme made Dangerous for me to do) I never should have had any of these Law Suits.'

His answers to Lady Carington's Exchequer bill<sup>1</sup> assert that he sold off all his French actions before he gave up the bank, and never bought any more. He advised his friends the plaintiffs to do likewise, though it was not safe to give such advice at that time in France. The signature to these answers,

*Richard Cantillon.*

is interesting as, perhaps, his only autograph relic.

Here we must leave Cantillon's life. As the year 1730 is mentioned in his *Essai*,<sup>2</sup> he must have written that book between 1730 and 1734. There is reason to think that the original English version was in the hands of Philip Cantillon when he brought out *The Analysis of Trade* in 1759. This Philip, eldest son of James Cantillon, Esq., of Limerick, carried on a banker's business for some time with David Cantillon, at Warnford Court, Throgmorton-street, London. He was director of the Royal Exchange Assurance in 1738;<sup>3</sup> and traded as an insurance agent after his bankruptcy in 1742. A cousin of Richard Cantillon he intervened in his affairs, on behalf of his widow and orphan, in 1734, and obtained possession of numerous papers, some of which he probably retained. His edition of Richard's treatise, owing to his own inferior substitutions and additions, was too unequal to win respect. The French *Essai*, however, followed the manuscript so closely as to reproduce even the references to the missing supplement. This statistical compilation must have been a highly original and interesting work of some elaboration, as we gather from the *Essai* and from contemporary repute. So much might have been inferred from the very fact that its translation was postponed; for the purely statistical portions would require merely to be transcribed. Mirabeau states<sup>4</sup> that he had the manuscript of the *Essai* in his possession for sixteen years. Any inkling of

<sup>1</sup> 8 Geo. I. M. 992, Carington and Herbert v. Cantillon and others.

<sup>2</sup> P. 364.

<sup>3</sup> See *Kent's London Directory* for that year.

<sup>4</sup> Letter to J. J. Rousseau. *Levallois: Rousseau ses Amis et ses Ennemis*, Paris, 1865, ii. 365-7.

Mirabeau's designs may well have prompted the owner, on recovering the *Essai*, to print it forthwith as it stood.

How does this further information enable us to appreciate what, in the reasoned and emphatic opinion of Jevons, is 'the first treatise on economics'? A writer upon commerce may be presumed to speak with weight when, as his cashier alleged of Cantillon, he draws two and a half millions out of his business in a very short time. His explanation of speculations in the exchanges, 'quite astonishing' to Jevons, we see to be the work of a master of practice. Purged of insularity by foreign residence and foreign travel, he rises above a 'national system' of economics. Nor does he see in man a mere taxable animal, providentially producing wealth for the support of the Government under which he lives. His views upon the consumption of wealth fit closely and ingeniously the facts of his own time. And his constant references to land are, it is submitted, not symptoms of physiocracy, but rather of an attempt to take land as a standard of value instead of the money which, within a short space, the writer had seen 'cried up and down,' inflated, depreciated, privileged, and proscribed. Wealth, runs the argument, is produced by land and labour. But, as Petty says, there is an equation between land and labour. Therefore wealth may be stated in terms of land. This proposition needs no examination here. He, however, who would cast the stone of criticism at it may be fairly asked to first compare the corresponding theory concerning labour in *The Wealth of Nations*, and remember that the *Essai* was printed twenty-one years earlier, while its author wrote his last word twenty-one years earlier still.

HENRY HIGGS