

RESPONSE TO ROBERT MOCHRIE: *Moderates, Evangelicals and the Scottish Contribution to the Economics of Religion prior to the Disruption of 1843*

Esmond Birnie

Robbie Mochrie has provided an excellent and very interesting summary of the contrasting ways two Scottish economists, Adam Smith in the mid eighteenth century and Thomas Chalmers in the first four decades of the nineteenth century used various economic tools to analyse the social impact or the benefit to society of the manner in which “religion” was provided. More specifically, Smith and Chalmers were considering the impact of the established, i.e. Presbyterian church. Some of their economic tools may have approximated to aspects of modern “economics of religion” although, as Robbie’s article notes, Chalmers would not have regarded himself as engaging in a piece of rarefied, detached economic analysis. For Chalmers, support for the principle of a church establishment really was a matter of passionate conviction; part of his duty to promote the greater glory of God. As Robbie notes, Smith had much less fervour attached to his policy recommendations.¹ Nevertheless for him also his analysis had the objective of trying to deduce what type of market in religion would maximise social order and the public good.

Robbie makes a convincing case that Smith thought mid eighteenth century Scotland had arrived at just about the best possible form of establishment of religion. In Smith’s view there was just enough toleration (freedom of entry and exit) for dissenters to avoid socially disruptive competition whilst the position of clergy within the established Church of Scotland was sufficiently weak that they could not become over-mighty. There was the external benefit, in Smith’s view, that poorly paid clergy often combined being parish ministers with being comparatively well qualified but cheap university teaching staff!

Robbie’s article summarises the position to be that “Establishment in eighteenth century Scotland was state sponsored monopolistic competition, with a small competitive fringe of Roman Catholics, Episcopalians and (largely Presbyterian) Protestant dissenters”. I am not sure how well a monopolistic competition theory of the firm reads across to the

¹ A very youthful 19 year old Chalmers was licensed as a minister of the Church of Scotland in 1799. Interestingly, his conversion to an evangelical Christian faith did not occur until about a decade later. Smith was no evangelical. Indeed, there have to be doubts about whether he really had an orthodox Christian faith. The first edition of his *Moral Sentiments* did contain a passage on the necessity of a mediator between God and man. Significantly, that passage had disappeared in the second edition (W. Hanna 1851, *Memoirs of the Life and Writings of Thomas Chalmers*, vol. III, Thomas Constable, Edinburgh and London, p. 403).

religious market. For example, in any given parish in Scotland in the 1750s would the Church of Scotland congregation and the dissenter congregation (s) really have been strategically independent of each other? In any case, if such monopolistic competition was Smith's preferred market structure it may have been a rather short-lived affair; in the 1820s it is estimated that about 38% of the Scottish population were adherents to churches other than the established one.²

Robbie is entirely right that Chalmers provides an interesting contrast to Smith. In terms of his analysis of Chalmers, I would simply add the following points:

- Smith was very comfortable with pluralism, i.e. clergymen combining a parish ministry with, say, a teaching position in a university. Chalmers came to see such pluralism as a great enemy of the ministry of the Gospel. This was ironic because in his early parish ministry Chalmers had himself practiced such pluralism. In a pamphlet published in 1805 he declared that sermon preparation and delivery could be safely confined to less than two days a week leaving plenty of time for other intellectual pursuits! Chalmers would later repudiate that stance but at the time, students of the economics of religion will be amused to note, his congregation did “punish” their somewhat part time cleric by reducing the scale of their offerings!
- Like many other early nineteenth century thinkers, Chalmers was much taken by machines and mechanisms. Indeed, he very explicitly referred to an established church as a machine which would take certain inputs, e.g. the working classes, and hence through socialising virtuous attitudes produce the output of a more ordered and prosperous society. At one point when he was defending his decision to leave the parish ministry to concentrate on an academic life he defended this as being equivalent to changing from being a machine operative to being a machine designer and builder.³ In other words, his productivity for the Gospel would be multiplied many times over.
- Chalmers thought the provision of religious services had to be through established and endowed churches at the parish level rather than through voluntarism. Voluntarism would imply churches would be set up where a sufficient number of people wanted one and, crucially, were willing and able to pay for one. Chalmers asked whether such

² T.Devine 2007, *The Scottish Nation 1700-2007*, Penguin, London, p. 90.

³ W. Hanna 1850, *Memoirs of the Life and Writing of Thomas Chalmers*, vol. II, Thomas Constable, Edinburgh and London, p. 376.

effective demand would be sufficient. (Incidentally, in his *General Theory* Keynes would note Chalmers as one of a line of nineteenth century economists who anticipated his own theory of an insufficiency of aggregate demand.)

- Chalmers majored on the economic defence of an established church (i.e. as best instrument to promote national prosperity and order). To be fair to him, he did this largely because he believed it to be true, and I have to say, I have much sympathy with his position. At the same time, something very interesting may have been going on in terms of the psychology of Chalmers's personal faith; was he engaging in a sort of "bargain" with the Almighty? Readers of this Journal, Christian economists and others, may be interested to note that Chalmers's personal journal contains a number of references to his fears that too much involvement in economic theorising might "contaminate" him with worldliness. Pre-conversion, even as a parish minister, Chalmers had been much more interested in mathematics and chemistry, for example, than preparing for his Sunday sermons! After 1810 he somewhat repented of that set of priorities,⁴ but he argued he could still do the political economy, which he so much enjoyed, as a permissible service to buttress the establishment of the church.⁵
- Chalmers following Smith closely in his respect for the principle of the division of labour. This could also apply to the church, e.g. in his view missionary organisations were best administered by lay people rather than the clergy.⁶
- Chalmers, however, contrasted with Smith somewhat in that he was more open to "competition" in the provision of religion. More specifically, he thought it a good thing for the Church of Scotland that it was kept on its toes by a range of protestant dissenters. These might provoke the established church to "out preach, out pray and outlive them".⁷

⁴ Amusingly, Chalmers is a rare figure in Christian discipleship given that he prayed to be delivered from too much love for mathematics. He similarly, during his time as a philosophy professor at St. Andrews began to feel that the opportunity cost of regular golf was too high! (See A.M.C. Waterman 1991, *Revolution, Economics and Religion Christian Political Economy 1798-1833*, Cambridge University Press, Cambridge, p. 219.)

⁵ W. Hanna 1849, *Memoirs of the Life and Writings of Thomas Chalmers*, vol. I, Thomas Constable, Edinburgh and London, pp. 176-7.

⁶ Hanna 1851, *op. cit.*, vol. III, p. 195.

⁷ Hanna 1851, *op. cit.*, vol. III, p. 519.