

In her article of 1995 'Sophisters, Economists, and Calculators' Deidre McCloskey offers an account of the origins of *homo economicus*. For McCloskey, we should not look to economics to find the origins of this figure, but to literature.

The novelists in the eighteenth and early nineteenth century did better in thinking about love and selfishness. I do not think I am saying anything new in observing that not economists but novelists gave prominence to commercial greed and calculation. [...] The idea of *homo economicus* arrives late in economics, toward the end of the nineteenth century by way of an analogy with physical molecules. Yet it comes early to the English novel, full blown in Defoe circa 1719, and prominent later in, say, Austen's comedies circa 1800 or Dickens's satires of greed circa 1840.¹

The 'full blown' *homo economicus* of 1719 that McCloskey refers to here is, of course, Robinson Crusoe, the favourite literary hero of every economist. My aim in this paper is to examine the nature and validity of McCloskey's claim regarding Crusoe. I will argue that while it is possible to read the text as a paean to the rational approach to problems of resource allocation, this is not how it was viewed by writers in the eighteenth century. Indeed, in the latter half of the century, the period my work will focus on, the text is most commonly presented as antagonistic towards 'greed and calculation' and other economic virtues. The paper will be divided into three sections. Section I will look at what McCloskey means by *homo economicus*. Section II will look at the origins of McCloskey's reading of *Robinson Crusoe* in literary and economic theory. Section III, which will form the bulk of the analysis, will provide a broad survey of the readings of *Robinson Crusoe* in the period 1760-1800.

¹ Donald M. McCloskey, 'Sophisters, Economists, and Calculators', *Rhetoric and Pluralism: Legacies of Wayne Booth* ed. Frederick J. Antczak, (Columbus: Ohio State University Press, 1995), p.201.

McCloskey and *Homo Economicus*

For McCloskey the defining feature of economic man is his ability to make rational decisions. *Homo economicus*, she argues, 'is a facer of choices, a considered spurner of the option foregone, known in economics as "opportunity costs."² Robinson Crusoe fits this definition; like any other *homo economicus* when he 'faces a choice he draws up a balance sheet in his head.'³ McCloskey's example of this process comes from Crusoe's first trip to the shipwreck.

The raft is not of infinite size; at any moment the weather may turn and sink the wreck; this may be the only trip. Crusoe cannot have everything, and so he must make choices. He takes only clothing "needed for present use" because there were other things "which my eye was more upon." That is he chose to have fewer clothes and more carpenter's tools. He could not in the circumstances have both.⁴

Beyond the more formal economic elements of her definition, there are two other arguments that seem implicit in McCloskey's conception of *homo economicus*.

Firstly, she associates *homo economicus* with a particular social group, the projector, undertaker and entrepreneur of the middle class, and a particular set of values, namely self-interest or as McCloskey labels it, greed. Secondly, although *homo economicus* is characteristic of a bourgeois society, the rational model of thinking he adheres to appears to have much older foundations. Robinson may be the first fully formed economic man, but McCloskey is able to find precedents of his approach to choice in Homeric myth and biblical tales. Like Defoe, therefore, McCloskey appears to view Robinson's behaviour on the island as a natural and characteristically human response to the circumstances he is faced with, not the product of a particular set of historical circumstances.

² McCloskey, p.202.

³ McCloskey, p.202.

⁴ McCloskey, p.202.

Origins of McCloskey's Thought

McCloskey's analysis can trace its origins back to both nineteenth-century economic thinking and twentieth-century literary discussions. The first systematic use of *Robinson Crusoe*, in mainstream economic theory, Marx aside, came in the 1870s. Marginalist economic practices seemed particularly suited to the *Robinson Crusoe* approach. As M.V. White has argued: 'marginalist analysis begins with the "isolated individual" in order to depict a number of processes whereby limited resources are allocated among alternative uses.'⁵ It is thus unsurprising that a number of writers, among them W.S. Jevons, F.Y. Edgeworth, and Alfred Marshall, turned to Defoe's text. Moreover, the idea that an individual in a 'primitive' society would act in the same way as a capitalist entrepreneur was also in line with their self-consciously ahistorical approach. As J.B. Clark argued in his 1899 work :

The general laws of wealth-creating and the consuming process are the same in all economies; and it is in this perspective in civilized conditions of the laws that govern primitive life which makes it worthwhile to study that life at all. [...] It is not because the life of a Crusoe is of much importance that it has been introduced in economic discussion: it is because the principles by which the economy of an isolated man are directed still guide the economy of a modern state.⁶

While his argument is firmly historicist in its focus, Ian Watt endorsed the co-option of Crusoe by economists in his classic study *The Rise of the Novel*. For Watt:

⁵ M.V. White, 'Reading and Rewriting: The Production of an Economic *Robinson Crusoe*', *Southern Review*, 15:2 (1982), p.117.

⁶ J.B. Clark, *The Distribution of Wealth: A Theory of Wages, Interest and Profits*, (New York: Macmillan, 1899), quoted in White, p.119. See also Alfred Marshall. *Principles of Economics* (London: Macmillan, 1961), II:368.

Robinson Crusoe has been very appropriately used by economic theorists as their illustration of *homo economicus*. That *Robinson Crusoe*, like Defoe's other main characters [...], is an embodiment of economic individualism hardly needs demonstration. All Defoe's heroes pursue money, which he characteristically called 'the general denominating article in the world'; and they pursue it by methodically accounting to the profit and loss book-keeping theory which Max Weber considered to be the distinctive feature of modern capitalism⁷

Thus Robinson Crusoe represents for Watt the herald of a new era of economic individualism. This individualism is posited on the notion of 'every individual's intrinsic independence both from other individuals and from that multifarious allegiance to past modes of thought and action denoted by the word "tradition" – a force that is always social not individual.'⁸

However, Watt's analysis by no means represents the only possible approach to the text. In *Economics and the Fiction of Daniel Defoe*, Maximillian E. Novak, attacks the two basic premises of Watt's argument. Firstly, Novak argues, Defoe does not look prophetically forward to capitalism and individualism, but nostalgically back to an older form of economic relations. For Novak: 'Raised in a transitional period, between an older mercantilist society and a new era of capitalist expansion and invention, Defoe preferred the arguments of the older economists. He was more interested in short-term projects that would buttress an old and collapsing system than

⁷ Ian Watt, *The Rise Of The Novel* (London: Hogarth Press, 1987), p.63. Watt's analysis has been developed by: Bram Dijkstra, *Defoe and Economics: The Fortunes of Roxana in the History of Interpretation* (London: Macmillan, 1987), and Michael McKeon, *The Origins of the English Novel, 1600-1740* (Baltimore: John Hopkins University Press, 1988), pp.315-337.

⁸ Watt, p.60.

in new ideas that might bring about change.’⁹ Secondly, Novak denies that Crusoe’s behaviour is rational in economic terms.¹⁰ Novak asserts:

He has unquestionable powers of industry and invention, but any view of Crusoe as the embodiment of capitalistic spirit or as economic man must take into account his penchant for travelling and his hatred of a steady life. Crusoe does not disobey his parents in the name of free enterprise or economic freedom, but for a strangely adventurous, romantic and unprofitable desire to see foreign lands.¹¹

In his reading of the novel Novak views *Robinson Crusoe* as a morality tale; after disobeying his father’s advice to stick to the middle station in life, Robinson Crusoe is punished by being sent to the island. Through learning the true value of goods and labour he is able to achieve redemption.

A Crusoean Education: Readings of Crusoe 1760-1800

While Watt and McCloskey can trace their thinking on *Crusoe* back to the 1870s, Novak’s ideas appear to have their origins in discussions of the text from the latter half of the eighteenth century. In this section I will look at the readings of Crusoe in five educational works, by Jean-Jacques Rousseau, Jeanne-Marie Leprince de Beaumont, Joachim Heinrich Campe, Thomas Percival, and, finally, Maria Edgeworth and Richard Lovell Edgeworth.

⁹ Maximilian E. Novak, *Economics and the Fiction of Daniel Defoe* (Berkeley & Los Angeles: University of California Press, 1962), p.31. For a similar account of Defoe as a novelist writing in a period of transition, and the impact of this transition on narrative structure see: James Thompson, *Models of Value: Eighteenth Century Political Economy and the Novel* (Durham and London: Duke University Press, 1996), p.131. Novak updates his reading in Maximilian E. Novak, *Daniel Defoe: Master of Fictions* (Oxford: Oxford University Press, 2001), pp.535-564.

¹⁰ This notion has been put into modern economic terminology by M.V.White who provides six examples in the text where Crusoe does not engage in marginalist calculation. For example ‘iv. Crusoe wastes time and effort building a boat precisely because he fails to consider all the necessary calculations for that decision.’ See White, pp. 122-123.

¹¹ Novak, *Economics*, pp.67-68.

Rousseau's reading of *Crusoe*, like Novak's, emphasises the ways in which the Robinson story undermines some of the core values and assumptions of a commercial mode of thinking. However, whereas Novak is concerned with the nature of Defoe's economic thinking, Rousseau focuses on the positive effect the text might have on the individual who reads it. Rousseau's discussion comes in his 1762 work *Emile*.¹² Here he attempted to lay down a new set of principles for education based on the notion that learning should enable a child to develop independent judgement. While generally critical of reading, Rousseau sees *Robinson Crusoe* as a highly valuable educational tool:

The most certain method for him to raise himself above vulgar prejudices and to form his judgement on the actual relations of things, is to take on himself the character of such a solitary adventurer, and to judge everything about him, as a man in such circumstances would, by its real utility. This romance beginning with his shipwreck on the island, and ending with the arrival of the vessel that brought him away, would, if cleared of all the rubbish, afford Emilius, during the period we are now treating of, at once both instruction and amusement. I would have him indeed personate the hero of the tale, and be entirely taken up with his castle, his goats and his plantations; he should make himself minutely acquainted, not from books but circumstances, with every thing requisite for a man in such a situation. He should affect even his dress, wear a coat of skins, a great hat, a large hanger, in short, he should be entirely equipt in his grotesque manner, even with his umbrella, though he would have no occasion for it.¹³

Such an activity is valuable for Rousseau as it enables a child to reject the false modes of thinking that characterise commercial society and develop an idea of the relationship between objects, based on use value, rather than exchange value.

Explaining the difference between these two notions, Rousseau asserts that:

¹² Jean-Jacques Rousseau, *Emilius and Sophia: or, a new system of education* (London, 1762). He also mentions the text in his other work of 1762, *The Social Contract*. See Jean-Jacques Rousseau, *The Social Contract and other later political writings*, ed. & tr. Victor Gourevitch, (Cambridge: Cambridge University Press, 1997), p.43.

¹³ Jean-Jacques Rousseau, *Emilius and Sophia: or, a new system of education* (London, 1762),

The different arts are entitled to various proportions of public esteem, and that is in an inverse ratio to their real use. This esteem is directly as their inutility, and so it politically ought to be. The most useful arts are those which are the worst paid for or least rewarded; because the number of workmen is proportioned to the wants of the whole society, and the labour the poor must purchase must necessarily be at a low price. On the contrary, those important artisans, who by way of distinction, are termed artists, and are employed only in the service of the rich and idle, set an arbitrary price on their workmanship; and as the excellence of their baubles is mere matter of opinion, their high price constitutes great part of their merit, and they are esteemed in proportion to what they cost. Thus the value set upon them is not an account of any use they are of to the rich, but because they are too costly to be purchased by the poor.¹⁴

The role of the teacher is to demonstrate the superior value of utility.

What will become of your pupils if you allow them to adopt this ridiculous prejudice, if you encourage it yourself, or see them for example, enter, with more respect the shop of a jeweller than that of a locksmith? What a judgement will they form of the real merit of the arts and the intrinsic value of things, when they see whim and caprice universally opposed to real utility, and find the more a thing costs the less it is worth? If ever such ideas as these take root in their minds, you may as well give up at once the remaining part of their education; they will, in spite of all you can do be educated like the rest of the world, and you will have taken, for fourteen years past, all your trouble for nothing. Emilius will see things in a very different light, while he is employed in furnishing his island. Robinson Crusoe would have set a greater value on the stock in trade of a petty ironmonger, than on that of the most magnificent and best-furnished toy-shop in Europe. The first had appeared to him a respectable personage, while the owner of the latter had been despised as frivolous and contemptible.¹⁵

The text could also play a valuable role in distancing a child from the values inherent in the division of labour. Whereas a solitary individual is capable of supplying the necessities of life through their own work, progress within society creates superfluous wants that the individual cannot satisfy through their endeavours alone. These desires

¹⁴ Rousseau, *Emilius*, pp.64-65.

¹⁵ Rousseau, *Emilius*, p.65.

and the civilized individual's love of idleness lead to the division of labour, which through its ability to increase production allows a class of individuals to live unproductive lives consuming the goods produced by others. Therefore, it is the division of labour that is the means through which inequality is maintained. For Rousseau the greatest care of a teacher 'should be to keep from your pupil the notions of those social relations, which he is not in a capacity to comprehend [...].' By presenting to the pupil a convincing portrayal of a man who lives outside these social relations *Robinson Crusoe* acts as an example of the original 'natural' relationship between man and the world around him.

At one level, Jeanne-Marie Leprince de Beaumont uses *Crusoe* in a similar manner to Rousseau. For both writers, the story provides an important lesson on the nature of value. In her work of 1780, *The Young Ladies Magazine, or, dialogues between a discreet governess and several young ladies of the first rank under her education*, Beaumont asserts:

Take care, my dear, of a vicious inclination to riches. The three guineas have taken possession of your heart. You must not let them get the better of you; if they should, you will construct a bad habit of loving money; when you grow up, you will grow hard-hearted to the poor, you will wrong yourself and others, and lock heavengates against you. Though covetousness were no sin, yet it would be an inclination which you ought carefully to reform; it is something so very mean, and a dishonour to persons of rank. The greater we are, the greater our generosity should be. Besides to love money, in order to lock it up is a degree of madness. What purpose does it serve under lock and key, in a strong box,. Take care ladies not to forget this important point. I have read *Robinson Crusoe's* adventures in English. [...] He found some gold in the captain's cabin; he threw it down in a rage, *what good said he, will this gold do me? I can neither eat nor drink it; it will not cloathe me, nor could it cure me, were I out of order: a good provision of biscuit, or half a dozen shirts, would be greatly more to the purpose.*¹⁶

¹⁶ Jeanne-Marie Leprince de Beaumont, *The Young Ladies Magazine, or, dialogues between a discreet governess and several young ladies of the first rank under her education* 2 Vols. (London, 1780), I:152

The politics of such a piece of writing is clearly very different from that of a radical like Rousseau. Here the warning about an excessive love of riches is used to educate young ladies (of the first rank) in the duties appropriate to their status. Consequently, the work is socially conservative; it aims to ensure social conformity and the preservation of the rigid manners and class distinctions of which Rousseau was so critical. However, for both writers, *Robinson Crusoe* acted as a warning about, rather than a celebration of, excessive greed and calculation.

A very different approach to the text can be found in two works of the 1780s. For Joachim Heinrich Campe, the author of *The New Robinson Crusoe*, a highly influential retelling of the Crusoe story, the text was a means of enabling the young to understand the benefits that civilization brought them. Writing in 1789 he stated:

I have divided the time of my New Robinson Crusoe's remaining upon the island into three periods. In the first he is all alone and destitute of any European tool or instrument whatsoever, assisting himself merely by his hands and invention; in order to shew, on the one hand, how helpless man is in a state of solitude, and, on the other, how much reflection and persevering effort can contribute to the improvement of our condition. In the second period, I give him a companion, on purpose to shew how much a man's situation may be bettered by taking even this single step towards society. Lastly, in the third period, a vessel from Europe is shipwrecked on his island, and gives him an opportunity thereby of providing himself with tools and most other articles in common life, in order that the young reader may see how valuable many things are of which we are accustomed to make very little account, because we have never experienced the want of them.¹⁷

A similar point is made in more explicitly economic terms by Thomas Percival in his 1788 work *A Father's Instructions*. Like Campe, he advocates the reading of *Robinson Crusoe* as it

¹⁷ Joachim Heinrich Campe, *An abridgement of the New Robinson Crusoe; an instructive and entertaining history, for the use of both sexes. Translated from the French* (John Stockdale, 1789), iv.

[...] displays, in a striking manner, the advantages of being inured to manual exertions; the value of skill in the mechanic arts; the numberless benefits we derive from the division of labour; and above all, it enables us to perceive, in their full extent, the intellectual, moral and religious aids we derive from society.¹⁸

Such analyses clearly read the text in a manner very different to that recommended by Rousseau. Whereas Rousseau saw the key lesson arising from the individual's complete submersion in Robinson's world, Campe and Percival both see the 'moral' as lying in the comparison that the individual makes between their own civilised state and the unfortunate condition of Robinson. Their reading of *Crusoe* is also very different to Watt's. Whereas Watt saw the text as a celebration of individualism, for Campe and Percival, the *Crusoe* story does not so much show every individual's independence as demonstrate their complete dependence on society.

The final text to be discussed is Maria Edgeworth and Richard Lovell Edgeworth's *Practical Education*, a work first published in 1798. For the Edgeworths *Crusoe* has the potential to be highly damaging for the impressionable minds of the young, particularly if they are male. Discussing *Robinson Crusoe* and *Gulliver's Travels*, they claim that:

Will it be thought to proceed from a spirit of contradiction if we remark that this species of reading should not early be chosen for boys of an enterprising temper, unless they are intended for a seafaring life, or for the army. The taste for adventure is absolutely incompatible with the sober perseverance necessary to success in any other liberal professions. To girls this species of reading cannot be as dangerous as it is to boys; girls must very soon perceive the impossibility of their rambling about the world in quest of adventure; and where there appears an obvious possibility in gratifying any wish, it is not likely to become or at least to continue a torment to the imagination. Boys, on the contrary, from the habits of their education, are prone to admire and to imitate, everything like enterprise and heroism. Courage and fortitude are the virtues of men,

¹⁸ Thomas Percival, *A Father's Instructions; consisting of moral tales, fables, and reflections; designed to promote the love of virtue, a taste for knowledge, and an early acquaintance with the works of nature* (Warrington, 1788), p.324.

and it is natural that men should desire, if they believe that they possess these virtues, to be placed in those great and extraordinary situations which can display them to advantage. The taste for adventure is not repressed in boys by the impossibility of its indulgence, the world is before them, and they think that fame promises the highest prize to those who will most boldly venture in the lottery of fortune: the rational probability of success few young people are able, fewer still are willing, to calculate; and the calculations of prudent friends have little power over their understandings, or at least over their imagination, the part of the understanding which is most likely to decide their conduct.

This analysis is structured around an opposition between, on the one hand, the sober economic virtues of rational calculation and understanding, and on the other, the desire for adventure and heroism. The alluring nature of the life of a soldier or sailor means that once a young boy has been seduced by *Robinson Crusoe*, he may be unable to cope with the boredom of a more conventional lifestyle.

When a young man deliberates upon what course of life he shall follow, the patient drudgery of trade, the laborious mental exertions requisite to prepare him for a profession, must appear to him in a formidable light, compared with the alluring prospects presented by an adventuring imagination. At this time of life it will be too late suddenly to change the taste; it will be inconvenient, if not injurious, to restrain a young man's inclinations by force or authority; it will be imprudent, perhaps fatally imprudent to leave them uncontrolled. [...] A boy, who at seven years old longs to *Robinson Crusoe*, or *Sinbad the sailor*, may at seventeen retain the same taste for adventure and enterprise, though mixed so as to be less discernible, with the incipient passions of avarice and ambition; he has the same dispositions modified by a flight of knowledge of real life, and guided by the manners and conversation of his friends and acquaintances. *Robinson Crusoe* and *Sinbad* will no longer be his favourite heroes; but he will now admire the soldier of fortune, the commercial adventurer, or the nabob, who has discovered in the east the secret of *Aladdin's* wonderful lamp; and who has realised the treasures of *Aboulcasem*.

It seems particularly noteworthy that, for the Edgeworths, while *Robinson Crusoe* may be capable of giving a young boy a taste for 'adventure and enterprise' it does not develop the passions of 'avarice and ambition' which appear to be natural

consequences of youth. The Robinson we see here, therefore, is clearly not the rational accountant of Watt's analysis, but instead a dangerous and alluring picaro, who should be excluded from any child's reading list.

Conclusion

The views of Rousseau, Campe, Percival and the Edgeworths seem to be directly opposite to that suggested by McCloskey and Watt. In the first section of this paper I argued that McCloskey's conception of *homo economicus* was based on three principles; rational choice, a bourgeois notion of greed or self-interest and a view of the individual that was essentially ahistorical. The writers of the latter part of the eighteenth century do not see Crusoe as conforming to this model. The Edgeworths view him as a risk-taker and a gambler, rather than a calculator. Beaumont uses the tale to critique the 'love of money', which she views as a rather vulgar prejudice. Rousseau's account like that of Percival and Campe is based on the idea that Crusoe's isolated situation is fundamentally different from that which is experienced in a modern commercial society. Thus whereas Clark and McCloskey see the story demonstrating continuity in human behaviour, Rousseau, Campe and Percival see it as evidence of disparity. My point here is not that the support of eighteenth-century sources makes Novak 'right' and McCloskey and Watt 'wrong'. Rather the contention is that we cannot trace an unbroken line between Defoe in 1719 and the marginalists of the 1870s. However, this is not to argue that *Crusoe* is a text devoid of economic meaning. As we have seen, the writers of the eighteenth century saw a wide array of economic thinking justified in Defoe's tale from the division of labour to a theory (or a number of theories) of value. Rather than acting as a source of economic wisdom, as McCloskey implies, the text functions as a mirror; through looking the

life of the castaway, writers of a remarkably wide range of political and economic persuasions, see their own ideas exemplified and vindicated. The capacity of the text to achieve this lies in the elemental nature of the situation it portrays, and the highly ambiguous presentation of the relationship between primitive and civilized modes of production. Jacob Viner once remarked that ‘an economist must have peculiar theories indeed who cannot quote from *The Wealth of Nations* to support his special purposes.’¹⁹ The same, I believe, might be said of *Robinson Crusoe*.

¹⁹ Quoted in Paul J. MxNulty, ‘Adam Smith’s Concept of Labour’, *Journal of the History of Ideas* vol.34. (1973), pp.345-366.