Near the beginning of his *Wealth of Nations*, the classical economist Adam Smith makes the claim that our human propensity for trade is related to our faculty for language—we like to swap stuff for much the same reason as we speak and listen to one another’s stories. Smith suggests that economic activity is “the necessary . . . consequence of a certain propensity in human nature . . . to truck, barter, and exchange one thing for another,” which he, in turn, speculates could be “the necessary consequence of the faculties of reason and speech” (25). The links between economics and literary study accordingly have a long tradition, which includes thinking of literary fiction as an economic formation, for whether we cast the novel as a higher form of gossip or an empathy-othering antidote to the solipsistic excesses of Selfie-World, or argue about whether it is best understood as a quintessential artistic form of modernity or an exercise in cultural appropriation, prose fiction is a textual agora of transactions that point us to Deirdre McCloskey’s work in many ways. Put differently, at least some of my work is her fault. My comments here are intended to share how she came to shape my work, to say a few things about the novel as an economic formation more generally, and to ground or illustrate those claims by way of the example of William Dean Howells’s *The Rise of Silas Lapham* (1885).

When I was an undergraduate at the University of Minnesota, I took many courses in both the Department of Economics, which sits behind the high bluffs on the west bank of the Mississippi, and the Department of English, which is located on the East side of campus across the river. I often found myself walking back and forth across the high expanse of the Washington Avenue Bridge, which

1 Chuck Lewis is Professor of English and Director of the Writing Program, Beloit College.
conjoins these two very different academic locations, and on too many of those wind-lashed sub-zero winter trudges, I had reason to wish that literary studies and political economy might stand at least a few minutes and degrees closer together. I ended up dropping economics and focusing on literature--and stopped crossing the bridge quite so often. Or so I thought.

For later, however, while in graduate school working on my doctorate in English, I again became interested in connections between these two disciplines, and eventually focused on what I referred to as a “coincidence of wants” between neoclassical economics and the novel. McCloskey was a central figure in what was then (this was the early 90s) referred to as the New Economic Criticism, and I remember attending a Cleveland conference over which she spiritually presided that brought together a group of academics from a range of fields, including literary critics, economists, historians, and rhetoricians.

Reading McCloskey’s *The Rhetoric of Economics* was for me a sort of early lifeline and an inspiration in its exploration of the role of metaphor and narrative in economics--a sort of mirror project to my own examination of how classical and neoclassical economic concepts could be useful in understanding formal, thematic, and historical elements of the novel, especially given the rise of this modern literary genre in tandem with the emergence of market capitalism.\(^2\) It makes a sort of common sense worth remembering that the eighteenth century gave us both Daniel Defoe and Adam Smith--or that we later encounter the radical subjectivity of the neoclassical decision-maker in the psychological realism of the late nineteenth-century novel, which I will emblematically conjoin by making the point that George Eliot published *Middlemarch* in 1871, the same year that saw the arrival of what we might call the microeconomic turn of the marginalist revolution, as reflected in the publication of seminal works that same year by Jevons and Menger (Walras’s work came three years later).

If McCloskey’s earlier work focused on the literary elements of the economic imagination, her later works such as *The Bourgeois Virtues* have occasionally refer-

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\(^2\) This connection between the rise of the modern novel and economic capitalism is a familiar and conventional one, as reflected in seminal works by critics such as Ian Watt and Michael McKeon. It’s important to recognize, however, that critics such as Doody remind us that written prose fiction has a longer, broader, and more diverse history. However, just as market exchange has long preceded and vastly exceeded the confines of a 300-year history of Western capitalism, one can point to key formal, historical, and cultural distinctions between the modern western novel and its more diverse antecedents and cousins. In a highly negative review of Doody’s history, for example, Lennard Davis argues that she attempted to tell the story of the golden retriever and ended up writing a history of the dog.
enced the novel as cause and effect or at least register and reflector of some of the concerns that she both describes and advocates. This linkage between literature and economics has, of course, been long recognized and examined by Marxist literary scholars, such as Georg Lukacs’ claim early in the twentieth century that the realist novel had taken a wrong turn away from history and politics and the social landscape into the increasingly formal interiority and psychological subjectivity that arrived at the dead-end privacies of modernism, much as Fred Jameson has more recently made similar observations about the mirrored funhouse of postmodernist fiction under late-capitalism. However, unlike Marxist economic readings of the novel, an alternative economic literary criticism simply remembers that there is another economic toolbox in the house. Literary critics who speak of false-consciousness and reification might also make useful reference to classical and neoclassical concepts such as indifference curves and comparative advantage.

The novel both wears its bourgeois brands and holds many patents in the anti-bourgeois tradition. Unquestionably, the novel is often middle-class in relation to its subject matter, the material history of the book as a commodity in the economic marketplace (think paperbacks or remember how Amazon started), its status as a cultural artifact conspicuously displayed on the parlor-room shelf, and its function as both a manual and social media app for its anxious, leisured, and self-improving readers. I would just note here that McCloskey’s celebration of bourgeois virtues paradoxically (and I think she would say, happily) resonates with some of these Marxist critiques, if to different conclusions, which only underscores the broader point. Put differently, the form and function of the modern novel could be described as a performance of just the sort of engagement with and ambivalence about those bourgeois values that McCloskey has addressed in her work on a broader scale. However we cast it, the novel is deeply implicated in this story, and it’s not just about the money.

So I have long been interested in these sorts of tangled connections between the economic and literary imagination. To take a recent example, this past summer I was working on an article on painting, photography, and landscape in William Dean Howells’s 1885 novel, *The Rise of Silas Lapham*, which stands as a perfect example of what we call the American realist period and is often described as America’s first business novel. Howells was influential on the literary landscape for more than four decades after the Civil War as a novelist, magazine editor, and literary critic. He is most well known as the leading advocate for American literary realism, and supported and published writers such as Mark Twain, Henry James,
and Stephen Crane. He championed a broadly national and diverse literature that he variously described as democratic, truthful, vernacular, authentic, practical, and uniquely suited to the American project. While economics wasn’t the focus of my work on this particular novel, the dismal science was nevertheless impossible to avoid—even when the novel was, as it were, looking elsewhere.

*The Rise of Silas Lapham* is the story of a Civil War veteran from Vermont who becomes rich in his business as a paint manufacturer and seeks social success for himself and his family in Boston. Lapham gets into serious business trouble while stumbling socially, makes some bad choices and some good ones that involve both economics and ethics, loses mostly everything except his family and his moral compass, and ultimately retreats to his frugal Vermont roots and a much more modest financial foothold. The novel is most commonly read as both a celebratory profile of the idealistic and hard-working businessman and a cautionary tale about the evolving capitalist marketplace in the second half of nineteenth-century America. Howells was (at least at this time) an entirely bourgeois writer whose interest in what he called the “smiling aspects” of American life caused him to both deeply admire and candidly depict the limits of his protagonist, and so we might say that the novel is built out of the very substance of its own reticence, which is in itself, I would argue, a sort of bourgeois move. This is emblematic of a broader pattern of the genre, in which the familiar anxieties of the middle-class are said to be manifest in the conventional novelistic furnishings of ambivalence and ambiguity. Similarly, arguments about whether the politics of novels are progressive or conservative can sometimes fail to recognize how much of that spectrum nevertheless falls within a broader framework of the bourgeois values and practices of their authors, characters, and readers.3

Howells’s novel gives attention to macroeconomic issues such as the business cycles of the post-war period and the challenges and opportunities of increased international trade, as well as the microeconomic decision-making of the individual consumer and producer. The novel could also be described as an examination of the source and signification of economic value, along with the broader question of the relationship between economic, ethical, and aesthetic values, as reflected in the observation by one of the characters that “[it’s] very odd . . . that some values

3 These sorts of arguments about the novel are similarly played out in discussions of particular literary movements (such as Romanticism) or sub-genres (such as science fiction) of the novel. See Bell and Kaplan, for example, for a range of perspectives on the political or ideological payload of American literary realism.
should have this peculiarity of shrinking. You never hear of values in a picture shrinking; but rents, stocks, real estate—all those values shrink abominably” (95-96). These problems are depicted, for example, in Lapham’s relationship with his business partner, who knows nothing about the paint business but who supplied Lapham with needed capital; it’s because Lapham later feels guilty about squeezing the partner out of the business that he later agrees to help him on another venture in a deal that ultimately ruins Lapham because he won’t take advantage of a third party as the partner wishes. Readers get to argue, as do the characters, about Lapham’s quest for Pareto optimizing decision-making in all sorts of ethical and economic registers and contexts.

This problem is, as it were, double-folded into its depiction of Bromfield Corey, the Boston Brahmin whose company Lapham can’t quite admit to himself that he wants to keep. This rather lazy and affable aesthete is cast by Howells in both negative and positive lights in ways that flip and then square his ambiguous handling of Lapham. As a member of the haute-bourgeois whose family and fortune is now in decline, Corey recognizes the rise of this new-money middle with neither disdain nor enthusiasm, but something more like resigned irony:

“Yes . . . . the suddenly rich are on a level with any of us nowadays. Money buys position at once. I don’t say that it isn’t all right. The world generally knows what it’s about, and knows how to drive a bargain. I dare say that it makes the new rich pay too much. But there’s no doubt but money is to the fore now. It is the romance, the poetry of our age. It’s the thing that chiefly strikes the imagination . . . . It’s all very well. I don’t complain of it.” (64)

Moreover, Lapham isn’t just a capitalist in some generic or familiar sense of a profit-maximizing economic agent. Instead, he offers us a portrait of the entrepreneur who is not only a creative risk-taker, but also a fundamentally generous gift-giver who believes in his paint with all his heart; the reader has the sense that economic profit is more like a by-product of his desire to make something useful and beautiful and to share it with others—something much more like Marcel Mauss’s notion of gift exchange or more recently Lewis Hyde’s notion of the artist as gift giver. And the novel seems to affirm this version of paint, even as our author underscores Lapham’s flaws, smiles condescendingly at his enthusiasms, and traces a number of market externalities whose costs are nevertheless registered in the narrative economy, such as the cheapening of speech as it gives way to a commodified
mindset, the vulgarities of conspicuous consumption embodied in an overbuilt Gilded Age home, or in Lapham’s literal defacement of the New England landscape with painted advertisements. If the neoclassical economic model posits something like full information and free exchange, the novel as a genre also conveys the viscosities and complexities that come immediately and inevitably after the first sentence of this opening “as if” premise; perhaps novelists have more colors of chalk in their pockets than do economists when it comes to telling their stories.

It’s important to understand, however, that a novel is not just a didactic drone delivery device for conducting some fixed economic or ethical model. Much as we say that a poem is what gets lost in translation or that literature is exactly what we give up when we reach for paraphrase or that a character is always more than a polemical meat-puppet, a novel is itself a specific kind of narrative technology whose working parts and formal operations can variously embody, enact, and reflect this economic content. My point here is that it is not just Silas’s identity as a businessman that makes him an economic figure; instead, it is a function of the genre’s notion of a character as an individual, of the individual as the driver of the narrative, of a narrative topography that places the interior subjectivity of that protagonist in a broad objective reality of the social field, and of the patterns whereby both that individual and the social terrain are imagined as engaged in the realization of a developmental trajectory that conflates novelistic movement with social change—if only by way of the one realized in the very act of reading. One can argue therefore that casting these aspects as economic formations in the broadest sense enables us to see how critical models as disparate as psychoanalysis, Marxism, or linguistic semiotics nevertheless end up in a household that is at least in part substantively furnished in what McCloskey calls bourgeois virtues and values, even as our critical stances in relation to them can vary considerably.

Howells’s novel poses a linkage between novels and middle-class values in at least two ways. First, the characters engage in several discussions about “good” books and “bad” ones in terms of their features and their influence on readers. Most of this discussion involves the question of sentimental romance and how it distorts our ideas about emotions and ethics. Second, we follow a somewhat different line of inquiry and activity about the “right” books that speaks more to how selecting certain works can be a way of displaying your class, as when the Laphams seek Tom Corey’s advice about building their library for the new Lapham home.

This connection to their new Back Bay house, in turn, especially in relation to Lapham’s dealings with the architect, further develops this theme of bourgeois aes-
thetics and economics. For the architect sees himself as superior to his rather crass client, and their dance is largely cast as his attempts to smuggle in good taste while tolerating and compromising with Lapham’s poor taste. Yet as readers we stand in a position where we are invited to smile also at the architect’s sense of beauty, given as it is to the aspirations of the Gilded Age. Even so, we again need to be careful about breaking into any smug smile that is itself funded by our own sense of taste.

So this novel offers a number of suggestive economic tropes beyond its literal economic payload. For example, while the novel is obviously concerned with paint, given that its manufacture is Lapham’s business, paint also offers Howells a set of metaphors for his own concerns with literary realism. Paint enables Howells to raise questions about the representation of value more generally, circulating in the novel in a way in which paint is depicted as a natural resource and a manufactured commodity that also circulates as a medium of exchange or a sort of universal signifier of value. This suggests how paint even offers Howells a figurative mechanism for meditating on the monetary debates of the period about the relationship between commodities, gold, and paper. These monetary tropes are further reflected in Lapham’s trajectory away from the reality of industrial manufacturing toward the paper fictions of anxious speculation in the financial markets that bring on his ruin. In this novel, paint is money in more than a literal sense—or, to revise this, it is figuratively money in a rich theoretical sense that should be of interest to economists, much as that economic analysis can help literary critics understand how the paint more broadly poses questions about the representation of reality in this novel. In fact, as McCloskey and others have pointed out, the theoretical and historical connections between metaphor and money are extensive, evocative, and essential for us to understand—on both sides, as it were, of the Mississippi River—or even along the serpentine sidewalk that runs from the World Affairs Center to Campbell Hall at Beloit College.

Much as critics have looked to Silas’s character and settings such as his home to identify the economic and social rhetoric in the novel, so too have they variously debated the broader plot structure of Silas’s economic rise and fall and his return to rural Vermont. The title of the novel, speaking only of his rise, poses the question of how to read his fall. As noted earlier, Silas finds himself caught in

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4 See, for example, Walter Benn Michaels for an extensive analysis of the links between literary fiction and money in this period.
5 See Pease’s anthology for a good overview of the range of critical approaches to this aspect of the plot.
a difficult decision about whether to take advantage of the ignorance of some potential business partners, and his choice not to do so causes him to lose his chance for economic recovery. However, the novel seems compelled to reassure us that this ethical decision, while made at great cost, is not entirely an economic disaster, because along with the return to his modest Vermont farmhouse a more modest enterprise emerges phoenix-like in the form of new directions for both domestic and international market share.

One can go even further regarding this Vermont plot line to interpret it as something quite the opposite of a retreat to some rural past. My position is that Howells’s (and Lapham’s) depiction of the family mine (which provides the ore for paint) as a site of natural resource extraction and manufacturing configures it paradoxically as a sort of disguised doppelganger to a broader but rather covert western theme in this ostensibly New England novel, which references a variety of western characters, activities, and regions in a broad tapestry of a nation’s forward-looking geographical and economic expansion, which Howells thought a central component of American literary realism.\(^6\)

The point here is that the Vermont return is not simply a harbinger of Howells’s criticism of the direction of industrial capitalism in the post-war era, even as we recognize that later in life he clearly did become more pessimistic about the direction of the country. Nor should we read it as a sort of nostalgia for an increasingly distant rural past. And even if we were, what is the relationship between escapist literature and social critique anyway? Here again we see how the novel isn’t so much a pro- or anti-bourgeois narrative as it is a performance of the sorts of arguments that the bourgeois middle-class seems to love to have with itself.

In fact, I can think of no single novel whose handling of character and capitalism offers a better case study for engaging with McCloskey’s ambitious project of examining and advocating for capitalism’s capacity to deliver the various benefits of a bourgeois system of values. I say this not only because of the novel’s historical location and economic landscape, but also because the novel’s formal complexities and thematic concerns resonate with or at least anticipate Howells’s own evolving thinking about literary realism, political economy, and the world. In this sense, much as the novel offers a rich canvas for unpacking these economic ideas, those concerns in turn offer an occasion for understanding more deeply

\(^6\) See Martin Bucco and Nicolas Witschi for discussions of this “western theme” in Howells specifically and American literary realism more generally.
how fiction works and therefore how and why we should read it.

The novel, in other words, doesn’t flat-footedly conform to or challenge McCloskey’s claims, so much as it embodies and wrestles with the ideas with which she is engaged. That element of the literary imagination is in itself, she and I would argue, a bourgeois value and virtue. It’s not altogether obvious what the book is arguing or how it or any novel goes about making its arguments, which is another link to McCloskey’s longstanding project: showing us how metaphors, arguments, and narratives inform each other in complicated ways that we don’t always recognize in our specialized complacencies and positivist pronouncements, especially in this era of Big Dada algorithms and the hegemony of numbers-driven epistemologies. In the era of the Quantified Self, for example, we might remember that the novel was telling us the news about ourselves in ways a Fitbit—that quintessential bourgeois-bracelet—never can.

A final example: In the novel there is a hilarious but heartbreaking scene in which a very nervous Lapham seeks to impress some very impressive dinner party companions who are old-money, high-society, and well-educated. He worries about how to dress, how to manage the silverware, where to put his elbows, and how to engage in the conversation that is rather out of his league. He even buys a book to pick up a few tips. (I might note, in passing, that this novel arguably has served its own readers in a similar capacity.) Anyway, at the dinner he manages slowly and then more quickly to drink too much wine because he’s not exactly sure how to say no to the help that keeps refilling his glass. He goes on to make either a bit or a block of a fool of himself, but his embarrassment or even mortification the next morning is limited by his inability to quite make out how he behaved or what others thought of his performance, and the reader doesn’t know much better because the perspective of the dinner scene is a tour de force of a third-person narrative point of view porously honoring the limits of the consciousness of his protagonist. So we, too, are as readers in a comfortably uncomfortable in-between space that I would argue is also a fundamentally middle-class predicament.

In other words, the scene is a staged performance of bourgeois desire and anxiety, and the reader is also invited to sit at the table with these social seating assignments and drink the Kool-Aid. This is the sort of transaction in which the novel engages, not unlike how McCloskey’s work, with its intellectual range and resourcefulness, its ambitious ethical concerns, and its verbal playfulness, is something like the writing on a dollar bill: the words make it so.
References


