

David M. Hart, “Bastiat on Harmony and Disharmony”

A Paper given to the American Institute for Economic Research, Great Barrington, Mass. (Jan. 2020)

Date: 5 Dec. 2019

Revised: 14 Dec. 2019

6

HARMONIES ÉCONOMIQUES

PAR
Frédéric
FRÉD. BASTIAT.

Digitus Dei est hic.

2^{me} ÉDITION

AUGMENTÉE DES MANUSCRITS LAISSÉS PAR L'AUTEUR.

— Publiée par la Société des amis de Bastiat. —

PARIS.

GUILLAUMIN ET C^{ie}, LIBRAIRES

Éditeurs de la Collection des principaux Économistes, du Journal des Économistes,
du Dictionnaire de l'Économie politique, etc.
RUE RICHELIEU, 14.

1851

Digitized by Google

ABOUT THE AUTHOR

Website: <http://www.davidmhart.com/liberty/>.

Email: dmhart@mac.com

David M. Hart was born and raised in Sydney, Australia. He studied at Stanford University (M.A. 1983) and King's College, Cambridge (PhD 1994) and was the founding Director of the Online Library of Liberty Project at Liberty Fund in Indianapolis, Indiana from 2001-2019 [\[oll.libertyfund.org\]\(http://oll.libertyfund.org/\)](http://oll.libertyfund.org/). He is also the Academic Editor of Liberty Fund's translation of the *Collected Works of Frédéric Bastiat* (in 6 vols.) (Liberty Fund, 2011-), and the editor and co-translator of Molinari's *Evenings on Saint Lazarus Street: Discussions on Economic Laws and the Defence of Property* (1849) . He recently put online a seven volume collection of over 300 Leveller Tracts <http://oll.libertyfund.org/pages/leveller-tracts-summary> in an attempt to rescue these proto-libertarians from the clutches of the Marxists. In March 2017 he gave the Henry Hazlitt Memorial Lecture, at the Austrian Economics Research Conference, Mises Institute on "Bastiat: the 'Unseen' Radical".

His areas of research is the history of classical liberal thought in general, and the French classical liberal tradition in particular. Recent publications include:

- a chapter on "The Paris School of Liberal Political Economy" for the *Cambridge History of French Thought*, ed. Michael Moriarty and Jeremy Jennings (Cambridge U.P. , 2019), pp. 301-12.
- co-editor of an anthology of classical liberal class analysis: *Social Class and State Power: Exploring an Alternative Radical Tradition* (Palgrave, 2018)
- an article about and a translation of a speech by Yves Guyot on "The School of Liberty": "For Whom the Bell Tolls: The School of Liberty and the Rise of Interventionism in French Political Economy in the Late 19thC," *Journal of Markets and Morality*, vol. 20, Number 2 (Fall 2017), pp. 383-412.
- co-editor of *L'âge d'or du libéralisme français. Anthologie XIXe siècle* (The Golden Age of French Liberalism: A 19th Century Anthology) (Paris: Editions Ellipses,

2014). An English version of which is, *French Liberalism in the 19th Century: An Anthology* (Routledge, 2012).

Since 2019 was the bicentennial year of the birth of Gustave de Molinari he has been working on a series of articles and anthologies of Molinari's writings in order to commemorate this event:

1. an introduction to the life and work of Molinari: "Gustave de Molinari (1819-1912): A Survey of the Life and Work of an "économiste dure" (a hard-core economist)"
2. A lengthy introduction and critical apparatus to the Liberty Fund translation of Molinari's *Les Soirées*
3. "Molinari's Theory of the State": a collection of 24 extracts from his writings (1846-1911)
4. "The Collected Articles in the *Dictionnaire de l'économie politique* (1852-53)": an anthology of the 30 articles he wrote for the *DEP*
5. "Molinari's Collected Writings on the Production of Security (1846-1901)" with a long introduction on the intellectual history of this important concept

In 2018-19 he completed work on volumes 4 and 5 of the *Collected Works of Bastiat* for Liberty Fund: Vol. 4: *Miscellaneous Works on Economics* and Vol. 5: *Economic Harmonies*. The former contains many essays never before translated into English and several speeches he gave in the Chamber of Deputies which have never been published before. The latter is intended to be the definitive scholarly edition of his incomplete *magnum opus* and includes several draft chapters and sketches of chapters never before included in an edition of this important work. Both volumes contain an extensive scholarly apparatus of footnotes, glossaries, and short essays to help readers explore some of the complexities of his thinking about economic and social theory.

He has also written a screenplay, "Broken Windows", about the activities of Frédéric Bastiat during the 1848 Revolution in France: <http://davidmhart.com/liberty/Bastiat/BrokenWindows2.html> (Aug. 2016). With an accompanying "illustrated essay" of the life and times of FB <http://davidmhart.com/liberty/Bastiat/BrokenWindows.html>.

ABSTRACT

The French economist Frédéric Bastiat (1801-1850) is best known for his witty and clever critiques of tariff protection and government subsidies in *Economic Sophisms* (1846, 1848), his marvelous short book on opportunity cost *What is Seen and What is not Seen* (1850), and his unfinished economic treatise *Economic Harmonies* (1850, 1851). Central to the latter was the idea that if individuals were left free to act upon their “rightly understood self-interest” and to engage in voluntary transactions with others this would “tend” to promote peace, prosperity, and “harmony” for society as a whole. The flip side of the coin was that if individuals or governments engaged in coercion in order to control, regulate, or prohibit these voluntary transactions “disharmony” would inevitably be the result. Bastiat developed a sophisticated set of arguments over several years to explain the causes and the consequences of these polar opposite concepts. He died before he could finish this ambitious multi-volume project, only being able to see into print the first half of a book on “economic harmonies” at the beginning of 1850. He had planned to write another volume on “social harmonies” which would cover human relationships and institutions in a more general fashion, as well as a volume dealing with “The Disharmonies,” in particular the role that war, class exploitation, and plunder played in destroying the harmonies that had been created by free individuals going about their own business.

ABBREVIATIONS

CW1 = *Collected Works of Bastiat*, vol. 1

DEP = Dictionnaire de l'économie politique

EH1 = *Economic Harmonies*, 1st edition (1850)

EH2 = *Economic Harmonies*, 2nd edition (1851)

ES1 = *Economic Sophisms*, 1st edition (1846)

ES2 = *Economic Sophisms*, 2nd edition (1848)

FEE = Foundation for Economic Education

JDE = *Journal des Économistes*

JDD = *Journal des Débats*

LE = *Le Libre-Échange*

WSWNS = *What is Seen and What is not Seen* (1850)

Table of Contents

Bastiat's Theory of Harmony and Disharmony.....	9
Introduction and Summary	9
Harmony and Disharmony	14
Appendix 1: Concept Maps of the Terms used by Bastiat	41
Introduction.....	41
Class.....	44
Disturbing Factors	45
Harmony and Disharmony	46
Human Action.....	47
Plunder	48
Appendix 2: Factors which tend to promote Harmony	49
Introduction.....	49
The "Apparatus" or Structure of Exchange.....	51
Community, Property, and Communism.....	55
The Great Laws of Economics.....	68
Human Action.....	75
Liberties: "All Forms of Liberty"	83
Perfectibility and Progress.....	86
Responsibility: "The Law of Individual Responsibility and the Law of Human Solidarity"	93
Self-Ownership and the Right to Property.....	106
Service for Service	120
The Social Mechanism and its Driving Force	127
Appendix 3: Factors which create Disharmony.....	134
Introduction.....	134
Class: Bastiat's Theory of Class (short version for Glossary).....	135
Class: Bastiat's Theory of Class: The Plunderers vs. the Plundered (long version)	143

Displacement: “Bastiat’s Theory of Displacement”	185
Disturbing and Restorative Factors	190
Functionaries: Functionaryism and Rule by Functionaries	196
Mechanics and Organizers	214
Plunder: Bastiat’s Theory of Plunder	221
Plunder: Theocratic Plunder	238
Ricochet Effect: The Sophism Bastiat never wrote: the Sophism of the Ricochet Effect	252
Appendix 4: The Writing of the Economic Harmonies.....	269
Appendix 5: Bastiat’s Unwritten History of Plunder	294
1.STYLE SHEET [CHAPTER NAME]	312
Heading 1	312
SectionHeading	312

Bastiat's Theory of Harmony and Disharmony

INTRODUCTION AND SUMMARY

The French economist Frédéric Bastiat (1801-1850) is best known for his witty and clever critiques of tariff protection and government subsidies in his two collections of *Economic Sophisms* (1846, 1848),¹ his marvelous short book on opportunity cost *What is Seen and What is not Seen* (1850) - the last thing he ever wrote,² and his unfinished economic treatise *Economic Harmonies* (1850, 1851).³ Central to the latter was the idea that if individuals were left free to act upon their “rightly understood self-interest”⁴ and engage in voluntary transactions with others, this would “tend” to promote peace, prosperity, and “harmony” for society as a whole. A variety of “spontaneous orders” (or what he termed “natural organisations”) would emerge to make it possible to satisfy individual and social “needs” in a mutually beneficial way. The flip side of the coin was that if individuals or governments engaged in coercion in order to control, regulate, or prohibit these voluntary transactions and interfere with these “natural organisations” then “disharmony” would inevitably be the result. These interventions, regulations, and acts of violence were “disturbing factors” which upset the previous “harmonious” relationships and included things such as war, slavery, theocracy, monopoly, protectionism, government regulation (or “governmentalism”), and socialism / communism - in other words “plunder” in all its different forms. Governments attempted

¹ Frédéric Bastiat, *Sophismes économiques* (Paris: Guillaumin, 1846); *Sophismes économiques. 2e série* (Paris: Guillaumin, 1848).

² Bastiat, *Ce qu'on voit et ce qu'on ne voit pas, ou l'Économie politique en une leçon. Par M. F. Bastiat, Représentant du peuple à l'Assemblée nationale, Membre correspondant de l'Institut* (Paris: Guillaumin, 1850).

³ Bastiat, *Harmonies économiques par M. Fr. Bastiat, Membre correspondant de l'Institut, Représentant du Peuple à l'Assemblée Législative* (Paris: Guillaumin, 1850); *Harmonies économiques. 2me Édition. Augmentée des manuscrits laissés par l'auteur. Publiée par la Société des amis de Bastiat.* (Paris: Guillaumin, 1851).

⁴ On self interest as the “le mobile” or “driving force” of society see “The Social Mechanism and its Driving Force” in the Appendix.

to regulate and control individuals by creating what he termed “artificial organisations” (or what Hayek called “imposed orders”) run by organisers, regulators, or what he termed “mechanics” of the “social mechanism.” However, markets and other the “spontaneous orders” attempted to reassert themselves to correct these errors, distortions, and “dislocations” and restore harmony. Bastiat called these “restorative factors.”

Bastiat developed a sophisticated set of arguments over several years to describe the nature of, and explain the causes and the consequences of, these polar opposite concepts of “harmony” and “disharmony”, the history of which I have attempted to trace in several glossaries and short essays I have written for volumes three, four, and five of Liberty Fund’s edition of the *Collected Works of Bastiat*.⁵ A selection of those glossaries and essays are included here as an appendix to further elaborate his thinking on these key ideas. He died before he could finish his ambitious multi-volume project, only being able to see into print the first half of a book on “economic harmonies” at the beginning of 1850, and which his friends Prosper Paillottet and Roger de Fontenay attempted to complete with material from his drafts and sketches in an expanded posthumous edition published in mid-1851. Bastiat had planned to write another volume on “social harmonies” which would cover human relationships and institutions in a more general fashion, as well as a volume on “The History of Plunder”, or what we might call “The Disharmonies,” in which he would explore the role that war, class exploitation, and plunder played in destroying the harmonies that had been created by free individuals going about their own business.⁶

The polarity of the ideas about “harmony” and “disharmony” is central to Bastiat’s broader social theory. We will briefly summarise his theory of harmony and disharmony here before discussing it in more detail in the paper below. I have created a number of “concept maps” or what I call “vocabulary clusters” of Bastiat’s key ideas to assist me in

⁵ *The Collected Works of Frédéric Bastiat. In Six Volumes* (Indianapolis: Liberty Fund, 2011-), General Editor Jacques de Guenin. Academic Editor Dr. David M. Hart. Vol. 1: *The Man and the Statesman. The Correspondence and Articles on Politics* (March 2011); Vol. 2: *"The Law," "The State," and Other Political Writings, 1843-1850* (June 2012); Vol. 3: *Economic Sophisms and "What is Seen and What is Not Seen"* (March, 2017); Vol. 4: *Miscellaneous Works on Economics* (forthcoming); Vol. 5: *Economic Harmonies* (forthcoming); Vol. 6: *The Struggle Against Protectionism: The English and French Free-Trade Movements* (forthcoming).

⁶ For more detail about his plans for this multi-volume work, see Appendix 3: The Writing of the *Economic Harmonies*.

my editing and translating work - on Class, Disturbing Factors, Harmony and Disharmony, Human Action, and Plunder - and I include the one on “Harmony and Disharmony” below. The rest can be found in the Appendix.

Concerning “harmony”, Bastiat believed that various examples of harmony could be seen in both the physical and the “human” worlds. Very broadly he described these harmonies as “providential” but in the case of the human world, the actions of individuals could either promote or destroy this harmony. In the physical world, examples of harmonies he discussed included physiological and celestial harmony which were scientifically observable in the case of the study of the human eye or the motions of the planets around the sun, from which the natural laws of gravitation, for example, could be deduced. On the other hand, human social and economic behavior could result in two types of harmony: social harmony (or harmonies) and economic harmonies. These were also observable by economists and historians (such as in the universal establishment of markets⁷ and the tendency of human beings to trade with each other, and other kinds of what Bastiat called “natural organisations”), but they were also discoverable or understandable by a process of internal reflection since all human beings were thinking, choosing, and acting individuals.⁸ These observations also led economists and other social theorists to identify the natural laws which governed moral and economic behaviour (individual self-interest, the principle of individual responsibility, the principle of human solidarity,⁹ and the various laws of economics).¹⁰ The behavior and institutions which emerged from the operation of these “natural laws” were forms of what he called “natural organisations” or what we would call “spontaneous orders” to use the Hayekian terminology.

Bastiat argued that there were a number of factors which tended to promote social and economic harmony in the long run, such as

1. awareness of one’s “rightly understood” interests,
2. being responsible for one’s own actions,

⁷ See “Society is One Great Market,” in Appendix 1 CW4 (forthcoming).

⁸ On Bastiat’s very Austrian notion of human action see “Human Action,” in Appendix 1 CW4 (forthcoming).

⁹ See “The Law of Individual Responsibility and the Law of Human Solidarity” in the Appendix.

¹⁰ See “The Great Laws of Economics” in the Appendix.

3. the individual's natural feeling of solidarity and community with others
4. the mutually beneficial nature of voluntary exchanges
5. the greater productivity of economic cooperation and division of labour
6. the emergence of various "natural organisations" such as the "apparatus of exchange" (ideas, institutions, individuals) which allowed mutually beneficial exchanges/trade to take place across time and space¹¹
7. respect for property rights and the rule of law
8. the existence of free trade, limited government, and peace
9. the absence of violence, force, and fraud
10. the action of various compensating or "restorative factors" which come into play to restore "harmony", peace, and prosperity, when are disturbed by theft, coercion, exploitation, repression, (or what he termed "disturbing factors")¹²

Concerning disharmony, this occurs when natural laws are ignored or violated. Bastiat also identified a number of factors, which he termed "disturbing factors" which caused or perpetuated this disharmony. They included:

1. individual ignorance, error, lack of foresight/planning, or willfulness (individuals choosing to steal instead of trading with others)
2. the use of force or fraud whether by individuals (what he called "extra-legal plunder") or organized violence and plunder by groups such as the state (or what he called "legal plunder").¹³
3. "legal plunder" was organised and systemic and could take the form of
 1. protectionism and government subsidies (or what he called "displacement" of labour and capital),
 2. government intervention in the economy,

¹¹ See "The 'Apparatus' or Structure of Exchange," in Appendix 1 CW4 (forthcoming).

¹² See "Disturbing and Restorative Factors" in the Appendix.

¹³ See "Bastiat's Theory of Plunder" in the Appendix.

3. various historical forms of plunder such as war, slavery, theocracy (“theocratic plunder”),¹⁴ monopoly, socialism, the modern regulatory state itself (what he termed “functionaryism”).¹⁵

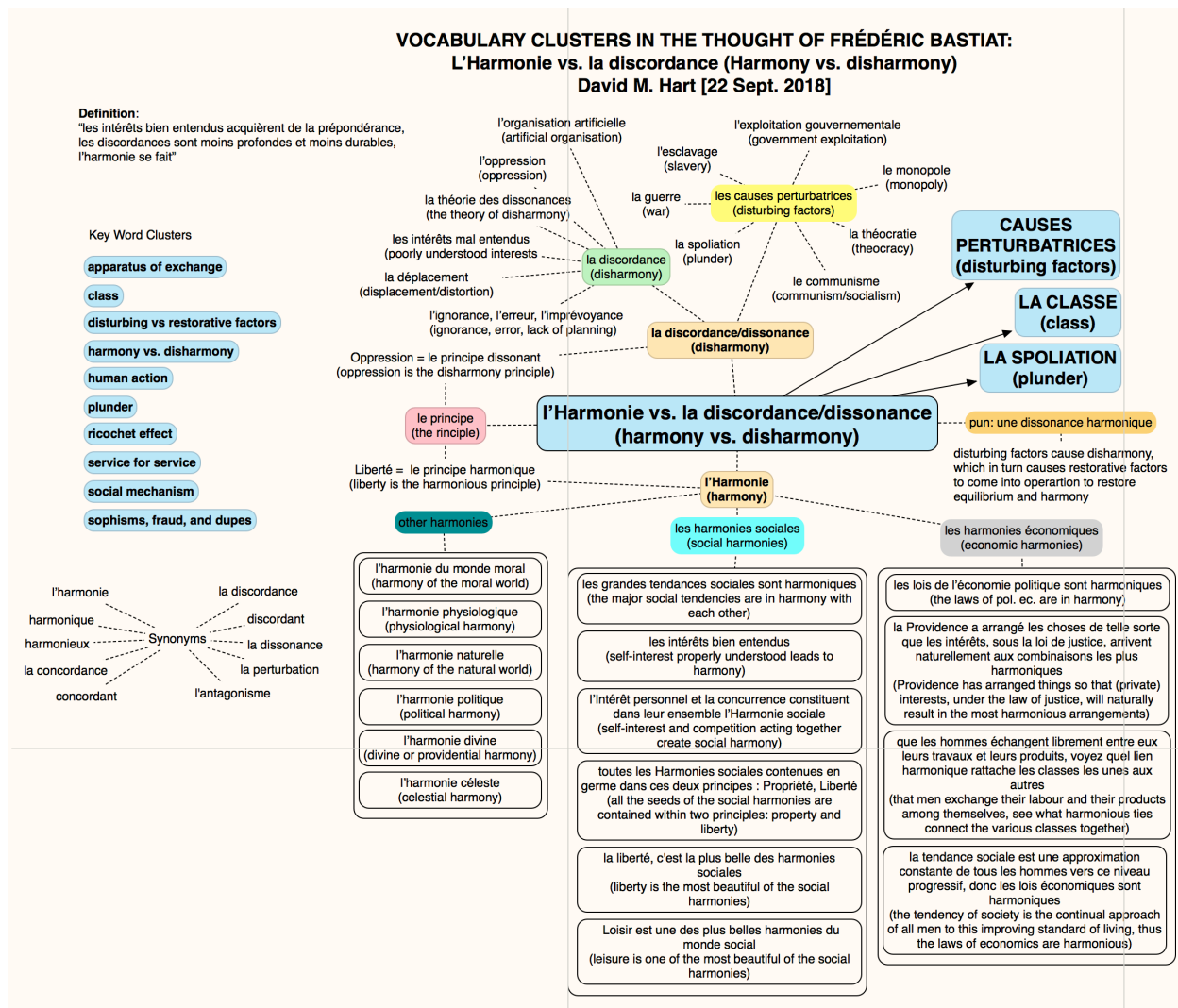
He concluded that that harmony is not inherent in human society and thus inevitable, but was a result of an “if-then” argument: if certain conditions are met (economic laws are understood, individuals understand their real interests, property rights of individuals are respected, and there is no or very minimal force and fraud), then a harmonious social and economic order will eventually emerge. Bastiat was optimistic that if these conditions could be met, or if societies could gradually move towards meeting them over time, the problems caused by disharmony could be minimized or perhaps even eliminated in the future, and from this he developed his ideas about progress and the perfectibility of human kind.

¹⁴ See “Theocratic Plunder” in the Appendix.

¹⁵ See “Functionaryism and Rule by Functionaries” in the Appendix.

HARMONY AND DISHARMONY

Concept Map (used Scapple)



Introduction: The Harmony of the Providential Plan

The idea of "harmony" and "disharmony" in the social and economic realm was a central component of Bastiat's social theory, in which he referred to some version or other of the words "harmony" or "harmonious" over 500 times in his work. Since

Voltaire popularised the work of Newton in France in 1738¹⁶ it was a commonplace to believe that the universe was a mechanism which was governed by natural laws like that of gravitation which produced "une harmonie céleste" (a celestial harmony) or what he also called "des harmonies de la mécanique céleste" (the harmonies of the celestial machine or mechanism). Closer to Bastiat's own time he was very well aware of the work of the French mathematicians and astronomers Laplace in the first decade of the 19th century and François Arago in the 1840s.¹⁷ From seeing the important role discoverable natural laws played in the harmonious operation of the stars, or "des harmonieuses et simples lois de la Providence" (harmonious and simple laws of Providence), it was only a short mental jump for a deist like Bastiat to seeing them at work in the social realm as well. This is very clearly stated in the concluding paragraph of Bastiat's essay "Natural and Artificial Organisation" (Jan. 1848)¹⁸ where he also makes the important observation that in the social universe the "atoms" which obey these laws are thinking, acting, and choosing individuals:¹⁹

¹⁶ Voltaire published the first edition of *Éléments de la Philosophie de Newton* in 1738 and then an expanded edition in 1741.

¹⁷ Laplace wrote a multi-volume work on *Traité de mécanique céleste* (Treatise on Celestial Mechanics) (1799-1805) and Arago was a friend of Bastiat who worked at the Paris Observatory and also served in the provisional Government in 1848 as Minister of War.

¹⁸ This chapter in EH was first published in the *JDE* in January 1848 as "Organisation naturelle Organisation artificielle," *JDE*, T. XIX, No. 74, Jan 1848, pp. 113-26. That original version can be found in CW4 (forthcoming). along with an Editor's Introduction which explains the political and intellectual context in which it was written. It was revised slightly and appeared in the first edition of *Economic Harmonies* which was published in January 1850. It was an unnumbered introduction to the book. In the second expanded edition of *Economic Harmonies* which was published in July 1851 by Paillottet and Fontenay it was chapter I. See, EH 1st ed. Jan. 1850, pp. 25-51; EH2 2nd. edition July 1851, pp. 15-33.

¹⁹ **Page number to come.**

Ne condamnons pas ainsi l'humanité avant d'en avoir étudié les lois, les forces, les énergies, les tendances. Depuis qu'il eut reconnu l'attraction, Newton ne prononçait plus le nom de Dieu sans se découvrir. Autant l'intelligence est au-dessus de la matière, autant le monde social est au-dessus de celui qu'admirait Newton, car la mécanique céleste obéit à des lois dont elle n'a pas la conscience. Combien plus de raison aurons-nous de nous incliner devant la Sagesse éternelle à l'aspect de la mécanique sociale, où vit aussi la pensée universelle, mens agitat molem, mais qui présente de plus ce phénomène extraordinaire que chaque atome est un être animé, pensant, doué de cette énergie merveilleuse, de ce principe de toute moralité, de toute dignité, de tout progrès, attribut exclusif de l'homme, la liberté!

Let us not condemn the human race in this way before having examined its laws, forces, energies, and tendencies. From the time he recognized gravity, Newton no longer pronounced the name of God without taking his hat off. Just as much as "the mind is above matter," the social world is above the (physical) one admired by Newton, for celestial mechanics obey laws of which it is not aware. How much more reason (then) would we have to bow down before eternal wisdom (and also universal thought) as we contemplate the social mechanism (and see there how) "the mind moves matter" (mens agitat molem). Here is displayed the extraordinary phenomenon that each atom (in this social mechanism) is a living, thinking being, endowed with that marvelous energy, with that source of all morality, of all dignity, of all progress, an attribute which is exclusive to man, namely **FREEDOM!**

Bastiat believed that it was part of "le plan providentiel" (the providential plan) that human beings were endowed with certain patterns of behaviour or internal drives (les mobiles) such as the pursuit of self-interest, the avoidance of pain or hardship and the seeking of pleasure or well-being, free will, the ability to plan for the future, and to choose from among alternatives that are presented to them. Or in other words, that mankind had a certain "nature." These were all part of the natural laws which governed human behaviour and made economies operate in the way that they did. His conclusion was that if human beings were allowed to go about their lives freely and in the absence of government or other forms of coercion the result would be a "harmonious society." In a very revealing passage in the essay on "Capital and Rent" (Feb. 1849) he links Newton and Laplace, the cogs and wheels of the social mechanism, the "mobile" or driving force of society, and the providential plan in his paean to the benefits of leisure:²⁰

²⁰ In CW4 (forthcoming), **page number to come.**

Mais voyez ! le loisir n'est-il pas un ressort essentiel dans la mécanique sociale ? sans lui, il n'y aurait jamais eu dans le monde ni de Newton, ni de Pascal, ni de Fénelon ; l'humanité ne connaîtrait ni les arts, ni les sciences, ni ces merveilleuses inventions préparées, à l'origine, par des investigations de pure curiosité ; la pensée serait inerte, l'homme ne serait pas perfectible. D'un autre côté, si le loisir ne se pouvait expliquer que par la spoliation et l'oppression, s'il était un bien dont on ne peut jouir qu'injustement et aux dépens d'autrui, il n'y aurait pas de milieu entre ces deux maux : ou l'humanité serait réduite à croupir dans la vie végétative et stationnaire, dans l'ignorance éternelle, par l'absence d'un des rouages de son mécanisme ; ou bien, elle devrait conquérir ce rouage au prix d'une inévitable injustice et offrir de toute nécessité le triste spectacle, sous une forme ou une autre, de l'antique classification des êtres humains en Maîtres et en Esclaves. Je défie qu'on me signale, dans cette hypothèse, une autre alternative. Nous serions réduits à contempler le plan providentiel qui gouverne la société avec le regret de penser qu'il présente une déplorable lacune. Le mobile du progrès y serait oublié, ou, ce qui est pis, ce mobile ne serait autre que l'injustice elle-même. — Mais non, Dieu n'a pas laissé une telle lacune dans son œuvre de prédilection. Gardons-nous de méconnaître sa sagesse et sa puissance ; que ceux dont les méditations incomplètes ne peuvent expliquer la légitimité du loisir, imitent du moins cet astronome qui disait : À tel point du ciel, il doit exister une planète qu'on finira par découvrir, car sans elle le monde céleste n'est pas harmonie, mais discordance.

But look, is not leisure an essential spring in the social mechanism? Without it there would never have been any Newtons, Pascals, or Fénétons in the world; the human race would have no knowledge of art, the sciences, nor any of the marvelous inventions originally made by investigation out of pure curiosity. Thought would be inert, and man would not have the ability to advance. On the other hand, if leisure could be explained only as a function of plunder and oppression, if it were a benefit that could be enjoyed only unjustly and at the expense of others, there would be no middle way between two evils: either the human race would be reduced to squatting in a vegetative and immobile life, in eternal ignorance because one of the cog wheels in its mechanism was missing, or it would have to conquer this cog wheel at the price of inevitable injustice and be obliged to offer the world the sorry sight in one form or another of the division of human beings into masters and slaves as in classical times. I challenge anyone to suggest an alternative outcome within the terms of this analysis. We would be reduced to contemplating the providential plan that orders society with the regretful thought that something is very sadly missing. The driving force of progress would either have been forgotten, or what is worse, this driving force would constitute nothing other than injustice itself. But no, God has not left out an element like this from his creation. Let us be careful to acknowledge fully his wisdom and power. Let those whose imperfect thinking fails to explain the legitimacy of leisure at least echo that astronomer who said: "At a certain point in the heavens there has to be a planet which we will one day discover, for without it the celestial world is not harmony but disharmony."

In addition to the astronomical and Providential sources of his thinking about harmony there is the strong tradition within French political economy of natural law both as a justification for the ownership of property and for the freedom to produce and trade with others. This notion of natural law was more than a moral or legal justification for certain practices and institutions but also a explanation of how those practices and institutions arose in the course of history and how they operated in the present. We can trace ideas about the existence of natural laws within economics in France back to the Physiocrats such as François Quesnay, the work of Jean-Baptiste Say, and many of the Paris school of economists with whom Bastiat worked, especially Gustave de Molinari. The latter developed the most complete and elaborate theory of the natural laws which governed the economic realm in his popular book *Les Soirées de la rue Saint-Lazare* which had as its subtitle the very revealing sentence "entretiens sur les lois économiques et défense de la propriété" (discussions about economic laws and the defence of property)²¹ and then in later works such as *Les Lois naturelles de l'économie politique* (1887) in which he summarised his life's work on this topic.²² Molinari believed that there were at least six major "natural laws of economics" on which he elaborated at some length over many decades.²³ Bastiat belonged in this tradition with his ideas about the economic natural laws such as the law of supply and demand and Malthusian population growth.

Bastiat may well have also been influenced by Scottish thinkers like Adam Ferguson who understood how complex social and economic structures might emerge as "the result of human action, but not the execution of any human design" simply by allowing the "harmonious laws" which governed society to come into play.²⁴ Bastiat did not quote

²¹ Molinari, Gustave de, *Les Soirées de la rue Saint-Lazare; entretiens sur les lois économiques et défense de la propriété*. (Paris: Guillaumin, 1849).

²² Gustave de Molinari, *Les Lois naturelles de l'économie politique* (Paris: Guillaumin, 1887).

²³ These were "la loi naturelle de l'économie des forces ou du moindre effort" (the natural law of the economising of forces, or of the least effort), "la loi naturelle de la concurrence" (the natural law of competition) or "la loi de libre concurrence" (the law of free competition), "la loi naturelle de la valeur" (sometimes also expressed as "la loi de progression des valeurs") (the natural law of value, or the progression of value), "la loi de l'offre et de la demande" (the law of supply and demand), "la loi de l'équilibre" (the law of economic equilibrium), and "Malthus' law of population growth."

²⁴ From Adam Ferguson, *An Essay on the History of Civil Society*, 5th ed. (London: T. Cadell, 1782). <<http://oll.libertyfund.org/titles/1428>>.

Ferguson directly but Ferguson was well known to the Paris economists as his book on *The History of Civil Society* was translated into French shortly after it appeared and his work was praised in an entry on him in the *JDE*.²⁵ It is not hard to hear echoes of Ferguson's ideas about spontaneous and harmonious orders in Bastiat's well known discussion of the feeding of Paris:²⁶

²⁵ The French edition was Adam Ferguson, *Essai sur l'histoire de la société civile*, 2 vols. Translated by Jean Nicolas Dêmeunier (Paris: Chez la Veuve Desaint, 1783). See the entry on "Fergusson, Adam," (sic) in *DEP*, vol. 1, pp. 758-59.

²⁶ ES1 18 "There Are No Absolute Principles" in CW3, pp. 84-85.

En entrant dans Paris, que je suis venu visiter, je me disais : Il y a là un million d'êtres humains qui mourraient tous en peu de jours si des approvisionnements de toute nature n'affluaient vers cette vaste métropole. L'imagination s'effraie quand elle veut apprécier l'immense multiplicité d'objets qui doivent entrer demain par ses barrières, sous peine que la vie de ses habitants ne s'éteigne dans les convulsions de la famine, de l'émeute et du pillage. Et cependant tous dorment en ce moment sans que leur paisible sommeil soit troublé un seul instant par l'idée d'une aussi effroyable perspective. D'un autre côté, quatre-vingts départements ont travaillé aujourd'hui, sans se concerter, sans s'entendre, à l'approvisionnement de Paris. Comment chaque jour amène-t-il ce qu'il faut, rien de plus, rien de moins, sur ce gigantesque marché ? Quelle est donc l'ingénieuse et secrète puissance qui préside à l'étonnante régularité de mouvements si compliqués, régularité en laquelle chacun a une foi si insouciance, quoiqu'il y aille du bien-être et de la vie ? Cette puissance, c'est un principe absolu, le principe de la liberté des transactions. Nous avons foi en cette lumière intime que la Providence a placée au cœur de tous les hommes, à qui elle a confié la conservation et l'amélioration indéfinie de notre espèce, l'intérêt, puisqu'il faut l'appeler par son nom, si actif, si vigilant, si prévoyant, quand il est libre dans son action. Où en seriez-vous, habitants de Paris, si un ministre s'avisait de substituer à cette puissance les combinaisons de son génie, quelque supérieur qu'on le suppose ? s'il imaginait de soumettre à sa direction suprême ce prodigieux mécanisme, d'en réunir tous les ressorts en ses mains, de décider par qui, où, comment, à quelles conditions chaque chose doit être produite, transportée, échangée et consommée ?

On entering Paris, which I had come to visit, I said to myself: Here there are a million human beings who would all die in a few days if supplies of all sorts did not flood into this huge metropolis. The mind boggles when it tries to assess the huge variety of objects that have to enter through its gates tomorrow if the lives of its inhabitants are not to be snuffed out in convulsions of famine, uprisings, and pillage. And in the meantime everyone is asleep, without their peaceful slumber being troubled for an instant by the thought of such a frightful prospect. On the other hand, eighty departments have worked today without being in concert and without agreement to supply Paris. How does it happen that every day what is needed and no more or less is brought to this gigantic market? What is thus the ingenious and secret power that presides over the astonishing regularity of such complicated movements, a regularity in which everyone has such blind faith, although well-being and life depend on it? This power is an absolute principle, the principle of free commerce. We have faith in this intimate light that Providence has placed in the hearts of all men to whom it has entrusted the indefinite preservation and progress of our species, self-interest, for we must give it its name, that is so active, vigilant, and farsighted when it is free to act. Where would you be, you inhabitants of Paris, if a minister took it into his head to substitute the arrangements he had thought up, however superior they are thought to be, for this power? Or if he took it into his head to subject this stupendous mechanism to his supreme management, to gather together all these economic activities in his own hands, to decide by whom, how, or under what conditions each object has to be produced, transported, traded and consumed?

As is clear from this passage and the one above on leisure, Bastiat believed that Providence (sometimes God) had created an ordered and harmonious world which operated according to discoverable natural laws, such as gravitation, and then stepped back to let it operate on its own. The human equivalent of gravitation was for Bastiat "le moteur social" (the social driving force) of self-interest.²⁷ There is no evidence to think that Bastiat thought Providence or God had intervened in human life at any time since then. The world which had been created was more of a stately Newtonian clockwork-like universe (or mechanism) with regular behaviour which could be studied and from which "natural laws" governing its operation could be discovered by social theorists like economists. One might term this a theory of "harmonious design" rather than of "intelligent design." From our perspective today, this view of a rather static and not dynamic universe is rather naive as the universe is known to be a violent and "disharmonious" place where stars are torn from their orbits and ejected out of their galaxy, stars collapse and then explode, that some massive stars form black holes out of which nothing can escape, space is filled with intense radiation which kills all life forms, and planets with life can be pounded with meteors which wipe them out periodically. But from Bastiat's perspective in mid-nineteenth century France the Newtonian and Laplacian theory of celestial order and harmony seemed a logical and scientifically advanced one.

Harmonies Social and Economic

Of the over 500 uses of the word "harmony" and related terms in Bastiat's writings we can identify the following key expressions. In addition to many general references to things being "en harmonie" (in harmony) with each other, Bastiat used the words "harmonique," or "harmonieux" or "harmonieuse" (harmonious) in reference to orders, organisations, associations, human development, individual interests, and laws being "harmonious." Most notably, he used the expressions "l'harmonie sociale" or "les harmonies sociales" (social harmony or harmonies), and "les harmonies économique" (economic harmonies always in the plural) to describe the social and economic theory he was working on before his untimely and premature death.

²⁷ See "The Social Mechanism and its Driving Force" in the Appendix.

Concerning the word "harmonique" (harmonious) his first two uses of the word occur in the very important pair of articles which he wrote on the eve of his arrival in Paris in May 1845, which show the advanced state of his thinking on this topic before he came into contact with the Paris economists. The first use can be found in his unpublished review of Dunoyer's book *De la liberté du travail* probably in January or February 1845 where he says:²⁸

Il (le socialisme) consiste à rejeter du gouvernement du monde moral tout dessein providentiel; à supposer que du jeu des organes sociaux, de l'action et de la réaction libre des intérêts humains, ne résulte pas une organisation merveilleuse, harmonique, et progressive ...

It (socialism) consists in rejecting any providential designs in the governance of the moral world; in supposing that a marvelous, harmonious, and progressive order cannot result from the to and fro of social groups and the free action and reaction of human interests ...

His second use comes from an early article which is a kind of show case of Bastiat's original and provocative ideas which he brought with him to Paris, namely his critique of the poet and politician Lamartine for having strayed from the straight and narrow path of free market orthodoxy. Here he is chastising Lamartine for advocating coercive, state charity instead of a completely free and voluntary system to aid needy workers:²⁹

Ensuite, l'économie politique distingue la charité volontaire de la charité légale ou forcée. L'une, par cela même qu'elle est volontaire, se rattache au principe de la liberté et entre comme élément harmonique dans le jeu des lois sociales ; l'autre, parce qu'elle est forcée, appartient aux écoles qui ont adopté la doctrine de la contrainte, et inflige au corps social des maux inévitables.

Next, political economy distinguishes between voluntary charity and state or compulsory charity. The first, for the very reason that it is voluntary, relates to the principles of freedom and is included as an element of harmony in the interplay of social laws; the other, because it is compulsory, belongs to the schools of thought that have adopted the doctrine of coercion and inflict inevitable harm on the social body.

²⁸ In CW4 (forthcoming), page number to come.

²⁹ See "Letter from an Economist to M. de Lamartine" (*JDE*, February 1845), in CW4 (forthcoming), page number to come.

Other important uses of "harmonique" occur often with respect to "les lois harmoniques" (harmonious laws) or "les lois naturelles harmoniques" (harmonious natural laws) as in his opening "Address to the Youth of France" in EH1 (probably written late 1849) where he defines liberty as "la liberté ou le libre jeu des lois harmoniques, que Dieu a préparées pour le développement et le progrès de l'humanité" (liberty, or the free play of the harmonious laws which God has prepared for the development and progress of humanity),³⁰ or the following:³¹

Enfin j'appellerai l'attention du lecteur sur les obstacles artificiels que rencontre le développement pacifique, régulier et progressif des sociétés humaines. De ces deux idées : Lois naturelles harmoniques, causes artificielles perturbatrices, se déduira la solution du Problème social.

Finally, I will draw the reader's attention to the artificial obstacles that the peaceful, regular, and progressive development of human societies encounter. From these two concepts, harmonious natural laws and artificial disturbing factors (causes artificielles perturbatrices), the resolution of the social problem will be deduced.

However, Bastiat's two most important concepts relating to harmony are "les harmonies sociales" (social harmonies) and "les harmonies économiques" (economic harmonies)³² and his affiliated ideas of "discordance" and "dissonance" (disharmony and dissonance) which he often paired with them. As early as June 1845, the month after he arrived in Paris, Bastiat was planning a large work with the title of "Social Harmonies" as he explained to his close friend and neighbour Félix Coudroy back in Mugron:³³

³⁰ See EH, FEE ed. p. xxxv.

³¹ Interestingly, this sentence was not in the version which appeared in the *JDE* article but was added to the version which appeared as a chapter in EH1 II. *Besoins, Efforts, Satisfactions*.

³² It should be noted that Bastiat talked about "social harmony" in the singular and "social harmonies" in the plural but only about "economic harmonies" in the plural.

³³ Letter 39 to Félix Coudroy (Paris, 5 June 1845), in CW1, p. 64.

Si mon petit traité, *Sophismes économiques*, réussit, nous pourrions le faire suivre d'un autre intitulé : *Harmonies sociales*. Il aurait la plus grande utilité, parce qu'il satisferait le penchant de notre époque à rechercher des organisations, des harmonies artificielles, en lui montrant la beauté, l'ordre et le principe progressif dans les harmonies naturelles et providentielles.

If my small treatise, *Economic Sophisms*, is a success (it was published in January 1846), we might follow it with another entitled *Social Harmonies*. It would be of great use because it would satisfy the tendency of our epoch to look for (socialist) organizations and artificial harmonies by showing it the beauty, order, and progressive principle in natural and providential harmonies.

Details about his planned book on "social harmonies" can be gleaned from scattered remarks in letters he wrote to his friends and supporters, and occasionally in some of his own writings. He first began work on the project in the fall of 1847 when he gave some lectures at the Taranne Hall in Paris to some Law and Medical students, using the first volume of his *Economic Sophisms* as the text book. In another letter to Félix written in August 1847 he described his plans for the course of lectures to present his ideas on "l'harmonie des lois sociales" (the harmony of social laws) and where he suggests he and Félix had been discussing this for some time:³⁴

(A) partir de novembre prochain, je ferai à cette jeunesse un cours, non d'économie politique pure, mais d'économie sociale, en prenant ce mot dans l'acception que nous lui donnons, Harmonie des lois sociales.

(F)rom next November I will be giving a course (of lectures) to these young people (at the School of Law), not on pure political economy but on social economics, using this in the meaning we have given it, the "Harmony of Social Laws."

Sometime during the fall when his lectures were underway he wrote an ironic letter to himself in the form of a "Draft Preface" to the book he hoped to write. In this letter Bastiat chastises himself for having been too preoccupied with only one aspect of freedom, namely free trade or what he disparagingly called this "l'uniforme croûte de pain sec" (single crust of dry bread as food), and having neglected the broader social picture. To rectify this he wanted to apply the ideas of J.B. Say, Charles Comte, and

³⁴ Letter 81 to Félix Coudroy (Paris, Aug. 1847), CW1, p. 131.

Charles Dunoyer, to a study of "toutes les libertés" (all forms of freedom) in a very ambitious research project in liberal social theory.³⁵

In July 1847 in a letter to Richard Cobden, to whom he often confided his private thoughts and hopes as he felt many of his Parisian colleagues did not fully understand or appreciate what he was attempting to do, he stated that his book on "la vraie théorie sociale" (real social theory) would contain 12 chapters on some very broad topics:³⁶

ce que je considère comme la vraie
théorie sociale, sous ces douze chapitres :
Besoins, production, propriété,
concurrence, population, liberté, égalité,
responsabilité, solidarité, fraternité, unité,
rôle de l'opinion publique

what I consider to be the true/real social
theory in the following twelve chapters:
"Needs," "Production," "Property,"
"Competition," "Population," "Liberty,"
"Equality," "Responsibility," "Solidarity,"
"Fraternity," "Unity," and "The Role of
Public Opinion" ...

At the same time as he was giving these lectures at the School of Law in late 1847 he was preparing the second volume of his *Economic Sophisms* which would appear in January 1848. The two opening chapters which were undated but probably written at the end of 1847, dealt with the nature of plunder. Bastiat's friend and editor Paillottet reveals in a footnote that Bastiat also planned to write another volume on the history of plunder.

In their "Foreword" to the expanded second edition of EH which they published 6 months after Bastiat's death, Fontenay and Paillottet concluded that Bastiat was planning to write "at least" three volumes which would be made up of a volume on "Social Harmonies," one on "Economic Harmonies," and one on plunder which might have been fittingly entitled "Social and Economic Disharmonies."³⁷

Bastiat himself seems to have been torn over how he should approach writing the books given the very severe time constraints placed upon him by his parliamentary duties

³⁵"A Draft Preface to the *Economic Harmonies*" (Fall 1847), CW1, pp. 316-20.

³⁶ Letter 80 to Richard Cobden (Paris, 5 July 1847), in CW1, **pp. 000**.

³⁷ See Appendix 3: The Writing of the *Economic Harmonies*.

and his worsening health. In an undated note quoted by Fontenay and Paillottet Bastiat discusses the problem he faced in organising the project:³⁸

J'avais d'abord pensé à commencer par l'exposition des Harmonies Économiques, et par conséquent à ne traiter que des sujets purement économiques: Valeur, Propriété, Richesse, Concurrence, Salaire, Population, Monnaie, Crédit, etc. — Plus tard, si j'en avais eu le temps et la force, j'aurais appelé l'attention du lecteur sur un sujet plus vaste: les Harmonies sociales. C'est là que j'aurais parlé de la Constitution humaine, du Moteur social, de la Responsabilité, de la Solidarité, etc.. L'œuvre ainsi conçue était commencée, quand je me suis aperçu qu'il était mieux de fondre ensemble que de séparer ces deux ordres de considérations. Mais alors la logique voulait que l'étude de l'homme précédât les recherches économiques. Il n'était plus temps ; puisse-je réparer ce défaut dans une autre édition! ...

I had at first thought of beginning with an exposition of the Economic Harmonies, and therefore only dealing with purely economic subjects, such as value, property, wealth, competition, wages, population, money, credit, etc. Later, if I had had the time and the energy, I would have brought to the attention of the reader a much bigger subject (un sujet plus vaste), namely the Social Harmonies. There I would have spoken about human nature (la Constitution humaine), the driving force of society, (individual) responsibility, (social) solidarity, etc. I had commenced work on the project conceived in this way when I realised that it would have been better to merge them together rather than treating these two different kinds of matters separately. But then logic demanded that the study of man should precede research into economic matters. There no longer enough time; perhaps I can fix this error in a future edition!

Another version from Ronce (in CW4):³⁹

³⁸ See the undated note by Bastiat on the “Economic and Social Harmonies” found among his papers (c. June 1845), in CW4 (forthcoming), page number to come.

³⁹ In CW4 (forthcoming), page number to come.

J'avais d'abord pensé à commencer par l'exposition des *Harmonies Économiques*, et par conséquent à ne traiter que des sujets purement économiques: Valeur, Propriété, Richesse, Concurrence, Salaire, Population, Monnaie, Crédit, etc. — Plus tard, si j'en avais eu le temps et la force, j'aurais appelé l'attention du lecteur sur un sujet plus vaste: les *Harmonies sociales*. C'est là que j'aurais parlé de la *Constitution humaine*, du *Moteur social*, de la *Responsabilité*, de la *Solidarité*, etc.. L'œuvre ainsi conçue était commencée, quand je me suis aperçu qu'il était mieux de fondre ensemble que de séparer ces deux ordres de considérations. Mais alors la logique voulait que l'étude de l'homme précédât les recherches économiques. Il n'était plus temps ; puissé-je réparer ce défaut dans une autre édition! ..

I had originally thought to begin with an exposition of the *Economic Harmonies* and as a result to treat only purely economic subjects, such as value, property, wealth, competition, wages, population, money, credit, etc. Later, if I had had the time and the energy, I would have called the reader's attention to a much larger subject, the *Social Harmonies*. It is here that I would have talked about *human nature*, the *driving force of society*, *individual responsibility*, *social solidarity*, etc. ... Having conceived the project in this fashion I had commenced work on it when I realized that it would have been better to merge rather than to separate these two different kinds of approaches. But then logic demands that the study of mankind should precede that of economics. However, there was not enough time: how I wish I could correct this error in another edition!...

It would appear that he planned to write a very large volume on "social harmonies" to explain the big picture and a companion volume to explain the nature, origins, and history of the "social disharmonies" which disturbed or disrupted those harmonies. But as his health was failing and time was running out he realised he had to limit himself to an important subset of this larger project and this eventually became the "economic harmonies." He only managed to finish and publish in his lifetime the first volume of EH which he wrote over the summer of 1849 and which appeared in print in early 1850. His friends cobbled together what unfinished papers and chapters they could find in his effects and published "vol. 2" (EH2) in July 1851 six months after Bastiat's death.

An interesting question to ask is how much of this ambitious project had Bastiat conceived while he was still living in Mugron before he came to Paris in May 1845 and how much of it evolved as he became involved in the free trade movement and the circle of economists who were part of the Guillaumin network. Perhaps the idea had been germinating in his mind over the previous 20 years of intense reading of economics in his home town of Mugron?

What did he mean by "social harmonies"?

One of the best examples of what Bastiat meant by "social harmony" (singular) can be found in a passage in the new introduction to his essay "On Competition" which was originally published in May 1846 in the *JDE* which he revised over the summer of 1849 and became Chapter X of EH1.⁴⁰ He takes the example of what he calls two "indomitable forces," individual self-interest and competition which, individually could cause conflict and social disharmony but, when combined together in a free society, create "Social Harmony."⁴¹

... Dieu, qui a mis dans l'individualité l'intérêt personnel qui, comme un aimant, attire toujours tout à lui, Dieu, dis-je, a placé aussi, au sein de l'ordre social, un autre ressort auquel il a confié le soin de conserver à ses bienfaits leur destination primitive : la gratuité, la communauté. Ce ressort, c'est la Concurrence.

Ainsi l'Intérêt personnel est cette indomptable force individualiste qui nous fait chercher le progrès, qui nous le fait découvrir, qui nous y pousse l'aiguillon dans le flanc, mais qui nous porte aussi à le monopoliser. La Concurrence est cette force humanitaire non moins indomptable qui arrache le progrès, à mesure qu'il se réalise, des mains de l'individualité, pour en faire l'héritage commun de la grande famille humaine. Ces deux forces qu'on peut critiquer, quand on les considère isolément, constituent dans leur ensemble, par le jeu de leurs combinaisons, l'Harmonie sociale.

... God, who has placed in individuals the self-interest that, like a magnet, constantly draws everything to itself, this God, I say, has also placed within the social order another mainspring (ressort) to which he has entrusted the care of maintaining his gifts such that they conform to their original objective: to be freely available (la gratuité) and common to all (la communauté). This mainspring is Competition.

Thus, Self-interest is this indomitable individual force that drives us to seek progress, makes us achieve it, and spurs us on, but which also makes us inclined to monopolize it. Competition is the no less indomitable humanitarian force that snatches progress as it is achieved from the hands of individuals in order to make it part of the common heritage of the great human family. These two forces, which can be criticized when considered separately, constitute Social Harmony when taken together because of their interplay when (acting) in combination.

⁴⁰ In CW4 (forthcoming), page number to come.

⁴¹ Our translation in CW5 (forthcoming).

In another passage in a chapter on "Producers and Consumers" which appeared in EH2 Bastiat describes what he calls "la loi essentielle de l'harmonie sociale" (the essential law of social harmony), namely that man is perfectible, that the standard of living will continue to improve over time, and that more and more people will approach this increasingly common, higher standard of living:⁴²

Si le niveau de l'humanité ne s'élève pas sans cesse, l'homme n'est pas perfectible.	If the standard of living (niveau) of the human race does not increase constantly, man is not perfectible.
Si la tendance sociale n'est pas une approximation constante de tous les hommes vers ce niveau progressif, les lois économiques ne sont pas harmoniques.	If the tendency of society is not the continual approach of all men to this improving standard of living, the laws of economics are not harmonious.
Or comment le niveau humain peut-il s'élever si chaque quantité donnée de travail ne donne pas une proportion toujours croissante de satisfactions, phénomène qui ne peut s'expliquer que par la transformation de l'utilité onéreuse en utilité gratuite ?	Well, how can the standard of living of the human race rise if each given quantity of labor does not provide an ever-increasing proportion of satisfaction, a phenomenon that can be explained only by the transformation of cost-bearing/onerous utility into free/gratuitous utility?
Et, d'un autre côté, comment cette utilité, devenue gratuite, rapprocherait-elle tous les hommes d'un commun niveau, si en même temps elle ne devenait commune ?	And on the other hand, how would the utility that has become free/gratuitous bring everyone closer to the same standard of living if it did not at the same time become common to all?
Voilà donc la loi essentielle de l'harmonie sociale.	This is therefore the essential law of social harmony.

He makes a similar comment in a passage in the article on "Population" in the *JDE* (Oct. 1846) where he equates "the social harmonies" with equal access for all people to the benefits of progress and a rising standard of living:⁴³

⁴² Our translation, in EH2 11 "Producers and Consumers"; FEE ed. p. 325.

⁴³ In CW4 (forthcoming), page number to come.

La théorie que nous venons d'exposer succinctement conduit à ce résultat pratique, que les meilleures formes de la philanthropie, les meilleures institutions sociales sont celles qui, agissant dans le sens du plan providentiel tel que les harmonies sociales nous le révèlent, à savoir, l'égalité dans le progrès, font descendre dans toutes les couches de l'humanité, et spécialement dans la dernière, la connaissance, la raison, la moralité, la prévoyance.

The theory that we have just set out briefly leads to the practical result that the best forms of philanthropy and the best social institutions are those that, when they operate in line with the Providential plan as revealed to us by the social harmonies, that is to say, equality in progress (l'égalité dans le progrès = equal progress for all), spread knowledge, reason, morality, and foresight throughout all of the social strata of humanity, especially the lowest.

What did he mean by "economic harmonies"?

By "economic harmonies" Bastiat meant that subset of "harmonies" which were part of the broader framework of "social harmonies" discussed above. These would include what he described as "purely economic subjects, such as value, property, wealth, competition, wages, population, money, credit." They were also meant as a companion volume to his *Economic Sophisms* which he described in a letter to Cobden in June 1846 as "un petit livre intitulé : *Harmonies économiques*. Il ferait le pendant de l'autre; le premier démolit, le second édifierait" (a small book entitled *Economic Harmonies*. It will make a pair with the other; the first knocks down and the second would build up).⁴⁴ He made a similar comment to Cobden a year later where he described the book on *Economic Harmonies* as providing "the positive point of view" and the *Economic Sophisms* "the negative point of view."⁴⁵

He offered another explanation of his purpose in the conclusion to Part I of the article on "Economic Harmonies" which appeared in the *JDE* in Sept. 1848.⁴⁶ He wanted to demonstrate to others the "sublime and reassuring harmonies in the play of natural laws governing society", to use this "one true, simple, and fruitful notion ... to resolve some of the problems that still arouse controversy: competition, mechanization, foreign trade, luxury, capital, rent," and to "show the relationships, or rather the harmonies, of political economy with the other moral and social sciences."

⁴⁴ Letter 65 to Richard Cobden (Mugron, 25 June 1846) in CW1, 106.

⁴⁵ Letter 80 to Cobden (Paris, 5 July, 1847), in CW1, p. 131.

⁴⁶ In CW4 (forthcoming), page number to come.

Qu'ils me pardonnent; que ce soit la vérité elle-même qui me presse ou que je sois dupe d'une illusion, toujours est-il que je sens le besoin de concentrer dans un faisceau des idées que je n'ai pu faire accepter jusqu'ici pour les avoir présentées éparses et par lambeaux. Il me semble que j'aperçois dans le jeu des lois naturelles de la société de sublimes et consolantes harmonies. Ce que je vois ou crois voir, ne dois-je pas essayer de le montrer à d'autres, afin de rallier ainsi autour d'une pensée de concorde et de fraternité bien des intelligences égarées, bien des cœurs aigris? Si, quand le vaisseau adoré de la patrie est battu parla tempête, je parais m'éloigner quelquefois, pour me recueillir, du poste auquel j'ai été appelé, c'est que mes faibles mains sont inutiles à la manœuvre. Est-ce d'ailleurs trahir mon mandat que de réfléchir sur les causes de la tempête elle-même, et m'efforcer [108] d'agir sur ces causes? Et puis, ce que je ne ferais pas aujourd'hui, qui sait s'il me serait donné de le faire demain?

I hope they will forgive me! Whether it is truth itself that harries me or just that I am the victim of delusion, I still feel the need to concentrate on a range of ideas for which I have not been able to gain acceptance up to now because I have presented them in dribs and drabs. I think that I discern sublime and reassuring harmonies in the play of natural laws governing society. Should I not try to show others what I see or think I see, in rallying a great many mistaken minds and embittered hearts around a way of thinking based upon concord and fraternity? If I appear to drift away from the post to which I have been called in order to gather my thoughts, at a time when the beloved ship of State is buffeted by storms, it is because my weak hands cannot help hold the tiller. Besides, am I betraying my mission when I reflect on the causes of the storm itself and endeavor to act on these causes? What is more, if I do not do this now, who knows whether I will have the opportunity to do it later?

Je commencerai par établir quelques notions économiques. M'aidant des travaux de mes devanciers, je m'efforcerai de résumer la Science dans un principe vrai, simple et fécond, qu'elle entrevit dès l'origine, dont elle s'est constamment approchée et dont peut-être le moment est venu de fixer la formule. Ensuite, à la clarté de ce flambeau, j'essayerai de résoudre quelques-uns des problèmes encore controversés, concurrence, machines, commerce extérieur, luxe, capital, rente, etc. Enfin, je montrerai [signalerai in EH1] les relations ou plutôt les harmonies de l'économie politique avec les autres sciences morales et sociales, en jetant un coup d'œil sur les graves sujets exprimés par ces mots : Intérêt personnel, Propriété, Liberté, Responsabilité, Solidarité, Egalité, Fraternité, Unité.

I will start by setting out a few economic notions. With the help of the work carried out by my predecessors, I will endeavor to epitomize this mode of explanation in one true, simple, and fruitful notion, one that it foresaw from the outset and to which it has constantly drawn near, with the time perhaps having come to establish its wording definitively. Then by this beacon, I will try to resolve some of the problems that still arouse controversy: competition, mechanization, foreign trade, luxury, capital, rent, etc. I will show the relationships, or rather the harmonies, of political economy with the other moral and social sciences by casting a glance on the serious matters encapsulated in the following words: Self-Interest, Property, Liberty, Responsibility, Solidarity, Equality, Fraternity, and Unity.

And there is his moving last ditch attempt to explain what he wanted to do in the Conclusion to EH1 when he must have known in his heart that he would never live to see the project completed. In this passage he ties together several of his key ideas on harmony and disharmony, property and plunder, freedom and oppression:⁴⁷

Nous avons vu toutes les Harmonies sociales contenues en germe dans ces deux principes : Propriété, Liberté. — Nous verrons que toutes les dissonances sociales ne sont que le développement de ces deux autres principes antagoniques aux premiers : Spoliation, Oppression.

We have seen the germs of all the Social Harmonies encapsulated in the following two principles: **PROPERTY** and **FREEDOM**. We will see that all social disharmony (toutes les dissonances sociales) is merely the development of two other principles that conflict with the first: **PLUNDER** and **OPPRESSION**.

⁴⁷ Our translation. FEE ed., p. 319.

Et même, les mots Propriété, Liberté n'expriment que deux aspects de la même idée. Au point de vue économique, la liberté se rapporte à l'acte de produire, la Propriété aux produits. — Et puisque la Valeur a sa raison d'être dans l'acte humain, on peut dire que la liberté implique et comprend la Propriété. — Il en est de même de l'Oppression à l'égard de la Spoliation.

Liberté ! voilà, en définitive, le principe harmonique. Oppression ! voilà le principe dissonant ; la lutte de ces deux puissances remplit les annales du genre humain.

And likewise the words Property and Freedom express only two aspects of the same idea. From the point of view of economics, Freedom relates to the act of producing and Property to the products. And since Value owes its very reason for existing to human activity, it may be said that Freedom implies and encompasses Property. This is also true of Oppression with regard to Plunder.

Freedom! This is the definitive principle of harmony (le principe harmonique). Oppression! This is the principle of disharmony (le principe dissonant), and the struggle between these two forces fills the annals of the human race.

We have attempted to reconstruct what Bastiat's multi-volume magnum opus on "Harmonies and Disharmonies" might have looked like had he lived long enough to complete it. It will be included in our CW5 which will contain the *Economic Harmonies* book.

Bastiat's Theory of Disharmony

As a counterpoint to his theory of harmony Bastiat also had a theory of its opposite, namely "disharmony." He used several words to describe this, such as "la discordance" (disharmony), "la dissonance" (dissonance, or discord), "la perturbation" (disturbance, disruption), and "l'antagonisme" (antagonism, or opposition). He often paired "l'harmonie" with either "la discordance" or "la dissonance" as its opposite. He also paired "la perturbation" with its opposite, as in the expressions "les forces perturbatrices" (disturbing forces) and "les forces réparatrices" (restorative or repairing forces).⁴⁸

The bulk of the references to disharmony occur in his book *Economic Harmonies* for the obvious reason that he was able to contrast it with the main topic of his interest.

⁴⁸ See "Disturbing and Restorative Factors" in the Appendix.

However, there were a few references before he began work in earnest on his book, such as this one from the Introduction to his book on *Cobden and the League* (July 1845) where it is very clear from the context that what caused disharmony was the use of violence to enforce a protectionist trade policy:⁴⁹

Si la Balance du commerce est vraie en théorie ; si, dans l'échange international, un peuple perd nécessairement ce que l'autre gagne ; s'ils s'enrichissent aux dépens les uns des autres, si le bénéfice de chacun est l'excédant de ses ventes sur ses achats, je comprends qu'ils s'efforcent tous à la fois de mettre de leur côté la bonne chance, l'exportation ; je conçois leur ardente rivalité, je m'explique les guerres de débouchés. Prohiber par la force le produit étranger, imposer à l'étranger par la force le produit national, c'est la politique qui découle logiquement du principe. Il y a plus, le bien-être des nations étant à ce prix, et l'homme étant invinciblement poussé à rechercher le bien-être, on peut gémir de ce qu'il a plu à la Providence de faire entrer dans le plan de la création deux lois discordantes qui se heurtent avec tant de violence ; mais on ne saurait raisonnablement reprocher au fort d'obéir à ces lois en opprimant le faible, puisque l'oppression, dans cette hypothèse, est de droit divin et qu'il est contre nature, impossible, contradictoire que ce soit le faible qui opprime le fort.

If the balance of trade is true in theory, if in international trade one nation necessarily loses what another gains, if nations become wealthy at each others' expense, if the profits of each lie in an excess of sales over purchases, I understand that they all endeavor at the same time to procure good luck or exports for themselves, I understand their ardent rivalry and find an explanation for the war for markets. To prohibit foreign products by force and impose on foreigners our products by force is a policy that is a logical result of this principle. What is more, since the well-being of nations is at this price and man is ineluctably impelled to seek well-being, we may complain that Providence was happy to introduce into the plan of creation two disharmonious laws (deux lois discordantes) that conflict so violently with each other. However, we cannot reasonably criticise the strong for obeying these laws by oppressing the weak, since oppression, in this scenario, is the result of divine right and it would be unnatural, impossible, and contradictory for the weak to oppress the strong.

This was repeated in a very similar fashion five years later in his address "To the Youth of France" where he states a lack of harmony in the world clearly shows a lack of liberty and justice due to the actions of oppressors and plunders:⁵⁰

⁴⁹ Our translation in CW6 (forthcoming).

⁵⁰ Our translation, EH FEE ed. p. xxiv.

Si les lois providentielles sont harmoniques, c'est quand elles agissent librement, sans quoi elles ne seraient pas harmoniques par elles-mêmes. Lors donc que nous remarquons un défaut d'harmonie dans le monde, il ne peut correspondre qu'à un défaut de liberté, à une justice absente. Oppresseurs, spoliateurs, contempteurs de la justice, vous ne pouvez donc entrer dans l'harmonie universelle, puisque c'est vous qui la troublez.

If the laws of Providence are harmonious, it is when they act freely, otherwise they would not be harmonious of themselves. Therefore, when we note a lack of harmony in the world it can only be the result of a lack of freedom or of justice that is absent. Oppressors, plunderers, those who hold justice in contempt, you can never be part of universal harmony since you are the people who are upsetting it.

An early explicit pairing of harmony and disharmony can be found in his "Second Letter to Lamartine" (*JDE*, Oct. 1846) in which he again criticises Lamartine for straying from the free trade fold and supporting price controls on food during emergencies:⁵¹

C'est pour moi une bien douce consolation que la doctrine de la liberté ne me montre qu'harmonie entre ces divers intérêts ; et, avec votre âme, vous devez être bien malheureux, puisque vous ne voyez entre eux qu'une irrémédiable dissonance.

I find it very comforting that the doctrine of freedom reveals to me only harmony among these various interests and, with your soul, you must be very unhappy, since you see in them just an unavoidable disharmony (dissonance).

Fundamental to Bastiat's view of harmony of the free market was that the interests of individuals were not inherently "disharmonious" or in conflict with each. His proviso was that these interests had to be "bien compris" (rightly understood) or "légitimes" (legitimate), otherwise they would clash and produce disharmony. In his pamphlet "Baccalaureate and Socialism" (early 1850) he stated:⁵²

⁵¹ In CW4 (forthcoming), page number to come.

⁵² "Baccalaureate and Socialism," in CW2, p. 225.

Les intérêts des hommes, bien compris, sont harmoniques, et la lumière qui les leur fait comprendre brille d'un éclat toujours plus vif. Donc les efforts individuels et collectifs, l'expérience, les tâtonnements, les déceptions même, la concurrence, en un mot, la Liberté — font graviter les hommes vers cette Unité, qui est l'expression des lois de leur nature, et la réalisation du bien général.

Properly understood, the interests of men are harmonious and the light that enables men to understand them shines with an ever more brilliant glow. Therefore, individual and collective efforts, experience, stumbling (trial and error), and even deceptions, competition—in a word, freedom—make men gravitate toward this unity (of interests) that is an expression of the laws of their nature and the achievement of the general good.

By "rightly understood interests," Bastiat realised that individuals were fallible and would make mistakes, but because they were thinking beings capable of planning and choosing between alternatives, they were able to correct their mistakes, better understand what their true interests were, and act accordingly. Thus, the disharmony caused by poor decisions was self-correcting.

In the Introduction to EH1, his address "To the Youth of France," (written late 1849) he asserts that "tous les intérêts légitimes sont harmoniques" (all legitimate interests are harmonious) and that this idea was "l'idée dominante de cet écrit" (the dominant idea of this work). By "legitimate interests," Bastiat meant any activity which was undertaken without coercion or fraud, which was engaged in voluntarily by both parties to an exchange, and where the property rights of each individual were respected. Interests which were pursued by means of force or fraud were illegitimate in his view and caused considerable disruption and disharmony to the social order. However, he realised that this notion was rejected by the socialist critics of his day who argued the opposite, that men's interests were "naturally antagonistic" and hence a cause of disharmony. This led to a stark choice for efforts to solve "le problème social" (the social problem or question), if interests were naturally harmonious then individual liberty and the free market could be trusted to solve it; if interests were naturally antagonistic or disharmonious, then force had to be used to prevent further antagonism and disharmony:⁵³

⁵³ Our translation, but see also FEE ed., pp. xxi-xxii.

Non, certes ; mais je voudrais vous mettre sur la voie de cette vérité : Tous les intérêts légitimes sont harmoniques. C'est l'idée dominante de cet écrit, et il est impossible d'en méconnaître l'importance. ...

Or cette solution (to "le problème social"), vous le comprendrez aisément, doit être toute différente selon que les intérêts sont naturellement harmoniques ou antagoniques.

Dans le premier cas, il faut la demander à la Liberté ; dans le second, à la Contrainte. Dans l'un, il suffit de ne pas contrarier ; dans l'autre, il faut nécessairement contrarier.

Mais la Liberté n'a qu'une forme. Quand on est bien convaincu que chacune des molécules qui composent un liquide porte en elle-même la force d'où résulte le niveau général, on en conclut qu'il n'y a pas de moyen plus simple et plus sûr pour obtenir ce niveau que de ne pas s'en mêler. Tous ceux donc qui adopteront ce point de départ : Les intérêts sont harmoniques, seront aussi d'accord sur la solution pratique du problème social : s'abstenir de contrarier et de déplacer les intérêts.

Certainly not, but I would like to set you on the path to this truth: All legitimate interests are harmonious. This is the dominant idea in this book, and it is impossible not to recognize its importance. ...

Well, this solution (to the social problem), as you will easily understand, has to be very different, depending on whether interests are [naturally] in harmony (harmoniques) or in conflict (antagoniques).

In the first case, we must call for Freedom, in the second, for Coercion (contrainte). In the first case, it is enough not to interfere with other people (contrarier), in the other, you have of necessity to interfere with other people.

But Freedom has just one form. When people are fully convinced that each of the molecules that make up a liquid carry within itself the force that results in (reaching) a general level (le niveau général = niveau also translated as standard of living, which is suggested here as well as solution to the social problem), they conclude that there is no simpler or surer means of obtaining this level than to leave it alone [mêler = not to meddle in it]. All those, therefore, who adopt the thesis, Interests are harmonious, will also agree on the practical solution to the social problem: refrain from interfering with and disrupting (déplacer) these interests.

La Contrainte peut se manifester, au contraire, par des formes et selon des vues en nombre infini. Les écoles qui partent de cette donnée : Les intérêts sont antagoniques, n'ont donc encore rien fait pour la solution du problème, si ce n'est qu'elles ont exclu la Liberté. Il leur reste encore à chercher, parmi les formes infinies de la Contrainte, quelle est la bonne, si tant est qu'une le soit. Et puis, pour dernière difficulté, il leur restera à faire accepter universellement par des hommes, par des agents libres, cette forme préférée de la Contrainte.

By contrast, Coercion may assume an infinite number of forms and points of view. The schools of thought that start from the assumption that Interests are in conflict (antagoniques), have therefore not yet done anything to solve this problem except for excluding Freedom. It still remains for them to identify from the infinite number of forms of Coercion the one that is right, if there can indeed be one. Then, as a final difficulty, they will still have to have this preferred form of Coercion universally accepted by the people, by these free agents (des agents libres = these free and acting beings).

Of course, Bastiat was acutely aware that society was not harmonious in the way it functioned, given the glaring facts of the existence of poverty, war, slavery, and various other forms of oppression, not to mention the social and political problems which gave rise to the recent Revolution of February 1848, facts which the socialist critics of political economy in his day frequently pointed out.

Bastiat had several responses to this line of criticism. Firstly, he argued that there was a tendency for societies to be harmonious ("les grandes tendances sociales sont harmoniques") but nothing inevitable about this occurring because men had free will, were fallible, and often made mistakes. However, if left free to act and make choices, men would correct their mistakes and they individually and society in general would move more towards a more harmonious situation. In other words, there existed a self-correcting mechanism which elsewhere he described as "les forces restauratives" (restorative forces).⁵⁴ In a new passage which he added to the *JDE* essay on "Des besoins de l'homme" for the chapter in EH1 he observed that:⁵⁵

⁵⁴ See "Disturbing and Restorative Factors" in the Appendix.

⁵⁵ In CW4 (forthcoming), page number to come.

Pour que l'harmonie fût sans dissonance, il faudrait ou que l'homme n'eût pas de libre arbitre, ou qu'il fût infallible. Nous disons seulement ceci: les grandes tendances sociales sont harmoniques, en ce que, toute erreur menant à une déception et tout vice à un châtement, les dissonances tendent incessamment à disparaître.

For harmony to exist with no disharmony it would be necessary either for man to have no free will or for him to be infallible. We will just say this: the major social tendencies are harmonious, in that since all error leads to disappointment and all vice to punishment, disharmony tends to disappear quickly.

Since Bastiat was very witty and loved to play with words, as we can see so ably demonstrated in many of his "Economic Sophisms", it is not surprising that he came up with a clever phrase to encapsulate how free societies were self-correcting. In this case it is "une dissonance harmonique" or a "harmonious disharmony."⁵⁶ By this he meant that when people make poor decisions and suffer some temporary "disharmony" or discomfort as a result, they have an incentive to correct their behaviour and restore economic "harmony" to their lives. In other words, the disharmony acts as a corrective to its own existence and eventually helps bring about the restoration of harmony, acting somewhat like Schumpeter's notion of "creative destruction" or what might here be called "harmonising disharmonies."

Secondly, he believed that many people erred in not understanding their "rightly understood interests" and how they were not inherently antagonistic with the interests of others (see the discussion above).

Thirdly, that people had been duped by the sophistical arguments put forward by numerous vested interests which sought government subsidies, monopolies, and protection for their particular industries at the expense of taxpayers and consumers. The political struggles which this system of privilege created led to enormous antagonism and disharmony within society as people jostled for the ear of the King or the Chamber of Deputies to get their special interests protected by "la grande fabrique de lois" (the great law factory) in Paris.⁵⁷ Dispelling these "sophisms" was of course the purpose behind the two volumes of *Economic Sophisms* which Bastiat published between 1845 and 1848. The key sophism Bastiat had identified, what he called "the root stock sophism" was Montaigne's claim that "the gain of one is the loss of another," in other words that the

⁵⁶ FEE translated this as "harmonious discord", EH1 Conclusion, p. 319.

⁵⁷ VII. "Trade Restrictions" in *WSWNS*, CW3, p. 428.

economy was a zero sum game where someone could gain only at the expense of another person.⁵⁸

His final and perhaps most important response, was to agree with the socialists that ruling elites, like the "oligarchy" which ruled England and "la classe électorale" (the voting or electoral class) which controlled France before 1848, ruthlessly plundered their own people by institutionalising plunder, or what Bastiat called "la spoliation légale" (legal plunder).⁵⁹ Until this system of plunder was removed, disharmony and antagonism would remain an intrinsic part of English and French society. Hence his great interest in writing another, possibly third book, on *The History of Plunder* to expose and denounce the cause of all these disharmonies. In his view war and legal plunder were the two "disturbing factors" which did the most to create and entrench disharmony in society. An idea of what he had in mind for this book can be found in the opening chapter of ES2 "The Physiology of Plunder" (written late 1847), his address "To the Youth of France" in the opening to EH1 and the Conclusion (both written in mid or late 1849), as well as a number of pamphlets such as *Property and Plunder* (July 1848).⁶⁰

Paillottet tells us in a footnote that Bastiat had told him on the eve of his death how important he thought this project was:⁶¹

Un travail bien important à faire, pour l'économie politique, c'est d'écrire l'histoire de la Spoliation. C'est une longue histoire dans laquelle, dès l'origine, apparaissent les conquêtes, les migrations des peuples, les invasions et tous les funestes excès de la force aux prises avec la justice. De tout cela il reste encore aujourd'hui des traces vivantes, et c'est une grande difficulté pour la solution des questions posées dans notre siècle. On n'arrivera pas à cette solution tant qu'on n'aura pas bien constaté en quoi et comment l'injustice, faisant sa part au milieu de nous, s'est impatronisée dans nos mœurs et dans nos lois.

A very important task to be done for political economy is to write the history of plunder. It is a long history in which, from the outset, there appeared conquests, the migrations of peoples, invasions, and all the disastrous excesses of force in conflict with justice. Living traces of all this still remain today and cause great difficulty for the solution of the questions raised in our century. We will not reach this solution as long as we have not clearly noted in what and how injustice, when making a place for itself amongst us, has gained a foothold in our customs and our laws.

⁵⁸ See ES3 15 "One Man's Gain is Another Man's Loss," in CW3, pp. 341-43.

⁵⁹ See "Justice and Fraternity" (June 1848), in CW2, p. 76.

⁶⁰ CW2, pp. 147-84.

⁶¹ See footnote in CW3, p. 110.

But of course he did not live long enough to see his books on *Social and Economic Harmonies* completed, let alone another volume on the *History of Plunder*. This volume might rank alongside Lord Acton's much anticipated *History of Liberty* as one of the most important classical liberal books never written.⁶²

⁶² See Gertrude Himmelfarb, *Lord Acton: A Study in Conscience and Politics* (University of Chicago Press, 1962), pp.221-22, where she states that "The History of Liberty that was to have been his monument as an historian was never constructed. Only fragments of it can be pieced together from essays and lectures posthumously published and from notes bequeathed to future historians."

Appendix 1: Concept Maps of the Terms used by Bastiat

INTRODUCTION

Below are the “concept maps” or what I call “vocabulary clusters” of some of Bastiat’s key ideas which I have drawn up to assist me in my editing and translating work. There are ones on Class, Disturbing Factors, Harmony and Disharmony, Human Action, and Plunder.

What the digitization of the collected works of Bastiat and the compilation of those texts into one searchable file allowed me to do were the following things:

1. to check the consistency of our and previous translations (Stirling, FEE) - I found that key terms (like “le ricochet” or “human action”) were not translated consistently
2. to note when a key term was first used and to track his use of it over time
3. to note the other terms which he associated with it, what I call “clusters”, which often involved related terms or opposite terms

My conclusion is that Bastiat developed a rich and diverse vocabulary of terms which was unique to him, which appeared in an advanced state for the first time in early 1845 in two articles he wrote before he entered the orbit of the Parisian economists,⁶³ and which evolved slightly over the course of the final six years of his life.

I have identified a number of such “vocabulary clusters” of key words for some of his main ideas which are listed below. I used the “mind mapping” software “Scrapple” to show the relationships between the words in a visual way. I have completed five so far (class, disturbing factors, harmony and disharmony, human action, and plunder) and have plans to do a dozen more.

⁶³ See, “On a work by Mr. Dunoyer on *De la Liberté du travail*” (unpublished c. March, 1845) and “Letter from an Economist to M. de Lamartine” (*JDE*, February 1845), in CW4 (forthcoming).

1. the *ricochet effect*: the positive and negative flow on effects from economic and political activity which is a result of the interconnectedness of everything in the market; “glisser” (the flow of knowledge); the transmission of information through prices with metaphors of water, hydraulics, and electricity flows
2. *domains*: the domain of the community (or the commons), the domain of private property, and the domain of plunder
3. *plunder*: the theory and history of plunder, *legal plunder*, *extra-legal plunder*, and the historical stages through which it has evolved (war, slavery, theocratic plunder, monopoly, the modern regulatory state (“governmentalism” or “functionaryism”), and socialism/communism)
4. *class*: those who have access to the power of the state use it for their own benefit at the expense of others; the former are the plundering class and latter are the plundered classes; history is the story of the struggle between these two classes, one to maximise its benefits, the other to minimise these impositions
5. *human action*: Bastiat refers several times to humans as “un être actif” (an acting or active being), “un agent” (an agent, or actor), “un agent intelligent” (an intelligent or thinking actor), and to their behaviour in the economic world as “l’action humaine” (human action) or “l’action de l’homme” (the action of human beings, or human action), and to the guiding principle behind it all as “le principe actif” or “le principe d’activité” (the principle of action).
6. *harmony vs. disharmony*: if people are left free to go about their lives and their property rights are respected, society will tend to be “harmonious” and increasingly prosperous; if force and fraud are allowed to intrude then societies will increasingly become “disharmonious”
7. *disturbing vs restorative factors*: disturbing factors such as theft, violence, fraud, monopoly, protectionism, subsidies, and war upset the harmony which free exchange and markets have created; however, there is a tendency for restorative factors to intervene to restore harmony once it has been disrupted
8. the *social mechanism vs. mechanics*: society is like a clock or a mechanism (with wheels, springs, and a driving force), the wheels and cogs are thinking, choosing, acting individuals with free will, and the driving force of society which kept everything in motion is individual self-interest; this was disrupted when socialists and others thought they could meddle and regulate the social mechanism as if they were engineers or mechanics
9. the *apparatus of exchange*: the idea of “un appareil” (apparatus or system) is used several times in various contexts; the most important usage is in “l’appareil

commercial” (the apparatus or system of commerce) and “l’appareil de l’échange” (the apparatus or system of exchange or trade), by which he meant the complex interlocking relationships which made exchange possible

10. *service for service*: every exchange is a mutually beneficial exchange between two parties who are free to negotiate the terms with each other; what is exchanged is one service for another
11. the *seen* and the *unseen*: throughout his writing there are references to “seeing” and “not seeing”, “sight” and “foresight”, “perceiving” things and being “deceived,” seeing things from only “one side” and not all sides.
12. *responsibility* and *solidarity*: these two ideas operated like natural laws; individuals learnt from their mistakes and benefited from their appropriate actions; they also had extensive ties with others which bound them in solidarity with the fellow human beings for mutual benefit
13. *perfectibility* and *progress*: the capacity to improve oneself, to progress both morally and in terms of wealth, was unique to the human species both as individuals and to the societies of which they were members; he was optimistic that there there was “the never ending approach of all classes to a standard of living that is constantly rising”
14. *sophisms*: part of Bastiat’s “rhetoric of liberty”; those who are *duped* by false or sophistical arguments; his use of humor and satire to make economics less “dry and boring” and to expose how and why people are duped; his provocative vocabulary of *theft*, *plunder*, and other acts of violence
15. the telling of *stories* to explain economic concepts: using Molière and La Fontaine; making up his own stories (Jacques Bonhomme) or thought experiments (Robinson Crusoe); many of the “economic sophisms” use stories to make their point; and I have identified a further 55 stories in *Economic Harmonies*

VOCABULARY CLUSTERS IN THE THOUGHT OF FRÉDÉRIC BASTIAT:

LA CLASSE (CLASS)

David M. Hart [21 Sept. 2018]

Definition:
"tant qu'on regardera ainsi l'État comme une source de faveurs, notre histoire ne présentera que deux phases : les temps de luttes, à qui s'emparera de l'État ; et les temps de trêve qui seront le règne éphémère d'une oppression triomphante, présage d'une lutte nouvelle"

Key Word Clusters

- apparatus of exchange
- class
- disturbing vs restorative factors
- harmony vs. disharmony
- human action
- plunder
- ricochet effect
- service for service
- social mechanism
- sophisms, fraud, and dupes

LA CLASSE (CLASS)

- la couche sociale (the social stratum)
- la première couche sociale (the topmost social stratum)
- la dernière couche sociale (the lowest/bottom social stratum)
- les couches intermédiaires (the middle strata)
- la couche (stratum)
- la dernière classe (the lowest class)
- la classe laborieuse (the working class)
- "la classe inférieure" (the lower class) and "les classes supérieures" (the upper class)
- la classe la plus pauvre (the poorest class)
- "la classe privilégiée" vs. "la classe opprimée" (the privileged class vs. the oppressed class)
- l'oligarchie anglaise (the English oligarchy)
- l'oligarchie britannique (the British oligarchy)
- l'aristocratie (aristocracy)
- la lutte entre une nation et son aristocratie (a struggle between a nation and its aristocracy)
- la Spoliation par ruse théocratique (plunder by theocratic deception)
- l'exploitation des théocraties sacerdotales (the exploitation by priestly theocracies)
- la théocratie (theocracy)
- "une classe de fonctionnaires" (a class of government bureaucrats)
- le gouvernementalisme (rule by govt. bureaucrats)
- la classe électorale (the voting class)
- les classes qui font la loi (the classes who make the law)
- le législateur (the legislator)
- un intermédiaire parasite et dévorant (a parasitic and devouring intermediary)
- le grand Mécanicien (the Great Mechanic)
- le régulateur (engine driver, conductor)
- le parasite (the parasitic class)
- le parasite extra-légal (extra-legal parasite)
- le parasite légal (the legal/govt. parasite)
- "les industriels" (the productive class) vs. les oisifs (the lazy class)
- la spoliation systématique des travailleurs par les oisifs (the systematic plunder of workers by the lazy)
- LES CAUSES PERTURBATRICES (disturbing factors)
- DISSONANCE (disharmony)
- LA SPOLIATION (plunder)
- "la classe spoliatrice" or "les spoliateurs" (the plundering class or the plunderers) vs "les classes spoliées" (the plundered classes)

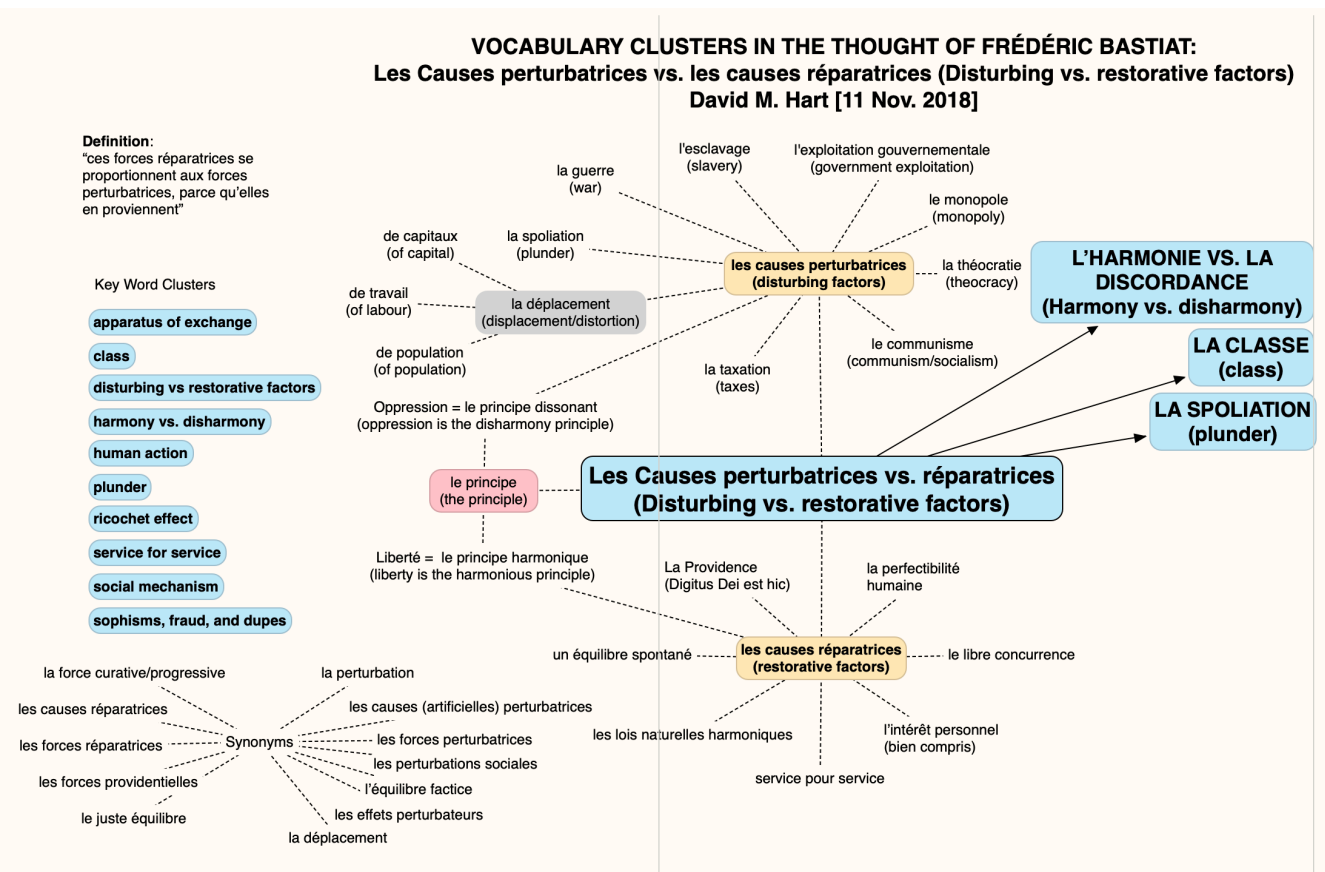
L'État (the State)

- l'oligarchie
- l'aristocratie
- la théocratie
- "une classe de fonctionnaires"
- la classe électorale
- le législateur
- un intermédiaire parasite et dévorant
- le grand Mécanicien
- le régulateur
- le parasite
- le parasite extra-légal
- le parasite légal
- "les industriels" vs. les oisifs
- la spoliation systématique des travailleurs par les oisifs
- LES CAUSES PERTURBATRICES
- DISSONANCE
- LA SPOLIATION
- "la classe spoliatrice" or "les spoliateurs" vs "les classes spoliées"

Synonyms

- l'oligarchie
- les oisifs
- le parasite
- la théocratie
- l'aristocratie
- la classe
- les fonctionnaires
- la couche
- les privilégiés

DISTURBING FACTORS



VOCABULARY CLUSTERS IN THE THOUGHT OF FRÉDÉRIC BASTIAT:
L'Harmonie vs. la discordance (Harmony vs. disharmony)
David M. Hart [22 Sept. 2018]

Definition:
 "les intérêts bien entendus acquièrent de la prépondérance, les discordances sont moins profondes et moins durables, l'harmonie se fait"

Key Word Clusters

- apparatus of exchange
- class
- disturbing vs restorative factors
- harmony vs. disharmony
- human action
- plunder
- ricochet effect
- service for service
- social mechanism
- sophisms, fraud, and dupes

Synonyms

- l'harmonie
- harmonique
- harmonieux
- la concordance
- concordant
- la discordance
- discordant
- la dissonance
- la perturbation
- l'antagonisme

Central Concept: L'Harmonie vs. la discordance/dissonance (harmony vs. disharmony)

Disturbing Factors (CAUSES PERTURBATRICES):

- l'organisation artificielle (artificial organisation)
- l'oppression (oppression)
- la théorie des dissonances (the theory of disharmony)
- les intérêts mal entendus (poorly understood interests)
- la déplacement (displacement/distortion)
- l'ignorance, l'erreur, l'imprévoyance (ignorance, error, lack of planning)
- Oppression = le principe dissonant (oppression is the disharmony principle)
- le principe (the rinciple)
- Liberté = le principe harmonique (liberty is the harmonious principle)
- other harmonies
- l'harmonie du monde moral (harmony of the moral world)
- l'harmonie physiologique (physiological harmony)
- l'harmonie naturelle (harmony of the natural world)
- l'harmonie politique (political harmony)
- l'harmonie divine (divine or providential harmony)
- l'harmonie céleste (celestial harmony)
- la guerre (war)
- l'esclavage (slavery)
- les causes perturbatrices (disturbing factors)
- l'exploitation gouvernementale (government exploitation)
- le monopole (monopoly)
- la spoliation (plunder)
- la théocratie (theocracy)
- le communisme (communism/socialism)
- la discordance (disharmony)
- la discordance/dissonance (disharmony)
- l'Harmonie (harmony)
- les harmonies sociales (social harmonies)
- les harmonies économiques (economic harmonies)
- les grandes tendances sociales sont harmoniques (the major social tendencies are in harmony with each other)
- les intérêts bien entendus (self-interest properly understood leads to harmony)
- l'Intérêt personnel et la concurrence constituent dans leur ensemble l'Harmonie sociale (self-interest and competition acting together create social harmony)
- toutes les Harmonies sociales contenues en germe dans ces deux principes : Propriété, Liberté (all the seeds of the social harmonies are contained within two principles: property and liberty)
- la liberté, c'est la plus belle des harmonies sociales (liberty is the most beautiful of the social harmonies)
- Loisir est une des plus belles harmonies du monde social (leisure is one of the most beautiful of the social harmonies)
- les lois de l'économie politique sont harmoniques (the laws of pol. ec. are in harmony)
- la Providence a arrangé les choses de telle sorte que les intérêts, sous la loi de justice, arrivent naturellement aux combinaisons les plus harmoniques (Providence has arranged things so that (private) interests, under the law of justice, will naturally result in the most harmonious arrangements)
- que les hommes échangent librement entre eux leurs travaux et leurs produits, voyez quel lien harmonique rattache les classes les unes aux autres (that men exchange their labour and their products among themselves, see what harmonious ties connect the various classes together)
- la tendance sociale est une approximation constante de tous les hommes vers ce niveau progressif, donc les lois économiques sont harmoniques (the tendency of society is the continual approach of all men to this improving standard of living, thus the laws of economics are harmonious)

LA CLASSE (class)

LA SPOILIATION (plunder)

pun: une dissonance harmonique

disturbing factors cause disharmony, which in turn causes restorative factors to come into operation to restore equilibrium and harmony

HUMAN ACTION

VOCABULARY CLUSTERS IN THE THOUGHT OF FRÉDÉRIC BASTIAT: L'ACTION HUMAINE (HUMAN ACTION) David M. Hart [22 Sept. 2018]

Definition:

"Ce mobile interne, impérissable, universel, qui réside en toute individualité et la constitue être actif, cette tendance de tout homme à rechercher le bonheur, à éviter le malheur"

Key Word Clusters

apparatus of exchange

class

disturbing vs restorative factors

harmony vs. disharmony

human action

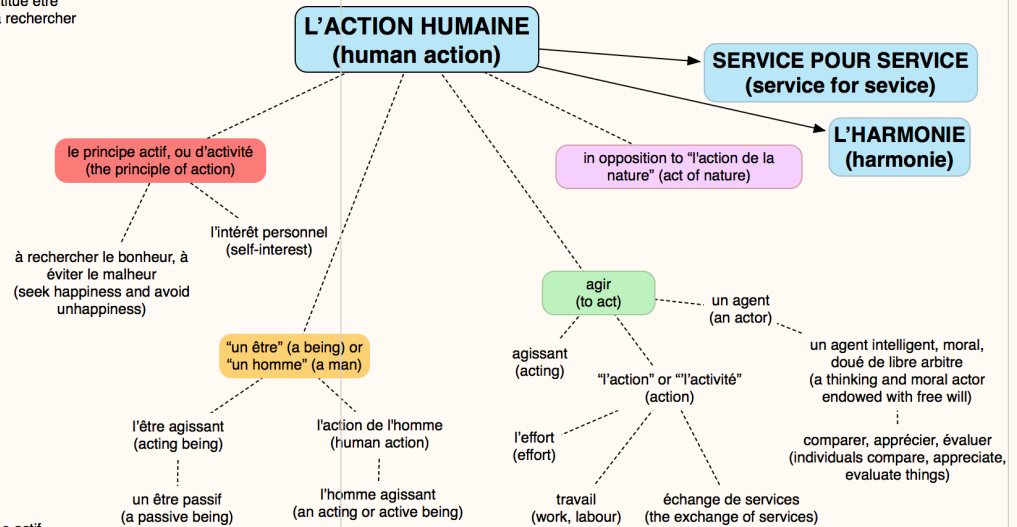
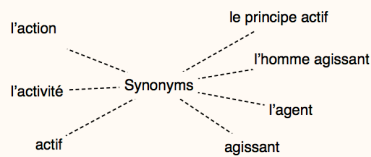
plunder

ricochet effect

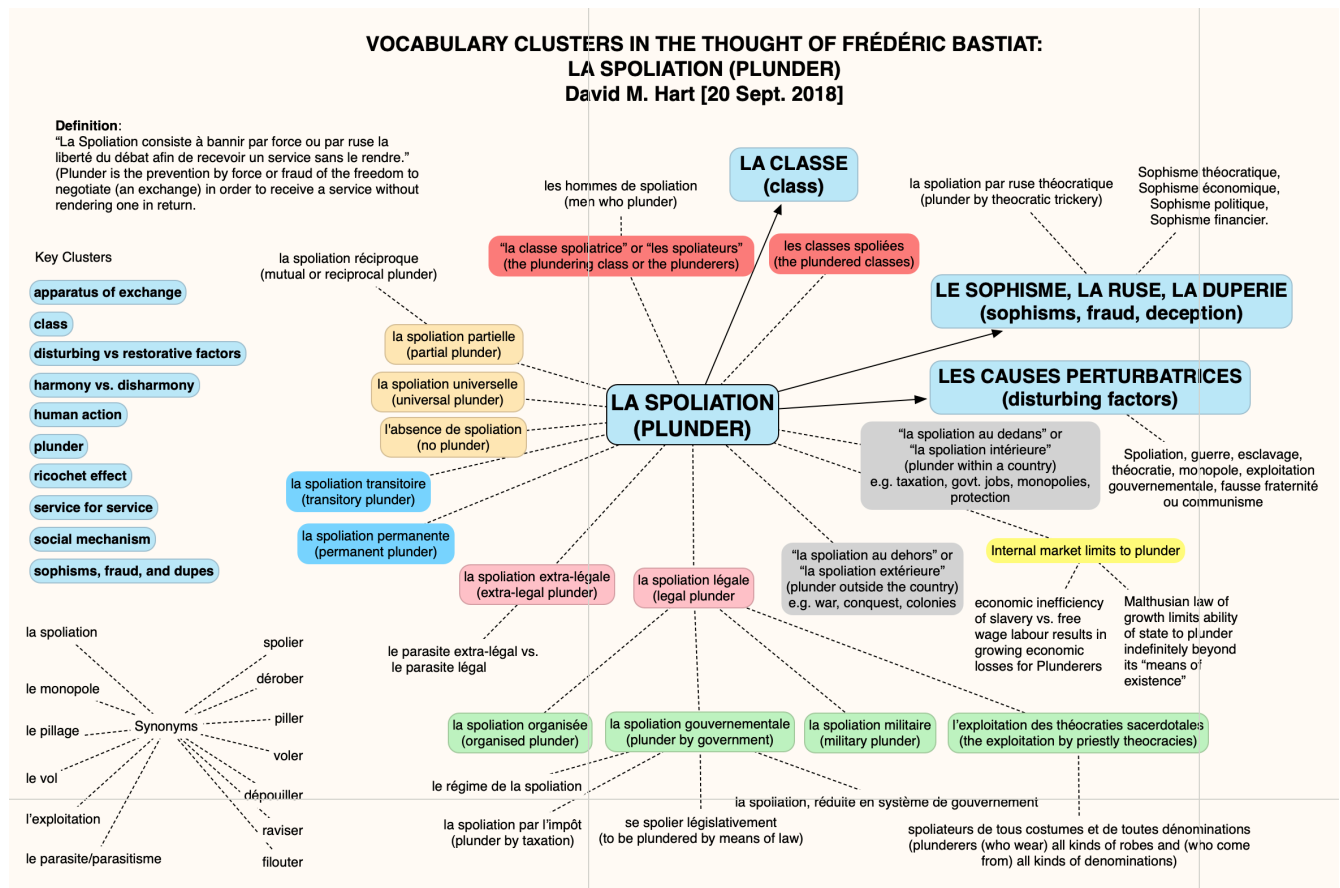
service for service

social mechanism

sophisms, fraud, and dupes



PLUNDER



Appendix 2: Factors which tend to promote Harmony

INTRODUCTION

The polarity of the ideas about “harmony” and “disharmony” is central to Bastiat’s broader social theory. Concerning “harmony”, Bastiat believed that various examples of harmony could be seen in both the physical and the “human” worlds. Very broadly he described these harmonies as “providential” but in the case of the human world, the actions of individuals could either promote or destroy this harmony. In the physical world, examples of harmonies he discussed included physiological and celestial harmony which were scientifically observable in the case of the study of the human eye or the motions of the planets around the sun, from which the natural laws of gravitation, for example, could be deduced. On the other hand, human social and economic behavior could result in two types of harmony: social harmony (or harmonies) and economic harmonies. These were also observable by economists and historians (such as in the universal establishment of markets and the tendency of human beings to trade with each other, and other kinds of what Bastiat called “natural organisations”), but they were also discoverable or understandable by a process of internal reflection since all human beings were thinking, choosing, and acting individuals. These observations also led economists and other social theorists to identify the natural laws which governed moral and economic behaviour (individual self-interest, the principle of individual responsibility, the principle of human solidarity,⁶⁴ and the various laws of economics). The behavior and institutions which emerged from the operation of these “natural laws” were forms of what he called “natural organisations” or what we would call “spontaneous orders” to use the Hayekian terminology.

Bastiat argued that there were a number of factors which tended to promote social and economic harmony in the long run, such as

1. awareness of one’s “rightly understood” interests,

⁶⁴ See “The Law of Individual Responsibility and the Law of Human Solidarity” in the Appendix.

2. being responsible for one's own actions,
3. the individual's natural feeling of solidarity and community with others
4. the mutually beneficial nature of voluntary exchanges
5. the greater productivity of economic cooperation and division of labour
6. the emergence of various "natural organisations" such as the "apparatus of exchange" (ideas, institutions, individuals) which allowed mutually beneficial exchanges/trade to take place across time and space
7. respect for property rights and the rule of law
8. the existence of free trade, limited government, and peace
9. the absence of violence, force, and fraud
10. the action of various compensating or "restorative factors" which come into play to restore "harmony", peace, and prosperity, when are disturbed by theft, coercion, exploitation, repression, (or what he termed "disturbing factors").

He concluded that that harmony is not inherent in human society and thus inevitable, but was a result of an "if-then" argument: if certain conditions are met (economic laws are understood, individuals understand their real interests, property rights of individuals are respected, and there is no or very minimal force and fraud), then a harmonious social and economic order will eventually emerge. Bastiat was optimistic that if these conditions could be met, or if societies could gradually move towards meeting them over time, the problems caused by disharmony could be minimized or perhaps even eliminated in the future, and from this he developed his ideas about progress and the perfectibility of human kind.

THE “APPARATUS” OR STRUCTURE OF EXCHANGE

As a true nineteenth century social theorist Bastiat made use of several mechanical or astronomical metaphors to describe the structure and operation of social, economic, and political institutions, structures, and processes. These included the idea that society was like a clock or a mechanism (with wheels, springs, and movements), or a machine or an engine (with a motor driven by steam and other physical forces), or like a mechanical or scientific apparatus of some kind, or like orbiting planets which moved under the influence of gravity.⁶⁵ Thus, individuals were described as pursuing their self-interest which was likened to “un mobile interne” (an internal driving force), and society as a whole was described as being driven by “un moteur social” (a social engine or motor), and both government institutions and markets were compared to complex machines or apparatuses which functioned in particular ways in order to satisfy certain needs.

Bastiat also spoke about the individuals (mainly socialists and Rousseau-ian legislators) who wanted to reorganise or plan society “artificially” as if it really were an engine or mechanism and they were the “mechanics,” “engineers,” and “inventors” of “the social mechanism” or society, while the ordinary workers and consumers were like so many cogs and wheels with which they could use to build it.⁶⁶ Interestingly, he thought of himself and the other economists as the equivalent of the astronomer Laplace or the mathematician Newton who observed the operation of the planets and other physical objects, learned the laws which governed their behaviour, and had the good sense not to tinker with the great “Providential plan” which would ensure the “harmonious” and just operation of the social universe, if only it were left free to do so.

In other sections of this volume we discuss his use of the metaphors of “le mécanisme social” (the social mechanism); “les forces perturbatrices” (disturbing forces) and “les forces réparatrices” (restorative forces), and “l’harmonie” (harmony) and “la discordance” (disharmony). Here we discuss his use of the metaphor of “l’appareil” (apparatus).⁶⁷

⁶⁵ See “The Social Mechanism and its Driving Force” in *Further Aspect of Bastiat’s Thought*, below, pp. 000, for further discussion of this topic.

⁶⁶ See “Natural and Artificial Organizations,” above, pp. 000.

⁶⁷ I would like to thank Alberto Mingardi for bringing to my attention the importance Bastiat placed on the notion of “l’appareil.”

Bastiat used the word “l’appareil” frequently in his writings (60) and it could be translated quite differently depending upon the context in which it appeared. He used it in reference to the following things:

- human biology, as in the eye which he described as “l’harmonieux mécanisme de cet admirable appareil” (the harmonious mechanism of this admirable organ)⁶⁸, or in “l’appareil pulmonaire” (the pulmonary system)⁶⁹
- the law, as in “l’appareil de la sanction légale” (the system of legal sanctions) or “l’appareil légal” (the legal system)⁷⁰
- human intelligence and moral behaviour, as in “cet appareil complexe et merveilleux appelé l’intelligence” (this complex and marvellous faculty called intelligence),⁷¹ and in “cet appareil (un système complet de Peines et de Récompenses fatales) à la fois correctif et progressif” (this apparatus, this complete system of inevitable pain and rewards, which is correcting and progressive at the same time)⁷²
- war and the military, as in “l’appareil de la guerre” (the apparatus of war),⁷³ and “le dispendieux et dangereux appareil militaire et diplomatique” (the expensive and dangerous military and diplomatic apparatus)⁷⁴
- the government and bureaucracy, as in “le vaste appareil gouvernemental” (the vast apparatus (edifice) of government),⁷⁵ and my favourite, “cet appareil de magistrature, police, gendarmerie et prison au service du spoliateur” (this apparatus of the courts, police, gendarmerie, and prisons, all in the service of the plundering class)⁷⁶
- but above all he used it reference to economics, such as “l’appareil commercial” (the apparatus of commerce) and “l’appareil de l’échange” (the apparatus of exchange or trade)

⁶⁸ In a Note added to EH2 XX. “Responsibility,” FEE ed., pp. 000.

⁶⁹ In the article “Economic Harmonies I, II, III” (JDE), above, pp. 000.

⁷⁰ Both in a Note added to EH2 XX. “Responsibility,” FEE ed., pp. 000.

⁷¹ In EH2 XXII. “The Motive Force of Society,” FEE ed. pp. 000.

⁷² In a Note to EH2 XX “Responsibility,” FEE ed., pp. 000.

⁷³ In EH2 XXI. “Solidarity,” FEE ed., pp. 000.

⁷⁴ In “The League’s Second Campaign” (LE, 7 Nov. 1847), CW6 (forthcoming).

⁷⁵ “To the Electors of the Arrondissement of Saint-Séver” (Mugron, July 1, 1846), in CW1, p. 359-60.

⁷⁶ In reference to the system of “legal plunder” in “The Law,” CW2, p. 115.

Before his work on *Economic Harmonies*, Bastiat's use of the idea of "l'appareil" was either innocuous, as in his references to biological organs such as the eye, or strongly negative in his references to military, governmental, or bureaucratic structures or apparatuses. However, in the book he began to use the term in a much more positive, economic sense for the first time, especially in Chapter IV on "Exchange," where he frequently used the terms "l'appareil commercial" (the apparatus of commerce) and "l'appareil de l'échange" (the apparatus of exchange or trade). It is not clear why he had this change of heart but the term must have seemed to be a useful one to him when he was writing this chapter, probably over the summer of 1849 in the seclusion of the hunting lodge at Butard.

Both Stirling and FEE translated "l'appareil de l'échange" as the "machinery" of exchange (the apparatus of exchange or trade). Concerning "l'appareil commercial" FEE translated it as commercial "machinery," "mechanism," or "apparatus," while Stirling consistently used the term commercial "apparatus." Another possible translation is the word "system" as in "the system of trade, or the trading system." We have translated both as "apparatus" to retain Bastiat's consistent use of the term.

However, Bastiat means more by "apparatus" than the physical objects which make trade or commerce possible or easier, what he called "la partie matérielle" (the material part) such as building a bridge across a river, paving a road across the countryside, or the increasing density of populations living in towns and cities, but also "la partie morale" (the moral or human part). The human component of the apparatus of trade and commerce can improve opportunities for mutually beneficial trade by doing a number of things:⁷⁷

⁷⁷ EH1, IV "Exchange." FEE ed. p. 79

(Ils) savent mieux se partager les occupations, unir leurs forces, s'associer pour fonder des écoles et des musées, bâtir des églises, pourvoir à leur sécurité, établir des banques ou des compagnies d'assurances, en un mot, se procurer des jouissances communes avec une beaucoup moins forte proportion d'efforts pour chacun.

(They) are more capable of engaging in the division of labour, associating to found schools and museums, building churches, providing for their security, establishing banks or insurance companies, in a word acquiring common advantages for far less individual effort.

A third factor in the functioning of the “apparatus of exchange” is money and credit, or as Bastiat put it “Ce que j'appelle l'appareil de l'échange, c'est la monnaie, les billets à ordre, les billets de banque et même les banquiers.” (What I call the apparatus of exchange is money, promissory notes, banks notes, and even bankers).⁷⁸

Thus what Bastiat seems to be arguing is that the relatively simple act of engaging in trade is in fact a much more complex affair which involves new technology, capital investment, the division of labour, the actions of skilled people such as traders and bankers, and a set of institutions which protect life and property, and provide banking and insurance services for all those involved. In other words, he has given Destutt de Tracy's idea that society itself is made up of a series of exchanges a new twist, namely that acts of exchange encourage cooperative behaviour and the formation of institutions which come to be known as “Society.”

⁷⁸ EH1 IV “Exchange,” FEE ed. p. 178.

COMMUNITY, PROPERTY, AND COMMUNISM

On several occasions Bastiat tried to refute some of the key concepts put forward by socialists and communists during the Second Republic. He challenged the socialist understandings of “organization” in chap I “Natural and Artificial Organization,” “fraternity” in “Individualism and Fraternity” (June 1848) (CW2, 82-92) and “Justice and Fraternity” (*JDE*, June 1848) (CW2, pp. 60-81), and “community” in EH in chap. VIII “Property and Community.”

His theory of community, private property, and communism is a complex one that is not helped by the confusing plethora of terms he used to describe it.

To begin with property, Bastiat thought there were three “domains” or realms each with their own form of property and which were clearly separated from each other by a boundary or line of demarcation. The three domains are “le domaine de la communauté” (the domain of commonly owned property, or “the Commons”), “le domaine de la propriété” (the domain of private property), and “le domaine de la spoliation” (the domain of plundered property). The latter domain’s relationship to communism was that Bastiat considered it to be the most extreme and developed form of plunder imaginable.⁷⁹

Each domain also had its own specific forms of social and economic organization and ways in which plunder was undertaken. They also had their own kinds of cost, utility, value, and wealth, and ways in which economic progress and equality were manifested. The complexity of his argument comes about from the way he constructed his terminology to describe how each domain functioned by pairing particular nouns and adjectives for each of the domains.

There is also the problem of how best to translated the rather abstract French words “la communauté” and “la propriété.” “La communauté” could be translated in several ways, as simply “community” in the general sense of a group of people. With reference to property, there is the communist notion of “la communauté des biens” (the community or common ownership of goods) and even of “a communauté des biens et des femmes” (the community of goods and women). There is Bastiat’s own notion that as the economy develops and expands there is increasingly “a common availability of

⁷⁹ See the more detailed discussion in “Bastiat’s Theory of Plunder,” in the Appendix.

things” or an increase in “what is common to all.” And for someone steeped in the Anglo-American tradition one could interpret “la communauté” as a French way of describing what was known for centuries in the English speaking world as “the Commons” or “things that are commonly owned.”

Bastiat believed that the three domains of property lay on a continuum with the domain of commonly owned property at one end, the domain of private property in the middle, and the domain of plundered property at the other end. As he put it, perhaps not as clearly as one might hope, in chap. VIII “Property and Community”:⁸⁰

Mais, avant d’analyser la spoliation publique ou privée, légale ou illégale, son rôle dans le monde, sa portée comme élément du problème social, il faut nous faire, s’il est possible, des idées justes sur la communauté et la Propriété: car, ainsi que nous allons le voir, la spoliation n’est autre chose que la limite de la propriété, comme la propriété est la limite de la communauté.

But before analyzing public or private plunder, (that is) legal or illegal (plunder), its role in the world, or its influence as an element of the social problem, we have to form for ourselves (some) accurate ideas about (the nature of) community and (private) property, for as we will see, plunder is nothing more than the end point of private property, just as private property is the end point of community.

A better translation, or rephrasing, of the last sentence might make it easier to understand:

common ownership comes to an end where private property begins, and private property comes to an end where plunder begins.

In “le domaine de la communauté” (the domain of commonly owned property, or “the Commons”) natural resources were provided by the bounty of nature and so were “gratuit” (gratuitous, or free of charge) and “commun” (common to all). One could help oneself to fruit on the trees, water in the streams, and breathe the air with no or only minimal effort. This “state of nature” could provide fairly simple resources and food for a relatively small population. If property could be said to exist in this domain, Bastiat described it as “relative” or “social” (as opposed to the “absolute” and “individual” kind of property which existed in the domain of private property). “L’utilité” (useful things) were “commune et gratuite” (common to all and free of charge); and “la

⁸⁰ EH2, Chap. VIII “Property and Community,” our new translation.

richesse” (wealth), if it existed was also regarded as “commun” (common to all) and part of a greater “le fonds commun” (a common fund, or fund of communally owned property). Organizations were simple in nature (limited to the family or the tribe) and “naturelle” (voluntary). Concerning “la spoliation” (plunder) there was either “l’absence de Spoliation” (an absence of plunder) or it was “la spoliation extra-légale” (simple, unorganized thievery outside the law).

In contrast, in “le domaine de la propriété” (the domain of private property) people realized that by working hard, using foresight to plan for the future, putting supplies aside as savings, making tools to increase their productivity, engaging in the division of labour, and trading with others, a greater variety and sophistication of goods and services could be got from “the bounty of nature.” However the goods and services were “onéreux” (onerous, burdensome, costly) to acquire and were thus “approprié” (appropriated or privately owned). Bastiat describe the kinds of property which existed in this domain as “absolue” (absolute), “privée” (private), and “individuelle” (individual). “L’utilité” (useful things) were “artificielle et onéreuse” (manmade and costly) to acquire; and “la richesse” (wealth) which began to appear in much greater quantities was “appropriée” (privately owned) and part of “le fonds approprié” (a privately owned fund, or savings). Concerning “la spoliation” (plunder) there was either “l’absence de Spoliation” (an absence of plunder) or it was “la spoliation extra-légale” (simple, unorganized thievery outside the law).

At the furthest extreme was a domain, “le domaine de la spoliation” (the domain of plundered property), in which private property was violated by being plundered by powerful groups (slave owners, the Church, well-connected manufacturers and landowners) or no longer existed in the case of socialism and communism. In chap. VIII “Property and Community” Bastiat paid special attention to communism, as he had dealt with other forms of plunder, especially protectionism, in his other writings, so we will focus on communism here as well. Defenders of communism thought that, either there already was an abundance of goods which were not being distributed to ordinary workers because they were being exploited by their bosses, or there would be abundance if the workplace was “organized” along socialist lines or taken over by the state. Given this existing or potential abundance they thought everybody could be provided with “gratuit” (gratuitous or free of charge) credit for loans, education, food, clothes, shelter, and more. Bastiat thought that under communism there would be “la négation de la Propriété” (the negation or denial of private property) and that there would be “la

communauté des biens” (the community or common ownership of goods). Wealth would be equally redistributed from those who had to those who had not by “le nivellement légale” (a coercive levelling or equalisation by means of the law).⁸¹ Society was completely “organised” under socialist principles and run by an all-wise, all-caring, and selfless “Organisateur” (Organiser) or “Mécanicien” (Mechanic), where “la communauté seule doit décider de tout, régler tout” (the community alone ought to decide everything and rule everything).⁸² Concerning plunder, under the system of protectionism it was “la spoliation légale” (legal plunder) but it was “partielle” (partial). Under communism the plunder was “universelle” (universal), “systématique” (systematic), and “permanente” (permanent).

Given Bastiat’s familiarity with the various socialist and communist groups in France in the late 1840s he was well aware of the great diversity in socialist thinking and he made allowances for this in his critique. He wrote a series of about 12 anti-socialist pamphlets between May 1848 and July 1850 addressing different socialists and their different schemes.⁸³ He directly attacked communism in eight works written between June 1847 and June 1850 with his most sustained and detailed criticism coming in chap. VIII “Property and Community” in EH.⁸⁴

He argued that both “socialism” and “communism” put forward “la fausse fraternité” (a false or counterfeit fraternity) which was based, in the case of the socialists on “la spoliation mutuelle” (mutual plunder) and in the case of the communists on the universal and complete plunder of everything. In his pamphlet “Protectionism and Communism” (January 1849)⁸⁵ he argued that there were three different kinds of

⁸¹ Bastiat believed that the free market caused another kind of levelling which was a “levelling up” which was a result of economic progress. See “Perfectibility and Progress,” in the Appendix.

⁸² See “Mechanics and Organizers,” in the Appendix.

⁸³ See Bastiat’s Anti-Socialist Pamphlets,” in *Appendix 1* in CW4 (forthcoming).

⁸⁴ See his debate with the journal *L’Atelier* in June and September 1847 in (“On Communism” (*LE*, June 1847) in CW6 (forthcoming) and “Reply to the journal *L’Atelier*” (*LE*, Sept., 1847) in CW6 (forthcoming)); “Property and Law” (*JDE*, May 1848) (CW2, pp. 58-59); the section on “Communists” in the Fourth Letter of “Property and Plunder” (*JDD*, July 1848) (CW2, pp. 169-70); *Protectionism and Communism* (Jan. 1849) (CW2, pp. 235—65); “Baccalaureate and Socialism” (early 1850) (CW2, pp. 185-234); and *The Law* (June 1850) (CW2, pp. 107-46).

⁸⁵ “Protectionism and Communism” (January 1849) (CW2, pp. 243-44).

communism or “communitarianism.” The first form was the voluntary sharing of work and living arrangements among a few individuals who came together for this purpose, and since it was voluntary Bastiat had no objection to people choosing to live like this. The second form was something he could see already emerging around him with the the modern welfare, regulatory, and redistributive state, or what he called “cet autre Communisme audacieux et subtil” (this other form of communism which is audacious/ daring and subtle). This was “le Communisme en action” (communism in action, actually existing communism), as opposed to the fantasies of the revolutionary communists, and its goal was to regulate profits and redistribute wealth, take from some to give to others, and to level or equalize wealth by means of legal plunder.⁸⁶

Faire intervenir l'État, lui donner pour mission de pondérer les profits et d'équilibrer les fortunes, en prenant aux uns, sans consentement, pour donner aux autres, sans rétribution, le charger de réaliser l'œuvre du nivellement par voie de spoliation, assurément c'est bien là du Communisme.

Making the state intervene (in the economy), giving it the mission of regulating profits and redistributing wealth by taking from some without their consent or compensation in order to give to others, making it responsible for carrying out the work of leveling by means of plunder, this is definitely (a form of) communism.

However, it was the third kind of communism which worried him the most since it wanted the state to seize all private property, run all businesses, control every aspect of the people's lives and work, and to share the proceeds equally among the citizens. He called “ce Communisme grossier et absurde” (this crude and absurd form of communism) “la plus brutale forme” (the most brutal form), but consoled himself that it was only communism “en perspective” (a potential or future form of communism) and not yet a reality. If it were to ever appear it would be “la spoliation devenue règle dominante et universelle” (plunder which has become the dominant and universal rule) .

By spending so much time on the topic of “la communauté” (community) Bastiat wanted to achieve several things. He wanted to show that the economists also had a theory of community which was consistent with their theory of self-interest as “the driving force” of society. Also that the economists were the true defenders of “community” against the false defenders, the “communists” and “communitarians”; that just because they had the word “commun” in their name did not make them the true

⁸⁶ “Protectionism and Communism” (January 1849) (CW2, p. 244).

defenders of “community.” And most importantly, that if the free market and private property were allowed to function freely it would in fact create the kind of community wished for by the socialists and communists. Bastiat called the community which emerged in the domain of private property “la communauté progressive” (the progressing or advancing community), by which he meant the steadily growing and improving domain of common ownership. This notion is closely related to his idea about progress and the perfectibility of mankind, and his “great law”:⁸⁷

le rapprochement indéfini de toutes les classes vers un niveau qui s’élève toujours ; en d’autres termes : l’égalisation des individus dans l’amélioration générale.

the never ending approach of all classes to a standard of living that is constantly rising, in other words, making individual people (more) *equal* as part of the general process of *improvement*.

One of the key factors which made this economic progress possible in Bastiat’s view was the steady movement of valuable things which were once onerous or costly to acquire and which had become private property, into “le domaine commun” (the domain of the Commons) where they became gratuitous or free of charge and freely available to everybody. He had in mind here things like the knowledge to make things, or the way in which tools and industrial processes could harness the forces of nature to create things at lower and lower cost to all consumers, the competition among producers to supply more and better and cheaper goods and services to their customers, or the abundance of capital which steadily reduced the cost of borrowing money for new economic ventures. As he noted in a speech for the Free Trade Association in Lyon in August 1847:⁸⁸

⁸⁷ EH2, Chap. V “On Value,” our new translation.

⁸⁸ “Cinquième discours à Lyon” (August 1847 (in CW6 (forthcoming)).

ils descendent enfin autant que cela est possible, dans le domaine gratuit, et par conséquent commun de la famille humaine. Ils n'y arriveront jamais, sans doute; mais ils s'en rapprocheront sans cesse, et le monde économique est plein de ces asymptotes. Voilà la communauté, je ne dis point le communisme, que l'on ne peut mettre au commencement des temps et au point de départ de la société; mais la communauté qui est la fin de l'homme, la récompense de ses longs efforts, et la grande consommation des lois providentielles.

(these goods and services become) like one of the elements that God has placed at the disposal of men, without linking any burdensome condition to its liberality, to the point at which it finally reaches a level that is as close as possible to being *free of charge* and consequently *common* to the human family. This will probably never happen, but it is constantly getting closer, and the world of economics is full of these asymptotes. Here is (that) *community*, and I do not mean *communism*, which cannot be found at the beginning of time and at the starting point of society, but (that) *community*, which is the final goal of man, the reward of his lengthy efforts, and the great end of the laws of Providence.

Bastiat explains things in his own words

Bastiat summarized his thinking on this complicated topic in two passages, one in the conclusion he wrote for EH1 which was published in January 1850, and the other in the closing section of chap. VIII “Property and Community” also in EH1. We reproduce them here:⁸⁹

Mais je n'ai pas ici à réfuter le communisme. Tout ce que je veux faire remarquer, c'est qu'il est justement l'opposé, en tous points, du système que J'ai cherché à établir.

But this is not the place to refute communism. All that I wish to point out is that it is exactly the opposite in all respects of the system I have sought to establish.

Nous reconnaissons à l'homme le droit de se servir lui-même, ou de servir les autres à des conditions librement débattues. Le communisme nie ce droit, puisqu'il centralise tous les services dans les mains d'une autorité arbitraire.

We acknowledge that man has the right to serve himself or others in accordance with conditions that are freely negotiated. Communism denies this right, since it centralizes all services in the hands of an arbitrary authority.

⁸⁹ EH2, Chap. VIII “Property and Community,” our new translation.

Notre doctrine est fondée sur la Propriété. Le Communisme est fondé sur la spoliation systématique, puis qu'il consiste à livrer à l'un, sans compensation, le travail de l'autre. En effet, s'il distribuait à chacun selon son travail, il reconnaîtrait la propriété, il ne serait plus le Communisme.

Notre doctrine est fondée sur la liberté. A vrai dire, propriété [294] et liberté, c'est à nos yeux une seule et même chose; car ce qui fait qu'en est propriétaire de son service, c'est le droit et la faculté d'en disposer. Le Communisme anéantit la liberté, puisqu'il ne laisse à personne la libre disposition de son travail.

Notre doctrine est fondée sur la justice; le Communisme, sur l'injustice. Cela résulte de ce qui précède.

Il n'y a donc qu'un point de contact entre les communistes et nous: c'est une certaine similitude des syllabes qui entrent dans les mots communisme et communauté.

Mais que cette similitude n'égare pas l'esprit du lecteur. Pendant que le Communisme est la négation de la Propriété, nous voyons dans notre doctrine sur la communauté l'affirmation la plus explicite et la démonstration la plus péremptoire de la Propriété.

Our doctrine is based on property. Communism is based on systematic plunder, since it consists in handing over to one person the labor of another with no compensation. Indeed, if it distributed to each person in accordance with his labor, it would be recognizing property and would no longer be communism.

Our doctrine is based on freedom. To tell the truth, property and freedom are one and the same thing in our view, for what makes one person the owner of his service is his right and ability to dispose of it. Communism crushes freedom, since it allows nobody the free disposal of his labor.

Our doctrine is based on justice, communism on injustice. This follows from the preceding passage.

There is thus just one point of contact between communists and us: a certain similarity in the syllables that make up the words communism and community.

But do not let this similarity lead the reader astray. While communism is the antithesis of property, we see in our theory of community the most explicit confirmation and unanswerable proof of property.

Car si la légitimité de la propriété a pu paraître douteuse et inexplicable, même à des hommes qui n'étaient pas communistes, c'est qu'ils croyaient qu'elle concentrait entre les mains de quelques-uns, à l'exclusion de quelques autres, les dons de Dieu communs à l'origine. Nous croyons avoir radicalement dissipé ce doute, en démontrant que ce qui était commun par destination providentielle reste commun à travers toutes les transactions humaines, le domaine de la propriété ne pouvant jamais s'étendre au delà de la valeur, du droit onéreusement acquis par des services rendus.

For if the legitimacy of property might have appeared to be doubtful and inexplicable, even to people who were not communists, it is because they thought it concentrated the gifts of God that were originally common to all in the hands of a few to the exclusion of others. We think that we have completely dispelled this doubt by demonstrating that what was common to all by Providential intent remains common to all in all human transactions, since the domain of property can never extend beyond value, (beyond) the right (to property) which has been onerously acquired by services rendered.

And:⁹⁰

⁹⁰ Conclusion to EH1, our new translation.

Dans cette première partie de l'œuvre, hélas! trop hâtive, que je soumetts au public, je me suis efforcé de tenir son attention fixée sur la ligne de démarcation, toujours mobile, mais toujours distincte, qui sépare les deux régions du monde économique: — La collaboration naturelle et le travail humain, — la libéralité de Dieu et l'œuvre de l'homme, — la gratuité et l'onérosité, — ce qui dans l'échange se rémunère et ce qui se cède sans rémunération, — l'utilité totale et l'utilité fractionnelle et complémentaire qui constitue la Valeur, — la richesse absolue et la richesse relative, — le concours des forces chimiques ou mécaniques, contraintes d'aider la production par les instruments qui les asservissent, et la juste rétribution due au travail qui a créé ces instruments eux-mêmes, — la communauté et la Propriété.

In this, alas, too hasty, first part of the work that I am submitting to the general public, I have endeavored to concentrate its attention on the constantly shifting but always distinct line of demarcation that separates the two regions/domains of the world of economics: (between) the collaboration of nature and (that of) human labour, (between) the generosity/bounty of God and the work of man, (between) what is gratuitous (free of charge) and what is onerous (carries a price), (between) what is paid for in an exchange and what is given up without payment, (between) total utility and the partial and additional utility that makes up value, (between) (the) absolute (amount of) wealth and (the) relative (amount of) wealth, (between) the contribution made by chemical and mechanical forces which are forced to assist production by the tools that control them, and the just remuneration owed to the labor that created these tools themselves, and (finally) (between) community and property.

Il ne suffisait pas de signaler ces deux ordres de phénomènes, si essentiellement différents par nature, il fallait encore décrire leurs relations, et, si je puis m'exprimer ainsi, leurs évolutions harmoniques. J'ai essayé d'expliquer comment l'œuvre de la Propriété consistait à conquérir pour le genre humain de l'utilité, à la jeter dans le domaine commun, pour voler à de nouvelles conquêtes, — de telle sorte que chaque effort donné, et, par conséquent, l'ensemble de tous les efforts — livre sans cesse à l'humanité des satisfactions toujours croissantes. c'est en cela que consiste le progrès, que les services humains échangés, tout en conservant leur valeur relative, servent de véhicule à une proportion toujours plus grande d'Utilité gratuite et, partant, commune. Bien loin donc que les possesseurs de la valeur, quelque [389] forme qu'elle affecte, usurpent et monopolisent les dons de Dieu, ils les multiplient sans leur faire perdre ce caractère de libéralité qui est leur destination providentielle, — la Gratuité.

A mesure que les satisfactions, mises par le progrès à la charge de la nature, tombent à raison de ce fait même dans le domaine commun, elles deviennent égales, l'inégalité ne se pouvant concevoir que dans le domaine des services humains qui se comparent, s'apprécient les uns par les autres et s'évaluent pour s'échanger. — d'où il résulte que l'Égalité, parmi les hommes, est nécessairement progressive. — Elle l'est encore sous un autre rapport, l'action de la Concurrence ayant pour résultat inévitable de niveler les services eux-mêmes et de proportionner de plus en plus leur rétribution à leur mérite.

It was not enough to point out these two orders of phenomena, so essentially different in nature, their relationship also had to be described together with, if I may express it thus, their harmonious evolution. I have tried to explain how the work of private property consisted in conquering utility for the human race, throwing it into the common domain in order to fly off to new conquests, so that each/any given effort and consequently the sum of (all) efforts, constantly provides the human race with an ever-increasing (number) of satisfactions. This is what constitutes progress, and the human services (which are) exchanged, while retaining their relative value, act as a vehicle for a constantly greater proportion of gratuitous utility and consequently (utility which is) common to all. Far from the owners (of things) of value (in whatever form they may take) usurping and monopolizing the gifts of God, they multiply them without making them lose that bounteous character that Providence intended them to have, (namely) gratuitousness.

As the satisfactions paid for by nature as a result of progress, fall for this very fact into the common domain (le domaine commun), they become equal, since inequality can be conceived only within the domain of human services which can be compared, assessed with regard to one another, and evaluated in order to be exchanged. From which it results that equality among men is necessarily a progressive force. It is also progressive from another point of view, since the action of competition has the inevitable result of leveling (down) the services themselves and making their remuneration increasingly correspond to their worth.

Key Words List

To help the reading navigate around this linguistic minefield we have compiled this list of key words and phrases, and an accompanying table.

Another complication is that Bastiat introduces a number of pairings of terms and theoretical concepts some of which he uses nowhere else in this work (or in fact in any other of his writings). These include pairings of related words or concepts, such as

- “la gratuité et la communauté” (gratuitousness and common availability; or what is free of charge and common to all), and
- “l’onerosité et la propriété” (onerousness and private property; or what is onerous or burdensome to acquire and which is privately owned).

These nouns are also used in contrast, such as “la communauté” vs. “la propriété” and “la gratuité” vs. “l’onerosité.”

He also uses a number of paired but contrasting adjectives, such as:

- “relative” (relative) vs. “absolue” (absolute), and sometimes “réelle” (real, genuine)
- “naturel” (natural) vs. “artificiel” (artificial),
- “commun” (common or communal) vs. “approprié” (appropriated or owned),
- “gratuit” (gratuitous, gratis, free of charge) vs. “onéreux” (onerous, burdensome, costly), and
- “sociale” (social) vs. “privée” (or “individuelle”) (private or individual).

These adjectives are used with key words or concepts, such as “la domaine” (the domain), “le fonds” (fund), “la propriété” (property or private property), “la richesse” (wealth), and “l’utilité” (utility or things of utility) in a fairly complex web of terminology which includes the following:

- “le domaine de la Communauté” vs “le domaine de la Propriété” (the domain of community (or things common to all) vs. the domain of private property)
- “le domaine commun” vs. “le domaine approprié” (the domain of common ownership vs. the domain of private ownership or private property)

- “le domaine relatif de la Propriété” vs. “le domaine absolu de la Propriété” (the relative domain of property vs. the absolute domain of property)
- “le fonds commun” vs. “le fonds approprié” (the common fund, or fund of communally owned property vs. the fund of privately owned or appropriated property)
- “la Propriété relative” vs. “la Propriété absolue” (relative vs. absolute property)
- “la propriété sociale” vs “la propriété privée” (social vs. private property)
- “la richesse relative” vs. “la richesse réelle” (relative vs. real or genuine wealth)
- “la richesse commune” vs. “la richesse appropriée” (common wealth or commonly available wealth vs. privately owned or appropriated wealth)
- “l’utilité gratuite” vs. “l’utilité onéreuse” (gratuitous vs. onerous utility)

We have indicated in the footnotes where these terms occur and tried to explain their meaning in any given context.

Table of Key Terms and Concepts

This visual representation of the three domains of property and their related concepts might also assist the reader.

	la domaine de la Communauté (commun)	la domaine de la Propriété (approprié)	la domaine de la Spoliation (spolié)
Plunder	<ul style="list-style-type: none"> • l'absence de Spoliation • la spoliation extra-légale 	<ul style="list-style-type: none"> • l'absence de Spoliation • la spoliation extra-légale 	<ul style="list-style-type: none"> • la spoliation légale/ gouvernementale • la spoliation partielle/ réciproque/universelle • la spoliation est organisée, légalisée, systématisée • la spoliation systématique/ permanente
Organization	<ul style="list-style-type: none"> • l'organisation naturelle 	<ul style="list-style-type: none"> • l'organisation naturelle 	<ul style="list-style-type: none"> • l'organisation artificielle • l'Organisateur / le Mécanicien • la communauté seule doit décider de tout, régler tout
Property	<ul style="list-style-type: none"> • la propriété relative • la propriété sociale 	<ul style="list-style-type: none"> • la Propriété absolue • la propriété privée • la propriété individuelle 	<ul style="list-style-type: none"> • la négation de la Propriété • la communauté des biens (et des femmes)
Cost	<ul style="list-style-type: none"> • la gratuité (gratuit) 	<ul style="list-style-type: none"> • l'onérosité (onéreux) 	<ul style="list-style-type: none"> • le crédit gratuit, l'instruction gratuite, la nourriture gratuite, le vêtement gratuit, le vivre et le couvert gratuits, etc.
Utility	<ul style="list-style-type: none"> • l'utilité gratuite • l'utilité commune et gratuite 	<ul style="list-style-type: none"> • l'utilité onéreuse • l'utilité artificielle et onéreuse 	
Wealth	<ul style="list-style-type: none"> • la richesse commune • le fonds commun 	<ul style="list-style-type: none"> • la richesse appropriée • le fonds approprié 	<ul style="list-style-type: none"> • le nivellement légale/par la loi

THE GREAT LAWS OF ECONOMICS

Like all the economists writing in the mid-nineteenth century, Bastiat believed that the economic world was governed by economic laws which were just as obligatory to follow as Newton's famous "law of gravitation." The most explicit advocate of this point of view was Bastiat's friend and colleague Gustave de Molinari who wrote a book in mid-1849 (while Bastiat was writing the first volume of EH) called *Les Soirées de la rue Saint-Lazare: Entretiens sur les lois économiques et défense de la propriété*, the sub-title of which reads "discussions about the laws of economics and the defense of property rights."⁹¹ Forty years later Molinari would return to this topic and published two more books: *Les Lois naturelles de l'économie politique* (The Natural Laws of Political Economy) (1887) and *La Morale économique* (Economic Moral Philosophy) (1888).⁹²

Molinari thought the world was governed by three sets of interlocking natural laws, the natural laws of the physical world, such as "la loi de la gravitation" (the law of gravitation), "les lois naturelles" (the natural laws) of the moral and social world, such as justice, property, and utility, and a six "lois économiques" (economic laws) such as "la loi naturelle de l'économie des forces ou du moindre effort" (the natural law of the economising of forces, or the law of the least effort), "la loi naturelle de la concurrence" (the natural law of competition), "la loi de l'offre et de la demande" (the law of supply and demand), and "la loi de l'équilibre" (the law of economic equilibrium) which is Molinari's version of Bastiat's theory of Harmony.⁹³

Bastiat shared Molinari's view about the existence and importance of these economic laws, especially the idea that one of the great injustices the economists had to face was the blame socialists and others placed on the free market for causing problems

⁹¹ This book has been translated and will be published by Liberty Fund.

⁹² Gustave de Molinari, *Les Lois naturelles de l'économie politique* (1887), Première partie: Les lois naturelles, pp. 1-31; *La Morale économique* (1888), Livre I chap. IV "Les lois naturelles qui régissent les phénomènes économiques de la production, de la distribution et de la consommation," pp. 10-19. See also *Notions fondamentales économie politique et programme économique*. (1891), Introduction Section I, pp. 2-11; Section I, chap. 1 "Les lois naturelles," pp. 55-70; *Esquisse de l'organisation politique et économique de la Société future* (1899), Introduction-Les lois naturelles, pp. i-xxvii.

⁹³ See "The Natural Laws of Political Economy," in *Appendix 1, Les Soirées* (forthcoming).

which were in fact the result of people not heeding these economic laws⁹⁴ or ignoring the fact that various “des causes perturbatrices” (disturbing factors) prevented the laws of economics from functioning as they should.⁹⁵ As he told “The Youth of France” in his Introduction to EH:

Il ne suffisait donc pas d'exposer, dans leur majestueuse harmonie, les lois naturelles de l'ordre social, il fallait encore montrer les causes perturbatrices qui en paralysent l'action. C'est ce que j'ai essayé de faire dans la seconde partie de ce livre.

It was thus not enough to set out in their majestic harmony the natural laws of the social order; it was also necessary to point out the disturbing factors that paralyze their action. This is what I have endeavored to do in the second part of this book.

Unfortunately he was not able to live long enough to finish the second part of EH so all we have is a few fragments which make up chapter XVIII.

Molinari began his book on economic laws with a quote from the Physiocrat economist François Quesnay's essay “Le droit naturel” (Natural Law) (1765):⁹⁶

Il faut bien se garder d'attribuer aux lois physiques les maux qui sont la juste et inévitable punition de la violation de l'ordre même de ces lois, instituées pour opérer le bien.

It is necessary to refrain from attributing to the physical laws which have been instituted in order to produce good, the evils which are the just and inevitable punishment for the violation of this very order of laws.

⁹⁴ As Bastiat said to Proudhon in his Letter of 7 March, 1850 “Il ne s'agit donc pas de changer les lois naturelles, mais de les connaître pour nous y conformer” (So it is not a question of changing the natural laws (of economics) but of understanding them so we can adapt to/ comply with them) in *Free Credit*, 4th letter, in CW4 (forthcoming).

⁹⁵ See “Disturbing and Restorative Factors,” in the Appendix.

⁹⁶ See, *Physiocrates: Quesnay, Dupont de Nemours, Mercier de la Rivière, l'abbé Baudeau, Le Trosne, avec une introduction sur la doctrine des Physiocrates, des commentaires et des notices historiques*, par Eugène Daire, 2 vols. (Paris: Guillaumin, 1846). Volume 2 of *Collection des principaux économistes*. Quesnay, “Le droit naturel”, chap. III. “De l'inégalité du droit naturel des hommes,” Vol. 1, p.46. Originally published in the *Journal d'agriculture*, September 1765.

This was a frustration which Bastiat himself also expressed several times in his writings. In chap. IV “Exchange” he notes that:

On peut appeler <i>lois sociales naturelles</i> l'ensemble des phénomènes, considérés tant dans leurs mobiles que dans leurs résultats, qui gouvernent les libres transactions des hommes.	What may be called <i>natural social laws</i> is the group of phenomena, considered both from their driving force and their results, that govern free transactions between men.
Cela posé, la question est celle-ci :	This having been said, the question is this:
Faut-il laisser agir ces lois, — ou faut-il les empêcher d'agir ?...	Should we let these laws act freely or should we prevent them from acting?...
Il est bien évident que la solution de ces questions est subordonnée à l'étude et à la connaissance des lois sociales naturelles. On ne peut se prononcer raisonnablement avant de savoir si la propriété, la liberté, les combinaisons des services volontairement échangés poussent les hommes vers leur amélioration, comme le croient les économistes, ou vers leur dégradation, comme l'affirment les socialistes. — Dans le premier cas, le mal social doit être attribué aux perturbations des lois naturelles, aux violations légales de la propriété et de la liberté. Ce sont ces perturbations et ces violations qu'il faut faire cesser, et l'Économie politique a raison.	It is very clear that the solution to these questions is subject to the study and knowledge of natural social laws. We cannot utter a reasonable opinion without knowing whether property, freedom, or the groups of services that are voluntarily exchanged between men, encourage them to advance, as economists believe, or to regress, as socialists claim. In the first case, social harm has to be attributed to the disruption of natural laws and the violation of property and freedom by the state. It is these disruptions and violations that have to be stopped, and political economy is right.

And in the Conclusion to EH1, he answers the accusation of the socialists that freedom is the cause of the workers' suffering and that government intervention is the solution:

Nous aurons donc à examiner l'abus qui a été fait dans ces derniers temps des mots association, organisation du travail, gratuité du crédit, etc. Nous aurons à les soumettre à cette épreuve : Renferment-ils la Liberté ou l'Oppression ? En d'autres termes : Sont-ils conformes aux grandes lois économiques, ou sont-ils la perturbation de ces lois ?

We will therefore have to examine the abuse of the words “association,” “organization of work,” “free credit,” etc. that has been carried out lately. We will have to subject them to the following test: do they contain (the idea) of freedom or of oppression? In other words, do they conform to the great economic laws or are they a disturbance of these laws?

Bastiat had his own slightly different way than Molinari of describing the natural laws of economics. At times, he simply called them “les lois naturelles” (natural laws), “les lois providentielles” (providential laws), or “les grandes lois de la nature” (the great laws of nature). In reference to society he referred generally to “les grandes lois sociales” (the great laws of society), with specific reference to three great laws, that of “les grandes lois de la mécanique sociale” (the great laws of the social mechanism), “la grande loi de la responsabilité” (the great law of individual responsibility), and “la grande loi de la solidarité humaine” (the great law of human solidarity).⁹⁷ In reference to the economy he referred in general to “les grandes lois économiques” (the great economic laws, or laws of economics), with specific reference to the following five laws:⁹⁸

1. la grande loi de la concurrence (the great law of competition) - discussed in chap. X “Competition.”
2. la grande loi économique est celle-ci: Les services s'échangent contre des services (the great economic law that services are exchanged for other services) - discussed in chap. IV “Exchange.”
3. la grande loi du Capital et du Travail, en ce qui concerne le partage du produit de la collaboration, est déterminée. Chacun d'eux a une part *absolue* de plus en plus grande, mais la part *proportionnelle* du Capital diminue sans cesse

⁹⁷ See “The Social Mechanism and its Driving Force” and “The Law of Individual Responsibility and the Law of Human Solidarity,” in the Appendix.

⁹⁸ Bastiat also thought there were two great laws which applied specifically to population growth - “les deux grandes lois de multiplication et de limitation” (the two great laws (governing) the multiplication and limitation of population) - which he discussed at length in EH2, chap. XIV “On Population,” our new translation.

comparativement à celle du Travail. (the great law of capital and labour, that each party receives a greater and greater absolute share (of wealth), but the proportional share of capital steadily decreases compared to that of labour's) - discussed in chap. VII "Capital."

4. la grande loi : le bien glisse sur le producteur pour aller s'attacher au consommateur. (the great law that benefits "slip through the hands" of producers (or flow on to) and attach themselves (or end up in the hands of) the consumer⁹⁹)

5. cette grande loi que je prétends être celle des sociétés humaines : l'égalisation graduelle des individus et des classes combinée avec le progrès général. (this great law of human society that there is a gradual equalization (of the standard of living) of both individuals and classes, which is combined with the general progress (of society))¹⁰⁰

Whereas Bastiat believed that, if left free of government intervention and the "disturbing factors," these great laws would result in social and economic harmony, he realized that he had colleagues among the economists (the Malthusians), as well as adversaries who were socialists and Catholic social theorists who believed the opposite, that "les grandes lois providentielles précipitent la société vers le mal" (the great laws of Providence are hurling society toward disaster). In some impassioned passages in his Preface "To the Youth of France" he appealed to them to listen carefully to what he had to say, that these laws had exactly the opposite effect:

⁹⁹ See "The Sophism Bastiat never wrote: The Sophism of the Ricochet Effect" in *Further Aspects of Bastiat's Thought*, in CW3, pp. 457-61.

¹⁰⁰ See "Perfectibility and Progress," in the Appendix.

Il ne faut pas croire, jeunes gens, que les socialistes aient réfuté et rejeté ce que j'appellerai, pour ne blesser personne, la théorie des dissonances. Non, quoi qu'ils en disent, ils l'ont tenue pour vraie ; et c'est justement parce qu'ils la tiennent pour vraie qu'ils proposent de substituer la Contrainte à la Liberté, l'organisation artificielle à l'organisation naturelle, l'œuvre de leur invention à l'œuvre de Dieu.... (They say) nous réagissons contre votre théorie précisément parce qu'elle est vraie ; nous voulons briser la société actuelle précisément parce qu'elle obéit aux lois fatales que vous avez décrites ; nous voulons essayer de notre puissance, puisque la puissance de Dieu a échoué.

Ainsi, on s'accorde sur le point de départ, on ne se sépare que sur la conclusion.

Les Économistes auxquels j'ai fait allusion disent : *Les grandes lois providentielles précipitent la société vers le mal*; mais il faut se garder de troubler leur action, parce qu'elle est heureusement contrariée par d'autres lois secondaires qui retardent la catastrophe finale, et toute intervention arbitraire ne ferait qu'affaiblir la digue sans arrêter l'élévation fatale du flot.

Les Socialistes disent : *Les grandes lois providentielles précipitent la société vers le mal*; il faut les abolir et en choisir d'autres dans notre inépuisable arsenal.

Les catholiques disent : *Les grandes lois providentielles précipitent la société vers le mal*; il faut leur échapper en renonçant aux intérêts humains, en se réfugiant dans l'abnégation, le sacrifice, l'ascétisme et la résignation

Young people, you should not think that the socialists have refuted and rejected what I will call, so as not to offend anyone, the theory of disharmony (that evil exists, that injustice is inevitable, and inequality will get worse as a result of economic laws). No, whatever they say, they have held it to be true and it is precisely because they hold it to be true that they propose coercion as a substitute for freedom, an artificial form of organization for a natural form, and work of their own invention for the work of God. ... (They say) we react against your theory precisely because it is true. We want to destroy society as it is today precisely because it obeys the fatal laws you have described. We want to try out our power since the power of God has failed.

Thus, we agree on the starting point and only the conclusion separates us.

The Economists to whom I refer say: *The great laws of Providence are hurling society toward disaster*; but you have to be careful not to disturb their action because this action is fortunately counteracted by other secondary laws, which delay the final catastrophe, and any arbitrary intervention would only weaken the dam without stopping the fatal rising of the waters.

The Socialists say: *The great laws of Providence are hurling society toward disaster*; they have to be abolished and others chosen from our inexhaustible arsenal.

The Catholics say: *The great laws of Providence are hurling society toward disaster*; we have to escape from them by renouncing human self-interest and taking refuge in self-denial, sacrifice, asceticism, and resignation.

Et, au milieu de ce tumult, de ces cris d'angoisse et de détresse, de ces appels à la subversion ou au désespoir résigné, j'essaye de faire entendre cette parole devant laquelle, si elle est justifiée, toute dissidence doit s'effacer : *Il n'est pas vrai que les grandes lois providentielles précipitent la société vers le mal.*

Ainsi toutes les écoles se divisent et combattent à propos des conclusions qu'il faut tirer de leur commune prémisse. Je nie la prémisse.

And, in the midst of this tumult, the cries of anguish and distress and the calls for subversion or for resigned despair, I am attempting to make the following statement heard, in the face of which, if it is justified, all disagreement ought to fade away: *It is not true that the great laws of Providence are hurling society toward disaster.*

Thus, all the schools of thought are divided and oppose one another with regard to the conclusions that have to be drawn from their common premise. I deny this premise.

As he stated elsewhere, “the great law that I maintain is the one that governs human society is, that there is a steady approach by all men and women towards a standard of living which is always increasing, in other words, improvement and equalization, or in a single word, HARMONY.”¹⁰¹

¹⁰¹ See, “Perfectibility and Progress,” in the Appendix. This final quotation is a combination of statements he made in the Conclusion to EH1 and in chap. XI “Producer and Consumer.”

HUMAN ACTION

Scattered throughout Bastiat's writings are many intriguing statements which prefigure some key ideas of the Austrian School of economic thought which emerged during the 1870s as represented by Carl Menger and Eugen von Böhm-Bawerk, and in the twentieth century by Ludwig von Mises, Friedrich Hayek, and Murray Rothbard. We say “prefigure” because he did not present a coherent Austrian theory of subjective value theory, time preference, or the business cycle, but he did have an understanding of other things like the fact that only individuals choose, that exchange is fundamental to the economic order, that utility is based upon subjective evaluations, that the price system is important in giving direction to what is produced, that money is not neutral, and that social institutions are often the result of human action and not “artificially” designed. We have indicated in the footnotes when Bastiat expresses a view which is close to that of the Austrian school. This happens frequently enough to suggest that this is not an accident, but that he was slowly moving in their direction some 20 years ahead of his time. More detail of this line of thinking will be given in volume 5 of the *Collected Works* which will contain his treatise *Economic Harmonies*.

In the mid-twentieth century economists like Joseph Schumpeter and Hayek had little which was good to say about Bastiat as a theorist other than he was a very good economic journalist and popularizer of economic ideas.¹⁰² In the 1950s and 1960s Murray Rothbard realized he had been underestimated and began arguing for a reassessment of his contributions to economic thought, seeing Bastiat as an important “transition figure” between the classical school and the Austrian school.¹⁰³ More recently a younger generation of Austrian economists, such as Joseph Salerno, Mark Thornton, Tom DiLorenzo, and Jörg Guido Hülsmann, have identified many Austrian insights in

¹⁰² See, Joseph A. Schumpeter, *History of Economic Analysis*. Edited from Manuscript by Elizabeth Boody Schumpeter (New York: Oxford University Press, 1974). 1st ed. 1954), pp. 500–01, and Hayek's “Introduction,” Bastiat, *Selected Essays* (FEE ed.), p. ix.

¹⁰³ Rothbard, *Classical Economics: An Austrian Perspective on the History of Economic Thought. Volume II* (Auburn, Alabama: Ludwig von Mises Institute, 2006). See, especially chap. 14 “After Mill: Bastiat and the French laissez-faire tradition,” pp. 439–75.

Bastiat's thinking and have claimed him as one of their own.¹⁰⁴ They all thought Bastiat had insights about economics which were Austrian in nature and ahead of their time. Interestingly, there is also now a group which argues that Bastiat was a Public Choice theorist of some kind, such as James Dorn, Stringham, Bryan Caplan, and Mike Munger.¹⁰⁵

However, the floodgates of the Bastiat renaissance were opened at the bicentennial conference on Bastiat held in Mugron in June 2001 where 14 papers were given re-evaluating the work of Bastiat 200 years after his birth. These were published in a special edition of *Journal des Économistes et des Études Humaines* (June 2001) edited by Pierre Garelo.¹⁰⁶ The general consensus which comes out of this conference is that Bastiat was an Austrian to all intents and purposes - that "he was a praxeologist ahead of his time" (Bramoullé), and "very Austrian indeed" (Thornton) are two typical comments.

However, here we will limit our remarks to Bastiat's understanding of the notion of "human action" which is key to Mises' formulation of the Austrian approach.

Bastiat refers several times to humans as "un être actif" (an acting or active being), "un agent" (an agent, or actor), "un agent intelligent" (an intelligent or thinking actor), and to their behaviour in the economic world as "l'action humaine" (human action) or "l'action de l'homme" (the action of human beings, or human action), and to the guiding principle behind it all as "le principe actif" or "le principe d'activité" (the principle of action). Less common were expressions such as "l'être agissant" (acting

¹⁰⁴ See, Salerno, J.T. (1988) "The Neglect of the French Liberal School in Anglo-American Economics: A Critique of Received Explanations." *The Review of Austrian Economics* 2: 113–56.; Thornton, Mark, "Frédéric Bastiat as an Austrian Economist," *Journal des Économistes et des Études Humaines*, vol. 11, no. 2/3 (June 2001), pp. 387-98; Thomas J. DiLorenzo, "Frédéric Bastiat: Between the French and Marginalist Revolutions," in *15 Great Austrian Economists. Edited and with an Introduction by Randall G. Holcombe* (Auburn Alabama: Ludwig von Mises Institute, 1999), pp. 59–69; Jörg Guido Hülsmann, "Bastiat's Legacy in Economics," *The Quarterly Journal of Austrian Economics*, vol. 4, no. 4, (Winter 2001), pp. 55–70.

¹⁰⁵ James A. Dorn, "Bastiat: A Pioneer in Constitutional Political Economy" *Journal des Économistes et des Études Humaines*, vol. 11, no. 2/3 (June 2001), pp. 399-413; Caplan, Bryan; Stringham, Edward (2005). "Mises, Bastiat, Public Opinion, and Public Choice". *Review of Political Economy* 17: 79–105; and Michael C. Munger, "Did Bastiat Anticipate Public Choice?" in *Liberty Matters: Robert Leroux, "Bastiat and Political Economy"* (July 1, 2013) <http://oll.libertyfund.org/pages/bastiat-and-political-economy#conversation3>.

¹⁰⁶ Garelo et al., *Journal des Économistes et des Études Humaines*, vol. 11, no. 2/3 (June 2001). Editor-in-Chief: Garelo, Pierre.

being) or “l’homme agissant” (acting man) which only appear in the notes he left behind for inclusion in EH2. These ideas were beginning to come together in the *Economic Harmonies* which he began writing in earnest in 1848 with the essays “Natural and Artificial Organization” (Jan. 1848) and the opening chapters “Economic Harmonies I, II, III” (Sept. 1848, and number IV in December 1848.¹⁰⁷ For example, in “Natural and Artificial Organization,” the essay which would eventually begin *Economic Harmonies*, he notes that “il faut pourtant bien reconnaître que la société est une organisation qui a pour élément un agent intelligent, moral, doué de libre arbitre et perfectible. Si vous en ôtez la liberté, ce n’est plus qu’un triste et grossier mécanisme.” (one must nevertheless recognize that society is an organization whose components are intelligent and moral actors endowed with free will, and are capable of being perfectible. If you take freedom away from this actor, he becomes merely a sad and sorry mechanism).¹⁰⁸

In “Economic Harmonies IV” (Dec. 1848) he begins the article with the statement which includes his first use of the term “le principe actif” (the action principle or the principle of action):

J’ai dit, en commençant cet écrit, que l’économie politique avait pour objet *l’homme*, considéré au point de vue de ses besoins et des moyens par lesquels il lui est donné d’y pourvoir.

Il est donc naturel de commencer par étudier l’homme et son organisation.

Mais nous avons vu aussi qu’il n’est pas un être solitaire; si ses *besoins* et ses *satisfactions*, en vertu de la nature de la sensibilité, sont inséparables de son être, il n’en est pas de même de ses *efforts*, qui naissent du **principe actif**. Ceux-ci sont susceptibles de transmission. En un mot, les hommes travaillent les uns pour les autres.

At the beginning of this work, I said that the object of political economy is *man*, considered from the point of view of his needs and the means by which it is given to him to meet them.

It is therefore natural to start by examining man and his nature.

But we have also seen that he is not a solitary being; while his *needs* and his *satisfactions*, given the nature of his sensations, are inseparable from his being, this is not true of his *efforts*, which arise from the principle of action. Efforts can be transferred. In a word, men work for each other’s benefit.

¹⁰⁷ In CW4 (forthcoming).

¹⁰⁸ In CW4 (forthcoming).

He would use this term again in the chapters on “Exchange” and “On Value” in EH1.

Also in “Economic Harmonies IV” he uses for the first time the phrase “l’action humaine” (human action), as in the following statement which is interesting because it also contains a suggestion of his growing appreciation of the subjective nature of values:¹⁰⁹

L'action humaine, laquelle ne peut jamais arriver à *créer* de la matière, constitue seule le service que l'homme isolé se rend à lui-même ou que les hommes en société se rendent les uns aux autres, et c'est la libre appréciation de ces *services* qui est le fondement de la *valeur*; ...

Human action, which can never *create* matter, is the sole constituent of the service that a man in isolation can render (to) himself or that men living in society can render (to) each other, and it is the freely (given) appraisal of these *services* that is the basis of *value*. ...

There are 8 uses of the term “l’action humaine” (human action) in total, all of which occur in the articles and chapters which would make up EH. The other version of this concept which he used was “l’action de l’homme” which he also began using in 1848 in his First Letter on *Property and Plunder* written to Considerant and then in EH. Here he contrasts “l’action de l’homme” with “l’action de la nature” (the action of nature).¹¹⁰ A third version he used was the plural form of “les actions humaines” (human actions) which he used to refer to specific and numerous instances of human activity but also in the abstract sense of “human action” in general. An example of the latter more Austrian use can be found in EH2 Chapter XVIII “Disturbing Factors” where he says “l’intérêt personnel, dans la sphère économique, est le mobile des actions humaines et le grand ressort de la société” (in the sphere of economics, self-interest is the driving force of human actions and the great spring (driving force) of society.)

The two very intriguing terms with very strong Austrian associations, expressions such as “l’être agissant” (acting being) or “l’homme agissant” (acting man), only appear once each in his writings, in unfinished notes and sketches which Paillottet and Fontenay gathered together for the additional reconstructed chapters which appeared in EH2 in

¹⁰⁹ In CW4 (forthcoming).

¹¹⁰ In CW2, p. 150.

1851. This suggests they were concepts relatively new to his thinking and which he was grappling with just before he died. The former appeared in some additional notes appended to chapter XX “Responsibility”:¹¹¹

Toute action humaine, — faisant jaillir une série de conséquences bonnes ou mauvaises, dont les unes retombent sur l’auteur même de l’acte, et dont les autres vont affecter sa famille, ses proches, ses concitoyens et quelquefois l’humanité tout entière, — met, pour ainsi dire, en vibration deux cordes dont les sons rendent des oracles : la Responsabilité et la Solidarité.

La responsabilité, c’est l’enchaînement naturel qui existe, relativement à l’être agissant, entre l’acte et ses conséquences ; c’est un système complet de Peines et de Récompenses fatales, qu’aucun homme n’a inventé, qui agit avec toute la régularité des grandes lois naturelles, et que nous pouvons par conséquent regarder comme d’institution divine. Elle a évidemment pour objet de restreindre le nombre des actions funestes, de multiplier celui des actions utiles.

Cet appareil à la fois correctif et progressif, à la fois rémunérateur et vengeur, est si simple, si près de nous, tellement identifié avec tout notre être, si perpétuellement en action, que non-seulement nous ne pouvons le nier, mais qu’il est, comme le mal, un de ces phénomènes sans lesquels toute vie est pour nous inintelligible.”

All human action that produces a series of good or harmful consequences, of which some affect the actual author of the action and others affect his family, his relations and fellow-citizens, and on occasion the entire human race, causes two cords to vibrate, so to speak, whose notes produce the oracles which we know as Responsibility and Solidarity.

Responsibility is the natural link that exists between an action and its consequences with regard to the acting being (person who acts). It is a complete and *inexorable* system of punishments and rewards, which no human (person) invented, one which acts with all the regularity of great natural laws and which we may consequently consider a divine institution. Its obvious object is to limit the number of disastrous actions and to increase the number of useful ones.

This structure (appareil), at once corrective and progressive, which hands out both rewards and retribution, is so simple and close to us, so intimately identified with our entire being, so perpetually in action that not only can we not deny it but, like evil, it is one of the phenomena without which all life would be unintelligible to us.

¹¹¹ EH2 XX “Responsibility,” pp. 000. FEE ed. p. 496. FEE translates “l’être agissant” as “the person performing an act.”

The second phrase “l’homme agissant” (acting man) was used in a posthumously published chapter in EH2 on “Le Moteur social” (The Social Motor, or the Engine which drives Society), which was probably written in 1849 or 1850:¹¹²

Jamais l’idée ne leur (Nos publicistes) vient que l’humanité est un corps vivant, sentant, voulant et agissant selon des lois qu’il ne s’agit pas d’inventer, puisqu’elles existent, et encore moins d’imposer, mais d’étudier ; qu’elle est une agglomération d’êtres en tout semblables à eux-mêmes, qui ne leur sont nullement inférieurs ni subordonnées ; qui sont doués, et d’impulsion pour agir, et d’intelligence pour choisir ; qui sentent en eux, de toutes parts, les atteintes de la Responsabilité et de la Solidarité ; et enfin, que de tous ces phénomènes, résulte un ensemble de rapports existants par eux-mêmes, que la science n’a pas à créer, comme ils l’imaginent, mais à observer.

The idea never enters their heads (political writers like Rousseau) that mankind is a living body, feeling, wanting, and acting in accordance with laws that are not a question of inventing, since they already exist, and still less of imposing on society, but rather a question of studying them. They do not see that mankind is made up of a mass/agglomeration of beings similar to themselves in all respects; who are in no way inferior or subordinate to them, and are endowed with both an incentive to act and the intelligence to choose. They feel within themselves on every side the effects/demands of responsibility and solidarity and in a word, from all these phenomena there results a set of relationships which already exist in their own right, that science does not have to create, as they imagine, but has to observe.

In this same chapter, Bastiat brought many of these proto-Austrian ideas together in the following paragraph:¹¹³

¹¹² Our new translation but see FEE ed. pp. 523-24.

¹¹³ Our translation of EH2 XXII “The Motive Force of Society.” See also FEE ed. p. 521.

Ce mobile interne, impérissable, universel, qui réside en toute individualité et la constitue être actif, cette tendance de tout homme à rechercher le bonheur, à éviter le malheur, ce produit, cet effet, ce complément nécessaire de la sensibilité, sans lequel elle ne serait qu'un inexplicable fléau, ce phénomène primordial qui est l'origine de toutes les actions humaines, cette force attractive et répulsive que nous avons nommée le grand ressort de la Mécanique sociale, a eu pour détracteurs la plupart des publicistes ; et c'est certes une des plus étranges aberrations que puissent présenter les annales de la science.

This internal, indestructible and universal driving force (mobile interne) that is within each individual and makes him an acting being (être actif), this tendency in everyone to seek happiness and avoid misfortune, this product, this effect, this necessary complement to the faculty of sensation, without which it (sensation) would be just an inexplicable scourge, this primordial phenomenon that is the origin of all human action (les actions humaines), this force of attraction and repulsion which we have called the mainspring of the social mechanism has had the majority of political writers as its detractors, and this is certainly one of the strangest aberrations that the annals of science can produce.

Bastiat's proof of the truth of his understanding of human action is also quite Austrian, or rather Misesian, in that he thinks that it is a self-evident truth which comes from a combination of self-inspection and observation of the world around one - or what Mises called "apodictic truths."

The real thing which is the subject matter of praxeology, human action, stems from the same source as human reasoning. Action and reason are congeneric and homogeneous; they may even be called two different aspects of the same thing. That reason has the power to make clear through pure ratiocination the essential features of action is a consequence of the fact that action is an offshoot of reason. The theorems attained by correct praxeological reasoning are not only perfectly certain and incontestable, like the correct mathematical theorems. They refer, moreover, with the full rigidity of their apodictic certainty and incontestability to the reality of action as it appears in life and history. Praxeology conveys exact and precise knowledge of real things.¹¹⁴

Bastiat's version of this argument appears in "Economic Harmonies IV" where he states in a very similar fashion that:¹¹⁵

¹¹⁴ Ludwig von Mises, *Human Action: A Treatise on Economics, in 4 vols.*, ed. Bettina Bien Greaves (Indianapolis: Liberty Fund, 2007). Vol. 1, Part I Human Action, Chapter 2: The Epistemological Problems of the Sciences of Human Action, 3: The A Priori and Reality, p. 39.

¹¹⁵ "Economic harmonies IV", in CW4 (forthcoming).

Quand on considère d'une manière générale et, pour ainsi dire, abstraite, l'homme, ses besoins, ses efforts, ses satisfactions, sa constitution, ses penchants, ses tendances, on aboutit à une série d'observations qui paraissent à l'abri du doute et se montrent dans tout l'éclat de l'évidence, chacun en trouvant la preuve en lui-même. C'est au point que l'écrivain ne sait trop comment s'y prendre pour soumettre au public des vérités si palpables et si vulgaires : il craint de provoquer le sourire du dédain. Il lui semble, avec quelque raison, que le lecteur courroucé va jeter le livre, en s'écriant : « Je ne perdrai pas mon temps à apprendre ces trivialités. »

Et cependant ces vérités, tenues pour si incontestables tant qu'elles sont présentées d'une manière générale, que nous souffrons à peine qu'elles nous soient rappelées, ne passent plus que pour des erreurs ridicules, des théories absurdes sitôt que l'on observe l'homme dans le milieu social.

When you consider man, his needs, efforts, satisfactions, constitution, leanings or tendencies in general and in an abstract fashion, so to speak, you arrive at a series of observations that appear to be free of any doubt and which are seen to be blindingly obvious, with each carrying its own proof within it. This is so true that the writer is at a loss as to how to present such palpable and widely known truths to the general public, for fear of arousing a scornful smile. It seems to him quite rightly that the annoyed reader will toss aside the book saying, "I will not waste my time being told such trivialities."

And yet these truths, held so incontrovertible when presented generally that we scarcely allow ourselves to be reminded of them, now appear to be just ridiculous errors and absurd theories when man is observed in a social setting.

It was to help readers see these self-evident truths that Bastiat used his thought experiments involving Robinson Crusoe to explain the nature of human action in the abstract.¹¹⁶ He also used a similar method in some of his Letters to Proudhon where he tell stories about the Carpenter and the Worker in L4, the Borrower and the Lender in L6, the Joiner and the Blacksmith in L10, and the rebuilding of the world by Hellen following the flood in L14.¹¹⁷

¹¹⁶ See "Bastiat's Invention of Crusoe Economics" in the Editor's Introduction to CW3, pp. lxiv-lxvii.

¹¹⁷ In CW4 (forthcoming).

LIBERTIES: “ALL FORMS OF LIBERTY”

Bastiat used the phrase “toutes les libertés” (all the different kinds of liberty, or all forms of freedom) many times in his writings. The most concise definition is found in the pamphlet “The Law” (June 1850) where he states “la Liberté ... est l’ensemble de toutes les libertés” (Liberty is the collection (or sum) of all the different kinds of liberty) and then lists those individual liberties. The full passage is worth quoting:¹¹⁸

Et qu’est-ce que la Liberté, ce mot qui a la puissance de faire battre tous les cœurs et d’agiter le monde, si ce n’est l’ensemble de toutes les libertés, liberté de conscience, d’enseignement, d’association, de presse, de locomotion, de travail, d’échange ; d’autres termes, le franc exercice, pour tous, de toutes les facultés inoffensives ; en d’autres termes encore, la destruction de tous les despotismes, même le despotisme légal, et la réduction de la Loi à sa seule attribution rationnelle, qui est de régulariser le Droit individuel de légitime défense ou de réprimer l’injustice.

And what is liberty, this word that has the power of making all hearts beat faster and causing agitation around the world, if it is not the sum of all freedoms: freedom of conscience, education, and association; freedom of the press; freedom to travel, work, and trade; in other words, the free exercise of all harmless faculties by all men and, in still other terms, the destruction of all despotic regimes, even legal despotism, and the reduction of the law to its sole rational attribution, which is to regulate the individual law of legitimate defense or to punish injustice.

He provides a similar list in an article called “Freedom” which appeared on the streets of Paris in his revolutionary magazine *Jacques Bonhomme* (11-15 June 1848), namely the freedom of discussion and conscience, the freedom of education, the freedom of the press, the freedom to work, the freedom of association, the freedom to trade, in other words “toutes les *libertés* dont l’ensemble forme la *liberté*” (all the liberties the total of which makes up Liberty).¹¹⁹

Because all “the liberties” are interconnected they have to be understood and treated as a whole in his view. He chastises himself in an ironic letter he wrote to himself in the fall of 1847, his “Draft Preface” to the future book on *Economic Harmonies*, for having given too much attention to only one of “the liberties,” namely the freedom to trade. As

¹¹⁸ *The Law* (CW2, p. 133).

¹¹⁹ “Freedom” *Jacques Bonhomme* (11-15 June 1848) (CW1, pp. 433-34).

the figurehead of the French Free Trade Association he had turned this one liberty into “a single crust of dry bread” and had ignored the others. He also calls himself one of the worst things in his anti-socialist vocabulary, “un mécanicien” (a mechanic),¹²⁰ who only talks about one part of the machine and ignores the others. One purpose of the *Economic Harmonies* was to rectify this omission and explain “all the liberties” which made up society. As he says at the close of his “Draft Preface”:¹²¹

Et puis, pourquoi te limiter ? pourquoi emprisonner ta pensée ? Il me semble que tu l’as mise au régime cellulaire avec l’uniforme croûte de pain sec pour tout aliment, car te voilà rongeant soir et matin une question d’argent. J’aime autant que toi la liberté commerciale. Mais tous les progrès humains sont-ils renfermés dans cette liberté ? Autrefois, ton cœur battait pour l’affranchissement de la pensée et de la parole, encore enchaînées par les entraves universitaires et les lois contre l’association. Tu t’enflammais pour la réforme parlementaire et la séparation radicale de la souveraineté qui délègue et contrôle, de la puissance exécutive dans toutes ces branches. Toutes les libertés se tiennent. Toutes les idées forment un tout systématique et harmonieux ; il n’en est pas une dont la démonstration n’eût servi à démontrer les autres. Mais tu fais comme un mécanicien qui s’évertue à expliquer, sans en rien omettre, tout ce qu’il y a de minutieux détails dans une pièce isolée de la machine. On est tenté de lui crier : Montrez-moi les autres pièces ; faites-les mouvoir ensemble ; elles s’expliquent les unes par les autres...

In any case, why limit yourself? Why imprison your thoughts? It seems to me that you have subjected them to a prison diet of a single crust of dry bread as food, since there you are, chewing night and day on a question of money. I love commercial liberty as much as you do. But is all human progress encapsulated in that (one kind of) freedom? In the past, your heart beat (faster) for the freeing of thought and speech which were still chained by the shackles imposed by the university system and the laws against free association. You enthusiastically supported parliamentary reform and the radical division of that sovereignty, which delegates and controls, from the executive power in all its branches. All forms of freedom go together. All ideas (about liberty) form a systematic and harmonious whole, and there is not a single one whose proof does not serve to demonstrate the truth of the others. But you act like a mechanic who makes a virtue of explaining an isolated part of a machine in the smallest detail, not forgetting anything. The temptation is strong to cry out to him, “Show me the other parts; make them work together; each of them explains the others. ...”

¹²⁰ See “Mechanics and Organizers,” in the Appendix.

¹²¹ EH2, “draft Preface,” our new translation.

Also worth noting is that in the *Economic Harmonies* Bastiat often bundles the phrase “toutes les libertés” with other phrases, such as “toutes les libertés et toutes les propriétés” (all forms of liberty and all forms of property) in chap. IV “Exchange” and “le maintien de toutes les libertés, de toutes les propriétés, de tous les droits individuels” (the upholding of all forms of freedom, all forms of property, and all forms of individual rights - or “all our liberties, property, and individual rights”) in chap. XVII “Private and Public Services.”

PERFECTIBILITY AND PROGRESS

Bastiat intended to write a whole chapter on the topic of “Perfectibility” for the second, enlarged edition of *Economic Harmonies* but did not live long enough to complete it. What we have is only a brief 1,200 word introduction to which two additional fragments found in his papers have been added. He began talking about “la perfectibilité de l’homme” (the perfectibility of mankind) early in 1845 in his articles “On the Book by M. Dunoyer. On The Liberty of Working” and “Letter from an Economist to M. de Lamartine” (*JDE*, Feb. 1845), and then in earnest in 1846 in his articles “On Competition” (*JDE*, May 1846) and “On Population” (*JDE*, October 1846),¹²² after which it became a central part of his social theory. He used the terms “perfectible” (perfectible) as in “L’homme est perfectible; il est susceptible d’amélioration et de détérioration” (man is perfectible, he is capable of improvement or becoming worse);¹²³ “la perfectibilité” (perfectibility) as in “la perfectibilité, qui est le caractère distinctif de l’homme” (perfectibility is the distinctive characteristic of man);¹²⁴ as well as other related terms such as “progressif” (improving or increasing) and “l’avancement” (progress).¹²⁵

Bastiat’s idea of perfectibility or improvement applied to both individuals and to societies, and had a moral and economic dimension. Individuals, under the impulse of the “law of individual responsibility” and “the driving force of society” (namely self-interest),¹²⁶ could learn from their mistakes (which imposed “pain” on themselves), correct their errors of judgement, and change their poor behavior accordingly. In the

¹²² All these articles can be found in CW4 (forthcoming).

¹²³ In EH2, XVI “On Population” , p. 642 “Man is perfectible, he is capable of improvement or becoming worse”

¹²⁴ In EH2, XVI “On Population” , p. 656. “perfectibility is the distinctive characteristic of man”

¹²⁵ See “progressif” (improving or increasing) as in “un niveau commun et toujours progressif” (a common or shared and always improving/increasing standard of living) in EH2, chap. XIV “On Population,” p. 653 “a standard of living that is common and constantly increasing”; and “l’avancement” (progress) as in “l’avancement de l’homme et de la société” (the progress of man and of society) in EH2, chap. III “On the Needs of Man.”

¹²⁶ See “The Law of Individual Responsibility and the Law of Human Solidarity” and “The Social Mechanism and its Driving Force,” in the Appendix.

process they could become morally better individuals and their material standard of living could improve (in other words, they could enjoy more and greater “satisfactions”), if they chose to do so. This latter point was very important for Bastiat as he believed that man was an acting being,¹²⁷ capable of free will, able to make choices between alternatives, and learn from their mistakes. However, this progress or improvement in their condition was not inevitable. If individuals made poor choices and did not correct their own behaviour they could regress and become worse off. There were not “perfect” but they were “perfectible.”¹²⁸

L’homme est perfectible; il est susceptible d’amélioration et de détérioration: si, à la rigueur, il peut demeurer stationnaire, il peut aussi monter et descendre les degrés infinis de la civilisation ; cela est vrai des individus, des familles, des nations et des races.

Man is perfectible, he is capable of improvement or becoming worse. If it is called for, he may remain stationary. He is also capable, however, of ascending or descending the numberless steps of civilization. This is true for individuals, families, nations, or races.

And in chap. XXII “The Driving Force of Society” he stated that:

¹²⁷ See “Human Action,” in *Appendix 1*, CW4 (forthcoming).

¹²⁸ In EH2, chap XIV “On Population,” our new translation.

La force impulsive, qui est en chacun de nous, se meut sous la direction de notre intelligence. Mais notre intelligence est imparfaite. Elle est sujette à l'erreur. Nous comparons, nous jugeons, nous agissons en conséquence ; mais nous pouvons nous tromper, faire un mauvais choix, tendre vers le mal le prenant pour le bien, fuir le bien le prenant pour le mal. C'est la première source des dissonances sociales ; elle est inévitable par cela même que le grand ressort de l'humanité, l'intérêt personnel, n'est pas, comme l'attraction matérielle, une force aveugle, mais une force, guidée par une intelligence imparfaite. Sachons donc bien que nous ne verrons l'Harmonie que sous cette restriction. Dieu n'a pas jugé à propos d'établir l'ordre social ou l'Harmonie sur la perfection, mais sur la perfectibilité humaine. Oui, si notre intelligence est imparfaite, elle est perfectible. Elle se développe, s'élargit, se rectifie ; elle recommence et vérifie ses opérations ; à chaque instant, l'expérience la redresse, et la Responsabilité suspend sur nos têtes tout un système de châtimens et de récompenses. Chaque pas que nous faisons dans la voie de l'erreur nous enfonce dans une douleur croissante, de telle sorte que l'avertissement ne peut manquer de se faire entendre, et que le redressement de nos déterminations, et par suite de nos actes, est tôt ou tard infaillible.

The impulsive force which is within each of us is driven by our mind. Our mind, however, is flawed. It is subject to error. We compare, judge, and act accordingly, but we may be mistaken, make a wrong choice, and turn towards evil by mistaking it for the good, turn away from the good by mistaking it for evil. This is the leading source of social *disharmony* and is inevitable for the very reason that the major incentive of the human race, self-interest, is not a blind force like physical attraction, but a force governed by imperfect thinking. Let us be fully aware, therefore, that we will see harmony only subject to this restriction. God has not judged it appropriate to base social order or harmony on perfection, but on the perfectibility of mankind. Yes, although our mind is flawed it is perfectible. It develops, grows, and corrects itself. It starts its operations again and checks them; at each instant experience corrects it and responsibility suspends over our heads a system of punishments and rewards. Each step that we take down the path of error makes us sink deeper into increasing pain, so that we cannot fail to hear the warning, and the correction of our decisions and thus of our actions becomes inevitable sooner or later.

Societies as well as individuals could improve or were “perfectible.” In fact, Bastiat was confident that both society and “man” were “naturally progressive”¹²⁹ unless disturbing factors (such as war, legal plunder, tariffs, and other economic regulations)¹³⁰ intervened to prevent the “harmonious laws” of the market from operating as they

¹²⁹ “L’homme est naturellement progressif” (man is naturally progressive, naturally liable to progress) in “Parliamentary Conflicts of Interest” (March 1849) (CW2, 387).

¹³⁰ See “Disturbing and Restorative Factors,” in the Appendix.

should. To prevent this from happening people needed to understand the “great laws of economics”¹³¹ and to act with them and not against them in order to enjoy their full benefit. In particular, they had to abstain from personally using coercion against others to get the things they wanted, and from using the state as “la grande fabrique des lois” (the great law factory)¹³² to use coercion on their behalf to do this.

If others continued to act in an anti-social manner there was “the law of human solidarity”¹³³ by which law abiding and economically productive people could band together to use the power of public opinion to encourage peacefully the former to change their behaviour, namely to improve themselves and to cease harming others.

When the great productive powers made possible by free markets, free trade, the accumulation of capital, and the division of labour were unleashed and the “disturbing factors” which hampered them were removed, Bastiat believed that we would then see not only all classes gradually enjoying much higher standards of living (le niveau) but also that all classes would gradually approach a more equal and commonly shared standard of living at this much higher level. Bastiat called this “ce grand nivellement” (this great levelling, or leveling out)¹³⁴ and “la loi essentielle de l’harmonie sociale” (the essential law of social harmony).¹³⁵ This statement is one of the main themes of the book and Bastiat referred to it some 20 times.¹³⁶

¹³¹ See “The Great Laws of Economics,” in the Appendix.

¹³² WSWNS 7 “Trade Restrictions” (CW3, p. 428).

¹³³ See “The Law of Individual Responsibility and the Law of Human Solidarity,” in the Appendix.

¹³⁴ In *Free Credit*, “6th Letter Bastiat to Proudhon” (10 Dec. 1849) in CW4 (forthcoming).

¹³⁵ See the opening paragraph to EH2, chap. XI “Producer and Consumer,” in our new translation.

¹³⁶ In EH2, “To the Youth of France,” chap. II “On the Needs of Man,” V “On Value,” VIII “Property and Community,” X “Competition,” the “Conclusion” to EH1, XI “Producer and Consumer,” XVI “On Population,” XVIII “Disturbing Factors,” XX “Responsibility,” XXI “Solidarity,” and XXIV “Perfectibility.” References to “cette grande loi” (this great law) are indicated in the footnotes. See “The Great Laws of Economics,” in the Appendix.

He summarized this view most clearly in chap. V “On Value” as:¹³⁷

Ce qui fait que ces lois sont harmoniques et non discordantes, c’est que tous les principes, tous les mobiles, tous les ressorts, tous les intérêts concourent vers un grand résultat final, que l’humanité n’atteindra jamais à cause de son *imperfection* native, mais don’t elle approchera toujours en vertu de sa *perfectibilité* indomptable ; et ce résultat est : le rapprochement indéfini de toutes les classes vers un niveau qui s’élève toujours ; en d’autres termes : l’égalisation des individus dans l’amélioration générale.

What makes these laws harmonious and not disharmonious is that all the principles, driving forces, springs, and interests contribute to the attainment of a great end result, which the human race will never achieve because of its innate *imperfection*, but toward which it will constantly progress because of its indomitable ability to perfect itself, this result is the never ending approach of all classes to a standard of living that is constantly rising, in other words, making individual people (more) *equal* as part of the general process of *improvement*.

Related to the term “le niveau” (level or standard of living) towards which all classes were gradually moving, is the word “le nivellement” (levelling).¹³⁸ Bastiat distinguished between two very different ways in which “levelling” between the classes and the gradual equalisation of the standard of living could be accomplished; a “natural” way brought about by the free and uncoerced activities of people exchanging services in the free market; or an “artificial” way brought about by the use of the coercive powers of the

¹³⁷ He repeated this several times in EH, for example: “Je ne crains pas de dire que le résultat de cette exposition peut s’exprimer d’avance en ces termes : *Approximation constante de tous les hommes vers un niveau qui s’élève toujours*, — en d’autres termes : *Perfectionnement et égalisation*, — en un seul mot : *Harmonie*.” (I am not afraid to say that the result of this survey may be expressed in advance in these words: *there is a steady approach by all men and women towards a standard of living which is always increasing*, in other words, *improvement and equalization*, or in a single word, HARMONY.) in the Conclusion to EH1; and “cette grande loi que je prétends être celle des sociétés humaines : l’égalisation graduelle des individus et des classes combinée avec le progrès général” (the great law that I maintain is the one that governs human society: the gradual equalization of individuals and classes combined with general progress.) in chap. XI “Producer and Consumer.”

¹³⁸ Other words he used to express the same idea were “la rapprochement” (drawing closer together), “l’approximation” (approximating), and “l’égalisation” (equalization).

state, in particular its use of the law.¹³⁹ As early as July 1845 he was already talking about “ce nivellement naturel des phénomènes économiques” (this natural levelling out of economic phenomena) in his arguments with protectionists¹⁴⁰ and then again during the Revolution when arguing with socialists, “la force de nivellement qui est dans la Liberté” (the force for levelling which lies in freedom).¹⁴¹ In an entirely new section he added to the article he had published in *JDE* (Sept. 1848) which would become chap. III “On the Needs of Man” he provided much more detail about his idea that “levelling” and a state of “equality” were the end result of unhampered market forces:

Oui, l'inégalité factice, l'inégalité que la loi réalise en troublant l'ordre naturel du développement des diverses classes de la société, cette inégalité est pour toutes une source féconde d'irritation, de jalousie et de vices. C'est pourquoi il faut s'assurer enfin si cet ordre naturel ne conduit pas vers l'égalisation et l'amélioration progressive de toutes les classes : et nous serions arrêtés dans cette recherche par une fin de non-recevoir insurmontable, si ce double progrès matériel impliquait fatalement une double dégradation morale.

Yes, (there is) an artificial form of inequality, one that is created by the law when it upsets the natural order of development of the various classes in society, (and which) is a fertile source of resentment, jealousy, and vice for all. This is why we have to find out whether this natural order does not lead toward the equalisation and the gradual improvement of all classes, and our enquiries into this would be faced with a flat rejection if this twofold progress in the material sphere inevitably implied a twofold degradation in the moral one.

and then towards the end of the chapter:

¹³⁹ See his discussion of the distinction between “natural” and “artificial” in EH2, chap. I “Natural and Artificial Organization.”

¹⁴⁰ ES1 4 “Equalising the Conditions of Production” (*JDE*, July 1845) (CW3, p. 28).

¹⁴¹ “Property and Plunder” (*JDD*, July 1848) 5th Letter (CW2, p. 171).

Mais à supposer que cet état antisocial dit *état de nature* ait jamais existé, je me demande par quelle série d'idées Rousseau et ses adeptes sont arrivés à y placer l'égalité ? Nous verrons plus tard qu'elle est, comme la richesse, comme la liberté, comme la fraternité, comme l'unité, une fin et non un point de départ. Elle surgit du développement naturel et régulier des sociétés. L'humanité ne s'en éloigne pas, elle y tend. C'est plus consolant et plus vrai.

But supposing that this anti-social situation known as a *state of nature* has ever existed, I wonder through what sequence of ideas Rousseau and his followers have managed to locate equality in it? We will see later that, like wealth, like freedom, like fraternity, and like unity, equality is an end (point) and not a starting point. It arises from the natural and regular development of societies. The human race does not move away from it (equality) but moves towards it. This is both more reassuring and truer.

As he would say to the left-anarchist Proudhon, his vision of the absolute equality of wealth was illusory, but a close approximation of equality was possible with the steady accumulation of capital under “the regime of liberty”:¹⁴²

Mais si l'égalité absolue des fortunes est chimérique, ce qui ne l'est pas, c'est l'approximation constante de tous les hommes vers un même niveau physique, intellectuel et moral, sous le régime de la liberté. Parmi toutes les énergies qui concourent à ce grand nivellement, une des plus puissantes, c'est celle du capital.

But if the absolute equality of wealth is illusory, what is not is the constant, ever growing closeness of all men to the same physical, intellectual, and moral level under a regime of freedom. Among all the forms of energy that contribute to this great leveling out, one of the most powerful is capital.

On the other hand, the socialists of his day wanted to bring about levelling and equality by means of the coercive powers of the state or what he termed “ce nivellement légal” (this legally coerced form of levelling),¹⁴³ “le nivellement des fortunes par la loi” (the levelling out of wealth by law),¹⁴⁴ or “le nivellement par voie de

¹⁴² *Free Credit*, 6th Letter to Proudhon (10 Dec. 1849) (CW4, forthcoming).

¹⁴³ “Property and Law” (*JDE*, May, 1848) (CW2, p. 59).

¹⁴⁴ “Property and Law” (*JDE*, May, 1848) (CW2, p. 58).

spoliation” (levelling by means of plunder).¹⁴⁵ In his mind “le nivellement légal” was just another form of “la spoliation légale” (legal plunder) which had to be resisted.¹⁴⁶

¹⁴⁵ “Protectionism and Communism” (Jan. 1849) (CW2, p. 244).

¹⁴⁶ See “Bastiat’s Theory of Plunder,” in the Appendix.

RESPONSIBILITY: “THE LAW OF INDIVIDUAL RESPONSIBILITY AND THE LAW OF HUMAN SOLIDARITY”

Introduction

Bastiat developed several important pairings of concepts in his social theory which we have discussed elsewhere in the *Collected Works*. Some pairings are antagonistic, such as harmony vs. disharmony, and disturbing vs. restorative factors,¹⁴⁷ while others are complementary, such as the relationship between producers and consumers, and in this case the corollary laws of individual responsibility and human solidarity.¹⁴⁸

Some of these pairings were developed at greater length in chapters in EH1 which appeared in his lifetime (January 1850), for example chap. 1 “Natural and Artificial Organization” (originally as an article in *JDE*) and chap 8 “Property and Community (communal or shared property), while others were planned for inclusion in the expanded volume of the EH and were at best only in note form when he died on 24 Dec. 1850. They were eventually compiled and published posthumously by “la Société des amis de Bastiat” (the “Society of the Friends of Bastiat,” namely Prosper Paillottet and Roger de Fontenay) in July 1851 and included chap. 11 “Producer (and) Consumer”; chap. 17 “Private and Public Services,” chap. 18 “Disturbing Factors,” chap. 20 “Responsibility,” and chap. 21 “Solidarity.”

A very important pairing of concepts was that of “la responsabilité” and “la solidarité” which he considered to be a pair of corollary natural “laws” and which

¹⁴⁷ The antagonistic pairings are harmony vs. disharmony; disturbing vs. restorative factors; natural vs. artificial organisations; production (industry) vs. plunder; free trade vs. protection; voluntary vs. coercive (légale) acts; private vs. public services; and more generally, good vs. evil.

¹⁴⁸ The complementary pairings are responsibility and solidarity, private property and community (communal or shared property), and producers and consumers.

formed an “appareil” (literally an apparatus or mechanism,¹⁴⁹ but which is perhaps better translated as a system or structure) which was one of several he used in his social and economic theory. This “apparatus” or mechanism transmitted information to individuals and groups about what is good or bad, and harmful or beneficial concerning their activities and behaviors; it made possible a “responsive force” for improving the human condition (their “perfectibility” and moral improvement) and make it more equal (in both physical and economic terms); and was one part of the self-correcting mechanism of a free society.

Given the French preference for quite abstract concepts, a more accurate English translation of these expressions would be for “la loi de responsabilité” (7 instances) or “la loi de la responsabilité” (8), “the law of individual responsibility”; and for “la loi de solidarité” (11) or “la loi de la solidarité” (8), “the law of human solidarity” (which is a term Bastiat also used occasionally).¹⁵⁰

His first use of this pairing came in a published “Letter to Lamartine” (*JDE* Feb. 1845) (in only his second ever article published in *JDE*) and also in a contemporaneous unpublished review of Charles Dunoyer’s book (c. Feb. or March 1845):¹⁵¹

“l’homme n’est pas seulement soumis à la loi de la responsabilité, mais encore à celle de la solidarité” (mankind is not only subject to the law of (individual) responsibility but in addition to that (law) of (human) solidarity).

¹⁴⁹ On Bastiat’s use of the term “Apparatus” see “The ‘Apparatus’ or Structure of Exchange” in *Appendix 1*, CW4 (forthcoming). Concerning responsibility and solidarity Bastiat used the terms “le merveilleux appareil réactif de la Solidarité” (this marvellous and responsive apparatus known as solidarity) in EH2 “To the Youth of France;” and “cet appareil à la fois correctif et progressif, à la fois rémunérateur et vengeur” (this apparatus which is at once correcting and improving, both paymaster / benefactor and avenger / righter of wrongs) in chap. XX “Responsibility.”

¹⁵⁰ Some of the expressions Bastiat used include “la loi de (la) responsabilité,” “la loi de la responsabilité naturelle,” “le principe de la responsabilité”; “la loi de (la) solidarité,” “le principe de la solidarité humaine,” “la solidarité naturelle,” “la solidarité artificielle.”

¹⁵¹ “Sur l’ouvrage de M. Dunoyer. *De la Liberté du travail*” (Ébauche inédite) (On a work by Mr. Dunoyer on *De la Liberté du travail* (unpublished c. March, 1845),” and “Un économiste à M. de Lamartine. A l’occasion de son écrit intitulé: *Du Droit au travail*” (Letter from an Economist to M. de Lamartine. On the occasion of his article entitled: *The Right to Work*), (*JDE*, February 1845) both in CW4 (forthcoming).

Like so many of his key ideas they were first presented in these two seminal articles which he wrote in early 1845 just as he was entering the orbit of the Parisian economists, which suggests he had most of his social and economic theory already thought out (at least in embryonic form) very early on. (i.e. before he moved to Paris).¹⁵²

These “grandes lois naturelles” (great natural laws) consisted of two related parts, the first of which, “la loi de la responsabilité,” focuses on the single individual, while the second, “la loi de la solidarité,” focused on a collection of individuals in a society or community. By this, Bastiat had in mind a network of social relationships which spread out from one’s immediate family, friends and relations, and which extended to one’s fellow citizens, and then to humanity in general in a series of expanding concentric circles. Bastiat also calls solidarity “une sorte de Responsabilité collective” (a form of collective responsibility);¹⁵³ or shared responsibility¹⁵⁴ which is passed on or transmitted to others.¹⁵⁵ Both laws were tied up with the notion of “l’action humaine” (human

¹⁵² Some of the key ideas of his social and economic theory which were introduced here (in the Lamartine article) include pairing of the two laws: “la loi de la responsabilité” and “la loi de la solidarité”; the idea of society as a *mechanism* “(un mécanisme sociale) with its own internal “driving force” (moteur) which was self-interest; the distinction between “la charité volontaire” (voluntary charity) and “la charité légale ou forcée” (coerced or government charity); his first pairing of the concepts of “l’harmonie” (harmony) and its opposite “la dissonance” (disharmony); his first use of the idea of “les forces perturbatrices” (disturbing forces) which upset the harmony of the free market; his first use of the idea of the self-correcting mechanisms of the free market, or what he called “les forces réparatrices” (repairing or restorative forces) whereby the market attempts to restore equilibrium after it has been upset by “les forces perturbatrices” (disturbing forces); the first use of the term “l’organisation artificielle” (artificial organisation) which would become important in his later critique of socialism and would have, along with its opposite “l’organisation naturelle” (natural organisation”; an early use of the idea of the indefinite “*perfectibility* of man;” and the idea of labour and capital being “déplacé” (displaced or distorted) by government interventions in the economy thus causing harm until a new equilibrium can be established. In the contemporaneous review of Dunoyer’s book Bastiat introduced the additional key idea that exchange is the exchange of “service pour service” (one service for another).

¹⁵³ EH2, chap. XXI “Solidarity,” our new translation.

¹⁵⁴ The phrase is “la Responsabilité n’est pas exclusivement personnelle, elle se partage” (responsibility is not exclusively personal/individual, it is shared) in EH2, chap. XXI “Solidarity,” our new translation.

¹⁵⁵ “La responsabilité répercutée” in EH2, chap. XXI “Solidarity,” our new translation.

action),¹⁵⁶ free will, choosing between alternatives, and the idea that it is the acting individual who reaps the benefits or suffers the harms of the consequences of that action. These natural laws guided individuals and societies away from harm or pain, either in their personal behaviour (in the form of vice) or social practices (in the form of bad government policy).

In the case of an individual, the “pleasures” and “pains” which result from one’s own actions are usually immediately felt as there is a “l’enchaînement naturel” (a natural linkage)¹⁵⁷ between cause and effect which provides information the individual needs to change their future behaviour to increase pleasure and reduce pain. Thus the law of individual responsibility is “une force moralisatrice” (a moralizing force)¹⁵⁸ which stimulates good habits and restrains bad habits in the individual. Since individuals have free will and are acting and choosing creatures they soon learn to correct their own behaviour and thus have no need of an outside force like a state, a dictator, a “mechanic,” or an “organizer” to tell them how to behave.¹⁵⁹ The would-be dictator of Barataria, Sancho tells his people exactly this when he promises that:¹⁶⁰

J’aimerais mieux vous voir actifs que paresseux, économes que prodigues, sobres qu’intempérants, charitables qu’impitoyables; mais je n’ai pas le droit, et, en tout cas, je n’ai pas la puissance de vous jeter dans le moule qui me convient. Je m’en fie à vous-mêmes et à cette *loi de responsabilité* à laquelle Dieu a soumis l’homme.

I would prefer to see you active than lazy, thrifty than spendthrifts, sober than intemperate, or charitable than merciless, but I have no right, and in any case I have no authority, to cast you in the mold that suits me. I place my trust in all of you and in the *law of (individual) responsibility* to which God has subjected man.

¹⁵⁶ On his proto-Austrian notion of human action see, “Human Action” in *Appendix 1*, CW4 (forthcoming).

¹⁵⁷ This phrase appears in both EH2, chap. XXI “Responsibility,” and XXI “Solidarity,” in our new translation .

¹⁵⁸ EH2, chap. XVIII “Disturbing Factors,” our new translation.

¹⁵⁹ See “Mechanics and Organizers,” in the Appendix.

¹⁶⁰ “Barataria” (Barataria). An unpublished fragment of what was intended as a short pamphlet. 1847 or early 1848 (internal evidence suggests 1848) in CW4 (forthcoming).

In the case of groups of individuals or even entire societies, they feel only indirectly or later in time the good or bad consequences of the actions of others but they nevertheless are still able to react in many ways to encourage the good effects and reduce the bad effects which impinge upon them. Bastiat developed the idea of “the ricochet effect” (par ricochet)¹⁶¹ to describe the “flow on effects” which changes in the economy introduced and which affected other people indirectly or later. Some of these flow on effects could be good, such as the introduction of printing which lowered the cost of transmitting information, or they could be bad, such as tariffs or heavy taxation which increased the cost of goods for most consumers. As part of this theory of the ricochet effect Bastiat used several hydraulic or electrical metaphors to describe the flow of information and the passing on of benefits or harms to other people. Examples include ripples on the surface of a pond, things slipping or sliding, hidden channels, lines of force or flows of electricity. In the case of solidarity he uses the word “jaillir” (spring forth) which suggests water gushing from a spring, and the vibration of two strings (quoted below).

In both cases these laws are a means of transferring information about what is harmful or destroys wealth, and what produces happiness or creates wealth. In the case of individuals the personal pain of making errors leads them to make changes in their behavior or actions: “l’erreur rencontre tôt ou tard pour limite la Responsabilité” (error sooner or later runs into the limit imposed by individual responsibility);¹⁶² in the case of society, social harms or injustices are met with opposition in the form of public opinion or sometimes active collective resistance to oppression: “l’oppression se brise tôt ou tard à la Solidarité” (oppression sooner or later is stopped/smashed by human solidarity).¹⁶³ A good example of the latter was popular resistance to the growth of the state. Bastiat thought the state would continue to grow until it reached the limit of its “means of subsistence” which was the level of taxation it could impose. Once it had reached this “Malthusian limit” in the form of resistance by tax payers to further increases, the growth of the state would stop.¹⁶⁴

¹⁶¹ See “The Sophism Bastiat never wrote: The Sophism of the Ricochet Effect” in *Appendix 1* (CW3, pp. 457-61).

¹⁶² In EH2, chap. XIV “On Wages,” our new translation.

¹⁶³ In EH2, chap. XIV “On Wages,” our new translation.

¹⁶⁴ See “On Malthus and Malthusian Limits to the Growth of the State” in *Appendix 1* (CW3, pp. 461-64).

Whether for individuals or for groups, the disruption caused by bad individual behaviour or government policy brings into play the self-correcting process of “les forces restauratives” (restorative forces) to restore harmony or equilibrium to society. Bastiat calls this feedback mechanism “un appareil” (apparatus, system) which acts as such a restorative force in that it was both “correctif et progressif” (correcting and improving) for both individuals and societies and served as “un système de peines et de récompenses réciproques” (a system of reciprocal pains and compensations).¹⁶⁵ He also likens it to two vibrating strings which can produce either harmonious or disharmonious vibrations or sounds which induce people to act in various ways,¹⁶⁶ thus linking this notion to other aspects of his social theory.¹⁶⁷

Bastiat ties all these ideas together in one of the unfinished notes which his editors (Prosper Paillottet and Roger de Fontenay) included in EH2 chap. XX “Responsibility”:

Toute action humaine, — faisant jaillir une série de conséquences bonnes ou mauvaises, dont les unes retombent sur l’auteur même de l’acte, et dont les autres vont affecter sa famille, ses proches, ses concitoyens et quelquefois l’humanité tout entière, — met, pour ainsi dire, en vibration deux cordes dont les sons rendent des oracles: la Responsabilité et la Solidarité.

All human action that *produces* (faisant jaillir = making spring forth, calls forth) a series of good or harmful consequences, of which some affect the actual author of the action and others affect his family, his relations, and fellow-citizens and on occasion the entire human race, causes two cords to vibrate, so to speak, whose notes produce the oracles of responsibility and solidarity.

¹⁶⁵ In EH2, chap. XXI “Solidarity,” our new translation.

¹⁶⁶ In EH2, chap. XXI “Responsibility,” our new translation.

¹⁶⁷ See “The ‘Apparatus’ or Structure of Exchange,” in *Appendix 1* in CW4 (forthcoming) and “Disturbing and Restorative Factors” and “Harmony and Disharmony” in the Appendix.

La responsabilité, c'est l'enchaînement naturel qui existe, relativement à l'être agissant, entre l'acte et ses conséquences; c'est un système complet de peines et de Récompenses fatales, qu'aucun homme n'a inventé, qui agit avec toute la régularité des grandes lois naturelles, et que nous pouvons par conséquent regarder comme d'institution divine. Elle a évidemment pour objet de restreindre le nombre des actions funestes, de multiplier celui des actions utiles.

Cet appareil à la fois correctif et progressif, à la fois rémunérateur et vengeur, est si simple, si près de nous, tellement identifié avec tout notre être, si perpétuellement en action, que non-seulement nous ne pouvons le nier, mais qu'il est, comme le mal, un de ces phénomènes sans lesquels toute vie est pour nous inintelligible.

Responsibility is the natural link that exists between an action and its consequences with regard to the person who acts. It is a complete system of *inevitable* penalties and rewards, that is not of human invention, one which acts with all the regularity of great natural laws and which we may consequently consider a Divine institution. Its obvious object is to limit the number of disastrous actions and to increase the number of useful ones.

This apparatus, (which is) at once corrective and progressive, which is both paymaster and avenger, is so simple and close to us, so intimately identified with our entire being, so perpetually in action that not only can we not deny it but, like evil, it is one of the phenomena without which all life would be unintelligible to us.

The end result of both laws is that both individuals and society are encouraged to gradually improve or “perfect” themselves both morally and physically (also economically), and to identify and then remove the obstacles or barriers to that improvement.

The Law of Human Solidarity

The law of human solidarity has some more complex aspects to it than the law of individual responsibility which need to be explained.

To begin with, the terseness of the French language makes it hard to translate “la solidarité” into one English word. Bastiat does use the term “la solidarité humaine” on occasion which we have adopted as the general term to use here, but it also suggests other things such as sociability, cooperation, the sharing of information and experiences, collective responsibility, and group or collective reactions to events.

Although Bastiat thought individuals have a strong personal selfish interest, which he termed “le moteur social” (the driving force of society), they also had (perhaps equally) strong interest in engaging with a larger group (such as society). Likewise, Bastiat described this as a powerful force which also drove society like the internal spring which drives the movement of a clock - “le ressort de la solidarité” (the spring of solidarity).¹⁶⁸

This was because he thought individuals were naturally sociable and that there was “le lien de solidarité qui unit les hommes” (a bond of solidarity which united all human beings).¹⁶⁹ Like the right to property, Bastiat thought “la solidarité des intérêts, comme la propriété, existe en dehors de la loi” (the solidarity of (shared) interests” existed prior to and outside the law).¹⁷⁰ Much of his economic theory was devoted to showing how selfish individuals benefited from interacting peaceably with others through the “mutual exchange of services,”¹⁷¹ the division of labour, free trade, and even competition.

In Bastiat’s view “la Responsabilité n’est pas exclusivement personnelle” (responsibility was not exclusively personal)¹⁷² but was also “collective” in that it was shared (se partager) or passed on to others (répercutée). In other words, there was “l’enchaînement de leurs intérêts” (an interlinking of their interests).¹⁷³ In an interesting parallel to Destutt de Tracy’s idea of society being made up of a collection of exchanges,¹⁷⁴ Bastiat thought that society was made up of “un ensemble de solidarités” (a collection of smaller, individual interlocking “solidarities”)¹⁷⁵ - such as that between consumer and producer, buyer and seller, capitalist and worker - which are steadily increasing in number and complexity as markets expand and societies develop.

¹⁶⁸ The phrase “le ressort de la solidarité” (the spring of solidarity) is used in his review of Dunoyer’s book CW4 (forthcoming). On his distinctive analogy of society and the mechanism of a clock see EH2, chap. XXII “The Driving Force of Society” and “The Social Mechanism and its Driving Force,” in the Appendix.

¹⁶⁹ In “Organisation and Liberty” (*JDE*, Jan. 1847) in CW6 (forthcoming).

¹⁷⁰ In “Property and Law” (*JDE*, May 1848) (CW2, p. 55).

¹⁷¹ See “Service for Service,” in *Appendix 1*, CW4 (forthcoming).

¹⁷² In EH2, chap. XXI “Solidarity,” in our new translation.

¹⁷³ In “Peace and Freedom or the Republican Budget” (February 1849) (CW2, p. 316).

¹⁷⁴ Tracy believed that “society is nothing but a succession of exchanges.” A. L. C. comte Destutt de Tracy, *Traité d’économie politique* (Paris; Bouguet et Lévi, 1823), Chap. 1 “De la société.” pp. 68-69.

¹⁷⁵ EH2, chap. XXI “Solidarity,” in our new translation.

Action might be individual but the consequences of such individual action affected the community as well. The same held for actions by the state, such as tariffs or taxes imposed on one group of people for the benefit of another. Since all individual interests are connected or tied together in some way, when one group of people are injured others are also affected: “les intérêts sont liés par une telle solidarité qu’il est impossible de blesser les uns sans que les autres en souffrent” ((peoples’) interests are bound/tied by such solidarity that it is impossible to harm some without causing suffering to others.)¹⁷⁶

Much of Bastiat’s time following the February Revolution was spent countering the socialists’ critique of the free market that it promoted “heartless individualism” at the expense of the fraternity and solidarity of the workers. He did this by arguing that their idea of state fostered or coercive solidarity or fraternity was a false, “artificial” form of solidarity which would not bring about the goals they sought, and that the free market, wage labour, and competition was a more “natural” form of association which did a better job of promoting solidarity in the longer term.¹⁷⁷

Interestingly, Bastiat thought there was considerable solidarity between workers and capitalists (their employers and bosses) which would have been a very provocative thing to argue during the political and economic turmoil of the Second Republic. In his final Letter to Proudhon on free credit (7 March 1850) he tells an economic parable of the sighted helping the blind in a hospice they both inhabited. Although there is solidarity between the blind who are helped by those with sight, their condition can never be cured; whereas the solidarity which exists between capitalists who own property (capital) and the workers they employ is much greater since the latter can eventually acquire

¹⁷⁶ “Fifth (Free Trade) Speech given in Lyon” (Aug. 1847) in CW6 (forthcoming).

¹⁷⁷ See the opening chapter of EH1 “Natural and Artificial Organizations” where he lays out the differences between the two in some detail. He thought the socialist idea of state imposed solidarity was just another example of an “artificial” or coercive form of association, e.g. “une solidarité factice, officielle, légale, contrainte, détournée de son sens naturel” (artificial, official, legal, coerced solidarity) in EH2, chap. XX “Responsibility,” in our new translation. See also his collection of 12 anti-socialist pamphlets which he wrote for the Guillaumin publishing form between June 1868 and July 1850, “Bastiat’s Anti-socialist Pamphlets, or “Mister Bastiat’s Little Pamphlets,” *Appendix 1* in CW4 (forthcoming), two of which dealt with “fraternity” which was a related term to “solidarity.”

property as a result of their employment and thus, in a way, be “cured” of their affliction of poverty:¹⁷⁸

La comparaison cependant pêche par un point essentiel. La solidarité entre les aveugles et les clairvoyants est loin d'être aussi intime que celle qui lie les prolétaires aux capitalistes; car si ceux qui voient rendent des services à ceux qui ne voient pas, ces services ne vont pas jusqu'à leur rendre la vue, et l'égalité est à jamais impossible. Mais les capitaux de ceux qui possèdent, outre qu'ils sont actuellement utiles à ceux qui ne possèdent pas, facilitent à ces derniers les moyens d'en acquérir.

Nevertheless, the comparison is in error in one important aspect. Solidarity between the blind and the sighted is far from being as close as that linking the proletariat and capitalists, since while those who see provide services to those who do not, these services do not go so far as to restore their sight, and equality is forever impossible. But apart from the fact that it is currently useful to those who lack it, the capital of those who possess it helps provide the means to acquire it to those without.

The idea of competition was another interesting and perhaps unexpected inclusion in Bastiat's idea of solidarity as it is usually seen more as a source of rivalry between individuals rather than a source of solidarity.¹⁷⁹ Instead Bastiat saw competition as “une des branches de la grande loi de la solidarité humaine” (a branch/part of the great law of solidarity)¹⁸⁰ by which producers sought to provide consumers with new kinds of “services” from all over the world in order to better satisfy their needs, thus equalizing access to the cheapest and best goods from all over the world, gradually raising the standard of living of everybody,¹⁸¹ and in the process strengthening and broadening the ties of solidarity between individuals and nations.

¹⁷⁸ In the final Fourteenth Letter to Proudhon (7 March 1850) in their discussion of “Free Credit” in CW4 (forthcoming).

¹⁷⁹ **His distinction between “centripetal competition” (good) and “centrifugal competition” (bad) between workers.**

¹⁸⁰ In EH1 X Concurrence. See also See EH1 chap. X “Competition” where Bastiat attempts to show that far from being “anarchic” and harmful, competition is both necessary for the improvement and well being of both individuals as well as what he termed “la Communauté” (the Community).

¹⁸¹ One of his “great laws” of economics. See, “The Great Laws of Economics,” in the Appendix.

In addition to the economic benefits, individuals also benefited from sharing knowledge with each other such as the spread of science and literature (made increasingly easier by the invention of printing and lower costs of transport). Bastiat called this “ce vaste trésor d'utilités et de connaissances acquises” (this vast treasury of acquired/accumulated useful things and knowledge).¹⁸²

There was also the benefit of having large numbers of people join forces to achieve certain common goals. Bastiat refers specifically to collective action to enforce group norms as well as justice if the state failed to fulfill its most important function. In addition to directly feeling the costs of imprudent or erroneous behaviour, individuals who suffered from vices such as laziness, drunkenness, breaking promises, occasionally needed some form of outside pressure to help them change their ways, such as critical public opinion or even ostracism, both of which were non-violent acts.

However, Bastiat realized that sometimes necessary reforms could only be achieved through acts of violence, such as when powerful vested interests (large landowners and protected manufacturers), the ruling class, or even the government itself¹⁸³ violated individual rights to life, liberty, and property in a systematic way. Then collective solidarity could be used to mobilise some form of organized opposition to these injustices and acts of plunder in the form of resistance to taxes or sometimes in revolution as in 1789, 1830, and 1848 in France. Bastiat termed this “cet appareil à la fois correctif et progressif, à la fois rémunérateur et vengeur” (this wonderful apparatus/system which was both correcting and improving, and rewarding and vengeful/punishing).¹⁸⁴

Bastiat thought the role of public opinion, “this queen of the world,” was crucial in reforming many of the abuses which existed in the world and he thought this force for good came directly out of the feeling of solidarity which tied people together. He called it “l'opinion ... est fille de la solidarité” (public opinion (which) is the daughter of solidarity). In a lengthy note at the end of Chap. XX “Responsibility” he observed that individual grievances against injustice were very weak and only became strong when

¹⁸² EH2, chap. XXI “Solidarity,” in our new translation.

¹⁸³ Such as “la classe des fonctionnaires” (the class of state functionaries). See “Functionaryism and Rule by Functionaries,” in the Appendix.

¹⁸⁴ EH2, chap. XX “Responsibility,” in our new translation.

they were joined together as a result of public opinion; they became “un faisceau formidable de résistances” (a powerful bundle for the purpose of resistance):¹⁸⁵

Mais l'opinion, cette *reine du monde*, qui est fille de la solidarité, rassemble tous ces griefs épars, groupe tous ces intérêts lésés en un faisceau formidable de résistances. Quand les habitudes d'un homme sont funestes à ceux qui l'entourent, la répulsion se manifeste contre cette habitude. On la juge sévèrement, on la critique, on la flétrit; celui qui s'y livre devient un objet de défiance, de mépris et de haine. S'il y rencontrait quelques avantages, ils se trouvent bientôt plus que compensés par les souffrances qu'accumule sur lui l'aversion publique; aux conséquences fâcheuses qu'entraîne toujours une mauvaise habitude, en vertu de la loi de *Responsabilité*, viennent s'ajouter d'autres conséquences plus fâcheuses encore en vertu de la loi de *Solidarité*.

Le mépris pour l'homme s'étend bientôt à l'habitude, au vice; et comme le besoin de considération est un de nos plus énergiques mobiles, il est clair que la solidarité, par la réaction qu'elle détermine contre les actes vicieux, tend à les restreindre et à les détruire.

La Solidarité est donc, comme la responsabilité, une force progressive; et l'on voit que, relativement à l'auteur de l'acte, elle se résout en *responsabilité répercutée*, si je puis m'exprimer ainsi; — que c'est encore un système de peines et de récompenses réciproques, admirablement calculé pour circonscrire le mal, étendre le bien et pousser l'humanité dans la voie qui mène au progrès.

However, public opinion, this *queen of the world* that is the daughter of solidarity, reunites all these scattered complaints and regroups all these harmed interests into a formidable knot of resistance. When the behaviour of one man harms his neighbors, opposition to this behavior appears. It is severely judged, criticized, and decried. The person who caused this becomes an object of mistrust, scorn, and hatred. If he gleaned a few benefits from it, these would soon be more than countered by the suffering that public aversion would heap on him. To the unfortunate consequences that bad behaviour always brings in its wake as a result of the law of (individual) *responsibility*, would be added other consequences that are even more unfortunate as a result of the law of (human) *solidarity*.

Scorn for the person soon extends to a scorn for the behaviour or vice, and as the need for esteem is one of our most dynamic incentives it is clear that solidarity, through the reaction it generates against vicious actions, tends to restrain and destroy them.

(Human) solidarity, like (individual) responsibility, is thus *a force for progress*, and it can be seen that with regard to the author of the act it results in *responsibility which is passed on to others*, if I may put it this way, which is another system of reciprocal rewards and punishments which are admirably calculated to limit evil/harm, extend good, and propel the human race along the path that leads to progress.

¹⁸⁵ EH2, chap. XX “Responsibility,” in our new translation.

SELF-OWNERSHIP AND THE RIGHT TO PROPERTY

The Lockean idea of “self-ownership” was less well established in France than in England, but can be traced back to the work of Pierre-Louis Roederer (1754-1835) in the 1800s and the 1810s¹⁸⁶ and Victor Cousin (1792-1867) in the 1830s and 1840s.¹⁸⁷ Within Bastiat’s circle this idea was taken up by Louis Leclerc, who had been briefly editor of the *JDE*, and by Gustave de Molinari in late 1848 and early 1849. During the late 1840s Bastiat developed his own theory of “the self” independently of Victor Cousin as he did not cite any of Cousin’s work.

Victor Cousin’s idea of “le Moi” (the Self) which he developed in his book *Justice et Charité* (1848) was particularly important for laying the theoretical foundation of this way of looking at property and self-ownership.¹⁸⁸

(C)ette propriété première , au delà de laquelle on ne peut remonter, c'est notre personne. Cette personne , ce n'est pas notre corps ; notre corps est à nous, il n'est pas nous. Ce qui constitue la personne , c'est essentiellement, nous l'avons établi depuis longtemps , notre activité volontaire et libre, car c'est dans la conscience de cette libre énergie que le moi s'aperçoit et s'affirme. Le moi , [32] voilà la propriété primitive et originelle , la racine et le modèle de toutes les autres.

This original property, beyond which one cannot go (any further), is our person (notre personne). This person is not our body; our body belongs to us (but) it is not us. What constitutes the person, what we have essentially established some time ago, is our voluntary and free action, since it is in the awareness (conscience) of this free energy that "le moi" (the self) perceives itself and affirms/asserts itself. "Le moi" (the self) , here is the first and original (primitive et originelle) (form of) property, the root and the model for all the others.

¹⁸⁶ Roederer had been influenced by Adam Smith whose ideas he popularised in France teaching a course on political economy at the Athénée in Paris in 1800. See, *Discours sur le droit de propriété, lus au Lycée les 9 décembre 1800 et 18 janvier 1801* (Paris: Didot frères, 1801); *De la propriété considérée dans ses rapports avec les droits politiques* (Paris: Porthmann, 1819).

¹⁸⁷ Cousin was a philosopher who taught some very popular courses at the Sorbonne. He also developed a theory of the self in *Justice et Charité* (1848) which influenced some of the political economists.

¹⁸⁸ Cousin, *Justice et Charité* (1848), pp. 31-32.

C'est de celle-là que toutes les autres viennent; elles n'en sont que des applications et des développements. Le moi est saint et sacré par lui-même; ainsi voilà déjà une propriété évidemment sainte et sacrée. Pour effacer le titre des autres propriétés, il faut nier celle-là, ce qui est impossible; et si on la reconnaît, par une conséquence nécessaire, il faut reconnaître toutes les autres qui ne sont que celle-là manifestée et développée. Notre corps n'est à nous que comme le siège et l'instrument de notre personne, et il est après elle notre propriété la plus intime. Tout ce qui n'est pas une personne, c'est-à-dire tout ce qui n'est pas doué d'une activité intelligente et libre, c'est-à-dire encore tout ce qui n'est pas doué de conscience, est une chose.

It is from the latter that all the other (forms of) property come; they are only applications and developments (of them). The self is holy and sacred by itself (on its own); thus we have already a property which obviously is holy and sacred. To erase the title to the other (forms of) property, we have to deny the latter (property in one's self), which is impossible; and if one does recognize it, it necessarily follows that we have to recognize all the other (forms of property) which are only the latter manifested and developed. Our body is only ours as the seat and the tool/instrument of our person, and it is our most personal property after it (our person). Everything which is not a person, that is to say everything which is not endowed with intelligent and free action (activité), that is to say everything which is not endowed with awareness, is a thing.

Cousin's ideas were brought to the attention of the Economists by Louis Leclerc in an article in the *JDE* in October 1848. Most of the more utilitarian minded economists did not pay it much attention, except for Molinari and Bastiat. In his article, Leclerc gave a most poetic and moving defence of self-ownership and other property rights based upon Cousin's insight which obviously struck a chord with Molinari:¹⁸⁹

¹⁸⁹ Leclerc, "A Simple Observation on the Right to Property" (*JDE*, Oct. 1848), p. 304.

Cette quotité de ma vie et de ma puissance, est perdue sans retour; je ne la recouvrerai jamais; la voici comme déposée dans le résultat de mes efforts; lui seul représente donc ce que je possédais légitimement, et ce que je n'ai plus. Je n'usais pas seulement de mon droit naturel en pratiquant cette substitution, j'obéissais à l'instinct conservateur; je me soumettais à la plus impérieuse des nécessités : mon droit de propriété est là! Le travail est donc le fondement certain, la source pure, l'origine sainte du droit de propriété; ou bien le moi n'est point propriété primordiale et originelle, ou bien les facultés (d'??) expansion du moi, et les organes mis à son service ne lui appartiennent pas, ce qui serait insoutenable. ... Le moi a donc conscience parfaite de la consommation folle ou sage, utile ou improductive de sa propre puissance, et, comme il sait aussi que cette puissance lui appartient, il en conclut sans peine un droit exclusif et virtuel sur les résultats utiles de cette inévitable extinction, quand elle s'est laborieusement et fructueusement accomplie.

This "thing" which is my life and my power is lost without recovery (as I work and age). I will never be able to recover it. There it lies, the result of all my efforts. It alone therefore represents what I had legitimately possessed and what I (will) no longer have. I did not only use up my natural right(s) in maintaining what has been lost, I was obeying the instinct of self-preservation, I submitted to the most imperious of necessities: my right to property is right here! Labour is therefore the certain foundation, the pure source, the holy origin of the right to property. Otherwise I (le moi) am not the primordial and original property, otherwise my ability to extend myself, and the organs which I have at my disposal, do not belong to me, which would be indefensible. ... Therefore I am perfectly within my rights to use my own powers foolishly or wisely, productively or unproductively, and, because I also know that this power belongs to me, because I retain without any penalty the exclusive and virtual/potential right to the useful results of this inevitable loss, when it has been laboriously and fruitfully been accomplished.

Three months later in January 1849 Molinari wrote a very critical book review of Adolphe Thiers' *On Property*,¹⁹⁰ contrasting Thiers' poor defense of the right to own property with that of Cousin's and Leclerc's. Bastiat would something similar in his pamphlet "Protectionism and Communism" (Jan. 1849) which was also a response to Thiers' book.¹⁹¹ Molinari commended Leclerc for having recognized Cousin's insight that "la propriété n'est autre chose que l'expansion, le prolongement du *moi*" (property nothing more than the expansion or the extension of "le moi" (the I)) and then for having gone far beyond Cousin and the other economists in seeing that property had to

¹⁹⁰ Adolphe Thiers, *De la propriété* (Paris: Paulin, Lheureux et Cie, 1848).

¹⁹¹ "Protectionism and Communism" (Jan. 1849) (CW2, pp. 235-65).

be defended on the grounds of both utility *and* justice. He summed up his view of property in the following paragraph:¹⁹²

Dans l'opuscule cité plus haut, M. Cousin établit clairement la différence des deux systèmes qui se sont jusqu'à présent occupés de la propriété, je veux parler du système des économistes et du système des vieux jurisconsultes, copiés par Rousseau et son école. Selon les économistes, la propriété est un véhicule primordial de la production et de la distribution des richesses, un des organes essentiels de la vie sociale : on ne peut, disent-ils, toucher à cet organe sans nuire à l'organisme, et les gouvernements, institués en vue de l'utilité générale, manquent complètement à leur mission lorsqu'ils portent [167] atteinte à la propriété. A cette règle, aucune exception ! Aux yeux des véritables économistes, comme à ceux des véritables philosophes, Le Droit De Propriété N'est Pas ou Il Est Absolu. Selon les jurisconsultes de la vieille école, au contraire, la propriété a un caractère essentiellement mobile, variable, humain; elle ne vient pas de la nature, elle résulte d'un convention conclue à l'origine des sociétés, elle est née du contrat social, et selon que les contractants le jugent nécessaire, ils peuvent, modifiant la convention primitive, imposer des règles, donner des limites à la propriété. Ce qui nécessairement suppose qu'ils ne la considèrent ni comme essentiellement équitable, ni comme absolument utile.

Entre ces deux systèmes, je n'ai pas besoin de dire que la distance est immense, incommensurable : le premier contient toute l'économie politique, le second contient tout le socialisme.

In the small book cited above M. Cousin clearly establishes the difference between the two schools of thought which are at present busy with the question of property. I am speaking of the Economists and the old Legal Philosophers (Jurisconsultes) who have been copied by Rousseau and his school. According to the Economists property is a primordial vehicle for the production and distribution of wealth, one of the essential organs of social life. They say that one cannot touch this organ without harming the organism, and that governments, which have been instituted with the view of guarding general welfare, fail completely in their mission when they cause harm to property. To this rule there is no exception! In the eyes of true economists, as with true philosophers, **THE RIGHT OF PROPERTY IS NOTHING OR IT IS ABSOLUTE**. According to the legal philosophers of the old school, on the other hand, property is essentially movable, variable, and man made. It does not come from nature; it is the result of a agreement (convention) made at the birth of society; it is born from a social contract, and according to what the contractors judge necessary, they can, by modifying the original agreement, impose rules and establish limits to property. This necessarily implies that they do not consider it (property) as essentially just or as essentially useful.

Between the two schools of thought, I don't need to say that the distance between them is immense and unmeasurable. The first school comprises all of political economy; the second all of socialism.

¹⁹² Molinari, review of Thiers' "De la propriété" (*JDE*, Jan. 1849), pp. 166-67.

However, the majority of the economists rejected this absolutist view of individual property rights and did not think that it was the economist's job to delve too deeply into the foundations of property rights and its relationship to political economy. The majority viewpoint was the one summarised by Léon Faucher in the article on "Property" he wrote for the *DEP*.¹⁹³ It seems that the economists were divided on this question as one can identify a small group who were influenced by Victor Cousin such as Leclerc and Molinari, and Bastiat independently, but also Louis Wolowski and Émile Levasseur who co-wrote the article on property in Block's *Dictionnaire générale de la politique* which appeared in 1863.¹⁹⁴ The article began with a very Cousinian defense of private property as an extension of "le moi" (the self).

Thus, Bastiat needs to be seen as being part of this "absolutist school" of thinking about self-ownership and property rights in general which he incorporated in his treatise on *Economic Harmonies* and which show many similarities with Cousin's ideas, especially Bastiat's notion of property as "une prolongement" (an extension) of the self.

However, Bastiat had his own vocabulary to describe the idea of "self-ownership," as he had for nearly all aspects of his social and economic theory. Here, the idea of "self-ownership" is that each individual "owns" or has "control" (l'empire) over their body, mind, thoughts, faculties, and "sa personnalité tout entière" (his or her entire person). Not to have this ownership of oneself means that someone else "owned" or had control over you, which was "slavery."

The Self

He begins with his idea of "the self" which he variously termed "le moi" (Me, the self), "le soi" or "soi-même" (the self, oneself), "l'individualité" (the individual, the idea

¹⁹³ Faucher, "Propriété," *DEP*, vol. 2, pp. 460-73.

¹⁹⁴ Wolowski and Levasseur, "Propriété", *Dictionnaire générale de la politique par Maurice Block avec la collaboration d'hommes d'état, de publicistes et d'écrivains de tous les pays. Nouvelle édition refondue et mises à jour* (Paris: O. Lorenz. 1st ed. 1863-64, 2nd revised ed. 1873), 1st. ed., vol. 2, pp. 682-93. For an English translation see "Louis Wolowski and Émile Levasseur on "Property" (1863)" in *French Liberalism in the 19th Century: An Anthology*, ed. Robert Leroux and David M. Hart (London: Routledge, 2012), pp. 243-54.

of the individual), “la personne” (the person), or more often “la personnalité” (personhood, the person, one’s person). The latter term he used in the phrase “le sentiment de la personnalité” (the sense or idea of oneself) which he contrasted with “le principe de la fraternité” (the principle of fraternity) in an unpublished essay “Individualism and Fraternity” (c. June 1848) which was intended as a chapter in his book *Economic Harmonies*. This “self” had free will and was a thinking, choosing, acting being,¹⁹⁵ which was driven by “l’intérêt” or “l’intérêt personnel” (self interest) to avoid “le Mal” (harm) and seek “le Bien” (benefits, the good). This self-interested, acting being Bastiat believed was “le grand ressort de le Mécanique sociale” (the great driving force or main spring of the social mechanism).¹⁹⁶ This view is summarized in the opening paragraphs of chap. XXII “The Driving Force of Society”:

(Man is) un être vivant, pensant, voulant, aimant, agissant” ... (with) le libre arbitre ... (and) a doués de la faculté, au moins dans une certaine mesure, de fuir le mal et de rechercher le bien. Le libre arbitre suppose et accompagne l’intelligence. Que signifierait la faculté de choisir, si elle n’était liée à la faculté d’examiner, de comparer, de juger?...

Le moteur, c’est cette impulsion intime, irrésistible, essence de toutes nos forces, qui nous porte à fuir le Mal et à rechercher le Bien. On le nomme instinct de conservation, intérêt personnel ou privé. ...

(Man is) a living, thinking, desiring, loving, and acting being ... (with) free will ... (and is) endowed ... with the capacity, at least to a certain extent, of fleeing evil and seeking out good. Free will assumes and goes hand in hand with having a mind. What use would the capacity to choose be if it were not linked with the capacity to examine, compare, and judge?...

This driving force is the impulse deeply personal and irresistible, the essence of all of our strengths, which impels us to flee from evil and to seek out good. It is called the instinct of self-preservation, self-interest, or individual interest.

¹⁹⁵ See “Human Action,” in *Appendix 1* CW4 (forthcoming).

¹⁹⁶ See “The Social Mechanism and its Driving Force,” in the Appendix.

La force impulsive, qui est en chacun de nous, se meut sous la direction de notre intelligence. Mais notre intelligence est imparfaite. Elle est sujette à l'erreur. Nous comparons, nous jugeons, nous agissons en conséquence ; mais nous pouvons nous tromper, faire un mauvais choix, tendre vers le mal le prenant pour le bien, fuir le bien le prenant pour le mal. C'est la première source des dissonances sociales; elle est inévitable par cela même que le grand ressort de l'humanité, l'intérêt personnel, n'est pas, comme l'attraction matérielle, une force aveugle, mais une force, guidée par une intelligence imparfaite. Sachons donc bien que nous ne verrons l'Harmonie que sous cette restriction. ...

Ce mobile interne, impérissable, universel, qui réside en toute individualité et la constitue être actif, cette tendance de tout homme à rechercher le bonheur, à éviter le malheur, ce produit, cet effet, ce complément nécessaire de la sensibilité, sans lequel elle ne serait qu'un inexplicable fléau, ce phénomène primordial qui est l'origine de toutes les actions humaines, cette force attractive et répulsive que nous avons nommée le grand ressort de la Mécanique sociale ...

The impulsive force which is within each of us is driven by our mind. Our mind, however, is flawed. It is subject to error. We compare, judge, and act accordingly, but we may be mistaken, make a wrong choice, and turn towards evil by mistaking it for the good, turn away from the good by mistaking it for evil. This is the leading source of social *disharmony* and is inevitable for the very reason that the major incentive of the human race, self-interest, is not a blind force like physical attraction, but a force governed by imperfect thinking. Let us be fully aware, therefore, that we will see harmony only subject to this restriction. ...

This internal, indestructible, and universal driving force that is within each individual and makes him into an acting being, this tendency in everyone to seek happiness and avoid misfortune, this product, effect, and complement essential to the faculty of feeling and without which it would be just an inexplicable scourge, this primitive phenomenon that is the origin of all human action, this force for attraction and repulsion that we have called the giant main spring of the social mechanism ...

What he was attempting to do in the essay was to show the socialists that “selfish individualism” was in fact compatible with fraternity, since he believed that people would gradually come to realise that their interests were in harmony with the interests of others, that the wealth and prosperity of others contributed to their own wealth and prosperity, and that mutually beneficial exchanges were to be had with others. From this essentially “selfish” perspective Bastiat thought there would eventually be a “merging” of private interests and the general interest of society, and that “le principe de la fraternité naîtrait du sentiment même de la personnalité avec lequel il semble, au premier coup d’œil, en opposition” (the principle of fraternity would arise from the very sense of self

to which at first sight it is opposed).¹⁹⁷ But this was not to deny the importance of “la personnalité,” “l’individualité,” “l’amour du moi,” or whatever one wanted to call it, which to the individual was like the pull of gravity on pieces of matter:¹⁹⁸

Je commencerai par le déclarer très franchement : le sentiment de la personnalité, l’amour du moi, l’instinct de la conservation, le désir indestructible que l’homme porte en lui-même de se développer, d’accroître la sphère de son action, d’augmenter son influence, l’aspiration vers le bonheur, en un mot, l’individualité me semble être le point de départ, le mobile, le ressort universel auquel la Providence a confié le progrès de l’humanité. C’est bien vainement que ce principe soulèverait l’animadversion des socialistes modernes. Hélas ! qu’ils rentrent en eux-mêmes, qu’ils descendent au fond de leur conscience, et ils y retrouveront ce principe, comme on trouve la gravitation dans toutes les molécules de la matière. Ils peuvent reprocher à la Providence d’avoir fait l’homme tel qu’il est ; rechercher, par passe-temps, ce qu’il adviendrait de la société, si la Divinité, les admettant dans son conseil, modifiait sa créature sur un autre plan. Ce sont des rêveries qui peuvent amuser l’imagination ; mais ce n’est pas sur elles qu’on fondera les sciences sociales.

Il n’est aucun sentiment qui exerce dans l’homme une action aussi constante, aussi énergique que le sentiment de la personnalité.

I will begin by declaring very frankly that the concept of the individual, of self-love, the instinct of self-preservation, the indestructible desire within man to develop himself, to increase the sphere of his action, increase his influence, his aspiration to happiness, in a word, individuality, appears to me to be the point of departure, the motive and universal dynamic to which providence has entrusted the progress of humanity. It is absolutely in vain that this principle arouses hostility in modern socialists. Alas! Let them look into themselves, let them go deep into their consciences and they will rediscover this drive, just as we find gravity in all the molecules of matter. They may reproach providence for having made man as he is and, as a pastime, seek to find out what would happen to society if the divinity, accepting them as counselors, changed his creatures to suit another design. These are dreams for distracting the imagination, but it is not on these that social sciences are founded.

There is no feeling that is so constantly active in man or so dynamic as the sense of self.

Self-ownership

¹⁹⁷ “Individualism and Fraternity” (June 1848) (CW2, 91).

¹⁹⁸ “Individualism and Fraternity” (June 1848) (CW2, 87).

Bastiat used two ways to express the idea that every individual owned themselves. The first was the idea that there was “la propriété des bras, des facultés et de l’intelligence” (property in oneself (literally “les bras” - one’s arms), one’s faculties, and one’s mind); while the second one was the idea that “l’homme naît propriétaire” (man was born a property owner).

This “l’être actif” (acting being) had “le sentiment de la personnalité” (a sense or understanding of itself as a person) as well as exercising control over its mind, feelings, and faculties. Bastiat described this control as “l’empire sur soi-même” (authority or power over oneself)¹⁹⁹ and believed that this power or control gave rise to a natural property right in oneself, or in other words “la propriété de soi-même” (property or ownership of oneself, self-ownership).²⁰⁰ This was the first kind of property an individual has, and for many poor workers, it would be their only property, i.e. in themselves and their labour. As he stated in “Protectionism and Communism” (Jan. 1849) “la propriété (est) d’abord dans la libre disposition de la personne” (property first of all lies in the free use of one’s (own) person).²⁰¹

He continued this argument that the poor person’s “seule Propriété” (only or sole property) was in their own faculties and labour. He pointed out to the conservative protectionist politician Adolphe Thiérs that the protectionist system, of which Thiérs was an ardent supporter, was in fact “le Communisme de la pire espèce” (Communism of the worst kind) because it subjected “les facultés et le travail du pauvre, sa seule Propriété, à la discrétion du riche” (the faculties and labour of the poor, their sole property, to the discretion of the rich).²⁰²

The colorful term he used to describe this first kind of property was “la propriété des bras” (literally, owning one’s own arms) which he first used in the Introduction to his history of the Anti-Corn Law League, *Cobden and the League* (July 1845). He used it to contrast the different classes and the kind of property they held on each side of the struggle for free trade in England. On the one hand, there was “the aristocracy” or “the

¹⁹⁹ First expressed in the article “Harmonies Économiques 4” (*JDE*, Dec. 1848) which became chap. III “On the Needs of Man,” in EH.

²⁰⁰ “La liberté n’est donc autre chose que la propriété de soi-même, de ses facultés, de ses œuvres” (Liberty is nothing more than property in oneself, one’s faculties, and one’s work) in “Seventh Speech given in Paris in the Montesquieu Hall” (7 Jan. 1848) in CW6 (forthcoming).

²⁰¹ “Protectionism and Communism” (Jan. 1849) (CW2, p. 250).

²⁰² “Protectionism and Communism” (Jan. 1849) (CW2, p. 260).

Oligarchy” who benefitted from tariffs and trade restrictions and who based their power on the ownership of agricultural land and who drew support from the agricultural workers (“les classes agricoles”) whom they employed. On the other, there were the ordinary workers and consumers who paid the higher prices caused by the tariffs and who only had their own bodies and minds to draw upon. As Bastiat put it:

Si l'aristocratie a pour elle la propriété foncière et les classes agricoles, la Ligue s'appuie sur la propriété des bras, des facultés et de l'intelligence.

While the aristocracy had on its side property in land and the agricultural classes, the League counted on (was supported by) property in their own selves ("arms"), their own faculties, and their own minds).

He would make a similar point some four years later in EH VIII “Property and Community” where he contrasted the ownership of “things” like a plot of land or a bag of coins with the property each person had in themselves, their faculties, and their minds, and hence the “services” which ownership of these quite different things made possible for them to provide:

Il y a des gens aux yeux de qui la Propriété n'apparaît jamais que sous l'apparence d'un champ ou d'un sac d'écus. Pourvu qu'on ne déplace pas les bornes sacrées et qu'on ne vide pas matériellement les poches, les voilà fort rassurés.

There are those in whose eyes property never appears in any other light than as a plot of land or a sack of money. Provided that the venerable boundary posts are not moved and that people's pockets are not emptied physically, they are very reassured.

Mais n'y a-t-il pas la Propriété des bras, celle des facultés, celle des idées, n'y a-t-il pas, en un mot, la Propriété des services ?

But, is there not also the property one has in oneself, one's faculties, or one's ideas; is there not, in a word, the property one has in one's services?

In his mind, ownership of oneself was just as important (or “sacred”) as the ownership of things, and was perhaps even more important for those members of the working class whose bodies were the only thing they may own. He made this point in an article written in May 1847 when revolution appeared to some as a likely outcome of the

“social war” which was being waged in France by the rising socialist movement. He appealed to “the Bourgeoisie” to show their solidarity with the workers (“the people”) by recognizing their natural right to property in themselves:²⁰³

Si donc la bourgeoisie veut éviter la guerre sociale, dont les journaux populaires font entendre les grondements lointains, qu'elle ne sépare pas ses intérêts de ceux des masses, qu'elle étudie et comprenne la solidarité qui les lie; si elle veut que le consentement universel sanctionne son influence, qu'elle la mette au service de la communauté tout entière ; si elle veut qu'on ne s'inquiète pas trop du pouvoir qu'elle a de faire la loi, qu'elle la fasse juste et impartiale ; qu'elle accorde à tous ou à personne la protection douanière. Il est certain que la propriété des bras et des facultés est aussi sacrée que la propriété des produits. Puisque la loi élève le prix des produits, qu'elle élève donc aussi le taux des salaires ; et, si elle ne le peut pas, qu'elle les laisse librement s'échanger les uns contre les autres.

If, therefore, the bourgeoisie wants to avoid a social war, whose distant rumblings are being echoed by the popular journals, let it not separate its interests from those of the masses, and let it examine and understand the solidarity that binds them. If the bourgeoisie wants universal approval to sanction its influence, let it put this influence at the service of the entire community. If it wants its power to enact laws not to arouse too much anxiety, it has to make laws just and impartial and award Customs protection to everyone or no one. It is certain that the ownership of oneself and one's faculties is as sacred as the ownership of products. Since the law raises the price of products, let it also raise the rate of pay, and if it cannot, let it allow both to be exchanged freely for the other.

He gave more details about he meant by this in the series of Letters he wrote on “Property and Plunder” for the *Journal des débats* (July 1848), to describe self-ownership. This first kind of property extended from one’s mind, one’s faculties, one’s feelings to encompass “sa personnalité tout entière” (one’s entire person). In the Third Letter he stated “c’est la propriété, non celle du sol seulement, mais celle des bras, de l’intelligence, des facultés, de la personnalité” (it its property, not only of that in land, but property in oneself, one’s mind, one’s faculties, and one’s person) and in the Fifth Letter “propriété ... de ses œuvres, de ses bras, de son intelligence, de ses facultés, de ses affections, de sa

²⁰³ “The People and the Bourgeoisie” (*LE*, 22 May 1847 (CW3, pp. 286-87).

personnalité tout entière“ (property ... in one’s work, oneself, one’s mind, one’s faculties, one’s feelings, and one’s entire self).²⁰⁴

The second way Bastiat expressed the idea of self ownership was with the idea that “l’homme naît propriétaire” (man was born a property owner), by which he meant that “on naît donc avec la propriété de sa personne et de ses facultés” (one was born therefore having property in one’s person and one’s faculties) and that this was part of one’s nature as a human being. In a speech to a group of publishers (December 1847) in which he defended the right of intellectual property he forcefully stated that:²⁰⁵

Ce mot, Messieurs, je le répète ici comme l’expression la plus énergique et la plus juste de ma propre pensée.

Oui, l’homme naît propriétaire, c’est-à-dire que la propriété est le résultat de son organisation.

On naît propriétaire, car on naît avec des besoins auxquels il faut absolument pourvoir pour se développer, pour se perfectionner et même pour vivre ; et on naît aussi avec un ensemble de facultés coordonnées à ces besoins.

On naît donc avec la propriété de sa personne et de ses facultés. C’est donc la propriété de la personne qui entraîne la propriété des choses, et c’est la propriété des facultés qui entraîne celle de leur produit.

Il résulte de là que la propriété est aussi naturelle que l’existence même de l’homme.

This phrase, Sirs, I am pleased to repeat here as being the most forceful and accurate expression of my own thought.

Yes, man is born a property owner, that is to say, property is the result of his nature.

People are born property owners, for they are born with needs that have to be satisfied in order for them to develop, advance, and even live, and they are also born with a set of faculties in line with these needs.

They are thus born having property in their person and their faculties. It is therefore ownership of their person that leads to the ownership of things, and it is the ownership of their faculties that leads to the ownership of what they produce.

The conclusion from this thinking is that property is as natural as the very existence of man.

²⁰⁴ “Property and Plunder” (CW2, pp. 163, 172). See also in chap. VIII “Property and Community” where he states “Mais n’y a-t-il pas la Propriété des bras, celle des facultés, celle des idées, n’y a-t-il pas, en un mot, la Propriété des services?” (But, is there not also the property one has in oneself, one’s faculties, or one’s ideas; is there not, in a word, the property one has in one’s services?).

²⁰⁵ “A Speech on intellectual property given to the Publishers Circle” (16 Dec. 1847, *Travail intellectuel*), in CW4 (forthcoming).

Ownership of other things by extension (from the self)

The latter point, that “la propriété de la personne qui entraîne la propriété des choses, et c’est la propriété des facultés qui entraîne celle de leur produit” (ownership of their person that leads to the ownership of things, and it is the ownership of their faculties that leads to the ownership of what they produce) is the next stage in Bastiat theory of property. The key concept here was the idea of “le prolongement” (extension) whereby property in oneself led “by extension” to owning the things one created by using one’s labour (one’s “arms”), one’s faculties, and one’s mind. He made this argument in an essay he addressed to socialists a few months after the February Revolution. He defended the right to own property against attacks by socialists by arguing that property existed before there were any laws or any government, that it was a necessary consequence of the nature of human beings, and that there was a progression or “le prolongement” (extension) which went from one’s person, to the faculties which the person exercised in order to survive, to the things or the property which the person created in order to do this:²⁰⁶

Les économistes pensent que la Propriété est un fait providentiel comme la Personne . Le Code ne donne pas l'existence à l'une plus qu'à l'autre. La Propriété est une conséquence nécessaire de la constitution de l'homme.

Dans la force du mot, l'homme naît propriétaire, parce qu'il naît avec des besoins dont la satisfaction est indispensable à la vie, avec des organes et des facultés dont l'exercice est indispensable à la satisfaction de ces besoins. Les facultés ne sont que le prolongement de la personne; la propriété n'est que le prolongement des facultés. Séparer l'homme de ses facultés, c'est le faire mourir; séparer l'homme du produit de ses facultés, c'est encore le faire mourir.

Economists consider that property, like the person, is a providential fact. The law does not give existence to one any more than to the other. Property is a necessary consequence of the constitution of man.

In the full sense of the word, man is born a property owner, since he is born with needs whose satisfaction is essential to life, with organs and faculties whose exercise is essential to the satisfaction of these needs. These faculties are merely an extension of the person, and property is just an extension [45] of these faculties. To separate man from his faculties is to make him die; to separate man from the product of his faculties is once again to make him die.

²⁰⁶ “Property and Law” (*JDE*, 15 May 1848) (CW2, pp. 44-45).

He would make a similar argument in chap. VIII “Property and Community” that “la propriété, c’est le droit de s’appliquer à soi-même ses propres efforts” (property is the right to keep for oneself (the fruits of) one’s own efforts).

In his mind, the right to property was one of the three essential rights every individual had, the right to one’s person, to one’s liberty, and to one’s property,²⁰⁷ but which were constantly under threat: “la Personnalité par l’esclavage, la Liberté par l’oppression, la Propriété par la spoliation” (self-ownership by slavery, liberty by oppression, and property by plunder).²⁰⁸

²⁰⁷ He would refer to these rights several times in his pamphlet *The Law* (June 1850). On “la Personne, la Liberté, la Propriété” see pp. 108-9, 115; on “la Personnalité, la Liberté, la Propriété” see pp. 107, 110, 119-20.

²⁰⁸ *The Law* (CW2, p. 110).

SERVICE FOR SERVICE

The idea that exchange could be understood as “les services réciproques” (the reciprocal exchange of services) or “service pour service” (one service exchanged for another), rather than the exchange of “goods for goods” or “goods for money,” became central to Bastiat’s understanding of the market and which he would explore in more detail in EH1 Chapter IV “Exchange.” He used several combinations of words to describe this relationship, such as the following:

- “service pour service” or “service contre service” (service for service)
- “l’échange des services” (the exchange of services)
- “les services réciproques” or “la réciprocité des services” (the reciprocal (exchange) of services)
- “la mutualité des services” (the mutual (exchange) of services)²⁰⁹
- “l’équivalence des services” (the equivalence of services, or the exchange of equivalent services)

He finally settled on “les services réciproques” (the reciprocal exchange of services), “la mutualité des services” (the mutual exchange of services), and “l’équivalence des services” (the equivalence of services,) to use in his treatise *Economic Harmonies* where he used them a total of 44 times.

Bastiat’s thinking about reciprocal exchanges was strongly influenced by Destutt de Tracy who had argued in 1817 that society itself consisted of an interlocking collection of exchanges:²¹⁰

²⁰⁹ See the two short pieces Bastiat wrote sometime in 1849 “On the Value of Services” and “Money and the Mutuality of Services,” in CW4 (forthcoming).

²¹⁰ English version: Antoine Louis Claude, Comte Destutt de Tracy, *A Treatise on Political Economy: to which is Prefixed a Supplement to a Preceding Work on the Understanding or Elements of Ideology; with an Analytical Table, and an Introduction on the Faculty of the Will* (Georgetown: Joseph Milligan, 1817), pp. 6-7. French version: Antoine Louis Claude Destutt de Tracy, *Traité d'économie politique* (Paris: Bouquet et Lévi, 1823). pp. 68-69.

Maintenant, qu'est-ce donc que la société vue sous cet aspect? Je ne crains point de le dire : la société est purement et uniquement une série continuelle d'échanges; elle n'est jamais autre chose dans aucune époque de sa durée, depuis son commencement le plus informe jusqu'à sa plus grande perfection; et c'est là le plus grand éloge qu'on en puisse faire, car l'échange est une transaction admirable dans laquelle les deux contractans gagnent toujours tous deux : par conséquent la société est une suite non interrompue d'avantages sans cesse renaissans pour tous ses membres. Ceci demande à être expliqué.

Now what is society viewed under this aspect? I do not fear to announce it. Society is purely and solely a continual series of exchanges. It is never any thing else, in any epoch of its duration, from its commencement the most unformed, to its greatest perfection. And this is the greatest eulogy we can give to it, for exchange is an admirable transaction, in which the two contracting parties always both gain; consequently society is an uninterrupted succession of advantages, unceasingly renewed for all its members. This demands an explanation.

D'abord la société n'est qu'une suite d'échanges: en effet, commençons par les premières conventions sur lesquelles elle est fondée. Tout homme, avant d'entrer dans l'état de société, a, comme nous l'avons vu, tous les droits et nul devoir, pas même celui de ne pas nuire aux autres, et les autres sont de même à son égard. Il est évident qu'ils ne pourraient pas vivre ensemble, si, par une convention formelle ou tacite, ils ne se promettaient pas réciproquement *sûreté*. Eh bien ! cette convention formelle est un véritable échange. Chacun renonce à une certaine manière d'employer ses forces, et reçoit en retour le même sacrifice de la part de tous les autres. Une fois la sécurité établie par ce moyen, les hommes ont entre eux une multitude de relations qui viennent toutes se ranger sous une des trois classes suivantes. Elles consistent ou à rendre des services pour recevoir un salaire, ou à troquer une marchandise quelconque contre une autre, ou à exécuter quelque ouvrage en commun. Dans les deux premiers cas, l'échange est manifeste; dans le troisième, il n'est pas moins réel: car, quand plusieurs hommes se réunissent pour travailler en commun, chacun d'eux fait le sacrifice aux autres de ce qu'il aurait pu faire pendant ce temps-là pour son utilité particulière, et il reçoit pour équivalent sa part de l'utilité commune résultante du travail commun. Il échange une manière de s'occuper contre une autre qui lui devient plus avantageuse lui-même que ne l'aurait été la première. Il est donc vrai que la société ne consiste que dans une suite continuelle d'échanges.

First, society is nothing but a succession of exchanges. In effect, let us begin with the first conventions on which it is founded. Every man, before entering into the state of society, has as we have seen all rights and no duty, not even that of not hurting others; and others the same in respect to him. It is evident they could not live together, if by a convention formal or tacit they did not promise each other, reciprocally, surety. Well! this convention is a real exchange; every one renounces a certain manner of employing his force, and receives in return the same sacrifice on the part of all the others. Security once established by this mean, men have a multitude of mutual relations which all arrange themselves under one of the three following classes: they consist either in rendering a service to receive a salary, or in bartering some article of merchandize against another, or in executing some work in common. In the two first cases the exchange is manifest. In the third it is not less real; for when several men unite, to labour in common, each makes a sacrifice to the others of what he could have done during the same time for his own particular utility; and he receives, for an equivalent, his part of the common utility resulting from the common labour. He exchanges one manner of occupying himself against another, which becomes more advantageous to him than the other would have been. It is true then that society consists only in a continual succession of exchanges.

We can trace the evolution of his thinking on this topic during the crucial formative period of 1845-46 when he used a variety of expressions before settling on his preferred terminology. For example, in an unpublished review of Charles Dunoyer's book *De la Liberté du travail* (before March 1845) he says that "La société, au point de vue

économique, est un échange de services rémunérés” (Society, from the economic point of view is an exchange of services which are paid for);²¹¹ in the article, “On Competition” (*Encyclopédie* early 1846, and *JDE* May 1846) he defines “l’économie politique : c’est la théorie des services que les hommes se rendent les uns aux autres à charge de revanche” (political economy is the theory of services which men render to each other tit for tat);²¹² in an article “To Artisans and Workers” (18 Sept. 1846) he says “le commerce n’est qu’un ensemble de trocs pour trocs, produits contre produits, services pour services” (commerce is only a collection of barter for barter, products for products, and services for services);²¹³ and then in a “Speech for the Free Trade Association” in Sept. 1846 in Paris he says “Le monde, au point de vue économique, peut être considéré comme un vaste bazar où chacun de nous apporte ses services et reçoit en retour” (From the perspective of economics, the world can be considered to be a vast bazaar where each of us brings his services and receives them in return).²¹⁴

By the summer of 1847 when he began giving lectures on economics at the School of Law he settled on the three expressions which he used in his treatise *Economic Harmonies*: “les services réciproques” (reciprocal services) which he used for the first time in a speech he gave for the French Free Trade Association in Paris (3 July 1847)²¹⁵ and then 15 times in *Economic Harmonies*; “la mutualité des services” (the mutual or reciprocal exchange of services) which he interestingly borrowed from his arch rival Proudhon and used for the first time in the essay “Property and Plunder” (24 July 1848),²¹⁶ then began using it himself in *Capital and Rent* (Feb. 1849), and 10 times in *Economic Harmonies*; and

²¹¹ In CW4 (forthcoming).

²¹² In CW4 (forthcoming).

²¹³ He first used the phrase “services pour services” (services for services) in an article “To Artisans and Workers” in the *Courrier français*, 18 September 1846, which was republished in ES2 6, in CW3, p. 157.

²¹⁴ In CW6 (forthcoming).

²¹⁵ He stated: “Scientifiquement, la richesse, c’est l’ensemble des services réciproques que se rendent les hommes, et à l’aide desquels la société existe et se développe” (Scientifically speaking, wealth is the ensemble/collection of reciprocal services which men render to each other and with the aid of which society exists and grows). “Third Speech given in Paris at the Taranne Hall” (3 July 1847), CW6 (forthcoming).

²¹⁶ See his critique of Proudhon in the First Letter of his essay “Property and Plunder” (*JDD*, 24 July 1848), CW2, p. 150.

“l'équivalence des services” which he used for the first time in the “Fifth Letter” of the pamphlet *Property and Plunder* (July 1848)²¹⁷ and then 19 times in *Economic Harmonies*.

By the time he came to write the pamphlet *Capital and Rent* (February 1849) his thinking had evolved to the point where he believed that any and all gains from transactions, whether profit, interest, or rent, came from the same essential thing, namely an exchange of services between individuals. In the context of this pamphlet Bastiat is appealing to workers who had been influenced by socialists like Proudhon, and so he takes a phrase used by Proudhon²¹⁸ “la mutualité des services” (the mutuality of services) and adapts it for his own purposes (meaning here “the mutual exchange of services”). Proudhon, unlike his other socialist colleagues such as Considerant and Louis Blanc, approved of some transactions on the free market between equal parties where there was some mutual benefit to the exchange. However, he did not think this was possible in the case of interest paid on loans. Thus, here Bastiat was trying to turn Proudhon’s own argument back on himself in a rhetorical turn of phrase which he was much skilled at, as his *Economic Sophisms* demonstrate.

Bastiat argues in *Capital and Rent* that:

²¹⁷ Here he argues that “la Spoliation consiste à employer la force ou la ruse pour altérer à notre profit l'équivalence des services” (Plunder consists in the use of force or fraud to change the equivalence of services to one’s own benefit), CW2, p. 171.

²¹⁸ Proudhon uses the phrase “mutualité des services” in *Lettre à M. Blanqui sur la propriété. Deuxième mémoire* (Paris: Prévot, 1841), p. 27; and *Système des Contradictions économiques* (Guillaumin, 1846), Tome II, “Chap. XI. La Propriété,” p. 262-63.

À proprement parler, l'Échange c'est la *mutualité des services*. Les parties se disent entre elles : « Donne-moi ceci, et je te donnerai cela ; » ou bien : « Fais ceci pour moi, et je ferai cela pour toi. » Il est bon de remarquer (car cela jettera un jour nouveau sur la notion de *valeur*) que la seconde formule est toujours impliquée dans la première. Quand on dit : « Fais ceci pour moi, et je ferai cela pour toi, » on propose d'échanger service contre service. De même quand on dit : « Donne-moi ceci, et je te donnerai cela, » c'est comme si l'on disait : « Je te cède ceci que j'ai fait, cède-moi cela que tu as fait. » Le travail est passé au lieu d'être actuel ; mais l'Échange n'en est pas moins gouverné par l'appréciation comparée des deux services, en sorte qu'il est très-vrai de dire que le principe de la *valeur* est dans les services rendus et reçus à l'occasion des produits échangés, plutôt que dans les produits eux-mêmes.

Strictly speaking, Exchange is the *mutual exchange of services*. The parties say to one another: "Give me this and I will give you that" or "Do this for me and I will do that for you." It should be noted (as this will shed new light on the notion of *value*) that the second formula is always implicit in the first. When people say "Do this for me and I will do that for you," they are offering to exchange one service for another. Similarly, when they say: "Give me this and I will give you that" it is as if they were saying "I will hand over to you this item that I have made; hand over to me one that you have made." The work is in the past instead of being in the present, but the Exchange is no less governed by a comparative evaluation of the two services, so that it is very true to say that the principle of *value* is inherent in the services given and received when products are exchanged rather than in the products themselves.

By the end of 1847 when he wrote the opening chapters for *Economic Sophisms Series II* he was able to distill what he called "the great social law" governing man into the following statement, that is was "the freely negotiated exchange of one service for another."²¹⁹ Equally pithily, he concluded in one of the draft chapters of *Economic Harmonies* (date written is unknown) that "la Liberté — ou l'équivalence des services" (Liberty was the exchange of equivalent services).²²⁰

Another twist in his understanding of "services" is his distinction between "les services réels" (real services) or "services effectifs" (real or actual services), which were exchanged by participants voluntarily in the free market, and "les services fictifs" (false or imaginary services), which were promised by the state or other privileged institutions like the Church to ordinary tax-payers and consumers and not adequately provided (or not

²¹⁹ Here he uses the phrase "service contre service", as in "Échange librement débattu de service contre service." ES2 1 "The Physiology of Plunder," CW3, pp. 114, 117.

²²⁰ EH XVIII "Disturbing factors," FEE ed., p. 467.

even at all) and which were justified by the use of “sophisms,” i.e. by false and sophistical arguments. As he explained it in the “Conclusion” to ES1:²²¹

Pour voler le public, il faut le tromper. Le tromper, c’est lui persuader qu’on le vole pour son avantage ; c’est lui faire accepter en échange de ses biens des services fictifs, et souvent pis. — De là le *Sophisme*. — Sophisme théocratique, Sophisme économique, Sophisme politique, Sophisme financier.

In order to steal from the public, it is first necessary to deceive them. To deceive them it is necessary to persuade them that they are being robbed for their own good; it is to make them accept imaginary services and often worse in exchange for their possessions. This gives rise to *sophistry*. Theocratic sophistry, economic sophistry, political sophistry, and financial sophistry.

Another innovative idea which Bastiat develop alongside his idea of exchange as the mutual exchange of services, is the idea that an exchange is a result of a comparative evaluation of the two services by the two parties involved in any transaction. The “value” which is exchanged when services are given and received is determined by the individuals involved in the transaction rather than residing in the products themselves as some kind of abstract “labor” or “utility.” This is one of Bastiat’s most original and profound economic insights which went to the heart of the Smithian and Ricardian tradition of economic thought, which asserted that there was something inherent within the objects being exchanged (such as labour or utility) and that this thing could be objectively assessed, measured, and valued. Bastiat’s insight was to reject the objectivity of this “value” and to see that it was the subjective valuations, the “*appréciation comparée*” (comparative evaluation or judgement), of the two parties to the exchange which made exchange both possible and worth while for both parties. He went even further in arguing that all exchanges could be viewed as “exchanges of services,” including such things as the payment of interest and rent, a claim which provoked his colleagues in the Political Economy Society, not to mention Proudhon, to strenuously object to this novel formulation and to ultimately reject Bastiat’s ideas.

²²¹ ES1 “Conclusion,” in CW3, pp. 110.

THE SOCIAL MECHANISM AND ITS DRIVING FORCE²²²

As a true nineteenth century social theorist Bastiat made use of several mechanical, biological, or astronomical metaphors to describe the structure and operation of social, economic, and political institutions, structures, and processes. These included the idea that society was like a clock or a mechanism (with wheels, springs, and movements), or a machine with an engine or motor (driven by steam or other physical forces), or like a mechanical or scientific apparatus of some kind (with different parts which operated together in a coordinated fashion), or a "celestial mechanism" like orbiting planets which moved under the influence of gravity, normally in a "harmonious" manner but which sometimes could be knocked out of their orbit by some external disturbing factor.

The vocabulary he used to describe this can be divided into various components: the mechanism or machine itself, the power source, the machine's parts, and the designer or operator of the machine. An added complication comes from whether he was discussing society as a whole or the individuals who engaged in voluntary exchanges within that society. Both societies as well as individuals had a "driving force or motor" (*la force motrice, le moteur*) according to Bastiat.

For the mechanism or machine itself he used the following terms: "*le mécanisme social*" (the social mechanism), "*la mécanique sociale*" (the social machine, engine), "*le mécanisme de la société*" (the mechanism of society), "*la machine sociale*" (the social machine), and "*l'appareil de l'échange*" (the apparatus of exchange or trade).

For the power source: "*le moteur social*," "*le mobile social*," or "*la force motrice de la Société*" (the social engine or driving force of society), and "*le ressort*" (the spring, or the mainspring).²²³

And for the machine's parts: "*les rouages*," (the cogs and wheels) "*les ressorts*," (the springs or mainspring) and "*les mobiles*" (the movement or driving force).

²²² See also "The 'Apparatus' or Structure of Exchange" in Appendix in CW4 (forthcoming) and "Disturbing and Restorative Factors" in the Appendix, for further details of Bastiat's ideas concerning the mechanisms and forces which governed the workings of society and its institutions.

²²³ The expression "*le moteur social*" which was used as the title of a chapter in EH2 was translated by Stirling as "the social motive force" and by FEE as "the motive force of society."

There were two different sets of expressions to describe the designer or operator of the machine depending upon his distinction between "natural and artificial" ways of organising societies.²²⁴ For the former there was the "natural" organiser which was "Providence" or the natural laws which governed the operation of the world (both physical and economic), and for the latter there was the "artificial" organiser which was "le grand Mécanicien" (the Great Mechanic), "le législateur" (the legislator - especially the Rousseau-ian Legislator), "le Prince" (the Prince), or even "le jardinier" (the gardener). In this volume we have the example of Pancho in the story "Barataria" who is given the opportunity to be a socialist mechanic or engineer who rules the island of Barataria but refuses to do so.²²⁵

The diversity of expressions Bastiat used suggests his thinking was evolving and he had not yet settled on a single set of expressions to describe what he meant by "social mechanism."

As he stated in the article "Natural and Artificial Organisations" Bastiat believed there were two ways in which societies could be organised, by "artificial" means such as coercion and central planning, or by "natural" means such as voluntary cooperation and exchange in the market. Socialists believed in "artificial kinds of organisation" which could be designed and built by well-meaning social reformers like Louis Blanc or Victor Considerant. The socialists's big mistake he argued was to think that individual human beings were inanimate objects (like metal cogs and wheels, or pieces of putty, or plants and tress) who could be manipulated by a central planner, designer, or "mechanic" and not thinking, choosing, acting individuals with free will. For these reformers, societies or economies were just "les inventions sociales" (social inventions or creations) and individuals were like pieces of putty in their hands which could be molded into any shape they wished, or like bushes which could be clipped into strange shapes by "social gardeners."

Bastiat, on the other hand, believed in "natural kinds of organisation." These types of organisations emerged "providentially" or "spontaneously" (to use Hayek's term) and evolved gradually over time. Their operation could be studied by economists empirically from the outside, or by introspection from the inside (as it were). A big difference with the socialist model of organisation was that Bastiat believed that the "cogs and wheels"

²²⁴ See EH2, "Natural and Artificial Organizations," in our new translation.

²²⁵ In CW4 (forthcoming).

which comprised the social mechanism were thinking, choosing, acting individuals with free will and personal interests they were pursuing. As he noted in "Natural and Artificial Organisation" (Jan. 1848):²²⁶

Ces rouages sont des hommes, c'est-à-dire des êtres capables d'apprendre, de réfléchir, de raisonner, de se tromper, de se rectifier, et par conséquent d'agir sur l'amélioration ou sur la détérioration du mécanisme lui-même. Je dois ajouter aussi que ces ressorts sont capables de satisfaction et de douleur, et c'est en cela qu'ils sont non — seulement les rouages, mais les ressorts du mécanisme. Ils sont plus que cela encore, ils en sont l'objet même et le but, puisque c'est en satisfactions et en douleurs individuelles que tout se résout en définitive.

Its wheels are men, that is to say, beings capable of learning, reflecting, reasoning, making mistakes, rectifying them, and consequently acting to improve or worsen the (operation) of the mechanism itself. They are capable of feeling satisfaction and pain, and this makes them not only cogs and wheels but also the springs of the mechanism. They are also its driving force because the principle of action resides in them. They are still more than that, they are the object of the mechanism itself, and its purpose, since it is in individual satisfactions and pain that everything is finally resolved.

And also:²²⁷

ce phénomène extraordinaire que chaque atome est un être animé, pensant, doué de cette énergie merveilleuse, de ce principe de toute moralité, de toute dignité, de tout progrès, attribut exclusif de l'homme, la liberté!

the extraordinary phenomenon that each atom (in this social mechanism) is a living, thinking being, endowed with that marvelous energy, with that source of all morality, of all dignity, of all progress, an attribute which is exclusive to man, namely *FREEDOM!*

Individuals had “un mobile/force interne” (an internal driving force), which he likened to “a kind of gravitation,” which impelled them to do what they did and when taken in the aggregate this in turn created “un mobile social” (a social driving force) or

²²⁶ New passage added to EH1 and not in original *JDE* article.

²²⁷ EH2, in our new translation.

“le moteur social” (the social motor or driving force). He also called it “la force motrice de la Société” (the driving or motive force of society).

The internal driving force for individuals was the desire to avoid pain or harm and to seek pleasure or well-being, in other words to pursue their "l'intérêt personnel" (self-interest).²²⁸ As he noted in the Chapter on “The Social Motor” in EH2:²²⁹

Ce mobile interne, impérissable, universel, qui réside en toute individualité et la constitue être actif, cette tendance de tout homme à rechercher le bonheur, à éviter le malheur, ce produit, cet effet, ce complément nécessaire de la sensibilité, sans lequel elle ne serait qu'un inexplicable fléau, ce phénomène primordial qui est l'origine de toutes les actions humaines, cette force attractive et répulsive que nous avons nommée le grand ressort de la Mécanique sociale, a eu pour détracteurs la plupart des publicistes ; et c'est certes une des plus étranges aberrations que puissent présenter les annales de la science.

This internal, indestructible, and universal driving force that is within each individual and makes him into an acting being, this tendency in everyone to seek happiness and avoid unhappiness, this product, effect and complement essential to the faculty of sensation and without which it would be just an inexplicable scourge, this primordial phenomenon that is the origin of all human action, this force of attraction and repulsion that we have called the driving force of the social mechanism has had the majority of political writers as its detractors, and this is certainly one of the strangest aberrations that the annals of science can produce.

Although Bastiat believed that the primary motive force for individuals was self-interest, he also thought that there was a second "autre mobile" (another motive force) which was an innate feeling of sympathy for others. As he put it in a speech on free trade in September 1847:²³⁰

²²⁸ Two of many examples which could be cited are: "ce moteur universel du monde social : l'attrait pour les satisfactions et la répugnance pour la douleur ; en un mot, dans ce mobile que nous portons tous en nous-mêmes : l'intérêt personnel" (this universal motor or driving force of the social world (is) the attraction to satisfactions and repugnance for pain/suffering, in a word, in this driving force which we all carry within ourselves, namely self-interest) and "je signale l'intérêt personnel comme le moteur universel de l'humanité" (I mean by self-interest the universal driving force of humanity).

²²⁹ In EH2 XXII. Moteur social, CW5 (forthcoming). Our translation. FEE ed. pp. 000.

²³⁰ In "Minutes of a Public Meeting in Marseilles by the Free Trade Association: Speech by M. Bastiat", *JDE*, Septembre 1847, T. XVIII, no. 70, pp. 163-165. Report also given in *LE* 5 Sept. 1847, no. 41, pp. 325-27.

Sans doute, la fraternité prend aussi sa source dans un autre ordre d'idées plus élevées. La religion nous en fait un devoir ; elle sait que Dieu a placé dans le cœur de l'homme, avec l'intérêt personnel, un autre mobile : la sympathie. L'un dit : Aimez-vous les uns les autres ; et l'autre : Vous n'avez rien à perdre, vous avez tout à gagner à vous aimer les uns les autres. Et n'est-il pas bien consolant que la science vienne démontrer l'accord de deux forces en apparence si contraires?

No doubt fraternity has as its source another set of ideas which are more elevated. Religion makes it a duty for us. It says that God has placed in the hearts of men, along with self-interest, another driving force, namely sympathy (for others). One says "love one another" and the other says "you have nothing to lose and everything to gain in loving one another." Isn't it very consoling that science is able to demonstrate the agreement/harmony of these two forces so apparently contrary to each other?

The role of the political economists was not to tinker with the social mechanism as the socialists wanted to do, but to study how it worked, what its driving force was, how the different parts contributed to its smooth or harmonious operation, and how external disturbing forces sometimes upset its operation. As he wrote in one of his last articles "Abundance":²³¹

C'est une vaste et noble science, en tant qu'exposition, que l'économie politique. Elle scrute les ressorts du mécanisme social et les fonctions de chacun des organes qui constituent ces corps vivants et merveilleux, qu'on nomme des sociétés humaines. Elle étudie les lois générales selon lesquelles le genre humain est appelé à croître en nombre, en richesse, en intelligence, en moralité. Et néanmoins, reconnaissant un libre arbitre social comme un libre arbitre personnel, elle dit comment les lois providentielles peuvent être méconnues ou violées; quelle responsabilité terrible naît de ces expérimentations fatales, et comment la civilisation peut se trouver ainsi arrêtée, retardée, refoulée et pour longtemps étouffée.

In terms of its powers of exposition, political economy is a grand and noble science. It scrutinizes the mainspring of the social mechanism and the functions of all the various organs of that marvelous living body known as human society. It studies the general laws according to which the human race is stimulated to increase in numbers, wealth, knowledge, and morality. However, by recognizing the existence of a social free will like we do the existence of an individual free will, political economy makes clear how providential laws may be misinterpreted or violated, what terrible responsibility arises from these disastrous experiments, and how civilization may, as a result, be halted, set back, buried, and stifled for lengthy periods.

²³¹ "Abondance" (Abundance), in CW4 (forthcoming).

Bastiat was also keenly aware that the same self-interest which drove the social mechanism and impelled men to improve their condition through production and trade also drove them to engage in plunder. It was thus a two edged sword which had to be carefully studied and understood. The socialists's mistake he thought was to think that self-interest inevitably led to war and class conflict and that it could not be directed or harnessed by better laws and institutions to improve mankind's well-being instead.

As he stated in an unfinished sketch for a chapter on War in EH2:²³²

La spoliation par voie de guerre, c'est-à-dire la spoliation toute naïve, toute simple, toute crue, a sa racine dans le cœur humain, dans l'organisation de l'homme, dans ce moteur universel du monde social : l'attrait pour les satisfactions et la répugnance pour la douleur ; en un mot, dans ce mobile que nous portons tous en nous-mêmes : l'intérêt personnel.

Et je ne suis pas fâché de me porter son accusateur. Jusqu'ici on a pu croire que j'avais voué à ce principe un culte idolâtre, que je ne lui attribuais que des conséquences heureuses pour l'humanité, peut-être même que je l'élevais dans mon estime au-dessus du principe sympathique, du dévouement, de l'abnégation. — Non, je ne l'ai pas jugé ; j'ai seulement constaté son existence et son omnipotence. Cette omnipotence, je l'aurais mal appréciée, et je serais en contradiction avec moi-même, quand je signale l'intérêt personnel comme le moteur universel de l'humanité, si je n'en faisais maintenant découler les causes perturbatrices, comme précédemment j'en ai fait sortir les lois harmoniques de l'ordre social.

Plunder by means of war, that is to say totally naïve, simple and crude plunder, has its roots in the human heart, in the organization of mankind, and in the universal driving force (moteur) of the social world: namely our attraction to satisfaction and aversion to pain. In a word, in this driving force (mobile) which we all carry within us: self-interest.

And it does not upset me to step forward for the prosecution. Up to now, it might have been thought that I had given idolatrous devotion to this principle, that I attributed only favorable consequences for the human race to it and perhaps even that I raised it in my estimation to a level above the principles of sympathy for others, devotion, and self-sacrifice. No, I have not passed judgment on it; I have merely noted its existence and omnipotence. I would have assessed this omnipotence incorrectly, and would be contradicting myself in identifying self-interest as the universal driving force of the human race, if I did not now make clear the disturbing factors which flow from it, just as I previously identified the harmonious laws of the social order that (also flow from it).

²³² EH XIX "War" (our new translation). Or see FEE ed., pp. 481-82.

So, the question he put to his socialist opponents was the following:²³³

Ensuite, ils (publicistes) sont conduits à condamner le principe même d'action des hommes, je veux dire l'intérêt personnel, puisqu'il a amené un tel état de choses. Remarquons que l'homme est organisé de telle façon qu'il recherche la satisfaction et évite la peine; c'est de là, j'en conviens, que naissent tous les maux sociaux, la guerre, l'esclavage, la spoliation, le monopole, le privilège; mais c'est de là aussi que viennent tous les biens, puisque la satisfaction des besoins et la répugnance pour la douleur sont les mobiles de l'homme. La question est donc de savoir si ce mobile qui, d'individu devient social, n'est pas en lui-même un principe de progrès.

Next, they are led to condemn the very principle governing men's action, I mean *self-interest*, since it has led to such a state of affairs. We should note that man is organized in such a way that he seeks satisfaction and avoids pain; I agree that this is the cause of all social harms – war, slavery, plunder, monopoly, and privilege – but it is also from this that all good arises, since the satisfaction of needs and aversion to pain are the driving forces (mobiles) for men. The question is therefore to ascertain whether this driving force, which in origin is individual but becomes social, is not itself a principle of progress.

²³³ EH2, "Natural and Artificial Organisation" in our new translation.

Appendix 3: Factors which create Disharmony

INTRODUCTION

The polarity of the ideas about “harmony” and “disharmony” is central to Bastiat’s broader social theory. In the following glossaries and short essays I explore in more detail some of the factors, which he termed “disturbing factors”, which Bastiat believed created disharmony, often when natural laws are ignored or violated. These factors included:

1. individual ignorance, error, lack of foresight/planning, or willfulness (individuals choosing to steal instead of trading with others)
2. the use of force or fraud whether by individuals (what he called “extra-legal plunder”) or organized violence and plunder by groups such as the state (or what he called “legal plunder”)
3. “legal plunder” was organised and systemic and could take the form of
 1. protectionism and government subsidies (or what he called “displacement” of labour and capital),
 2. government intervention in the economy, which caused what he called “displacement” of capital and labour
 3. various historical forms of plunder such as war, slavery, theocracy (“theocratic plunder”), monopoly, socialism, the modern regulatory state itself (what he termed “functionaryism”).

CLASS: BASTIAT'S THEORY OF CLASS (SHORT VERSION FOR GLOSSARY)

Bastiat was never able to gather all his thoughts on the nature of plunder and the plundering classes and complete his proposed book on “A History of Plunder.” According to Paillottet Bastiat stated on the eve of his death his conviction about the need for such a history:²³⁴

A very important task to be done for political economy is to write the history of plunder. It is a long history in which, from the outset, there appeared conquests, the migrations of peoples, invasions, and all the disastrous excesses of force in conflict with justice. Living traces of all this still remain today and cause great difficulty for the solution of the questions raised in our century. We will not reach this solution as long as we have not clearly noted in what and how injustice, when making a place for itself amongst us, has gained a foothold in our customs and our laws.

When working through his papers in preparation for publishing the second part of *Economic Harmonies* Paillottet states that Bastiat had sketched out a number of chapters which would in effect be an introduction to this *History of Plunder*: Chapter 16. Plunder, 17. War, 18. Slavery, 19. Theocracy, 20. Monopoly, 21. Government Exploitation, 22. False Brotherhood or Communism.

Unfortunately, Bastiat's ideas remain scattered throughout his essays and articles which were written between 1845 and 1850. The most important of these works where he provides more extensive discussion of the nature of class and plunder are the following:

- The “Conclusion” to *Economic Sophisms* 1 (dated November 1845)
- ES2 9 “Theft by Subsidy” (*Journal des économistes*, January 1846)
- ES3 6 “The People and the Bourgeoisie” (LE, 22 May 1847)
- From *Economic Sophisms* 2 (published in early 1848, and probably written in late 1847)
- ES2 1 “The Physiology of Plunder” (c. 1847).

²³⁴ See Paillottet's note on p. 000-00 at the conclusion of ES1.

- ES2 2 “Two Moralities” (c. 1847).
- ES3 14 “Anglomania, Anglophobia” (c. 1847)
- “Property and Law” (*JDE*, 15 May 1848)
- “Property and Plunder” (*JDD*, 24 July 1848)
- “Plunder and Law” (*JDE*, 15 May 1850)
- “The Law” (June 1850)
- WSWNS 3 “Taxes” (July 1850)
- *Economic Harmonies*, part 2, chapter 17, “Private Services, Public Services” (published posthumously in 1851)

His most extended reflections on class and plunder in the Sophisms occur in the concluding paragraphs of the Conclusion to ES1 (written in November 1845) and the first two chapters of ES2 “Two Moral Philosophies” and “The Physiology of Plunder” (written perhaps in late 1847). There is also some discussion of the ruling aristocratic class and their relationship to the bourgeoisie in England in ES3 14 “Anglomania, Anglophobia” (c. 1847) and in France in ES3 6 “The People and the Bourgeoisie” (May 1847). Other extended treatments can be found in the essays “Property and Plunder” (*Journal des débats*, July 1848) and “Plunder and Law” (*Journal des économistes*, May 1850)²³⁵ written in the last year of his life as he was struggling to complete the *Economic Harmonies*. One of the clearest statements of Bastiat’s theory of class can be found in the second part of *Economic Harmonies* which was published in 1851 after his death by Paillottet. In chapter 17, “Private Services, Public Services,” where he juxtaposes the following two classes which are at loggerheads - “les classes spoliées” (the plundered classes) and “la classe spoliatrice” (the plundering class) - and this dichotomy is the key to understanding his theory of class.

From these many scattered writings one can reconstruct an outline of what Bastiat’s theory of class and plunder might have looked like.²³⁶ The following is a summary of his thinking on the matter largely in his own words:

²³⁵ See “Property and Plunder” in *CW*, vol. 1, pp. 147-84 (especially Letter 5) and “Plunder and Law,” *CW*1, pp. 266-76.

²³⁶ See “Industry vs. Plunder: the Plundered Classes, the Plundering Class, and the People” in the Note on the Translation.

There exists an absolute moral philosophy which is based upon natural law. These natural laws are partly discovered through the scientific, empirical observation of human societies (by means of economics and history) and partly through divine revelation. This moral philosophy applies to all human beings without exception (especially to kings and politicians). There are only two ways by which wealth (property) can be acquired: firstly by voluntary individual activity and by freely negotiated exchange with others (“service for service”), by individuals called the “Industrious or Productive classes” (also called the “Plundered classes”); secondly, by theft (coercion or fraud) by a group which he called “the Plundering class.” The existence of plunder is a scientific, empirical matter which is revealed by the study of history. The Plundering class have historically organized themselves into States and have tried to make their activities an exception to the universal moral principles by introducing laws that “sanction” plunder and a moral code that “glorifies” it. The Plundering class also deceive their victims by means of “la Ruse” (trickery, deception, fraud) and the use of “sophisms” (fallacies) to justifying and disguise what they are doing. It is the task of political economists like Bastiat to expose the trickery, fraud, and fallacies used by the Plundering class to hide what they do from their “Dupes” (the ordinary people) and to eliminate organized Plunder from society for good.

The application of this theory to the study of European history is a little more sketchy. In the chapter outline provided by Paillottet we know that Bastiat thought in terms of an historical sequence of plundering beginning with War, Slavery, Theocracy, Monopoly, Government Exploitation, and Communism. Bastiat believed that there were two types of plunder which had been practised by different groups (classes) over the centuries. The first type was plunder by naked force with no pretence being made by the plundering classes that this was in the interests of those being plundered. This describes the stages of tribal or city state warfare where a warrior class seized what it wanted by conquest and force of arms. The next stage in this type of plunder by naked force was slavery where a class of slave owners plundered the labour of those they had captured in war or bought in slave markets. In these two early stages the relationship between the classes is a binary one: there is the “the plundering class” and “the plundered classes” and resources flow from the latter to the former.

The second type of plunder involves a third party or class which acts as an enabler of the plundering class, because fraud (la ruse) and sophistry now become an important

part of the class relationship of exploitation. Since the plundered class has become so numerous, the minority plundering class has to attempt to persuade the plundered class not to resist and this they do by employing fraud, trickery, and sophistry to persuade members of the plundered class that their situation is inevitable, commanded by God, part of the natural order of things, or even in their own interests. The task of persuasion falls to a new group who are paid by the plundering class to spread “sophisms” concerning the political and economic necessity of the current situation of plunder, in other words, to turn the plundered class into a class of “dupes” who do not see their chains. Historically this task has fallen to the priesthood (under the system which Bastiat called “theocratic plunder”), and in the modern era to lawyers, economists, journalists, and lobby groups representing farming or manufacturing vested interests (under what might be called “monopolistic plunder” or “bureaucratic plunder”). Thus, society now has three groups which interact with each other: the plundering class, the plundered class, and a new group of “spinners of sophistry” who justify the system of plunder to those who are being plundered. It was the task of “the economists” like Bastiat to expose this relationship for what it is and to refute the “sophisms” used to keep the plundered class in their lowly position.²³⁷ In Bastiat’s time, theocratic plunder had given way to a system of monopoly dominated by large landowners and manufacturers who sought trade restrictions, government subsidies, monopolies in the home market, and other privileges. This alliance of vested interests emerged in the 1820s and 1830s when French tariff policy was revised and entrenched after the defeat of Napoleon.²³⁸ The rise of socialist groups in the 1840s and especially in the early months of the 1848 Revolution suggested to Bastiat that another system of plunder might be possible, namely where “the people” themselves, or rather their representatives in the Chamber, erect a socialist

²³⁷ See the quotation which begins the Introduction to get a sense of Bastiat’s passion to refute the sophisms which made dupes of the plundered class: “I ask you all to lend me your strength, your club and your arrows, so that I can destroy the monster that has been arming men against one another for six thousand years! Alas, there is no club capable of crushing a sophism. It is not given to arrows, nor even to bayonets, to pierce a proposition. All the cannons in Europe gathered at Waterloo could not eliminate an entrenched idea from the hearts of nations. No more could they efface an error. This task is reserved for the least weighty of all weapons, the very symbol of weightlessness, the pen.” ES3 15 “One Man’s Gain Is Another Man’s Loss,” pp. 000-00.

²³⁸ There were two major reviews of French tariff policy which created the post-Napoleonic protectionist regime in France, one in 1822 and another in 1834. An attempt by the free traders to liberalize the tariff system in 1847 failed in committee. See “French Tariff Policy in Appendix 3: Economic Policy and Taxation.

or communist state in which “everyone endeavors to live at the expense of everyone else,” or in other words a system of “mutual plunder.” This was of course Bastiat’s warning in his best known pamphlet “The State” (*JDD*, September, 1848).²³⁹

On the eve of the February Revolution Bastiat attempted to refute the claim of the socialists that class conflict was inherent in the free market system, and that a “social war” between the “bourgeoisie” and the “people” was going to be fought with the victory going to “the people” or their elected representatives. In “The People and the Bourgeoisie” (ES3 6 May, 1847) Bastiat outlines the socialist theory of class war since the 1789 Revolution, some of which he was quite sympathetic to, and shows where he thinks the socialists have erred. According to the socialists, the first social war had been between the aristocracy and the rising bourgeoisie with the bourgeoisie winning in the revolution of 1789 and the second was the current struggle between “the people” and the bourgeoisie which would reach the point of revolution in the early months of 1848. But Bastiat argued that the socialists were wrong to think that this victory of “people” would bring an end to class conflict and social war. He predicted that, given the nature of politics and economic reality, a third social war would break out between the new ruling “people,” who had become the “new aristocracy” in the new socialist, “organized” state and economy, and the underclass of the poor and unemployed (the “beggars”) who had been excluded from politics and suffered the most from economic privileges and high taxation. The cycle of “the ins” versus “the outs” for control of the state would continue, he thought, until the state no longer offered privileges and benefits to some at the expense of others. Only then would the plundering class disappear and the source of class conflict would evaporate.

In September 1847, Bastiat again replied to the socialists in a workers magazine *l’Atelier* (The Workshop). Here he took the socialist’s argument that there was in all modern societies “une classe privilégiée” (a privileged class) of property owners who exploited “une classe opprimée” (an oppressed class) of propertyless workers, and turned it on its head. Bastiat rejected the socialist notion that this antagonism was an inherent part of the free market system. What distinguished the privileged class from the oppressed class in his view was not who owned property and who did not, but who had access to the lawmaking powers of the state (or the “law factory” as he called it) which were used to make some forms of property privileged monopolies. Thus the privileged

²³⁹ CW1, p. 97.

class which had access to the state by means of the electoral laws enjoyed monopolies which were protected by the law from competition, whereas the oppressed class, which did not have access to “the law factory” but who did have a property in their own labor (“travail, qui est aussi une propriété” (labor which is also a form of property)), enjoyed no such privileges but in fact had to pay for those privileges enjoyed by those who controlled the law making body. From this Bastiat concluded that

An aggravation which comes from this order of things is that property privileged by the law is in the hands of those who make the law. It is even a condition that in order to be allowed to make the law one has to have a certain amount of property of this kind (a reference to the property qualification in order to be able to vote) . On the other hand, property which is oppressed, that is to say labour, does not have a deliberative or consultative voice in making the law. One could conclude from this that the privilege we are talking about is quite simply the law of the strongest.²⁴⁰

This view of the state as the lynch-pin of class rivalry is revealed again in a letter he wrote to Mme. Cheuvreux on 23 June, 1850, where Bastiat talks about how history is divided into two phases in an apparently never-ending class war to control the state: "As long as the state is regarded in this way as a source of favors, our history will be seen as having only two phases, the periods of conflict as to who will take control of the state and the periods of truce, which will be the transitory reign of a triumphant oppression, the harbinger of a fresh conflict."²⁴¹

In the aftermath of the February 1848 Revolution Bastiat wrote to Mme Cheuvreux (January 1850) where he offered this analysis of the conflict between the people and the bourgeoisie based upon what he had experienced as a politician during the revolution:

In France, I can see two major classes, each of which can be divided into two. To use hallowed although inaccurate terms, I will call them the people and the bourgeoisie. The people consist of a host of millions of human beings who are ignorant and suffering, and consequently dangerous. As I said, they are divided into two; the vast majority are reasonably in favor of order, security, and all conservative principles, but, because of their ignorance and suffering, are the easy prey of ambitious

²⁴⁰ See “Réponse au journal *l'Atelier*.” (OC, vol. 2, p. 124.)

²⁴¹ CW1, The Man and the Statesman: The Correspondence and Articles on Politics, pp. 251-52.

sophists. This mass is swayed by a few sincere fools and by a larger number of agitators and revolutionaries, people who have an inborn attraction for disruption or who count on disruption to elevate themselves to fortune and power. The bourgeoisie, it must never be forgotten, is very small in number. This class also has its ignorance and suffering, although to a different degree. It also offers dangers, but of a different nature. It too can be broken down into a large number of peaceful, undemonstrative people, partial to justice and freedom, and a small number of agitators. The bourgeoisie has governed this country, and how has it behaved? The small minority did harm and the large majority allowed them to do this, not without taking advantage of this when they could. These are the moral and social statistics of our country.²⁴²

Bastiat was also aware of his own class status in the struggles against protectionism, the privileges of the politically powerful landowners and manufacturers, and then the socialists. He maintained that he was not just a spokesman for the capitalist class but an advocate for liberty for all people on the principled grounds of individual liberty and private property rights (including the property rights of ordinary workers). When accused by the protectionist Saint-Chamans of advocating free trade out of self-interest, Bastiat responded that he was a free trader even though it went against his "class interests" (as a Marxist might say) as a property owner and voter who, along with his ancestors, were the beneficiaries of the French government's longstanding policy of protectionism. In a letter to Prosper Paillottet on 11 October 1850 he states that "Everything I have inherited and all my worldly assets are protected by our tariffs. Therefore, the more M. de Saint-Chamans deems me to be self-seeking, the more he has to consider me sincere when I state that protectionism is a plague."²⁴³ Yet, as he repeatedly argued, "the injustice of the protectionist regime" was becoming obvious to an increasing number of people (beginning with himself of course when he began reading political economy in the 1820s) and that these erstwhile "dupes" would become aware of the exploitation of their resources which was taking place and would rise up against it. Members of the "electoral class" like him would come to rue the day:

However, it is in the nature of things that once the cause of a wrong has been pointed out it ends by becoming generally known. With what

²⁴² CW1, "159. Letter to Mme Cheuvreux Paris (2 January 1850)," pp. 229-31.

²⁴³ Letter 197 "Letter to Prosper Paillottet" (11 October 1850) in *CW*, vol. 1, pp. 280 <<http://oll.libertyfund.org/title/2393/225973>>.

terrible argument will the injustice of the protectionist regime not supply the recriminations of the masses! Let the electoral class be on their guard! The people will not always seek the cause of its suffering in the absence of a phalanstery, of an organization for work, or some other illusory combination. One day it will see injustice where it really is.²⁴⁴

The sad thing about Bastiat's efforts in the late 1840s to disabuse the "dupes" of the political and economic "sophisms" which had been spread by the "plundering class" which benefited from the status quo was that he did not live long enough to see the fruits of his labors. It was not until 1860 that the Economist Michel Chevalier (1806-1879), who was a near contemporary of Bastiat, signed a free trade treaty on behalf of France with Bastiat's close friend Richard Cobden on behalf of England in 1860. The era of near free trade which this ushered in lasted for three decades until the Prime Minister Jules Méline introduced the protectionist Méline tariff of 1892.

²⁴⁴ See S3 6 "The People and the Bourgeoisie" (22 May 1847), in CW3, pp. 000-00.

CLASS: BASTIAT'S THEORY OF CLASS: THE PLUNDERERS VS. THE PLUNDERED (LONG VERSION)

Editor's Introduction

This longer version was written as an Introduction to an anthology of Bastiat's writings on class which I wrote in 2016, which included the following items:

1. The "Introduction" to *Cobden and the League* (July 1845),
2. The "Conclusion" to *Economic Sophisms* 1 (dated November 1845)
3. ES2 9 "Theft by Subsidy" (*JDE*, January 1846)
4. ES3 6 "The People and the Bourgeoisie" (*LE*, 23 May 1847)
5. ES2 1 "The Physiology of Plunder" (c. 1847)
6. ES2 2 "Two Moralities" (c. 1847)
7. "Anglomania, Anglophobia" (c. 1847) ES3 14
8. "Justice and Fraternity" (15 June 1848, *JDE*)
9. "Property and Plunder" (*JDD*, 24 July 1848), in the "Fifth Letter"
10. "Conclusion" to the first edition of *Economic Harmonies* (written late 1849)
11. "Plunder and Law" (*JDE*, 15 May 1850)
12. "The Law" (June 1850)
13. WSWNS (July 1850): Chap. 3 "Taxes"
14. WSWNS (July 1850): Chap. 6 "The Middlemen"
15. *Economic Harmonies*, part 2, chapter 17, "Private Services, Public Services" (published posthumously in 1851)

Introduction

Frédéric Bastiat's unwritten "History of Plunder" ranks alongside Lord Acton's never written (and possibly unwritable) "History of Liberty" and Murray Rothbard's third volume of his "History of Economic Thought" series as one of the greatest libertarian books never written. Had he lived to a ripe old age, instead of dying at the age of 49 from throat cancer, he might have finished his magnum opus *Economic Harmonies* and

lived to complete his history of plunder. It should be noted that Karl Marx, the founder of Marxism, published the first volume of his magnum opus, *Das Capital* (1867), when he too was 49 years old but lived another 15 years during which time he wrote but never completed another two large volumes. Given the chance, Bastiat might well have fulfilled his great promise as an economic theorist and historian and have become the Karl Marx of the 19th century classical liberal movement. How history might have been different if he had! Or maybe not, who can tell?

In the 8 years Bastiat was active as a writer and a politician (1843-1850) he produced six large volumes of letters, pamphlets, articles, and books which Liberty Fund is translating as part of its *Collected Works of Frédéric Bastiat* (2011-2015).²⁴⁵ What emerges from a chronological examination of his writings is his gradual realization that the State is a vast machine which is purposely designed to take the property of some people without their consent and to transfer it to other people. The word which he uses with increasing frequency in this period to describe the actions of the State is “la spoliation” (plunder), although he also uses words like “parasite”, “viol” (rape), “vol” (theft), and “pillage” which are equally harsh and to the point. In his scattered writings on State plunder written before the 1848 Revolution he identifies the particular groups which have had access to State power at different times in history in order to plunder ordinary people, these were warriors, slave owners, the Catholic Church, and more recently commercial and industrial monopolists. Each of these groups and the particular way in which they used State power to exploit ordinary people for their own benefit were to have a separate section in his planned “History of Plunder.” Were he to have defined the State before the 1848 Revolution it might well have been along these lines: “The state is the mechanism by which a small privileged group of people live at the expense of everyone else.”

But the outbreak of Revolution in February 1848 in Paris changed the equation dramatically which forced Bastiat to change his analysis of plunder and the State. Before the Revolution, small privileged minorities were able to seize control of the State and plunder the majority of the people for their own benefit - what he termed “la spoliation partielle” (partial plunder). For example, slave owners were able to exploit their slaves, aristocratic landowners were able to exploit their serfs, privileged monopolists were able

²⁴⁵ *The Collected Works of Frédéric Bastiat. In Six Volumes* (Indianapolis: Liberty Fund, 2011 -2015), General Editor Jacques de Guenin. Academic Editor Dr. David M. Hart. <<http://oll.libertyfund.org/titles/2451>>.

to exploit their customers, and thus it made some kind of brutal sense for a small minority to plunder and loot the majority. In Bastiat's theory before 1848 he identified the special interests who benefited from their access to the State and exposed them to the public via his journalism, often with withering criticism and satire, such as the landed elites who benefited from tariff protection, the industrial elites who benefited from monopolies and state subsidies, and the monarchy and the aristocratic elites who benefited from access to jobs in the government and the army.

The rise to power of socialist groups in 1848 meant that larger groups, perhaps a majority of the voters if the socialist groups were successful in winning office, were now trying to use the same methods used by these privileged minorities but now for the benefit of "everyone" instead of a narrow elite - or, what he termed "*la spoliation universelle*" (universal plunder) or "*la spoliation réciproque*" (reciprocal plunder). The problem as Bastiat saw it, was that it was theoretically and practically impossible for the majority to live at the expense of the majority. Somebody had eventually to pay the bills and the majority could not do this if it was paying the taxes as well as receiving the "benefits" of state handouts, with the State and its employees (*les fonctionnaires*) taking its customary cut along the way. This conundrum led him to put forward his famous definition of the State in mid-1848: "*L'ÉTAT, c'est la grande fiction à travers laquelle TOUT LE MONDE s'efforce de vivre aux dépens de TOUT LE MONDE*" (The state is the great fiction by which everyone endeavours to live at the expense of everyone else.)²⁴⁶ Bastiat's political strategy now had to change to trying to convince ordinary workers that promises of government jobs, state-funded unemployment relief, and price controls were self-defeating and ultimately impossible to achieve.

Bastiat was not able to win this intellectual or political debate because of his death in December 1850 and the socialist forces were ultimately defeated temporarily by a combination of military and police oppression as the "Party of Order" supported the rise of Louis Napoleon who quickly designated himself as the "Prince-President" of France and then appointed himself Emperor Napoleon III. However, the core weakness of the welfare state was clearly identified by Bastiat in 1848 and we continue to see the consequences of its economic contradictions and possible collapse in the present day.

²⁴⁶ CW2, p. 97 <http://oll.libertyfund.org/titles/2450#Bastiat_1573-02_671>.

With this broader picture in mind I would like to examine Bastiat's theory of plunder and the class analysis which he developed from this, so we can see more clearly what he had in mind and appreciate the power of his analysis.

Bastiat's Writings on Class and Plunder

Unfortunately, Bastiat's ideas remain scattered throughout many of his essays and articles which were written between 1845 and 1850. The most important of these works (some 15 in number) where he provides more extensive discussion of the nature of class and plunder are the following (listed in chronological order), 6 of which come from the *Economic Sophisms* (1846, 1848), 2 from *Economic Harmonies* (1850, 1851), and 2 from *What is Seen and What is Not Seen* (1850):

1. the "Introduction" to *Cobden and the League* (July 1845),²⁴⁷ in which he discusses the English "oligarchy" which benefited from the system of tariffs which Cobden and his Anti-Corn Law League were trying to get repealed; the strategy they adopted was to identify the key source of income for the ruling oligarchy (tariffs on imported food) and to eliminate it (by opening the economy to free trade) and thus weaken the oligarchy's political and economic power
2. ES1 "Conclusion" to *Economic Sophisms* 1 (dated November 1845), where he reflects on the use of force throughout history to oppress the majority, and the part played by "sophistry" (ideology and false economic thinking) to justify this
3. ES2 9 "Theft by Subsidy" (*JDE*, January 1846), where he insists on the need to use "harsh language" - like the word "theft" - to describe the policies of governments which give benefits to some at the expense of others²⁴⁸
4. ES3 6 "The People and the Bourgeoisie" (*LE*, 23 May 1847), in which he rejects the idea that there is an inevitable antagonism ("la guerre sociale" (war between social groups or classes)) between the people and the bourgeoisie, while there is one between the people and the aristocracy; he also introduces the idea of "la

²⁴⁷ This will appear in CW6 (forthcoming).

²⁴⁸ In his parody of Molière's parody of an oath of induction into the fraternity of doctors, Bastiat has a would-be customs officer promise "to steal, plunder, filch, swindle, and defraud" travellers. ES2 9, pp. 000.

classe électorale” (the electoral classe) which controls the French state by severely limiting the right to vote to the top 1 or 2% of the population

5. ES2 1 “The Physiology of Plunder” (c. 1847), which is his first detailed discussion of the nature of plunder (which is contrasted with “production”) and his historical progression of stages through which plunder has evolved from war, slavery, theocracy, and monopoly
6. ES2 2 “Two Moralities” (c. 1847), where he distinguishes between religious moral philosophy, which attempts to persuade the men who live by plundering others (e.g. slave owners and protectionists) to voluntarily refrain from doing so, and economic moral philosophy, which speaks to the victims of plundering and urges them to resist by understanding the true nature of their oppression and making it “increasingly difficult and dangerous” for their oppressors to continue exploiting them
7. ES3 14 “Anglomania, Anglophobia” (c. 1847), where he discusses “the great conflict between democracy and aristocracy, between common law and privilege” and how this class conflict is playing out in England; it is a continuation of his analysis of the British “oligarchy” which he began in the Introduction to *Cobden and the League*.
8. “Justice and Fraternity” (15 June 1848, JDE),²⁴⁹ where Bastiat first used the terms “la spoliation extra-légale” (extra-legal plunder) and “la spoliation légale” (legal plunder); he describes the socialist state as “un intermédiaire parasite et dévorant” (a parasitic and devouring intermediary) which embodies “la Spoliation organisée” (organised plunder)
9. “Property and Plunder” (JDD, 24 July 1848),²⁵⁰ in the “Fifth Letter” Bastiat talks about how transitory plunder gradually became “la spoliation permanente” (permanent plunder) when it became organised and entrenched by the state

²⁴⁹ CW2, pp. 60-81 and online <http://oll.libertyfund.org/titles/2450#lfl573-02_label_153>.

²⁵⁰ CW2, pp. 147-84 and online <http://oll.libertyfund.org/titles/2450#lfl573-02_label_218>.

10. the “Conclusion” to the first edition of *Economic Harmonies* (late 1849),²⁵¹ where he sketches what his unfinished book should have included, such as the opposite of the factors leading to “harmony”, namely “les dissonances sociales” (the social disharmonies) such as plunder and oppression; or what he also calls “les causes perturbatrices” (disturbing factors); here he concentrates on theocratic and protectionist plunder
11. “Plunder and Law” (*JDE*, 15 May 1850),²⁵² where he addresses the protectionists who have turned the law into a “sword” or “un instrument de Spoliation” (a tool of plunder) which the socialists will take advantage of when they get the political opportunity to do so
12. “The Law” (June 1850),²⁵³ Bastiat’s most extended treatment of the natural law basis of property and how it has been “perverted” by the plunderers who have seized control of the state, where the “la loi a pris le caractère spoliateur” (the law has taken on the character of the plunderer); there is a longer discussion of “legal plunder”; and he reminds the protectionists that the system of exploitation they had created before 1848 has been taken over, first by the socialists and soon by the Bonapartists, to be used for their purposes thus creating a new form of plundering by a new kind of class rule by “gouvernementalisme” (government bureaucrats)
13. WSWNS Chap. 3 “Taxes” (July 1850), on the conflict between the tax payers and the payment of civil servants’ salaries whom he likens to so many thieves, who provide no (or very little) benefit in return for the money they receive, and thus create a form of “legal parasitism”
14. WSWNS Chap. 6 “The Middlemen” (July 1850), where he describes the government’s provision of some services as a form of “dreadful parasitism”

²⁵¹ This will appear in CW5 (forthcoming). See also the FEE edition online <http://oll.libertyfund.org/titles/79#lf0187_head_074>.

²⁵² CW2, pp. 266-76 and online <http://oll.libertyfund.org/titles/2450#lf1573-02_label_331>.

²⁵³ CW2, pp. 107-46 and online <http://oll.libertyfund.org/titles/2450#lf1573-02_label_197>.

15. *Economic Harmonies*, part 2, chapter 17, “Private Services, Public Services” (published posthumously in 1851),²⁵⁴ an examination of the extent to which “public services” are productive or plunderous; he discusses how in the modern era “la spoliation par l’impôt s’exerce sur une immense échelle” (plunder by means of taxation is exercised to a high degree), but rejects the idea that they are plunderous “par essence” (by their very nature); beyond a very small number of limited activities (such as public security, managing public property) the actions of the state are “autant d’instruments d’oppression et de spoliation légales” (only so many tools of oppression and legal plunder); he warns of the danger of the state serving the private interests of “les fonctionnaires” (state functionaries) who become plunderers in their own right; the plundered class is deceived by sophistry into thinking that they will benefit from whatever the plundering classes seize as a result of the “ricochet” or trickle down effect²⁵⁵ as they spend their ill-gotten gains

The Origin and Foundation of Bastiat’s Theory of Plunder and Class

The basis for Bastiat’s theory of class was the notion of plunder which he defined as the taking of another person’s property without their consent by force or fraud. Those who lived by plunder constituted “les spoliateurs” (the plunderers) or “la classe spoliatrice” (the plundering class). Those whose property was taken constituted “les spoliés” (the plundered) or “les classes spoliées” (the plundered classes). Before the Revolution of February 1848 Bastiat used the pairing of “les spoliateurs” (the plunderers) and “les spoliés” (the plundered); after the Revolution he preferred the pairing of “la classe spoliatrice” (the plundering class) and “les classes spoliées” (the

²⁵⁴ This will appear in CW5 (forthcoming). See also the FEE edition online <http://oll.libertyfund.org/titles/79#lf0187_label_179>.

²⁵⁵ This, “the trickle down effect”, is the second meaning FB gave to the “ricochet effect” which he later reserved to the idea of perhaps unintended flow on effects of government intervention.

plundered classes) which is one indication of how deeply the events of 1848 and the rise of socialism affected his thinking.²⁵⁶

The intellectual origins of this way of thinking can be traced back to the innovative ideas of Jean-Baptiste Say concerning “productive” and “unproductive” labour which he developed in his *Treatise of Political Economy* (1803)²⁵⁷ and the work of two lawyers and journalists who were inspired by Say’s work during the Restoration, Charles Comte (1782-1837)²⁵⁸ and Charles Dunoyer (1786-1862).²⁵⁹ Comte and Dunoyer took the idea that those who were engaged in productive economic activity of any kind, or what they called “l’industrie”, creating either goods or services, comprised a class which they called “les industriels” (industrious or productive workers). Dunoyer in particular developed from these ideas an “industrialist” theory of history and class analysis which was very influential among French liberals leading up to 1848. Bastiat’s reading of these three authors during the 1820s and 1830s laid the theoretical foundation of his own thinking about productive and unproductive labour, the nature of exploitation or plunder, and the

²⁵⁶ Bastiat’s first use of the terms “la classe spoliatrice” and “les classes spoliées” occurred in “The Law” (July 1850) and then in EH 17 “Services privés, services publiques”, CW5 (forthcoming).

²⁵⁷ Say, Jean-Baptiste, *Traité d’économie politique, ou simple exposition de la manière dont se forment, se distribuent et se consomment les richesses* (1st edition 1803, Paris: Deterville). 4th edition, Paris: Deterville, 1819.

²⁵⁸ Comte, Charles, *Traité de législation, ou exposition des lois générales suivant lesquelles les peuples prospèrent, dépérissent ou restent stationnaire*, 4 vols. (Paris: A. Sautet et Cie, 1827); *Traité de la propriété*, 2 vols. (Paris: Chametot, Ducollet, 1834). Bruxelles edition, H. Tarlier, 1835.

²⁵⁹ Dunoyer, Charles, *L’Industrie et la morale considérées dans leurs rapports avec la liberté* (Paris: A. Sautet et Cie, 1825); “Esquisse historique des doctrines auxquelles on a donné le nom industrialisme, c’est-à-dire, des doctrines qui fondent la société sur l’Industrie,” *Revue encyclopédique*, février 1827, vol. 33, pp. 368-94. Reprinted in *Notices d’économie politique*, vol. 3 of *Oeuvres*, pp. 173-199; *De la liberté du travail, ou simple exposé des conditions dans lesquelles les forces humaines s’exercent avec le plus de puissance* (Paris: Guillaumin, 1845).

system of class rule which was created when the unproductive class used their control of the state to live off the productive labour of the mass of the people.²⁶⁰

Bastiat took the ideas of Say, Comte, and Dunoyer about plunder and the plundering class which he had absorbed in his youth and developed them further during his campaign against protectionism between early 1843 and the beginning of 1848. Thus, it is not surprising that his definition originally began as an attempt to explain how an “oligarchy” of large landowners and manufacturers exploited consumers by preventing them from freely trading with foreigners and forcing them to buy from more expensive state protected local producers. This perspective is clearly shown in Bastiat’s lengthy introduction to his first book on *Cobden and the League* which was published by Guillaumin in July 1845.²⁶¹ He wanted to apply his analysis of the English class system of an oligarchy protected by tariffs to France and to adapt the strategies used by Cobden and the Anti-Corn Law League to France which he attempted to do, unsuccessfully as it turned out, between 1846 and early 1848. He returned to the English class system in the essay “Anglomania, Anglophobia” (c. 1847)²⁶² where he discusses “the great conflict between democracy and aristocracy, between common law and privilege” and how this class conflict was playing out in England. In “The People and the Bourgeoisie” (May,

²⁶⁰ On the rich but not well known French liberal theory of class see the work of Leonard P. Liggio, Ralph Raico, and David M. Hart: Liggio, Leonard P., “Charles Dunoyer and French Classical Liberalism,” *Journal of Libertarian Studies*, 1977, vol. 1, no. 3, pp. 153-78; Ralph Raico, “Classical Liberal Exploitation Theory: A Comment on Professor Liggio’s Paper,” *Journal of Libertarian Studies*, 1979, vol. 1, no. 3, pp. 179–183; “Classical Liberal Roots of the Marxist Doctrine of Classes.” in *Requiem for Marx*, edited by Yuri N. Maltsev (Auburn, AL: Ludwig von Mises Institute, 1992), pp. 189-220; “The Centrality of French liberalism” in *Classical Liberalism and the Austrian School*, Foreword by Jörg Guido Hülsmann. Preface by David Gordon (Auburn, Alabama: Ludwig von Mises Institute, 2012), pp. 219–53; David M. Hart, *Class Analysis, Slavery and the Industrialist Theory of History in French Liberal Thought, 1814-1830: The Radical Liberalism of Charles Comte and Charles Dunoyer* (unpublished PhD, King's College Cambridge, 1994). <davidmhart.com/liberty/Papers/ComteDunoyer/CCCD-PhD/HTML-version/index.html>.

²⁶¹ This will appear in CW6 (forthcoming). A shortened version of the Introduction also appeared as an article in the JDE: “Situation économique de la Grande-Bretagne. Réformes financières. Agitation pour la liberté commerciale”, JDE, June 1845, T. XI, no. 43, pp. 233-265.

²⁶² ES3 14, pp. 000.

1847) he also analysed the class relationship between the aristocracy and the nation in France which he viewed as having such “an undeniable hostility of interests” that it would lead inevitably to conflict of some kind, such as “la guerre sociale” (class or social war).²⁶³

He later expanded his understanding of class and plunder to include other forms of exploitation such as ancient slavery, medieval feudalism, oppression by the Catholic Church, and in his own day financial and banking privileges, as well as redistributive socialism which began to emerge during 1848. We can see this clearly in the chapter “The Physiology of Plunder” which opened the second series of *Economic Sophisms* (published in January 1848 but written in late 1847) where he defined plunder in the following rather abstract way using his terminology of any exchange as the mutual exchange of “service for service”:²⁶⁴

La véritable et équitable loi des hommes, c’est : Échange librement débattu de service contre service. La Spoliation consiste à bannir par force ou par ruse la liberté du débat afin de recevoir un service sans le rendre.

The true and just law governing man is “The freely negotiated exchange of one service for another.” Plunder consists in banishing by force or fraud the freedom to negotiate in order to receive a service without offering one in return.

Plunder consists in banishing by force or fraud the freedom to negotiate in order to receive a service without offering one in return.”²⁶⁵ Thus, the slave was plundered by the slave owner because the violent capture and continued imprisonment of the slave did not allow any free negotiation with the slave owner over the terms of contract for doing the labour which the slave was forced to do. Similarly, the French manufacturer protected by a tariff or ban on imported foreign goods prevented the domestic purchaser from freely

²⁶³ ES3 6, “The People and the Bourgeoisie” (22 May 1847, *Le Libre-Échange*), pp. 11-12. In this volume pp. 000. Bastiat first began to use the phrase “social or class war” in 1847 and used it several times in early 1849 in speeches in the Chamber of Deputies and in his campaign for re-election in April 1849.

²⁶⁴ ES2 1. “The Physiology of Plunder,” pp. 000.

²⁶⁵ ES2 1, pp. 000.

negotiating with a Belgian or English manufacturer to purchase the good at a lower price.

What turned what might have been just a one-off act of violence against a slave or a domestic consumer into a system of class exploitation and rule was its regularisation, systematisation, and organisation by the state.²⁶⁶ All societies had laws which prohibited theft and fraud by some individuals against other individuals. When these laws were broken by thieves, robbers, and conmen we have an example of what Bastiat called “la spoliation extra-légale” (plunder which takes place outside the law)²⁶⁷ and we expect the police authorities to attempt to apprehend and punish the wrong-doers. However, all societies have also established what Bastiat termed “la spoliation légale” (plunder which is done with the sanction or protection of the law) or “la spoliation gouvernementale” (plunder by government itself).²⁶⁸ Those members of society who are able to control the activities of the state and its legal system can get laws passed which provide them with privileges and benefits at the expense of ordinary people. The state thus becomes what Bastiat termed “la grande fabrique de lois” (the great law factory)²⁶⁹ which makes it possible for the plundering class to use the power of the state to exploit the plundered classes in a systematic and seemingly permanent fashion.²⁷⁰

Bastiat was never able to gather together all his thoughts on the nature of plunder and the plundering classes and complete his planned book on “A History of Plunder.” According to Paillottet, Bastiat stated on the eve of his death his conviction about the need for such a history:²⁷¹

²⁶⁶ On “la Spoliation organisée” (organised plunder) by the state see “Justice and Fraternity”, CW2, p. 78 and online <http://oll.libertyfund.org/titles/2450#Bastiat_1573-02_564>.

²⁶⁷ Bastiat first used the terms “la spoliation extra-légale” and “la spoliation légale” in the essay “Justice and Fraternity” (15 June 1848, JDE) and CW2, pp. 60-81; and then in “The Law” (June 1850).

²⁶⁸ ES2 1. “The Physiology of Plunder,” pp. 000.

²⁶⁹ WSWNS Chap. VII “Trade Restrictions,” pp. 000.

²⁷⁰ Bastiat used the phrase “la spoliation permanente” (permanent plunder) in “Property and Plunder” (July 1848), CW2, pp. 147-84 and online <http://oll.libertyfund.org/titles/2450#lf1573-02_label_218>.

²⁷¹ See Paillottet’s note on p. 000-00 at the conclusion of ES1.

Un travail bien important à faire, pour l'économie politique, c'est d'écrire l'histoire de la Spoliation. C'est une longue histoire dans laquelle, dès l'origine, apparaissent les conquêtes, les migrations des peuples, les invasions et tous les funestes excès de la force aux prises avec la justice. De tout cela il reste encore aujourd'hui des traces vivantes, et c'est une grande difficulté pour la solution des questions posées dans notre siècle. On n'arrivera pas à cette solution tant qu'on n'aura pas bien constaté en quoi et comment l'injustice, faisant sa part au milieu de nous, s'est impatronisée dans nos mœurs et dans nos lois.

A very important task to be done for political economy is to write the history of plunder. It is a long history in which, from the outset, there appeared conquests, the migrations of peoples, invasions, and all the disastrous excesses of force in conflict with justice. Living traces of all this still remain today and cause great difficulty for the solution of the questions raised in our century. We will not reach this solution as long as we have not clearly noted in what and how injustice, when making a place for itself amongst us, has gained a foothold in our customs and our laws.

We know Bastiat had plans to apply his class analysis to European history going back to the ancient Romans. When working through his papers in preparation for publishing the second part of *Economic Harmonies* his friend and literary executor Prosper Paillottet states that Bastiat had sketched out in seven proposed chapters what would in effect have been his *History of Plunder*: Chapter 16. Plunder, 17. War, 18. Slavery, 19. Theocracy, 20. Monopoly, 21. Government Exploitation, 22. False Brotherhood or Communism. This list was included in the second expanded edition of *Economic Harmonies* (1851) which “the friends of Bastiat” (Prosper Paillottet and Roger de Fontenay) put together from his papers after his death.²⁷²

²⁷² See the “List of Chapters”, in Frédéric Bastiat, *Harmonies économiques. 2me édition. Augmentée des manuscrits laissés par l'auteur. Publiée par la Société des amis de Bastiat* (Paris: Guillaumin, 1851). An expanded edition of 25 chapters edited by Prosper Paillottet and Roger de Fontenay. List on p. 335. They can also be found in the FEE edition, p. 554 and online <http://oll.libertyfund.org/titles/79#lf0187_head_074>.

An outline of Bastiat's theory of class and plunder

The following definition and summary of what he meant by plunder has been compiled from the first chapter of his second series of *Economic Sophisms* which appeared in early 1848, "The Physiology of Plunder" and is his most extended treatment of the topic (these are Bastiat's words):

- There are only two ways of acquiring the things that are necessary for the preservation, improvement and betterment of life: **PRODUCTION** and **PLUNDER**. (Il n'y a que deux moyens de se procurer les choses nécessaires à la conservation, à l'embellissement et au perfectionnement de la vie : la **PRODUCTION** et la **SPOLIATION**.)
- ... **PLUNDER** is exercised on too a vast scale in this world, that it is too universally woven into all major human events, for any social science, above all *Political Economy*, to feel justified in disregarding it. (la **SPOLIATION** s'exerce dans ce monde sur une trop vaste échelle, qu'elle se mêle trop universellement à tous les grands faits humains pour qu'aucune science sociale, et l'*Économie politique* surtout, puisse se dispenser d'en tenir compte.)
- What separates the social order from a state of perfection (at least from the degree of perfection it can attain) is the constant effort of its members to live and progress at the expense of one another. (Ce qui sépare l'ordre social de la perfection (du moins de toute celle dont il est susceptible), c'est le constant effort de ses membres pour vivre et se développer aux dépens les uns des autres.)
- When **PLUNDER** has become the means of existence of a large group of men mutually linked by social ties, they soon contrive to pass a law that sanctions it, and a moral code that glorifies it. (Lorsque la **SPOLIATION** est devenue le moyen d'existence d'une agglomération d'hommes unis entre eux par le lien social, ils se font bientôt une loi qui la sanctionne, une morale qui la glorifie.)
- [stages of plunder in history]. First of all, there is **WAR**... Then there is **SLAVERY**. ... Next comes **THEOCRACY** ... Lastly, there is **MONOPOLY**. (C'est d'abord la **GUERRE**. ... C'est ensuite l'**ESCLAVAGE**. ... Vient la **THÉOCRATIE**. ... Enfin arrive le **MONOPOLE**.)

- The true and just law governing man is “*The freely negotiated exchange of one service for another.*” Plunder consists in banishing by force or fraud the freedom to negotiate in order to receive a service without offering one in return. Plunder by force is exercised as follows: People wait for a man to produce something and then seize it from him at gun point. This is formally condemned by the Ten Commandments: *Thou shalt not steal.* When it takes place between individuals, it is called *theft* and leads to prison; when it takes place between nations, it is called *conquest* and leads to glory. (La véritable et équitable loi des hommes, c’est : *Échange librement débattu de service contre service.* La Spoliation consiste à bannir par force ou par ruse la liberté du débat afin de recevoir un service sans le rendre. La Spoliation par la force s’exerce ainsi : On attend qu’un homme ait produit quelque chose, qu’on lui arrache, l’arme au poing. Elle est formellement condamnée par le Décalogue : *Tu ne prendras point.* Quand elle se passe d’individu à individu, elle se nomme *vol* et mène au bagne ; quand c’est de nation à nation, elle prend nom *conquête* et conduit à la gloire.)
- [in summary] Plunder consists in banishing by fraud or force the freedom to negotiate in order to receive a service without offering one in return. (La Spoliation consiste à bannir par force ou par ruse la liberté du débat afin de recevoir un service sans le rendre.)

From this and other scattered writings on the subject one can reconstruct an outline of what Bastiat’s theory of class and plunder might have looked like.

I would like to emphasize a few key points in this definition to help us better understand Bastiat’s perspective:

- he believes in an absolute moral philosophy based upon natural law
- these natural laws are partly discovered through the scientific, empirical observation of human societies (economics and history) and partly through divine revelation (Bastiat’s deism and his moral Christianity)
- this moral philosophy applies to all human beings without exception
- he believes that there are only two ways by which wealth (property) can be acquired: firstly by voluntary individual activity and by freely negotiated exchange with others (“service for service”), by individuals called the

“Producers”; secondly, by theft (coercion or fraud) by a third party, also called “the Plunderers”

- the existence of plunder is a scientific, empirical matter which is revealed by the study of history (this was to be his great next unfulfilled research project)²⁷³
- the Plunderers have historically organised themselves into States and have tried to make their activities an exception to the universal moral principles by introducing laws that “sanction” plunder and a moral code that “glorifies” it
- the Plunderers also deceive their victims by means of “la ruse” (trickery, deception, fraud) and the use of “sophisms” and outright fallacies to justifying and disguise what they are doing

The Moral Foundations of Bastiat’s Theory of Plunder: “Thou shalt not steal.”

As a supporter of the idea of natural law and natural rights, Bastiat believed that there were universal moral principles which could be identified and elaborated by human beings and which had a universal application. In other words, there were not two moral principles in operation, one for the sovereign power and government officials and another for the rest of mankind. One of these universal principles was the notion of an individual’s right to own property, along with the corresponding injunction not to violate an individual’s right to property by means of force or fraud. In the Christian world the injunction was expressed in the Ten Commandments, particularly “Thou shalt not steal”²⁷⁴ and, since there was no codicil attached to Moses’ tablets exempting monarchs, aristocrats, or government employees, Bastiat was prepared to argue that this moral commandment had universal applicability.

According to Bastiat there were two ways in which wealth could be acquired, either by voluntary production and exchange or by coercion:²⁷⁵

²⁷³ The issue of intent might be raised here. The fact that some individuals acquire their property by force or fraud at the expense of other individuals is an empirical matter to be determined by the study of history. The purpose or intent of those using plunder (to save souls, or to promote the “public good”) might be a legal matter for lawyers and judges to determine in a court of law. Lord Acton’s historian acting as a “hanging judge” would probably not see any grounds for mitigation - as would Bastiat.

²⁷⁴ ES2 1. “The Physiology of Plunder,” pp. 000. FEE p. 8.

²⁷⁵ ES2 1. “The Physiology of Plunder,” pp. 000. FEE, p. 8.

Il n'y a que deux moyens de se procurer les choses nécessaires à la conservation, à l'embellissement et au perfectionnement de la vie : la Production et la Spoliation.

There are only two ways of acquiring the things that are necessary for the preservation, improvement and betterment of life: PRODUCTION and PLUNDER.

And a bit further into the essay he elaborates as follows, with his definition of plunder (in italics):²⁷⁶

La véritable et équitable loi des hommes, c'est : Échange librement débattu de service contre service. La Spoliation consiste à bannir par force ou par ruse la liberté du débat afin de recevoir un service sans le rendre.

The true and just law governing man is "*The freely negotiated exchange of one service for another.*" Plunder consists in banishing by fraud or force the freedom to negotiate in order to receive a service without offering one in return.

La Spoliation par la force s'exerce ainsi : On attend qu'un homme ait produit quelque chose, qu'on lui arrache, l'arme au poing.

Plunder by force is exercised as follows: People wait for a man to produce something and then seize it from him at gun point.

Elle est formellement condamnée par le Décalogue : Tu ne prendras point.

This is formally condemned by the Ten Commandments: *Thou shalt not steal.*

Quand elle se passe d'individu à individu, elle se nomme vol et mène au bagne ; quand c'est de nation à nation, elle prend nom conquête et conduit à la gloire.

When it takes place between individuals, it is called *theft* and leads to prison; when it takes place between nations, it is called *conquest* and leads to glory.

It is not certain when these words were written as neither Bastiat nor his editor Paillottet provide that information. It is most likely that they were written specifically for the the Second Series of the *Economic Sophisms* which were published in January 1848. In an earlier article published in January 1846, "Theft by Subsidy", Bastiat responded to criticism of his First Series of *Economic Sophisms* which had just appeared in print that they were "too theoretical, scientific, and metaphysical." His response was to make sure

²⁷⁶ ES2 1. "The Physiology of Plunder," pp. 000. FEE, p. 8.

that his future writings could not be accused of this again, which he did by peppering their pages with “une explosion de franchise” (an explosion of plain speaking.” By this he meant that he would use very blunt, direct, even “brutal” language, such as “theft”, “pillage”, “plunder,” and “parasitism,” when describing the activities undertaken by the State which were accepted by most people as perfectly normal and “legal”.²⁷⁷ So, in many of the essays written in 1846 and 1847 which were to end up in future editions of the *Economic Sophisms* Bastiat wanted to make it perfectly clear what he thought the state was doing by regulating and taxing French citizens and to call these activities by their “real name”, namely theft and plunder. As he notes in an aside:²⁷⁸

Franchement, bon public, *on te vole*. C’est cru, mais c’est clair.

Frankly, my good people, *you are being robbed*. That is plain speaking but at least it is clear.

Les mots *vol*, *volez*, *voleur*, paraîtront de mauvais goût à beaucoup de gens. Je leur demanderai comme Harpagon à Élise : Est-ce le mot ou la chose qui vous fait peur ?

The words, *theft*, *to steal* and *thief* seem to many people to be in bad taste. Echoing the words of Harpagon to Elise, I ask them: Is it the word or the thing that makes you afraid?

He cites the Ten Commandments,²⁷⁹ the French Penal Code, and the Dictionary of the French Academy to define what theft is as clearly as he can and to note its universal prohibition. According to these definitions, in Bastiat’s mind, the policies of the French government were nothing more than “le vol à la prime” (theft by subsidy,” “le vol au tariff (theft by Customs duties/tariffs), “le vol organisé” (organised theft), “le vol réciproque” (reciprocal or mutuel theft) of all Frenchmen via subsidies and protective duties, and so on. Altogether they made up an entire system of “plunder” which had been evolving for centuries and which he had wanted to make the topic of his book on “A History of Plunder”.

²⁷⁷ “Le vol à la prime”, *Journal des économistes*, January 1846, T. XIII, pp. 115-120; this also appeared in ES2 9, “Theft by Subsidy,” pp. 000.

²⁷⁸ “Theft by Subsidy”, p. 104.

²⁷⁹ One of the few occasions FB mentions anything specific in the Bible.

Therefore, because of the ubiquity of plunder in human history it was essential for political economy to take it into account when discussing the operation of the market and its “causes perturbatrices” (disturbing factors):²⁸⁰

Quelques personnes disent : La SPOLIATION est un accident, un abus local et passager, flétri par la morale, réprouvé par la loi, indigne d’occuper l’*Économie politique*.

Cependant, quelque bienveillance, quelque optimisme que l’on porte au cœur, on est forcé de reconnaître que la SPOLIATION s’exerce dans ce monde sur une trop vaste échelle, qu’elle se mêle trop universellement à tous les grands faits humains pour qu’aucune science sociale, et l’*Économie politique* surtout, puisse se dispenser d’en tenir compte.

Some people say: “PLUNDER is an accident, a local and transitory abuse, stigmatized by moral philosophy, condemned by law and unworthy of the attentions of *Political Economy*.”

But whatever the benevolence and optimism of one’s heart one is obliged to acknowledge that PLUNDER is exercised on too a vast scale in this world, that it is too universally woven into all major human events, for any social science, above all *Political Economy*, to feel justified in disregarding it.

“La Ruse” (Fraud, Trickery) and Legal Plunder

A key feature of plunder which distinguishes it from the acquisition of wealth by voluntary exchange is a combination of the the use of violence and what he called “la ruse” (fraud or trickery). Within the category of “plunder” there are two main types which interested Bastiat: “illegal plunder” which was undertaken by thieves, robbers, and highway men and which was prohibited by law - hence the title “illegal plunder”; the second type of plunder was what Bastiat called “legal plunder” which was usually undertaken by the state under the protection of the legal system which exempted sovereigns and government officials from the usual prohibition of taking other people’s property by force. Illegal plunder was less interesting to Bastiat as it was universally condemned and quite well understood by legal theorists and economists. Instead, Bastiat concentrated in his scattered writings on the latter form, legal plunder, as it was hardly recognized at all by economists as a problem in spite of the fact that it had existed on a

²⁸⁰ ES2 1. “The Physiology of Plunder,” pp. 000. FEE, p. 2.

“un trop vaste échelle” (a vast scale)²⁸¹ throughout history and was one its driving forces. As he noted in his “final and important aperçu” which ended the “Conclusion” to *Economic Sophisms I*:²⁸²

La force appliquée à la spoliation fait le fond des annales humaines. En retracer l’histoire, ce serait reproduire presque en entier l’histoire de tous les peuples : Assyriens, Babyloniens, Mèdes, Perses, Égyptiens, Grecs, Romains, Goths, Francs, Huns, Turcs, Arabes, Mongols, Tartares, sans compter celle des Espagnols en Amérique, des Anglais dans l’Inde, des Français en Afrique, des Russes en Asie, etc., etc.

Force used for plunder forms the bedrock upon which the annals of human history rest. Retracing its history would be to reproduce almost entirely the history of every nation: the Assyrians, the Babylonians, the Medes, the Persians, the Egyptians, the Greeks, the Romans, the Goths, the Francs, the Huns, the Turks, the Arabs, the Mongols, and the Tartars, not to mention the Spanish in America, the English in India, the French in Africa, the Russians in Asia, etc., etc.

In the essay “The Physiology of Plunder” which opened *Economic Sophisms II* Bastiat sketches out the main types of plunder which had emerged in history: war, slavery, theocracy, and monopoly. Historically, societies and their ruling elites which lived from plunder had evolved through alternating periods of conflict, where the elites fought for control of the state, and periods of “truce”, where plunder became regularized until another rivalrous group of plunderers sought control of the state. In a letter to Mme Cheuvreux (23 June 1850) Bastiat observes that:²⁸³

²⁸¹ ES2 1. “The Physiology of Plunder,” pp. 000. FEE, p. 2.

²⁸² ES1 “Conclusion” pp. 000; FEE, p. 197.

²⁸³ CW1, Letter 176 to Mme Cheuvreux, 23 June 1850. p. 252.

tant qu'on regardera ainsi l'État comme une source de faveurs, notre histoire ne présentera que deux phases : les temps de luttes, à qui s'emparrera de l'État ; et les temps de trêve qui seront le règne éphémère d'une oppression triomphante, présage d'une lutte nouvelle.

as long as we continue to regard the State as a source of favours, our history will be seen as having only two phases, the periods of conflict as to who will take control of the State and the periods of truce, which will be the transitory reign of a triumphant oppression, the harbinger of a fresh conflict.

The immediate historical origins of the modern French state were the aristocratic and theocratic elites which rose to dominance in the Old Regime and which were challenged for control of the state first by liberal-minded reformers during the late Old regime (like Turgot) and the first phase of the Revolution (like Mirabeau and the Girondins group), then socialist-minded reformers under Robespierre during the Terror, and finally by the military elites under Napoleon. The defeat of Napoleon had led to a temporary return of the aristocratic and theocratic elites until they were again overthrown in another Revolution in February 1848, this time one in which Bastiat played an active role as an elected politician, journalist, and economic theoretician. Bastiat examines in some detail the part played by the aristocracy in the essay “The People and the Bourgeoisie” (*Libre-Échange*, 22 May 1847), and he devotes a surprising amount of space to analyzing “theocratic plunder” in “The Physiology of Plunder” as his case study of the phenomenon. On the rise of the aristocracy he states:²⁸⁴

²⁸⁴ ES3 6, “The People and the Bourgeoisie” 22 May 1847, *Le Libre-Échange*, pp. 11-12.

Entre une nation et son aristocratie, nous voyons bien une ligne profonde de séparation, une hostilité irrécusable d'intérêts, qui ne peut manquer d'amener tôt ou tard la lutte. L'aristocratie est venue du dehors ; elle a conquis sa place par l'épée ; elle domine par la force. Son but est de faire tourner à son profit le travail des vaincus. Elle s'empare des terres, commande les armées, s'arroge la puissance législative et judiciaire, et même, pour être maîtresse de tous les moyens d'influence, elle ne dédaigne pas les fonctions ou du moins les dignités ecclésiastiques. Afin de ne pas affaiblir l'esprit de corps qui est sa sauvegarde, les privilèges qu'elle a usurpés, elle les transmet de père en fils par ordre de primogéniture. Elle ne se recrute pas en dehors d'elle, ou, si elle le fait, c'est qu'elle est déjà sur la voie de sa perte.

Between a nation and its aristocracy, we clearly see a deep dividing line, an undeniable hostility of interests, which sooner or later can only lead to strife/conflict. The aristocracy has come from outside; it has conquered its place by the sword and dominates through force. Its aim is to turn the work done by the vanquished to its own advantage. It seizes land, has armies at its disposal and arrogates to itself the power to make laws and expedite justice. In order to master all the channels of influence, it has not even disdained the functions, or at least the dignities, of the church. In order not to weaken the esprit de corps that is its lifeblood, it transmits the privileges it has usurped from father to son by way of primogeniture. The aristocracy does not recruit from outside its ranks, or if it does so, it is because it is already on the slippery slope.

In the period in which he was living, the modern state had evolved to the point where a large, permanent, professional class of bureaucrats carried out the will of the sovereign power (which was King Louis Philippe during the July Monarchy 1830-1848, and then the “People” in the Second Republic following the Revolution of February 1848) to tax and regulate a growing part of the French economy. Three aspects of the growth of the state on which Bastiat had focussed his opposition in the mid- and late 1840s were protectionist tariffs on imported goods, taxation, and the government subsidization of the unemployed in the National Workshops during 1848. As the state expanded in size and the scope of its activities it began supplying an ever larger number of “public services” which were funded by the taxpayers. Bastiat had a stern view of these developments and viewed any “public service” which went beyond the bare minimum of police and legal services as “un funeste parasitisme” (a disastrous form of parasitism).²⁸⁵ Using his favourite stock figure of Jacques Bonhomme (Jack Everyman) in order to make

²⁸⁵ WSWNS VI, “The Middlemen”, CW3, pp. 000; FEE, p. 33.

his points Bastiat compares the “forced sale” of “public services” to the French people and the “legal parasitism” of the French bureaucracy to the actions of the petty thief who indulges in mere “illegal (or extralegal) parasitism” when he takes Jacques’ property by breaking into his house.²⁸⁶

Plunder by Direct or Indirect Violence

Bastiat believed that there were two types of plunder which had been practised by different groups (classes) over the centuries. The first type was plunder by naked force with no pretence being made by the plundering classes that this was in the interests of those being plundered. This describes the stages of tribal or city state warfare where a warrior class seized what it wanted by conquest and force of arms. The next stage in this type of plunder by naked force was slavery where a class of slave owners plundered the labour of those they had captured in war or bought in slave markets. In these two early stages the relationship between the classes is a simply binary one: there is the “la classe spoliatrice” (the plundering class) and “les classes spoliées” (the plundered classes) and resources flow from the latter to the former.

The second type of plunder involves a third party or class which acts as an enabler of the plundering class, because fraud (*la ruse*) and sophistry now become an important part of the class relationship of exploitation. Since the plundered class has become so numerous, the minority plundering class has to attempt to persuade the plundered class not to resist and this they do by employing fraud, trickery, and sophistry to persuade members of the plundered class that their situation is inevitable, commanded by God, part of the natural order of things, or even in their own interests. The task of persuasion falls to a new group from the intellectual or priestly class, who are paid by the plundering class to spread “sophisms” concerning the political and economic necessity of the current situation of plunder, in other words, to turn the plundered class into a class of “dupes” who do not see their chains. Historically this task has fallen to the priesthood (under the system which Bastiat called “theocratic plunder”), and in the modern era to lawyers, economists, journalists, and lobby groups representing farming or manufacturing vested interests (under what might be called “monopolistic plunder” or

²⁸⁶ WSWNS III. “Taxes”, CW3, pp. 000; FEE, pp. 15-16.

“bureaucratic plunder”). Thus, society now has three groups which interact with each other: the plundering class, the plundered class, and a new group of “spinners of sophistry” who justify the system of plunder to those who are being plundered. It was the task of the economists like Bastiat to expose this relationship for what it is and to refute the sophisms used to keep the plundered class in their lowly position. The following gives a sense of Bastiat’s passion to refute the sophisms which made dupes of the plundered class:²⁸⁷

Hercule ! qui étranglas Cacus, Thésée !
qui assommas le Minotaure, Apollon ! qui tuas
le serpent Python, que chacun de vous me
prête sa force, sa massue, ses flèches pour
détruire le monstre qui, depuis six mille ans,
arme les hommes les uns contre les autres.

Mais, hélas ! il n’est pas de massue qui
puisse écraser un sophisme. Il n’est donné à la
flèche ni même à la baïonnette de percer une
proposition. Tous les canons de l’Europe
réunis à Waterloo n’ont pu effacer du cœur des
peuples un principe ; et ils n’effaceraient pas
davantage une erreur. Cela n’est réservé qu’à
la moins matérielle de toutes les armes, à ce
symbole de légèreté, la plume.

Oh you, Hercules, who strangled Cacus!
You, Theseus, who killed the Minotaur! You,
Apollo, who killed Python the serpent! I ask
you all to lend me your strength, your club and
your arrows, so that I can destroy the monster
that has been arming men against one another
for six thousand years!

Alas, there is no club capable of crushing
a sophism. It is not given to arrows, nor even
to bayonets, to pierce a proposition. All the
cannons in Europe gathered at Waterloo could
not eliminate an entrenched idea from the
hearts of nations. No more could they efface
an error. This task is reserved for the least
weighty of all weapons, the very symbol of
weightlessness, the feather quill (pen).

In Bastiat’s time, theocratic plunder had given way to a system of monopoly dominated by large landowners and manufacturers who sought trade restrictions, government subsidies, monopolies in the home market, and other privileges. This alliance of vested interests emerged in the 1820s and 1830s when French tariff policy was revised

²⁸⁷ ES3 15 “One Man’s Gain Is Another Man’s Loss,” pp. 000-00.

and entrenched after the defeat of Napoleon.²⁸⁸ The rise of socialist groups in the 1840s and especially in the early months of the 1848 Revolution suggested to Bastiat that another system of plunder might be possible, namely where “the people” themselves, or rather their representatives in the Chamber, erect a socialist or communist state in which “everyone endeavors to live at the expense of everyone else”, or in other words a system of “dérober mutuellement” (mutual stealing) or “spoliation réciproque” (reciprocal plunder). This was of course Bastiat’s warning in his best known pamphlet “The State” (1st version appeared in June in *Jacques Bonhomme*, and revised and expanded version in *JDD*, September, 1848).²⁸⁹

On the eve of the February Revolution Bastiat attempted to refute the claim of the socialists that class conflict was inherent in the free market system, and that a “guerre sociale” (social or class war) between the “bourgeoisie” and the “people” was going to be fought with the victory going to “the people” or their elected representatives. In “The People and the Bourgeoisie” (ES3 6 - May, 1847) Bastiat outlines the socialist theory of class war since the 1789 Revolution, some of which he was quite sympathetic to, and shows where he thinks the socialists have erred. According to the socialists, the first social war had been between the aristocracy and the rising bourgeoisie with the bourgeoisie winning in the revolution of 1789 and the second was the current struggle between “the people” and the bourgeoisie which would reach the point of revolution in the early months of 1848. But Bastiat argued that the socialists were wrong to think that this victory of “people” would bring an end to class conflict and social war. He predicted that, given the nature of politics and economic reality, a third social war would break out between the new ruling “people,” who had become the “new aristocracy” in the new socialist, “organized” state and economy, and the underclass of the poor and unemployed (the “beggars”) who had been excluded from politics²⁹⁰ and suffered the

²⁸⁸ There were two major reviews of French tariff policy which created the post-Napoleonic protectionist regime in France, one in 1822 and another in 1834. An attempt by the free traders to liberalize the tariff system in 1847 failed in committee. See “French Tariff Policy in Appendix 3: Economic Policy and Taxation.

²⁸⁹ “The State,” CW1, pp. 93-104. Quote on p. 97.

²⁹⁰ Immediately after the February Revolution in 1848 the election in April was based upon near universal manhood suffrage (age restriction was voters had to be older than 21). Although Louis Napoléon was elected President of the new Republic in December 1848 by this same electorate he quickly moved to limited the suffrage in the elections of May 1849 to impose residency requirements which would have excluded nearly 1/3 of the electorate, mainly itinerant and poorer workers).

most from economic privileges and high taxation. The cycle of “the ins” versus “the outs” for control of the state would continue, he thought, until the state no longer offered privileges and benefits to some at the expense of others. Only then would the plundering class disappear and the source of class conflict would evaporate.

In September 1847, Bastiat again replied to the socialists in a workers magazine *l'Atelier* (The Workshop). Here he took the socialist's argument that there was in all modern societies "une classe privilégiée" (a privileged class) of property owners who exploited "une classe opprimée" (an oppressed class) of propertyless workers, and turned it on its head. Bastiat rejected the socialist notion that this antagonism was an inherent part of the free market system. What distinguished the privileged class from the oppressed class in his view was not who owned property and who did not, but who had access to the lawmaking powers of the state (or the “great law factory” as he called it) which were used to make some forms of property privileged monopolies. Thus the privileged class which had access to the state by means of the electoral laws enjoyed monopolies which were protected by the law from competition, whereas the oppressed class, which did not have access to “the law factory” but who did have a property in their own labor (“travail, qui est aussi une propriété” (labor which is also a form of property)), enjoyed no such privileges but in fact had to pay for those privileges enjoyed by those who controlled the law making body. From this Bastiat concluded that:²⁹¹

²⁹¹ See “Réponse au journal *l'Atelier*.” (OC2, p. 124.) CW4 (forthcoming)??

Une circonstance aggravante de cet ordre de choses, c'est que la propriété privilégiée par la loi est entre les mains de ceux qui font la loi. C'est même une condition, pour être admis à faire la loi, qu'on ait une certaine mesure de propriété de cette espèce. La propriété opprimée au contraire, celle du travail, n'a voix ni délibérative ni consultative. On pourrait conclure de là que le privilège dont nous parlons est tout simplement la loi du plus fort.

An aggravation which comes from this order of things is that property privileged by the law is in the hands of those who make the law. It is even a condition that in order to be allowed to make the law one has to have a certain amount of property of this kind (a reference to the property qualification in order to be able to vote). On the other hand, property which is oppressed, that is to say labour, does not have a deliberative or consultative voice in making the law. One could conclude from this that the privilege we are talking about is quite simply the law of the strongest.

In the aftermath of the February 1848 Revolution Bastiat wrote to Mme Cheuvreux (January 1850) where he offered this analysis of the conflict between the people and the bourgeoisie based upon what he had experienced as a politician during the revolution:²⁹²

Je vois, en France, deux grandes classes qui, chacune, se subdivise en deux. Pour me servir de termes consacrés, quoique improprement, je les appellerai le peuple et la bourgeoisie.

In France, I can see two major classes, each of which can be divided into two. To use hallowed although inaccurate terms, I will call them the people and the bourgeoisie.

²⁹² "159. Letter to Mme Cheuvreux," (2 January 1850), CW1, pp. 229-31. <http://oll.libertyfund.org/titles/2393#Bastiat_1573-01_1170>.

Le peuple, c'est une multitude de millions d'êtres humains, ignorants et souffrants, par conséquent dangereux ; comme je l'ai dit, il se partage en deux, la grande masse assez attachée à l'ordre, à la sécurité, à tous les principes conservateurs ; mais, à cause de son ignorance et de sa souffrance, proie facile des ambitieux et des sophistes ; cette masse est travaillée par quelques fous sincères et par un plus grand nombre d'agitateurs, de révolutionnaires, de gens qui ont un penchant inné pour le désordre, ou qui comptent sur le désordre pour s'élever à la fortune et à la puissance.

La bourgeoisie, il ne faudrait jamais l'oublier ; c'est le très-petit nombre ; cette classe a aussi son ignorance et sa souffrance, quoiqu'à un autre degré ; elle offre aussi des dangers d'une autre nature. Elle se décompose aussi en un grand nombre de gens paisibles, tranquilles, amis de la justice et de la liberté, et un petit nombre de meneurs. La bourgeoisie a gouverné ce pays-ci, comment s'est-elle conduite ? Le petit nombre a fait le mal, le grand nombre l'a laissé faire ; non sans en profiter à l'occasion.

Voilà la statistique morale et sociale de notre pays.

The people consist of a host of millions of human beings who are ignorant and suffering, and consequently dangerous. As I said, they are divided into two; the vast majority are reasonably in favor of order, security, and all conservative principles, but, because of their ignorance and suffering, are the easy prey of the ambitious and the sophists. This mass is swayed by a few sincere fools and by a larger number of agitators and revolutionaries, people who have an inborn attraction for disruption or who count on disruption to elevate themselves to fortune and power.

The bourgeoisie, it must never be forgotten, is very small in number. This class also has its ignorance and suffering, although to a different degree. It also offers dangers, but of a different nature. It too can be broken down into a large number of peaceful, undemonstrative people, partial to justice and freedom, and a small number of agitators. The bourgeoisie has governed this country, and how has it behaved? The small minority did harm and the large majority allowed them to do this, not without taking advantage of this when they could.

These are the moral and social statistics of our country.

A Case Study of Plunder: "Theocratic Plunder"

The historical form of plunder which Bastiat discussed in most detail in his sketches and drafts was "theocratic plunder", especially in ES2 1. "The Physiology of

Plunder.”²⁹³ Bastiat believed that the era of theocratic plunder provided a case study of how trickery and sophistic arguments could be used to ensure compliance with the demands of the plundering class. He argued that the rule of the Church in European history was one which he believed had practised plunder and deception “on a grand scale”. The Church had developed an elaborate system of theocratic plunder through its tithing of income and production and on top of this it created a system of “sophisme théocratique” (theocratic sophistry and trickery) based upon the notion that only members of the church could ensure the peoples’ passage to an afterlife. This and other theocratic sophisms created dupes of the ordinary people who duly handed over their property to the Church. Bastiat had no squabble with a church in which the priests were “the instrument of the religion”, but for hundreds of years religion had become instead “the instrument of its priest”.²⁹⁴

293 ES2 1. “The Physiology of Plunder,” pp. 000; FEE, pp. 16ff. He also talks about theocratic plunder in the conclusion to ES1, ES2 2 “Two Moral Philosophies”, the conclusion to part 1 of *Economic Harmonies*, and EH 16 “On Population”.

294 ES2 1. “The Physiology of Plunder,” pp. 000; FEE, pp. 20-21.

Si, au contraire, *la Religion est l'instrument du prêtre*, il la traitera comme on traite un instrument qu'on altère, qu'on plie, qu'on retourne en toutes façons, de manière à en tirer le plus grand avantage pour soi. Il multipliera les questions *tabou* ; sa morale sera flexible comme les temps, les hommes et les circonstances. Il cherchera à en imposer par des gestes et des attitudes étudiés ; il marmottera cent fois par jour des mots dont le sens sera évaporé, et qui ne seront plus qu'un vain *conventionalisme*. Il trafiquera des choses saintes, mais tout juste assez pour ne pas ébranler la foi en leur sainteté, et il aura soin que le trafic soit d'autant moins ostensiblement actif que le peuple est plus clairvoyant. Il se mêlera des intrigues de la terre ; il se mettra toujours du côté des puissants à la seule condition que les puissants se mettront de son côté. En un mot, dans tous ses actes, on reconnaîtra qu'il ne veut pas faire avancer la Religion par le clergé, mais le clergé par la Religion ; et comme tant d'efforts supposent un but, comme ce but, dans cette hypothèse, ne peut être autre que la puissance et la richesse, le signe définitif que le peuple est dupe, c'est quand le prêtre est riche et puissant.

If, on the other hand, *Religion is the instrument of the priest*, he will treat it as some people treat an instrument that is altered, bent and turned in many ways so as to draw the greatest benefit for themselves. He will increase the number of questions that are *taboo*; his moral principles will bend according to the climate, men and circumstances. He will seek to impose it through studied gestures and attitudes; he will mutter words a hundred times a day whose meaning has disappeared and which are nothing other than empty *conventionalism*. He will peddle holy things, but just enough to avoid undermining faith in their sanctity and he will take care to see that this trade is less obviously active where the people are more keen-sighted. He will involve himself in terrestrial intrigue and always be on the side of the powerful, on the sole condition that those in power ally themselves with him. In a word, in all his actions, it will be seen that he does not want to advance Religion through the clergy but the clergy through Religion, and since so much effort implies an aim and as this aim, according to our hypothesis, cannot be anything other than power and wealth, the definitive sign that the people have been duped is when priests are rich and powerful.

The challenge to this theocratic plundering came through the invention of the printing press which enabled the transmission of ideas critical of the power and intellectual claims of the Church and gradually led to the weakening of this form of organised, legal plunder. The Reformation, the Renaissance, and the Enlightenment gradually exposed the theocratic sophisms for what they really were - so many tricks, deceptions, lies, and contradictions - and many people were thus no longer willing to be the dupes of the Church.

In a similar manner, Bastiat thought, the modern bureaucratic and regulatory state of his day was, like the Church, based upon a mixture of outright violence and coercion on the one hand, and trickery and sophisms on the other. The violence and coercion came from the taxes, tariffs, and regulations which were imposed on taxpayers, traders, and producers; the ideological dimension which maintained the current class of plunderers came from a new set of political and economic sophisms which confused, mislead, and tricked a new generation of dupes into supporting the system. The science of political economy, according to Bastiat, was to be the means by which the economic sophisms of the present would be exposed, rebutted, and finally overturned, thus depriving the current plundering class of their livelihood and power:²⁹⁵

J'en ai dit assez pour montrer que l'Économie politique a une utilité pratique évidente. C'est le flambeau qui, dévoilant la Ruse et dissipant l'Erreur, détruit ce désordre social, la Spoliation

I have said enough to show that Political Economy has an obvious practical use. It is the flame that destroys this social disorder, Plunder, by unveiling Trickery and dissipating Error.

And in the following essay on “The Two Moralities” Bastiat contrasts the role of “religious morality” and “economic morality” in bringing about this change in thinking:²⁹⁶

Que la morale religieuse touche donc le cœur, si elle le peut, des Tartuffes, des Césars, des colonistes, des sinécuristes, des monopolistes, etc. La tâche de l'économie politique est d'éclairer leurs dupes.

Let religious morality therefore touch the hearts of the Tartuffes, the Caesars, the colonists, sinecurists and monopolists, etc. if it can. The task of political economy is to enlighten their dupes.

Bastiat was skeptical that religious morality would be successful in changing the views of those who held power because, as he pointed out on several occasions, how many

²⁹⁵ ES2 1. “The Physiology of Plunder,” pp. 000; FEE p. 7.

²⁹⁶ ES2 2 “The Two Moralities”, pp. 000; FEE, p. 43.

times in history have ruling elites ever voluntarily given up their power and privileges? His preference was to strike at power from below by opening the eyes of the duped and tricked with the truths which political economy provided, to encourage doubt and mistrust in the justice of the rulers' actions, and to mock the follies of the political elite by using sarcasm and "la piqure du ridicule" (the sting of ridicule).²⁹⁷ Hence, the urgent need for popularisations of economic thought like that of Harriett Martineau in England,²⁹⁸ and Bastiat and Molinari in France.²⁹⁹ Bastiat summed up the job of the political economists as³⁰⁰

dessillent les yeux des Orgons, déracinent les préjugés, excitent de justes et nécessaires défiances, étudient et exposent la vraie nature des choses et des actions

opening the eyes of the Orgons, uprooting preconceived ideas, stimulating just and essential mistrust and studying and exposing the true nature of things and actions.

The Malthusian Limits to State Plunder

Although the plundering elites were voracious in their appetite for the taxpayers' property, Bastiat believed there was an upper limit to how much they could take because countervailing forces came into operation to check their growth. Firstly, widespread plunder and regulation of the economy hampered productive growth and made society less productive and prosperous than it might otherwise have been. A good example of this Bastiat thought was evidenced by slave societies where the productivity of slave

²⁹⁷ "Funestes illusions" (Disastrous Illusions), JDE (March 1848).

²⁹⁸ Harriet Martineau, *Illustrations of Political Economy* (3rd ed) in 9 vols. (London: Charles Fox, 1832). <<http://oll.libertyfund.org/titles/1873>>. And *Contes de Miss Harriet Martineau sur l'économie politique*, trans. Barthélémy Maurice (Paris: G. Vervloet, 1834).

²⁹⁹ David M. Hart, "Negative Railways, Turtle Soup, talking Pencils, and House owning Dogs": "The French Connection" and the Popularization of Economics from Say to Jasay" (Sept. 2014) <<http://davidmhart.com/liberty/Papers/Bastiat/BastiatAndJasay.html>>.

³⁰⁰ ES2 2 "The Two Moralities", pp. 000; FEE, p. 45. In Molière's play *Tartuffe*, or the Imposter (1664) Tartuffe is a scheming hypocrite and Orgon is a well-meaning dupe.

labour was considerably less than that of free labour. By locking themselves into a slave-based economy the slave owners deprived themselves of further economic gains.³⁰¹

Cette loi est admirable. — Sans elle, pourvu qu'il y eût équilibre de force entre les oppresseurs et les opprimés, la Spoliation n'aurait pas de terme. — Grâce à elle, cet équilibre tend toujours à se rompre, soit parce que les Spoliateurs se font conscience d'une telle déperdition de richesses, soit, en l'absence de ce sentiment, parce que le mal empire sans cesse, et qu'il est dans la nature de ce qui empire toujours de finir.

Il arrive en effet un moment où, dans son accélération progressive, la déperdition des richesses est telle que le Spoliateur est moins riche qu'il n'eût été en restant honnête.

This law is admirable. In its absence, provided that there were a stable balance of power between the oppressors and the oppressed, Plunder would have no end. Thanks to this law, the balance always tends to be upset, either because the Plunderers become aware of the loss of so much wealth, or, where this awareness is lacking, because the harm constantly grows worse and it is in the nature of things that constantly deteriorate to come to an end

In fact, there comes a time when, in its gradual acceleration, the loss of wealth is so great that Plunderers are less rich than they would have been if they had remained honest.

Secondly, Bastiat thought that a “Malthusian Law” operated to fatally restrict the expansion of the plundering class. The Malthusian pressures on the plundering class were twofold: their plunder provoked opposition on the part of those who were being plundered who would eventually resist (such as tax revolts, smuggling, or outright revolution); and the “Plunderers” (of wealth) would gradually realize that their plunder and regulation created economic inefficiencies and absolute limits on the amount of wealth they could extract from any given society. Bastiat developed his ideas on a Malthusian limit of the scale of plunder first in a discussion of “theocratic plunder” and then in a section on the State in general:³⁰²

³⁰¹ ES2 1. “The Physiology of Plunder,” pp. 000; FEE, p. 5-6.

³⁰² ES2 1. “The Physiology of Plunder,” pp. 000; FEE, pp. 21, 24.

La Spoliation par ce procédé et la clairvoyance d'un peuple sont toujours en proportion inverse l'une de l'autre, car il est de la nature des abus d'aller tant qu'ils trouvent du chemin. Non qu'au milieu de la population la plus ignorante, il ne se rencontre des prêtres purs et dévoués, mais comment empêcher la fourbe de revêtir la soutane et l'ambition de ceindre la mitre ? Les spoliateurs obéissent à la loi malthusienne : ils multiplient comme les moyens d'existence ; et les moyens d'existence des fourbes, c'est la crédulité de leurs dupes. On a beau chercher, on trouve toujours qu'il faut que l'Opinion s'éclaire. Il n'y a pas d'autre Panacée.

L'État aussi est soumis à la loi malthusienne. Il tend à dépasser le niveau de ses moyens d'existence, il grossit en proportion de ces moyens, et ce qui le fait exister c'est la substance des peuples. Malheur donc aux peuples qui ne savent pas limiter la sphère d'action de l'État. Liberté, activité privée, richesse, bien-être, indépendance, dignité, tout y passera.

Plunder using this procedure and the clear-sightedness of a people are always in inverse proportion one to the other, for it is in the nature of abuse to proceed wherever it finds a path. Not that pure and devoted priests are not to be found within the most ignorant population, but how do you prevent a swindler from putting on a cassock and having the ambition to don a miter? Plunderers obey Malthus's law: they multiply in line with the means of existence, and the means of existence of swindlers is the credulity of their dupes. It is no good searching; you always find that opinion needs to be enlightened. There is no other panacea. (p. 21)

The State is also subject to Malthus's Law. It tends to exceed the level of its means of existence, it expands in line with these means and what keeps it in existence is whatever the people have. Woe betide those peoples who cannot limit the sphere of action of the State. Freedom, private activity, wealth, well-being, independence and dignity will all disappear. (p. 24).

In the earliest forms of the plundering state, such as the warrior and slave state of the Roman Empire, the role played by outright violence and coercion in maintaining the flow of plunder to privileged groups was very important. However, as populations grew and economies advanced alternative methods were needed by the elites to protect the continued flow of plunder. It was at this moment in human history, Bastiat thought (developing Bentham's idea of "deceptions" and "political fallacies" to prevent political

reform),³⁰³ that ruling elites began to use “la ruse” and “les sophismes”, and other forms of ideological deception and confusion, so that they could trick or “dupe” the citizens into complying with the demands of the elite to hand over their property.

As he stated in the “Conclusion” of *Economic Sophisms I* Bastiat explains the connection between his rebuttal of commonly held economic sophisms and the system of plunder he opposed so vigorously:³⁰⁴

Pour voler le public, il faut le tromper. Le tromper, c’est lui persuader qu’on le vole pour son avantage ; c’est lui faire accepter en échange de ses biens des services fictifs, et souvent pis. — De là le *Sophisme*. — Sophisme théocratique, Sophisme économique, Sophisme politique, Sophisme financier. — Donc, depuis que la force est tenue en échec, le *Sophisme* n’est pas seulement un mal, c’est le génie du mal. Il le faut tenir en échec à son tour. — Et, pour cela, rendre le public plus *fin* que les fins, comme il est devenu plus *fort* que les forts.

Bon public, c’est sous le patronage de cette pensée que je t’adresse ce premier essai, — bien que la Préface soit étrangement transposée, et la Dédicace quelque peu tardive.

In order to steal from the public it is first necessary to deceive them. To deceive them it is necessary to persuade them that they are being robbed for their own good; it is to make them accept imaginary services and often worse in exchange for their possessions. This gives rise to *sophistry*. Theocratic sophistry, economic sophistry, political sophistry and financial sophistry. Therefore, ever since force has been held in check, *sophistry* has been not only a source of harm, it has been the very essence of harm. It must in its turn be held in check. And to do this the public must become *cleverer* than the clever, just as it has become *stronger* than the strong.

Good public, it is this last thought in mind that I am addressing this first essay to you, although the preface has been strangely transposed and the dedication is somewhat belated.

³⁰³ See Jeremy Bentham, *Handbook of Political Fallacies*, revised and edited by Harold A. Larrabee. Introduction to the Torchbook edition by Crane Brinton (New York: Harper Torchbooks, 1962); and also *The Works of Jeremy Bentham, published under the Superintendence of his Executor, John Bowring* (Edinburgh: William Tait, 1838-1843). 11 vols. Vol. 2. The Book of Fallacies: From Unfinished Papers of Jeremy Bentham. Edited by a Friend. <http://oll.libertyfund.org/titles/1921#f0872-02_head_313>.

³⁰⁴ ES1 “Conclusion,” pp. 000; FEE, p. 198. The last paragraph of this quotation suggests that Bastiat’s first collection of *Economic Sophisms* was assembled and printed in some haste, thus not allowing him to get the Dedication and Preface in the right order.

The Impact of the February Revolution on Bastiat's Theory of Class

The outbreak of Revolution in February 1848 and the coming to power of organised socialist groups forced Bastiat to modify his theory in two ways. The first was to adopt the very language of “class” used by his socialist opponents as we have seen with his change in usage from the pairing of “les spoliateurs” (the plunderers) and “les spoliés” (the plundered) before the Revolution to that of “la classe spoliatrice” (the plundering class) and “les classes spoliées” (the plundered classes) after the Revolution. The second way he changed his theory was to consider more carefully how state organised plunder would be undertaken by a majority of the people instead of a small minority. Before the socialists became a force to be reckoned with in the Second Republic when they introduced the National Workshops program under Louis Blanc, a small minority of powerful individuals (such as slave owners, high Church officials, the military, or large landowners and manufacturers) used the power of the state to plunder the ordinary taxpayers and consumers to their own advantage. Bastiat termed this “la spoliation partielle” (partial plunder).³⁰⁵ He believed that what the socialists were planning during 1848 was to introduce a completely new kind of plunder which he called “la spoliation universelle” (universal plunder) or “la spoliation réciproque” (reciprocal plunder). In this system of plunder the majority (that is to say the ordinary taxpayers and consumers who made up the vast bulk of French society) would plunder itself, now that the minority of the old plundering class had been removed from political power. Bastiat thought that this was unsustainable in the long run and in his famous essay on “The State” (June, September 1848) called the socialist-inspired redistributive state “the great fiction by which everyone endeavors to live at the expense of everyone else.”³⁰⁶

³⁰⁵ Bastiat first used the terms “partial” and “universal” plunder in “Plunder and the Law” (15 May, 1850) (CW2, p. 275) and then again in “The Law” (July 1850) (CW2, p. 117).

³⁰⁶ CW2, p. 97 and online <http://oll.libertyfund.org/titles/2450#Bastiat_1573-02_671>.

At this time I don't think Bastiat fully grasped how the modern welfare state might evolve into a new form of class rule in the name of the people where "les fonctionnaires" (state bureaucrats and other functionaries), supposedly acting in the name of the people, siphoned off resources for their own needs. Bastiat gives hints that this might happen in his discussion of the "parasitical" nature of most government services³⁰⁷ and his ideas about "la spoliation gouvernementale" (plunder by government) and "le gouvernementalisme" (rule by government bureaucrats)³⁰⁸ which suggest the idea that government and those who work for it have their own interests which are independent of other groups in society. These are insights which Bastiat's younger friend and colleague Gustave de Molinari took up two years after Bastiat's death in his class analysis of how Louis Napoléon came to power and brought the Second Republic to an end.³⁰⁹

In two private letters to Madame Hortense Cheuvreux, the wife of a wealthy benefactor who helped Bastiat find time to work on his economic treatise during the last two years of his life, Bastiat makes some interesting observations about the nature of the class antagonisms which were dividing France. In the first letter (January 1850) he offered Mme Cheuvreux an analysis of the conflict between the people and the bourgeoisie based upon what he had observed during the revolution. He concludes that the French bourgeoisie had had an opportunity to bring class rule in France to an end and by not doing so had alienated a large section of the working class:

In France, I can see two major classes, each of which can be divided into two. To use hallowed although inaccurate terms, I will call them the people and the bourgeoisie. The people consist of a host of millions of human beings who are ignorant and suffering, and consequently dangerous. As I said, they are divided into two; the vast majority are reasonably in favor of order, security, and all conservative principles, but, because of their ignorance and suffering, are the easy prey of ambitious sophists. This mass is swayed by a few sincere fools and by a larger

³⁰⁷ See the scattered references to parasites in WSWNS III. "Taxes", CW3, pp. 000, and WSWNS VI, "The Middlemen", CW3, pp. 000.

³⁰⁸ "The Law," CW2, pp. 000 and online <http://oll.libertyfund.org/titles/2450#Bastiat_1573-02_1015>.

³⁰⁹ See, Gustave de Molinari, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel; précédé d'une lettre à M. le Comte J. Arrivabene, sur les dangers de la situation présente*, par M. G. de Molinari, professeur d'économie politique (Brussels: Meline, Cans et Cie, 1852).

number of agitators and revolutionaries, people who have an inborn attraction for disruption or who count on disruption to elevate themselves to fortune and power. The bourgeoisie, it must never be forgotten, is very small in number. This class also has its ignorance and suffering, although to a different degree. It also offers dangers, but of a different nature. It too can be broken down into a large number of peaceful, undemonstrative people, partial to justice and freedom, and a small number of agitators. The bourgeoisie has governed this country, and how has it behaved? The small minority did harm and the large majority allowed them to do this, not without taking advantage of this when they could. These are the moral and social statistics of our country.³¹⁰

In the second letter (23 June, 1850) he is even more pessimistic in believing that France (and perhaps all of Europe) is doomed to never-ending “guerre sociale” (social or class war). He talks about how history is divided into two alternating phases of “struggle” and “truce” to control the state and the plunder which flows from this:

As long as the state is regarded in this way as a source of favors, our history will be seen as having only two phases, the periods of conflict as to who will take control of the state and the periods of truce, which will be the transitory reign of a triumphant oppression, the harbinger of a fresh conflict.³¹¹

Conclusion

The Class Interest of Bastiat the Landowner

Bastiat was also aware of his own class status in the struggles against protectionism, the privileges of the politically powerful landowners and manufacturers, and then the socialists. He maintained that he was not just a spokesman for the “capitalist” or landowning class but an advocate for liberty for all people on the principled grounds of individual liberty and private property rights (including the property rights of ordinary

³¹⁰ “159. Letter to Mme Cheuvreux,” (2 January 1850), CW1, pp. 229-31.

³¹¹ “176. Letter to Mme. Cheuvreux,” (23 June, 1850), CW1, pp. 251-52.

workers). When accused by the protectionist Saint-Chamans³¹² of advocating free trade out of self-interest, Bastiat responded that he was a free trader even though it went against his "class interests" (as a Marxist might say) as a property owner and voter who, along with his ancestors, were the beneficiaries of the French government's longstanding policy of protectionism. In a letter to Prosper Paillottet on 11 October 1850 he states that:³¹³

Tout mon patrimoine, tout ce que j'ai au monde est *protégé* par nos tarifs. Plus donc M. de Saint-Chamans me suppose *intéressé*, plus il doit me croire sincère quand je dis que la protection est un fléau.

Everything I have inherited and all my worldly assets are protected by our tariffs. Therefore, the more M. de Saint-Chamans deems me to be self-seeking, the more he has to consider me sincere when I state that protectionism is a plague.

Yet, as he repeatedly argued, "the injustice of the protectionist regime" was becoming obvious to an increasing number of people (beginning with himself of course when he began reading political economy in the 1820s) and that these erstwhile "dupes" would become aware of the exploitation of their resources which was taking place and would rise up against it. Members of the privileged "electoral class" like him would come to rue the day:³¹⁴

³¹² Saint-Chamans was a deputy (1824-27) and a Councillor of State. He advocated protectionism and a mercantilist theory of the balance of trade.

³¹³ "197. Letter to Prosper Paillottet," (11 October 1850), *CW1*, pp. 280 <http://oll.libertyfund.org/titles/2393#lf1573-01_label_645>.

³¹⁴ ES3 6 "The People and the Bourgeoisie", pp. 000.

Cependant il est dans la nature des choses que la cause d'un mal, quand une fois elle est signalée, finisse par être généralement reconnue. Quel terrible argument ne fournirait pas aux récriminations des masses l'injustice du régime protecteur ! Que la classe électorale y prenne garde ! Le peuple n'ira pas toujours chercher la cause de ses souffrances dans l'absence d'un phalanstère, d'une organisation du travail, d'une combinaison chimérique. Un jour il verra l'injustice là où elle est.

However, it is in the nature of things that once the cause of a wrong has been pointed out it ends by becoming generally known. With what terrible argument will the injustice of the protectionist regime not supply the recriminations of the masses! Let the electoral class be on their guard! The people will not always seek the cause of its suffering in the absence of a phalanstery, of an organization for work, or some other illusory combination. One day it will see injustice where it really is.

The sad thing about Bastiat's efforts in the late 1840s to disabuse the "dupes" of the political and economic "sophisms" which had been spread by the "plundering class" which benefited from the status quo was that he did not live long enough to see the fruits of his labors. It was not until 1860 that the economist Michel Chevalier (1806-1879), who had been a colleague and friend of Bastiat in the Political Economy Society, signed a free trade treaty on behalf of the government of France with Bastiat's close friend Richard Cobden on behalf of England in 1860. The era of near free trade which this ushered in lasted for three decades until the Prime Minister Jules Méline introduced the protectionist Méline tariff of 1892.

Bastiat's Impact on Clément, Molinari, Pareto, and Rothbard

Bastiat's way of looking at plunder and class did not end with his death on 24 December 1850. His ideas inspired one of his colleagues associated with the *Journal des Économistes* and the first editor of the *Dictionnaire de l'économie politique* (1852), Ambroise Clément,³¹⁵ to write an article on "De la spoliation légale" (On Legal Plunder) in July

³¹⁵ Ambroise Clément (1805-86) was an economist and secretary to the mayor of Saint-Étienne for many years. In the mid 1840s he began writing on economic matters and so impressed Guillaumin that the latter asked him to assume the task of directing the publication of the important and influential *Dictionnaire de l'économie politique*, in 1850.

1848,³¹⁶ in which he developed some of Bastiat's ideas further with a more detailed categorization of the kinds of legal state theft or plunder ("vols") which had existed in French history up to the present (1848), which included "vols aristocratique" (aristocratic theft) during the Old Regime, (vols monarchiques" (monarchical theft) which reach a pinnacle under Louis XIV, "vols réglementaires" (theft by government regulation) which was at its peak in the late Old Regime when nearly every aspect of economic activity was regulated by the state or monopolised by privileged corporations and which had metamorphosed in the mid-19th century into the highly regulated protectionist system, "vols industriels" (industrial theft) where the government granted privileges to industry and banking which encouraged speculative booms and busts in the economy (such as speculation in railway shares), "vols à prétensions philanthropiques" (theft under the guise of philanthropy), that is state funded charity and welfare, and "vols administrative" (administrative theft) which included any government activity which was not an immediate and clear economic benefit to the nation (such as increasing government sinecures, or increasing the complexity of law suits).

One should also note that Bastiat's ideas on plunder and class were taken up in a few places in the *Dictionnaire de l'Économie politique* (1852), most notably in the article on "La Loi" (Law) which consisted mostly of very large quotations from Bastiat's own essay, a short entry on "Fonctionnaires" (civil servants) by Ambroise Clément, and a very interesting article on "Parasites" by Renouard.³¹⁷

Bastiat's ideas also probably influenced the thinking of his younger friend and colleague Gustave de Molinari (1819-1912)³¹⁸ who began to develop his own ideas about class analysis in more detail after Bastiat's death in December 1850. After he left Paris to take up a self-imposed exile in Brussels after Louis Napoléon's coup d'état of December 1851 Molinari gave a lecture in which he explored the nature of the class dynamics

³¹⁶ Ambroise Clément, "De la spoliation légale," *Journal des économistes*, 1e juillet 1848, Tome 20, no. 83, pp. 363-74.

³¹⁷ Bastiat, "La Loi," DEP, vol. 2, pp. 93-100; A. Clément, "Fonctionnaires," DEP, vol. 1, pp. 787-89; and Renouard, "Parasites," DEP, vol. 2, pp. 323-29.

³¹⁸ Gustave de Molinari (1819–1912) was born in Belgium but spent most of his working life in Paris, where he became the leading representative of the laissez-faire school of classical liberalism in France in the second half of the nineteenth century. His liberalism was based on the theory of natural rights (especially the right to property and individual liberty), and he advocated complete laissez-faire in economic policy and an ultra-minimal state in politics.

which had made revolutions possible in France and which had brought Louis Napoléon to power - “Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel” (Revolutions and Despotism seen from the perspective of Material Interests).³¹⁹ In this work, among many interesting insights about the state, he developed the idea that the state and the administrators which ran the state were so many “tax or budget eaters.” He asks himself at one point in the lecture “Que sont, en effet, les administrateurs? Des mangeurs de taxes. Ils vivent du produit des contributions levées sur le pays. Quel est en conséquence leur intérêt immédiat? C'est d'avoir de bonnes taxes à manger; c'est d'avoir un gros budget à faire.” (What in fact are administrators? They are tax eaters. They live off the product of the taxes levied upon the country. As a result of this, what are their immediate interests? It is to have good taxes to eat; it is to have access to a big budget.) He would return to this idea several times again later in the century.

At this time, Molinari fluctuated between what I call Bastiat’s “criminal view of the state” (as a plunderer which violated the property rights of the consumers and tax payers) and his own “pathological theory of the state” according to which he viewed it as a cancer or a disease like leprosy which ate away at the body of society.³²⁰ Molinari would return to writing on class theory after a stint as editor of the prestigious *Journal des Débats* in the late 1860s and 1870s when he published two important works of historical sociology in which the evolution of the state and market institutions would play a very important role - *L'évolution économique du XIXe siècle: théorie du progrès* (The Economic Evolution of the 19th Century: A Theory of Progress) (1880), and *L'évolution politique et la Révolution* (Political Evolution and the Revolution) (1884).³²¹ In these later works he returned to a position closer to Bastiat’s concerning the state and how it institutionalised plunder for a particular class.

³¹⁹ Gustave de Molinari, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel; précédé d'une lettre à M. le Comte J. Arrivabene, sur les dangers de la situation présente*, par M. G. de Molinari, professeur d'économie politique (Brussels: Meline, Cans et Cie, 1852).

³²⁰ For a discussion of Molinari’s early views of exploitation and the state see David M. Hart, “The Struggle against Protectionism, Socialism, and the Bureaucratic State: The Economic Thought of Gustave de Molinari, 1845-1855.” A Paper given at the Austrian Economics Research Conference (31 March to 2 April 2016), The Mises Institute, Auburn, Alabama.

³²¹ Gustave de Molinari, *L'évolution économique du XIXe siècle: théorie du progrès* (Paris: C. Reinwald 1880); *L'évolution politique et la révolution* (Paris: C. Reinwald, 1884); and even later, see *Économie de l'histoire: Théorie de l'Évolution* (Paris: F. Alcan, 1908).

I will conclude this section by briefly mentioning two other thinkers Bastiat influenced on the topic of class. Much later in the 19th century the Italian economist Vilfredo Pareto (1848-1923) who was a great admirer of Bastiat and Molinari, wrote an article in 1900 on class analysis, “Un' applicazione di teorie sociologiche” (translated as “The Rise and Fall of the Elites”), which was very much in the tradition of Bastiat’s theory.³²² One should also note that Bastiat’s economic and social theories had a considerable influence of Murray Rothbard during the 1950s and 1960s when he was working on his economic treatise *Man, Economy, and State* (1962).³²³ Not only did Rothbard pick up Bastiat’s original work on using the thought experiment of Robinson Crusoe on the Island of Despair to illustrate the logic of economic choice faced by all individuals, he also was heavily influenced by Molinari’s thought about the private provision of police and defence services, as well as the French school’s general thinking about the nature of class and the state. One could say that Rothbard’s 1965 essay “The Anatomy of the State” was very much part of that tradition of thinking about plunder and class.³²⁴

Conclusion: What might have been?

That Bastiat died at the age of 49 before he could complete his magnum opus on economic theory, the *Economic Harmonies*, or even begin his second on “A History of Plunder” was a major blow to the classical liberal movement in the 19th century. The precocious economic insights he developed in his journalism and began to explore in more depth in *Economic Harmonies* are starting to be recognised and appreciated by modern scholars. There is evidence that Bastiat wasn’t just a brilliant economic journalist but should be seen as a major economic thinker and social theorist in his own

³²² Vilfredo Pareto, “Un' applicazione di teorie sociologiche,” *Rivista Italiana di sociologia*, 1900, p. 402-456; translated as *The Rise and Fall of the Elites: An Application of Theoretical Sociology*, Introduction by Hans L. Zetterberg (Totowa, N. J: Bedminster Press, 1968).

³²³ David M. Hart, “Literature IN Economics, and Economics AS Literature II: The Economics of Robinson Crusoe from Defoe to Rothbard by way of Bastiat”. A Paper given to the Association of Private Enterprise Education International Conference (April 12–14, 2015), Cancún, Mexico. <davidmhart.com/liberty/Papers/Bastiat/DMH_CrusoeEconomics.html>.

³²⁴ Murray N. Rothbard, “The Anatomy of the State,” *Ramparts Journal* (Summer, 1965). Reprinted as *The Anatomy of the State* (Auburn, AL: Ludwig von Mises Institute, 2009).

right,³²⁵ who was much ahead of his time - perhaps a couple of decades ahead of the Marginal Revolution which broke out in the 1870s, and perhaps a century ahead of his time as forerunner of the Public Choice school of the 1970s and 1980s.³²⁶ Had he been able to complete his other planned work on *The History of Plunder*, in my view this would have truly made Bastiat one of the leading figures in the development of social theory in the 19th century. He would have been able to extend classical liberal class theory which was begun by Jean-Baptiste Say, continued by Charles Comte and Charles Dunoyer, and Augustin Thierry with his work on the Third Estate,³²⁷ and after his death by his friend the economist Gustave de Molinari, and later still by Vilfredo Pareto. With a major economic treatise under his belt as well as a history of plunder, Bastiat might well have turned into a kind of classical liberal Karl Marx.

³²⁵ David M. Hart, “Reassessing Frédéric Bastiat as an Economic Theorist”. A paper presented to the Free Market Institute, Texas Tech University, Lubbock, TX, October 2, 2015. <davidmhart.com/liberty/Papers/Bastiat/DMH_Bastiat-EconomicTheorist21Sept2015.html>.

³²⁶ See the recent assessment of Bastiat’s contribution by Robert Leroux, *Political Economy and Liberalism in France: The Contributions of Frédéric Bastiat* (Routledge Studies in the History of Economics, 2011).

³²⁷ Augustin Thierry, *Essai sur l’histoire de la formation et des progrès du Tiers État suivi de deux fragments du recueil des monuments inédits de cette histoire* (Paris: Furne et Ce, 1853).

DISPLACEMENT: “BASTIAT’S THEORY OF DISPLACEMENT”

According to Bastiat’s theory of “le déplacement” (displacement, distortion, misdirection) when the government intervened in the economy it caused a distortion in its structure through the misallocation of capital, labour, and population, and "artificial" changes in consumer needs, tastes, and interests which producers attempted to satisfy. These “displacements” did nothing to increase the amount of wealth in society and often led to economic fluctuations and periodic crises.

The words he used to describe this phenomenon were variations of “déplacer” (to displace, distort, shift), such as “le déplacement” (displacement) and “déplacé” (displaced), or “détourner” (to divert, distort, turn away), such as “le détournement” (diversion, distortion) and “détourné” (diverted, distorted), and these appear very frequently in his writings (over 80 for the former group, and over 20 for the latter). He began using these ideas as early as 1837 when he argued that the proposed government funded relocation of the Adour River Canal in his home town would cause “violent disruption” to traditional trading patterns:³²⁸

L'éloignement du Canal de l'Adour aurait encore l'inconvénient immense de brusquer toutes les habitudes du pays, et de déplacer violemment, si j'ose m'exprimer ainsi, tout le courant des transactions qui s'y exécutent. Il ne faut pas perdre de vue que le Canal est destiné à remplacer, en l'agrandissant, la navigation de l'Adour, dont les populations riveraines étaient en possession de temps immémorial.

Locating the Canal far from the Adour would also involve the immense inconvenience of disrupting all the customary activity and of violently uprooting, if I may dare to speak thus, the entire flow of economic activity which takes place there at present. We should not lose sight of the aim of the Canal, which is to offer an alternative to the shipping on the Adour, which has provided an occupation for riverside populations from time immemorial.

Later, when he became involved in the free trade movement, his examples of “displacement” changed. For example, when the government subsidized an industry or imposed tariffs to protect an industry from foreign competition, it distorted the structure

³²⁸ “The Canal beside the Adour” (18 June 1837) in CW4 (forthcoming).

of the economy by encouraging capital to be invested in a place where it would not be profitable if it were not for the existence of the subsidy or tariff, and as a result, inducing labour (or “population” as Bastiat sometimes called it) to move there as well.

As he stated in an article in December 1846:³²⁹

Ces moyens peuvent être fort bons, on peut en attendre d'excellents effets; mais il en est un qu'ils ne parviendront jamais à produire, c'est de *créer* de nouveaux moyens de production. Déplacer les capitaux, les détourner d'une voie pour les attirer dans une autre, les pousser alternativement du champ à l'usine et de l'usine au champ, voilà ce que la loi peut faire; mais il n'est pas en sa puissance d'en augmenter la masse, à un moment donné; vérité bien simple et constamment négligée.

These methods (subsidies and tariffs) can be quite good, and one can expect to get some excellent results; but there is one result which it will never produce, namely *to create* (any) new means of production. To displace capital, to divert it from (going down) one path in order to entice it to go down another, to push it in turn from the farm fields to the factories and from the factories to the farm fields, this is what the law can do; but it is not in its power to increase its quantity at any given moment. This is a truth which is quite simple but constantly ignored.

Later, when government trade and tax policies changed, these “artificially” created centres of industry and population would thus suffer declines in sales and employment and enter an economic recession. Although Bastiat did not have a very sophisticated explanation for the period economic crises which afflicted mid-century European society he did seem to sense that the misallocation of capital had something to do with it.³³⁰ As he stated in the opening to *Economic Harmonies*, “To the Youth of France,” among the many factors which had brought France to Revolution and the brink of socialism in 1848 was “ces grands déplacements factices de capital et de travail, source de frottements inutiles, de fluctuations, de crises et de dommages” (those huge and artificial

³²⁹ “On the Impact of the Protectionist Regime on Agriculture” (*JDE*, December 1846) in CW6 (forthcoming).

³³⁰ His colleague Charles Coquelin had a more sophisticated understanding about the role of the central banks and the over-issue of paper money in causing periodic recessions. See Coquelin, *Du Crédit et des Banques* (1848).

displacements of capital and labor, giving rise to unnecessary friction, fluctuation, crises, and other damage).³³¹

By the time he came to write *Economic Harmonies* his theory of displacement had become central to his economic thinking and there are over one dozen uses of it in the text.

Bastiat also applied his “theory of displacement” to explaining the cause of poverty which, for the Malthusians was caused by “overpopulation,” but which he attributed to the many “disturbing factors” which disrupted and “distorted” the harmony of the free market, especially “the displacement “ of populations.³³² For example, in chap. IV “Exchange” he blames the government’s coercive intervention in trade as the cause of “crises, unemployment, and instability, and finally pauperism.”³³³

³³¹ EH2, “To the Youth of France,” in our new translation.

³³² For his critique of Malthus see EH2, chap. XVI “On Population” and also “Disturbing and Restorative Factors,” in the Appendix.

³³³ RH2, chap. IV “Exchange,” in our new translation.

Soit que cette intervention de la Force dans les échanges en provoque qui ne se seraient pas faits, ou en prévienne qui se seraient accomplis, il ne se peut pas qu'elle n'occasionne tout à la fois Déperdition et Déplacement de travail et de capitaux, et par suite perturbation dans la manière dont la population se serait naturellement distribuée. Des intérêts naturels disparaissent sur un point, des intérêts factices se créent sur un autre, et les hommes suivent forcément le courant des intérêts. C'est ainsi qu'on voit de vastes industries s'établir là où elles ne devaient pas naître, la France faire du sucre, l'Angleterre filer du coton venu des plaines de l'Inde. Il a fallu des siècles de guerre, des torrents de sang répandu, d'immenses trésors dispersés, pour arriver à ce résultat : substituer en Europe des industries précaires à des industries vivaces, et ouvrir ainsi des chances aux crises, aux chômages, à l'instabilité et, en définitive, au Paupérisme.

Whether the intervention of this coercive power in exchanges stimulates some exchanges that would never have been made, or prevents some that would have been made, it cannot fail to cause the simultaneous loss or displacement of labor and capital, and consequently a disturbance in the way that populations are naturally distributed. Natural interests disappear at one place, artificial interests are created at another, and people are forced to follow the flow of these (opposing) interests. This is the reason why we see huge industries established in places where they should never be, (such as) France making sugar and England spinning cotton imported from the plains of India. Centuries of wars have been necessary, rivers of blood spilt, and huge (amounts of) treasure wasted to achieve the result of substituting unsound industries for sound ones in Europe, thus creating opportunities for crises, unemployment, and instability, and finally pauperism.

He was at pains to show that these “displacements” or “distortions;” were, firstly, the result of violent intervention by the state in the economy and were therefore a form of legal plunder,³³⁴ and not the natural result of free economic activity, and secondly, that the state did not increase the total amount of wealth in the country but merely moved it from one place to another (usually for the benefit one politically powerful group at the expense of ordinary consumers and taxpayers), or caused an outright loss of wealth. For example, he talks of government intervention in the economy as “un déplacement forcé et violent de la richesse” (a coerced and violent displacement of wealth),³³⁵ “un détournement abusif de la force publique” (an improper distortion of government

³³⁴ See “Bastiat’s Theory of Plunder” in the Appendix.

³³⁵ “To the Members of the Free Trade Association” (*Mémorial bordelais*, June 1846) in CW6 (forthcoming).

power),³³⁶ and of “la population et le travail législativement déplacés” (population and labour displaced by law).³³⁷

In addition to this economic meaning of “displacement” Bastiat also applied the term to describe certain political and moral actions, such as when the government overstepped its legitimate bounds to protect life, liberty, and property, and became the focal point for “les quêteurs de places” (those seeking government jobs)³³⁸ or legal privileges and monopolies, “le pouvoir (est) détourné de sa véritable et simple mission” (political power (was) diverted from its original and sole purpose).³³⁹ This of course was a major theme of his pamphlet *The Law* in which he discussed how the law became “perverted” and “diverted” from its proper function.³⁴⁰ Or when the government attempted to regulate private behaviour and shield people from the consequences of their actions, thus “shifting” or “displacing” the burden of individual responsibility from one person or group to another.³⁴¹ As he so eloquently expressed it in chap. XVII “Private and Public Services”:³⁴²

³³⁶ *Protectionism and Communism* (January 1849) (CW2, p. 248). It was translated there as “an abusive hijacking of public compulsion.”

³³⁷ EH2, chap. XVII “Private and Public Services,” in our new translation. “the population and labour being displaced by law”

³³⁸ See “Functionaryism and Rule by Functionaries,” in the Appendix.

³³⁹ “On Questions submitted to the General Councils of Agriculture, Manufactures, and Commerce” (*JDE*, December, 1845) in CW6 (forthcoming).

³⁴⁰ *The Law* (June 1850) (CW2, pp. 107-46).

³⁴¹ See EH2, chap. XX “Responsibility” and “The Law of Individual Responsibility and the Law of Human Solidarity,” in the Appendix.

³⁴² EH2, chap. XVII “Private and Public Services,” in our new translation.

Organiser la contrainte dans l'échange, détruire le libre arbitre sous prétexte que les hommes peuvent se tromper, ce ne serait rien améliorer; à moins que l'on ne prouve que l'agent chargé de contraindre ne participe pas à l'imperfection de notre nature, n'est sujet ni aux passions ni aux erreurs, et n'appartient pas à l'humanité. N'est-il pas évident, au contraire, que ce serait non-seulement déplacer la responsabilité, mais encore l'anéantir, du moins en ce qu'elle a de plus précieux, dans son caractère rémunérateur, vengeur, expérimental, correctif et par conséquent progressif?

To organise trade by using coercion and destroy free will, on the pretext that people might make mistakes, would not improve anything, unless it can be proved that the agent (of the state) charged with exercising the coercion does not share the imperfection of our nature or that he is not subject to passion or error and does not (in effect) belong to the human race. Is it not obvious, on the contrary, that this would be not only to displace (individual) responsibility but also to eliminate it, at least in its most valuable aspect, its rewarding, punishing, experimental, corrective, and consequently progressive character?

DISTURBING AND RESTORATIVE FACTORS

Central to Bastiat's economic theory is the idea that, if left unmolested by government intervention or violence by other individuals, human societies have a tendency to follow a path towards economic development which was “pacifique, régulier et progressif” (peaceful, steady, and progressive).³⁴³ He believed that society would reach a “just” and “harmonious” state of equilibrium as a result of the operation of the natural economic laws, which the economists had identified and studied, as well as the behaviour of human beings who had a common and observable nature. The natural economic laws which the economists had identified included such things as “the law of population growth” and the “law of supply and demand.” The nature of human beings which affected their economic behaviour included such things as self-interest (which Bastiat believed was “le mobile interne” (the internal driving force) of human action), the desire to avoid hard work wherever possible, to economise on the use of their scarce resources, and to satisfy their needs by working and trading with others. Of course, he was aware that societies rarely pursued the peaceful, steady, and progressive path towards economic development without interruption, and this is where his theory of “les causes/forces perturbatrices” (disturbing factors or forces) came into play to explain these deviations from peace and prosperity. Also related to this was his countervailing theory of “les causes/forces réparatrices” (restorative factors or forces) which gradually took effect to move the world back towards its “just” and “harmonious” state.

One source for Bastiat's thinking on this topic came from the mathematical work of Laplace³⁴⁴ in accounting for the perturbations in the orbits of Saturn, Jupiter, and the moon which seemed to violate the idea of some presumed “l'harmonie céleste” (celestial harmony). In the gravitational tug of war between the planetary giants of Jupiter and Saturn and the smaller objects in space it appeared that the disturbing forces exerted by the giants would pluck the smaller objects from their course and send them crashing into the sun. Laplace's mathematical analysis of these “celestial mechanics” showed that the perturbations oscillated in a predicable way and that “restorative forces” were at work to

³⁴³ EH2 chap. II “Needs, Efforts, and Satisfaction,” in our new translation, or FEE p. 24.

³⁴⁴ See the Editor's Introduction to “Letter from an Economist to M. de Lamartine” (Feb. 1845), in CW4 (forthcoming).

keep them in orbit. Bastiat applied these Laplacian ideas for the first time to economics in his “Letter to Lamartine” written in February 1845.

Among “les forces perturbatrices” (disturbing forces) which upset the harmony of the free market Bastiat included war, slavery, theocratic plunder, high and unequal taxes, government regulations, economic privileges, industrial subsidies, and tariffs. This idea was so important that Bastiat intended to devote a chapter to it in his treatise *Economic Harmonies* which was never completed,³⁴⁵ and an entire volume to follow it on “A History of Plunder” or what have also been entitled with some justification “Economic Disharmonies.”³⁴⁶ He first began talking about disturbing forces in the seminal article he wrote in response to Lamartine’s defence of the idea of the “right to a job” in February 1845 on the eve of his coming to Paris to meet with the Economists. Bastiat’s reply to the charge that workers were unemployed and poor through no fault of their own and “society” had an obligation to assist them, was to argue that they were poor because of the disturbing forces previously introduced by the state into the smooth functioning of the free market through war, tariffs and taxes on food, and restrictions which hampered the growth of industry. Increasing taxes and regulations to help some of the poor would be at the expence of the broader society of workers and consumers and would not solve the original problem caused by high taxes and too many regulations. If these taxes and regulations were cut, Bastiat believed, there were self-correcting mechanisms within the free market system, what he called “les forces réparatrices” (repairing or restorative forces) or “la force curative” (the curative or healing force),³⁴⁷ driven ultimately by the motive of self-interest, whereby the market would begin to restore economic equilibrium after it had been upset by “les forces perturbatrices” (disturbing forces). As he pointed out to Lamartine:

³⁴⁵ It did not appear in EH1 which was published in early 1850 but the introductory section to a draft chapter on it did appear in the posthumous EH2. See EH2 Chapter XVIII “Disturbing Factors,” (FEE ed.), pp. 466-74.

³⁴⁶ He gives some indication of what this second book might have covered in chapters XVIII and XXII of *Economic Harmonies* (“Causes perturbatrices” (Disturbing Factors) and “Moteur social” (The Motive Force of Society)) and in ES2 I “Physiologie de la Plunder” (The Physiology of Plunder) in CW3, pp. 113-30.

³⁴⁷ Bastiat refers to “the healing force” in his article “On Population,” in CW4 (forthcoming).

L'économie des sociétés a eu aussi ses Laplace. S'il y a des perturbations sociales, ils ont aussi constaté l'existence de forces providentielles qui ramènent tout à l'équilibre, et ils ont trouvé que ces forces réparatrices se proportionnent aux forces perturbatrices, parce qu'elles en proviennent. Ravis d'admiration devant cette harmonie du monde moral, ils ont dû se passionner pour l'œuvre divine et répugner plus que les autres hommes à tout ce qui peut la troubler. Aussi n'a-t-on jamais vu, que je sache, les séductions de l'intérêt privé balancer dans leur cœur cet éternel objet de leur admiration et de leur amour.

Political economy also has its Laplaces. They have observed that, when social disturbances appear, there also exist providential forces that bring everything back into equilibrium. They have discovered that these restorative forces are proportional to the disturbing forces because the one gives rise to the other. In delighted admiration for this harmony in the moral world, they have conceived a passion for the divine work and they, more than other people, reject everything that might disrupt it. For this reason, as far as I know, there has never been an instance when the attraction of private interest has come to rival in their hearts this eternal object of their admiration and love.

Thus he was firmly convinced that economic “liberty tended to restore equilibrium” only if it were allowed to function. As he stated in EH1 Chapter VIII “Private Property and Communal Property” the pursuit of individual self-interest and the operation of natural economic laws was like a form of internal “gravitation” which would propel society towards greater equality, economic progress, and harmony in only it were left free to do so.³⁴⁸

³⁴⁸ EH1 Chapter VIII “Private Property and Communal Property” (our translation, but see also FEE ed., p. 203.

Quand nous admirons la loi providentielle des transactions, quand nous disons que les intérêts concordent, quand nous en concluons que leur gravitation naturelle tend à réaliser l'égalité relative et le progrès général, apparemment c'est de l'action de ces lois et non de leur perturbation que nous attendons l'harmonie. Quand nous disons : laissez faire, apparemment nous entendons dire : laissez agir ces lois, et non pas : laissez troubler ces lois.

When we admire the providential law governing transactions, when we say that interests are in agreement, when we conclude from this that their natural gravitation tends to achieve relative equality and general progress, it is clearly from the action of these laws and not from their disruption that we expect harmony. When we say: laissez faire, we clearly mean to say: let these laws act, and not let these laws be disrupted.

Bastiat did not return to the topic until he was preparing his draft chapters “On Population” and “Competition” sometime during 1849 for publication in EH1 in early 1850. He added several important sentences on disturbing forces which were not in the original 1846 *JDE* articles. For example, to the article “On Population” he added the following passage:³⁴⁹

La guerre, l'esclavage, les impostures théocratiques, les privilèges, les monopoles, les restrictions, les abus de l'impôt, voilà les manifestations les plus saillantes de la spoliation. On comprend quelle influence des forces perturbatrices d'une aussi vaste étendue ont dû avoir et ont encore, par leur présence ou leurs traces profondes, sur l'inégalité des conditions ; nous essayerons plus tard d'en mesurer l'énorme portée.

War, slavery, theocratic deception, privilege, monopoly, trade restrictions, tax abuses, are all the most obvious examples of plunder. It is easy to understand the influence that such wide-ranging disturbing forces must have had and still have on the inequality of situations by their very presence or the deep-rooted traces they leave. Later, we will endeavor to measure their huge effect.

In the chapter on “Competition” he added the following passage:³⁵⁰

³⁴⁹ See “On Population,” in CW4 (forthcoming) and the Editor’s Introduction.

³⁵⁰ See “Competition,” in CW4 (forthcoming) and the Editor’s Introduction.

J'expose maintenant des lois générales que je crois harmoniques, et j'ai la confiance que le lecteur commence à se douter aussi que ces lois existent, qu'elles agissent dans le sens de la communauté et par conséquent de l'égalité. Mais je n'ai pas nié que l'action de ces lois ne fût profondément troublée par des causes perturbatrices. Si donc nous rencontrons en ce moment un *fait* choquant d'inégalité, comment le pourrions-nous juger avant de connaître et les lois régulières de l'ordre social et les causes perturbatrices de ces lois ?

I will now set out general laws that I believe to be harmonious, and I am confident that the reader also will begin to guess at the existence of these laws, that they act in favor of the community and consequently of equality. However, I have not denied that the action of these laws has been profoundly disrupted by disturbing factors. Therefore, if we now find some shocking *example* of inequality, how can we judge it without being conversant with both the regular laws of social order and the disturbing factors which distort these laws?

There was another kind of distortion or disturbance which Bastiat talked about which took place in capital and labor markets as a result of government intervention in the economy, namely when “la population et le travail (sont) législativement déplacés” (people and labour are legislatively displaced or dislocated).³⁵¹ As a consequence of prohibiting or taxing foreign imports entire industries are built behind the protection of the tariff wall drawing in capital and labour where they would not have gone if the wall were not there. Capital for the protected industries like woollen manufacturers is diverted from other industries such as farming. There has been no increase in the amount of productive capital. Some workers in the new industries might benefit from wages (the seen) but others lose out because they have to pay higher prices for clothes (the unseen). As he stated in a speech for the Free Trade Association in Lyon in August 1847:³⁵²

³⁵¹ In EH XVII “Private and Public Services.” In the Fee translation “déplacé” is translated as “dislocated,” p. 461.

³⁵² In CW6 (forthcoming).

Donc, d'où sort ce capital ? Le soleil ou la lune l'ont-ils envoyé mêlé à leurs rayons, et ces rayons ont-ils fourni au creuset l'or et l'argent, emblèmes de ces astres ? ou bien l'a-t-on trouvé au fond de l'urne d'où est sortie la loi restrictive ? Rien de semblable. Ce capital n'a pas une origine mystérieuse ou miraculeuse. Il a déserté d'autres industries, par exemple, la fabrication des soieries. N'importe d'où il soit sorti, et il est positivement sorti de quelque part, de l'agriculture, du commerce et des chemins de fer, là, il a certainement découragé l'industrie, le travail et les *salaires*, justement dans la même proportion où il les a encouragés dans la fabrication du drap. — En sorte que vous voyez, Messieurs, que le capital ou une certaine portion de capital ayant été simplement *déplacé*, sans accroissement quelconque, la part du salaire reste parfaitement la même. Il est impossible de voir, dans ce pur remue-ménage (passez-moi la vulgarité du mot), aucun profit pour la classe ouvrière. Mais, a-t-elle perdu ? Non, elle n'a pas perdu du côté des salaires (si ce n'est par les inconvénients qu'entraîne la perturbation, inconvénients qu'on ne remarque pas quand il s'agit d'établir un abus, mais dont on fait grand bruit et auxquels les protectionnistes s'attachent avec des dents de boule-dogues quand il est question de l'extirper) ; la classe ouvrière n'a rien perdu ni gagné du côté du salaire, puisque le capital n'a été augmenté ni diminué, mais seulement *déplacé*. Mais reste toujours cette cherté du drap que j'ai constatée tout à l'heure, que je vous ai signalée comme l'effet immédiat, inévitable, incontestable de la mesure ; et à présent, je vous le demande, à cette perte, à cette injustice qui frappe l'ouvrier, où est la compensation ? Si quelqu'un en sait une, qu'il me la signale.

So where does this capital come from? Have the sun and moon sent it down mixed with their rays and have these rays poured gold and silver, the symbols of these two heavenly bodies, into the crucible? ... It has been taken from other industries, silk manufacture, for example. No matter where it has come from, it has definitely come from somewhere, from farming, commerce, or the railways, where it has certainly discouraged industry, labor, and *rates of pay*, in exactly the same proportion that it has encouraged these things in woolen cloth manufacture. So that you see, Gentlemen, that since capital or a certain proportion of capital has simply been *displaced*, without any increase whatever, the share of pay remains exactly the same. It is impossible to see in this pure jiggery-pokery (forgive me this homely expression) any benefit for the working class. But has it lost anything? No, it has lost nothing from the point of view of pay (other than the disadvantages produced by the upheaval, which are not noticed when it is a question of establishing an abuse but which are trumpeted far and wide and to which protectionists cling like bulldogs when it is a question of eliminating one); the working class has neither gained nor lost with regard to pay since capital has neither been increased nor decreased, but merely *displaced*. But there still remains the high price of woolen cloth that I noted just now and that I pointed out as being the immediate, inevitable and indisputable effect of the measure, and now I put the question to you, where is the compensation for this loss and injustice inflicted on workers? If anyone has the answer, please let me know.

FUNCTIONARIES: FUNCTIONARYISM AND RULE BY FUNCTIONARIES

In Bastiat's history of plunder³⁵³ there are six historical stages: that of war, slavery, theocracy,³⁵⁴ monopoly, exploitation by the government (or "Functionaryism"),³⁵⁵ and socialism/communism (or what he called "false fraternity"). The first four stages are systems of organized plunder which benefit a small class of landowners, slave owners, religious leaders, and manufacturers at the expense of the majority. The kind of plunder which existed in these stages was called "la spoliation partielle" (partial plunder).³⁵⁶ Under democracy and socialism plunder became "universal" where "everybody attempted to live at the expense of everyone else."³⁵⁷

Unfortunately, Bastiat did not live long enough to write his planned book on the history of plunder, but he did sketch out in a little bit of detail his thoughts on two of the stages, that of "theocratic plunder" and "exploitation by government."

The fifth stage of "l'exploitation gouvernementale" (governmental exploitation, or exploitation by the government) was different from the others in that the government itself, and "les fonctionnaires" (functionaries, state bureaucrats) or the people who work for its bureaucracy, have become a special interest or "plunderer" in its own right. It is not just the tool of some other class or small group of plunderers (although it might be this as well). The state functionaries act to protect and expand the benefits they get from the access they have to the legislature, the legal system, and the tax system which provide them with "plunder" of various kinds: "la spoliation légale" (legal plunder),³⁵⁸ "la

³⁵³ See "Appendix 4: Bastiat's Unwritten History of Plunder," in the Appendix, and "Bastiat's Theory of Class: The Plunderers vs. the Plundered," in *Appendix 1* (CW3, pp. 473-85).

³⁵⁴ See "Theocratic Plunder," in the Appendix.

³⁵⁵ See "Rule by Functionaries," in the Appendix.

³⁵⁶ See *The Law* (CW2, p. 117).

³⁵⁷ This is Bastiat's famous definition of the state: "L'Etat, c'est la grande fiction à travers laquelle *tout le monde* s'efforce de vivre aux dépens *de tout le monde*" (The State is the great fiction by which everyone endeavors to live at the expense of everyone else) "The State" (*JDD*, 25 Sept. 1848) (CW2, p. 97).

³⁵⁸ See the discussion of the distinction between "extra-legal" and "legal plunder" in *The Law* (June 1850) (CW2, pp. 115 ff.). See, the section on "Legal Plunder," in "Bastiat's Theory of Plunder" in the Appendix.

spoliation par abus et excès du gouvernement” (plunder by abusive and excessive government),³⁵⁹ and “la spoliation par l’impôt” (plunder by means of taxation).³⁶⁰

Bastiat called this political system a variety of terms such as “l’exploitation gouvernementale” (governmental exploitation, or exploitation by government),³⁶¹ “le gouvernementalisme” (governmentalism, or systematic and excessive support for everything government does),³⁶² “la bureaucratie” (bureaucracy), and “le fonctionnarisme” (rule by functionaries, or government bureaucrats).³⁶³ By June 1848 Bastiat had come to believe that “the state” itself was in essence nothing more than “la collection de tous les fonctionnaires publics” (the collection of all the public functionaries” who worked for it.³⁶⁴

Some of Bastiat’s harshest language was used to attack the French government bureaucracy. In a satirical history of “notre bureaucratie” (our bureaucracy) in “The Mayor of Énios” (6 February 1848) he mocks the infighting between the different bureaucratic departments which used pens for guns and files for artillery in their turf wars;³⁶⁵ in an untitled article in one of his revolutionary street magazines from February 1848 he denounces “une armée de percepteurs” (an army of tax collectors) and “une bureaucratie innombrable” (an uncountable bureaucracy) which encroach upon the liberty of the citizens;³⁶⁶ in his “Statement of Electoral Principles” which he distributed in his electorate for the April 1848 election (which he won) he declared “Guerre à tous les abus: un peuple enlacé dans les liens du privilège, de la bureaucratie et de la fiscalité, est comme un arbre rongé de plantes parasites.” (War against all abuses! A people bound by the ties of privilege, of bureaucracy, and by taxation is like a tree being eaten away by

³⁵⁹ In ES2 1 “The Physiology of Plunder” (CW3, p. 125).

³⁶⁰ In EH2, chap. XVII “Private and Public Services,” in our new translation.

³⁶¹ This is mentioned in his list of future planned chapters for the expanded, second volume of EH.

³⁶² In the last paragraph of his pamphlet on *The Law* (June 1850) (CW2, p. 146).

³⁶³ In the phrase “le domaine du fonctionnarisme” (the domain of rule by state bureaucrats) in EH2, chap. XVII “Private and Public Services,” in our new translation.

³⁶⁴ “Taking Five and Returning Four is not Giving” (*Jacques Bonhomme*, 15 to 18 June 1848) in CW4 (forthcoming).

³⁶⁵ “The Mayor of Énios” (*Libre-Échange*, 6 February 1848) (CW3, ES3 18, p.357).

³⁶⁶ *La République française*, 29 February 1848 (CW1, p. 444).

parasitic plants);³⁶⁷ in an article in *JDE* attacking the socialists just before the violence of the June Days of 1848 he calls for “Plus de cette fiscalité tenace, de cette bureaucratie dévorante, qui sont la mousse et la vermine du corps social” (no more of this never ending taxation, this devouring bureaucracy, which are the parasites and vermin on the body politic);³⁶⁸ that in France the government bureaucracy had become a new kind of aristocracy which was devouring the country, in which industry was dying and the people were suffering;³⁶⁹ and finally that plunder was evolving into new forms, where more and more private activity was being forced into “le domaine de l’activité publique” (the domain of public activity), and that “Tout se fait par des fonctionnaires; une bureaucratie inintelligente et tracassière couvre le pays.” (all this is being done by state functionaries, (and) an unintelligent and interfering bureaucracy (now) covers the country).³⁷⁰

The general term Bastiat used to describe those who benefited from plunder was “la classe spoliatrice” (the plundering class) and those who suffered from this “les classes spoliées” (the plundered classes).³⁷¹ In this particular stage he had a more specific term for them, “la classe des fonctionnaires” (the class of functionaries, state bureaucrats)³⁷² who, he said in very derogatory terms, made up “une bureaucratie inintelligente et tracassière (qui) couvre le pays” (an unintelligent and interfering bureaucracy (which) covers the country),³⁷³ “une tourbe de fonctionnaires” (a rabble or mob of functionaries),³⁷⁴ or “plusieurs armées de fonctionnaires” (several armies of functionaries)³⁷⁵ who fed off the taxpaying public like parasites. Bastiat’s language could be quite sharp at times, for example when he criticizes “le parasitisme des fonctions

³⁶⁷ “Statement of Electoral Principles. To the Electors of Les Landes” (22 March, 1848) (CW1, p. 387).

³⁶⁸ “Justice and Fraternity” (*JDE*, June 1848) (CW2, p. 68).

³⁶⁹ “Speech on the Tax on Wines and Spirits” (CW2, p. 335).

³⁷⁰ Conclusion to EH1, p. **abc**.

³⁷¹ See “Theory of Plunder,” in *Appendix 1*.

³⁷² In the phrase “la classe si nombreuse des fonctionnaires” in “Peace and Freedom or the Republican Budget” (February 1849) (CW2, p. 307).

³⁷³ In the “Conclusion” to EH1, in our new translation.

³⁷⁴ “Peace and Freedom or the Republican Budget” (February 1849) (CW2, p. 285).

³⁷⁵ “Peace and Freedom or the Republican Budget” (February 1849) (CW2, p. 293).

publiques” (the parasitism, or parasitic nature of the public sector) or “ce parasitisme desséchant” (this parasitism which sucks them (the people) dry).³⁷⁶

The question of whether or not state functionaries engaged in productive work was an important one for the Economists. Jean-Baptiste Say and Molinari trended to think that all government functions were unproductive and parasitical (“gangrenous” or “ulcerous” in Molinari’s view); while Bastiat was more moderate. To the extent that the state limited its activities to the very strict and limited number of duties of protecting the citizen’s life, liberty, and property, then he thought the work of those functionaries involved was productive even if it was less efficient than work done in the private, market sector. To the extent that the state expanded its powers and functions beyond that, it and the functionaries who worked in its bureaucracies became exploiters, plunderers, and parasites of those who were productive. The functionaries then developed “une autre mission” (another goal) which was to make a career out of regulating (pondérer) the people’s economic activity in all the myriad ways the modern centralized French state had invented.³⁷⁷ This, Bastiat argued, divided society into two groups, only one of which (the host) made it possible for the other (the parasite) to survive.³⁷⁸

“Là, soyons de bon compte, qu’est-ce que l’État? N’est-ce pas la collection de tous les fonctionnaires publics? Il y a donc dans le monde deux espèces d’hommes, savoir: les fonctionnaires de toute sorte qui forment l’État, et les travailleurs de tout genre qui composent la société. Cela posé, sont-ce les fonctionnaires qui font vivre les travailleurs, ou les travailleurs qui font vivre les fonctionnaires?”

Let us get it right, what is the State? Is it not the collection of all state functionaries? Therefore, there are two species of men in the world: the state functionaries of all sorts who make up the State and the workers of all sorts who make up society. That said, is it the state functionaries who enable workers to live or the workers who enable state functionaries to live? In other words, does the State enable society to live, or does society enable the State to live?

His answer of course, was that the productive people made it possible for the state and its army of functionaries to survive, and not the other way around. He says

³⁷⁶ In EH2, chap. XXIV “Perfectibility,” in our new translation.

³⁷⁷ “Protectionism and Communism” (Jan. 1849) (CW2, p. 254).

³⁷⁸ “Taking Five and Returning Four is not Giving” (*Jacques Bonhomme*, 15 to 18 June 1848) in CW4 (forthcoming).

something very similar in chap. XVII “Private and Public Services” with “Au fond, les citoyens travaillent pour les fonctionnaires, et les fonctionnaires pour les citoyens, de même que dans les services libres les citoyens travaillent les uns pour les autres.” (In reality payment is in kind, with citizens working for the functionaries and the functionaries for the citizens, just as in private services citizens work for one another.)

Even when the state functionaries kept to their proper role of protecting the citizen’s property and liberty they were hamstrung by the inherent sterility, rigidity, and unchanging practices of all government bureaucracies. Bastiat thought this was perhaps an inevitable cost of having the government undertake any duty, including those duties it was required to perform, but it was an unnecessary burden to have to bear in areas in which the government should have no role whatsoever, such as education. He bemoaned the fact that educational practices in France, for example, hadn’t changed since the time of King François I (who had ruled between 1515–1547) because of the dead hand of the state. He concluded that “Tout ce qui est tombé dans le domaine du fonctionnarisme est à peu près stationnaire” (everything which has fallen into the domain of functionaryism (the bureaucratic state) is more or less stagnant).³⁷⁹

He thought the major difference between services provided by the private and public sectors was that in the former the price and terms of the service were freely negotiated between the two parties, while in the latter the price and terms were set by the state and imposed upon the consumer by its coercive legislative power. He made this point very clearly to M. de Larnac who was a Deputy representing his district of Les Landes in a piece on parliamentary reform in 1846:³⁸⁰

³⁷⁹ In EH2, chap. XVII “Public and Private Services,” in our new translation.

³⁸⁰ The article is “On Parliamentary Reform” (1846) (CW1, p. 369).

Or, monsieur, quoique les fonctions publiques et les industries privées aient ceci de commun, que les unes et les autres rendent à la société des services analogues, on ne peut nier qu'elles diffèrent par une circonstance qu'il est essentiel de remarquer. Chacun est libre d'accepter ou de refuser les services de l'industrie privée, de les recevoir dans la mesure qui lui convient et d'en débattre le prix. Tout ce qui concerne les services publics, au contraire, est réglé d'avance par la loi; elle soustrait à notre libre arbitre, elle nous prescrit la quantité et la qualité que nous en devons consommer (passez-moi ce langage un peu trop technique), ainsi que la rémunération qui y sera attachée.

However, sir, although public functions and private industry have in common that both render similar services to society, it cannot be denied that they differ in one circumstance which it is essential to note. Each person is free to accept or refuse the services of private industry and receive them insofar as they suit him and to negotiate their price. On the other hand, anything that concerns public services is regulated in advance by law and removed from our free will. It prescribes for us the quantity and quality we have to consume (pardon this rather too technical language) as well as the remuneration that will be attached.

He would continue this line of argument in an important speech he had prepared to give in the Chamber in March 1849 on reforming the electoral law, but couldn't because of his failing voice (he published it as a pamphlet instead). He argued that the sale of "les produits gouvernementaux" (government supplied products) were very different from other kinds of products in that there was a strong temptation to lower the quality and raise the price since there was no competition:³⁸¹

Mais tout ce qui concerne les services publics est réglé d'avance par la loi. Ce n'est pas moi qui juge ce que j'achèterai de sécurité et combien je la paierai. Le fonctionnaire m'en donne tout autant que la loi lui prescrit de m'en donner, et je le paie pour cela tout autant que la loi me prescrit de le payer. Mon libre arbitre n'y est pour rien.

But everything that concerns public services is regulated in advance by law. It is not I who judge how much *security* I will buy and how much I will pay for it. The state functionaries give me as much as the law prescribes that they should and I pay for it as much as the law ordains that I should. My free will counts for nothing.

³⁸¹ The pamphlet is "Parliamentary Conflicts of Interest" (March 1849) (CW2, p. 373) and the summary of his remarks in the Chamber are "Speech in the Assembly on Amending the Electoral Law (Third Reading)" (10 and 13 March 1849) in CW4 (forthcoming). See also chap. XVII "Public and Private Services" where he goes into this in more detail.

Il est donc bien essentiel de savoir qui fera cette loi.

Comme il est dans la nature de l'homme de vendre le plus possible, la plus mauvaise marchandise possible, au plus haut prix possible, il est à croire que nous serions horriblement et chèrement administrés, si ceux qui ont le privilège de vendre les produits gouvernementaux avaient aussi celui d'en déterminer la quantité, la qualité et le prix.

C'est pourquoi, en présence de cette vaste organisation qu'on appelle le gouvernement, et qui, comme tous les corps organisés, aspire incessamment à s'accroître, la nation, représentée par ses députés, décide elle-même sur quels points, dans quelle mesure, à quel prix elle entend être gouvernée et administrée.

It is therefore essential to know who will be making these laws.

Since it is in the nature of man to sell for as high a price as possible as many goods as possible, and those of the poorest-possible quality, it might be thought that we would be governed horribly and expensively if those who had the privilege of selling government products also had the privilege of determining their quantity, quality, and price.

For this reason, faced with that vast organization that we call the government and that, like all organized bodies, is constantly seeking to grow, the nation, as represented by its deputies, decides for itself on which matters, to what extent, and at what price it wants to be governed and administered.

He would say something similar again in the Conclusion to EH1, almost despairingly, that state functionaries increasingly create the conditions whereby individual liberties are gradually destroyed and bureaucratic plunder becomes the norm:³⁸²

³⁸² "Conclusion" to EH1, in our new translation.

Elle (la spoliation) ne se rend pas pour cela: elle se fait seulement plus rusée, et, s'enveloppant dans des formes de gouvernement, des pondérations, des équilibres, elle enfante la Politique, mine longtemps féconde. On la voit alors usurper la liberté des citoyens pour mieux exploiter leurs richesses, et tarir leurs richesses pour mieux venir à bout de leur liberté. L'activité privée passe dans le domaine de l'activité publique. Tout se fait par des fonctionnaires; une bureaucratie inintelligente et tracassière couvre le pays. Le trésor public devient un vaste réservoir où les travailleurs versent leurs économies, qui, de là, vont se distribuer entre les hommes à places. Le libre débat n'est plus la règle des transactions, et rien ne peut réaliser ni constater la *mutualité des services*.

It (plunder) does not give up for all that; it merely becomes more cunning. By wrapping itself in different forms of government, of checking and balancing (one group against another), it gives birth to politics, a (productive) mine (which it has exploited) for a long time. It is then seen to usurp the freedom of citizens in order to better exploit and exhaust their wealth, and to better bring an end to their freedom. Private activity moves into the domain of public activity. Everything is done by state functionaries; an unintelligent and interfering bureaucracy covers the country. The public treasury becomes a huge reservoir into which workers pour their savings, which are then shared out among those with government positions. Free negotiation is no longer the rule for (economic) transactions and, (without this) nothing can be done to undertake or confirm the *mutual exchange of services*.

He was probably writing these pessimistic lines in late 1849 when he was also getting ready to give one of his most important speeches in the Chamber opposing the taxes on alcohol (December 1849). There he concluded that in France the government bureaucracy had become a new kind of aristocracy which was devouring the country, in which industry was dying and the people were suffering.³⁸³ The implication of course was, just as the old aristocracy had been overthrown, in a revolution in 1789, the “new aristocracy of bureaucrats” would also one day have its come-uppance.

³⁸³ “(Q)u'en France vous ne voyez pas une bureaucratie devenue aristocratie dévorer le pays? L'industrie périt, le peuple souffre.” In “Speech on the Tax on Wines and Spirits” (CW2, p. 335).

Bastiat's interest in functionaries and the bureaucratic state they ran led him to many "public choice" insights into how politicians and bureaucrats behaved.³⁸⁴ He thought that many people were attracted to government jobs because of job security, its relatively decent pay and pensions, the unchanging nature of their work, and their contempt for working in commerce or industry (due Bastiat thought to the influence of their classical education). They thus had a selfish, vested interest in defending their jobs from tax cuts or attempts to abolish unnecessary government departments as Bastiat had been advocating in the Chamber and in the Chamber's Finance Committee since his election in April 1848. There is an interesting passage in chap. XIV "On Wages" where Bastiat quotes the advice a concerned father might give to a son who wants a secure job in a government bureau. It is also interesting because of the figures he gives for salaries:

³⁸⁴ A number of scholars have noticed this. See for example James A. Dorn, Bastiat: A Pioneer in Constitutional Political Economy, *Journal des Economistes et des Etudes Humaines*, Vol. 11 (2001), No. 2, Art. 11. Available at: <http://www.bepress.com/jeeh/vol11/iss2/art11>; Caplan, Bryan; Stringham, Edward (2005). "Mises, Bastiat, Public Opinion, and Public Choice." *Review of Political Economy* 17: 79–105 <http://econfaculty.gmu.edu/bcaplan/pdfs/misesbastiat.pdf>; and Michael C. Munger, "Did Bastiat Anticipate Public Choice?" in *Liberty Matters: Robert Leroux, "Bastiat and Political Economy"* (July 1, 2013) <https://oll.libertyfund.org/pages/bastiat-and-political-economy#conversation3>.

Qui n'a entendu le père de famille dire de son fils: « Je sollicite pour lui une aspirance au surnumérariat de telle administration. Sans doute il est fâcheux qu'on exige de lui une éducation qui m'a coûté fort cher. Sans doute encore, avec cette éducation, il eût pu embrasser une carrière plus brillante. Fonctionnaire, il ne s'enrichira pas, mais il est certain de vivre. Il aura toujours du pain. Dans quatre ou cinq ans, il commencera à toucher 800 fr. de traitement ; puis il s'élèvera par degrés jusqu'à 3 ou 4,000 fr. Après trente années de service, il aura droit à sa retraite. Son existence est donc assurée : c'est à lui de savoir la tenir dans une obscure modération, etc. »

Who has not heard the father of a family say about his son: "I am asking for an opening for a temporary appointment in such and such a department on his behalf. It is undoubtedly regrettable that they require an education that has cost me a great deal of money. It is even more certain that with this education he might have pursued a more brilliant career. He will never become wealthy as a government functionary but he is certain to earn a living. He will always have something to eat. In four or five years' time he will begin to earn 800 francs and will rise by degrees to 3 or 4,000 francs. After thirty years' service, he will have the right to a pension. His existence is thus assured: it is up to him to be able to lead it in a modest obscurity, etc."

Bastiat called these interests "les droits acquis des fonctionnaires" (the acquired rights or vested interests of state functionaries)³⁸⁵ and thought of functionaries, not as a disinterested third party above the fray, but "d'hommes enfin, qui, comme tous les hommes, portent au cœur le désir et saisissent toujours avec empressement l'occasion de voir grandir leurs richesses et leur influence" (men, who in the end like all men carry in their heart the desire (to better themselves) and are always quick to seize the opportunity to see their wealth and influence grow).³⁸⁶

State functionaries also had an interest in expanding the number of functions the government undertook in order to expand the number of jobs and to advance their careers. This was particularly noticeable when there was a change in régime as happened in February and March 1848 after the July Monarchy was overthrown and the Second Republic founded. This sparked "la curée des places" (the scramble for

³⁸⁵ "A Curious Economic Phenomenon. Financial Reform in England" (*LE*, 21 February 1847) in CW6 (forthcoming).

³⁸⁶ "The State" (*JDD*, Sept. 1848) (CW2, p. 97).

government positions),³⁸⁷ and “la convoitise des fonctions publiques” (the desire/lust for public functions)³⁸⁸ which he observed first hand.

As he himself noted, when it came to population growth he was no “Malthusian,” but he was when it came to the growth in the size and power of the state and the number of its functionaries. In a major speech in the Chamber on the tax on alcohol (15 December, 1849) he wittily compared the level of taxation to the “means of subsistence” which placed an upper limit on uncontrolled population growth (say of rabbits). When the rabbits had eaten all the food they would begin to die off until a new equilibrium was reached between the food supply and the growth in the number of rabbits. Similarly with state functionaries and taxes. If the legislature increased the amount of “food” available for functionaries to eat, they would inevitably expand in number. If the legislature starved them by cutting the budget, they would “die off.” In his speech to the Chamber he confessed that:³⁸⁹

(J)e suis malthusien en ce qui concerne les fonctionnaires publics. Je sais bien qu'ils ont suivi parfaitement cette grande loi, que les populations se mettent au niveau des moyens de subsistance. Vous avez donné 800 millions, les fonctionnaires publics ont dévoré 800 millions; vous leur donneriez 2 milliards, il y aurait des fonctionnaires pour dévorer ces deux milliards”

(Y)es, I am a Malthusian with regard to civil servants. I am fully aware that they have followed perfectly the great law that populations reach the level of the means of subsistence. You have contributed eight hundred million; public civil servants have devoured eight hundred million. If you gave them two billion, there would be enough civil servants to devour this two billion).

In some interesting articles and speeches he gave in the Chamber Bastiat also expressed interest in how political parties or “factions” developed in the Chamber, and

³⁸⁷ In ES3 24 “Disastrous Illusions” (*JDE*, March 1848) (CW3, p. 390) and also in “The Scramble for Office” (*Rep. fr.*, 5 March, 1848) (CW1, pp. 431–32).

³⁸⁸ Article with no title (*La République française*, 29 February 1848) (CW1, p. 444).

³⁸⁹ “Speech on the Tax on Wines and Spirits” (12 December 1849) (CW2, p. 340). The figure of “800 million” refers to the size of the French state’s budget, which in 1849 spent a total of 1,572 million francs, of which 882 million francs was spent on “ministerial services” in which most functionaries worked. See Table 2. Summary of Expenditure in *Appendix 4. French Government’s Budgets for Fiscal Years 1848 and 1849* (CW3, p. 510).

how various groups jostled to form a new government, get plum ministerial positions, and provide special privileges to the different interest groups they represented.³⁹⁰ He was especially interested in reforming the electoral law which allowed state functionaries to be elected to the Chamber while continuing to keep their state funded job. He regarded this as a serious conflict of interest since, as deputies, they would be voting on bills which would directly influence the size and funding of the government departments they worked in. He thought they should at least be forced to resign their state jobs while they sat in the Chamber. He also thought that elected Deputies should not be allowed to become Ministers in the government. He thought that if they were allowed, the people's representatives lost their interest in those they were supposed to represent and instead began to focus on their own personal interests and ambitions as they began "climbing the greasy pole to power."³⁹¹ Deputies, he thought, should not be allowed to "use the job of deputy as a stepping-stone to lucrative office." Hence, there should be "total exclusion" of all elected Deputies from higher paid positions within the government.³⁹²

In addition to thinking that functionaries were not immune from the self-interest which drives all human beings, Bastiat also thought that their actions were not "neutral" because they tended to favour one party or group over another, or actually caused more harm than good. The former was the result of "plunder" in its various forms; the latter was because most government regulations were inefficient and destroyed wealth by causing "dislocations" in the placement of capital and labour,³⁹³ by preventing mutually

³⁹⁰ See the Introductions to "Speaks in a Discussion in the Assembly on Amending the Electoral Law" (26 Feb. 1849) and "Speech in the Assembly on Amending the Electoral Law (Third Reading)" (10 and 13 March 1849) both in CW4 (forthcoming).

³⁹¹ "Parliamentary Conflicts of Interest" (1843) (CW1, p. 452).

³⁹² "Parliamentary Conflicts of Interest" (March, 1849) (CW2, pp. 368–69).

³⁹³ See "Theory of Displacement," in the Appendix.

beneficial exchanges from taking place, by causing “dead weight loss” in the economy,³⁹⁴ or just by infringing upon individuals’ liberty. In an angry and frustrated article he wrote soon after the February Revolution he stated that:³⁹⁵

Remarquons, en effet, que la fonction publique n’agit pas sur les choses, mais sur les hommes ; et elle agit sur eux avec autorité. Or l’action que certains hommes exercent sur d’autres hommes, avec l’appui de la loi et de la force publique, ne saurait jamais être neutre. Elle est essentiellement nuisible, si elle n’est pas essentiellement utile.

Le service de fonctionnaire public n’est pas de ceux dont on débat le prix, qu’on est maître d’accepter ou de refuser. Par sa nature, il est *imposé*. Quand un peuple ne peut faire mieux que de confier un *service* à la force publique, comme lorsqu’il s’agit de sécurité, d’indépendance nationale, de répression des délits et des crimes, il faut bien qu’il crée cette autorité et s’y soumette.

Let us note that in reality the civil service does not act on things, but on people, and it acts on them with authority. Well, the action that certain men exercise on other men with the support of the law and public coercion can never be neutral. It is essentially harmful if it is not essentially useful.

The service of a public functionary is not one whose price is negotiated or one that people are in a position to accept or refuse. By its very nature, it is *imposed*. When a nation can do no better than to entrust a *service* to public coercion, as in the instance of security, national independence, or the repression of misdemeanors and crimes, it has to create this authority and be subject to it.

³⁹⁴ He uses the phrase “une déperdition absolue” in this sense in EH2, chap. XIX “War”: “Le caractère de la spoliation est de ne pouvoir conférer une satisfaction sans qu’une privation égale y corresponde; car elle ne crée pas, elle déplace ce que le travail a créé. Elle entraîne après elle, comme déperdition absolue, tout l’effort qu’elle-même coûte aux deux parties intéressées. Loin donc d’ajouter aux jouissances de l’humanité, elle les diminue, et, en outre, elle les attribue à qui ne les a pas méritées.” (The nature of plunder is such that it cannot confer a given satisfaction (to one person) without imposing a corresponding privation (on another person), for it does not create but displaces what labor has (already) created. It brings in its wake, as a dead loss, all the effort that it itself has cost the two parties concerned. Far from adding to the benefits of society, therefore, it decreases them and in addition, allocates these benefits to those who do not deserve them.)

³⁹⁵ ES3 24 “Disastrous Illusions” (*JDE*, March 1848) (CW3, pp. 323–33).

Mais s'il fait passer dans le service public ce qui aurait fort bien pu rester dans le domaine des services privés, il s'ôte la faculté de débattre le sacrifice qu'il veut faire en échange de ces services, il se prive du droit de les refuser ; il diminue la sphère de sa liberté.

On ne peut multiplier les fonctionnaires sans multiplier les fonctions. Ce serait trop criant. Or, multiplier les fonctions, c'est multiplier les atteintes à la liberté.

But if a nation puts into the domain of public service what absolutely ought to have remained in that of private services, it denies itself the ability to negotiate the sacrifice it wishes to make in exchange for these services and deprives itself of the right to refuse them; it reduces the sphere of its freedom.

The number of state functionaries cannot be increased without increasing the number of functions they occupy. That would be too flagrant. The point is that increasing the number of functions increases the number of infringements on freedom.

In his last and perhaps best known written piece, *What is Seen and What is Not Seen* (July 1850) which contains the story about “The Broken Window,” he provides a dozen examples of how people do not understand the idea of “opportunity cost” when assessing government intervention in the economy. One of these examples involves the expenditure of tax money on the salaries of state functionaries.³⁹⁶ Defenders of the public sector argue that, among other things, taxpayer’s money spent on functionaries salaries “eventually” finds its way back into the taxpayers’ pocket by means of the “ricochet” or flow on effect (also known as the “trickle down effect”).

Les avantages que les fonctionnaires trouvent à émarger, c'est ce qu'on voit. Le bien qui en résulte pour leurs fournisseurs, c'est ce qu'on voit encore. Cela crève les yeux du corps.

The advantages that civil servants find in drawing their salaries are *what is seen*. The benefit that results for their suppliers is *again what is seen*. It is blindingly obvious to the eyes.

³⁹⁶ In *WSWNS* 3 Taxes (CW3, pp. 410–13). Other chapters in the book also deal with state funded employees who work in the armed forces (chap. 2) or public works programs (chap. 5).

Mais le désavantage que les contribuables éprouvent à se libérer, c'est ce qu'on ne voit pas, et le dommage qui en résulte pour leurs fournisseurs, c'est ce qu'on ne voit pas davantage, bien que cela dût sauter aux yeux de l'esprit.

Quand un fonctionnaire dépense à son profit cent sous de plus, cela implique qu'un contribuable dépense à son profit cent sous de moins. Mais la dépense du fonctionnaire se voit, parce qu'elle se fait; tandis que celle du contribuable ne se voit pas, parce que, hélas! on l'empêche de se faire.

However, the disadvantage felt by taxpayers in trying to free themselves is *what is not seen* and the damage that results for their suppliers is *what is not seen either*, although it is blindingly obvious to the mind.

When a civil servant spends *one hundred sous too much* for his own benefit, this implies that a taxpayer spends *one hundred sous too little* for his own benefit. However, the expenditure of the civil servant *is seen* because it is carried out whereas that of the taxpayer *is not seen* as, alas! he is prevented from carrying it out.

He uses the same argument in chap. XVII "Public and Private Services" where he uses the image of health-giving rain falling on the heads of the masses:

Nous plaçons ici cette observation pour prévenir un sophisme très-répandu, né de l'illusion monétaire. On entend souvent dire : L'argent reçu par les fonctionnaires retombe en pluie sur les citoyens. Et l'on infère de là que cette prétendue pluie est un second bien ajouté à celui qui résulte du service. En raisonnant ainsi, on est arrivé à justifier les fonctions les plus parasites. On ne prend pas garde que, si le service fut resté dans le domaine de l'activité privée, l'argent qui, au lieu d'aller au trésor et de là aux fonctionnaires, aurait été directement aux hommes qui se seraient chargés de rendre librement le service, cet argent, dis-je, serait aussi retombé en pluie dans la masse. Ce sophisme ne résiste pas quand on porte la vue au-delà de la circulation des espèces, quand on voit qu'au fond il y a du travail échangé contre du travail, des services contre des services. Dans l'ordre public, il peut arriver que des fonctionnaires reçoivent des services sans en rendre ; alors il y a perte pour le contribuable, quelque illusion que puisse nous faire à cet égard le mouvement des écus.

We have made this observation here to ward off a widespread sophism born of the money illusion. You often hear it said that the money received by functionaries falls again like rain on the citizens, with the inference that this alleged rain is a second benefit added to the one resulting from the service. Such reasoning serves to justify the most parasitical functions. No notice is taken of the fact that if the service had been left in the domain of private activity, the money, instead of going to the treasury and thence to functionaries, would have gone directly to people who would have been responsible for freely providing the service, and would also have fallen like rain on the population. This sophism does not stand up if we look beyond the circulation of money and see that this is basically work being exchanged for work and services for services. In the public realm, it may happen that functionaries receive services without rendering any in return. In this case taxpayers are the losers, whatever the illusion the movement of *écus* may have on us.

However, one should not get the idea that Bastiat was hostile to *all* state functionaries. As he wittily says, he himself had been and still was a “state functionary” (he had been a Justice of the Peace for many years in the town of Mugron (1831–1846),³⁹⁷ had been a member of the local advisory General Council of Les Landes (1833-?), was an elected member of the National Assembly (1848–1850), and besides, most of his best friends were state functionaries too. He jokingly reflected on this sad fact in a speech he gave on the tax on alcohol (which he opposed) in the Chamber in December 1849, where he reminisced that of his old school and college friends three

³⁹⁷ See for example the statement “Je connais beaucoup de fonctionnaires, presque tous mes amis le sont (car qui ne l’est aujourd’hui?), je le suis moi-même” (I know a lot of state functionaries, practically all my friends are (who isn’t one today?), and I am one myself.) “To the Electors of the Arrondissement of Saint-Séver (July 1, 1846) (CW1, p. 358).

quarters had become state functionaries who did not provide adequate services to the taxpayers who paid their salaries.³⁹⁸ This remark prompted some lively comments from the back benches.

Bastiat's ideas about "functionaryism" and the "functionary class" were taken up by only a small handful of economists or classical liberal theorists after his death. These included Ambroise Clément and Gustave de Molinari. Clément who wrote an important article on "Legal Plunder" (*JDE*, July 1848)³⁹⁹ and the entry on "Functionaries" in the *Dictionnaire de l'économie politique* (1852).⁴⁰⁰ In "Legal Plunder" he discusses a number of institutional forms of "les vols" (theft) rather than "la spoliation" (plunder) which was Bastiat's preferred term. The two which are most relevant here are "les vols réglementaires" (regulatory theft) which existed under the Old Regime and "les vols administratifs" (administrative theft) which existed in the present. In the *DEP* entry on "Functionaries" he makes the interesting claim (though he cited no government documents in support) that he estimated that there were 500–600,000 functionaries in France and another 400,000 men in the armed forces, making a total of over a million men employed by the state at taxpayer expense.

The other economist who developed Bastiat's insights on plunder and functionaryism at some length was his younger colleague Gustave de Molinari. Two years after Bastiat's death Molinari wrote a very interesting analysis of the class structure of France under the Second Republic and the part played by state functionaries and the military in a lecture he gave in Brussels in October 1852, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel*. In this lecture Molinari argued that the administrators and senior bureaucrats in any government are what he colorfully calls "des mangeurs de taxes" (tax eaters) who push for ever more government expenditure because it is in their professional interests to do so.⁴⁰¹ He was still arguing this some 50 years later but had changed his terminology to describe the class of people who lived off the taxpayers, "la classe

³⁹⁸ "Speech on the Tax on Wines and Spirits" (12 December 1849) (CW2, pp. 335–36).

³⁹⁹ Ambroise Clément, "De la spoliation légale," *Journal des économistes*, 1e juillet 1848, Tome 20, no. 83, pp. 363–74.

⁴⁰⁰ Clément, "Fonctionnaires," in *DEP* (1852), vol. 1, pp. 787–89. Translated as "Functionaries," in *Cyclopaedia of Political Science, Political Economy, and of the Political History of the United States*. ed. Joseph Lalor (1899), vol. 2, pp. 317–19.

⁴⁰¹ Molinari, Gustave de. *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel* (1852), p. 134.

budgetivore” (the budget eating class).⁴⁰² His most detailed treatment of the bureaucratic class which controlled the modern regulatory state came in the second part of his lengthy sociological analysis of revolution and the state, *L'évolution politique et la révolution* (1884) in a chapter on “The Internal Politics of the Modern State.”⁴⁰³

⁴⁰² In “Le XXe siècle,” *Journal des Économistes*, S. 5, T. 49, N° 1, janvier 1902, pp. 5–14. Quote p. 8.

⁴⁰³ Molinari, *L'évolution politique et la révolution* (Paris: C. Reinwald, 1884), Chap. VII. “La politique intérieure des États modernes.”

MECHANICS AND ORGANIZERS

See also “The Social Mechanism and its Driving Force,” in *Appendix 1* CW4 (forthcoming).

Bastiat distinguished between “natural organisations,” based upon voluntary cooperation and which operated according to the general laws which governed humanity;⁴⁰⁴ and “artificial organisations,” which had been dreamt up or invented (often by socialists), which took no account of these laws, denied their existence, or disdained them, and thus had to use coercion to make them work.⁴⁰⁵

Related to this was his idea of “le mécanisme” (a mechanism or machine like a clock) and “l'appareil” (an apparatus or device).⁴⁰⁶ As with organizations, “mechanisms” could be natural or artificial depending on how they were established, but they all were made up of interconnected parts such as “les rouages” (cogs or wheels), “les ressorts” (springs), and “les mobiles” (movements, or driving force. “Le mécanisme social naturel” (the natural social mechanism) of the free market was voluntary, self-organized, and its cogs and wheels were independent, thinking and acting, individuals with free will who were “driven” by self-interest. Contrasted with this were “les mécanismes artificiels” (artificial or “man-made” mechanisms) which socialists and other planners tried to set up. They treated the human beings who were the mechanism's cogs and wheels as so many inanimate, unthinking, mechanical parts which could be manipulated by the social planner or “l'organisateur” (the organizer) at will.

These “organizers” were also of two kinds. There was a “good,” “natural” organizer who had created a world which was governed by natural laws and human beings with free will: Bastiat called this organizer “Providence,” “le divin Ouvrier” (the divine

⁴⁰⁴ See, “The Great Laws of Economics,” in the Appendix.

⁴⁰⁵ He discusses these types of organizations at length in EH2, chap. I “Natural and Artificial Organization.”

⁴⁰⁶ See “The Social Mechanism and its Driving Force” in the Appendix and “The ‘Apparatus’ or Structure of Exchange,” in *Appendix 1* CW4 (forthcoming).

worker),⁴⁰⁷ "le grand Mécanicien" (the great mechanic),⁴⁰⁸ or even "le divin inventeur de l'ordre social" (the divine inventor of the social order).⁴⁰⁹

However, there were also many "bad," "artificial" organizers who thought they could replace the "social mechanism" created by Providence with ones created by themselves, as they saw fit. This type of organisation was based on coercion, control, and direction from a "Legislator" (Rousseau-ian) or a "Prince" (Machiavellian) who arranged men in society according their whim. Bastiat uses several derogatory terms to describe the people who attempt to run this "artificial social mechanism," such as "un mécanicien" (a mechanic, engineer), "l'inventeur" (the inventor), "le grand organisateur" (the great organizer), "les grands manipulateurs" (the great manipulators), "notre grand instituteur" (our great school teacher), and even an "entrepreneur" in a negative sense, as "les entrepreneurs d'organisations sociales" (entrepreneurs of socialist organizations).⁴¹⁰

Bastiat linked together many of these ideas in the following passage from chap. XXI "Solidarity":⁴¹¹

⁴⁰⁷ In EH2, chap. VIII "Property and Community," in our new translation.

⁴⁰⁸ EH2, chap. VIII "Property and Community," in our new translation.

⁴⁰⁹ *WSWNS* 11 "Thrift and Luxury" (CW3, p. 445).

⁴¹⁰ He does this twice, firstly in EH2, chap. XI "Producer and Consumer," in our new translation with "les entrepreneurs d'organisations sociales" (entrepreneurs of socialist organizations); and then in chap. XVIII "Disturbing Factors" with "inventeurs, entrepreneurs de sociétés" (inventors and entrepreneurs of (entire) societies), in our new translation.

⁴¹¹ EH2, chap. XXI "Solidarity," in our new translation.

Cette idée de Rousseau, que le législateur a inventé la société, — idée fausse en elle-même, — a été funeste en ce qu'elle a induit à penser que la solidarité est de création législative ; et nous verrons bientôt les modernes législateurs se fonder sur cette doctrine pour assujettir la société à une *Solidarité artificielle*, agissant en sens inverse de la *Solidarité naturelle*. En toutes choses, le principe de ces grands manipulateurs du genre humain est de mettre leur œuvre propre à la place de l'œuvre de Dieu, qu'ils méconnaissent.

This idea of Rousseau's, that society was invented by legislators — an idea that is intrinsically false — has been disastrous in that it led people to believe that solidarity was a creation of the law, and we shall see shortly how modern legislators used this doctrine as a basis for subjecting society to a form of *artificial solidarity* that acts in quite the opposite way from *natural solidarity*. In every sphere, the project of these great manipulators of the human race, has been to substitute their own work for that of God, which they misunderstand.

In addition and more colorfully, Bastiat also likens these organizers to “le jardinier” (the gardener) who trims people like he does his hedges and topiaries,⁴¹² “le berger” (the shepherd) who treats people like so many of his sheep to be shorn for their wool or slaughtered for their meat as he sees fit,⁴¹³ “l’instituteur” (the school teacher) who treats all people like so many ignorant pupils,⁴¹⁴ or “le potier” (the potter) and his clay (l’argile) who treats people as so much malleable clay which he can work into whatever shape pleases him.⁴¹⁵

Perhaps Bastiat’s most passionate denunciation of this way of treating humans as mere things to be manipulated and organized appears in his late pamphlet *The Law* (June 1850) on socialists as “the gardeners of men”:⁴¹⁶

⁴¹² See “The Law” (CW2, pp. 122-23).

⁴¹³ See for example, ES2 2 “Two Moral Philosophies” (CW2, pp. 131-32), *The Law* (CW2, pp. 139-40), EH2, chap. XX “Responsibility,” (“So here we have a flock and a shepherd”), and chap. XXII “The Driving Force of Society,” in our new translation.

⁴¹⁴ On “notre grand instituteur” (our big or great teacher) see “On Parliamentary Reform. To M. de Larnac, Deputy of Les Landes” (1846), (CW1, p. 373); EH2, chap. I “Natural and Artificial Organization,” in our new translation; and *The Law* (CW2, pp.122-23).

⁴¹⁵ For example, see “On the Redistribution of Wealth by M. Vidal,” (*JDE*, June 1846) in CW4 (forthcoming); *Baccalaureate and Socialism* (early 1850) (CW2, pp. 192-93); *The Law* (June 1850) (CW2, p. 123); and EH2, chap. XXII “The Driving Force of Society,” in our new translation.

⁴¹⁶ *The Law* (CW2, pp. 122-23).

Les publicistes modernes, particulièrement ceux de l'école socialiste, fondent leurs théories diverses sur une hypothèse commune, et assurément la plus étrange, la plus orgueilleuse qui puisse tomber dans un cerveau humain.

Ils divisent l'humanité en deux parts. L'universalité des hommes, moins un, forme la première ; le publiciste, à lui tout seul, forme la seconde et, de beaucoup, la plus importante.

En effet, ils commencent par supposer que les hommes ne portent en eux-mêmes ni un principe d'action, ni un moyen de discernement ; qu'ils sont dépourvus d'initiative ; qu'ils sont de la matière inerte, des molécules passives, des atomes sans spontanéité, tout au plus une végétation indifférente à son propre mode d'existence, susceptible de recevoir, d'une volonté et d'une main extérieures, un nombre infini de formes plus ou moins symétriques, artistiques, perfectionnées.

Ensuite chacun d'eux suppose sans façon qu'il est lui-même, sous les noms d'Organisateur, de Révéléateur, de Législateur, d'Instituteur, de Fondateur, cette volonté et cette main, ce mobile universel, cette puissance créatrice dont la sublime mission est de réunir en société ces matériaux épars, qui sont des hommes.

Partant de cette donnée, comme chaque jardinier, selon son caprice, taille ses arbres en pyramides, en parasols, en cubes, en cônes, en vases, en espaliers, en quenouilles, en éventails, chaque socialiste, suivant sa chimère, taille la pauvre humanité en groupes, en séries, en centres, en sous-centres, en alvéoles, en ateliers sociaux, harmoniques, contrastés, etc., etc.

Modern political writers, particularly those of the socialist school, base their various theories on a common hypothesis, definitely the strangest and most arrogant hypothesis that the human brain has ever devised.

They divide humanity into two parts. All men minus one form the first and the political writer all on his own forms the second and by far the most important part.

In effect, they begin with the premise that men do not have within themselves either a principle of action or any means of discernment; that they lack initiative; that they are made of inert matter, passive molecules, and atoms deprived of spontaneity; and that they are at most a form of plant life that is indifferent to its own mode of existence and willing to accept an infinite number of more or less symmetrical, artistic, and developed forms from an external initiative and hand.

Each of them then quite simply supposes that he is himself, wearing the hats of organizer, prophet, legislator, teacher, and founder, this driving force and hand, this universal dynamo and creative power whose sublime mission is to gather together in society the scattered stuff of humanity.

From this given starting point, just as each gardener according to his whim prunes his trees into pyramids, umbrellas, cubes, cones, vases, fruit-tree shapes, distaffs, or fans, each socialist, according to his vision, prunes poor humanity into groups, series, centers, subcenters, honeycombs, and social, harmonious, or contrasting workshops, etc., etc.

Et de même que le jardinier, pour opérer la taille des arbres, a besoin de haches, de scies, de serpettes et de ciseaux, le publiciste, pour arranger sa société, a besoin de forces qu'il ne peut trouver que dans les Lois ; loi de douane, loi d'impôt, loi d'assistance, loi d'instruction.

Il est si vrai que les socialistes considèrent l'humanité comme matière à combinaisons sociales, que si, par hasard, ils ne sont pas bien sûrs du succès de ces combinaisons, ils réclament du moins une parcelle d'humanité comme matière à expériences : on sait combien est populaire parmi eux l'idée d'expérimenter tous les systèmes, et on a vu un de leurs chefs venir sérieusement demander à l'assemblée constituante une commune avec tous ses habitants, pour faire son essai.

C'est ainsi que tout inventeur fait sa machine en petit avant de la faire en grand. C'est ainsi que le chimiste sacrifie quelques réactifs, que l'agriculteur sacrifie quelques semences et un coin de son champ pour faire l'épreuve d'une idée.

Mais quelle distance incommensurable entre le jardinier et ses arbres, entre l'inventeur et sa machine, entre le chimiste et ses réactifs, entre l'agriculteur et ses semences !... Le socialiste croit de bonne foi que la même distance le sépare de l'humanité."

And just as the gardener needs axes, saws, sickles, and shears in order to prune his trees, the political writer needs forces that he can find only in the laws in order to marshal his society: customs laws, tax laws, laws governing assistance or education.

It is so true that the socialists consider humanity to be material that can be modeled to fit social templates that if by chance they are not certain of the success of these arrangements, they claim at least a part of humanity as *material for experimentation*. We know just how popular the idea of *trying out all their systems* is among them, and we have already seen one of their leaders⁵ come in all seriousness to ask the Constituent Assembly to give them a commune with all its inhabitants in order for them to carry out tests.

In this way, every inventor makes a small-scale model of his machine before making it full scale. In this way, chemists sacrifice a few reagents and farmers a little seed and a corner of a field in order to test an idea.

But what incommensurable distance there is between a gardener and his trees, the inventor and his machine, the chemist and his reagents, and the farmer and his seed! This is the very distance that the socialist quite sincerely believes separates him from humanity.

Bastiat blamed the classical education many of these thinkers had received for filling their minds with ideas about designing and building model societies.⁴¹⁷ One in particular, Mably, came in for special attention in Bastiat's pamphlet "Baccalaureate and Socialism" (early 1850). He said that the Abbey Mably suffered from "la gréco-romano-

⁴¹⁷ In a lengthy attack on the ideas of Mably, whom he believed got them from his reading of the ancient Greek and Roman classics, Bastiat criticizes him

manie” (Graeco-Roman mania) and had turned the ideas of Plato into a form of communism. In an angry and lengthy passage he charged Mably with the following:⁴¹⁸

Il n’est pas besoin de citations pour prouver la gréco-romano-manie de l’abbé Mably. ... Aussi fut-il franchement platonicien, c’est-à-dire communiste. Convaincu, comme tous les classiques, que l’humanité est une matière première pour les fabricants d’institutions, comme tous les classiques aussi, il aimait mieux être fabricant que matière première. En conséquence, il se pose comme Législateur.

No quotations are needed to demonstrate the Graeco-Roman mania of Abbé Mably. ... As well, he was an out and out supporter of Plato, that is to say, a communist. Convinced, like all the classical authors, that humanity is the raw material for the manufacturers of institutions, and also like all the classical authors he preferred to be one of the manufacturers rather than part of the raw material. Consequently he set himself up to be a legislator.

Not only was the economy or even the broader society seen by these “mechanics and organizers” as a “mechanism” to be built and used by them, but they also viewed government itself, either as a “tool” which they could use to achieve this goal,⁴¹⁹ or just another “mechanism” or “apparatus” which they could build or rebuild as they wished and then “operate” like any good mechanic or engineer would do.⁴²⁰

Thus, Bastiat thought the socialists’s big mistake was to think that individual human beings were inanimate objects (like metal cogs and wheels, or pieces of putty or clay, or plants and trees) who could be manipulated by a central planner, designer, or “mechanic” and not thinking, choosing, acting individuals with free will. For these reformers, societies or economies were just “les inventions sociales” (social inventions or creations) and individuals were like pieces of putty in their hands which could be molded into any shape they wished, or like bushes which could be clipped into strange shapes by

⁴¹⁸ “Baccalaureate and Socialism” (CW2, p. 206).

⁴¹⁹ He refers to “l’instrument gouvernemental” (the instrument, tool or machine which is government), EH2, chap. XVIII “Disturbing Factors,” in our new translation.

⁴²⁰ He also talks about “le mécanisme gouvernemental” (the mechanism of government) and “l’appareil gouvernemental” (the apparatus of government). See “The ‘Apparatus’ or Structure of Exchange,” in *Appendix 1* CW4 (forthcoming).

“social gardeners.” As he eloquently put it in chap. XXII “The Driving Force of Society”:⁴²¹

Jamais l'idée ne leur vient que l'humanité est un corps vivant, sentant, voulant et agissant selon des lois qu'il ne s'agit pas d'inventer, puisqu'elles existent, et encore moins d'imposer, mais d'étudier; qu'elle est une agglomération d'êtres en tout semblables à eux-mêmes, qui ne leur sont nullement inférieurs ni subordonnés; qui sont doués, et d'impulsion pour agir, et d'intelligence pour choisir; qui sentent en eux, de toutes parts, les atteintes de la Responsabilité et de la Solidarité; et enfin, que de tous ces phénomènes, résulte un ensemble de rapports existants par eux-mêmes, que la science n'a pas à créer, comme ils l'imaginent, mais à observer.

The idea never enters their heads that the human race is a living, feeling, willing, and acting body, one which acts according to laws that there is no question of inventing, since they already exist, and still less of imposing (on others), but rather a question of studying (it). They do not see that the human race is a group of beings similar to themselves in all respects; these beings are in no way inferior or subordinate to them and are endowed with both an incentive to act and the intelligence to choose. They feel within themselves on every side the promptings of responsibility and solidarity and in a word, from all these phenomena there results a collection of relationships which exist in their own right, that science does not have to create, as they imagine, but has to observe.

⁴²¹ See EH2, chap. XXII “The Driving Force of Society,” in our new translation.

PLUNDER: BASTIAT’S THEORY OF PLUNDER

The idea of “la spoliation” (plunder) was a central part of Bastiat’s social and economic theory. For more information see:

- “Bastiat’s Theory of Class: The Plunderers vs. the Plundered” in *Appendix 1* (CW3, pp. 473-85).
- “The History of Plunder,” in *Appendix 1* (CW5)
- “Bastiat on Enlightening the “Dupes” about the Nature of Plunder” in the *Introduction*, (CW3, pp. lv-lviii).
- “Functionaryism and the Functionary Class,” in *Appendix 1* (CW5)
- “Theocratic Plunder,” in *Appendix 1* (CW5)

Definition

Bastiat defined plunder as the taking of another person’s justly acquired property without their consent by force (la force) or fraud (la ruse). As he stated in “The Physiology of Plunder” (Nov. 1847):⁴²²

La véritable et équitable loi des hommes, c’est : Échange librement débattu de service contre service. *La Spoliation consiste à bannir par force ou par ruse la liberté du débat afin de recevoir un service sans le rendre.*

The true and just law governing man is “*The freely negotiated exchange of one service for another.*” Plunder consists in banishing by fraud or force the freedom to negotiate in order to receive a service without offering one in return.

He provided another definition a few months later in “Property and Plunder” (July 1848): “la Spoliation consiste à employer la force ou la ruse pour altérer à notre profit l’équivalence des services.” (Plunder consists in employing force or fraud to distort for our (own) profit (the exchange of) equivalent services).⁴²³

⁴²² ES2 1 “The Physiology of Plunder” (CW3, p. 117). <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1048>.

⁴²³ “Property and Plunder” (*JDD*, 24 July 1848) 5th Letter (CW2, p. 171).

In his sometimes complex theory he thought there were several different forms plunder could take, several methods by which it could operate, and many different ways it could be justified to those who had to pay for it.

The Different Forms of Plunder

He believed plunder could take many different forms depending on who did it, how and when and where it was done, and the institutional framework in which it took place. This was reflected in the rather complex terminology he used to describe these different forms. For example, he distinguished between legal and extra-legal plunder, partial and universal plunder, domestic and foreign plunder, “hard” vs. “soft” plunder, and transitory vs. permanent plunder.

Legal and Extra-Legal Plunder

In its *relation to the state and the legal system*, plunder could take the form of “la spoliation extra-légale” (extra—legal plunder, plunder which takes place outside of or against the law) by run of the mill thieves and robbers; or “la spoliation légale” (legal plunder) which was done with the sanction and under the protection of the law and the state. He first made this distinction in “Justice and Fraternity” (*JDE*, June 1848) where he states:⁴²⁴

⁴²⁴ “Justice and Fraternity” (*JDE*, June 1848) (CW2, p. 76). He also refers to it three times in “The Law” (June 1850). Similarly, in WSWNS III “Taxation” (CW3, p. 411) state functionaries who provide no useful service to a taxpayer are compared to a highway robber, the latter is “le parasite extra-légal” (an extra-legal parasite) while the former is “le parasite légal” (a legal parasite). In EH2, chap. 24 “Perfectibility” Bastiat refers to “le parasitisme des fonctions publiques” (the parasitism of public functions, the parasitic nature of government activity) (in our new translation). See the section of “Legal Plunder,” in “Bastiat’s Theory of Plunder” in the Appendix.

La spoliation extra-légale soulève toutes les répugnances, elle tourne contre elle toutes les forces de l'opinion et les met en harmonie avec les notions de justice. La spoliation légale s'accomplit, au contraire, sans que la conscience en soit troublée, ce qui ne peut qu'affaiblir au sein d'un peuple le sentiment moral.

Avec du courage et de la prudence, on peut se mettre à l'abri de la spoliation contraire aux lois. Rien ne peut soustraire à la spoliation légale. Si quelqu'un l'essaie, quel est l'affligeant spectacle qui s'offre à la société ? Un spoliateur armé de la loi, une victime résistant à la loi.

Extra-legal plunder arouses total aversion and turns against itself all the forces of public opinion, making them agree with the notions of justice. Legal plunder, on the other hand, is accomplished without disturbing consciences, which leads only to a weakening of a moral sense within a people.

With courage and prudence, we can avoid the plunder that is contrary to law. Nothing can protect us from legal plunder. If someone tries it, what dreadful sight is set before society? A plunderer armed by the law against a victim resisting the law.

Legal plunder could take many forms. A government might allow and protect a favored small group who plunder the majority for their own benefit, for example the Church which engaged in “la spoliation par la ruse théocratique” (plunder by theocratic fraud, or theocratic plunder);⁴²⁵ or the government may grant favored industries a monopoly, tax-payer funded subsidies, or tariff protection from competitors. Most of the articles in his two series of *Economic Sophisms* were directed at this latter kind of economic plunder. In a speech for the Free Grade Association in August 1847 he stated that “le régime restrictif est un système de spoliation réciproque” (the régime of trade restriction is a system of reciprocal plunder).⁴²⁶

Or the government itself might engage in plunder for the benefit of the politicians and bureaucrats who run the government at taxpayer expense. This argument was one of several “public choice” like arguments Bastiat made in his writings about the self-interested behaviour of politicians and bureaucrats who claimed to be above politics and were acting in the interest of voters and consumers not themselves. Bastiat called this kind of plunder when done by the government itself as “la spoliation gouvernementale” (plunder by government) or

⁴²⁵ See “Theocratic Plunder,” in the Appendix.

⁴²⁶ “Sixth Speech given in Marseilles” (Aug. 1847) in CW6 (forthcoming). See also “la spoliation partielle par l’institution des douanes” (partial plunder by means of the system of customs) in “Plunder and Law” (*JDE*, May 1850) (CW2, p. 275).

“gouvernementalisme” (governmentalism);⁴²⁷ and if done by the bureaucrats “la fonctionnarisme” (functionaryism, or rule by functionaries).⁴²⁸ Some people actively sought this out as they were afraid of not being “administered” by the state:⁴²⁹

Certaines nations paraissent merveilleusement disposées à devenir la proie de la Spoliation gouvernementale. Ce sont celles où les hommes, ne tenant aucun compte de leur propre dignité et de leur propre énergie, se croiraient perdus s'ils n'étaient administrés et gouvernés en toutes choses.

Certain nations appear to be astonishingly well disposed to becoming the prey of government Plunder. They are the ones in which men, totally disregarding their own dignity and energy, think that they would be lost if they were not being *administered* and *governed* in every sphere.

The most extreme version of this form of plunder would come under socialism or communism, in Bastiat's view, when the government owned and controlled everything. He called it “la spoliation devenue règle dominante et universelle” (plunder which has become the dominant and universal rule).⁴³⁰

Partial and Universal Plunder

With respect to its *extent*, plunder could be either “la spoliation partielle” (partial plunder) which was undertaken for the benefit of a specific small group such as slaveowners or protected land-owners and manufacturers, at the expense of the majority; or “la spoliation universelle” (universal plunder) which he predicted would emerge under socialism or the welfare state where everybody tried to live at the expense of everyone

⁴²⁷ *The Law* (June 1850) (CW2, p. 146).

⁴²⁸ See “Functionaryism and Rule by Functionaries,” in the Appendix.

⁴²⁹ ES2 1 “The Physiology of Plunder” (c. Nov. 1847) (CW3, p. 128) <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1119>.

⁴³⁰ “Protectionism and Communism” (January 1849) (CW2, p. 243).

else (this was his famous definition of the state).⁴³¹ In “Plunder and Law” (May 1850) he described the system of tariffs and customs duties as “partial plunder” as it served the needs of the very limited electoral franchise which existed before 1848. Once near universal manhood suffrage was introduced in 1848 the masses would soon learn from the behaviour of their predecessors that “universal suffrage” can all too easily lead to “universal plunder.”⁴³²

However, as he pointed out on many occasions, if everybody was trying to “pillage,” “plunder,” or otherwise live off the efforts of other people the net result would be a new and unintended form of plunder, “entre tous les citoyens un instrument d’oppression et de spoliation réciproque” (an instrument of mutual oppression and plunder between all its citizens).⁴³³ He wrote these lines at the conclusion of his famous essay “The State” in which he offered his own definition of what the state was rapidly becoming: “L’Etat, c’est la grande fiction à travers laquelle *tout le monde* s’efforce de vivre aux dépens *de tout le monde*” (The State is the great fiction by which *everyone* endeavors to live at the expense of *everyone else*).⁴³⁴

Being a methodical thinker, Bastiat also raised the possibility of a third logical possibility, namely “l’absence de Spoliation” (the absence of plunder), which he thought could only exist in a society with a very small government, with very limited powers, which only looked after protecting the life, liberty, and property of its citizens, and did not use its legislative powers to grant privileges to some at the expense of others.⁴³⁵ He described this future free society in very Smithian terms as “le système de la liberté” (the system of liberty).⁴³⁶

⁴³¹ Bastiat first used this pairing of phrases “la spoliation partielle” (partial plunder) vs. “la spoliation universelle” (universal plunder) in “Plunder and Law” (*JDE*, May 1850) (CW2, p. 275) <https://oll.libertyfund.org/titles/2450#Bastiat_1573-02_1767>. And then in more detail in *The Law* (June 1850) (CW2, p. 117) <https://oll.libertyfund.org/titles/2450#Bastiat_1573-02_831>.

⁴³² *The Law* (June 1850) (CW2, p. 117).

⁴³³ The conclusion of “The State” (*JDD*, Sept. 1848) (CW2, p. 104).

⁴³⁴ “The State” (*JDD*, 25 Sept. 1848) (CW2, p. 97).

⁴³⁵ *The Law* (June 1850) (CW2, p. 117). On Bastiat’s ideal form of government see “Limited Government,” in *Appendix 1* CW4 (forthcoming).

⁴³⁶ “Justice and Fraternity” (*JDE*, June 1848) (CW2, p. 72).

Domestic and Foreign Plunder

Concerning the *location* where plunder took place, it could also be differentiated into “la spoliation au dedans” (plunder which takes place within a country), such as domestic serfdom, taxes, government jobs for the elite, monopoly privileges and subsidies to industry, and welfare transfer payments; or “la spoliation au dehors” (plunder which takes place outside the country) such as wars, military conquest of other nations, and overseas colonies. He first used these expressions in the Introduction to his book *Cobden and the League* (1845) where he was exploring the behaviour of the aristocracy and oligarchy which ruled Britain.⁴³⁷

La spoliation au dehors s'appelle guerre, conquêtes, colonies. La spoliation au dedans se nomme impôts, places, monopoles. Les aristocraties civilisées se livrent généralement à ces deux genres de spoliation ; les aristocraties barbares sont obligées de s'interdire le second par une raison bien simple, c'est qu'il n'y a pas autour d'elles une classe industrielle à dépouiller.

External plunder is called war, conquests, colonies. Internal plunder is called taxes, government offices, monopolies. Civilized aristocracies usually practice both forms of plunder; primitive aristocracies are compelled to deny themselves the latter form for a very simple reason, which is that there is no industrious class around them to dispossess.

“Hard” vs. “Soft” Plunder

With respect to *how it was carried out*, plunder could be “hard” (brutale) with the use of naked force (la force) or “soft” (douce) with the use of fraud (la ruse) and deception (l'imposture) and minimal use of explicit force.

The best examples of “hard plunder” or what he also called “la Spoliation directe et naïve” (direct and crude plunder)⁴³⁸ were military conquest and slavery. “La spoliation militaire” (military plunder) was so bad that it was given its own special category.⁴³⁹

⁴³⁷ Introduction to *Cobden and the League* (1845), in CW6 (forthcoming).

⁴³⁸ “The State” (*JDD*, Sept. 1848) (CW2, 96).

⁴³⁹ ES2 1 “Physiology of Plunder” (CW3, p. 118).

Slavery in his view was an even worse form of plunder as it literally destroyed “the person” or “the self” by taking everything away which constituted the person.⁴⁴⁰

l’esclavage, qui est la spoliation poussée jusqu’à sa limite idéale, puisqu’elle dépouille le vaincu de toute propriété actuelle et de toute propriété future, de ses œuvres, de ses bras, de son intelligence, de ses facultés, de ses affections, de sa personnalité tout entière.

slavery, which is plunder extended to its theoretical limit, since it dispossessed the vanquished of all their current and future property, their work, their arms (body), their minds, their faculties, their affections, and their entire person.

And similarly:⁴⁴¹

D’un autre côté, liberté c’est *propriété* généralisée. Mes facultés m’appartiennent-elles si je ne suis pas libre d’en faire usage, et l’esclavage n’est-il pas la négation la plus complète de la propriété comme de la liberté?

On the other hand, liberty is *private property* made widespread. Do my faculties belong to me if I am not free to make use of them, and is not slavery the most total negation of property as it is of liberty?

However in the modern era he thought that “naked plunder” was being replaced by a more insidious form of “hidden” or “disguised” plunder in which the violence of the state was “more subtle” and was “cloaked” behind “sophistical” arguments designed to mislead the people.⁴⁴² In his view it was the task of the economist to “unveil” and expose these sophisms, such as justifying tariffs and subsidies as being in the “national interest” since they supposedly increased the wages and job opportunities of all French people,

⁴⁴⁰ “Property and Plunder” 5th Letter (CW2, p. 172). See also “Self-Ownership and the Right to Property,” in *Appendix I*.

⁴⁴¹ See “Liberty and Equality,” in EH2, in our new translation.

⁴⁴² See for example, “la spoliation, enveloppée dans les sophismes qui la voilent” (plunder clad in the sophisms which conceal it), ES1 12 “Does Protection increase the Rate of Pay” (CW3 p. 65).

thus actually benefiting those who paid the higher taxes and prices.⁴⁴³ He called this “la Spoliation par la ruse” (plunder by fraud or trickery)⁴⁴⁴ and it typically took the form in the protectionist system of manufacturers getting the state to use violence or threats of violence on their behalf, instead of having to use violence themselves. Thus plunder became “infiniment plus douce, plus lucrative, moins périlleuse” (infinitely gentler, more lucrative, and less dangerous) for the favored manufacturers.⁴⁴⁵

Bastiat thought the most sophisticated form of “soft” plunder was that which had been perfected by the Church over the centuries, or what he called “la spoliation par ruse théocratique” (plunder by theocratic fraud). Here, a religious elite controlled the Church for its own purposes and used “les Sophismes théocratiques” (theocratic sophisms) to justify their actions. In his proposed *History of Plunder* “Theocracy” was the third stage in its evolution and he wrote more on this than any other with the exception of the protectionist system. In both systems he thought that consumers, taxpayers, and believers were being “duped” by their plunderers into accepting plunder as necessary, inevitable, and part of God’s will.⁴⁴⁶

Transitory vs. Permanent Plunder

With respect to its *duration*, it could be “la spoliation transitoire” (transitory or temporary plunder) with occasional acts of plunder being undertaken, where, to use Mancur Olson’s terminology,⁴⁴⁷ “roving bandits” like pirates, bands of robbers, or invading barbarians would steal from small groups or communities of producers and then leave, only to return at a later date. But over the course of the time transitory

⁴⁴³ He called the idea that those who paid taxes to pay for government functionaries’s salaries or paid high tariffs to protected industries would benefit from a “trickle down” effect as those functionaries and manufacturers spent their money in the wider economy the “ricochet effect” (par ricochet). See “The Sophism Bastiat never wrote: The Sophism of the Ricochet Effect” in *Appendix 1* (CW3, pp. 457-61).

⁴⁴⁴ ES2 1 “Physiology” (CW3, p. 124).

⁴⁴⁵ “Plunder and Law” (*JDE*, May 1850) (CW2, p. 270).

⁴⁴⁶ See “Theocratic Plunder” and “History of Plunder” in *Appendix 1*; and “Bastiat on Enlightening the ‘Dupes’ about the Nature of Plunder,” in the *Introduction* to CW3, pp. lv-lviii.

⁴⁴⁷ Mancur Olson, *Power and Prosperity: Outgrowing Communist and Capitalist Dictatorships* (New York: Basic Books, 2000).

plunder was turned into “la spoliation permanente” (permanent plunder) when plunder became systematized or institutionalized usually in the form of a permanent, organized state. Olson called them “stationary bandits,” who would create permanent institutions to collect “taxes,” “tithes,” or “dues.”⁴⁴⁸

Plus tard, les spoliateurs se raffinèrent. Passer les vaincus au fil de l'épée, ce fut, à leurs yeux, détruire un trésor. Ne ravir que des propriétés, c'était une spoliation transitoire ; ravir les hommes avec les choses, c'était organiser la spoliation permanente.

Later, the plunders became more refined. Putting the vanquished to the sword was, in their eyes, to destroy a (form of) wealth. Plundering only property was a transitory form of plunder; plundering men along with property was to organize permanent plunder.

Bastiat had a variety of names for the permanent institutions which organised plunder in his own day, such as “le régime protecteur” (the protectionist regime), “le système de la protection” (the system of trade protection); or were in the process of evolving into new and more dangerous forms, such as “le fonctionnarisme” (functionaryism or rule by government functionaries),⁴⁴⁹ or the all pervasive “le gouvernementalisme”⁴⁵⁰ or the “le système de domination universelle” (the system of universal domination) of a future socialist or communist government .

The Different Methods of Plundering

Bastiat also thought that there were several different means or methods by which acts of plunder could be carried out, such as the following:

⁴⁴⁸ Bastiat first used this pairing of phrases “la spoliation transitoire” (transitory or temporary plunder) vs. “la spoliation permanente” (permanent or institutionalised plunder) in the 5th Letter of “Property and Plunder” (*JDD*, 24 July 1848) (CW2, p. 172) <https://oll.libertyfund.org/titles/2450#Bastiat_1573-02_1200>.

⁴⁴⁹ In the phrase “le domaine du fonctionnarisme” (the domain of rule by state bureaucrats) in EH2, chap. XVII “Private and Public Services,” in our new translation.

⁴⁵⁰ In the last paragraph of his pamphlet on *The Law* (June 1850) (CW2, p. 146).

- the direct use of naked force as in war and slavery;
- by acts of fraud (la ruse) or deception (l’imposture) as with theocratic fraud (see the entry on “Theocratic Fraud” in the Appendix) or monopoly privileges, subsidies, and tariff protection for industry and agriculture supposedly to improve the “national economy”;
- by the government protecting its own interests and the interests of those who worked for it (the “functionaries”) with unnecessary jobs, high taxes, and the regulation of all aspects of life supposedly because the government had the interests of all citizens in mind and had the knowledge and ability to protect the interests of its citizens better than they could themselves; and
- one of its most important methods by the intermediary of the law (or legislation), or “legal plunder,”⁴⁵¹ which allowed privileged interests to hide behind the legitimacy of the law to carry out acts of plunder they could not or would not do openly and in their own name.

A New Definition of the State as “the organisation of plunder in order to acquire wealth”

We could perhaps reformulate Bastiat’s definition of the state along the lines of Franz Oppenheimer’s famous definition, which was that “the state is the organization of the political means (of acquiring wealth).”⁴⁵²

Bastiat also made a similar distinction between two ways in which wealth could be acquired: “la richesse acquise par la force à la richesse acquise par le travail” (wealth acquired by (the use of) force (or) wealth acquired by (means of) work).⁴⁵³ Thus, Bastiat’s famous definition of the state might be revised to state that:

“The state is the organisation of plunder on a permanent, legal, and orderly basis for the benefit of one group and at the expense of others.”

⁴⁵¹ See the section on “Legal Plunder,” in “Bastiat’s theory of Plunder” in the Appendix.

⁴⁵² Franz Oppenheimer, *The State: Its History and Development viewed Sociologically*, authorized translation by John M. Gitterman (New York: B.W. Huebsch, 1922). <https://oll.libertyfund.org/titles/1662#Oppenheimer_0315_234>.

⁴⁵³ ES3 6 “The People and the Bourgeoisie” (*LE*, 23 May 1847) (CW3, pp. 281-87).

A consequence of the existence of plunder was that society was divided into two antagonistic groups or classes, the smaller group of individuals who benefited from the acts of plunder, “la classe spoliatrice” (the plundering class) or “les spoliateurs” (the plunderers) and a larger group, “les classes spoliées” (the plundered classes) or “les spoliés” (the plundered), who paid the taxes, tithes, and tariffs, who served as conscripts in the army, and who were prevented from entering the occupations of their choice.⁴⁵⁴ For a more extended discussion of Bastiat’s theory of class see “Bastiat’s Theory of Class: The Plunderers vs. the Plundered,” in *Appendix 1* (CW3, pp. 473-85).

The resistance of the plundered classes to their plunderers placed an upper “Malthusianism” limit on the degree to which they could be exploited (the state grew until it reached the capacity of the taxpayers to continue paying their tribute to the rulers), as the periodic tax revolts and revolutions in European history clearly showed. For more details see “On Malthus and Malthusian Limits to the Growth of the State,” in *Appendix 1* (CW3, pp. 461-64).

Bastiat was very much part of the classical liberal tradition of thinking about class conflict in this way, a tradition which predated Marx’s theory of class analysis but which largely came to an end with the First World War and the end of classical liberalism in Europe.⁴⁵⁵

⁴⁵⁴ Bastiat’s first use of the terms “la classe spoliatrice” and “les classes spoliées” occurred in *The Law* (July 1850) and then in EH 17 “Private and Public Services,” CW5 (forthcoming) which was published in July 1851 but probably written in 1849 or 1850.

⁴⁵⁵ On the rich but not well known French liberal theory of class see the work of Leonard P. Liggio, Ralph Raico, and David M. Hart: Liggio, Leonard P., “Charles Dunoyer and French Classical Liberalism,” *Journal of Libertarian Studies*, 1977, vol. 1, no. 3, pp. 153-78; Ralph Raico, “Classical Liberal Exploitation Theory: A Comment on Professor Liggio’s Paper,” *Journal of Libertarian Studies*, 1979, vol. 1, no. 3, pp. 179–183; “Classical Liberal Roots of the Marxist Doctrine of Classes,” in *Requiem for Marx*, edited by Yuri N. Maltsev (Auburn, AL: Ludwig von Mises Institute, 1992), pp. 189-220; “The Centrality of French liberalism” in *Classical Liberalism and the Austrian School*, Foreword by Jörg Guido Hülsmann. Preface by David Gordon (Auburn, Alabama: Ludwig von Mises Institute, 2012), pp. 219–53; David M. Hart, *Class Analysis, Slavery and the Industrialist Theory of History in French Liberal Thought, 1814-1830: The Radical Liberalism of Charles Comte and Charles Dunoyer* (unpublished PhD, King’s College Cambridge, 1994). <davidmhart.com/liberty/Papers/ComteDunoyer/CCCD-PhD/HTML-version/index.html>.

Another consequence of “la spoliation permanente et légale” (permanent and legal plunder)⁴⁵⁶ was the need for the plundering class to persuade those they plundered to acquiesce in their being plundered and not to resist as it was expensive and time consuming to repress dissent and revolts. Hence the need for the dissemination of “sophisms” which justified the system of plunder as being dictated by God, part of the natural order, essential for the well-being of the nation, or even in the long-term interests of those who were being plundered.

As he stated in the final passage in the first series of *Economic Sophisms* (penned in November 1845 and published in early 1846):⁴⁵⁷

Seulement, l’agent est changé : ce n’est plus par force, c’est par ruse qu’on s’empare des richesses publiques.

Pour voler le public, il faut le tromper. Le tromper, c’est lui persuader qu’on le vole pour son avantage; c’est lui faire accepter en échange de ses biens des services fictifs, et souvent pis. — De là le Sophisme. — Sophisme théocratique, Sophisme économique, Sophisme politique, Sophisme financier. — Donc, depuis que la force est tenue en échec, le *Sophisme* n’est pas seulement un mal, c’est le génie du mal. Il le faut tenir en échec à son tour. — Et, pour cela, rendre le public plus *fin* que les fins, comme il est devenu plus *fort* que les forts.

Only the thing which promotes it (plunder) has changed; it is no longer by force but by fraud that public wealth can be seized.

In order to steal from the public, it is first necessary to deceive them. To deceive them it is necessary to persuade them that they are being robbed for their own good; it is to make them accept imaginary services and often worse in exchange for their possessions. This gives rise to *sophistry*. Theocratic sophistry, economic sophistry, political sophistry, and financial sophistry. Therefore, ever since force has been held in check, *sophistry* has been not only a source of harm, it has been the very essence of harm. It must in its turn be held in check. And to do this the public must become *cleverer* than the clever, just as it has become *stronger* than the strong.

⁴⁵⁶ This phrase “la spoliation permanente et légale” (permanent and legal plunder) was first used in “To the Editor” (*Courrier français*, 11 avril 1846) in CW6 (forthcoming).

⁴⁵⁷ ES1 “Conclusion” (CW3, p. 110). <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1006>.

Bon public, c'est sous le patronage de cette pensée que je t'adresse ce premier essai ...

My good public, it is with this last thought in mind that I am addressing this first essay to you ...

Every historical stage of plunder, he argued, had a ruling elite which felt obliged to establish “une loi qui la sanctionne, une morale qui la glorifie” (a law that sanctions plunder and a moral code that glorifies it) and both these laws and moral codes required in turn “sophisms” to legitimise them.⁴⁵⁸ These “sophisms” consisted of lies, fraud (la ruse), deception (l'imposture), half-truths, and sophistical arguments which were used to “dupe” or delude the people into acquiescing to those who plundered and ruled them. Bastiat made a name for himself as one of the most articulate, clever, and witty debunkers of the “economic sophisms” which were used to justify subsidies to industry and tariff protection for manufacturers and farmers. However, he realized he was only scratching the surface, as each régime had its own set of sophisms used to justify its rule and which needed to be debunked,⁴⁵⁹ such as theocratic sophistry (discussed below), economic sophistry,⁴⁶⁰ political sophistry,⁴⁶¹ and financial sophistry.⁴⁶²

On Ending Plunder

⁴⁵⁸ ES2 1 “The Physiology of Plunder” (CW3, p. 114) <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1021>.

⁴⁵⁹ This list of types of sophisms can be found in ES1 “Conclusion” (CW3, p. 110). <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1006>.

⁴⁶⁰ Bastiat wrote at least three series of books on *Economic Sophisms* which are collected in CW3.

⁴⁶¹ See “Electoral Sophisms” (c. 1847) (CW1, pp. 397-404) <https://oll.libertyfund.org/titles/2393#lf1573-01_label_762>; “The Elections” (c. 1847) (CW1, pp. 404-9) <https://oll.libertyfund.org/titles/2393#lf1573-01_label_775>; ES2 10 “The Tax Collector” (ca. 1847) (CW3, pp. 179-87) <https://oll.libertyfund.org/titles/2731#lf1573-03_label_501> ES2 11 “The Utopian” (January 1847) (CW3, pp. 187-98) <https://oll.libertyfund.org/titles/2731#lf1573-03_label_530>; and the various versions of “The State” (*Jacques Bonhomme*, 11–15 June 1848) (CW2, pp. 105-6) <https://oll.libertyfund.org/titles/2450#lf1573-02_label_195>, and *JDD*, September 1848 (CW2, pp. 93-104). <https://oll.libertyfund.org/titles/2450#lf1573-02_label_183>. See also “Bastiat’s Political Sophisms,” in the *Introduction* (CW3, pp. lxvii-lxviii) for more information <https://oll.libertyfund.org/titles/2731#lf1573-03_head_040>.

⁴⁶² See *Capital and Rent* (Feb. 1849), *Damned Money!* (*JDE*, April 1849), “Capital” (mid-1849, *Almanac rép.*), and *Free Credit* (*Voix de peuple*, Oct. 1849 - March 1850), all in CW4 (forthcoming).

With the rise of the discipline of political economy in the 18th century with the work of the Physiocrats like Turgot in France, and Adam Smith in Britain Bastiat thought that economics had replaced religious morality as the best means of challenging the power of the plundering classes and the sophisms they used to justify their privileges. ES2 1 “The Physiology of Plunder” (CW3, pp. 118-19). <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1061>. The privileged landowners and slaveowners would never give up their privileges and power, he argued, merely because of an appeal by religious-minded reformers to do so. They would only do so if the economists could point out three salient facts to them:

1. that their method of exploiting others (whether by enslaving or enserfing some, or by forcing others as consumers to pay higher prices for the food or clothes they bought from protected industry) was inefficient or less profitable than other ways they could make money (such as using the vastly more productive free labour which could be found only in a dynamic free market)
2. that the costs of protecting their privileged position was rising because of the resistance of those whom they exploited as tax revolts and even revolutions were demonstrating
3. that as economic ideas spread among the people they would gradually come to no longer believe in the sophisms the plunderers peddled to justify their position of political privilege.

The Book on Plunder Bastiat never wrote

These many insightful ideas about the nature of plunder and its role in human history were scattered over dozens of articles and book chapters and never put together into a coherent whole. He planned to do this in a book he wanted to write on *A History of Plunder* after he had finished the books on *Economic Harmonies* and *Social Harmonies* but unfortunately died before he could do so.

For more information on this ambitious project see “History of Plunder” and the short articles on some of the specific forms of plunder, such as “Legal Plunder,” “Rule by Functionaries,” and “Theocratic Plunder,” all in the Appendix.

Key Texts on Plunder

We list here in chronological order the main works where he discusses the nature of plunder:

1. “Introduction” to *Cobden and the League* (July 1845) in CW6 (forthcoming), in which he discusses the English “oligarchy” which benefited from the system of tariffs which Cobden and his Anti-Corn Law League were trying to get repealed.

2. ES1 “Conclusion” (November 1845) (CW3, pp. 104-10), where he reflects on the use of force throughout history to oppress the majority, and the part played by “sophistry” (ideology and false economic thinking) to justify this.

3. ES2 9 “Theft by Subsidy” (*JDE*, January 1846) (CW3, pp. 170-79), where he insists on the need to use “harsh language”—like the word “theft”—to describe the policies of governments which give benefits to some at the expense of others.

4. ES2 1 “The Physiology of Plunder” (c. 1847) (CW3, pp. 113-30), his first detailed discussion of the nature of plunder, which is contrasted with “production,” and the historical progression of stages through which plunder has evolved from war, slavery, theocracy, and monopoly.

5. ES2 2 “Two Moral Philosophies” (c. 1847) (CW3, pp. 131-38), where he distinguishes between religious moral philosophy, which attempts to persuade the men who live by plundering others (e.g., slave-owners and protectionists) to voluntarily refrain from doing so, and economic moral philosophy, which speaks to the victims of plundering and urges them to resist by understanding the true nature of their oppression and making it “increasingly difficult and dangerous” for their oppressors to continue exploiting them.

6. “Justice and Fraternity” (*JDE*, 15 June 1848) (CW2, pp. 60–81), where Bastiat first used the terms “la spoliation extra-légale” (extra-legal plunder) and “la spoliation légale” (legal plunder); he describes the socialist state as “un intermédiaire parasite et dévorant” (a parasitic and devouring intermediary) which embodies “la Spoliation organisée” (organized plunder).

7. “Property and Plunder” (*JDD*, 24 July 1848) (CW2, pp. 147–84), in the “Fifth Letter” of which Bastiat talks about how transitory plunder gradually became “la spoliation permanente” (permanent plunder) when it became organized and entrenched by the state.

8. “Conclusion” to the first edition of *Economic Harmonies* (late 1849), where he sketches what his unfinished book would have included, such as the opposite of the factors leading to “harmony,” namely “*les dissonances sociales*” (the social disharmonies), such as plunder and oppression, or what he also calls “*les causes perturbatrices*” (disturbing factors); here he concentrates on theocratic and protectionist plunder.

9. “Plunder and Law” (*JDE*, 15 May 1850) (CW2, pp. 266–76), where he addresses the protectionists who have turned the law into a “sword” or “un instrument de Spoliation” (a tool of plunder) which the socialists will take advantage of when they get the political opportunity to do so.

10. *The Law* (June 1850) (CW2, pp. 107–46), Bastiat’s most extended treatment of the natural law basis of property and how it has been “perverted” by the plunderers who have seized control of the state, where “la loi a pris le caractère spoliateur” (the law has taken on the character of the plunderer); he reminds the protectionists that the system of exploitation they had created before 1848 has been taken over, first by the socialists and soon by the Bonapartists, to be used for their own purposes, thus creating a new form of plundering by a new kind of class rule by “le gouvernementalisme” (government bureaucrats).

11. WSWNS 3 “Taxes” (July 1850) (CW3, pp. 410-13), on the conflict between the tax-payers and the payment of the salaries of civil servants, whom he likens to so many thieves, who provide no (or very little) benefit in return for the money they receive, and thus create a form of “legal parasitism.”

12. WSWNS 6 “The Middlemen” (July 1850) (CW3, pp. 422-27), where he describes the government’s provision of some services as a form of “dreadful parasitism.”

13. *Economic Harmonies*, part 2, chapter 17, “Private Services, Public Services” (published posthumously in 1851), an examination of the extent to which “public services” are productive or plunderous; he discusses how in the modern era “la spoliation par l’impôt s’exerce sur une immense échelle” (plunder by means of taxation

is exercised to a high degree), but rejects the idea that they are plunderous “par essence” (by their very nature); beyond a very small number of limited activities (such as public security, managing public property) the actions of the state are “autant d’instruments d’oppression et de spoliation légales” (only so many tools of oppression and legal plunder); he warns of the danger of the state serving the private interests of “les fonctionnaires” (state functionaries) who become plunderers in their own right; the plundered class is deceived by sophistry into thinking that they will benefit from whatever the plundering classes seize as a result of the “ricochet” or trickle down effect as they spend their ill-gotten gains.

PLUNDER: THEOCRATIC PLUNDER

In Bastiat's history of plunder there are six historical stages:⁴⁶³ that of war, slavery, theocracy, monopoly, exploitation by the government (or "Functionaryism"),⁴⁶⁴ and socialism/communism (or what he called "false fraternity"). The first four stages were systems of organized plunder which benefited a small class of landowners, slave owners, religious leaders, and manufacturers at the expense of the majority. The kind of plunder which existed in these stages was called "la spoliation partielle" (partial plunder).⁴⁶⁵ Under democracy and socialism plunder became "legal" and "universal"⁴⁶⁶ where "everybody attempted to live at the expence of everyone else."⁴⁶⁷

Theocratic plunder was the third stage in his history of plunder and was the form which Bastiat discussed in most detail in his sketches and drafts especially in ES2 1 "The Physiology of Plunder."⁴⁶⁸ In general terms, the kind of plunder which took place under theocracy, as it also did in other stages, was "la Spoliation partielle" (partial plunder) where a small group benefited at the expense of the majority of the people, and "la spoliation au dedans" (internal plunder) where the acts of plunder took place mostly within a given nation, although in the case of the Catholic Church it did have an influence across the entire continent of Europe.

In this particular form of plunder we see a politically privileged Church with a monopoly impose compulsory tithes on the inhabitants, selling fraudulent benefices for the salvation of its believers, controlling the education system, and preventing criticism by

⁴⁶³ See "The History of Plunder," in the Appendix; and "Bastiat's Theory of Class: The Plunderers vs. the Plundered," in *Appendix 1* (CW3, pp. 473-85).

⁴⁶⁴ See "Functionaryism and Rule by Functionaries," in the Appendix.

⁴⁶⁵ See *The Law* (CW2, p. 117).

⁴⁶⁶ On "la spoliation universelle" (universal plunder) see *The Law* (CW2, p. 117); on "la spoliation légale" (legal plunder) see "Plunder and the law" (*JDE*, May 1850) CW2, p. 272; and many references in *The Law* (June 1850) (CW2, pp. 107-23). There are earlier uses of a similar phrase "la spoliation légalement exercée" (plunder carried out legally) in "Introduction" to *Cobden and the League* (July 1845) in CW6 (forthcoming). See also the section on "Legal Plunder," in "Bastiat's Theory of Plunder" in the Appendix.

⁴⁶⁷ This is Bastiat's famous definition of the state: "L'Etat, c'est la grande fiction à travers laquelle *tout le monde s'efforce de vivre aux dépens de tout le monde*" (The State is the great fiction by which everyone endeavors to live at the expense of everyone else) "The State" (*JDD*, 25 Sept. 1848) (CW2, p. 97).

⁴⁶⁸ ES2 1 "The Physiology of Plunder" (c. 1847) (CW3, pp. 113-30).

indoctrination and censorship. Bastiat was vague about the exact time period this stage covered as he made reference to theocracies in ancient Egypt but it seems he also thought it applied to European churches up to the French Revolution of 1789.

The terms he used to describe this stage was “la Théocratie” (Theocracy), “le monopole théocrate” (theocratic monopoly) (Introduction to CL), “la Spoliation par ruse théocratique” (plunder by theocratic trickery, deception) (ES2 1), “la domination par l’autorité théologique” (domination/oppression by theocratic authority/power) (“Individualism and Fraternity” (June 1848), “les impostures théocratiques” (theocratic deceptions) (EH XVI “On Population”), “l’exploitation des théocraties sacerdotales” (exploitation by priestly theocracies) (Conclusion to EH1), “les spoliateurs de tous costumes et de toutes dénominations” (plunderers (who wear) all kinds of robes and (who come from) all kinds of denominations)) (Conclusion to EH1), and “l’enchaînement des bras et des esprits” (the chaining up of the body and the mind) or “l’esclavage mental” (mental slavery, enslaving the mind) (Conclusion to EH1).

Theocratic plunder provided a case study of how trickery and sophistic arguments could be used to ensure compliance with the demands of the plundering class. He argued that the rule of the Church in European history was one which had practiced plunder and deception “on a grand scale.” The Church had developed an elaborate system of theocratic plunder through its tithing of income and production, and on top of this it created a system of “sophisme théocratique” (theocratic sophistry and trickery) based upon the notion that only members of the church could ensure the people’s passage to an afterlife. This and other theocratic sophisms created “les dupes” (dupes, fools) of the ordinary people,⁴⁶⁹ who duly handed over their property to the Church in exchange for a counterfeit or fraudulent service in return. Bastiat had no squabble with a church in which the priests were “the instrument of the religion” and who provided mutually agreed upon services for their “customers,” but for hundreds of years religion had become instead “the instrument of its priest” who had plundered and enslaved the people and had become wealthy and powerful as a result.

Theocratic plunder (“la Spoliation par ruse théocratique”) was based upon three things: monopoly, fraud, and the credulity of the people caused by “les superstitions, les fausses croyances, les opinions imposées” (superstition, false beliefs, and opinions which

⁴⁶⁹ See “Bastiat on Enlightening the ‘Dupes’ about the Nature of Plunder,” in the *Introduction* (CW3, pp. lv-lviii).

had been imposed upon them) by “la domination par l’autorité théologique” (oppression by theocratic authority).⁴⁷⁰

Theocratic Monopoly

Bastiat saw theocracy as just another form of monopoly, in this case only one church was allowed to practice legally, their “consumers” were forced to pay tithes and attend religious services, and their competitors were outlawed or punished. He mentioned “theocratic monopoly” early in his writings in the “Introduction” to his first book *Cobden and the League* (July, 1845) where he talks about monopoly as a Proteus which can change its outward form at will:⁴⁷¹

(L)e monopole, ce Protée aux mille formes, tour à tour conquérant, possesseur d’esclaves, théocrate, féodal, industriel, commercial, financier et même philanthrope. Quelque déguisement qu’il emprunte, il ne saurait plus soutenir le regard de l’opinion publique ; car elle a appris à le reconnaître sous l’uniforme rouge, comme sous la robe noire, sous la veste du planteur, comme sous l’habit brodé du noble pair.”

(M)onopoly, that Proteus with a thousand forms, by turns conqueror, slave-owner, theocrat, feudal lord, industrialist, trader, financier and even philanthropist. Whatever disguise it assumes, it can no longer endure the scrutiny of public opinion; for the latter has learnt to recognize it, be it under the red uniform (of a soldier) or under the black gown (of a priest), under the planter’s jacket, or under the noble peer’s embroidered cloak.

Theocratic Fraud and Deception

Whereas other forms of plunder depended upon a more direct and explicit use of force, “la Spoliation directe et naïve” (direct and crude/blatant plunder),⁴⁷² such as military conquest or slavery, other forms of plunder depended upon indirect, more subtle, or even hidden means, such as “la spoliation légale” (legal plunder) and “la

⁴⁷⁰ “Individualism and Fraternity” (June 1848) (CW2, pp. 84-85).

⁴⁷¹ “Introduction,” *Cobden and the League* (July, 1845) in CW6 (forthcoming).

⁴⁷² “The State” (Sept. 1848) (CW2, p. 96).

spoliation, enveloppée dans les sophismes qui la voilent” (plunder clad in the sophismes which conceal it),⁴⁷³ which is the case with state protected monopolies and theocracies.

He believed that the era of theocratic plunder provided a case study of this more indirect or “softer” form of plunder based upon fraud and deception, which he called “la Spoliation par ruse théocratique” (plunder by theocratic fraud).⁴⁷⁴ This form of plunder depended upon an elaborate system of “la ruse et l’imposture” (fraud and deception)⁴⁷⁵ which he called “les sophismes théocratiques.” As with his better known “economic sophisms” which were used to justify the protectionist system, these theocratic sophisms sounded plausible or were based upon half-truths and were used to ensure compliance with the demands of the theocratic plundering class.

He argued that the rule of the Church in European history was one which had practiced plunder and deception “sur une très-grande échelle” (on a very grand scale) and reduced an entire society to “l’esclavage mental” (mental slavery, slavery of the mind).⁴⁷⁶

⁴⁷³ ES1 12 “Does Protection increase the Rate of Pay” (CW3 p. 65).

⁴⁷⁴ ES2 1 “The Physiology of Plunder” (CW2, p. 121).

⁴⁷⁵ On “les impostures théocratiques” (theocratic deception) see for example EH2, chap. 16 “On Population,” in our new translation.

⁴⁷⁶ Conclusion to EH1 which was written in late 1849 and published in January 1850, in our new translation.

Si la spoliation arme la Force contre la Faiblesse, elle ne tourne pas moins l'Intelligence contre la Crédulité. Quelles sont sur la terre les populations travailleuses qui aient échappé à l'*exploitation des théocraties sacerdotales*, prêtres égyptiens, oracles grecs, augures romains, druides gaulois, braminiens indiens, muphtis, ulémas, bonzes, moines, ministres, jongleurs, sorciers, devins, spoliateurs de tous costumes et de toutes dénominations ? Sous cette forme, le génie de la spoliation place son point d'appui dans le ciel, et se prévaut de la sacrilège complicité de Dieu ! Il n'enchaîne pas seulement le bras, mais aussi les esprits. Il sait imprimer le fer de la servitude aussi bien sur la conscience de Séide que sur le front de Spartacus, réalisant ce qui semble irréalisable : l'Esclavage Mental.

Esclavage Mental ! quelle effrayante association de mots ! — Ô liberté ! On t'a vue traquée de contrée en contrée, écrasée par la conquête, agonisant sous l'esclavage, insultée dans les cours, chassée dans les écoles, raillée dans les salons, méconnue dans les ateliers, anathématisée dans les temples. Il semblait que tu devais trouver dans la pensée un refuge inviolable. Mais si tu succombes dans ce dernier asile, que devient l'espoir des siècles et la valeur de la nature humaine ?”

If plunder arms the strong against the weak, it no less turns the intelligent against the credulous. What industrious nations around the world have escaped the exploitation of priestly theocracies, the Egyptian priests, Greek oracles, Roman auguries, Gallic druids, Indian Brahmins, muftis, ulemas, bonzes, monks, ministers, jugglers, sorcerers, fortune tellers, plunderers in all religious costumes and of all creeds? In this guise the genius of plunder (is to) locate its main locus of support in heaven (itself) and claim sacrilegiously the complicity of God! This not only enchains people's hands but also their minds. It knows how to (place the branding iron of servitude) as firmly on the conscience of Seide as on the brow of Spartacus, achieving what might be thought unachievable: namely, mental slavery.

Mental slavery! What a frightful association of words! O Freedom! We have seen you hounded from place to place, crushed by conquest, in your death throes under slavery, insulted in the courts, expelled from schools, mocked in salons, misunderstood in workshops, and cursed in places of worship. You ought to have been able to find an inviolable refuge in thought. But if you succumb in this sanctuary, what will become of the hope of centuries and the value of human nature?

The fraud and deception took several forms, such as taking real “goods and services” from the people in the present (such as “aliments, vêtements, luxe, considération, influence, pouvoir” (food, clothing, luxury goods, respect, influence, and power))⁴⁷⁷ and promising them “imaginary” or “fraudulent” services in the future which may or may not appear (such as a promise for an afterlife). As he put it in his usual conversational manner, he has a priest explain to a believer “Selon ce que tu me donneras ou me

⁴⁷⁷ ES2 1 "The Physiology of Plunder" (CW2, p. 121).

refuseras de ce qui t'appartient, je t'ouvrirai la porte du ciel ou de l'enfer" (Depending on whether you give me or refuse to give me your property, I will open the gates of heaven or hell to you).⁴⁷⁸ Or, as he put it in "Property and Plunder" (June 1848):⁴⁷⁹

Recevoir des hommes des services positifs, et ne leur rendre en retour que des services imaginaires, frauduleux, illusoire et dérisoires, c'est les spolier de leur consentement, il est vrai ; circonstance aggravante, puisqu'elle implique qu'on a commencé par pervertir la source même de tout progrès, le jugement.

Receiving positive services from men and supplying them in return only with imaginary, fraudulent, illusionary, and ridiculous services is to plunder them of their consent, it is true, an aggravating circumstance since it implies that the plunderers have begun by perverting the very source of all progress, human judgment.

Furthermore, theocratic fraud and deception wasted the time and effort of the people by diverting their energies to "childish or disastrous purposes"⁴⁸⁰ away from more productive activities, as well as by forcing them into a kind of "mental slavery" by imposing false beliefs upon them and monopolising education and thus denying them a better education which would encourage diverse and critical thinking. The net result of this was that a group of priests were able to seize control of the Church and use it for their own purposes (to make religion "the tool of the priests") and thus to acquire wealth and power for themselves at the expense of ordinary people. At times, Bastiat agued, theocracy "a tellement hébété le peuple et détruit son énergie qu'elle n'en peut plus rien tirer" (has so stupefied the people and sapped their energy that it can no longer wring anything (more) out of them).

These theocratic sophisms created mental slaves or dupes of the ordinary people,⁴⁸¹ who duly handed over their property to the church. They were deceived by "impostors" (les imposteurs) who pretended to have supernatural powers and by

⁴⁷⁸ ES2 1 "The Physiology of Plunder" (CW3, p. 114).

⁴⁷⁹ "Property and Plunder" 5th Letter (JDD June 1848) (CW2, p. 172).

⁴⁸⁰ ES2 1 "The Physiology of Plunder" (CW3, p. 115) <[https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1035`>](https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1035)) and <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1041>.

⁴⁸¹ "Bastiat on Enlightening the "Dupes" about the Nature of Plunder" in the Introduction, (CW3, pp. lv-lviii).

“swindlers” (des fourbes) who were able to use the church as a tool to further their own interests and become powerful and wealthy. “Un tel édifice d’iniquité” (an edifice of iniquity like this)⁴⁸² also controlled the people by banning the use of reason, making it taboo to investigate or challenge the claims of the priests to have supernatural powers, creating a monopoly of education in order to better control the minds of the people, forcing the people to use a dead language (like Latin) in religious services and in education, and spying on everybody by forcing them to confess. The end result was a population of slaves who loved their bondage. Speaking as if he were a member of the priestly theocracy, Bastiat concludes that:⁴⁸³

Quand les choses en seraient là, il est clair que ce peuple m’appartiendrait plus que s’il était mon esclave. L’esclave maudit sa chaîne, mon peuple bénirait la sienne, et je serais parvenu à imprimer, non sur les fronts, mais au fond des consciences, le sceau de la servitude.

Should things reach this pass, it is clear that this people would belong to me more surely than if they were my slaves. Slaves curse their chains, while my people would bless theirs, and I would have succeeded in imprinting the stamp of servitude not on their foreheads, but in the depths of their conscience.

The true test of whether or not a religion had become a plundering theocracy or not, was to examine whose interests were being served by the church. If it were clear that the priests were “the tools of the religion” they served for the benefit of the people, then it was not a theocracy. However, if the reverse was the case, if the priests were rich and powerful, then the religion had been seized by the impostors and swindlers and had become “the tool of the priests” at the expense of the ordinary people. As Bastiat expressed it:⁴⁸⁴

⁴⁸² ES2 1 “The Physiology of Plunder” (CW3, p. 122).

⁴⁸³ ES2 1 “The Physiology of Plunder” (CW3, p. 122) <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1085>.

⁴⁸⁴ ES2 1 “The Physiology of Plunder” (CW3, p. 123) <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1089>.

Si, au contraire, *la Religion est l'instrument du prêtre*, il la traitera comme on traite un instrument qu'on altère, qu'on plie, qu'on retourne en toutes façons, de manière à en tirer le plus grand avantage pour soi. Il multipliera les questions *tabou*; sa morale sera flexible comme les temps, les hommes et les circonstances. Il cherchera à en imposer par des gestes et des attitudes étudiés ; il marmottera cent fois par jour des mots dont le sens sera évaporé, et qui ne seront plus qu'un vain *conventionalisme*. Il trafiquera des choses saintes, mais tout juste assez pour ne pas ébranler la foi en leur sainteté, et il aura soin que le trafic soit d'autant moins ostensiblement actif que le peuple est plus clairvoyant. Il se mêlera des intrigues de la terre ; il se mettra toujours du côté des puissants à la seule condition que les puissants se mettront de son côté. En un mot, dans tous ses actes, on reconnaîtra qu'il ne veut pas faire avancer la Religion par le clergé, mais le clergé par la Religion ; et comme tant d'efforts supposent un but, comme ce but, dans cette hypothèse, ne peut être autre que la puissance et la richesse, le signe définitif que le peuple est dupe, c'est quand le prêtre est riche et puissant.

If, on the other hand, *Religion is the instrument of the priest*, he will treat it as some people treat an instrument that is altered, bent, and turned in many ways so as to draw the greatest benefit for themselves. He will increase the number of questions that are *taboo*; his moral principles will bend according to the climate, men, and circumstances. He will seek to impose it through studied gestures and attitudes; he will mutter words a hundred times a day whose meaning has disappeared and which are nothing other than empty *conventionalism*. He will peddle holy things, but just enough to avoid undermining faith in their sanctity, and he will take care to see that this trade is less obviously active where the people are more keen-sighted. He will involve himself in terrestrial intrigue and always be on the side of the powerful, on the sole condition that those in power ally themselves with him. In a word, in all his actions, it will be seen that he does not want to advance Religion through the clergy but the clergy through Religion, and since so much effort implies an aim and as this aim, according to our hypothesis, cannot be anything other than power and wealth, the definitive sign that the people have been duped is when priests are rich and powerful.

By instilling false beliefs and sapping the will and strength of the people the “priestly class” had less need to use direct and overt force to control and plunder them. They could indirectly control both the people’s actions and their thoughts, thus doing away with the need for “la spoliation brutale” (plunder using brute force). Only later, when enlightenment had spread, could people dispense with these false imposed beliefs and gradually bring theocratic plunder to an end.⁴⁸⁵

⁴⁸⁵ “Individualism and Fraternity” (June 1848) (CW2, pp. 84-85).

J'en dirai autant de *la domination par l'autorité théologique*. Que, pour asservir les hommes, on emploie la force ou la ruse, qu'on exploite leur faiblesse ou leur crédulité, le fait même d'une domination injuste ne révèle-t-il pas dans le dominateur le sentiment de l'égoïsme ? Le prêtre égyptien, qui imposait de fausses croyances à ses semblables pour se rendre maître de leurs actions et même de leurs pensées, ne recherchait-il pas son avantage *personnel* par les moyens les plus immoraux ? ...

À mesure que les hommes se sont éclairés, ils ont réagi contre les superstitions, les fausses croyances, les opinions imposées.

I would say the same thing with regard to *domination by theological authority*. Whether force or fraud is used to enslave men, whether their weakness or credulity is exploited, does not the very fact of unjust domination reveal a feeling of egoism in those who dominate? Did not Egyptian priests who imposed false beliefs on their fellow men in order to make themselves masters of their actions and even of their thought seek *personal* advantage through the most immoral means? ...

As men became more enlightened, they reacted against the superstition, false beliefs and opinions that were imposed (upon them).

Religion is not sufficient to make plunder come to an end.

Even if the Church were not corrupted by its own plundering, fraudulent, and monopolistic behavior Bastiat believed that it would be unable to do very much to end “la spoliation militaire” (military plunder) and the most extreme form plunder which was slavery. Defenders of the Church sometimes justified its plunderous behaviour by arguing that it had helped end or reduce plunder in previous stages and was continuing to do so in the present, but Bastiat was not convinced this was true or even possible. He believed that religious and moral arguments against plundering counted for nothing given the strong self-interest of those in the military or those who were slave owners. In fact he thought religious arguments were “powerless” and “inadequate” and should be replaced by economic ones that spoke to the self interest of the plunderers (that slave labour was inefficient compared to free wage labour) as well as to the plundered, thus rousing them to take action. The importance of economists like him who exposed the “sophisms” which justified and legitimized plunder should not be underestimated in his opinion. Once the “dupes” had become enlightened they would begin to resist and

eventually defeat their plunderers.⁴⁸⁶ Thus, political economy had much greater “utility” than religious and moral sentiment in changing the world, and when political economy was able to harness the power of public opinion it would become the flame which would unmask fraud and dissipate error for good.⁴⁸⁷

l'Économie politique a une utilité pratique évidente. C'est le flambeau qui, dévoilant la Ruse et dissipant l'Erreur, détruit ce désordre social, la Spoliation.

Political Economy has an obvious practical use. It is the flame that destroys this social disorder which is Plunder, by unveiling Fraud and dissipating Error.

Malheureusement, elles ont encore la sympathie des populations du sein desquelles l'esclavage a disparu ; par où l'on voit qu'encore ici l'Opinion est souveraine.

Unfortunately, they still have the sympathy of the populations within which slavery has disappeared, which shows us once again that Opinion is still sovereign here.

Si elle est souveraine, même dans la région de la Force, elle l'est à bien plus forte raison dans le monde de la Ruse. À vrai dire, c'est là son domaine. La Ruse, c'est l'abus de l'intelligence ; le progrès de l'opinion, c'est le progrès des intelligences. Les deux puissances sont au moins de même nature. Imposture chez le spoliateur implique crédulité chez le spolié, et l'antidote naturel de la crédulité c'est la vérité. Il s'ensuit qu'éclairer les esprits, c'est ôter à ce genre de spoliation son aliment.

If it is sovereign, even in the context of power, it is even more so in the world of Fraud. To tell the truth, this is its real domain. Fraud is the abuse of knowledge; the progress of Opinion is the progress of knowledge. The two powers are at least of the same nature. Fraud by a plunderer involves credulity in the person being plundered, and the natural antidote to credulity is truth. It follows that to enlighten minds is to remove the sustenance from this type of plunder.

Concerning plunder in general, Bastiat pointed out that the 7th Commandment, “Thou shall not steal”⁴⁸⁸ was repeated endlessly by believers but not acted upon when privileged manufacturers pressured the government to impose tariffs on consumer goods,

⁴⁸⁶ Bastiat thought there was a “Malthusian limit” to the growth in the size and power of the state, and hence of plunder as well. See “On Malthus and Malthusian Limits to the Growth of the State” in *Further Aspects of Bastiat's Thought* (CW3, pp. 461-64).

⁴⁸⁷ ES2 1 “The Physiology of Plunder” (CW2, pp. 116 and 121). On the power of public opinion see “The Law of Individual Responsibility and the Law of Human Solidarity,” in the Appendix.

⁴⁸⁸ Exodus 20:15.

or when slave owners pressed for more tax payer funds for the Navy or the Colonial Administration to protect their “property” from rising up in rebellion. Concerning war, Bastiat granted that in principle that “there (never has) been a Religion more disposed toward peace and more universally accepted than Christianity” but the Church played an important role in legitimizing war when priests blessed the flag in times of war and extolled martial values from the pulpit.⁴⁸⁹

La guerre prend un caractère de sainteté et de grandeur. Le drapeau, béni par les ministres du Dieu de paix, représente tout ce qu’il y a de sacré sur la terre ; on s’y attache comme à la vivante image de la patrie et de l’honneur ; et les vertus guerrières sont exaltées au-dessus de toutes les autres vertus.

War takes on an aura of sanctity and greatness. The flag, blessed by the ministers of the God of Peace, represents all that there is sacred on earth; people adhere to it as to the living image of the fatherland and honor, and warlike virtues are exalted above all the other virtues.

Concerning slavery in the French colonies, he points out that slaveowners in the Antilles are good Christians, who bring up their children in the faith, preach that “all men are brothers” from the Gospel, and that there is no example to found in history of slavery being abolished “par la libre et gracieuse volonté des maîtres” (by the free and gracious will of the slave masters).⁴⁹⁰

The Challenge to Theocracy

The challenge to this theocratic plundering eventually came through the invention of the printing press, which enabled the transmission of ideas critical of the power and intellectual claims of the Church and gradually led to the weakening of this form of organized, legal plunder. The Renaissance, the Reformation, and the Enlightenment gradually exposed the theocratic sophisms for what they really were — so many tricks, deceptions, lies, and contradictions — and many people were thus no longer willing to be the dupes of the Church. Unfortunately, plundering did not thereby end, it merely

⁴⁸⁹ ES2 1 "The Physiology of Plunder" (CW2, p. 118).

⁴⁹⁰ ES2 1 "The Physiology of Plunder" (CW2, p. 120).

changed into a new form (Bastiat had called in “Protean” in 1845). What followed the stage of pure theocratic plunder was the mercantilist system which emerged in the late 17th and 18th century and persisted into the 19th century in which powerful land owners and industrialists gained control of the state and began to challenge the power of the Church.

Conclusion

In mid-1848 Bastiat was quite pessimistic that the main religions of his own day still retained “trop d'*esprit* et de *moyens* d'exploitation pour se concilier avec l'inévitable progrès des lumières” (too much of the *spirit* and the *methods* of exploitation to be reconciled with the inevitable progress of enlightenment). The roots of theocracy lay deep in the past and would be hard to dig up. Just as some men wanted to make other men literally their physical slaves, other wanted to use “Dieu pour faire d'un autre homme son esclave intellectuel” (God to make another man his intellectual slave).⁴⁹¹

J'ai toujours pensé que la question religieuse remuerait encore le monde. Les religions positives actuelles retiennent trop d'*esprit* et de *moyens* d'exploitation pour se concilier avec l'inévitable progrès des lumières. D'un autre côté, l'abus religieux fera une longue et terrible résistance, parce qu'il est fondu et confondu avec la morale religieuse qui est le plus grand besoin de l'humanité.

I always thought that the religious question would continue to move the world. The legitimate religions of today, however, retain too much of the *spirit* and *methods* of exploitation to be reconciled with the inevitable progress of enlightenment. On the other hand, corrupt religious practice will put up a long and terrible resistance, being based on, nay confused with, the greatest need of humanity, that is to say with religious morality.

⁴⁹¹ “On Religion” (mid 1848??) (CW1, p. 466).

Il semble donc que l'humanité n'en a pas fini avec cette triste oscillation qui a rempli les pages de l'histoire : d'une part, on attaque les abus religieux et, dans l'ardeur de la lutte, on est entraîné à ébranler la religion elle-même. De l'autre, on se pose comme le champion de la religion, et, dans le zèle de la défense, on innocente les abus.

Ce long déchirement a été décidé le jour où un homme s'est servi de Dieu pour faire d'un autre homme son esclave intellectuel, le jour où un homme a dit à un autre : « Je suis le ministre de Dieu, il m'a donné tout pouvoir sur toi, sur ton esprit, sur ton corps, sur ton cœur. » ...

It appears, therefore, that humanity has not done with this sad pendulum swing which has filled the pages of history. On the one hand religious abuse is attacked, and in the heat of the conflict people are led on to dislodging religion itself. On the other hand, people stand as the champions of religion, and in the zeal of defense abuses are justified.

This long tearing apart was decided upon on the day a man used God to make another man his intellectual slave, the day one man said to another, "I am the minister of God. He has given me total power over you, your soul, your body, and your heart." ...

Post Bastiat

After Bastiat's death two of his friends and colleagues among the economists, Ambroise Clément and Gustave de Molinari, took up his interest in theocratic plunder and monopoly power which they explored from the point of view of political economy in several works, in particular Clément's *Essai sur la Science sociale* (1867)⁴⁹² and Molinari in two much later works, *La Morale économique* (1888) and *Religion* (1892).⁴⁹³ Molinari in particular regarded the established Church in the mid-19th century as a "protectionist" monopoly which used the power of the state to eliminate its competition, thus prompting the "smuggling of ideas" in order to get around these controls.⁴⁹⁴

⁴⁹² Ambroise Clément, *Essai sur la Science sociale. Économie politique - morale expérimentale - politique théorique* (Paris: Guillaumin, 1867), especially in chapter III. "Liberté des cultes."

⁴⁹³ Molinari, *La Morale économique* (Paris: Guillaumin, 1888), pp. 159ff., esp. 167 ff. where he discusses how corrupt the church has become as a result of its monopoly and had become dangerously "gangrenous"; and his discussion of the church's monopoly and rule by "une classe sacerdotale et gouvernante" (a priestly and governing class) in *Religion* (Paris: Guillaumin et Cie, 1892).

⁴⁹⁴ Molinari, "La liberté et l'intervention gouvernementale en matière de cultes. — Système français et système américain," *Économiste belge*, 1 juin, 1857, reprinted in *Questions d'économie politique et de droit public* (Paris: Guillaumin; Brussels: Lacroix, 1861), vol. 1, pp. 351-61.

RICOCHET EFFECT: THE SOPHISM BASTIAT NEVER WROTE: THE SOPHISM OF THE RICOCHET EFFECT

Introduction

As the second series of *Economic Sophisms* was being printed in January 1848 Bastiat expressed some regret in a public lecture he gave for the Free Trade Association at the Salle Montesquieu in Paris that he had never got around to writing a Sophism explicitly about what he called "le sophisme des ricochets" (the ricochet effect). He had used the term several times before during the course of 1847 but he had never gathered his thoughts on the topic in any coherent way and he was to continue using the term until late in 1850 when his throat condition brought his work to an end.⁴⁹⁵ Many in the audience must have read his earlier thoughts on the matter as they responded very positively to his comments about his plans for "the next edition" of the *Economic Sophisms*⁴⁹⁶ which he promised would contain such an essay. He was reflecting on why the Swiss refused to impose tariffs on their economy in spite of the fact that they had large landowners as France did. The answer, he thought, lay in the fact that Swiss voters were not deceived by the sophistical arguments about the claimed benefits to ordinary workers of the "gros avantages par ricochet" (the considerable advantages of the ricochet effect). Bastiat argued that the Swiss were different from other Europeans on the question of tariffs not because they lived in a mountainous country (as some defenders of French tariffs rather dismissively maintained) but because they had not been duped by the protectionists:

⁴⁹⁵ Bastiat makes no explicit reference to ricochet in ES1 (published January 1846), there are 9 explicit references in ES2 and ES3 (articles written between January 1846 and February 1848, with a maximum of 5 references in the article ES3 XVIII "Monita Secreta" in February 1848), 4 references in speeches and other writings in 1847-48, 1 reference in 1849, and 7 in 1850 (consisting of 2 in other writings and 5 in *Economic Harmonies*), for a total of 21 uses of the word.

⁴⁹⁶ Series III of the Economic Sophisms never appeared in Bastiat's lifetime. The editor of his *Oeuvres complètes*, Propser Paillottet, collected what he considered to be a Series III in OC, vol. 2 but Liberty Fund's edition is the first time these essays have been translated into English.

Truthfully, I believe that I neglected to include in a certain small volume an article entitled “the Sophism of the Ricochet Effect.” I will repair this oversight in the next edition [prolonged hilarity from the audience]. Our adversaries claim that the example provided by the Swiss doesn’t count because it is a mountainous country. [Laughter].⁴⁹⁷

He was not able to publish a third series of the *Economic Sophisms* as he had hoped since the February Revolution of 1848 intervened and he spent much of his time in the following two years working in the Chamber of Deputies where he was the vice-president of the Finance Committee. In an essay he wrote soon after his January speech, ES3 XVIII. “Monita secreta” (Monita secreta) [20 February 1848, *Le Libre-Échange*], he mentioned the term “ricochet” five times but it never saw publication in a third collection of Sophisms in his lifetime. The next spurt of interest came in 1849 and 1850 when he was frantically writing chapters for the *Economic Harmonies*. There was no mention of ricochet in the first part which was published in his lifetime, but in the notes and fragments he left behind which Paillottet put together for the second half of the treatise which appeared in 1851, it too contained 5 mentions of the theory of the ricochet effect. A hint perhaps of the growing importance Bastiat was placing on this new kind of economic sophism.

Definition and Origin

The word “ricochet” is a curious one for an economist like Bastiat to adopt. Its traditional meanings include a literal sense, as in English, of an object bouncing off objects in its path, such as a flat stone being bounced off the surface of a body of water. It also had a military meaning, referring to the strategy of firing artillery shells high in the air so they would land just behind the wall of a fortress thereby causing maximum damage to the walls and to any humans standing nearby from flying shrapnel.⁴⁹⁸ There were also several uses of the word in political writings in the 1830s and 1840s. The socialist Charles Fourier used it in *Le Nouveau monde industriel et sociétaire* (1829) as part of

⁴⁹⁷ See [CW6, forthcoming] OC2. 48. Septième Discours, à Paris, Salle Montesquieu, 7 Janvier 1848.

⁴⁹⁸ See the definition of “Ricochet” in *Vocabulaire de la langue française: extrait de la dernière édition du Dictionnaire de l’Académie publié en 1835*, ed. Charles Nodier, Paul Ackermann (Paris: Firmin-Didot, 1836). See also the online dictionaries at Centre National de Ressources Textuelles et Lexicales (CNRTL) <<http://www.cnrtl.fr/>>.

his theory of class, where he talks about the "ricochet de mépris des supérieurs aux inférieurs, et ricochet de haines des inférieurs aux supérieurs" (the flow (ricochet) of disdain by the superior classes to the inferior, and the flow (ricochet) of hatred of the inferior classes for the superior classes" [pp. 324-5.]⁴⁹⁹

The anarchist socialist Proudhon used the term as part of his theory of property developed in *Qu'est-ce que la propriété?* (1841). He believed that the ownership of property creates a privilege and a benefit which puts the worker on wages at a disadvantage to the property owner on the "social ladder" (l'échelle sociale) resulting in "un ricochet de spoliation du plus fort au plus faible" (a cascade of plunder by the strongest of the weakest) where "la dernière classe du peuple est littéralement mise à nu et mangée vive par les autres" (the lowest class of the people is literally stripped naked and eaten alive by the others).⁵⁰⁰

The classical liberal economist and associate of Bastiat's Louis Reybaud used it in his amusing critiques of French society and politics, *Mémoires de Jérôme Paturot*, which appeared in serial form between 1843 and 1848, in particular his witty critique of how bureaucracies functioned. Reybaud describes the behaviour of individuals within the "ruche bureaucratique" (bureaucratic hive) where appointments are solicited by the weak and powerless of the powerful and well-connected thus creating a network of obligation and control throughout the hierarchy which radiates outwards to infinity ("ces ricochets allaient à l'infini"). This and other insights come from his witty and clever satirical stories about the exploits of the ambitious Jérôme Paturot about whom he wrote for over 20 years to much popular acclaim. In the story "Paturot publiciste officiel" Jérôme visits a friend who works in a large government bureaucracy and as the public

⁴⁹⁹ *Œuvres complètes de Ch Fourier. Tome sixième. Le Nouveau monde industriel et sociétaire* (Paris: La Société pour la propagation et pour la réalisation de la théorie de Fourier, 1841), Section V. De l'équilibre général des passions, Chap. XXXVI "Des accords transcendants, ou ralliements de seize antipathies naturelles," p. 324-25. See the glossary entry on "Fourier."

⁵⁰⁰ Pierre-Joseph Proudhon, *Qu'est-ce que la propriété?: ou recherches sur le principe du droit et du gouvernement. Premier mémoire* (Paris: Prévot, 1841), p. 203. See the glossary entry on "Proudhon."

servants stream out of the building at the end of the work day his friend explains the nepotism and connections which got them their jobs⁵⁰¹:

The life of the employees can be summarized by two preoccupations: to arrive as late as possible and to leave as soon as possible. And if you add to work as little as possible, then you get the three ends of administrative existence ...

The employees file out before us, both the senior bureaucrats as well as the junior ones. Max names them for me, telling me about their functions (pretty much as weighty as his), summing up their future prospects and telling me who their protectors are. Deputies (i.e. elected politicians) still play a very important role in this hierarchy: the bureaux were populated with their creatures. The son of a Deputy, the cousin of a Deputy, the nephew of a Deputy, the god child of a Deputy, these were the words which resounded in my ears. On the other hand, their influence was indirect without being any less powerful. There was an influential voter who was recommended to a Deputy, who in his turn recommended him to the Minister. These "ricochets" go on to infinity; in this way one could say, at a pinch, that no employee holds his position because of his own merit or his personal ability. Favouritism dominates and with this, incompetence.

Bastiat's Use of the Term Ricochet

Bastiat knew the work of Fourier, Proudhon, and Reybaud and would no doubt have been familiar with their ideas about the ricochet effect in their social and political meanings of the term. However, Bastiat's first use of the word was in a purely literal and negative sense of a flat stone being bounced across a body of water. He does this in a discussion in ES1 XXI. "Raw Materials" (c. 1845) where he talks about trade restrictions which encourage cargo ships to carry "useless refuse" on their return journeys because Navigation Laws restricted what cargoes could be carried by what nations from port to port. Bastiat describes this as as wasteful of human energy as paying sailors "to make pebbles skim across the surface of the water."⁵⁰²

Whereas Fourier, Proudhon, and Reybaud used the term "ricochet" in a vertical sense, of waves of hatred and disdain going up and down the social hierarchy, or ties of

⁵⁰¹ Louis Reybaud, *Jérôme Paturot à la recherche d'une position sociale*. Édition illustrée par J. J. Grandville (Paris: J.J. Dubochet, 1846), Chap. XIII. "Paturot publiciste officiel. - Son ami l'homme de lettres," pp. 126-27. See the glossary entry on "Reybaud."

⁵⁰² See ES1 XXI. "Raw Materials" (c. 1845), above, pp. ??? "Pour faire ricochet les cailloux sur la surface de l'eau." See also the glossary entry on "Navigation Laws."

power and influence going up and down the levels within a bureaucracy, Bastiat uses the word in a horizontal sense. In fact, he seems to view it much like horizontal flows of water (or electricity) which radiate out from a central point. Thus, by "the ricochet effect" Bastiat meant the concatenation of effects caused by a single economic event which "rippled" outwards from its source causing indirect flow on effects to third and other parties.⁵⁰³ A key insight behind this term is the idea that all economic events are tied together by webs of connectivity and mutual influence. The analogies he liked to use often involved water, such as "glisser" (to slide or slip over something),⁵⁰⁴ "rejaillir" (to spill, , to cascade, to splash over),⁵⁰⁵ or communication flows through "canaux secrets" (hidden channels);⁵⁰⁶ or lines of force or electricity which stretched out in parallel lines to infinity.⁵⁰⁷ Further examples of Bastiat's use of the term can be found below. What is clear from this analysis is that Bastiat had the option of using the word in its vertical sense to refer to flows of disdain or political power from a higher class to a lower class, but he chose not to. He wanted to use the word in its horizontal sense of expanding circles of influence outwards from of source of economic action which affect countless other actors and economic decisions throughout the economy. This we have translated "ricochet" as "flow on" and not "trickle down" to reflect Bastiat's choice.

Bastiat's theory of the "ricochet (or flow on) effect" was a further development of a simpler idea which he had developed earlier, namely the idea of he "Double Incidence of Loss." Bastiat came across this idea in the writings of the the anti-corn law campaigner Colonel Perronet Thompson (1783-1869) who first formulated it in 1834-36. It was taken up by Bastiat in 1847 who used it to argue that tariff protection or subsidies to industry resulted in a directly observable and obvious profit for one industry (and its workers) but at the expense of two other participants in the market. These other participants (or would be participants) suffer a loss equal to the benefit gained by the first

⁵⁰³ Other words one could use for "ricochet" include the following: ripples, trickle down, flow on, knock on, cascading (Bastiat uses the word "rejaillir" or splashing), bouncing, indirect, and so on.

⁵⁰⁴ See ES1 IV. "Equalizing the Conditions of Production" (July 1845), above, pp. ???

⁵⁰⁵ See ES3 XII. "The Man who asked Embarrassing Questions" (12 December 1847), above pp. ???

⁵⁰⁶ See WSWNS VIII. "Machines," above, pp. ???

⁵⁰⁷ See ES3 IV. "One Profit vs. Two Losses" (9 May 1847), above, pp. ???

party: the consumer loses by having to pay a higher price for a good which he or she could have bought more cheaply from another supplier (often foreign), and unknown third parties also lose because the consumer who was forced to pay more for a good which is protected or subsidized has that much less to spend on other goods and services. Hence there is one party which benefits and two which lose out to the same amount, i.e. "the double incidence of loss." The theory of "the double incidence of loss" should be seen as an early and simpler version of the theory which was later to become "the ricochet (or flow on) effect." See the glossary entries on "Perronet Thompson" and the "The Double Incidence of Loss." It links up very nicely with his theory of "the seen and the unseen" which he developed at length in a longer pamphlet *What is Seen and What is Not Seen* (July 1850) which might be seen as an extended essay on this principle.⁵⁰⁸

However, Perronet's theory had limitations of which Bastiat was aware. As he was writing the sophisms Bastiat was also thinking about an extension of the theory which would cover more than three parties. Bastiat gradually came to the realisation that economic actions affected more than just three parties since the economy was so inter-related and interconnected. Thousands, perhaps millions of economic actors were affected by some economic actions, some positively and some negatively. Another complication was that the losses to one party and gains to another might not be exactly equal as he had first thought. Perhaps if a sufficiently large number of participants were involved then the relative gains and losses would gradually diminish (much like the concentric waves caused by a stone being thrown into a body of water gradually dissipate) and thus have to be calculated using mathematics which he did not possess, especially as the impact became more distant and indirect over time. Hence his appeal to François Arago (1786-1853), who was one of the leading physicists of his day and active in liberal politics, to come up with some mathematics which would calculate scientifically the gains and losses to the relevant parties and thus make his theoretical arguments against tariffs and subsidies "invincible." As a result he began developing a related theory which we have called the "ricochet (or flow on) effect" which attempts to take into account these more widespread economic effects but which he never had time to complete before his untimely death.

From his writings it is clear that he thought there were two different kinds of ricochet effects which made themselves felt within the economy: "negative ricochet effects" (NRE)

⁵⁰⁸ See the edition of WSWNS in this volume, p.???

as well as "positive ricochet effects" (PRE). In the work he published in 1846-1848 he focussed on the "negative ricochet effects" (NRE) because they better suited his political agenda of fighting against protectionism. As he gradually turned more to economic theory he realised that the ricochet effect could have profound positive effects as well but unfortunately he had less time to explore this dimension of the theory. An example of the former negative effects is a tax or tariff which raises the price of a particular commodity. It may have been designed to benefit a particular favoured industry and its employees (who may have been promised higher wages as a side benefit) but it has a ricochet effect in that the higher price flows though eventually to all consumers, including the protected or subsidized workers, and even other producers. If many other industries also receive benefits from the state in the form of subsidies and tariffs the cost structure of the entire economy is eventually raised as a result of similar ricochet effects. As Bastiat argues, all increased costs and taxes are eventually borne by consumers

In relation to the profit or loss that initially affect this or that class of producers, the consumer, the general public, is what earth is to electricity: the great common reservoir. Everything comes out of this reservoir, and after a few more or less long detours, after the generation of a more or less great variety of phenomena, everything returns to it.

We have just noted that the economic results just flow over (glisser) producers, to put it this way, before reaching consumers, and that consequently all the major questions have to be examined from the point of view of consumers if we wish to grasp their general and permanent consequences.⁵⁰⁹

Examples of a "Positive Ricochet Effect" include the benefits of international free trade and technological inventions such as the printing press and steam powered transport. According to Bastiat, international free trade in the medium and long term has the effect of dramatically lowering costs for consumers and increasing their choice of things to buy. These lower costs and greater choice eventually flow on to all consumers thereby improving their standard of living. Technological inventions like steam powered locomotives or ships lower the cost of transport for every consumer and industry in an economy, thus lowering the overall cost structure and having an economy-wide PRE. The invention of printing by Gutenberg likewise had a profound impact on lowering the cost of the transmission of knowledge which all consumers could benefit from as the savings worked their way through the economy.

⁵⁰⁹ *Harmonies économiques*. Chap. XI. Producteur. - Consommateur (Producer, Consumer) [OC, vol. 6] [CW, vol. 5, forthcoming].

Since Bastiat was writing in order to refute the sophistical ways in which economic arguments could be used by privileged groups to dupe the ordinary consumer, it is not surprising that he was first interested in exploring what he called the “*Sophisme des ricochets*” (Sophism of the Ricochet Effect) rather than its more theoretical implications. The Sophism of the Ricochet Effect, he argues, comes about when an advocate for a new tariff or a new tax argues that only a PRE will take place (“the seen”) and ignores any possible NRE (“the unseen”). It is the task of the economist, Bastiat would argue, to point out the existence of the latter and to attempt to calculate the net effects for an economy. The difference between Bastiat’s theory of “The Seen and the Unseen” and the “Ricochet Effect” lies in the number of flow on effects and the number of individuals involved. With his formulation of “The Seen and the Unseen” in a Sophism like “The Broken Window” Bastiat develops the idea of the “double incidence of loss”⁵¹⁰ as it applies to only 3 individuals: Jacques Bonhomme whose window is broken, the glazier who makes a sale in supplying him with a new one, and the bookseller who loses a sale because Jacques doesn’t buy a book because he has to fix his window. Thus, the gain for the glazier is outweighed by “the double incidence of loss” for Bonhomme and the bookseller so there can be no net gain for society according to Bastiat’s analysis.

⁵¹⁰ Introduced in the article ES3 IV. “Un profit contre deux pertes” (One Profit versus Two Losses) [9 May 1847, LÉ] [OC, vol. 2, pp. 377-84], and below, p. ??? The “Double Incidence of Loss” is a theory first formulated by the anti-corn law campaigner Colonel Perronet Thompson (1783-1869) in 1834-36 and taken up by Bastiat in 1847 in which it is argued that tariff protection or subsidies to industry result in a directly observable and obvious profit for one industry (and its workers) but at the expense of two other participants in the market. These other participants (or would be participants) suffer an equal loss to the benefit gained by the first party: the consumer loses by having to pay a higher price for a good which he or she could have bought more cheaply from another supplier (often foreign), and unknown third parties also lose because the consumer who was forced to pay more for a good which is protected or subsidized has that much less to spend on other goods and services. Hence there is one party which benefits and two which lose out to the same amount, i.e. “the double incidence of loss.” The theory of “the double incidence of loss” should be seen as an early and simpler version of the theory which was later to become “the ricochet (or flow on) effect.” See the glossary entries on “Perronet Thompson” and the “The Double Incidence of Loss”; and the Appendices “Bastiat and the Ricochet Effect” and “The Sophism Bastiat never wrote: the Sophism of the Ricochet Effect.”

With the theory of the “Ricochet Effect” Bastiat is arguing that the ripple effect of a broken window or a new tax is not limited to three individuals but thousands if not millions of other consumers and producers whose gains and losses must be summed up to the nth degree if an economist is to understand what the net effect on the economy is. Although Bastiat did not have the mathematical skills to do this calculation he is aware of the “infinite” number of possible effects an economic action might ultimately have (“des parallèles infinies”).⁵¹¹ He was aware of his limitations in this area which is why he reached out to François Arago for help. Arago’s answer to this plea is not known.

Perhaps some examples from Bastiat’s scattered references to the Ricochet Effect will help illustrate the direction Bastiat’s thinking was taking him in the last three years of his life. They are in chronological order of date published.

Examples from his Writings

[*] = in this volume

[*] (c. 1845) - ES1 XXI. "Raw materials" (c. 1845)

This first use is the entirely literal and negative sense of a flat stone being bounced across a body of water. He does this in a discussion where he talks about trade restrictions which encourage cargo ships to carry “useless refuse” on their return journeys because Navigation Laws restrict what cargoes can be carried by what nations from port to port. Bastiat describes this as as wasteful of human energy as paying sailors “to make pebbles skim across the surface of the water.”

[*] 1. (c.1847) - ES2 IV. “Conseil inférieur du travail” (The Lower Council of Labor) [n.d. c.1847] [1st published ES2 1848] [OC, vol. 4, pp. 160-63] [CW, vol. 3, above p. ???]

What I noted above all was the common sense with which our villagers saw not only the direct harm that the protectionist regime was doing them but also the indirect harm which, as it affected their customers, ricocheted on to them.

⁵¹¹ Also in ES3 IV. “Un profit contre deux pertes” (One Profit versus Two Losses) [9 May 1847, LÉ] [OC, vol. 2, pp. 377-84], and below, p. ???

[*] 2. (c.1847) - ES2 XIII. “La protection ou les trois Échevins” (Protection, or the Three Municipal Magistrates) [n.d. c.1847] [1st published ES2 1848] [OC, vol. 4, pp. 229-41]. [CW, vol. 3, above p. ???]

PIERRE: It is precisely the high prices of products that will produce higher wages as a result of the ricochet effect!

[*] 3. (9 May 1847) - ES3 IV. “Un profit contre deux pertes” (One Profit versus Two Losses) [9 May 1847, LÉ] [OC, vol. 2, pp. 377-84]./ [CW, vol. 3, above p. ???]

[In this passage “ricochet” is not mentioned explicitly but he refers to a related concept, namely "suite des parallèles infinies" (follows infinite trajectories).]

The following is also said: the franc that the cutler receives as a supplement, thanks to trade protection, he pays to his workers. My reply is this : the franc that the bookseller would receive in addition, thanks to free trade, he would also pay to other workers, so that in this respect the balance is not upset, and it remains true that under one regime you have a book and on the other you do not. To avoid the confusion, intentional or not, that will not fail to be cast over this subject, you have to make a clear distinction between the original distribution of your 3 francs and their subsequent circulation which, in both hypotheses, follows infinite trajectories and can never affect our calculation.)

4. (August 1847) - “Cinquième discours, à Lyon” (Fifth Speech given at Lyons) [OC, vol. 2. 46.] [CW, vol. 6, forthcoming]]

[In this speech Bastiat imagines an ordinary worker speaking before the Chamber and denouncing them for having deceived him about the beneficial effects of taxes and tariffs which have raised the costs of goods.]

You have increased by means of the law the prices of food, clothing, iron goods, and fuel. You promised us that the ricochet effect of these measures would increase our wages by the same amount, and even higher. We believed you because, alas!, the lure of profit however illegitimate, made us credulous. But you failed to keep your promise.

5. (12 Sept. 1847) - “Réponse au journal *l’Atelier*” (Response to the journal *The Workshop*) [12 Sept. 1847] [OC, vol. 2. 23.] [CW6]

[Bastiat argues in this response to something written in the socialist journal *l’Atelier* that society is divided into two classes, one of which uses law to create monopolies for itself.]

In the current state of society, and in order for us to keep to the subject, under the empire of the restrictionist regime, we believe that there is a privileged class and an oppressed class. The law bestows monopolies on certain kinds of property, but not on labour which is also a kind of property. It is said that labour will profit from the ricochet effect of these monopolies, and that the organization which has been formed to maintain them has even taken the name “the Association for the Defense of National Employment,” a name which is a lie which everyone will soon see for what it is.

[*] 6. (12 December 1847) - ES3 XII. “L’indiscret” (The Man who asked Embarrassing Questions) [12 December 1847, *LE*] [OC, vol. 2, pp. 435-46]. [CW, vol. 3, above p. ???]

[Continuing the water metaphor Bastiat uses the word “rejaillir” (spill over or splash back).]

The worker: “Are these figures accurate?”

“I do not claim they are, all I want is to make you understand that if out of a total that is smaller, those protected take a larger share, those not protected bear all the weight not only of the total decrease but also of the excess amount that those protected allocate to themselves.”

The worker: “If this is so, should the distress of those *not protected* not spill over [rejaillir] on to those *protected*?”

“I think so. I am convinced that in the long run the loss tends to spread over everyone. I have tried to make *those protected* understand this but have not succeeded in doing so.”

Another worker: “Although protection is not directly given to us, we are told that it reaches us, so to speak, by the ricochet or flow on effect.”

“Then all our arguments have to be turned upside down, though they must continue to start from this fixed and acknowledged point, that restriction reduces total national wealth. If, nevertheless, your share is larger, the share of those protected is all the more undermined. In this case, why are you demanding the right to vote? It is quite clear that you ought to leave to such disinterested men the burden of making the laws.”

7. (1 Jan. 1848) - “Réponse à divers” (Response to various (criticisms)) [1 Jan. 1848] [OC, vol. 2. 24.] [CW, vol. 6. forthcoming]

[Bastiat argues that free trade is in the interests of the people. He has a worker mock the protectionists for not believing the truth of their own words - if high prices are good for the workers via ricochet why not double their own salaries as well.]

What is worse about these claims is that those who make them don't believe a single word themselves... because, if this protection by the ricochet effect which so soothes the people (is so good), why don't the manufacturers apply it to themselves? why don't they pass a law which doubles their salaries, since so much good will come to them by means of the ricochet effect?

8. (7 Jan 1848) - “Septième Discours, à Paris, Salle Montesquieu” (Seventh Speech at the Salle Montesquieu in Paris) [7 Janvier 1848] [OC, vol. 2. 48.] [CW, vol. 6, forthcoming]

[Bastiat talks about the Swiss who refuse to impose tariffs. He argues that ordinary Swiss voters reject the arguments of landowners about the beneficial effects of "de gros avantages par ricochet." Bastiat regrets that he never wrote more on the topic and promises to do so for the next edition.]

Truthfully, I believe that I neglected to include in a certain small volume an article entitled “the Sophism of the Ricochet Effect.” I will repair this oversight in the next edition [prolonged hilarity from the audience]. Our adversaries claim that the example provided by the Swiss doesn't count because it is a mountainous country. [Laughter].

[*] 9. (20 Feb 1848) - ES3 XVIII. “Monita secreta” (Monita secreta) [20 February 1848, *LE*] [OC, vol. 2, pp. 452-58] [CW, vol. 3, above p. ???]

[There are 5 references to “ricochet effects” in this essay, as well as to “rejaillir” (splash back).]

It might happen that one fine day the workers will open their eyes and say:

“Since you force products to be expensive by recourse to the law, you ought also, in order to be fair, to force wages to be expensive by recourse to the law.”

Let the argument drop for as long as you can. When you can no longer remain silent, answer: “The high price of products encourages us to make more of them, and in order to do this we need more workers. This increase in the demand for labor raises your wages and in this way, indirectly, our privileges extend to you *by the ricochet or flow on effect*.”

Workers will perhaps then answer you: “This would be true if the excess production stimulated by high prices was achieved with capital that had fallen from the moon. But if all that you can do is to take it from other sectors of industry, there will be no increase in wages, since there has been no increase in capital. We now, accordingly, have to pay more for the things we need and your ricochet or flow on effect is a trick.”

At this point, take a great deal of trouble to explain and confuse the mechanism of the ricochet effect.

Workers may insist and say to you:

“Since you have so much confidence in these ricochet or flow on effects, let us change our roles. Do not protect products any more but protect wages. Set them by law at a high rate. All the proletarians will become wealthy; they will purchase a great many of your products and you will become wealthy by the ricochet or flow on effect.”

10. (February 1849) - “Paix et liberté ou le budget républicain” (Peace and Freedom or the Republican Budget) [février 1849]. [OC, vol. 5. p. 407] [CW, vol. 2, pp. 282-327]

But when all is said and done, when you know a little about this subject, when you have studied the natural mechanism of taxes, their rebounds and repercussions (“leurs ricochets, leurs contre-coups”), you know full well that what the tax authorities require from one class is paid for the most part by another. It is not possible for English workers not to have been affected, either directly or indirectly, by *income tax*. Thus though they were relieved on the one hand, they were to a certain extent afflicted on the other.

11. (15 May 1850) - “Spoliation et loi” (Plunder and Law) [JDE 15 mai 1850] [OC, vol. 5, p. 1] [CW, vol. 2, pp. 266-76]

However, as I have already said, I am not discussing today the economic consequences of legal plunder. When the supporters of protectionism are ready, they will find me ready to examine the *ricochet sophism* which, besides, can be quoted for all sorts of theft and fraud.

[*] 12. (July 1850) - WSWNS III. “L’impôt” (Taxes) [July 1850] [OC, vol. 5, pp. 343-47] [CW, vol. 3, above p. ???]

“Taxes are the best investment; they are a life-giving dew. See how many families gain a livelihood from them; work out their ricochet or flow on effects on industry; this is beyond measure, it is life.”

To combat this doctrine, I am obliged to repeat the preceding refutation. Political economy knows full well that its arguments are not amusing enough for people to say of them: *Repetita placent*. Repetitions are pleasing. For this reason, like Basile, it has arranged the proverb to suit itself, fully convinced that in its mouth *Repetita docent*. Repetitions teach.

The advantages that civil servants find in drawing their salaries are *what is seen*. The benefit that results for their suppliers is *again what is seen*. It is blindingly obvious to the eyes.

However, the disadvantage felt by taxpayers in trying to free themselves is *what is not seen* and the damage that results for their suppliers is *what is not seen either*, although it is blindingly obvious to the mind.

13. (late 1850 - not 1st ed. but 1851 ed.) - *Harmonies économiques*. Chap. XI. Producteur. - Consommateur (Producer, Consumer) [OC, vol. 6] [CW, vol. 5, forthcoming]

[Bastiat uses another word which has a connection to water, “glisser” (to slip or slide, or flow over) in this passage.]

It is by way of such ricochet that the harmful effects tend to pass from the producer to the consumer. Immediately after the tax and the obstruction come into force, the producer tends to have himself compensated. However, since consumer *demand* as well as the quantity of wine remain the same, he cannot raise the price. Initially, he does not make more after the tax than before. And since before the tax he obtained only a normal reward for it, determined by the value of the services exchanged freely, he finds himself losing by the total amount of the tax. In order for prices to rise, there has to be a reduction in the quantity of wine produced...

In relation to the profit or loss that initially affect this or that class of producers, the consumer, the general public, is what earth is to electricity: the great common reservoir. Everything comes out of this reservoir, and after a few more or less long detours, after the generation of a more or less great variety of phenomena, everything returns to it.

We have just noted that the economic results just flow over producers, to put it this way, before reaching consumers, and that consequently all the major questions have to be examined from the point of view of consumers if we wish to grasp their general and permanent consequences.

14. (late 1850 - not 1st ed. but 1851 ed.) - *Harmonies économiques*. Chap. XVII. "Services privés, service public" (Private Services, Public Services) [OC, vol. 6] [CW, vol. 5, forthcoming]

[There are four uses of the word "ricochet" in this passage which indicates the important role it could play in criticizing the argument that even plunder might have PRE for ordinary taxpayers and consumers.]

(The argument is made that) Plunder is advantageous for everybody: the plundering class that it enriches directly and the plundered classes that it enriches by means of the ricochet effect. Indeed, the plundering class that has become wealthier has the means of expanding the circle of its benefits. It cannot do this without requiring the services of the plundered classes to a greater extent.

But following the February Revolution the poor had a voice in the chapter when the law was being drafted. Did they request that it should stop being a plunderer? Not at all; the sophism of ricochets was too deep-rooted in their minds. What did they ask for, then? That the law, that had now become impartial, should agree to plunder the wealthy

in their turn. They demanded free education, the free advance of capital, retirement funds established by the State, progressive taxation etc. etc. ... The wealthy began to howl: “How scandalous! All is lost! A new set of barbarians has burst into society!” They resisted the claims of the poor desperately. They once fought with guns but now with the ballot box. But have the wealthy abandoned plunder for all that? The thought has not even crossed their mind. They continue to use the argument of the ricochet effect as a pretext.

Conclusion

The concept of the “sophism of the ricochet effect” has different aspects with which Bastiat was grappling between 1847 and 1850. There was the sociological aspect of a relationship of power and influence which had been developed by Fourier, Proudhon, and Reybaud to explain the nature of power exercised between classes or within bureaucratic organizations. There was the economic aspect of flow on effects caused by an economic action which have an impact on others in the economy. These ricochets or flow on effects could have either a positive impact (PRE) or a negative impact (NRE) which was the task of the economist to explore and explain. The sophistical use of the ricochet effect was taken up by defenders of increased taxes or tariffs to show that their proposed measure would only have PRE for the nation and that any NRE would be minor or even non-existent. Economists like Bastiat used the ricochet effect in order to debunk this sophistry by showing firstly that there were always NRE which had to be taken into account and that these were almost always harmful to the interests of taxpayers and consumers at large. Furthermore, Bastiat would argue that there are some cases where the economist could say that the long term impact of an economic action could be described as producing absolute NRE or PRE for the economy as a whole. He would argue that high taxes and tariffs always produced net NRE for an economy, and that free trade and technological innovation always produced net PRE for an economy.

In the period between the publication of *Economic Sophisms Series I* (January 1846) and the appearance of *Series II* on the eve of the outbreak of the Revolution in February 1848 Bastiat had been exploring the concept of the “sophism of the ricochet effect” but had not yet fully developed it at any length. His most frequent references to it appeared in an article written in February 1848, ES3 XVIII. “Monita secreta” (Monita secreta)

which we have included in this volume as part of the Third Series of *Economic Sophisms*,⁵¹² and in the second half of the *Economic Harmonies* which did not appear in his lifetime but only in the expanded edition edited by Paillottet and published in 1851. Each of these works had 5 references to the word “ricochet” which suggest that this was an idea which was of great interest to Bastiat in the last two years of his life. It is interesting to contemplate what he might have done with this entirely new Sophism if he had had the time to explore it further.

⁵¹² ES3 XVIII. “Monita secreta” (Monita secreta) [20 February 1848, *LE*] [*OC*, vol. 2, pp. 452-58]. Also in this volume below, pp. ???

Appendix 4: The Writing of the Economic Harmonies

Conceiving and Planning “the Harmonies”

It is hard to know exactly when Bastiat thought he had the ability to write a major treatise on economic and social theory, but we do know that from quite early on he thought one needed to be written and that gradually, as his confidence in himself as an economist grew, he was the person to do so. As he said to his friend and neighbor Félix Coudroy in June 1845 when he was working on his first set of *Economic Sophisms*:⁵¹³

Si mon petit traité, *Sophismes économiques*, réussit, nous pourrions le faire suivre d’un autre intitulé : *Harmonies sociales*. Il aurait la plus grande utilité, parce qu’il satisferait le penchant de notre époque à rechercher des organisations, des harmonies artificielles, en lui montrant la beauté, l’ordre et le principe progressif dans les harmonies naturelles et providentielles.

If my small treatise, *Economic Sophisms*, is a success, we might follow it with another entitled *Social Harmonies*. It would be of great use because it would satisfy the tendency of our epoch to look for (socialist) organizations and artificial harmonies by showing it the beauty, order, and progressive principle in natural and providential harmonies.

It is interesting to see that even at this early stage the idea of “natural and providential harmonies” being at work in the economic world was central to his thinking.

Why he thought one (or more) volumes of a new theoretical treatise needed to be written is a longer story which goes back to the 1820s when he and his friend Félix Coudroy, both living in the small south western town of Mugron, were discussing in earnest the writings of Charles Comte and Charles Dunoyer who had a profound impact on their thinking. Bastiat had discovered the writings of these two Restoration liberals in

⁵¹³ See Letter 39 to Félix Coudroy (Paris, 5 June 1845) (CW1, p. 64).

the *Revue encyclopédique* in the late 1820s and eagerly reported this to Félix in a letter.⁵¹⁴ They then began reading copies of Comte and Dunoyer's journal *Le Censeur européen* (1817-1819) in which they took the economic theories of J.B. Say and the political ideas of Benjamin Constant and wove them into a new form of classical liberalism which had, in addition to the traditional economic and political components, a social component which involved notions of class, exploitation, and the relationship between the mode of production and political culture. They called this the "industrialist theory" of society⁵¹⁵ which they explored in considerable depth in a number of works which appeared in the 1820s and 1830s, most notably Dunoyer's *L'Industrie et la morale considérées dans leurs rapports avec la liberté* (1825) and Comte's *Traité de législation*, (1826) and its sequel *Traité de la propriété* (1834).

Bastiat wanted to do something similar to the economic theory of his own day by using the ideas of Say, Constant, Comte, and Dunoyer to study "all forms of freedom"⁵¹⁶ in a very ambitious research project on liberal social theory. This new synthesis,⁵¹⁷ "un sujet plus vaste" (a much larger subject),⁵¹⁸ he would call "Social Harmonies." In another letter to Richard Cobden on 18 August, 1848 he explained that he wanted to "first of all to set out the true principles of political economy as I see them, and then to show their links with all the other moral sciences."⁵¹⁹ And in a late letter to Casimir Cheuvreux (14 July 1850) he stated "When I said that the laws of political economy are harmonious, I did not mean only that they harmonize with each other, but also with the laws of politics,

⁵¹⁴ Letter 13 to Félix Coudroy (Bordeaux, 9 April 1827) (CW1, pp. 21-22). In particular Dunoyer, "Esquisse historique des doctrines auxquelles on a donné le nom d'*Industrialisme*, c'est-à-dire, des doctrines qui fondent la société sur l'*Industrie*," *Revue encyclopédique*, February 1827, no. 90, pp. 368-94.

⁵¹⁵ David M. Hart, *Class Analysis, Slavery and the Industrialist Theory of History in French Liberal Thought, 1814-1830: The Radical Liberalism of Charles Comte and Charles Dunoyer* (unpublished PhD, King's College Cambridge, 1994). And Robert Leroux, *Aux fondements de l'industrialisme: Comte, Dunoyer et la pensée libérale en France* (Paris: Hermann, 2015).

⁵¹⁶ He uses the phrase "toutes les libertés" in the "Draft Preface" to EH and many other places as well. See, "All Forms of Liberty," in the Appendix

⁵¹⁷ He tells Richard Cobden about "the economic synthesis I have in my head ... which will never leave it." Letter 96 to Richard Cobden (Mugron, 5 April, 1848) (CW1, p. 146).

⁵¹⁸ A phrase used in "A Note on Economic and Social Harmonies" (c. early 1850) in CW4 (forthcoming).

⁵¹⁹ Letter 107 to Richard Cobden (Paris, 18 August 184) (CW1, pp. 160-61).

the moral laws, and even those of religion.”⁵²⁰ And finally, in his “Draft Preface” to the *Economic Harmonies* (fall 1847) he said he wanted to show how “All forms of freedom go together. All ideas form a systematic and harmonious whole, and there is not a single one whose proof does not serve to demonstrate the truth of the others.”⁵²¹

In a letter to Félix the month before he died Bastiat talked of dedicating the next edition of the *Harmonies* to him in the hope that he might be able to complete it:⁵²²

Si la santé me revient et que je puisse faire le second volume des *Harmonies*, je te le dédierai. Sinon, je mettrai une courte dédicace à la seconde édition du premier volume. Dans cette dernière hypothèse, qui implique la fin de ma carrière, je pourrai t’exposer mon plan et te léguer la mission de le remplir.

If my health returns and I am able to write the second volume of the *Harmonies*, I will dedicate it to you. If not, I will insert a short dedication in the second edition of the first volume. In the second of these cases, which will imply the end of my career, I will be able to set out my plan to you and bequeath to you the mission of completing it.

From his scattered remarks in his correspondence (interestingly mostly written to non-economists like Félix Coudroy, Richard Cobden, and the Cheuvreux family) and elsewhere we can piece together a rough outline of what he had in mind. He wanted to follow up the success of his *Economic Sophisms* (published in January 1846) with another work to be called “Social Harmonies.” Whereas the former took a “negative” perspective in that it “demolishes” false economic arguments, the latter would take a “positive” point of view in that it would “build” a new theory of how societies functioned as a whole.⁵²³

It appears that Bastiat’s head was full of new economic ideas even before he went to Paris in May 1845 and began to mix with the economists who were part of the Paris

⁵²⁰ Letter 184 to M. Cheuvreux (Mugron, 14 July 1850) (CW1, p. 261).

⁵²¹ “A Draft Preface to the *Economic Harmonies*” (Fall 1847) (CW1, p. 320). And in our edition of EH.

⁵²² Letter 203 to Félix Coudroy (Rome, 11 November 1850) (CW1, pp. 288-89).

⁵²³ Letter 65 to Richard Cobden (Mugron, 25 June 1846) (CW1, pp. 105–6); and Letter 80 to Richard Cobden (Paris, 5 July 1847) (CW1, p. 131).

School of Political Economy around the Guillaumin publishing firm.⁵²⁴ He had written his breakthrough article on tariffs over the summer of 1844 and this was printed after several months' delay in the October issue of the *JDE*.⁵²⁵ He had also spent 1844 working on his first book, *Cobden and the League*,⁵²⁶ which was a combination of a history of the Anti-Corn Law League, an analysis of the strategy it had adopted to challenge the power of the landowners who benefited from agricultural protection, and a translation of key speeches and articles used by the League in their ultimately successful campaign to repeal the Corn Laws in January 1846. His book was meant to be a plan and model for a similar free trade campaign in France, in which Bastiat would play a major role in 1846-47. The book was published in July 1845 and established Bastiat's reputation as a political and economic thinker.

His October article was followed shortly afterwards by another article written in January 1845 which appeared in the February issue of *JDE*, and an unpublished review of Dunoyer's latest book, *De la liberté du travail* (On the Liberty of Working) which was written about the same time.⁵²⁷ The "open letter" to Lamartine is remarkable for three reasons. Firstly, Bastiat chastises a leading liberal politician, Lamartine, for straying from liberal orthodoxy by supporting government funding of employment, the so-called "le droit au travail" (the right to a job) which was a key platform of the growing socialist movement and the refutation of which was a key feature of Dunoyer's book. Secondly, he does so as "an Economist" writing in the leading journal of the Parisian economists, the *JDE*, presumably on their behalf, even though he had only recently emerged from the obscurity of Les Landes. This suggests how rapidly his star was rising among the ranks of the economists at this time. He would even be offered the position of editor of

⁵²⁴ David M. Hart, "The Paris School of Liberal Political Economy" in *The Cambridge History of French Thought*, ed. Michael Moriarty and Jeremy Jennings (Cambridge University Press, 2019), pp. 301-12. A longer, book-length version of this paper, "The Paris School of Liberal Political Economy, 1803-1853" (2018), can be found at <davidmhart.com/liberty/Papers/ParisSchool/index.html>.

⁵²⁵ "De l'influence des tarifs français et anglais sur l'avenir des deux peuples" (On the Influence of French and English Tariffs on the Future of the Two People) (*JDE*, Oct. 1844).

⁵²⁶ *Cobden et la ligue, ou l'Agitation anglaise pour la liberté du commerce* (Paris: Guillaumin, 1845). Bastiat's long Introduction to this book will be translated and appear in CW6 (forthcoming).

⁵²⁷ "Letter from an Economist to M. de Lamartine. On the occasion of his article entitled: *The Right to a Job*" (*JDE*, Feb. 1845). And "On the Book by M. Dunoyer. *On The Liberty of Working*" (Unpublished draft). Both in CW4 (forthcoming).

the *JDE* in June (which he turned down because of the low pay and because he wanted to start a free trade movement in France), there was also talk that the economists would lobby the government on his behalf to get a new chair in political economy at the University,⁵²⁸ and then he got elected a member of the Academy of Moral and Political Sciences (4th section “Political Economy and Statistics”) (admittedly as a more junior “corresponding” member) in January 1846 for his book on Cobden and his first collection of *Economic Sophisms*.

The third and most interesting and remarkable thing about this open letter to Lamartine was that it was a *tour de force* of original economic insights which seem to come flooding out of his mind all at once. He would use these insights and the special terminology he used to express them in what would become his economic treatise, *Economic Harmonies*. For some reason, the editors of the *JDE* chose Bastiat to explain to Lamartine that he was being inconsistent in his support for economic liberty (he supported free trade but not “the liberty of working”) and that he did not fully understand the deep differences between the two main schools of economic thought, “l’école économiste ou libérale” (the economist’s or liberal school) and the “l’école arbitraire” (the school based on arbitrary government power). It was quite extraordinary for a newcomer like him to be given this job and not some more senior economist like Michel Chevalier who had held the Chair of Economics at the *Collège de France* since 1840.⁵²⁹ Furthermore, many of the ideas Bastiat presented were unique to him and not part of the common parlance of French classical political economy of the period, such as “the law of individual responsibility” and “the law of human solidarity,” the idea of harmony, the pairing of “disturbing forces” and “repairing or restorative forces,” the theory of “displacement” of labour and capital, and the idea of “human action.”

Of the 20 or so key terms Bastiat would eventually use in his original and unique social and economic theory (of which *Economic Harmonies* was to have been only the first volume) 14 appeared in these two articles written between January and March 1845 (12 alone in the Letter to Lamartine, of which nine were explicit references and three

⁵²⁸ Letter 39 to Félix Coudroy (Paris, 5 June 1845) (CW1, p. p. 63), Letter 40 to Félix Coudroy (16 June 1845) (CW1, p. 66), and Letter 42 to Félix Coudroy (Paris, 3 July 1845) (CW1, p. 68).

⁵²⁹ Or Adolphe Blanqui who held the chair at the *Conservatoire national des arts et métiers*, or Pellegrino Rossi who had held the chair at the *Collège de France*.

implied or merely hinted at). This suggests that Bastiat had come to Paris with a large part of his original and unique theory already in his head waiting to be released.

The explicit references were to the following ideas:

1. society as a “mechanism” (un mécanique sociale) and socialist organizers as “mechanics” who try to design it or run it.
2. the distinction between “volontaire” (voluntary) and “légale” (coerced), here specifically to “la charité volontaire” (voluntary charity) and “la charité légale” (coerced or government charity).
3. a couple of very early uses of the idea of harmony, namely “l’harmonie du monde social” (the harmony of the social world). However, not yet paired with “la dissonance” or “la discordance” (disharmony) which will come later in his “Second Letter to Lamartine” (*JDE*, Oct. 1846) in CW6 (forthcoming).
4. the pairing of the two laws: “la loi de la responsabilité” (the law of individual responsibility) and “la loi de la solidarité” (the law of human solidarity)
5. his first pairing of the idea of “les forces perturbatrices” (disturbing forces) which upset the harmony of the free market and the self-correcting mechanisms of the free market, or what he called “les forces réparatrices” (repairing or restorative forces)
6. the first use of the term “l’organisation artificielle” (artificial organisation) which would become important in his later critique of socialism and would be paired later with “l’organisation naturelle” (natural organisation) [These were first paired in “Other Questions submitted to the General Councils of Agriculture, Manufactures, and Commerce, in 1845,” in CW6 (forthcoming).]
7. an early use of the idea of the indefinite “perfectibility of man”
8. the idea of labour and capital being “déplacé” (displaced or distorted) by government interventions in the economy thus causing harm until a new equilibrium can be established.
9. idea of “human action”

The indirect references or hints were to these terms or concepts:

1. that producers and consumers are intimately connected to each other, and that production is geared to satisfying the needs of consumers

2. that there is “la masse commune” (a common pool or fund) into which individuals contribute and then later can withdraw an “equivalent” amount. This will later become his idea of “la communauté” or what we have also called “the commons”

3. he hints at the idea of opportunity cost or what he will later expand into his idea of “the seen” and “the unseen.” Here he talks about trying to fill a barrel by talking water from one side and pouring it into the other, or a doctor taking blood out of one arm of a patient and putting it into the other arm.

Concerning the latter, it is worth quoting this earlier use of “the seen” and “the unseen” in full given its later importance to his thinking, even though it is still in an embryonic form:⁵³⁰

Je vois que ce sont là des maux, des souffrances; je le vois et je le déplore. Mais ce que je ne vois pas, c'est que la société puisse éviter ces maux en proclamant le *droit au travail*, en décrétant que l'État prendra sur les capitaux insuffisants de quoi fournir du travail à ceux qui en manquent ; car il me semble que c'est faire le plein d'une part en faisant le vide de l'autre. C'est agir comme cet homme simple qui, voulant remplir un tonneau, puisait par-dessous de quoi verser par-dessus ; ou comme un médecin qui, pour donner des forces au malade, introduirait dans le bras droit le sang qu'il aurait tiré au bras gauche.

I see that these are harms and sufferings, and I both see and deplore them. But what I do not see is that society can avoid these harms by proclaiming a *right to work* [i.e. to a job], by decreeing that the State will take from an inadequate capital stock the means of providing employment for those who lack it, for I consider this filling one glass by emptying another. It is to act like that simple man who, wishing to fill a cask, drew from underneath what he put in from above or like a doctor who, to give strength to a sick man, injected into his right arm the blood he had taken from the left.

There are another eight key ideas which he will develop over the coming five years, two of these however will occur in an unpublished review of Dunoyer's most recent book, *De la liberté du travail* which appeared in March 1845, so very close in time to when the Letter to Lamartine was written. These are:

⁵³⁰ In “Letter from an Economist to M. de Lamartine” (*JDE*, Feb. 1845), in CW4 (forthcoming).

1. the pairing of “la dissonance” (disharmony) with the idea of harmony (in his review of Dunoyer’s book)
2. the idea of exchange as “service pour service” (the mutual exchange of services) (also in the review of Dunoyer’s book)
3. the idea of “l’appareil” (apparatus or structure), that there was a complex structure of commerce and trade which involved people, institutions, ideas, and practices.
4. that society was a “bazar” or “grand marché,” i.e. a giant bazaar or one great market
5. the “ricochet” or flow on effect of government interventions
6. the idea of *ceteris paribus*, or “other things being equal”
7. the relationship between “private property” and “community,” or what might also be translated as “the commons”
8. his theory of plunder (“spoliation”) and the class conflict which this creates

First Steps: Lectures and Articles 1846-1847

After a brief stint in Paris between May and July 1845 getting to know the Parisian-based economists and seeing his first book into print, Bastiat returned to Mugron where he wrote many short essays debunking protectionist ideas which would eventually become the first collection of his *Economic Sophisms* which he finished in November and which appeared in print in January 1846. His next step in building a free trade movement was to open a branch of the French Free Trade Association in Bordeaux in February 1846, which was followed by the launch of the national organization in May and its journal *Libre-Échange*, which Bastiat edited, in November. Thus, in the period between September 1846 and the close of the French Free Trade Association in early 1848 Bastiat was largely preoccupied with the issue of free trade and had much less time to devote to theoretical matters.

Nevertheless, he still found time during 1846 to write two long articles which would appear as chapters in *Economic Harmonies*. Both appeared first as articles in an encyclopedia and then as articles in *JDE*: “On Competition” (*JDE*, May 1846) and “On

Population” (*JDE*, October 1846).⁵³¹ Of the two, the one on population was the most controversial as it broke with traditional pessimistic Malthusianism which offended most of his colleagues. He would not publish this in EH1 (January 1850) but would continue to revise it until his death. It would appear in the posthumous edition published in July 1851.

He did not return to working on his treatise until the summer of 1847. It is not clear why he did this - perhaps it was clear by then that the possibility of tariff reform had disappeared for the time being with the defeat of the free traders in the committee of inquiry which had been set up by Adolphe Theirs in early 1847. We know from his correspondence that he gave a lecture on free trade to some students from the law and medical faculties of the University on 3 July 1847 at the Taranne Hall in Paris.⁵³² In this lecture he tries to show some of the deeper ideas which lay behind the policy of free trade and provided all the attending students with copies of his book *Economic Sophisms* as a kind of textbook. At this time (July 1847) the plan he had in his head was to write “a small work” to set out what he considered to be “la vraie théorie sociale” (the true social theory) which would consist of 12 chapters on “Needs,” “Production,” “Property,” “Competition,” “Population,” “Liberty,” “Equality,” “Responsibility,” “Solidarity,” “Fraternity,” “Unity,” and “The Role of Public Opinion.”⁵³³

It is probably with this plan in mind that he followed this initial lecture with a series of lectures also given at Taranne Hall beginning in November 1847 which continued into February 1848 before he was forced to cancel them because of the outbreak of the February Revolution.⁵³⁴ It was also at this time (late 1847) that Bastiat wrote a touching “draft preface” to this planned book on “The Harmonies” in the form of an ironic letter to himself. In this letter he chastises himself for being too preoccupied with only one aspect of freedom, namely free trade or what he disparagingly called this “single crust of dry bread as food,” and having neglected the broader picture. In several letters he confesses that he would very much like to turn his lectures into a book, or what he called

⁵³¹ The article versions are translated in CW4 (forthcoming) with changes and additions between the versions indicated.

⁵³² We include this lecture in our edition of EH.

⁵³³ See Letter 80 to Richard Cobden (Paris, 5 July, 1847) (CW1, p. 131).

⁵³⁴ He was still giving lectures on 13 February a week before the Revolution broke out. See Letter 89 to Félix Coudroy (Paris, 13 Feb. 1848) (CW1, p. 139).

“my *Social Harmonies*.⁵³⁵ At this stage in his planning he still is not sure what to call the book. Sometimes he refers to it as the “Economic Harmonies,” while at other times he calls it the “Social Harmonies,” or even a work of “social economy” on the “*Harmonie des lois sociales*” (Harmony of the Social Laws, or the Laws of Society).⁵³⁶

The project would eventually turn into a multi-volume study of “social harmonies” broadly understood, which would include a social, legal, and historical aspect, in addition to the economic.⁵³⁷ This would require one volume to examine the basic theory of social harmony broadly understood,⁵³⁸ before devoting another volume to one aspect of this larger whole, namely the economic dimension,⁵³⁹ and then there would be at least one volume devoted to the “disturbing factors” which disrupted social harmony.⁵⁴⁰ The latter volume would be a study of the “disharmonies” which resulted from the upsetting of the natural harmony of voluntary and non-violent human interaction by “disturbing factors” (*les causes perturbatrices*) such as war, slavery, and legal plunder. In other words, this volume would be “The History of Plunder” he had also planned to write.

Before the February Revolution interrupted his theoretical work, he had written two long articles on population and competition (in May and October, 1846), given a lecture on the principles behind free trade (July, 1847), began a series of lectures on economics (November 1847), and published what would become the introductory chapter on “Natural and Artificial Organisations” in the *JDE* (Jan. 1848). As he confessed to Félix Coudroy on 5 January, 1848 he already had a publishable book in mind:⁵⁴¹

⁵³⁵ In addition to the ones mentioned above, see also Letter 108 to Félix Coudroy (Paris, 26 August 1848) (CW1, pp. 161–63)

⁵³⁶ Letter 81 to Félix Coudroy (Paris, Aug. 1847) (CW1, p. 131).

⁵³⁷ See in particular the list of planned chapters following the conclusion in EH1 which was included in *Economic Harmonies* (1851), p. 335, FEE ed. pp. 554–55.

⁵³⁸ The chapters would cover responsibility, solidarity, self interest or the “social motor or driving force,” perfectibility, public opinion, and the relationship between political economy and morality, politics, legislation, and religion.

⁵³⁹ This volume would have chapters on producers and consumers, individualism and sociability, the theory of rent, money, credit, wages, savings, population, private services, public services, taxation, on machines, free trade, on middlemen, raw materials and finished products, and on luxury.

⁵⁴⁰ The chapters would cover plunder, war, slavery, theocracy, monopoly, governmental exploitation, false fraternity or communism.

⁵⁴¹ Letter 85 to Félix Coudroy (Paris, 5 Jan. 1848) (CW1, p. 137).

Mais je tiendrais bien autrement à publier le cours que je fais à la jeunesse des écoles. Malheureusement je n'ai que le temps de jeter quelques notes sur le papier. J'en enrage, car je puis te le dire à loi, et d'ailleurs tu le sais, nous voyons l'économie politique sous un jour un peu nouveau. Quelque chose me dit qu'elle peut être simplifiée et plus rattachée à la politique et à la morale.

However, I would much more like to publish the course I am giving to young students in the schools. Unfortunately, I have the time only to jot a few notes down on paper. This infuriates me, since I can tell you, and you know this already, that we see political economy from a slightly new angle. Something tells me that it can be simplified and more closely linked to politics and moral values.

And a week later:⁵⁴²

Je fais mon cours aux élèves de droit. Les auditeurs ne sont pas très-nombreux, mais ils viennent assidûment, et prennent des notes ; la semence tombe en bon terrain. J'aurais voulu pouvoir écrire ce cours, mais je ne laisserai probablement que des notes confuses.

I am continuing to give my course to law students. My audience is not very numerous but its members come regularly and take notes; the grain is falling on fertile ground. I would have liked to have been able to write up this course, but I will probably leave only confused notes.

Writing the First Volume

When Revolution broke out on February 22-24 the July Monarchy was overthrown and the Second Republic was created. The leadership of the French Free Trade Association decided to disband the organization (much to Bastiat's shock and disappointment) and focus on the new threat of organized socialism. Bastiat, along with several other economists, decided to stand for election to the Constituent Assembly, won a seat in April, and began working within the Chamber. He was not only elected vice-president of the Chamber's Finance Committee but also began a project writing a series

⁵⁴² Letter 89 to Félix Coudroy (Paris, 13 Feb. 1848) (CW1, p. 139).

of a dozen anti-socialist pamphlets for the Guillaumin publishing firm as part of their campaign against socialism.⁵⁴³

Bastiat only found time to return intermittently to his treatise which he did in the summer and fall of 1848. In July he gave some lectures to members of the National Guard (a volunteer force in which the members pay for their own uniforms and equipment)⁵⁴⁴ and was able to secure funding to some more lectures.⁵⁴⁵ Sometime in the fall he began writing up his lectures and publishing them as articles in the *JDE*, the first four parts of which appeared in September and December.⁵⁴⁶

Yet at the same time as he was writing these quite theoretical chapters on human needs and the effort that is necessary to satisfy these needs, he was also still yearning to write another more popular “pared-down version of political economy” which might “cure” “our sick society” of its economic ignorance. As he asked Hortense Cheuvreux in November:⁵⁴⁷

⁵⁴³ The size of the Guillaumin catalog in 1850 it was 50 pages long. While the 1848 Revolution was underway it issued a special catalog of 40 anti-socialist writings featuring the work of Bastiat, Gustave de Molinari, Joseph Garnier, as well as Michel Chevalier, Léon Faucher, Antoine-Elisée Cherbuliez, Ambroise Clément, and others, many of which were collections of speeches in the Chamber or journal and magazine articles which were rushed into print for the occasion. See ““Bastiat’s Anti-Socialist Pamphlets,” in *Appendix 1* CW4 (forthcoming).

⁵⁴⁴ He says he “consulted widely” with them. Letter 105 to Mr. Schwabe (Paris, 1 July, 1848) (CW1, p. 158).

⁵⁴⁵ He says “a few friends gave me the means of expounding it in public” without saying who they were. They were probably Hortense and Casimir Cheuvreux or perhaps Horace Say who gave money to the free market cause and may have also put up money for Bastiat’s books to get published by Guillaumin.

⁵⁴⁶ “Economic Harmonies: I., II., and III. The Needs of Man” (*JDE*, Sept. 1848) and “Economic Harmonies IV” (*JDE*, Dec. 1848).

⁵⁴⁷ Letter 113 to Mme Cheuvreux (Paris, Nov. 1848) (CW1, p. 167).

Si vous avez sous la main l'adresse du savant pharmacien qui a trouvé l'art de rendre supportable l'huile de foie de morue, veuillez me l'envoyer. Je voudrais bien que ce précieux alchimiste pût m'enseigner le secret de faire aussi de l'économie politique *épurée* ; c'est un remède dont notre société malade a bon besoin, mais elle refuse d'en prendre la moindre cuillerée tant il est répugnant.

If you have to hand the name of the learned pharmacist who has discovered the art of making cod-liver oil palatable, please send it to me. I would also love it if this valued alchemist could teach me the secret of producing a pared-down version of political economy; this is a remedy that our sick society is very much in need of, but it refuses to take the smallest teaspoonful, so repulsive does it find the stuff.

This “paired-down version of political economy” would become his pamphlet “economics in one lesson,” or as it is better known today *What is Seen and What is Not Seen* which was the last thing he ever wrote over the summer of 1850. This classic work may not have been written if he had stuck to plan to continue working on the second volume of *Economic Harmonies*.

By the end of 1848 he admitted to his friend Félix Coudroy “They (the rest of the book’s chapters) are in my head but I am very much afraid that they will never come out.”⁵⁴⁸ In the first half of 1849, in addition to his parliamentary duties, Bastiat found time to write several pieces on money and capital which was a new area of interest for him. He wrote *Capital and Rent* in Feb. 1849, *Damned Money!* in April 1849, and “Capital” in mid-1849. He followed this up with a six month long debate with Proudhon on “Free Credit” between Oct. 1849 and March 1850.⁵⁴⁹ Perhaps realizing that time was running out with his rapidly failing health, he took a leave of absence from the Chamber in the early summer in order to spend as much time as possible on his treatise. With the help of his wealthy friends and benefactors Hortense and Casimir Cheuvreux, it was arranged for him to rent over the summer Louis XIV’s old hunting lodge Butard in the woods west of Versailles so he could have some peace and quiet. He told an old friend back in Mugron what his typical day at Mugron consisted of:⁵⁵⁰

⁵⁴⁸ Letter 115 to Félix Coudroy (Paris, 26 November 1848) (CW1, p. 169).

⁵⁴⁹ *Capital et Rente* (Paris: Guillaumin, 1849), “Damned Money!” (Maudit argent!) (*JDE*, Apr. 1849), “Capital” (Le capital) in *Almanach Républicain pour 1849* (Paris: Pagnerre, 1849), *L’État. Maudit argent!* (Paris: Guillaumin, 1849), *Gratuité du crédit : discussion entre M. Fr. Bastiat et M. Proudhon* (Paris: Guillaumin, 1850).

⁵⁵⁰ Letter 140 to Bernard Domenger (Paris, Tuesday, 13 . . . (Summer 1849)) (CW1, pp. 205-6).

Vers le centre, au milieu d'une forêt épaisse, isolé comme un nid d'aigle, s'élève le pavillon du Butard ... Me voici donc tout seul, et je me plais tellement à cette vie qu'à l'expiration de mon congé, je me propose d'aller à la chambre et de revenir ici tous les jours. Je lis, je me promène, je joue de la basse, j'écris, et le soir j'enfile une des avenues, qui me conduit chez un ami.

Near the center, in the middle of a thick forest, isolated like an eagle's nest, there is the lodge of Le Butard ... Here I am then, all alone, and I am enjoying this way of life so much that when my leave of absence is over I am proposing to go to the Chamber and return here every day. I read, go for walks, play the cello, write, and in the evening I go down one of the avenues which leads me to a friend.

In a burst of intense activity he was able to finish the first part of *Economic Harmonies* which would contain ten chapters and which was published in January 1850. Since he had already written five of these chapters before the summer of 1849 this meant that he was able to write five more during this brief period. The five he had written before that summer were articles he had written for the *JDE*, namely "On Competition" (*JDE*, May 1846), "On Population" (*JDE*, Oct. 1846), "Natural and Artificial Organisation" (*JDE*, Jan., 1848), and four-part series "Economic Harmonies: I, II, and III. The Needs of Man" (*JDE*, Sept., 1848) and "Economic Harmonies IV" (*JDE*, Dec. 1848) which he rearranged for the book version.⁵⁵¹ This meant that he probably wrote another five chapters over the summer of 1849 while staying at the Butard hunting lodge, namely chapters 4 "Exchange," 5 "On Value," 6 "Wealth," 7 "Capital," 8 "Property and Community," and 9 "Property in Land." Possibly the last things he wrote before the book was published were the dedication "To the Youth of France" and the Conclusion.

The first volume of the book was printed in late 1849 and was publicly available in January 1850. In December 1849 Bastiat began giving another series of lectures to law and medical students at Taranne Hall⁵⁵² and began to plan for volume two even though,

⁵⁵¹ The following chapter numbers refer to EH1 (which differs slightly from EH2): the introductory chapter which had no number, "Natural and Artificial Organisations," chapters 1 "Economic Harmonies," 2 "Needs, Efforts, and Satisfaction," 3 "The Needs of Man," and 10 "Competition."

⁵⁵² Letter 155 to Félix Coudroy (Paris, 13 December 1849) (CW1, p. 224).

as he confessed to Félix in a letter written in January 1850, that he hadn't started work on volume two in earnest and that it would take him at least a year to finish it.⁵⁵³

Plans for the Second and Subsequent Volumes

Because he was so pressed for time as his health rapidly failed during 1849-50 he decided to focus on only one aspect of his work on “the harmonies,” namely the “economic harmonies,” and leave the discussion of the broader “social harmonies” and his history of plunder and “the disharmonies” to another time. He seemed to be torn between three different approaches to writing his book, as he explained in a letter and also in a fragment Paillottet dated from early 1850, so after EH1 had been published. One source of tension was between the broader social theory and the narrower economics theory. Which one should come first? As he stated in the fragment:⁵⁵⁴

J'avais d'abord pensé à commencer par l'exposition des *Harmonies Économiques*, et par conséquent à ne traiter que des sujets purement économiques: Valeur, Propriété, Richesse, Concurrence, Salaire, Population, Monnaie, Crédit, etc. — Plus tard, si j'en avais eu le temps et la force, j'aurais appelé l'attention du lecteur sur un sujet plus vaste: les *Harmonies sociales*. C'est là que j'aurais parlé de la *Constitution humaine*, du *Moteur social*, de la *Responsabilité*, de la *Solidarité*, etc.. L'œuvre ainsi conçue était commencée, quand je me suis aperçu qu'il était mieux de fondre ensemble que de séparer ces deux ordres de considérations. Mais alors la logique voulait que l'étude de l'homme précédât les recherches économiques. Il n'était plus temps ; puissé-je réparer ce défaut dans une autre édition! ...

I had originally thought to begin with an exposition of the *Economic Harmonies* and as a result to treat only purely economic subjects, such as value, property, wealth, competition, wages, population, money, credit, etc. Later, if I had had the time and the energy, I would have called the reader's attention to a much larger subject, the *Social Harmonies*. It is here that I would have talked about human nature, the driving force of society, responsibility, solidarity, etc. ... Having conceived the project in this fashion I had commenced work on it when I realised that it would have been better to merge rather than to separate these two different kinds of approaches. But then logic demands that the study of mankind should precede that of economics. However, there was not enough time: how I wish I could correct this error in another edition!...

⁵⁵³ Letter 158 to Félix Coudroy (Paris, January 1850) (CW1, p. 229).

⁵⁵⁴ See “A Note on Economic and Social Harmonies” (c. early 1850), in CW4 (forthcoming).

A second source of tension was between writing on “pure theory” or on current economic and policy matters, a subject with which he had considerable success with his series of *Economic Sophisms*. This indecision might explain why he took time off writing more on the theoretical aspects of his treatise over the summer of 1850 in order to write one his most brilliant and popular works WSWNS which is an extended application of his idea of opportunity cost to 10 specific economic case studies. This proved to be a hard book to write as he couldn’t settle on the right “tone” (serious or amusing, theoretical or journalistic) and ended up writing three different versions of it before he was satisfied.

He wrote to Félix Coudroy in January 1850 soon after volume one had appeared, saying:⁵⁵⁵

Maintenant je demanderais au ciel de m’accorder un an pour faire le second volume, qui n’est pas même commencé, après quoi je chanterais le *Nunc dimittis*.

Now I would ask the heavens to grant me one year to write the second volume, which has not even been started, after which I will sing the “Nunc dimittis.”

He also continued to be (or allowed himself to be) distracted with other projects during his final year such as the pamphlet *Plunder and Law* (May 1850), *The Law* (June 1850), and *What is Seen and What is Not Seen* (July 1850).⁵⁵⁶ One reason he might have allowed himself to be distracted was his disappointment at the reaction of his colleagues to his book, or what he called “my poor Harmonies.”⁵⁵⁷ First of all, they were uncharacteristically slow to review the book in the *JDE*, perhaps being reluctant to offend him with a negative review while he was so ill. Ambroise Clément would

⁵⁵⁵ “Nunc dimittis servum tuum, Domine” (Now Thou dost dismiss Thy servant, O Lord). In Letter 158 to Félix Coudroy (Paris, January 1850) (CW1, p. 229).

⁵⁵⁶ *The Law* (June 1850) (CW2, pp. 107-46 and *What is Seen and What is Not Seen* (July 1850) (CW3, pp. 401-52).

⁵⁵⁷ Letter 167 to Prosper Paillottet (Mugron, 19 May 1850) (CW1, p. 239).

eventually review it in the June issue of *JDE*⁵⁵⁸ some six months after it was published. He correctly suspected that his colleagues, whom he called these “middle aged men”⁵⁵⁹ who were all members of “our small church”⁵⁶⁰ and who wouldn’t “abandon well-entrenched and long-held ideas, and would accuse him of heterodoxy for challenging the accepted ideas about rent (Ricardo), population (Malthus), and value (Smith). By May, when a review of his book still had not appeared, he was convinced the old guard of economists was not interested in his ideas and that he could only hope that “the youth of France,” the next generation of economists, would better understand his new ways of thinking.⁵⁶¹

There was also pressure being applied by the Guillaumin firm for him to complete the project, perhaps with the unstated and rather grim concern that he would die before he could finish it. He mentioned in a letter that there was talk again of him renting the Butard hunting lodge over the coming summer so he could work on it. But nothing came of the plan.⁵⁶² However, he chose to return to Mugron to work on what are now regarded as two of his most important works, the pamphlet on *The Law* (June 1850) and *What is Seen and What is Not Seen* (July 1850).

By the end of the summer of 1850 Paillottet tells us that Bastiat’s health had deteriorated to the point where he could no longer talk at all.⁵⁶³ When his doctor told him he could not survive another winter in Paris and should move to a warmer clime (i.e. Rome) Bastiat said farewell to his colleagues in the Political Economy Society and left Paris for the last time in September 1850.

In his correspondence in his final months we can read that Bastiat bemoaned the lack of the teaching of economics in French universities and colleges compared to the

⁵⁵⁸ Clément, Ambroise. *Harmonies économiques*, par M. Frédéric Bastiat. (Compte-rendu par M.A. Clément), (*JDE*, June 1850). Joseph Garnier would review the second expanded edition in August 1851: “La deuxième édition des *Harmonies économiques* de Frédéric Bastiat,” par M. Joseph Garnier, (*JDE*, August 1851).

⁵⁵⁹ Letter 180 to M. de Fontenay (Les Eaux-Bonnes, 3 July 1850) (CW1, p. 255).

⁵⁶⁰ Letter 158 to Félix Coudroy (Paris, January 1850) (CW1, p. 229).

⁵⁶¹ Among several examples, see Letter 167 to Prosper Paillottet (Mugron, 19 May 1850) (CW1, p. 239).

⁵⁶² Letter 174 to Mme Cheuvreux (Les Eaux-Bonnes, 15 June 1850) (CW1, p. 250).

⁵⁶³ Paillottet, “Avertissement,” EH2 (1851), p. ix.

more advanced approach taken in Italian university where it was taught more widely in the Faculties of Law,⁵⁶⁴ and his regret perhaps of not getting a new chair in Economics in a French university because of ministerial inertia or incompetence.⁵⁶⁵ Some of his last correspondence deals with his response to the accusation made by the American economist Carey that he had plagiarized Carey's work on economic harmony⁵⁶⁶ (a charge later retracted by Carey). He must have been cheered up to learn that the first edition of EH had sold out and he expressed the hope that his long-time benefactor and supporter Casimir Cheuvreux would help raise the funds required to get volume 1 reprinted.⁵⁶⁷

After his death on Christmas Eve 1850 his friends Prosper Paillottet and Roger de Fontenay put together a second, expanded edition of EH which was published in July 1851. It stated on the title page that it was published by "la Société des amis de Bastiat" who are not identified but presumably consisted of Paillottet (Bastiat's literary executor) and Fontenay, and probably Casimir Cheuvreux who put up the money to have the book published. They assembled from Bastiat's papers a more complete edition of the *Economic Harmonies* with 15 additional chapters, five of which were substantial and nearly finished and ten 'chapters' which consisted of drafts, fragments, and notes. The five largely finished chapters were between 20-45 pages each and became chapters XI "Producer and Consumer," XIV "On Wages," XVI "On Population," XVII "Private and Public Services," and XX "Responsibility." The remaining 10 "chapters" were incomplete fragments and notes which Paillottet and Fontenay cobbled together following the outline they had also found among Bastiat's papers. The editors also included in the EH2 several empty placeholders where unwritten chapters should have gone (such as "On Money," "On Credit," and the "Relationships between Political Economy and Moral Theory, Politics, and Law.")

⁵⁶⁴ Letter 196 to Bernard Domenger (Pisa, 8 October 1850) (CW1, p. 278).

⁵⁶⁵ Letter 200 to Horace Say (Pisa, 20 October 1850) (CW1, p. 284).

⁵⁶⁶ See for example Letter 206 to Prosper Paillottet (Rome, 8 Dec. 1850) (CW1, p. 293) and the posthumous letter to the *JDE*, Letter 209 (CW1, pp. 297-302).

⁵⁶⁷ Letter 207 to Mme Cheuvreux (Rome, 14, 15, and 16 December 1850) (CW1, p. 294).

The “List of Chapters intended to complete the Economic Harmonies”⁵⁶⁸ is interesting because it provides another insight into Bastiat’s larger plan for a multi-volume work on “harmonies” and “disharmonies.” This list is reproduced below.

In another fragment discovered by Paillottet and probably written soon after EH1 appeared in January 1850 Bastiat expresses frustration with the order in which he had originally planned to arrange the chapters and hopes he can rectify this problem in a future edition. He says:⁵⁶⁹

J'avais d'abord pensé à commencer par l'exposition des *Harmonies Économiques*, et par conséquent à ne traiter que des sujets purement économiques: Valeur, Propriété, Richesse, Concurrence, Salaire, Population, Monnaie, Crédit, etc. — Plus tard, si j'en avais eu le temps et la force, j'aurais appelé l'attention du lecteur sur un sujet plus vaste: les *Harmonies sociales*. C'est là que j'aurais parlé de la *Constitution humaine*, du *Moteur social*, de la *Responsabilité*, de la *Solidarité*, etc.. L'œuvre ainsi conçue était commencée, quand je me suis aperçu qu'il était mieux de fondre ensemble que de séparer ces deux ordres de considérations. Mais alors la logique voulait que l'étude de l'homme précédât les recherches économiques. Il n'était plus temps ; puissé-je réparer ce défaut dans une autre édition! ..

I had originally thought to begin with an exposition of the *Economic Harmonies* and as a result to treat only purely economic subjects, such as value, property, wealth, competition, wages, population, money, credit, etc. Later, if I had had the time and the energy, I would have called the reader's attention to a much larger subject, the *Social Harmonies*. It is here that I would have talked about human nature, the driving force of society, responsibility, solidarity, etc. ... Having conceived the project in this fashion I had commenced work on it when I realised that it would have been better to merge rather than to separate these two different kinds of approaches. But then logic demands that the study of mankind should precede that of economics. However, there was not enough time: how I wish I could correct this error in another edition!...

List of Planned Chapters

In the second expanded edition of EH the editors inserted at the end of part one a list of chapters Bastiat had wanted to write for the complete version of his treatise. The

⁵⁶⁸ It was inserted after the Conclusion to EH1 and the editors state that they found it written in Bastiat's own hand writing. See p. 335 EH2 (1851).

⁵⁶⁹ “A Note on Economic and Social Harmonies” (c. early 1850) in CW4 (forthcoming).

editors divide them into four parts the meaning of which is not always clear (my interpretation is in brackets): normal phenomena (economic theory or economic harmonies), corollaries (economic policy or “applied” economics), disrupting phenomena (the theory of disharmony or his history of plunder), and general views (social harmonies). This is reproduced here:

Key:

- [place in EH1 or EH2]
- * = Note by PP: “The asterisks designate the subjects on which we have not found any work started.”
- (where else he wrote on this topic which might provide clues about his approach in the proposed book)

NORMAL PHENOMENA

1. Producer - Consumer [EH2 XI]
2. The two mottoes/sayings [EH2 XII] - *one for all* (the principle of fellow feeling) and *everyone for themselves* (the principle of individualism)
3. The theory of Rent [EH2 XIII]
4. * On money [*Damned Money* pamphlet]
5. * On credit [*Free Credit* debate with Proudhon]
6. On wages [EH2 XIV]
7. On savings [EH2 XV]
8. On population [EH2 XVI]
9. Private services, public services [EH2 XVII]
10. * On taxes [WSWNS 3 Taxes]

COROLLARIES

11. * On machines [WSWNS 8 Machines]
12. * Freedom of exchange - (lecture given at Taranne Hall to students in July 1847)
13. * On intermediaries [WSWNS 6 The Middlemen]

14. * Raw materials - finished products [ES1 21 "Raw Materials" (c. 1845)]
15. * On luxury [WSWNS 11 Thrift and Luxury]

DISRUPTING PHENOMENA

16. Plunder [sketch in EH2 XVIII] (conclusion ES1, ES2 1 and 2)
17. War [sketch in EH2 XIX]
18. * Slavery [ES2 1]
19. * Theocracy [ES2 1]
20. * Monopoly [ES2 1]
21. * Governmental exploitation
22. * False fraternity or Communism [his anti-socialist pamphlets]

GENERAL VIEWS

23. Responsibility - solidarity [EH2 XX and XXI]
24. Personal interest or the social drive [EH2 XXII]
25. Perfectibility [sketch EH2 XXIV]
26. * Public opinion [EH2 XXI Solidarity]
27. * The relationship between political economy and morality [sketch EH2 XXV]
28. * and politics
29. * and legislation
30. * and religion. [sketch EH2 XXIII Evil]

There are several topics which are not listed here but which had chapters in EH2 or were unpublished drafts:

1. organisation [EH2 I]
2. needs, efforts, satisfactions [EH2 II and III]
3. exchange [EH2 IV]
4. value [EH2 V]
5. wealth [EH2 VI]

6. capital [EH2 VII]
7. private property [EH2 VIII]
8. communal property (the Commons) [EH2 VIII]
9. property in land [EH2 IX]
10. competition [EH2 X]
11. liberty and equality [draft]

A Reconstruction of what might have been

I have tried to reorganize these lists into something more coherent which follows his plan for a three volume work which dealt with “Social Harmonies,” “Economic Harmonies,” and “The Disharmonies” or “A History of Plunder.”

Volume 1: Social Harmonies:

1. The two mottoes/sayings [EH2 XII] - *one for all* (the principle of fellow feeling) and *everyone for themselves* (the principle of individualism)
2. Responsibility - solidarity [EH2 XX and XXI]
3. Personal/Self interest or the social drive [EH2 XXII]
4. Perfectibility [sketch EH2 XXIV]
5. Public opinion (in chap. XXI “Solidarity”)
6. liberty and equality [draft chap.]
7. The relationship between political economy and morality [sketch EH2 XXV]
8. The relationship between political economy and politics
9. The relationship between political economy and legislation
10. The relationship between political economy and religion. [sketch EH2 XXIII Evil]

Volume 2: Economic Harmonies:

1. theoretical matters
 1. organisation [EH2 I]

2. needs efforts, satisfactions [EH2 II and III]
3. exchange [EH2 IV]
4. value [EH2 V]
5. wealth [EH2 VI]
6. capital [EH2 VII]
7. private property [EH2 VIII]
8. communal property (the Commons) [EH2 VIII]
9. property in land [EH2 IX]
10. competition [EH2 X]
11. Producer - Consumer [EH2 XI]
12. The theory of Rent [EH2 XIII]

2. policy/applied matters

1. On money [Damned Money pamphlet]
2. On credit [Free Credit debate with P]
3. On wages [EH2 XIV]
4. On savings [EH2 XV]
5. On population [EH2 XVI]
6. Private services, public services [EH2 XVII]
7. On taxes [WSWNS 3 Taxes]
8. On machines [WSWNS 8 Machines]
9. Freedom of exchange - (lecture given at Taranne Hall to students in 1847??)
10. On intermediaries [WSWNS 6 The Middlemen]
11. Raw materials - finished products [ES1 21 "Raw Materials" (c. 1845)]
12. On luxury [WSWNS 11 Thrift and Luxury]

Volume 3: Disharmonies, or The History of Plunder:

1. Plunder [sketch in EH2 XVIII] (conclusion ES1, ES2 1 and 2)
2. War [sketch in EH2 XIX]

3. Slavery [ES2 1]
4. Theocracy [ES2 1]
5. Monopoly [ES2 1]
6. Governmental exploitation [“functionaryism”]
7. False fraternity or Communism [his anti-socialist pamphlets]

It should be noted that the volume on “The History of Plunder” was especially dear to him even though it is in the most disorganized and incomplete state. In a note at the end of the “Conclusion” to ES1 his French editor Paillottet tells us that:⁵⁷⁰

L'influence de la Spoliation sur les destinées de l'humanité le préoccupait vivement. Après avoir plusieurs fois abordé ce sujet dans les Sophismes et les Pamphlets (V. notamment Propriété et Spoliation — Spoliation et Loi), il lui destinait une place étendue dans la seconde partie des *Harmonies*, parmi les causes perturbatrices. Enfin, dernier témoignage de l'intérêt qu'il y attachait, il disait, à la veille de sa mort : « Un travail bien important à faire, pour l'économie politique, c'est d'écrire l'histoire de la Spoliation. C'est une longue histoire dans laquelle, dès l'origine, apparaissent les conquêtes, les migrations des peuples, les invasions et tous les funestes excès de la force aux prises avec la justice. De tout cela il reste encore aujourd'hui des traces vivantes, et c'est une grande difficulté pour la solution des questions posées dans notre siècle. On n'arrivera pas à cette solution tant qu'on n'aura pas bien constaté en quoi et comment l'injustice, faisant sa part au milieu de nous, s'est impatronisée dans nos mœurs et dans nos lois. »

The influence of plunder on the destiny of the human race preoccupied him greatly. After having covered this subject several times in the Sophisms and the Pamphlets, he planned a more ample place for it in the second part of the *Harmonies*, among the disturbing factors. Lastly, as the final evidence of the interest he took in it, he said on the eve of his death: “A very important task to be done for political economy is to write the history of plunder. It is a long history in which, from the outset, there appeared conquests, the migrations of peoples, invasions, and all the disastrous excesses of force in conflict with justice. Living traces of all this still remain today and cause great difficulty for the solution of the questions raised in our century. We will not reach this solution as long as we have not clearly noted in what and how injustice, when making a place for itself amongst us, has gained a foothold in our customs and our laws.

⁵⁷⁰ Paillottet's footnote in “Conclusion” to ES1 (CW3, p. 110).

Appendix 5: Bastiat's Unwritten History of Plunder

Bastiat's Plans to write a History of Plunder

On several occasions Bastiat stated that he planned to write a book on the history of plunder after he had finished the *Economic Harmonies*. What he really had in mind was to apply the ideas of J.B. Say, Charles Comte, and Charles Dunoyer (who had had the most profound impact on his thinking),⁵⁷¹ to a study of “all forms of freedom” in a very ambitious research project in liberal social theory which might take at least three large volumes to complete. He says as much in the “Draft Preface” he wrote for the book he planned for the lectures he was giving to some law students in the fall of 1847 (which would eventually become EH), in which he expressed frustration at being intellectually “imprisoned” by the free trade movement in which he had been active for the past three years, which left him little time to think about the broader dimension of freedom and harmony. In an ironic letter written to himself he asks:⁵⁷²

⁵⁷¹ On the importance of Say, Comte, and Dunoyer for the development of Bastiat's ideas, see “Bastiat's Theory of Class: The Plunderers vs. the Plundered” in *Further Aspects of Bastiat's Thought* (CW3, pp. 473-85).

⁵⁷² “Draft Preface for the *Harmonies* (1847),” in our new translation.

Et puis, pourquoi te limiter? pourquoi emprisonner ta pensée? Il me semble que tu l'as mise au régime cellulaire avec l'uniforme croûte de pain sec pour tout aliment, car te voilà rongeant soir et matin une question d'argent. J'aime autant que toi la liberté commerciale. Mais tous les progrès humains sont-ils renfermés dans cette liberté? Autrefois, ton cœur battait pour l'affranchissement de la pensée et de la parole, encore enchaînées par les entraves universitaires et les lois contre l'association. Tu t'enflammais pour la réforme parlementaire et la séparation radicale de la souveraineté qui délègue et contrôle, de la puissance exécutive dans toutes ces branches. Toutes les libertés se tiennent. Toutes les idées forment un tout systématique et harmonieux; il n'en est pas une dont la démonstration n'eût servi à démontrer les autres. Mais tu fais comme un mécanicien qui s'évertue à expliquer, sans en rien omettre, tout ce qu'il y a de minutieux détails dans une pièce isolée de la machine. On est tenté de lui crier: Montrez-moi les autres pièces; faites-les mouvoir ensemble; elles s'expliquent les unes par les autres...

In any case, why limit yourself? Why imprison your thoughts? It seems to me that you have subjected them to a prison diet of a single crust of dry bread as food, since there you are, chewing night and day on a question of money. I love commercial liberty as much as you do. But is all human progress encapsulated in that (one kind of) freedom? In the past, your heart beat (faster) for the freeing of thought and speech which were still chained by the shackles imposed by the university system and the laws against free association. You enthusiastically supported parliamentary reform and the radical division of that sovereignty, which delegates and controls, from the executive power in all its branches. All forms of freedom go together. All ideas (about liberty) form a systematic and harmonious whole, and there is not a single one whose proof does not serve to demonstrate the truth of the others. But you act like a mechanic who makes a virtue of explaining an isolated part of a machine in the smallest detail, not forgetting anything. The temptation is strong to cry out to him, "Show me the other parts; make them work together; each of them explains the others. ..."

In several letters he refers to his project as a multi-volume study of "social harmonies" which would include a social, legal, and historical aspect, in addition to the economic. In a letter to Richard Cobden (Aug. 1848) he explained that his aim was "to set out the true principles of political economy as I see them, and then to show their links with all the other moral sciences,"⁵⁷³ and in a letter to Casimir Cheuvreux (July 1850) he stated that "When I said that the laws of political economy are harmonious, I

⁵⁷³ Letter 107 to Richard Cobden, Paris, 18 August 1848, (CW, pp. 160–61) <https://oll.libertyfund.org/titles/2393#lf1573-01_head_133>.

did not mean only that they harmonize with each other, but also with the laws of politics, the moral laws, and even those of religion.”⁵⁷⁴

The plan was to devote one volume to economic theory (the “economic harmonies”) before devoting another volume to broader social matters (“the social harmonies”), and then at least one volume to the “disturbing factors” which disrupted these economic and social harmonies. The latter volume would be a study of the “disharmonies” which resulted from the upsetting of the natural harmony of voluntary and non-violent human interaction by “disturbing factors” (causes perturbatrices) such as war, slavery, and legal plunder. In a note Paillottet found among Bastiat’s papers after his death, Bastiat reveals that he thought he had got the order wrong and would have done it differently:⁵⁷⁵

J’avais d’abord pensé à commencer par l’exposition des *Harmonies économiques*, et par conséquent à ne traiter que des sujets purement économiques : valeur, propriété, richesse, concurrence, salaires, population monnaie, crédit, etc. - Plus tard, si j’en avais eu le temps et la force, j’aura appelé l’attention du lecteur sur un sujet plus vaste : les *Harmonies sociales*. C’est là que j’aurais parlé de la constitution humaine, du moteur social, de la responsabilité, de la solidarité, etc. L’œuvre ainsi conçue était commencée quand je me suis aperçu qu’il était mieux de fondre ensemble que de séparer ces deux ordres de considérations. Mais alors la logique voulait que l’étude de l’homme précédât les recherches économiques. Il n’était plus temps; puissé-je réparer ce défaut dans une autre édition !

At first I had thought to begin with a discussion of the *Economic Harmonies*, and therefore only deal with purely economic subjects, such as value, property, wealth, competition, wages, population, money, and credit, etc. Later, if I had the time and the strength, I would have called the reader’s attention to a much larger subject, that of the *Social Harmonies*. It is there that I would have discussed human nature, the driving force of society (Editor: i.e. self-interest), individual responsibility, human solidarity, etc. The work thus conceived had begun when I realized that it was better to merge these two approaches together rather than to keep them separate. But then logic demands that the study of man should precede research into economic theory. There was no more time; I will have to rectify the error in another edition!

⁵⁷⁴ Letter 184 to M. Cheuvreux, Mugron, 14 July 1850 (CW1, p.260–62) <https://oll.libertyfund.org/titles/2393#lf1573-01_head_210>. See also, his Letter 39 to Félix Coudroy, Paris, 6 June 1845 (CW1, pp. 62–65) <https://oll.libertyfund.org/titles/2393#lf1573-01_head_065>; and Letter 108 to Félix Coudroy, Paris, 26 August 1848 (CW1, pp. 161–63) <https://oll.libertyfund.org/titles/2393#lf1573-01_head_134>.

⁵⁷⁵ Quoted by Prosper Paillottet and Roger de Fontenay in the “Foreword” to the second enlarged edition of *Economic Harmonies* (July 1851), p. vi.

Because he was so pressed for time by 1849-50 he decided to focus on one aspect, the “economic harmonies,” first and leave the others to another time.

This third volume on the “disharmonies” would be “The History of Plunder” he had also planned to write. In a note at the end of the “Conclusion” to ES1 Paillottet tells us that:⁵⁷⁶

L'influence de la Spoliation sur les destinées de l'humanité le préoccupait vivement. Après avoir plusieurs fois abordé ce sujet dans les *Sophismes* et les *Pamphlets* (V. notamment *Propriété et Spoliation — Spoliation et Loi*), il lui destinait une place étendue dans la seconde partie des *Harmonies*, parmi les *causes perturbatrices*. Enfin, dernier témoignage de l'intérêt qu'il y attachait, il disait, à la veille de sa mort: « Un travail bien important à faire, pour l'économie politique, c'est d'écrire l'histoire de la Spoliation. C'est une longue histoire dans laquelle, dès l'origine, apparaissent les conquêtes, les migrations des peuples, les invasions et tous les funestes excès de la force aux prises avec la justice. De tout cela il reste encore aujourd'hui des traces vivantes, et c'est une grande difficulté pour la solution des questions posées dans notre siècle. On n'arrivera pas à cette solution tant qu'on n'aura pas bien constaté en quoi et comment l'injustice, faisant sa part au milieu de nous, s'est impatronisée dans nos mœurs et dans nos lois. »

The influence of plunder on the destiny of the human race preoccupied him greatly. After having covered this subject several times in the *Sophisms* and the *Pamphlets* (see in particular “Property and Plunder” (July 1848), CW2, pp. 147–184, and “Plunder and Law” (May 1850), CW2, pp. 266–76), he planned a more ample place for it in the second part of the *Harmonies*, among the *disturbing factors*. Lastly, as the final evidence of the interest he took in it, he said on the eve of his death (November or December 1850): “A very important task to be done for political economy is to write the history of plunder. It is a long history in which, from the outset, there appeared conquests, the migrations of peoples, invasions, and all the disastrous excesses of force in conflict with justice. Living traces of all this still remain today and cause great difficulty for the solution of the questions raised in our century. We will not reach this solution as long as we have not clearly noted in what and how injustice, when making a place for itself amongst us, has gained a foothold in our customs and our laws.”

Bastiat himself tells us in the conclusion to the first edition of *Economic Harmonies* which appeared in early 1850 that he planned to write “a monograph” on the “long history” of plunder:⁵⁷⁷

⁵⁷⁶ In ES1 “Conclusion” (CW3, p. 110) <https://oll.libertyfund.org/titles/2731#lf1573-03_label_386>.

⁵⁷⁷ Conclusion to EH1, in our new translation.

La Spoliation! voici un élément nouveau dans l'économie des sociétés.

Depuis le jour où il a fait son apparition dans le monde jusqu'au jour, si jamais il arrive, où il aura complètement disparu, cet élément affectera profondément tout le mécanisme social; il troublera, au point de les rendre méconnaissables, les lois harmoniques que nous nous sommes efforcés de découvrir et de décrire.

Notre tâche ne sera donc accomplie que lorsque nous aurons fait la complète monographie de la Spoliation.

Plunder! This is a new element in the economy of societies.

From the day it first appeared in the world to the day, if ever that should arrive, when it will have completely disappeared, this element will profoundly affect the entire social mechanism. It will disrupt the (operation of the) harmonious laws that we have endeavored to discover and describe, to the (point) of making them unrecognizable.

Our task will therefore be completed only when we have written a detailed monograph on plunder.

Bastiat's Outline for a History of Plunder

The Importance of Plunder in Human History

In several articles he hinted at how he planned to structure that history. He viewed plunder as a constant in human history going back to the ancient Assyrians and Babylonians, which saw two rival classes in conflict - "la classe spoliatrice" (the plundering class" and "les classes spoliées" (the plundered classes)⁵⁷⁸ - the former using force to maintain or expand its plundering activities and the latter attempting to resist that plundering. By the end of 1845 when he was assembling his first collection of economic sophisms he wrote:⁵⁷⁹

⁵⁷⁸ On the terminology Bastiat used for his theory of plunder, see "Bastiat's Theory of Class: The Plunderers vs. the Plundered" in *Further Aspects of Bastiat's Thought* (CW3, pp. 473-85). Online <https://oll.libertyfund.org/titles/2731#lf1573-03_head_235>.

⁵⁷⁹ ES1 Conclusion (2 nov. 1945) (CW3, p. 109 <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1003>).

La spoliation, qui joue un si grand rôle dans les affaires du monde, n'a donc que deux agents : la *force* et la *ruse*, et deux limites: le *courage* et les *lumières*.

La force appliquée à la spoliation fait le fond des annales humaines. En retracer l'histoire, ce serait reproduire presque en entier l'histoire de tous les peuples: Assyriens, Babyloniens, Mèdes, Perses, Égyptiens, Grecs, Romains, Goths, Francs, Huns, Turcs, Arabes, Mongols, Tartares, sans compter celle des Espagnols en Amérique, des Anglais dans l'Inde, des Français en Afrique, des Russes en Asie, etc., etc.

Plunder, which plays such a major role in the affairs of the world, has thus only two things which promote it: *force* and *fraud*, and two things which limit it: *courage* and *enlightenment*.

Force used for plunder forms the bedrock upon which the annals of human history rest. Retracing its history would be to reproduce almost entirely the history of every nation: the Assyrians, the Babylonians, the Medes, the Persians, the Egyptians, the Greeks, the Romans, the Goths, the Francs, the Huns, the Turks, the Arabs, the Mongols, and the Tartars, not to mention the Spanish in America, the English in India, the French in Africa, the Russians in Asia, etc., etc.

He made similar comments two years later in the opening chapter of his second collection where he gives one his most detailed accounts of the theory and history of plunder: “voyez sur quelle immense échelle, depuis les temps historiques, s’est exercée la Spoliation par abus et excès du gouvernement” (just look at the immense scale on which Plunder has been carried out throughout history by the abuse and excesses of the government,”⁵⁸⁰ and in the Conclusion to EH1 (probably written in November 1849) he observes that:⁵⁸¹

La Spoliation occupe, dans la tradition des familles, dans l'histoire des peuples, dans les occupations des individus, dans les énergies physiques et intellectuelles des classes, dans les arrangements de la société, dans les prévisions des gouvernements, presque autant de place que la Propriété elle-même

In the traditions of (some) families, in the history of nations, in the lives of individuals, in the physical and intellectual activities of classes, in the organization of society, or in the plans of governments, plunder plays nearly as large a part as property itself.

⁵⁸⁰ ES2 1 “The Physiology of Plunder” (CW3, p. 125) <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1104>.

⁵⁸¹ In the Conclusion of EH1, in our new translation, and <https://oll.libertyfund.org/titles/79#Bastiat_0187_1551>.

The Reason for the Persistence of Plunder in History

The reason for the persistence of plunder in human history lay at a fundamental theoretical level, namely the “Oppenheimer dichotomy.” The German sociologist Franz Oppenheimer (1864-1943) in 1907 made the distinction between two fundamentally opposed means of acquiring wealth, “das ökonomische Mittel” (the economic means) and “das politische Mittel” (the political means), that is using “one’s own labor and the equivalent exchange of one’s own labor for the labor of others” or “the unrequited appropriation of the labor of others” respectively.⁵⁸²

Es gibt zwei grundsätzlich entgegengesetzte Mittel, mit denen der überall durch den gleichen Trieb der Lebensfürsorge in Bewegung gesetzte Mensch die nötigen Befriedigungsmittel erlangen kann: Arbeit und Raub, eigne Arbeit und gewaltsame Aneignung fremder Arbeit. ... Ich habe aus diesem Grunde und auch deshalb, um für die weitere Untersuchung ... vorgeschlagen, die eigne Arbeit und den äquivalenten Tausch eigener gegen fremde Arbeit das „ökonomische Mittel,” und die unentgeltene Aneignung fremder Arbeit das „politische Mittel” der Bedürfnisbefriedigung zu nennen.

There are two fundamentally opposed means whereby man, requiring sustenance, is impelled to obtain the necessary means for satisfying his desires. These are work and robbery, one’s own labor and the forcible appropriation of the labor of others. ... I propose in the following discussion to call one’s own labor and the equivalent exchange of one’s own labor for the labor of others, the “economic means” for the satisfaction of needs, while the unrequited appropriation of the labor of others will be called the “political means.”

Bastiat made a similar distinction he picked up from the works of J.B. Say, Charles Comte, and Charles Dunoyer written in first 25 years of the 19th century. In his vocabulary the fundamental distinction was between “la production” (production, or to use the older terms preferred by Say and Dunoyer, “l’industrie” and the system based on

⁵⁸² Franz Oppenheimer, *Der Staat* (Frankfurt am Main: Rütten & Loening, 1907), p. 14; and Franz Oppenheimer, *The State: Its History and Development viewed Sociologically*, authorized translation by John M. Gitterman (New York: B.W. Huebsch, 1922), pp. 24-25.

this “l’industrialisme”)⁵⁸³ and “la spoliation” (plunder) and this dichotomy (or “contradiction” as he called it) became a core element of his economic thought. One of the clearest statements of this view can be found in the speech he gave for the French Free Trade Association in July 1847:⁵⁸⁴

Il n’y a rien qui modifie aussi profondément l’organisation, les institutions, les mœurs et les idées des peuples que les moyens généraux par lesquels ils pourvoient à leur subsistance ; et ces moyens, il n’y en a que deux : la spoliation, en prenant ce mot dans son acception la plus étendue, et la production. — Car, Messieurs, les ressources que la nature offre spontanément aux hommes sont si limitées, qu’ils ne peuvent vivre que sur les produits du travail humain ; et ces produits, il faut qu’ils les créent ou qu’ils les ravissent à d’autres hommes qui les ont créés.

There is nothing that modifies the organization, institutions, customs, and ideas of a nation as profoundly as the general means through which they provide for their existence, and there are just two of these means: plunder, taking this word in its widest sense, and production. For, Gentlemen, the resources that nature spontaneously offers people are so limited that they are able to live only on the products of human work, and they have either to create these products or take them by force from other people who have created them.

Bastiat would develop this much further in *Economic Harmonies* where it is implicit in much of his argument and made quite explicit in places like the unfinished chapter XIX “War” where he talks about “ces deux grandes sources d’acquisition” (these two major sources of acquiring (wealth or property)) which were to either “créer” (create (wealth)) or “voler” (to steal (wealth)). At a theoretical level, the process of wealth “creation” or “production” logically had to take place first, and only once this had been accomplished could it be “stolen” or “plundered” by others - “la Spoliation, dans toutes ses variétés, loin d’exclure la Production, la suppose” (plunder in all its forms, far from excluding production, assumes that it occurs (first)). And like any other economic activity there would inevitably be a division of labour whereby some individuals would specialise in certain occupations and thus become more efficient at that task. Some individuals would

⁵⁸³ David M. Hart, *Class Analysis, Slavery and the Industrialist Theory of History in French Liberal Thought, 1814–1830: The Radical Liberalism of Charles Comte and Charles Dunoyer* (Cambridge, unpublished PhD, 1994); and Robert Leroux, *Aux fondements de l’industrialisme: Comte, Dunoyer et la pensée libérale en France* (Paris: Hermann, 2015).

⁵⁸⁴ Speech on Free Trade at the Taranne Hall (July 1847), in in our new translation.

inevitably specialize in being “un spoliateur” (a plunderer), such as a warrior, a slave owner, a manufacturer who successfully lobbies for a grant of monopoly from the government, a professional politician or bureaucrat, and so on, and make it their full-time occupation. This passage is worth quoting in full as it reveals a very important aspect of Bastiat’s thinking about the nature of plunder and the impact this has on both individuals and societies:⁵⁸⁵

Un homme (il en est de même d’un peuple) peut se procurer des moyens d’existence de deux manières : en les créant ou en les volant.	A person (this is also true of a nation) may get (its) means of existence in (one of) two ways: (either) by creating them or by stealing them (from others).
Chacune de ces deux grandes sources d’acquisition a plusieurs procédés.	Each of these two major sources of acquiring (wealth or property) has several methods (to achieve this).
On peut <i>créer</i> des moyens d’existence par la chasse, la pêche, la culture, etc.	(Their) means of existence may be <i>created</i> by hunting, fishing, farming, etc.
On peut les <i>voler</i> par la mauvaise foi, la violence, la force, la ruse, la guerre, etc.	They may be <i>stolen</i> by acting in bad faith, (by the use of) violence, force, fraud, war, etc.
S’il suffit, sans sortir du cercle de l’une ou de l’autre de ces deux catégories, de la prédominance de l’un des procédés qui lui sont propres pour établir entre les nations des différences considérables, combien cette différence ne doit-elle pas être plus grande entre le peuple qui vit de production, et un peuple qui vit de spoliation?	Just staying within the limits (established) by either one of these two methods, if it is sufficient for the predominance of one of the appropriate procedures to give rise to considerable differences among the nations, how much greater must not this difference be between a people that lives by producing and a people that lives by plundering.
Car il n’est pas une seule de nos facultés, à quelque ordre qu’elle appartienne, qui ne soit mise en exercice par la nécessité qui nous a été imposée de pourvoir à notre existence ; et que peut-on concevoir de plus propre à modifier l’état social des peuples que ce qui modifie toutes les facultés humaines ?	For there is not one of our faculties, (whatever kind it might be), that is not exercised by the necessity imposed (up)on us to provide for our existence, and what can we imagine that is more likely to modify the social state of nations than something that modifies all human faculties?

⁵⁸⁵ EH2, chap. XIX “War,” in our new translation.

Cette considération, toute grave qu'elle est, a été si peu observée, que je dois m'y arrêter un instant.

Pour qu'une satisfaction se réalise, il faut qu'un travail ait été exécuté, d'où il suit que la Spoliation, dans toutes ses variétés, loin d'exclure la Production, la suppose.

Et ceci, ce me semble, est de nature à diminuer un peu l'engouement que les historiens, les poètes et les romanciers manifestent pour ces nobles époques, où, selon eux, ne dominait pas ce qu'ils appellent *l'industrialisme*. À ces époques on vivait ; donc le travail accomplissait, tout comme aujourd'hui, sa rude tâche. Seulement, des nations, des classes, des individualités étaient parvenues à rejeter sur d'autres nations, d'autres classes, d'autres individualités, leur lot de labeur et de fatigue.

As serious as it is, this consideration has been so little observed that I have to pause a while to comment on it.

In order for some satisfaction to be enjoyed, work has to be done, from which it follows that plunder in all its forms, far from excluding production, assumes that it occurs.

And I believe that this is likely to put a damper on the enthusiasm shown by historians, poets, and novelists for these noble (historical) eras when, according to them, what they call *industrialism* was not dominant. At these times, people lived, therefore work accomplished its harsh task just as it does today. The only difference is that some nations, classes, and individuals had succeeded in imposing on other nations, classes, and individuals their own share of hard work and drudgery.

Hence, given the theoretical and practical priority of production over plunder, and the ever changing division of labour required for both the production of wealth and its confiscation or plundering, Bastiat felt obliged to document in some detail the complex and changing way plunder had evolved over time.

Stages in the History of Plunder

Bastiat thought history had gone through various stages depending upon how wealth was produced, how the plundering took place, who benefited from it, and who lost out from it, and his thinking on this remained remarkably constant over time. As early as his first book on *Cobden and the League* (July 1845) he was predicting the end of “le privilège, l’abus, la caste et monopole” (privilege, abuse of power, castes, and monopolies” and was listing the historical forms these things had gone through: “tour à tour conquérant, possesseur d’esclaves, théocrate, féodal, industriel, commercial, financier et même philanthrope” (in turn by conquest, owning slaves, theocracy, feudal, industrial, philanthrope”

commercial, financial, and even philanthropic.”⁵⁸⁶ The similarity to the list of types of plunder he planned for the expanded volume of EH is quite striking (see the discussion below).

It is also important to note that conflict between the two classes, “la classe spoliatrice” (the plundering class) and “les classes spoliées” (the plundered classes), had been a key feature in the evolution of European society since the ancient Roman period and was continuing in Bastiat’s own day with “la guerre sociale” (the social war) which the socialist parties planned to conduct. In a letter to his friend and confidant, Hortense Cheuvreux, written in June 1850 just six months before he died, he summarized his “class conflict theory of history” in which history is divided into two alternating phases of “struggle” and “truce” to control the state and the plunder which flows from this:⁵⁸⁷

Il est déplorable que *les classes qui font la loi* ne veuillent pas pas être justes quoi qu’il en coûte, car alors *chaque classe veut faire la loi*: fabricant, agriculteur, armateur, père de famille, contribuable, artiste, ouvrier ; *chacun est socialiste pour lui-même*, et sollicite une part d’injustice ; puis on veut bien consentir envers les autres à l’aumône légale, qui est une seconde injustice ; tant qu’on regardera ainsi l’État comme une source de faveurs, notre histoire ne présentera que deux phases : les temps de luttes, à qui s’emparera de l’État ; et les temps de trêve qui seront le règne éphémère d’une oppression triomphante, présage d’une lutte nouvelle.

It is to be deplored that *the classes who make the laws* are unwilling to be just whatever that might cost, since, if this were so, *each class would want to make the law*, whether he be a manufacturer, farmer, shipowner, family man, taxpayer, artist, or worker. In the event, each person is a socialist as far as he himself is concerned and claims a share in the injustice, after which people are quite willing to grant others *state charity*, and this is a second form of injustice. As long as the state is regarded in this way as a source of favors, our history will be seen as having only two phases, the periods of conflict as to who will take control of the state and the periods of truce, which will be the transitory reign of a triumphant oppression, the harbinger of a fresh conflict.

⁵⁸⁶ Introduction to *Cobden and the League* in CW6 (forthcoming).

⁵⁸⁷ “176. Letter to Mme. Cheuvreux,” (23 June, 1850) (CW1, pp. 251-52).

In “The Physiology of Plunder” (ES2 1, late 1847) he had four stages in his history: war, slavery, theocracy, and monopoly.⁵⁸⁸ This could be expanded to six if one included two other stages he mentioned in the next chapter “Two Moral Philosophies”: serfdom and a catch all category which included “l’abus du gouvernement, les privilèges, les fraudes de toute nature” (abuse by government, privileges, frauds of all kinds).⁵⁸⁹ By mid-1848, after the Revolution had broken out in February and he was now confronting his socialist opponents head on, his categories had become more numerous and complex as he continued to refine his theory of plunder. In the essay “Property and Plunder” (*JDD* June 1848)⁵⁹⁰ he retained the first three (war, slavery, theocracy) but provided much more detail about the kind of plunder that was taking place in the 19th century, for which he listed five sub-categories: standing armies and the debt needed to pay for them, regulations which restricted people entering professions and trades, tariffs which benefited a few producers at the expense of the many consumers, the rapidly growing government with its army of “functionaries,” and, what frightened him most, the threat of a new socialist government which would make “rule by functionaries” even worse. He concluded his historical survey with these pessimistic words:

(C)e n’est pas à la Propriété qu’il faut imputer l’Inégalité désolante dont le monde nous offre encore le triste aspect, mais au principe opposé, à la Spoliation, qui a déchaîné sur notre planète les guerres, l’esclavage, le servage, la féodalité, l’exploitation de l’ignorance et de la crédulité publiques, les privilèges, les monopoles, les restrictions, les emprunts publics, les fraudes commerciales, les impôts excessifs, et, en dernier lieu, la guerre au capital et l’absurde prétention de chacun de vivre et se développer aux dépens de tous.

(I)t is not property that is responsible for the distressing inequality that can still be seen around the world, it is its opposing principle, plunder, that has triggered wars, slavery, serfdom, the feudal system, the exploitation of public ignorance and credulity, privilege, monopolies, restrictions, public borrowings, commercial fraud, excessive taxes, and lastly the war against capital and the absurd pretension of each person to live and develop at the expense of all.

⁵⁸⁸ ES2 1 “The Physiology of Plunder (late 1847) (CW2, p. 114). <https://oll.libertyfund.org/titles/2731#Bastiat_1573-03_1023>

⁵⁸⁹ ES2 2 “Two Moral Philosophies” (CW2, p. 133). <https://oll.libertyfund.org/titles/79#lf0187_head_074>

⁵⁹⁰ “Property and Plunder” 5th Letter (*JDD*, June 1848) (CW2, pp. 172-76).

During 1849 Bastiat was working on getting the first volume of EH ready for publication and he was revising some of his earliest published articles “On Competition” and “On Population” both of which had been published in 1846. The latter article was revised very extensively for the book and would have an important new section inserted on “disturbing factors” and their relationship to the different kinds of plunder the world had gone through. He now listed seven kinds of plunder: war, slavery, theocratic deception, privilege, monopoly, trade restrictions, tax abuses:⁵⁹¹

Je crois qu’il y en a plusieurs. L’une s’appelle *spoliation*, ou, si vous voulez, *injustice*. Les économistes n’en ont parlé qu’incidemment, et en tant qu’elle implique quelque erreur, quelque fausse notion scientifique. Exposant les lois générales, ils n’avaient pas, pensaient-ils, à s’occuper de l’effet de ces lois, quand elles n’agissent pas, quand elles sont violées. Cependant la spoliation a joué et joue encore un trop grand rôle dans le monde pour que, même comme économiste, nous puissions nous dispenser d’en tenir compte. Il ne s’agit pas seulement de vols accidentels, de larcins, de crimes isolés. — La guerre, l’esclavage, les impostures théocratiques, les privilèges, les monopoles, les restrictions, les abus de l’impôt, voilà les manifestations les plus saillantes de la spoliation. On comprend quelle influence des forces perturbatrices d’une aussi vaste étendue ont dû avoir et ont encore, par leur présence ou leurs traces profondes, sur l’inégalité des conditions; nous essayerons plus tard d’en mesurer l’énorme portée.

I believe that there are several (causes of poverty). One is *plunder*, or if you prefer, *injustice*. Economists have mentioned this only incidentally and in so far as it implies some error or erroneous scientific notion. When setting out general laws, they considered that they did not have to take notice of the effect of these laws when they do not work or when they are violated. However, plunder has played and still plays too great a role in the world for us, even as economists, to feel free to disregard it. It is not just a question of casual theft, larceny and isolated crime. War, slavery, theocratic deception, privilege, monopoly, trade restrictions, tax abuses, are all the most obvious examples of plunder. It is easy to understand the influence that such wide-ranging disturbing forces must have had and still have on the inequality of situations by their very presence or the deep-rooted traces they leave. Later, we will endeavor to measure their huge effect.

The original editor Paillottet found a hand written list of proposed future chapters Bastiat planned for his additional volumes, including seven chapters of what is called

⁵⁹¹ EH2, chap. XVI “On Population,” in our new translation.

“Disturbing Phenomena,” and included it in the expanded second edition of EH which was published posthumously in July 1851. There is now a chapter on “Plunder,” presumably an exposition of his theory of plunder, as well as chapters on specific forms of plunder such as War, Slavery, Theocracy, Monopoly, “Exploitation gouvernementale” (Exploitation by Government), and “Fausse fraternité ou communisme” (False fraternity or Communism). The last two stages reflected Bastiat’s growing concern during the Second Republic about the rapid growth of state “functionaryism,” as it was appearing under the rule of Napoléon III, and as might continue to do if the socialists camped to power.

A Summary of Bastiat’s History of Plunder

We can summarize Bastiat’s history of plunder in the following composite list, which shows the various stages in the history of plunder depending upon how wealth was produced, when and how the plundering took place, and who benefited from it. We have tried to use Bastiat’s own terms whenever possible. In all stages there were two groups of people: those who lived by plunder who constituted “la classe spoliatrice” or “les spoliateurs” (the plundering class or the plunderers); and those whose property was taken who constituted “les classes spoliées” or “les spoliés” (the plundered classes, or those who were plundered).

I. War

- Type of plunder: “La spoliation par la guerre” (plunder by means of war), “La Spoliation par la force” (plunder by means of force), “la spoliation militaire” (military plunder), “la Spoliation partielle” (partial plunder), “la Spoliation naïve par voie de conquêtes” (primitive/blatant plunder by means of conquest), “la spoliation au dehors” (external plunder), “une spoliation transitoire” (transitory plunder)
- By whom: warriors killing and looting the vanquished; whereby a small group of privilege individuals live at the expense of others
- When: in the Ancient world (especially by the Romans)

II. Slavery (and serfdom)

- Type of plunder: “la Spoliation directe et naïve” (direct and blatant plunder), “La Spoliation par la force” (plunder by means of force), “la Spoliation partielle” (partial plunder), “l’esclavage consiste non dans la forme, mais dans le fait d’une spoliation permanente et légale” (slavery consists not in the form but in the fact of permanent and legal plunder), “l’esclavage, qui est la spoliation poussée jusqu’à sa limite idéale” (slavery is plunder pushed to its ideal/theoretical limit), “la spoliation au dedans” (internal plunder), “la spoliation permanente” (permanent plunder), “l’Esclavage, qu’est-ce autre chose que l’oppression organisée dans un but de spoliation” (slavery is nothing else than organised oppression for the purpose of plunder)
- By whom: powerful individuals use the military to capture and enslave the conquered and force them to work or pay tribute;
- When: in the Ancient world (especially by the Romans), but also extending to serfdom in the medieval period

III. Theocracy

- Type of plunder: “la Spoliation par ruse théocratique” (plunder by theocratic fraud), “la Spoliation partielle” (partial plunder), “la spoliation au dedans” (internal plunder)
- By whom: a privileged monopoly Church imposes compulsory tithes, sells fraudulent benefices for salvation, controls education, and prevents critical thought
- When: the period before the French Revolution of 1789

IV. Monopoly (and economic privilege)

- Type of plunder: “la Spoliation par la ruse/fraude commerciale” (plunder by commercial fraud), “la spoliation par l’intermédiaire de la loi” (plunder by means of the law), “la spoliation légale” (legal plunder), “la spoliation par l’impôt” (plunder by taxes), “la Spoliation partielle” (partial plunder), “la spoliation au dedans” (internal plunder)
- By whom: powerful individuals and groups are granted special privileges such as tariffs, subsidies and “sinecure, privilege, and trade restriction”; standing armies, high

government debt, regulations on entering professions and trade; ordinary people are misled by “sophisms” that this is in their own interest

- When: from the 17th century to the present (1850); also known as mercantilism and protectionism

V. The Government itself

- Type of plunder: “la Spoliation par abus et excès du gouvernement” (plunder by the abuses and excesses of government), “la spoliation gouvernementale” (plunder by government), “l’abus des services publics, champ immense de Spoliation” (the abuse of government services is an immense field for plunder), “la spoliation gouvernementale” (plunder by the government), “la spoliation par l’impôt” (plunder by taxes), “la spoliation au dedans” (internal plunder)
- By whom: a self-interested and self-perpetuating and expanding class of “functionaries” who run the new regulatory state, and the vested interests who attempt to get special favors from the government; government itself has now become a “vested interest,” “place-seeking” (government jobs)
- When: in the 19th century from Napoleon’s Empire up to the present (1850)

VI. Socialism (or what he dismissively called “false fraternity”) and Communism

- Type of plunder: “La Spoliation par la force” (plunder by means of force), “la spoliation par l’intermédiaire de la loi” (plunder by means of the law), “la spoliation légale” (legal plunder), “la spoliation par l’impôt” (plunder by taxes), “la spoliation universelle” (universal plunder), “un système de spoliation réciproque” (a system of reciprocal plunder), “la spoliation au dedans” (internal plunder)
- By whom: a government which promises all kinds of tax-payer funded benefits to the people (such as “droit au travail, droit au crédit, droit à l’assistance, droit à l’instruction, impôts progressifs” (the right to a job, to free credit, to public welfare, education, and progressive taxation)), and which attempts to reorganize the economy by using government imposed “association,” “organization,” and “legal charity;” a

system in which everybody tries to live at the expense of everybody else (Bastiat's famous definition of the state)⁵⁹²

- When: the threat of socialism became apparent in 1848 Revolution; Bastiat attempts to predict the form plunder will take in the future if socialism becomes popular; the modern welfare state

Two Specific Forms of Plunder

The two historical forms of plunder on which he wrote the most before he died was that of “monopoly” and “socialism,” the former being the focus of his “economic sophisms” attacking tariffs and subsidies, and the latter being the focus of his stream of anti-socialist pamphlets which he wrote during the Second Republic.⁵⁹³ However, he also referred on several occasions to two other stages in the history of plunder in some detail, namely “theocratic plunder”⁵⁹⁴ which is less well-known but deserves some attention by scholars because of the importance Bastiat placed on the mechanisms of ideological control and the legitimization of plunder by theocracy; and the other was “functionaryism” or “plunder by government” for itself and not just for other powerful vested interest groups.⁵⁹⁵

Conclusion

In a potentially very important but never finished chapter in EH2 on “War” Bastiat uses the striking metaphor of the “plough” and the “sword” to show the inseparable

⁵⁹² “L’Etat, c’est la grande fiction à travers laquelle *tout le monde* s’efforce de vivre aux dépens *de tout le monde*” (The State is the great fiction by which *everyone* endeavors to live at the expense of *everyone else*), in “The State” (*JDD*, 25 Sept. 1848) (CW2, p. 97).

⁵⁹³ Between May 1848 and July 1850 Bastiat wrote a series of 12 anti-socialist pamphlets, or what the Guillaumin publishing firm marketed in their Catalog as the “Petits pamphlets de M. Bastiat” (Mister Bastiat’s Little Pamphlets), which included several for which Bastiat has become justly famous such as “The State” (Sept. 1848), “The Law” (July 1850), and “What is Seen and What is Not Seen” (July 1850). See “Bastiat’s Anti-Socialist Pamphlets,” in *Appendix 1*, CW4 (forthcoming).

⁵⁹⁴ See the section on “Theocratic Plunder, in “Bastiat’s Theory of Plunder” in the Appendix.

⁵⁹⁵ See “Functionaryism and Rule by Functionaries,” in the Appendix.

distance between the two opposing ways of producing wealth, production versus plunder, which lay at the heart of the problem of plunder:⁵⁹⁶

Pour produire, il faut diriger toutes ses facultés vers la domination de la nature; car c'est elle qu'il s'agit de combattre, de dompter et d'asservir. C'est pourquoi le fer converti en charrue est l'emblème de la production.

Pour spolier, il faut diriger toutes ses facultés vers la domination des hommes ; car ce sont eux qu'il faut combattre, tuer ou asservir. C'est pourquoi *le fer converti en épée est l'emblème de la spoliation*.

Autant il y a d'opposition entre la charrue qui nourrit et l'épée qui tue, autant il doit y en avoir entre un peuple de travailleurs et un peuple de spoliateurs. Il n'est pas possible qu'il y ait entre eux rien de commun. Ils ne sauraient avoir ni les mêmes idées, ni les mêmes règles d'appréciation, ni les mêmes goûts, ni le même caractère, ni les mêmes mœurs, ni les mêmes lois, ni la même morale, ni la même religion.

In order to produce, it is necessary to direct all of one's capacities to the task of dominating nature, for it is nature that must be fought, tamed, and subjugated. This is why iron made into ploughs is a symbol of production.

In order to plunder (some one), it is necessary to direct all of (one's) capacities to the task of dominating human beings, for these are the people that must be fought, killed, or subjugated. This is why iron made into swords is a symbol of plunder.

Just as there is a contradiction between the plow that feeds us and the sword which kills us, there has to be (a similar contradiction) between a nation of workers and a nation of plunderers. It is not possible that they would have anything in common. They could not have the same ideas, the same standards to judge things, the same tastes, the same character, the same customs, the same laws, the same moral code, or the same religion.

⁵⁹⁶ Chap. XIX "War," p. **abc**.

1.STYLE SHEET [CHAPTER NAME]

Subtitle

Heading 1

Heading 2

Heading 3A

SECTIONHEADING

bodytext

footnote⁵⁹⁷

bodybullet:

- abc
- abc

blockquote blockquote blockquote blockquote blockquote blockquote
blockquote blockquote blockquote blockquote blockquote blockquote
blockquote blockquote blockquote blockquote

⁵⁹⁷ last footnote

“Quotebox. Quotebox. Quotebox. Quotebox. Quotebox. Quotebox. Quotebox.”	Quotebox. Quotebox. Quotebox. Quotebox. Quotebox. Quotebox. Quotebox.
---	---

Bibliography, *Title* (city: pub, date).