A Farewell to Alms: A Brief History of the World
Gregory Clark
Princeton, N.J.: Princeton University Press, 2007, 420 pp.

The thesis of Gregory Clark's *A Farewell to Alms* is that, for most of human history and prehistory, there prevailed an essentially Malthusian social dynamic, one in which improvements in technology or wealth were turned almost immediately into increased population rather than increased individual wealth or technological innovation. Only calamities, such as the Black Death of the 14th century, could raise the average wealth of a society, and they did so by reducing the population.

These conditions meant that Europe (but why was it only Europe?) experienced a continual downward social mobility: The rich had more children, on average, while the poor had fewer, and all children could expect to be poorer than their parents. Downward mobility meant that something essential—let us call it *breeding*—was disseminated from the upper classes to the lower. This breeding, when spread sufficiently, produced the values and habits necessary for the Industrial Revolution.

Breeding: The double meaning of the word is deliberate, and it parallels Clark's own ambiguity. He repeatedly suggests both genetics and transmitted culture as possible sources of the mysterious changes that wrought the Industrial Revolution. He declines to offer much evidence for either mechanism. At times he seems to dismiss culture as an epiphenomenon, so perhaps it is good that he does not take these speculations much farther.

The thesis is bold indeed, and it is presented both as a direct challenge to institutional accounts of the Industrial Revolution, and as an indirect challenge to development policies stressing institutional soundness today. Clark presents an enormous amount of data on the economic and demographic conditions of early modern life, and he does so with more historical sophistication than most economists bring to these issues.

Yet errors and questionable propositions still abound. Clark claims that animals and humans of the Malthusian era faced "precisely" the same economic laws (p. 32), neglecting that even before 1800, many people did not produce their own food or clothing, but traded for them using money in markets—not, I hope, a pedantic difference. A graph (p. 180) supposedly showing "no evidence" for incentives toward education in the medieval era in fact shows that skilled workers consistently earned 1.5 times what their unskilled counterparts made. In the early modern era, Clark notes that unmarried women were almost always childless, while married

women bore children, but he seems unaware that this is in part because women frequently got married only after discovering that they were pregnant.[1] It is problematic to assume as he does a constant number of parishes in England from 1450 to 1801. And the Church of England owes its independence to Henry VIII's marital problems, not Henry III's.

Other errors are more serious. Clark incorrectly formulates the Malthusian dynamic in premodern societies:

> [The] Malthusian world thus exhibits a counterintuitive logic. Anything that raised the death rate schedule—war, disorder, disease, poor sanitary practices, or abandoning breast feeding—increased material living standards. Anything that reduced the death rate schedule—advances in medical technology, better personal hygiene, improved public sanitation, public provision for harvest failures, peace and order—reduced material living standards [p. 27].

As Bryan Caplan has noted,[2] this analysis ignores the victims of premodern war, famine, and disease, whose misery and radically diminished productivity we must consider in any utilitarian calculus. Birth rates fall and death rates rise not of their own accord, but because people are suffering, and because their productivity has declined from what it could have been. Clark's model also neglects the *ex ante* risk of death, a source of unhappiness that may or may not be compensated for by the increased income that falls to survivors. Caplan writes that this state of affairs "hardly makes the plague a 'friend of mankind.' All it means is that after mass death, the frail, disfigured survivors will get to eat some extra calories beside the graves of their families."

Such was the Malthusian world, and Clark's argument is that in the fullness of time (that is, circa 1800), it bred in England the sort of people who would be able to produce industrialization. Material progress before 1800 was almost nonexistent, Clark argues, and he even claims—on the very first page of his text and repeatedly throughout—that "denizens of wealthy societies such as eighteenth-century England or the Netherlands managed a material lifestyle equivalent to that of the Stone Age."

It's a thesis that is central to his larger claim that only certain societies have enough breeding to make industrialization possible. Yet while the Stone Age/Late Enlightenment comparison may be valid in terms of the amount of grain or calories consumed by the poor, or the stature of adults, or the life expectancy, these considerations do not tell the whole story. Not only had the menu of material goods gotten vastly larger in the meantime, but the intellectual life enjoyed by even the middling sort in

[1]P. E. H. Hair, "Bridal Pregnancy in Rural England in Earlier Centuries," *Population Studies* 20 (2) (1966), 233–43, estimates that perhaps one third of early modern English brides were pregnant at the time of marriage. Whether marrying a pregnant bride was seen as advantageous or just socially incumbent is irrelevant to the sorting that would occur in either case.

[2]http://econlog.econlib.org/archives/2007/09/malthus_on_stil.html (24 September 2007).

18th century England was incomparably richer as well. Surely each must count for something in the story of industrialization.

Not, however, to Clark. Regarding material goods, he writes, "Workers in the late Middle Ages were still much richer. They received extra rations of beef and beer as part of their wages, which more than covered any absence of tea or sugar" (p. 42). Cold comfort to anyone who prefers tea and sugar—or quinine and morphine, for that matter, also products that only became available to Europeans thanks to increased international trade.

Admittedly it is impossible, as the Austrians remind us, to quantify the value throughout an economy of an expanded menu of goods by pegging it to a quantity of a given good present before and after the introduction of a new one.[3] Nonetheless the ability to make a new choice remains a value, and the menu of available goods expanded enormously from the Neolithic (or even the Middle Ages) to the Enlightenment. Being unable to quantify it in kilograms of wheat does not make it unreal.

Regarding the intellectual life of the 18th century, the first chapter's epigram is by Samuel Johnson, of all people, which makes Clark's disinterest in such matters even more puzzling. Just before the Industrial Revolution, the middling sort could afford newspapers, Johnson's included, as well as almanacs, trade publications, and the works of Locke, Shaftesbury, and Newton. They could have eagerly awaited new texts by Gibbon and Hume, by Voltaire and Kant, or by their many popularizers, whose works were often simpler to read and cheaper besides. The progress in the industrial arts and sciences at this time was also exceedingly rapid, and it seems incorrect either to neglect or to explain them away.

No amount of grain could buy the Enlightenment in the Stone Age; no amount of beer could buy it in the medieval era. The intellectual progress of the 18th century, I suggest, does nearly all of the work that Clark rather mysteriously ascribes to the quality of labor. It was not the slow, Malthusian accumulation of bourgeois habits (or bourgeois genes) that created the Industrial Revolution. The educated classes of the 18th century would be surprised indeed to hear that their attitudes and values were simply the bred wisdom of their wealthier ancestors. They understood themselves to be experiencing a revolution in how people thought about selves, states, and production.

To Clark's mind (p. 183), ideas explain almost nothing if they cannot be tied to material causes:

> Invocations of movers from outside the economic realm . . . merely push the problem back one step . . . Protestantism may explain rising levels of literacy in northern Europe after 1500 . . . but why . . . was an obscure German preacher able to effect such a profound change in the

[3]Ludwig von Mises, *Theory of Money and Credit* (Indianapolis: Liberty Fund, 1981), pp. 180–85.

> way ordinary people conceived religious belief? . . . [W]hy after at least five millennia of opportunity did systematic empirical investigation of the natural world finally emerge only in the seventeenth century?

These questions may well be unanswerable, since we do not have anything even remotely like a comprehensive science of the mind that could tell us the material origins of ideas with certainty, or that could allow us to experiment on them properly. Malthusian economics explains much about the premodern world, but almost nothing about precisely how we escaped from it, or why this escape happened when it did, or what its architects thought about the process, or why they thought what they did.

We know, however, that the new ideas of the early modern era included the end of slavery and serfdom, an expansion of global trade and navigation, an improved status for women, a progressive banishment of violence from public life, the division of labor, and the idea that individuals have a right to pursue their own happiness without undue interference. To make Malthusian breeding more plausible as an account of their origin, Clark spends considerable time arguing that these things either were products, not causes, of the new industrial economy, or else that they did not matter much anyway.

Space does not permit answering Clark's all of arguments, so let us consider the division of labor as a representative example of one and perhaps the most critical factor to industrialization that Clark dismisses: He claims (p. 367) that the division of labor works only when the laborers are particularly free from error to begin with. He argues that, with more workers working on any given item, the errors of a careless worker will be multiplied and spoil the production. Industrialization therefore worked first in Europe because there was something special about European laborers.

This is a serious mistake, at least when offered, as it is here, without qualification, for the division of labor is itself a quality control device *relative to artisanal production*: By simplifying the tasks of each laborer, errors decline even when the laborers remain the same. Division of labor does not require more assiduous workers; in effect it creates them, relative to what they were before, and it would have worked, relative to any society's artisanal production, whenever that society chose to perform it.

Even if Clark were right about historical developments before the 20th century, his explanation begins to look very ad hoc when considering the last few decades. The examples of North and South Korea show that a uniform cultural and racial stock produces radically different results under different institutional regimes. Germany is if anything even more of a problem: As an industrial society, East Germany stagnated for decades under communism. Subsequently it experienced a revival. Yet these same people remained Germans by culture and by race throughout, and Malthusian accounts would thus predict uniform outcomes.

Then we come to China and India. Institutional explanations of their

recent development stress that mass prosperity began in China following the introduction of limited forms of private property, and in India following the massive liberalizations of the 1980s and '90s. Clark's model is ill-equipped to explain the rise of either of these major economic powers in recent decades. Just as it cannot answer "Why England in 1800?" it cannot answer "Why India in 2000?" To say that India's Malthusian era just happened to be 200 years behind the curve seems to place too much confidence in one's hypothesis.

Finally, the desire to show that institutions are nothing while technology is everything leads Clark into some morally problematic territory when he writes that "modern medicine, airplanes, computers, have succeeded [in sub-Saharan Africa] in producing among the lowest material living standards ever experienced" (p. 3).

No, they haven't. The existence of medicines, airplanes, or computers does little to the living standard of a society. What a society or a society's government *chooses to do with* these creations does far more. In attributing both the success and the failure of modern societies solely to their technologies, Clark might be seen as exonerating some of the most corrupt and criminal regimes on earth.

As to his policy prescriptions, these are few but also troubling, above all for their justification. Clark dislikes the World Bank and the International Monetary Fund, and although classical liberals lose no love on either, this reviewer at least suspects that we come at these agencies from very different perspectives. Clark sees institutional interventions as essentially futile, because only the quality of labor can raise a society from poverty, and quality of labor rises through Malthusian processes. Austerity measures, monetary stability, and foreign aid are wishful thinking.

Classical liberals, however much we may agree with the last sentence, will not likely agree with Clark about why this is so. Foreign aid tends to be wasted or stolen; austerity measures and monetary stability tend to fail when property rights, the rule of law, and the freedom of the market are not also in place. A relatively sound fiat currency is to us a reflection of other sound institutions and is entirely contingent upon them. It is not a goal to be pursued in isolation as may seem the case in some present-day policy recommendations.

Perhaps the most curious thing about this book, however, is the tension between its overall pessimism and the cheeriness of its title. If Clark is right, and if present-day differences in economic development are due to genetic or cultural factors that take centuries of suffering to produce, then we are most certainly not in for a farewell to alms. On the contrary, the future of humanity will be nothing but alms, so long as we still wish to care for those of low breeding around us.

Short of perpetual almsgiving, our only other choice is seemingly to let them suffer and die into prosperity—even if this could, as Clark suggests, take centuries. Perhaps we need not worry, however, because Clark proposes (p. 374), based on recent happiness research, that much of this suffering is only apparent anyway: After all, we aren't measurably happier

than hunter-gatherers based on standardized self-reports. That there is an overwhelming worldwide revealed preference in favor of industrialization and mass affluence is apparently not worth considering.

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