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History 133A

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Source Exploration on John Prince-Smith’s *Collected works*:

**Headnote**:

Citation for original source: Prince-Smith, John. 1843. *Ueber Handelsfeindseligkeit*. Königsberg: Theile, 87 pages.

The location of the original document I examined is the 1843 publication of Prince-Smith’s “On Hostility to Trade,”originally titled *Ueber Handelsfeindseligkeit* upon initial release out of Königsberg. I know this to be the case because I located and searched the citation of the document from the GHDI website, and found the original publication date, location, and editors - Otto Michaelis and Karl Braun-Wiesbaden, respectively - using the Hathitrust database.[[1]](#footnote-0) Otto Michaelis is a noteworthy figure in his own right.[[2]](#footnote-1) He will be described in the “notable individuals associated with Prince-Smith” section of this paper.

**Biographical Information pertaining to John Prince-Smith**:

John Prince Smith was an English-born Political actor who emigrated to Germany early in life. Born in 1809, he died in 1874. He became one of the major proponents of *economic liberalism[[3]](#footnote-2)* in Germany during the Bismarckian 1860s. While not a famous economic theorist today, he was influential in helping to formulate German economic policy in the mid-19th century. The work of his - that I chose to explore is *On Hostility to Trade*. It is one essay from his collected writings (*Gesammelte Schriften* in German) that were initially published between 1877-80. At age 13 he dropped out of Eton and was forced to work - the result of the death of his father. Relatedly, he was forced to contend with managing his personal finances at a young age. The first work position he was in (based on the sources I examined) was an unspecified position at a “London Commercial firm.”[[4]](#footnote-3) At the age of 21, in 1830, he moved to Hamburg, Germany, before moving to Elbing (a city in modern Poland; eastern Prussia in 1830) and teaching English for nine years.[[5]](#footnote-4) During his time in Elbing, he submitted work to a local newspaper and was successfully published.

**Early Career and political involvement; development of views on economic policy:**

In early publications, Prince-Smith suggested methods for improving the living standards of Germans over time.[[6]](#footnote-5) According to U.S. economic historian W.O. Henderson, the newspaper that Prince-Smith wrote for at this time was called *Elbinger Anzieger.* While not a newspaper of national importance, our subject was able to circulate ideas regarding economic policy that he was developing with increasingly more specific perspectives on issues such as trade.

The precise time that Prince-Smith left Elbing is disputed *(Wikipedia* cites that he moved in 1840, *Mises.org* claims 1843), but sometime between 1840-43 he moved to Berlin, and in the first half of the decade Prince-Smith became increasingly prolific as both an economic critic/theorist, and as a political actor with a focus on economic policy. In 1843, he published a pamphlet, titled *On Hostility to Trade*, which displayed his - by this time fully materialized - antipathy to tariffs and government regulation of commerce in general. Prussia was enacting increasingly significant protectionist trade policies in the form of maintaining a broad array of tariffs on foreign goods and commodities.

As U.S. Economic Historian W.O. Henderson wrote in 1950:

“In the previous quarter of a century there had been some increases in the Prussian tariff...by the 1840s however, these rates had been considerably increased. The demands of the Rhenish and south German manufacturers had led to increases in important duties - the most important being on pig-iron.”

According to mises.org, *On Hostility to Trade* is considered *historic* - they consider it to be the first article published in Prussia that directly contradicted the economic policies dominating the state at the time Prince Smith argued, that tariffs incurred financial hurt and limitations on Prussia. W.O. Henderson corroborates the mises institute opinion that this essay/pamphlet was historically significant at the time of original publication. He wrote that the work of Prince-Smith “has been neglected by students of free-trade developments on the [european] continent.”

Smith became an eminent political writer after the publication of *On Hostility*. He used his reputation to create and promote organizations that advocated free trade, and the free circulation of ideas - unregulated by government. His essential argument, stated in many of his publications, was that curbing or limiting trade was harmful to the majority of Prussian citizens.

According to Mises.org, the organizations Prince-Smith helped create were called the Scientific Union for Trade and Industry (later changed to the Free Trade Union) and the Economic Society, which was the successor to the free trade Union.[[7]](#footnote-6) Smith was the head of the Economic Society from 1860 until his death.[[8]](#footnote-7) An interesting relationship between his political involvement and proflicism as an author is observable: According to Worldcat, Prince-Smith authored more publications during the 1840s and 1860s than during any other time period during his life: <https://www.worldcat.org/title/problem-of-war/oclc/943659829&referer=brief_results> These are the same two decades during which he organized and led The Free Trade Union and then Economic Trade Society. It seems likely that there is a relationship between his political organizing and productivity as an author.

**Prince-Smith’s other notable contributions to journalism and economic theory in Prussia**:

During 1840s and through 1850 or thereabouts, Smith took a major step forward in his career as a publisher. As mises.org notes: “In order to influence liberal and radical opinion, Prince Smith, along with his friend and fellow free-trader Julius Faucher, collaborated on the Berlin newspaper, the *Demokratische Zeitung* (later the *Abendpost*).” At the time in Prussian history when these newspaper was active, it published positions on economic policy which were antithetical to the prevalent beliefs of government actors on economic policy. In the late 1840s, Prince-Smith and Julius Faucher’s paper was shut down.

After the *Abendpost* was closed down by Prussian censors, Prince-Smith wrote:

“The purpose of my collaboration on the *Abendpost* has to a great extent been achieved. I have brought respect for the free trade doctrine to the most extreme left. Free trade and bureaucracy, or competition and exploitation no longer count as identical with the party whose absurd conception of property made it dangerous.”[[9]](#footnote-8)

This quote offers a window into Smith’s essential goal during this time. A goal that began notably with *On Hostility to Trade*, but which he continued with this newspaper and into his later life as well. His goal was to bring to the minds of policymakers his belief that well-intentioned government regulations of the economy were at the time harmful to society.

**Notable Individuals associated with Prince-Smith**:

**Otto Michaelis (1826-1890)**: A German economic theorist, political activist and organizer, newspaper editor, and student of John Prince-Smith’s. Later in his life he was particularly influential in Prussian policy formulation. As the following (translated) passage from his wikipedia page evinces, he was an economic liberal “but not as a free trader, manchestermann and not as dogmatic, but as very pragmatic.”[[10]](#footnote-9) He was the first prominent member of the Progress Party to leave this party for pragmatic reasons, paving the way for the establishment of a National Liberal Party.  
In 1868 he was accepted as a corresponding member of the Russian Academy of Sciences in Saint Petersburg.

**W.O. Henderson (1904-1993)**: Economic Historian who stated emphatically in the aforementioned work that he believed Prince-Smith’s essays and organizing had a seminal effect on the (then) nascent economic liberalism that was to develop more fully in the 1860s.

**Karl Braun (1822-1893):** Braun was a German liberal politician and writer. He was an adopter of Prince-Smith’s ideas and referenced Prince-Smith in an 1881 essay, listed below in the annotated bibliography.

**Conclusion:**

John Prince-Smith’s *On Hostility to Trade* essay of 1843 was a seminal pamphlet. Its significance lies in three forms: 1) It presented unprecedented ideas on and critiques of economic policy in Prussia. 2) It was made in a social/political environment in which the power of government was being used to enact measures antithetical to the positions he advocated for. 3) The essay brought him to political prominence and allowed him to organize and lead political groups, which created a solid foundation for promoting economic liberalism in Prussia.

Bibliography: In Chronological order.

Prince-Smith, John. 1843. *Ueber Handelsfeindseligkeit*. Königsberg: Theile, 87 pages.

* This is the original publication of *On Hostility to Trade*, which is included in the “Collected Works” of Prince-Smith which were used as the foundation for this source exploration.

Prince-Smith, John. *John Prince-Smith's Gesammelte Schriften*. F.A. Herbig. (1877). Accessed via <https://babel.hathitrust.org/cgi/pt?id=uc1.$b265138;view=1up;seq=3> on Nov 9 and 14, 2018.

* This is the original publication of Prince-Smith’s collected works. I found the original publication of the “collected works” on Hathitrust.

Karl Braun (1822-1893). *Die Manner des Zollvereins*. 1881. Berlin. Accessed via Hathitrust. <https://hdl.handle.net/2027/uiug.30112114023051>. Pg. 13-14

* Braun cites Prince-Smith’s writings in formulating his argument, early in this work.

Henderson, WO. *Prince Smith and Free Trade in Germany. The Economic History Review, New Series, Vol. 2, No. 3.* 1950. Pp. 295-301.

* Henderson’s work provides crucial insights into the economic environment in which Prince-Smith published *On Hostility to Trade*. Additionally, Henderson’s expertise in economic history offers insights into how historically relevant a figure Prince-Smith is - both in regard to how he was received during his life, and in regard to how much he contributed to the field.

Ralph Raico. “John Prince Smith and the German Free-Trade Movement.”

Originally published in *Man, Economy, and Liberty: Essays in Honor of Murray N. Rothbard*. Edited by Walter Block and Llewellyn H. Rockwell, Jr. Copyright © 1988 by the Ludwig von Mises Institute. Auburn, Ala. Pp. 341–51.

* Raico’s 1988 essay provided insights into where Prince-Smith likely gained initial - and then continued - exposure to business environments that would have promoted a pro-merchant/pro-trade ideology in Prince-Smith due to access to relatively consistent exposure to a limited number of perspectives (i.e., he had less exposure to people experiencing the upsides of trade tariffs than he had to those facing of the economic downsides that tarifs present.)

Worldcat online database: <http://worldcat.org/identities/lccn-n88255873/>. Web. Accessed Nov 5-15, 2018

* This database allowed me to view Prince-Smith as a prolific author while also acting as an editor. It also helped me determine relationships between the frequency at which he published articles and his other obligations: Throughout his life, I found that he was most prolific as an author during the time periods when he was most engaged in political organizing.

Otto Michaelis biographical information (1826-1890).Wikipedia: https://de.wikipedia.org/wiki/Otto\_Michaelis\_(Politiker) Web. Accessed Nov 14, 2018.

* Michaelis was a highly relevant figure in respect to this exploration. He was a student of Prince-Smith’s, but just as (if not more) historically relevant. According to this page, which exists only in German, he was a highly effective political organizer, and a social activist in general - unlike Prince-Smith. For example, Michaelis participated actively in support of the 1848 revolution, and was forced to resign from his post in the civil service because of his participation. In considering his relationship to Prince-Smith, he was not only a former student of Prince-Smith’s, but one of the editors of the “collected works” as well.

Karl Braun biographical information: (1822-1893). <https://en.wikipedia.org/wiki/Karl_Braun_(politician)>.

* Braun, along with Michaelis, edited the original publication of Prince-Smith’s collected works. Additionally, he cites Prince-Smith’s social commentary in an 1881 essay (cited above).

William Otto “W.O.” Henderson via Wikipedia. <https://en.wikipedia.org/wiki/William_Otto_Henderson>

* Henderson’s wikipedia page states that he published a work called *The Rise of German Industrial Power, 1834-1914*, in 1975. He was an economic historian who advocated for greater understanding of the role John Prince-Smith played in how German industrialization transpired.

Edmund Silberner.  *The Problem of War.* 2016. Princeton. Princeton, N.J.: Princeton University Press. Accessed via Google Books; and cross referenced with Worldcat. Cross referencing via Worldcat.[[11]](#footnote-10)

1).<https://books.google.com/books?id=0ELWCgAAQBAJ&pg=PA314&lpg=PA314&dq=%22Ueber+Handelsfeindseligkeit%22++John+Prince-Smith&source=bl&ots=xJCOvTNwYr&sig=jKl41v4XIvWEEzI8CbaHTJ-RNDw&hl=en&sa=X&ved=2ahUKEwiBubKy7fzeAhUOP6wKHe2fAjYQ6AEwAXoECAgQAQ#v=onepage&q&f=false>

* Silberner cites Prince Smith’s collected works (1877-80) in his book examining how trade policies can either promote or minimize the prospect of warfare between nation-states. This book wasfirst published in 1946[[12]](#footnote-11) and claims to explore the ideas of John Prince-Smith, and those of John Stuart Mill and Thomas Malthus - according to the book’s synopsis on the Princeton University Press website. <https://press.princeton.edu/titles/3695.html>, Silberner’s work shows that Prince-Smith’s contributions to economic theory are still sufficiently relevant to include in a book that draws on the ideas of intellectual notables such as Malthus and Mill.

1. This citation and related information can also be found in the annotated bibliography. [↑](#footnote-ref-0)
2. Otto Michaelis, who edited the collected works of Prince-Smith, is a historically noteworthy figure and is discussed later in both the narrative portion of this exploration; and in the bibliography. [↑](#footnote-ref-1)
3. Economic liberalism defines an economic doctrine that is politically expressed in the form of being “laissez faire,” or against governmental regulation of economies. It was the dominant economic theory during the much of the 19th century in England and the U.S.. See Adam Smith’s wikipedia page for excellent examples of a “economic liberalism.” [↑](#footnote-ref-2)
4. Ralph Raico, Originally published in *Man, Economy, and Liberty: Essays in Honor of Murray N. Rothbard.* Edited by Walter Block and Llewellyn H. Rockwell, Jr. Copyright © 1988 by the Ludwig von Mises Institute. Auburn, Ala. Pp. 341–51. [↑](#footnote-ref-3)
5. Location of geographic location of Elbing derived from Wikipedia: <https://en.wikipedia.org/wiki/Elbl%C4%85g> [↑](#footnote-ref-4)
6. Ibid. <https://mises-media.s3.amazonaws.com/John_Prince_Smith_and_the_German_Free-Trade_Movement.pdf?file=1&type=document>. [↑](#footnote-ref-5)
7. Henderson, WO. *Prince Smith and Free Trade in Germany. The Economic History Review, New Series, Vol. 2, No. 3.* 1950. Pg. 295 [↑](#footnote-ref-6)
8. <https://mises.org/library/john-prince-smith-and-german-free-trade-movement-0>.Web. Accessed 11.14.18 [↑](#footnote-ref-7)
9. Mises Institute. <https://mises.org/library/john-prince-smith-and-german-free-trade-movement-0>.Web. Accessed Nov 8-15, 2018 [↑](#footnote-ref-8)
10. Biography of Otto Michaelis. <https://de.wikipedia.org/wiki/Otto_Michaelis_(Politiker)>. *Wikipedia.*  [↑](#footnote-ref-9)
11. 2) <https://www.worldcat.org/title/problem-of-war/oclc/943659829&referer=brief_results> [↑](#footnote-ref-10)
12. Citation of original publication: Silberner, Edmund, and Alexander Haggerty Krappe. 1946. *The problem of war in nineteenth century economic thought*. Princeton, N.J.: Princeton University Press. [↑](#footnote-ref-11)