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Learning from Scotland's Problems: George Berkeley and his 'Plan' for Ireland

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The study of economics was not high on George Berkeley's list of priorities. His writings on this subject were few and, with a single exception of the *The Querist*,¹ short and they often repeated opinions expressed by other authors. Consequently, for a long time Berkeley's economic thought attracted little attention from scholars who were much more interested in his philosophical tracts. In recent years, in a series of articles and essays, Professors Bertil Belfrage, Patrick Kelly and Constantine Caffentzis have explored Berkeley's economic writings and presented fresh interpretations of his economic ideas. Their publications are also important in that they have encouraged other historians to open new fields of research. One such field concerns Berkeley's view of the economic condition of Ireland and the ways to solve Ireland's problems. This issue was often discussed by Berkeley's contemporaries and, subsequently, by historians and economists. My aim, however, is not to present Berkeley's writings alongside works of other Irish authors, but to connect his opinions to the views expressed in Scotland in the first half of the eighteenth century. Despite differences between Scotland and Ireland, comparisons of the economic conditions of both countries were made at that time.² While preserving formal sovereignty – in Scotland until 1707 – both countries were poor and both were politically and eco-

¹ G. Berkeley, *The Querist*. References to *The Querist* are given in the text in the form (Q000).

² W. Seton, *Some Thoughts*, pp. 13-14; J. Hodges, *The Rights*, p. 34.

nomically dominated by England to which they were linked through the person of the same monarch. Their situation was by no means unique in contemporary Europe and reflected the fact that nearly all states at that time were 'composite states', that is, 'states, including more than one country under the sovereignty of one ruler', while retaining separate political and legal systems.³ Moreover, Scotland is an interesting object of study since it provides us with an excellent opportunity to see an economy in transformation following from the legislative union with England in 1707. This not only allows us to examine whether this union solved or at least reduced Scotland's economic problems, but also to reflect on possible solutions to Ireland's economic difficulties. Should Ireland follow in Scotland's footsteps or should it take a different path?

The economic discussion which occurred in Scotland in the first half of the eighteenth century concentrated on the question of how to make Scotland 'a rich country'.⁴ The same question also dominates Berkeley's major economic work, *The Querist*, except of course that he concentrated on Ireland. In seeking the means to achieve economic prosperity in his native country Berkeley was not blind to foreign experience (Q619). On numerous occasions he referred to the economic situation in such countries as France, Holland, Switzerland, Spain, Norway, Italy and, of course, England (Q45-46, 59-60, 69-70, 77, 84, 89, 114, 509, 619-621, 870). Another country he mentioned was Scotland and although he referred only to John Law's banking scheme (Q241-242, 252), it can be argued that he drew important conclusions from Scotland's economic condition after 1707, and that his solutions to the problems of Ireland were partly formed on this basis.

Berkeley shared with Scottish writers many opinions, starting with a general assessment of the situation in both countries. They all agreed that despite rich natural resources such as fertile soil, rich fisheries, and convenient harbours (Q353-354, 618, 717-718, 821), their countries were among the poorest in Europe. Berkeley's opinion, 'Whether there be upon Earth any Christian or civilized People so beggarly, wretched, and destitute, as the common Irish?' (Q138), was echoed by an anonymous Scottish author, who commented, 'This poor Nation is brought to the last Grasp, and Requires immediate Succour from all its Faithful Sons'.⁵ They also agreed on the internal causes of these economic difficulties. Berkeley condemned the consumption of luxury goods by 'the fine Gentlemen' and 'Irish Lady' that caused an outflow of money abroad (Q 61-3, 145-146, 150, 156-162) and helped ruin the country. He also condemned 'the upper Rank' for its concentration on self-interest and for

³ H.G. Koenigsberger, "Dominium Regale", p. 12.

⁴ I. Hont, "The "rich country", pp. 271-316.

⁵ *The State of the Nation*, p. 13.

its lack of interest in the economic development of Ireland (Q 173-174, 505). At the same time he was very critical of 'the common Irish', whom he described as the 'most indolent and supine people in Christendom' (Q 545). Some Scottish authors painted a very similar picture. They accused Scotland's political elites of neglecting the economic interests of the country, concentrating instead on domestic political rivalry.⁶ Scotland's economy also suffered from importation of luxury goods that drained the country of money.⁷ 'The poorer sort' also contributed to difficulties because of their economic inactivity – Andrew Fletcher of Saltoun calculated that about 200,000 beggars living in Scotland were 'a very grievous burden to so poor a country'.⁸

Berkeley and several Scottish writers agreed not only in their assessment of the poor economic condition of their respective countries, but also shared some basic economic ideas. They agreed that the main aim of economic activity should be to raise the standard of living of all the inhabitants, not just to satisfy the desires of the rich and the privileged. Consequently, they believed that it was impossible to increase the prosperity of any country at the expense of the majority of its inhabitants (Q175). Berkeley's opinion, 'Whether a People can be called poor, where the common Sort are well fed, clothed and lodged?' (Q2) corresponded with that of William Seton, who wrote, 'The Commons of Scotland bear the greatest Bulk of the Body Politick, and it's according to their Richness and Ease, that this Kingdom either be called Rich, Powerful, or Happy'.⁹ Strongly connected to this idea was the notion that the wealth of a country depended on the number of its people and the extent of their labour. Once more Berkeley's opinion: 'Whether the real Foundation for Wealth must not be laid in the Numbers, the Frugality, and the Industry of the People?' (Q223) was echoed by Seton: 'it's the People, that by their Labour and Industry, makes the Wealth and Power of every thriving Nation'.¹⁰ Contrary to Adam Smith views about the 'mercantile system', neither Berkeley nor Scottish writers were naïve bullionists, who confused gold or silver money with wealth. They perceived money as a mean of stimulating industry and trade and, consequently, of improving the entire economy. According to one of the Scottish writers: 'THESE Mettals [gold and silver] having no more Value than what they obtained from their use in Commerce' (Q5, 23, 45-46, 702, 896, 898).¹¹ At the same time they recog-

⁶ Andrew Fletcher *Political*, pp. 38-45; G. Ridpath, *An Historical Account*, p. IX; *Historical Manuscripts Commission, Report on the Laing Manuscripts*, Vol. II, pp. 41-42; W. Black, *Essay*, p. 4.

⁷ J. Clerk, *The Circumstances*, p. 24; W. Black, *Essay*, p. 4.

⁸ Andrew Fletcher *Political*, p. 67.

⁹ W. Seton, *The Interest*, p. 73.

¹⁰ *Ibidem*, p. 54.

¹¹ W. Seton, *Some Thoughts*, p. 59.

nized the negative consequences of both the under-supply and the over-supply of money (Q 5, 313, 372-373, 624),¹² accepting that the importance of money resulted from its role as a circulating currency (Q5-6, 22, 624, 793-794). Just as they did not equate wealth with gold or silver, so they agreed that paper money, if issued in its proper quantity, could bring great benefits to the economy (Q 34-37, 627, 703).¹³ Rejecting the view that wealth depended upon the amount of precious metals also led them to the conclusion that foreign trade was not a source of wealth by itself. Foreign trade could either enrich or impoverish a country. As one of the Scottish authors wrote: 'We may Trade and be Busie, and grow Poor by it'.¹⁴ His opinion was confirmed by Berkeley, when he pointed out that the importation of luxury goods (Q61) and the export of basic agricultural products ruined Ireland (Q148-149, 510). Foreign trade could enrich a country only if it exported its own goods. Consequently, Berkeley and several Scottish authors also agreed that the economy works best as one unit and that its different parts, especially industry and commerce, should not be separated from one another (Q38).¹⁵ Another opinion, which they shared, was that the international market was of a constant and limited size and that there existed strong economic competition between all states (Q813-814).¹⁶

The opinions which Berkeley and several Scottish writers held in common about the economic condition of their countries and about basic economic concepts did not, however, lead them to hold common opinions about how to solve these economic problems, although they did agree on certain details. They agreed that the only route to economic recovery was through making the greatest possible number of people economically active (Q 223).¹⁷ They agreed that the state should play an active role in the country's economic life. While Berkeley supported the idea of establishing a national bank, these Scottish writers supported the idea of setting up a 'Council of Trade' or a 'Judicature of Trade'.¹⁸ They also supported the idea of promoting economic specialization and the production of goods, which could compete successfully in international markets. It is worth stressing, however, that Scottish authors listed a much larger number of such products, including fish, linen, grain, coal,

¹² W. Black, *Essay*, p. 4; W. Paterson, *The Occasion*, p. 5; W. Seton, *Some Thoughts*, p. 64.

¹³ J. Clerk, *The Circumstances*, pp. 25-26; W. Seton, *Some Thoughts*, p. 64.

¹⁴ W. Paterson, *The Occasion*, pp. 3-4.

¹⁵ *Ibidem*, p. 4; W. Seton, *Some Thoughts*, p. 3.

¹⁶ *Andrew Fletcher Political*, p. 193.

¹⁷ G. Mackenzie, *Parainesis*, p. 7; J. Hodges, *The Rights and Interests of the Two British Monarchies, Inquir'd into*, p. 30; W. Seton, *The Interest*, p. 54.

¹⁸ W. Seton, *Some Thoughts*, p. 16; W. Black, *Essay*, p. 40.

hemp, spirits, and cattle.¹⁹ Berkeley limited such products to 'Lace, Carpets, and Tapestry' (Q 69-70), 'Hemp and Linen' (Q 81-85) and 'Paper' (Q 88-89). Up to this point the opinions expressed by Berkeley and Scottish authors did not differ markedly from each other or from the opinions of other early eighteenth-century economic writers such as Charles Davenant or Peter Paxton.²⁰

The main difference between Berkeley and these Scottish writers was that they had different views about the extent of state activity. While these Scottish authors believed that their aims could best be achieved through limited state intervention, Berkeley held a radically different view. When calling for state intervention, these Scottish writers underlined its temporary and limited character. The state should promote domestic agriculture and industry, and protect foreign trade, but they did not call for the establishment of state institutions which were to control all the country's economic activities. What is more, they stressed that once the economic condition of Scotland had improved, state imposed restrictions should be lifted: 'when the Balance of Trade inclined to our side, then Wines, Spices and c. might be allowed to be imported'.²¹ The state was a legislator, which through new laws, should create, to use Walt Rostow's words, the conditions for an economic take-off,²² and then gradually restrict its role thereafter. The only exception was Andrew Fletcher, the best known Scottish political writer of the early eighteenth century and the most outspoken critic of a fully incorporating union with England. Fletcher assumed that solving Scotland's problems would require not only economic, but also social, changes. He proposed that the 'people who are at this day dying for want of bread' should be given the status of 'servants', i.e., free people, who, in return for their services, would be provided by their masters with food, clothes and lodging.²³

Fletcher's idea, however, was not only an exception to the rule, but was not taken seriously by other Scottish writers or politicians. Their belief that Scotland's economic problems could be solved through economic and political, but not social, changes, stemmed from the notion that the main cause of the country's economic difficulties was England's

¹⁹ W. Seton, *Some Thoughts*, pp. 13-14, 26-38; W. Black, *Essay*, pp. 4-13, 22; J. Hodges, *The Rights and Interests Of the Two British Monarchies. With a Special*, p. 8; *A Letter Concerning*, p. 19.

²⁰ I. Hont, "Free trade", pp. 71, 85, 91; T. Munck, *The Enlightenment*, p. 171; P. Paxton, *A Discourse*.

²¹ W. Paterson, *The Occasion*, p. 5; W. Black, *Some overtures*, p. 11.

²² W.W. Rostow, *The Stages*, pp. 4-16.

²³ *Andrew Fletcher Political*, pp. 56-63.

policy towards Scotland.²⁴ Both the supporters of a federal and of an incorporating union (or 'patriots' and 'the other sort of men' as they were called at that time),²⁵ blamed England for the country's serious economic difficulties and called for the establishment of 'free trade' between Scotland and England. They assumed that the Scottish economy was not only strong enough to compete successfully with the English economy in a single market, but also on the international stage. The only serious difference which can be noted between these writers concerned the political background to 'free trade' between Scotland and England. The supporters of a federal union argued that 'free trade' could bring benefits to the Scottish economy only if Scotland freed itself from its actual political dependence on England and retained its own political institutions which were necessary to advance Scotland's best economic policies.²⁶ In other words, they believed that it was possible to enjoy free trade with England and at the same time preserve composite character of the British state. For their part, the supporters of an incorporating union assumed that it was impossible to achieve both aims and that England, because of international economic competition, would hinder the economic development of Scotland so long as both countries remained politically separated.²⁷ From their perspective the price of free trade and economic prosperity for Scotland was the transformation of the existing composite state into a unitary one. On 1 May 1707 the dream of the supporters of the incorporating union came true. The Union Treaty established 'one Kingdom by the Name of GREAT BRITAIN' and also 'full Freedom of Trade and Navigation'. Articles X to XIV made several exceptions to 'full Freedom', however, but it did not alter the fact that Scotland, England and England's colonies formed a common market and that both Scots and English were in future to be operating under the same trading regulations and liable to the same kind of customs duties. To make these economic ties even closer, the treaty also standardized Scotland's coinage to sterling, which facilitated the supply of money in Scotland. The trouble was that for quite a long time afterwards the union did not improve the economic conditions of Scotland. To be sure, there was a short-lived boom, but after a few years Scotland's economy, except for a few sectors, such as the tobacco trade, stagnated. This did not have any clear impact on the ideas of these Scottish writers. In the years af-

²⁴ Ibidem, pp. 132, 141-142; G. Ridpath, *Considerations*, p. 87; W. Seton, *Some Thoughts*, p. 8; J. Hodges, *The Rights and Interests of the Two British Monarchies, Inquir'd into*, p. 8.

²⁵ *Scotland's ruine*, p. 6.

²⁶ T.W. Philopatris, *An Essay*, p. 7; J. Hodges, *The Rights and Interests Of the Two British Monarchies. With a Special*, pp. 40-41.

²⁷ G. Mackenzie, *Parainesis*, p. 12.

ter 1707 they presented 'free trade' with England as the best thing that could have happened to the Scottish economy and put the blame for country's continuing difficulties on the Scots. As John Clerk wrote: 'if since the Union of the Kingdoms we have not improv'd our opportunities of encreasing in trade and riches as we might have done, it is intirely owing to a want of industry or perhaps honesty amongst ourselves, and to the obstinant neglect of the welfare of our country'.²⁸ The most radical idea that these Scottish writers put forward concerned Scotland's balance of foreign trade, and, as we have seen, this problem was discussed before 1707. In 1742 Duncan Forbes, Lord Culloden, presented the politicians in London with a breath-taking plan to ban all imports of tea into Britain or at least to reduce it substantially by introducing such high customs duties as to make tea too expensive for 'the poorer sort'.²⁹

Berkeley was much more enthusiastic about close links between Ireland and England than any Scottish author about links between Scotland and England. While he underlined the common interest of 'the upper Part of this People' with those of England and asked, 'Whether it be not the true Interest of both Nations, to become one People?' (Q96, 507), even the most outspoken supporters of the union in Scotland did not go beyond the tightening of political and economic ties.³⁰ Despite his strong sense of community with England, Berkeley did not propose that the Irish and English economies should be integrated. What is more, he presented Ireland and England as competitors, especially in the woollen trade (Q79, 87), stressing that such a competition had created 'a Jealousy in England' and had had a negative impact upon the Irish economy (Q95). Instead, he proposed to concentrate on those export-oriented branches of industry that were not developed in England (Q79, 86-87). Irish exporters were to provide England with products which were not made in adequate quantities or to an adequate standard in England, rather than to compete with English traders. Why did Berkeley, who was so eager to develop close social, cultural and even religious (Q334-341) links with England, make an exception of the economy?

Berkeley formulated his economic ideas, as presented in *The Querist* partly as a reaction to the economic debates in Ireland and England, and partly because of his experiences during his three years stay in North America.³¹ *The Querist* was also written in response to current events, the South Sea Bubble and the Mississippi Bubble in particular (Q246, 419-461, 902). My point is that one such event was the Scottish-Eng-

²⁸ *Sir John Clerk's Observations*, p. 212.

²⁹ *Culloden Papers*, pp. 188-195.

³⁰ *Historical Manuscripts Commission, Report on the Manuscripts of the Earl of Mar*, p. 242.

³¹ P. Kelly, "Berkeley's economic", pp. 345-346, 348, 358-360.

lish union of 1707, which had a major impact on Berkeley's economic thought. In *The Querist*, Berkeley formulated 'a Plan' (Q53) for Ireland that not only attempted to solve the current economic problems of the country, but also tried to lay solid foundations for its future prosperity. Professor Kelly argues that Berkeley called for the creation of a 'closed economy',³² in which the only way to the well-being of the entire population (Q137) was through the internal development and the substantial limitation, though not the entire elimination, of foreign trade. Berkeley's plan, however, went much further, calling for the creation of a politically independent economy in which a 'closed economy' was an important, but by no means, the only part.

In the first place, Berkeley urged his countrymen, starting with 'the better Sort', to rethink their attitude to the economic condition of Ireland. This was more than the customary call repeated by writers at all times. Berkeley saw the original cause of Ireland's problems in 'a wrong Way of Thinking' (Q 50), and, consequently, he presented education, especially for the gentry, as an important means to solve these problems (Q15, 190-197, 199-205). The aim of such an education was to prepare future legislators, who were capable of understanding certain principles necessary for the economic welfare of the country (Q188-189). The main principle was that economy should serve the needs of all people of Ireland. Members of the elite should also change their life style, giving up those customs which contributed to the dire poverty of the majority of the country's inhabitants, especially the consumption of luxury goods that found its source in the imitation of foreign fashions (Q17, 150). The task of rethinking attitudes to the economic condition of Ireland was not limited to the ruling elite. 'The poor' would also be required to change their lifestyle, giving up their idleness, although Berkeley was much more lenient towards 'the poor' than towards the elite, blaming the latter for the idleness of the former (Q545, 547). The main means to make the largest number of people economically active was through state legislation, and the first step was the creation of a national bank. The bank was to supply an adequate amount of money in order to stimulate the economy and, eventually, to give employment to 'our poor' (Q 295-297, 304-306, 492, 709). Another important piece of legislation concerned foreign trade and was closely linked with the need to achieve a balance, and, if possible, a surplus in foreign trade. Berkeley wanted to stop the import of all luxury goods from all countries, including England, and even to stop trade with any country that had a favourable balance of trade with Ireland (Q167-168, 284), promoting at the same time Irish manufactures for export. Foreign trade, however, was to play a secondary role, as his model economy was to be highly self-sufficient. Berkeley explained this

³² *Ibidem*, pp. 351, 356-7.

mechanism by using the example of the building industry. If the gentry 'distinguish themselves by fine Houses rather than fine Cloaths' (Q592), this would create a demand for many local workers, including 'Smiths, Masons, Bricklayers, Plaisterers, Carpenters, Joyners, Tylers and Glaziers' (Q595). They, in turn, would spend their money on Irish grown food, creating an increased demand that would contribute to the development of Irish agriculture (Q598-599). This would increase the wealth of the landlords, i.e., the gentry (Q318, 606). Consequently, the construction and maintenance of 'a fine house' would not only create more wealth, but would also lead to its distribution among all classes, thus contributing to the development of the entire nation and to further economic expansion (Q220). From a general perspective, Berkeley presented this mechanism, asking: 'Whether a People, who had provided themselves with the Necessaries of Life in good Plenty, would not soon extend their Industry to new Arts and new Branches of Commerce?' (Q68).

Berkeley's plan of economic recovery was not limited to creating a closed economy. An even more important part of his plan was the state control of the Irish economy that went far beyond the limitations put on foreign trade or the consumption of luxury goods. The extent of this state control can best be seen in the example of the creation of a national bank. As I have mentioned above, the bank was to provide enough money to set the economy in motion, but its role did not end there. The bank was also to control the circulation of money, preventing its stagnation (Q299, 793) or its non-productive circulation (Q295, 465, 793). Above all, however, money was necessary to encourage the inhabitants of Ireland to be economically active. To be sure, Berkeley did not see the source of economic activity in money (Q934), but in human will or the desire to consume (Q33). Without money, however, this desire could not be 'transformed into effective demand'.³³ Money linked human wants with labour, and the quantity of money in circulation should be controlled by the state.³⁴ State control over the economy would not end with the creation of a national bank. State officials should draw up plans for Ireland's internal trade that were to be presented every year to the Irish parliament (Q885). The state was also to gather information about economic activity through 'Registers of Industry' and 'annual Inventories... of the Fairs' (Q886-887). At the same time, the state, by imposing limitations on both imports and exports (Q152, 179, 181) should control economic contacts with the outside world. Berkeley assumed that state control of the country's economic life should be permanent. Unlike Scottish writers, he did not maintain that, after reaching a certain stage of economic development, the state could either lift some restrictions

³³ Ibidem, p. 349.

³⁴ G. Berkeley, *Queries*, p. 41.

or limit its role. But even this was not enough. Berkeley also believed that the state could and should exercise control over society. The state should shoulder the responsibility for the well-being of all the inhabitants of Ireland (Q531) and therefore had to control those who created the country's wealth, i.e., all the inhabitants of Ireland. Such a control was absolutely necessary because the people, especially the gentry, tended to prefer their particular interests above the interests of the nation as a whole (Q150-152). Berkeley's view of society was therefore very paternalistic: 'Whether a Nation might not be consider'd as a Family?' (Q182). He did not call for changes, which would remove social or political barriers (Q125), and in his ideal society there existed a clear division between the 'lower' and 'upper' classes: 'Whether it is possible a State should not thrive, whereof the lower Part were industrious and the upper wise?' (Q198, 207). What he called for was state control over all the members of society, although there should be different methods of control, depending on the nature of the problems caused by particular social groups. As the rich and privileged weakened the country through the consumption of luxury goods and their neglect of the economic development of Ireland, the state should prevent all imports of luxury goods. A part of this policy was state control over certain aspects of daily life that contributed to the country's economic problems. This included the state control of fashion and the consumption of alcohol (Q13, 108-109). An ideal Irishman was to wear Irish-made 'Woollen Cloaths and Stuffs' and drink 'Ale, Mead, and Cyder' (Q129), instead of imported 'Claret', 'French Wines' and 'Brandy' (Q156, 160-161). Another means to control the rich was through education. Education, as described by Berkeley in *The Querist*, was not to prepare open-minded political and economic leaders, who could choose wisely between various economic policies. The aim of education was to produce economic and political leaders, who would be willing to accept Berkeley's recipe for Ireland's many difficulties, or to replace, as he put it, 'bad Individuals' with good ones (Q210). 'The poor' required other methods of control. The state's task was to stimulate them to work through creating an appetite for beef and shoes that would lead to an increase in consumption and eventually to a modest but 'comfortable living' (Q18, 113).

It is possible to argue that in all these cases the state's task was not so much to control as to influence or to guide the inhabitants of Ireland. Such a conclusion, however, would not be justified. People, who would not live up to Berkeley's expectations and who were not fit for his state and society, were either to be 'expelled like Drones out of a well governed State' or declared 'a public Enemy' (Q3, 147). This affected members of all social classes. Another form of control, this time of the poor only, which would make them happy against their wishes, was to register them in every parish and find work for them to do (Q559-560, 562).

This work was to be of a compulsory character, 'under Public inspection', (Q567, 573, 578) and it was to be undertaken by all poor, including the disabled and the mentally ill. Berkeley did not ignore the need for the children of the poor to be 'inured to Labour betimes' (Q563). On the whole, he did not have much compassion for the idle poor, arguing *inter alia* that work-houses should be made 'at the least Expence, with Clay Floors and Walls of rough Stone, without plastering, ceiling or glazing' (Q571). An extreme form of control over the poor was temporary slavery (Q579-581) and compulsory work for criminals (Q57-59, 582-590). State control over society resulted from Berkeley's wish to secure the well-being of all the inhabitants of the country, but it also reflected his belief that individual or local rights should be subordinated to the rights and needs of community as a whole (Q51, 152). It is even possible to argue that he saw individuals as nothing more than the servants of the national community: 'Whether the Gentleman of Estate hath a right to be idle...?' (Q207). In Berkeley's opinion the decisive voice about 'a right to be idle', and, in more general terms, about the rights and needs of the community, should belong to the state (Q531).

A closed economy, and the state control of the economy and society, could not exist in a political vacuum. Indeed, all these elements not only required state intervention, but were in fact the products of state policy. In Berkeley's plan, the Irish state, should be understood as a part of the composite British state, not as a part of unitary British state. A characteristic feature of his plan was his desire to achieve Ireland's economic independence from other countries, especially from England. Establishing a national bank, a separate mint in Ireland (Q100, 913) and limits on foreign trade was not only the best means to stimulate economic growth, but was also a means of securing the economic independence of Ireland. The most important step in this direction was taking control of the economy and society by Ireland's state authorities. Berkeley underlined the fact that Ireland's economic institutions, including by far the most important institution, namely the national bank, and the country's economic policies were to be controlled by the Irish not the British legislature, and that the task of curing Ireland's economy belonged exclusively to '*Protestant Irish Parliament*' (Q 389).

Berkeley's call for state control over economy and society resulted partly from his conviction that Ireland, because of its underdevelopment, could not imitate more prosperous countries and hence it required solutions appropriate to Ireland's circumstances. What was good for England or Holland was clearly not good for Ireland (Q114, 128). It also resulted from the long and bitter Irish experience that English politicians had always aimed only at the well-being of England and neglected or even hindered the economic development of Ireland. In part, his attitude also resulted from his knowledge of the experience of Scottish-English union

of 1707. The terms of the Union Treaty meant that both from an economic and a political perspective the union was a radical break from the model of a composite state. For quite a long time the consequences of union revealed the spectacular failure of this new unitary state which did not deliver on its promise of economic prosperity and political stability for all its parts. The fate of Scotland after 1707 showed that the integration of two unequal partners could be beneficial to the stronger, but not necessarily to the weaker, partner. It was soon shown that 'free trade' with England could not solve the economic problems of Scotland, and it also showed that the Scottish economy could not compete effectively in international markets, even as a part of the wider British economy. It also showed that Scotland could not match England's economic success by copying English economic policies, laws or institutions, and that, after losing their own government and parliament, the Scots could do very little about solving their economic problems, being too dependent on decisions taken in London. In 1735, the year when the first part of *The Querist* was published, Berkeley's conclusion was simple. Ireland could not follow in Scotland's footsteps. Solutions to the economic difficulties of Ireland could be found only in Ireland and they could be solved only by the Irish (Q86, 141, 143, 720). A composite, not a unitary state, plus serious reforms introduced by Ireland's legislature, were the most appropriate answers to the country's economic difficulties. From this perspective his plan resembled the economic ideas of those Scottish writers and politicians who before 1707 had argued in favour of preserving Scottish own political institutions and the composite character of the British state. In his plan, however, Berkeley did not share their optimism about the positive effects of economic integration with England. Instead, he did his best to convince British politicians that a composite state could bring benefits both to Ireland and Britain. He pointed out that the economic development of Ireland, when controlled by Ireland's own legislature, would not only eliminate the risk of economic competition with Britain, but would also enrich the entire state: 'Whether, as a National Bank would increase our Industry, and that of our Wealth, *England* may not be a proportionable Gainer..?' (Q684-693).

From a general perspective, Berkeley's plan indicates that in the first half of the eighteenth century a composite state was still seen as an attractive alternative to a unitary state, and it is not difficult to find more examples of such thinking in other European countries and European colonies of this period.³⁵ The plan, however, raises some serious questions. The price of Ireland's economic recovery within a framework of a composite state was a dramatic rise in state control over all the inhabitants of Ireland. Was this price an effect of Berkeley's reasoning

³⁵ H.G. Koenigsberger, "Composite States", pp. 135-153.

or was it inseparably linked with a model of composite state that relied on its own resources and tried to separate itself from the outer world during a period which witnessed the rapid growth of international economic and political competition? Berkeley certainly wished the best for his country, but was the price of economic recovery as described by him one worth paying?

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Summary

In his major economic work, *The Querist*, George Berkeley presented his views of the economic condition of Ireland and the ways to solve Ireland's problems. The solutions he proposed resulted partly from his knowledge of the experience of Scottish-English union of 1707 that from an economic and a political perspective was a radical break from the model of a composite state. Given the spectacular failure of a new unitary British state which did not deliver on its promise of economic prosperity and political stability for all its parts, Berkeley formed a conclusion that Ireland could not follow in Scotland's footsteps and that solutions to the economic difficulties of Ireland could be found only in Ireland and they could be solved only by the Irish. A composite, not a unitary state, plus serious reforms introduced by Ireland's legislature, were the most appropriate answers to the country's economic difficulties. From this perspective Berkeley's plan resembled the economic ideas of those Scottish writers and politicians who before 1707 had argued in favour of preserving Scottish own political institutions and the composite character of the British state.

Keywords

George Berkeley, Ireland, the union of 1707, composite state, closed economy