

**LETTERS OF DAVID
RICARDO TO
HUTCHES TROWER AND
OTHERS, 1811-1823**

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JAMES BONAR & JACOB HARRY HOLLANDER

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LETTERS OF RICARDO

TO

TROWER

HENRY FROWDE, M.A.
PUBLISHER TO THE UNIVERSITY OF OXFORD



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DAVID RICARDO
TO
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AND OTHERS

1811—1823

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INTRODUCTION

SINCE the publication by the Clarendon Press of the Letters of Ricardo to Malthus (1887), two collections of Ricardo's letters have appeared: (1) the privately printed 'Letters written by David Ricardo (1812) during a Tour on the Continent' (Gloucester, 1891); (2) the 'Letters of David Ricardo to John Ramsay McCulloch, 1816-1823; Edited, with introduction and annotations, by J. H. Hollander, Ph.D.', published for the American Economic Association by Macmillan and Co., New York, Sonnenschein and Co., London, 1896. This collection was presented to the British Museum by Mr. H. G. Reid, the last surviving executor of McCulloch, in April, 1894.

After the publication of the Letters to McCulloch, our attention was turned to the Letters of Ricardo to Hutches Trower, in the library of University College, London; and further inquiry led to the discovery of the earlier half of that correspondence. Hutches Trower (born July 2, 1777) was a member of the firm of Trower and Batty, Stockbrokers, 1 Bank Street, Cornhill; and it was on the Stock Exchange that he formed the acquaintance of Ricardo and discovered their common interest in economics and political philosophy (see Letter XVIII). Like Ricardo, he was a shareholder in the Bank of England, and attended the meetings of its Court (see VII). He was also concerned

in the East India Company, spoke often at its meetings, and took a lively interest in its general policy (see II). In 1813 (Aug. 4) he married Penelope Frances, third daughter of Gilbert Slater or Selater, a partner of his brother's in Eastcheap¹; and his marriage was followed, at the end of 1814, by his purchase of Unsted Wood, Godalming, Surrey, and his retirement to a country life. He became Chairman of the Guildford bench of magistrates, and studied his law books carefully. He was Grand Sheriff of Surrey in 1820. He took an active part in county politics. He was a warm supporter of Savings Banks. He was an occasional contributor of articles to the Times, and he wrote letters to that paper and others on various public questions. It was probably his letters to the Morning Chronicle in 1809 on the Bullion controversy that led to his first acquaintance with another contributor of letters to the Chronicle, Ricardo, in whose career as an economist that controversy made an epoch. In Ricardo's first letter, or rather communication, of August 29, 1809, on 'The Price of Gold,' he had attributed 'all the evils of our currency' to the over-issues of the Bank,

'to the dangerous power with which it was entrusted of diminishing at its will the value of every monied man's property, and by enhancing the price of provisions and every necessary of life, injuring the public annuitant and all those persons whose incomes were fixed, and who were consequently not enabled to shift any part of the burden from their own shoulders.'

This letter provoked, among other replies, Trower's letter of Sept. 14, 1809. He thinks Ricardo has exaggerated the evils of the situation, and has misconceived the causes of the High Price of Gold, which are, in Trower's opinion, (1) the discredit brought by the French Assignats on all

¹ See Post Office Directory, 1817. His brother is mentioned in Letter XXVI, page 77, and XLVIII, 158.

paper money, and (2) the neediness of nations engaged in war. It is (he says) really to the high or low rate of Interest that we should look in order to ascertain the proportion which the circulation bears to the demands of the people. Ricardo's second letter is largely a refutation of this latter idea. So Trower's second letter contained the statement that 'Silver is the only measure of value,' and Bank Notes represent Silver,—an idea refuted by Ricardo in his third letter (Nov. 23), and in the paper given below (Appendix A (2)). We can therefore say with truth that Ricardo's famous pamphlet on the High Price of Bullion, being as it was a free version of the letters to the Chronicle, owes much of its shape to Trower.

Trower became an intimate friend of the whole family of Ricardo (see LXVI). He was a scholarly man of wide reading, interested not only in economics, politics, and social reform, but in theology, literature, geology, and tree-planting. He was 'aye stickin'-in a tree' and transforming the landscape (LXIV). In political economy, if not a match for Ricardo, he was often acute in his criticisms (XLVIII and Appendix). The following passage occurs in an undated fragment of his MSS.:—

It must be confessed that Political Economists in their speculations "take no note of time." They point out the general rules which govern the subject of which they treat, but they forbear to designate the obstacles by which these rules are opposed in their operations, and the period that elapses before these obstacles are removed. And yet time is a mighty¹ ingredient in all human affairs. It is the great artificer which brings all things to perfection, and bears them onward² to their destination. These principles are not the less true because, in practice, circumstances may arise to interfere with their operations, and to obstruct their progress, their predictions are not the less infallible, nor their effects the less unerring.

¹ 'Grand' written under 'mighty.'

² 'Along' under 'onward.'