

## “The School of Liberty” (1890) | *Frédéric Passy*

### **Passy’s Preface to the Guillaumin Edition**

With these few words, I would like to familiarize the reader with the origin and the nature of the work he is about to read.<sup>1</sup>

The Swiss Christian Society of Social Economy, presided over with rare distinction by Frédéric Necker,<sup>2</sup> had the original and interesting idea of bringing before the Genevan public, representatives from the main schools of economic thought.

I had the honor of being called to speak on behalf of the School of Liberty.

Coming last after Claudio Jannet who gave a masterful talk on Le Play’s doctrine, after Gaston Stiegler, a serious and official defender of collectivist ideas, after Charles Gide at the end, who, with superb talent and some partiality

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<sup>1</sup> This preface to the Lecture was inserted in Passy’s own edition of his speech, which was published by Guillaumin as a separate pamphlet designed to be circulated among the supporters of the liberal political economists in Paris. *L’École de la liberté. Conférence faite à Genève le 9 Avril 1890 par M. Frédéric Passy, Membre de l’Institut* (Paris: Guillaumin, 1890), 84. The actual speeches are the same, so in the footnotes we will cite the original edition published by the conference organizers.

<sup>2</sup> Possibly a relative of Jacques Necker (1732–1804), who was a Swiss-born banker and politician who served as the minister of finance under Louis XVI just before the French Revolution broke out. As minister of finance he tried to reform the French taxation system by broadening its base and removing some of its worst inequalities. Needless to say, in this he largely failed. His daughter, Germaine Necker (de Staël), became a famous novelist and historian of the French Revolution.

in my opinion, put on trial the economic views of Adam Smith, Anne-Robert Turgot,<sup>3</sup> and Frédéric Bastiat, I found myself obliged to argue for the defense, and enter a plea on behalf of my masters and myself, which was much longer than I had envisaged.<sup>4</sup> I would like to excuse myself for this in the presence of the reader, as I had to apologize in the presence of the audience who kindly agreed to listen to me.

My lecture is reproduced along with the others in the volume published by the Swiss Christian Society of Social Economy. Those who are able to get hold of a copy will be able to compare the different doctrines. But there may be only somewhat limited promotion of the book. Hence I thought it might be a good idea to print my lecture separately, although this is done with no pretense of giving my thoughts any exceptional coverage, and with no illusion of presenting to the academic world the official manifesto of the School of Liberty. Perhaps it may be useful in correcting some errors, unfortunately too common, and in giving a better idea of the true character and inclinations of this school.

—Frédéric Passy, Member of the Institute.

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<sup>3</sup> Anne-Robert Jacques Turgot (1727–81) was an economist of the physiocratic school, a politician, a reformist bureaucrat, and a writer. During the mid-1750s Turgot came into contact with the Physiocrats and had two opportunities to put free-market reforms into practice: when he was appointed Intendant of Limoges in 1761–74; and when Louis XVI made him minister of finance between 1774 and 1776, at which time Turgot issued his six edicts to reduce regulations and taxation. His works include *Réflexions sur la formation et la distribution des richesses* (1766), and *Lettres sur la liberté du commerce des grains* (1770). See online: Anne-Robert-Jacques Turgot, *Reflections on the Formation and the Distribution of Riches*, trans. William J. Ashley (New York: The Macmillan Co., 1898), <http://oll.libertyfund.org/titles/122>.

<sup>4</sup> Passy had already paid tribute to some of his “masters” in *Notice biographique sur Frédéric Bastiat* (Paris: Guillaumin, 1857) and again more recently in *Un coup d’oeil sur l’histoire de l’économie politique* (Paris: impr. de Chaix, 1884).

## Passy's Speech to the Conference (9 April 1890)<sup>5</sup>

Ladies and gentlemen,

Notwithstanding your warm welcome, it is as a defendant that I stand before you in the dock today. And this defendant is fully aware of the extent and the gravity of the charges bearing down on him. He knows that he must not only defend himself and his ideas, but that he must first and foremost defend his friends, his colleagues and masters, in other words all those who together constitute the school to which they pride themselves in belonging, namely *the School of Liberty*. It is true that having to defend such men also means being defended by them. Because this school, which did not specifically stand trial before you, but came under a vigorous and most talented attack all the same, this school brings with it an imposing lineage of noble hearts and great minds.<sup>6</sup> From Jean Bodin to Anne-Robert Turgot, from Sébastien Le Prestre de Vauban to Pierre Le Pesant de Boisguilbert and François Quesnay, from Turgot to Frédéric Bastiat, Pierre Samuel Dupont de Nemours, Jean-Baptiste Say,<sup>7</sup> Charles Dunoyer, Pellegrino

<sup>5</sup> There are two versions of Passy's speech: (1) The conference organizer's edition: *Quatre écoles d'économie sociale. Conférences données à l'aula de l'Université de Genève sous les auspices de la Société chrétienne suisse d'économie sociale. L'École Le Play (Claudio Jannet), L'École collectiviste (G. Stiegler), L'École nouvelle (Charles Gide), L'École de la Liberté (Frédéric Passy)* (Genève: Librairie Stapelmohr, éditeur, 1890). Frédéric Passy, *L'École de la liberté. Conférence faite à Genève le 9 Avril 1890 par M. Frédéric Passy, Membre de l'Institut* (Paris: Guillaumin, 1890), 84. The first was used for the present translation, except that Passy's preface was drawn from the second.

<sup>6</sup> From all the names listed here we have selected just a handful of the more important about whom we might provide more details: Turgot (see above), Jean-Baptiste Say, and Michel Chevalier. Details about many of the others can be found below as Passy discusses them in turn.

<sup>7</sup> Jean-Baptiste Say (1767–1832) was the leading French political economist in the first third of the nineteenth century. Before becoming an academic political economist quite late in life, Say apprenticed in a commercial office, working for a life insurance company; he also worked as a journalist, soldier, politician, cotton manufacturer, and writer. After the defeat of Napoleon and the restoration of the Bourbon monarchy, Say was appointed to teach economics in Paris, first at the *Athénée*, then as a chair in "industrial economics" at the *Conservatoire national des arts et métiers*, and finally as the first chair in political economy at the *Collège de France*. Say is best known for his *Traité d'économie politique* (1803), which went through many editions (and revisions) during his lifetime. See Jean Baptiste Say, *A Treatise on Political Economy*;

Rossi, and Michel Chevalier;<sup>8</sup> a lineage which, I'd like to remind you, is primarily French because of its representatives' citizenship, but is also universal thanks to its shared interests and the reach of its doctrines. Hence, it connects to Italy via Cesare Beccaria, Gaetano Filanghieri, and Camillo Benso di Cavour; to England with John Locke, Adam Smith, Richard Cobden, Robert Peel, and William Gladstone; to America thanks to Benjamin Franklin and William Channing; to Switzerland via Alexandre Vinet to cite only one; and finally to the whole of humanity, through everything that embraces respect for the human person; through all that which from a material standpoint as much as from a moral one, promotes dedication to personal responsibility, without which there is neither experience nor merit, nor right, nor duty, nor progress, nor dignity.

Yes, gentlemen, I believe in liberty, in this liberty which we would have been unable to put on trial or defend had it not existed, this liberty which is, as Bastiat so eloquently said, "man's everything, his motive force, his teacher, his pay master, and his avenger."<sup>9</sup> I believe in it because human society is something more than a collection of machines, waiting for someone to turn the switch on; because I believe that this world was not left to chance and that laws exist that we have no power to change, in both the sciences of the moral world and the material world. But it is our duty to study those laws in order to use them by conforming our behavior to them; because as Boisguilbert said beautifully, "nature only breathes liberty; it is not asking for miracles, it is only asking that we cease to constantly assault it."<sup>10</sup>

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*or the Production, Distribution, and Consumption of Wealth*, ed. Clement C. Biddle, trans. C. R. Prinsep from the 4th ed. of the French (Philadelphia: Lippincott, Grambo & Co., 1855. 4th–5th ed.), <http://oll.libertyfund.org/titles/274>.

- <sup>8</sup> Michel Chevalier (1806–87) was a liberal economist and alumnus of the *École polytechnique* and a minister under Napoleon III. Initially a Saint-Simonian, he was appointed to the chair of political economy at the *Collège de France* in 1840 and became a senator in 1860. He was an admirer of Bastiat and Cobden and played a decisive role in the free trade treaty signed between France and England in 1860 (Chevalier was the signatory for France, while Cobden was the signatory for England).
- <sup>9</sup> My translation from Bastiat, *EH*, chap. 17: "Private and Public Services," 452, [http://oll.libertyfund.org/titles/79#Bastiat\\_0187\\_2131](http://oll.libertyfund.org/titles/79#Bastiat_0187_2131).
- <sup>10</sup> Pierre Le Pesant, sieur de Boisguilbert (1646–1714) was born in Normandy, worked as a judge, and then was appointed the administrator of the Bailiwick of Rouen. He was an astute observer of economic conditions and came to the conclusion that Jean-Baptiste Colbert's mercantilist economic policies and heavy taxation were causing serious economic hardship in France. In his best known work, *Le détail de la France*;

More than thirty-five years ago I wrote a paper that began as follows:<sup>11</sup>

*Coercion or liberty*, independence or servitude, arbitrary rule or justice; all of the moral sciences are contained in these words. We speak in vain of the diversity of systems, of the variety of points of view, of the multiplicity of questions; there is only one question on this earth, and that's the law, and there's only one agent and only one subject, man. To respect the law in man or to ignore it, all the debate lies therein. We occasionally argue about the material but it is really the spirit that is in play.

I don't think differently today and that's why I consider that what stands accused before you is not just an economic system but the very foundation of political life and of the moral life. At the same time, we are faced with the timeless quarrel between reality and hypothesis, science and empiricism, between what is possible and what is not, between observation which sheds light, and imagination which misleads us.

Gentlemen, this is what I would like to present to you, taking my turn and according to my own view of things, a statement of principles; by showing you through analysis of the work of my predecessors, what this doctrine really is, a doctrine that one of Bastiat's most faithful disciples, Roger de Fontenay,<sup>12</sup> so

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*la cause de la diminution de ses biens et la facilité du remède* (1695), he called for the abolition of some taxes and customs duties and free trade within France. The quote comes from Boisguilbert, "Traité de la nature, culture, commerce et intérêt des grains" (1707) pt. 2, chap. 9, in *Collection des principaux économistes. Vol. 1 Économistes financiers du XVIIIe siècle*, ed. Eugène Daire, 2nd ed. (Paris: Guillaumin, 1851). The quote has been compiled from things Boisguilbert said on pp. 223, 238, 366. The work of Boisguilbert has been rediscovered recently and is being republished by the Institut Coppet in Paris. See, "The French School," <https://www.institutcoppet.org/presentation-generale-de-lecole-francaise>; and works by or about Boisguilbert, <https://www.institutcoppet.org/?s=Boisguilbert>.

<sup>11</sup> Passy, "De l'Influence morale et matérielle de la contrainte et de la liberté ou de la responsabilité individuelle," *Journal des Économistes*, 2nd Series 6, no. 6 (15 June 1855): 321–45.

<sup>12</sup> Roger de Fontenay (1809–91) was a member of the Political Economy Society and an ally of Bastiat in their debates in the Society on the nature of rent (they rejected the orthodox Ricardian view) and Malthus's theory of population (they rejected his pessimism). Fontenay worked with Prosper Pailletot in publishing Bastiat's 2nd edition of *Economic Harmonies* in 1851 and his *Œuvres complètes* in 1854, for which he wrote a lengthy introduction. He was a regular contributor to the *Journal des économistes* right up to his death. He wrote *Du revenu foncier* (Paris: Guillaumin,

aptly labeled “the proud doctrine of progress through liberty.” However, I am now on the defensive, so I’m afraid I won’t be able to fulfill this assignment properly. In order to defend what has been called the orthodox school against the attacks mounted against it, I will have to tell you what it is not, which indirectly will tell you what it is.

This classical school was above all criticized for its indifference, its optimism, its impassive and blissful resignation to all imperfections and to all the miseries of the present. It has been accused of offering no consolation or hope for humanity’s pains and aspirations and to offer only one answer to those who suffer as well as to those who yearn: “Things are the way they are, and it’s too bad if you don’t like it; we can’t do anything for you, try next door.” Gentlemen, even if that were true I don’t know that those who are making these accusations against us would have a right to berate us so vehemently. Certainly, before accusing others of doing nothing, one should first make sure that he is able and willing to do something. And truly, what are we being shown regarding this new school, or rather this series of schools labeled new, in whose names we raise the banner against the old school? A few tendencies to do things. What am I saying, “tendencies”? More like a complete refusal to be specific. We are being told that the new schools don’t have defined programs, and don’t offer any remedies for the ills they are denouncing; they do not teach how to untie the knots of present difficulties; they don’t even agree amongst themselves, and only have in common impatience and disgust—there, the word has been said—which stirred them up against the powerlessness of the old school. In truth, to accuse others of powerlessness while at the same time declaring yourself equally powerless, would be understood to lead one to feeling discouraged and humbled. Hence it is impossible to understand how that can lead them to trumpet proudly the pretense that they bring a true revelation to the world.

You accuse us of having no solution to the miseries of society while confessing that you yourselves have none either. If this were true, we’d both be playing a game and the judges before whom we are pleading our case would only need to order us to solve it ourselves. But is this really the truth? Is it not actually the opposite of the truth?

Indifferent you say, emotionless, without any pity and showing no anger in the face of injustice and suffering; with no indignation against evil and no hope for betterment; unable not only to relieve the world’s sufferings but also unable to shine any *light of hope* before their eyes, these men I just named, Vauban,

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1854). The quote comes from Fontenay “Notice sur la vie et les écrits de Frédéric Bastiat,” *Oeuvres Complètes de Frédéric Bastiat*, vol. 1 (Guillaumin, 1862), xiii.

Boisguilbert, Turgot, who became economists out of love for humanity in its purest and noblest form! Vauban, who “felt an obligation born of honor and conscience to tell” Louis XIV that “from time immemorial, we did not have enough respect for the common people, and they were not valued enough, even though they are the most important part of the kingdom in terms of number and in actual services rendered,”<sup>13</sup> and who, in his *Fundamental Maxims*, defined with an authority that Adam Smith did not surpass, the essential rules of taxation, declaring that “any privilege in that matter is unjust and abusive and cannot or should not prevail to the detriment of the public!”<sup>14</sup> Boisguilbert, who in the *Detail de la France*, reprinted under the title *La France ruinée sous le règne de Louis XIV [France in Ruins under the Reign of Louis XIV]*,<sup>15</sup> is not afraid to point out to all as François Fénelon does, “the pillages and trappings of the great.”<sup>16</sup>

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<sup>13</sup> Sébastien Le Prestre de Vauban (1633–1707) was a Marshal in the French Army under Louis XIV and the leading military engineer of his period, specializing in military fortifications. He was also a polymath who wrote a pioneering work on political economy, *Projet d’une Dîme royale* (1707), in which he proposed to simplify the French system of taxation by replacing the complex profusion of old taxes with a flat 10 percent tax on income from land and a slightly lower one on commerce and industry. His proposal offended the King who ordered him to collect all copies that had been published and destroy them. The quote comes from Vauban, “Projet d’une dixme royale” (1707), which was republished by Eugène Daire, *Économistes financiers du XVIIIe siècle* (Paris: Guillaumin, 1843. 2nd ed. 1851), 45.

<sup>14</sup> Vauban, “Maximes fondamentales de ce système,” in “Projet d’une dixme royale” (1707), in Daire, *Économistes financiers du XVIIIe siècle*, 48.

<sup>15</sup> Fénelon (1651–1715) was the Archbishop of Cambrai and tutor to the young duke of Burgundy, the grandson of Louis XIV. After the revocation of the Edict of Nantes (which had granted toleration for Protestants in France), Fénelon was one of several high-ranking clergy sent to convert recalcitrant Protestants to Catholicism. He wrote a collection called *Dialogue des morts et fables* (1700), and *Les Aventures de Télémaque* (1699), which was a thinly veiled satire of the reign of Louis XIV and a critique of the notion of the divine right of kings.

<sup>16</sup> I have not been able to track down this particular quotation by Fénelon. Passy also referred to it and other similar comments by Fénelon in an address he gave in 1883 on “An Overview of the History of Political Economy” to the Rouen meeting of the French Association for the Advancement of Science. See his comments about Intendants living the life of debauched bohemians in “Mémoire sur la situation déplorable de la France en 1710” and on France being reduced to one giant desolate hospital in “Lettres sur les questions politiques et l’histoire contemporaine: À Louis XIV. Remonstrances à ce prince sur divers points de son administration.” Passy, “Un

As the lieutenant general of the Bailiwick of Rouen he was able to witness the afflictions which had befallen the nation and to feel “accountable to Heaven and Earth” and, following Michelet’s word, “a hundred years before 1789 made the first voice of the Revolution heard with as much strength and more gravity than Mirabeau did later!”<sup>17</sup> Quesnay,<sup>18</sup> who from Versailles’s mezzanine floor formulated an economic gospel that starts with *above all be just*, and in front of Louis XV gives his book *Table économique* (1758) this significant epigraph: “Poor peasant, poor kingdom; poor kingdom, poor king!”<sup>19</sup>

Finally gentlemen, Turgot, who after having worked wonders to improve the condition of his constituents in his region of Angoulême, when he became General Comptroller, and to defend the interests of these people he loves, as Vauban does, began to fight against privileges and abuses! Turgot, who only saw political power as a duty, had the king proclaim the sacred rights of working and of conscience and solemnly repudiate this unholy doctrine which regarded “work as a feudal and royal right that the king could sell and that subjects had to purchase,” and proclaim this declaration, which should be embedded into the memory of each man, as part of the Charter of Democracy itself: “God gave man needs, and made work necessary, in so doing He made the right of working the property of each and every man; and this property is the first, the most sacred,

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coup d’oeil sur l’histoire de l’économie politique,” Séance d’ouverture, 16 août 1883, *Association français pour l’avancement des sciences. Compte rendu de la 12e session. Rouen 1883*. (Paris: Secrétariat de l’Association, 1884), 11–30; Fénelon, *Oeuvres complètes de Fénelon. Tome Septième*. (Paris: Leroux et Jouby, 1852), 160; Fénelon, *Oeuvres choisies de Fénelon, Volume 4* (Paris: Librairie Hachette, 1881), 285.

<sup>17</sup> Boisguilbert, “Traité des grains,” in Daire, *Économistes financiers du XVIIIe siècle*, 370; Michelet, *Histoire de France au Dix-septième siècle. Louis XIV et le duc de Bourgogne* (Paris: Chamerot, 1862), 139.

<sup>18</sup> François Quesnay (1694–1774) was both a surgeon and an economist who was one of the founders of the Physiocratic School, writing the articles on “Fermiers” and “Grains” for Diderot’s *Encyclopédie* (1756) and also *Le Tableau économique* (1762).

<sup>19</sup> Quesnay, *Analyse du Tableau économique* (1758), in Daire (1846), 57–78. Quesnay uses the phrase “pauvres paysans, pauvre royaume” (poor peasants, poor kingdom) in a footnote in “Maximes générales du gouvernement économique d’un royaume agricole,” in Eugène Daire, ed., *Physiocrates*, Part 1 (Paris: Guillaumin, 1846), 99n–100n. The editor Daire notes that this was expanded by Dupont de Nemours into the motto of the Physiocratic School: “Impositions indirectes; pauvres paysans. Pauvres paysans; pauvre royaume. Pauvre royaume; pauvre souverain.” (Indirect taxes [lead to] poor peasants. Poor peasants to a poor Kingdom. A poor Kingdom to a poor Sovereign.)



and the most imprescriptible of all!”<sup>20</sup> Turgot did not just abolish the secular barriers to work, but he also destroyed the obstacles that stood between hunger and food, he officially denounced the harm caused by the *corvée*,<sup>21</sup> and during his short tenure as Comptroller General of Finances, was able to demonstrate through practice that the proper care of taxpayers is the best way to increase government revenue. Making Vauban’s thesis his own, he wrote in one of his memos to the king these words that many politicians should spend time contemplating:

What is taxation? Is it a burden imposed by force over weakness? So the Prince would be the common enemy of society; the strongest would defend themselves as much as possible and the weakest would be crushed. Because government expenses are in everybody’s interest, therefore all must contribute; and the more we enjoy the advantages that society brings us, the more we should feel honored to share in its burdens as well. On a more humane side it is rather difficult, as a gentleman, to celebrate one’s exemption from taxation when one sees what has to go into the peasant’s cooking pot!<sup>22</sup>

Turgot, gentlemen, whom Voltaire described in one phrase when he wrote “He is only seeking the true in order to accomplish the good;”<sup>23</sup> Turgot, whom that same Voltaire, when he met him in the streets of Paris during his last trip,

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<sup>20</sup> “Actes du Ministère de Turgot” (February 1776) in *Oeuvres de Turgot*, Vol. 2, ed. Daire (1844), 306.

<sup>21</sup> Under the old regime the most hated of the taxes imposed on the peasantry were the forced labor obligations or “*corvées*” which required local farmers to work a certain number of days (8) every year for their local lord or on various local and national road works. These were repealed and reinstated repeatedly over a period of about 60 years beginning with Turgot’s ordinances of March 1776. Forced labor obligations were reintroduced by Napoleon in 1802 under a new name, “*prestations*.”

<sup>22</sup> This is not a direct quote but is taken from several sentences in “*Observations du Garde des Sceaux et Contre-observations de Turgot sur la suppression de la corvée*, January 1776,” in *Oeuvres de Turgot*, Vol. 2, ed. Eugène Daire (Paris: Guillaumin, 1844), 270.

<sup>23</sup> Voltaire (François-Marie Arouet) (1694–1778) was one of the leading figures of the French Enlightenment. He first made a name for himself as a poet and playwright before turning to political philosophy, history, religious criticism, and other literary activities. He became notorious in the 1760s for his outspoken campaign against abuses by the Catholic Church and the use of state torture in the Calas Affair. The quote comes from a poem “*À un homme*” (1776), i.e., Turgot, in *Oeuvres complètes de Voltaire*, vol. XI. *Épîtres et stancé* (Paris: Antoine-Augustin Renouard, 1819), 292.

grabbed his hand in his and lifted it up to his lips with tears streaming down his face, saying, his voice shaking with sobs: “Let me kiss this hand that signed the salvation of the people!” This emotion, coming from the wry Voltaire, whose writings are a testimony to his sincerity, is an homage that is worth the irony of others who today denounce the dryness of both Turgot’s doctrines and his disciples.

No gentlemen, this doctrine is not one lacking feeling and full of indifference; it is one of humanity and progress. And it is also a doctrine of reason because outside of reason there is no humanity or progress. It is the doctrine of people who do not want to remake the world according to their imagination and to paint for their fellow men a fantastical world of impossible perfection, which is only good for exacerbating their suffering by creating within them unrealistic expectations. Instead, it is the doctrine of those who seek, through the study of human nature and its laws, to determine what must be and what is possible, and to teach people how to make the best of their situation through the wise and thoughtful use of their own actions instead of rebelling against what is. And so instead of there being an identical solution to all problems, or of having blind faith in the words of their masters who have shown them the way, this doctrine of reason is what creates a unity to their method and a common trust in the results of experience and of freedom.

You have been told of the absence of criticism and independent thinking in the Economists’ School, and of the servile docility with which traditionally all expressions of the same concept were repeated over and over again. Listen to these lines from someone who has been denounced for his optimism, this Bastiat whom we know wrote the *Economic Harmonies*, but whose denouncers forget to say that death prevented him from writing the *Economic Disharmonies*;<sup>24</sup> and

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<sup>24</sup> Passy uses the title *Perturbations économiques* (Economic disturbances), but *Economic Disharmonies* also goes well here and is accurate as well. Bastiat had ambitious plans to write a series of volumes but his rapidly failing health made this impossible. His project was to be a multi-volume study of “social harmonies” which would include a social, legal, and historical aspect, in addition to the economic. The plan was to devote one volume to the basic theory of social harmony (to be called *Social Harmonies*) before devoting another volume to the economic dimension (*Economic Harmonies*), and then at least one volume to the “disturbing factors” which disrupted social harmony. 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 other words, this volume would be “The History of Plunder” he had also planned to write. Because he was so pressed for time he decided to focus on one aspect, the economic harmonies, and leave the others to another time. He had time to publish

particularly forget to say that he spent his life pursuing errors in the law as much as in people's minds, and that he wrote the "Physiology of Plunder," thus calling things by their proper name.<sup>25</sup> These are the last lines that came from his hand. These lines were written a few days before his death, when he was fully aware of his imminent passing: "I am addressing, possibly for the last time, which is to say with feelings of the most deep-seated goodwill, to my colleagues on the editorial staff of the *Journal des Économistes* and I beseech them to think carefully before adopting a resolution that could have a decisive influence on the journal's authority."<sup>26</sup>

And why this solemn and final plea? It concerned the theory of property which, you've been told, has never been properly discussed by economists; that is, about land rent, and about what we call *the Ricardo doctrine*,<sup>27</sup> a doctrine that tends to see land ownership as a privilege of a special kind, the consequences of which, if it were true, would be nothing less than the disastrous expropriation of the

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only the first half of *Economic Harmonies* in January 1850 before he died. See *The Unfinished Treatises: The Social and Economic Harmonies and The History of Plunder* (1850–51), where I have tried to reconstruct what these volumes might have looked like.

<sup>25</sup> Bastiat, *Economic Sophisms* (Second Series), "The Physiology of Plunder" (c. 1847), in *Collected Works*, vol. 3, 113–30.

<sup>26</sup> Bastiat at the end of 1850 had been charged with plagiarism by the American economist Henry C. Carey, falsely as it turned out, over Bastiat's use of the idea of "economic harmonies" in his new book. In an undated letter to the editors of the *Journal des Économistes*, Bastiat defended himself from the charge and then launched into an attack on the editors for rejecting his new theory of rent in his book and defending Ricardo's theory, which is what this quote refers to. See Bastiat, *Collected Works*, Vol. 1, Letter 209, p. 300, [http://oll.libertyfund.org/titles/2393#Bastiat\\_1573-01\\_1523](http://oll.libertyfund.org/titles/2393#Bastiat_1573-01_1523).

<sup>27</sup> David Ricardo (1772–1823) was born in London of Dutch-Jewish parents, joined his father's stockbroking business, and made a considerable fortune on the London Stock Exchange. He was elected to Parliament in 1819, and was active politically in trying to widen the franchise and to abolish the restrictive corn laws. Ricardo's treatise *On the Principles of Political Economy and Taxation* (1817) became one of the key texts of the classical school of political economy. Ricardo defined rent as "that portion of the produce of the earth, which is paid to the landlord for the use of the original and indestructible powers of the soil," and this view became the standard view of the classical school until it was rejected by Bastiat. Bastiat thought land rent was just another example of the mutual exchange of "a service for a service" and that there was nothing special about the productivity of land or "les services agricoles" (farming services) that brought the products of the land to the consumer. See, *EH*, chap. 9: "Landed Property" and chap. 13: "On Rent."

mass of humanity for the benefit of the landowners. I do not want to discuss the issue now, since it would require another whole conference. I am simply noting in what state of mind and feeling Bastiat is looking at it. He shows (and again, without further discussion, I believe he is right) that Ricardo's theory can be summed up as follows: "Landed property is an unjust but necessary monopoly whose effect is to render the rich inevitably richer and the poor ever poorer." He shows that this expression by "its very enunciation arouses an invincible distaste and conflict in people's hearts, not with everything I would call generous and philanthropic, but with what more simply and bluntly I would see as honest."<sup>28</sup> He adds, "It is based on incomplete observation and consequently runs counter to logic." He notices that "it is belied by all the individual and general events that occur around the globe," and after all this he concludes with this:

And then, with what purpose would you endow the journal? Would it say to landowners: "You are rich because you are enjoying an unjust but *necessary* monopoly, and, since it is necessary, enjoy it without scruple, especially since it ensures you ever-increasing riches"? Then turning to workers of all classes, would you say: "You are poor; your children will be poorer than you and your grandchildren even more so, until you die of starvation. This is because you are subject to an unjust but necessary monopoly, and since it is necessary, resign yourselves wisely and let the ever-increasing riches of the rich console you"?

I certainly do not ask for my ideas to be adopted without examination, but I believe that the *Journal des Économistes* would do better to subject the matter to study rather than issue an opinion right now. Oh, let us not readily believe that Ricardo, Say, Malthus, and Rossi, such eminent and well-founded minds, are mistaken. But let us not, either, lightly admit a theory that leads to such monstrosities.

You can tell from this, gentlemen, whether or not the economics school is lacking independence. And you can also tell if it seems like it is promoting a lack of feelings. You can see how we slay false ideas, even when they come from the authority of the greatest names. I could show you, although I'm not sure if I'll have the time, the same Bastiat, vigorously denouncing false philanthropy and reminding Alphonse de Lamartine,<sup>29</sup> in language that the great poet could have

<sup>28</sup> *Collected Works*, vol. 1, Letter 209, 30–32.

<sup>29</sup> Alphonse de Lamartine (1790–1869) was a poet and statesman and as an immensely popular romantic poet he used his talent to promote liberal ideas. Lamartine was elected Deputy representing Nord (1833–37), Saône et Loire (1837–Feb. 1848), Bouches-du-Rhône (April 1848–May 1849), and Saône et Loire (July 1849–Dec. 1851). During the campaign for free trade organized by the French Free Trade Association between

envied, what distance there is between the limited, although beneficial, realities of thoughtful charity and voluntary fraternity, and the limitless, but ruinous and degrading, illusions promised by government assistance and the compulsory sacrifice made by taxpayers.

Gentlemen, let us acknowledge that the school of liberty is neither the school which approves, nor the school which condemns; neither is it the school which is unable to change, nor is it the school which undergoes sudden metamorphoses. It doesn't pretend that all is well in society, or that all is wrong. It states that the social body, just as the human one, suffers from imperfections and illnesses; but it also says that the social and human bodies have a natural constitution and essential organs which cannot be removed without affecting the whole, and for both of them, the first condition of any useful medicine is the knowledge of this fundamental constitution, the study of the organs' interrelationships, and a respect for this vital force without which nothing is possible, and that the science of a true physician consists in removing any thing that interferes with it [the body] or harms it.

Contrary to what has been said, the school of liberty does not say that the social state is immutable or that man is perfect. Rather, it believes that to improve the social state we must improve human beings, that is to say, by enlightening their minds and elevating their spirits through observation, comparison, and work. In a word, it is neither optimistic nor pessimistic. It believes in evil because it sees evil and fights it. It believes in goodness because it sees it as well, because it needs it, and works to increase it. In short, it is progressive, and it is so through effort. This is how the school understands and applies the law of evolution, even though it has been said that it has no concept of it. It is worth noting that Darwin wrote that his initial idea came to him from one of the representatives of the school, the austere and honest Malthus, whose ideas I will say are not beyond dispute as I have often disputed them, but who is certainly most unjustly

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1846 and 1847, Lamartine often spoke at their large public meetings and was a big draw card. He was a member of the Provisional Government in February 1848 (offering Bastiat a position in the government, which he declined) and Minister of Foreign Affairs in June 1848. After he lost the presidential elections of December 1848 against Louis-Napoléon, he gradually retired from political life and went back to writing. In a very early article he wrote for the *Journal des Économistes*, Bastiat courageously attacked Lamartine for betraying liberal economic ideas: "Letter from an Economist to M. de Lamartine. On the Occasion of His Article Entitled: The Right to a Job" *Journal des Économistes* (February 1845), in *Collected Works*, vol. 4 (forthcoming).

misunderstood.<sup>30</sup> Besides, wasn't it Turgot, as noted by Edouard Laboulaye<sup>31</sup> in one of his justly famous conferences, who in a speech first predicted American independence some thirty-seven years before it occurred, and who formulated as a fundamental law of humanity the idea of progress, and opened before man's eyes the infinite path to improvement and hope through wisdom and effort!<sup>32</sup>

It has been said that economists never discuss or analyze anything. They take facts as they are and that satisfies them; and as proof they cite property, whose origin and changes over time are unknown, and wages, which in their eyes have only one form and which is always the same and sacrosanct in its uniformity.

Truly gentlemen, I am left wondering what kind of prejudice for paradox, or what affection for ignorance, can bring one to have the temerity of making such assertions? After ten years of study has nobody heard about how the economists of the classical school occupied themselves with the problem of property?<sup>33</sup> In

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<sup>30</sup> Thomas Robert Malthus (1766–1858) is best known for his writings on population, in which he asserted that population growth (increasing at a geometric rate) would outstrip the growth in food production (growing at a slower arithmetic rate). He was a professor of political economy at the East India Company College (Haileybury) and his ideas were very influential among nineteenth-century political economists. His principal works were *An Essay on the Principle of Population* (1st ed., 1798; 2nd revised and enlarged ed. 1803; 6th ed., 1826); and *Principles of Political Economy* (1820). Passy edited an edition of Malthus's work along with his commentary, *Le principe de la population: Malthus et sa doctrine* (Paris: L. Hachette, 1868).

<sup>31</sup> Édouard Laboulaye (1811–1883) was a lawyer who also published works on the history of law. In 1845 he was elected to the *Académie des sciences morales et politiques*, and four years later he became a professor of comparative law at the *Collège de France*. He very much admired the United States and its legal and political institutions and it was he who originated the idea of building the Statue of Liberty and giving it to the U.S. as part of its centennial celebrations in 1876. In the Third Republic he was elected as a Deputy and then made a Senator for life. Some of his important works include, *Histoire des États-Unis d'Amérique*, 3 vols (1854), *Le parti libéral* (1863), *L'État et ses limites* (1863), and *La république constitutionnelle* (1871).

<sup>32</sup> Laboulaye discusses Turgot's and Condorcet's theory of progress in Edouard Laboulaye, "Le progrès," in *Discours populaires* (Paris: Charpentier, 1869), 126–60.

<sup>33</sup> The writing on property by the political economists and other classical liberals in the nineteenth century was voluminous, hence Passy's frustration. Overviews with bibliographies are provided by Léon Faucher, "Propriété," *Dictionnaire de l'Économie Politique* (1852–53); Louis Wolowski and Émile Levasseur, "Propriété," *Dictionnaire générale de la politique* (1863–64); and Courcelle-Seneuil, "Propriété (droit de)," in *Nouveau Dictionnaire d'Économie Politique*, (1st ed. 1890, 2nd ed. 1900). Major

what economic treatise hasn't this problem been posed, either for good or bad? Isn't this the controversy over which Bastiat spilt his last drops of ink and his very blood, and concerning which in his book *Economic Harmonies* he took to task, one after the other, all the masters of economic science from Adam Smith to Rossi, over the question of property in land?<sup>34</sup>

What about the work of his [Bastiat's] disciple, Roger de Fontenay, on *Revenue from the Land*, and that of Charles Le Hardy de Beaulieu on *Property and Rent*,<sup>35</sup> and my own writings and teaching; and my uncle, Hippolyte Passy's masterful study on *The Causes of Inequality of Wealth*,<sup>36</sup> and all these discussions held many times before the Academy of Moral and Political Sciences, including most recently the occasion of an interesting dissertation of Numa Denis Fustel de

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sections dealing with property appeared in the following treatises: Benjamin Constant, "Book X: On the Action of Government with Regard to Property," in *Principles of Politics Applicable to a all Government* (1815); J. B. Say, *A Treatise on Political Economy* (1819), bk. 1, chap. 14; Charles Comte's two-volume treatise *Traité de la propriété* (1834). There was a spike in interest in the matter after the appearance of the left-anarchist Proudhon's book *What is Property?* (1840); his answer was that "property is theft." This prompted replies by Charles Dunoyer, *De la liberté du travail* (1845); Adolphe Thiers, *De la propriété* (1848); many pamphlets and essays by Bastiat between 1848 and 1850, most notably *The Law* (1850); and Molinari's book *Evenings on Saint-Lazarus Street: Conversations on the Laws of Economics and the Defense of Property* (1849), among many others. See the bibliographical note on "Property" above for more details.

<sup>34</sup> See Bastiat, *EH*, chap. 8: "Private Property and Common Wealth," chap. 9: "Landed Property"; and especially *The Law* (1850).

<sup>35</sup> Charles Le Hardy de Beaulieu (1816–1871) was a professor at the School of Mines in Hainaut. He wrote *Traité élémentaire d'Économie Politique* (Bruxelles: A. Lacroix, 1861) and *La propriété et sa rente dans leurs rapports avec l'économie politique et le droit public* (Paris: Guillaumin, 1868).

<sup>36</sup> Hippolyte Philibert Passy (1793–1880) was a cavalry officer in Napoleon's army, a journalist during the Restoration, and a politician during the July Monarchy. He was elected as a deputy from 1830, serving as minister of finance in 1834, 1839–40, and 1848–49. In 1838 he became a member of the *Académie des sciences morales et politiques*, in which he served for some forty years and was particularly active in developing political economy. He was cofounder of the *Société d'économie politique* (1842) and wrote numerous articles in the *Journal des économistes*. Hippolyte Philibert Passy, *Petits traités publiés par l'Académie des sciences morales et politiques. Des causes de l'inégalité des richesses* (Paris: Pagnerre, 1848).

Coulanges,<sup>37</sup> about this sentence by Tacitus, which shows us the Germanic tribes changing annually their site of cultivation and the location of their possessions;<sup>38</sup> and so many more works which could easily fill up a library? Yes, we know about it, and we knew about it before those who learned it from us took the trouble to remind us, that property has different types and forms, which change depending upon time and place; but that does not mean that the right to property, which is the [outward] expression and representation of this property right which we have in our own person, which is Liberty itself,<sup>39</sup> has not been and ought not to be included in these diverse forms, at all times and in all places. We understand that in the beginning property manifested itself differently than today, and that it has also passed through very different stages in different times and places.<sup>40</sup>

Originally, and in its rudimentary state, property was collective, which some supposed innovators today [i.e., the socialists] want to return us to, was in this early state limited to the four primitive rights of hunting, fishing, gathering, and

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<sup>37</sup> Numa Denis Fustel de Coulanges (1830–1889) was a historian and Director of the *École normale supérieure* in Paris and the first professor of Medieval History at the Sorbonne. Among his works are *La Cité antique* (Paris: Durand, 1864); *Histoire des institutions politiques de l'ancienne France. Première partie. L'Empire romain, les Germains, la royauté mérovingienne* (Paris: Hachette, 1875); and *La Monarchie franque* (Paris: Hachette, 1888).

<sup>38</sup> Passy is referring to Coulanges's presentation to the Académie on "Recherches sur cette question: Les Germains connaissaient-ils la propriété des terres?" *Séances et travaux de l'Académie des sciences morales et politiques, compte rendu* (Paris: Alphonse Picard, 1885), 45:5–66.

<sup>39</sup> One of the most passionate defenses of this idea was made by Louis Leclerc in 1848 during the revolution, when he talked about the connection between property and "le moi" (the self). See Louis Leclerc, "Simple observation sur le droit de propriété," *Journal des Économistes* 21, no. 90 (15 October 1848): 304–5.

<sup>40</sup> The idea of property and societies evolving through stages was central to the theories of Charles Comte, Charles Dunoyer, and Molinari in their multi-volume works. See Charles Comte, *Traité de législation, ou exposition des lois générales suivant lesquelles les peuples prospèrent, dépérissent ou restent stationnaire*, 4 vols. (Paris: A. Sautet, 1827); Charles Comte, *Traité de la propriété*, 2 vols. (Paris: Chamerot, Ducollet, 1834); Charles Dunoyer, *De la liberté du travail, ou simple exposé des conditions dans lesquelles les forces humaines s'exercent avec le plus de puissance*, 3 vols. (Paris: Guillaumin, 1845); Gustave de Molinari, *L'évolution économique du XIXe siècle: théorie du progrès* (Paris: C. Reinwald 1880); Gustave de Molinari, *L'évolution politique et la Révolution* (Paris: C. Reinwald, 1884).



pasturing,<sup>41</sup> a situation that produced collective ruin. For individuals the rudimentary state of property rights brought personal possession of their weapons, of their first clothes, or of their shelter. Things started changing when a man who was more observant, farsighted, or hard-working than the rest, began to produce instead of destroy, to stimulate nature's bounty instead of waiting for it, and planted a few grains of corn and grass seeds, out of which wheat grew, on a plot of land around his hut. And because he could not accomplish this if he didn't own the plot, at least temporarily, and if he wasn't assured the exclusive enjoyment of the harvest; while at the same time, he was taking less from hunting and fishing and thus leaving more for his companions, and instead of taking anything from the community he was giving to it.<sup>42</sup> The general interest and justice found themselves in agreement that he should be encouraged. Others followed his lead and gradually a possession of a few months turned into a longer one, then an annual possession, and then a hereditary one. And to get more out of the land, more had to be done to it, both above and below ground; hollows had to be filled in, stones had to be dug out, fences needed to be built, seeds had to be planted, buildings erected, and months and years needed to pass, and people had to invest in a future that only the future could pay back. As the saying goes, today is the father of tomorrow, and tomorrow is also today's father because we work today with our sight fixed on tomorrow.

And this development of property was not limited to land, because property was the embodiment of man in things. It applied equally to other things, and economic science did not hesitate to follow it, such as industry, the arts and letters, and everything that was being produced by the mind and the hands of men, all moveable or non-moveable property (to use the current terminology), everything which has been able to give a shape to this thought, this will, this human personality which is the soul of property.

All this is countered with the observation that there are abuses and injustices. We are told that the formation of property does not always and everywhere conform to the law; we are shown, to use one of Bastiat's expressions, that "plunder takes the place of the law, and violence, sometimes private and sometimes public,

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<sup>41</sup> See the Fourierist socialist writer Victor Considérant in an essay "La Théorie de la propriété" (The Theory of Property), which was published in *La Phalange* in May 1839 and republished several times during the 1848 revolution. Victor Considérant, *Droit de propriété et du droit au travail* (Paris: Librairie phalanstérienne, 1848).

<sup>42</sup> This was argued by Bastiat in *EH* concerning new settlers in the U.S. and the original acquisition of property there. See his story about "Jonathan" in Arkansas in chap. 9: "Landed Property."

imposes its yoke upon the weak.”<sup>43</sup> We are fully aware of it. We know of the conquests, the pillages, the abuses; there was even slavery, the confiscation of the human person itself!<sup>44</sup> We are fighting all these abuses; we are trying to teach people to get rid of them all. It is one of the tasks we are accomplishing when we declare war against the prohibition of trade and customs restrictions, which violate work both at its roots and in its products and thus violates property rights.

But all of this—I am obliged to say since in this very place property rights have been attacked in the name of all this—all of this is a testimony in favor of property rights rather than against.

“Property is theft,” so one says,<sup>45</sup> using cases where the legitimacy of ownership is more or less contestable. But saying theft implies ownership, and denouncing a violation of a right presupposes the existence of the right, and if we accuse the current possessor of a piece of bread, a coin, or a field of possessing them unjustly, there has to have been someone, somewhere, whose property was taken, either by fraud or by force, in other words someone who had the right to possess them in the first place. And this is where men who care about progress and justice must focus all their efforts, in bringing to an end or in reducing this part of force and fraud in human affairs, in making sure that property is respected instead of being violated. And that is what they are in fact working towards, without claiming that they have arrived there yet, nor claiming to ever be able to completely get there, far from it. They have been called “these idolaters of things as they currently exist,” but gentlemen, let us instead call them “these tireless workers for a better tomorrow, these men of justice and liberty.”

I would argue similarly, if I could give each point in my defense the detail which it demands, about the issue of wages. Wages are not unchangeable or uniform, any more than the work which they represent. They take multiple forms, depending on time and place, depending on each particular place and each particular time, and nobody could hope to get through listing all the different possibilities. The past is not a yardstick for the present, and the present is not a yardstick for the future. Fifty years ago, to cite again an authority who is

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<sup>43</sup> Passy is paraphrasing Bastiat’s theory of “legal and extra-legal plunder” which he developed in his anti-socialist pamphlets (1848–50) and especially in “Plunder and the Law,” *Journal des Économistes* (May 1850) and *The Law* (June 1850).

<sup>44</sup> Bastiat outlines the historical stages through which organized plunder has passed in “The Physiology of Plunder” in *Economic Sophisms* (Second Series), *Collected Works*, 3:113–30.

<sup>45</sup> This was argued by Proudhon in *Qu’est-ce que la propriété? ou Recherches sur le principe du Droit et du Gouvernement. Premier mémoire* (Paris: J.-F. Brocard, 1840).

very dear to me, in a report authored by my uncle Hippolyte, these facts were presented to the Academy of Moral and Political Sciences.<sup>46</sup> Under these various forms, one thing remains, and shall always do so, because without it there would be nothing but pillage and robbery. It's the wage itself, in other words the remuneration due to effort, to service,<sup>47</sup> and without which effort would not be made and service would not be rendered. To seek ways to make this remuneration more equitable, more proportionate to the service, and more motivating for the one who receives it, while also more stimulating for the amount of energy and the quality of effort involved: nothing could be better! But is is not by condemning liberty, which alone can open up countless opportunities to these innovations and these improvements, nor by dishonoring the idea of wages, which is the most honorable and respectable thing in the world, that we will achieve this goal, but on the contrary it is by learning to understand them.

“There are only three ways to survive in a society,” said Mirabeau, “you have to be a beggar, a thief, or a paid worker.”<sup>48</sup> Let us learn to be honorable and earn a wage rather than being thieves or beggars; let's make a living from services freely rendered and freely received; which is worth more than ranting against the alleged servitude and alleged degradation of wage-earners. Let's also refrain from using words which are only good for deceiving and misleading people, which lead people whose work and wages are inadequate, to believe that we would only have to get the state to intervene on their behalf by enacting laws such as the “right to a job”<sup>49</sup> or by the regulation of the rate of wages. The state does not

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<sup>46</sup> Hippolyte Passy, *Des causes de l'inégalité des richesses* (1848).

<sup>47</sup> Bastiat made the “reciprocal or mutual exchange of services” the center of his theory of exchange. See *EH*, chap. 4: “Exchange” and “Service for Service” in *Further Aspects of Bastiat's Thought, Collected Works*, vol. 4 (forthcoming).

<sup>48</sup> Honoré-Gabriel de Riquetti Mirabeau, “Séance du 10 août” (*Assemblée Nationale*, 1789), in *Discours et opinions*, vol. 1 of *OEuvres de Mirabeau*, vol. 7, ed. M. Mérilhou (Paris: Brissot-Thivars, 1825), 7:205.

<sup>49</sup> The “right to work” (*le droit au travail*, which one might translate in English as the “right to a job” using “travail” as a noun) had been a catchphrase of the socialists throughout the 1840s. What they meant by this term was that the state had the duty to provide work for all men who demanded it. In contrast, the classical liberal economists called for the “right of working,” or the “freedom to work” (*la liberté du travail*, or *le droit de travailler* using “travail” as a verb), by which they meant the right of any individual to pursue an occupation or activity without any restraints imposed upon him by the state. The latter point of view was articulated by Charles Dunoyer in his *De la liberté du travail* (1845) and by Bastiat in many of his writings.

have its own resources, its purse only fills up with what it gets from ours, and it can only give to some by taking from others.<sup>50</sup> The harm done is clear to the latter, while the benefit is not always there for the former.

Gentlemen, here we have to make some corrections concerning two essential points, which are perhaps of some importance. What if I could discuss with you this picture of *laissez-faire* and *laissez-passer* which some people seem to particularly take pleasure in drawing? You may remember this tale by La Fontaine,<sup>51</sup> about a lion which stops in front of a painting which represents one of his fellow lions who had been shot down by a man. “If the lions knew how to paint,” it said, “what would it be about?”

In certain schools of thought they know how to paint, but they also know how to make caricatures. What has been presented to you is a caricature of the theory of freedom, and not even that—what was presented to you was its very opposite.

So, anarchy would only be the logical expansion of liberty! So, destroying, stealing, plundering, setting things on fire, violating on a whim the interests, the activity, or the lives of others, that would be freedom! And this is what the defenders of *laissez-faire* and *laissez-passer* would want? Don’t take this joke too seriously; we are familiar with it. It was long ago that a rather strange Frenchman living in Belgium, Marcellin Jobard,<sup>52</sup> facetiously took it up by

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<sup>50</sup> This point was made by Bastiat in several of his “economic sophisms” as well as “The State” (September 1848), “Taking Five and Returning Four is not Giving,” *Jacques Bonhomme* (15–18 June 1848), in *Collected Works*, vol. 4 (forthcoming), and especially in “Disastrous Illusions,” *Journal des Économistes* (March 1848), in *Collected Works*, 3:384–99, which is subtitled “Citizens give the State life. The State cannot give its citizens life.”

<sup>51</sup> Jean de La Fontaine (1621–1695) was a French writer of fables and a poet. In his *Fables* (1668–1694) he turned what appeared to be simple children’s tales about animals into witty and insightful stories about the human condition. Bastiat frequently used La Fontaine’s fables to popularize economic ideas in his journalism, and Passy wrote on his importance for economists in *Les fables de La Fontaine: conférence faite à la Mairie de Passy. Extrait de la Revue générale du 1er juillet 1888* (Paris: Fischbacher, 1888). See also Gustave Boissonade, *La Fontaine, économiste: conférence publique et gratuite faite à la Faculté de Droit de Paris, le dimanche 11 février 1872* (Paris: Guillaumin, 1872). The quote is in *Fables de La Fontaine*, ed. F. Sales (Boston: Jacques Munroe, 1841), bk. 3, fable 10: “Le Lion abattu par l’homme,” 61. If lions could paint they would paint the victory of the lion over the hunter.

<sup>52</sup> Marcellin Jobard (1792–1861) was a Belgian lithographer, photographer, and inventor. From 1841 to 1861 he was the director of the Royal Belgian Museum of Industry in Brussels. He was a prolific inventor (with 75 patents) and took up the cause of

translating the slogan of the economists in this way: “let the pickpocket freely go about his business, and let the murderer freely pass by.” But it was also long ago that the economists replied: The function of the state is, on the contrary, to prevent the pickpocket from going about his business and to prevent the murderer from passing by, so that honest people would be able to travel about and so that the workers could work without having their possessions stolen. Let’s listen to Turgot: “This principle that nothing but society’s greater good, should limit the rights of society over the individual, seems to me to be false and dangerous. Every man is born free and this freedom should never be hindered....”<sup>53</sup> There was the principle and now here is the limit, or to be more clear, the confirmation of it: “unless it degenerates into license, which is to say that it stops being freedom and becomes a form of usurpation. Our freedoms, just like the things we own, limit each other.” Quesnay and Dupont de Nemours expressed the same idea in an amusing way: “Our freedoms are like the cells in the beehive, which press against each other but do not merge into one.”<sup>54</sup>

Likewise, they said: “No rights without duties and no duties without rights. It has never been just to violate people’s liberty or prosperity. There is no man who doesn’t sometimes obtain that power. There is never a time when a man has that right and no man or institution should be able to acquire it.”<sup>55</sup>

And Turgot goes on:

The freedom to do harm has never existed in our conscience; and the law must forbid it because the conscience does not allow it. On the contrary, the freedom to act without harming others can only be restricted by tyrannical laws. Governments have become too accustomed to always sacrificing the happiness of individuals for the sake of alleged rights of society. We forget that society is made for individuals, that it was only instituted to protect the rights of all, while insuring the fulfillment of all mutual duties.<sup>56</sup>

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defending the property rights of inventors. He wrote dozens of pamphlets expressing his views in a very idiosyncratic manner. I have not been able identify the source of this quote.

<sup>53</sup> Turgot, “Seconde lettre sur la tolérance, au même,” in idem, *Oeuvres*, vol. 2, ed. Daire (1844), 686.

<sup>54</sup> “Maximes du docteur Quesnay, ou résumé de ses principes d’économie sociale” in *Physiocrates*, Part 1, ed. Daire (1846), 391.

<sup>55</sup> The first line “Point de droits sans devoirs et point de devoirs sans droits” comes from Dupont de Nemours, “Origine et progrès d’une science nouvelle” (1768), in *Physiocrates*, Part 1, ed. Daire (1846), 342.

<sup>56</sup> *Oeuvres*, vol. 2, ed. Daire, 686–87.

Apparently all that changed and a way was found to establish a society outside and above individuals, a society that has its own duties, rights, ideas, and feelings independent from those of their members, a body that would be distinct from its organs, a whole that has nothing in common with the parts that compose it. And people tell us that we have empty theories and believe in mere abstractions!

Listen again to one of the masters of the liberal school, the one we could call the last father of the liberal church, who indeed has been amply mocked here as such, Laboulaye: “Security is necessary,” he said after having shown how the “human workshop” is busy at all hours and in every way providing mankind with their “daily bread, and this security, only the government can provide. This is the principal role of the government.” (He says *principal*, gentlemen, he does not say *the only one*.) “It is the representative of public safety. It is the one who maintains the peace within and without the borders, who uses force to serve justice and rattle the villains.” And the speaker added the following, because it was in a speech that Laboulaye expressed this, and it was a memorable speech, one of those that determined the outcome of the vote on the Constitution, which helped establish the Third Republic in France:<sup>57</sup>

Yes, gentlemen, when you go to the bottom of it, do not let yourselves be dazzled by appearances. This government, these bureaucratic apparatuses, these magistrates dressed in their robes, this army, these soldiers: All these have only one objective: to make it possible for the poorest laborer, in his hut, to enjoy in peace the wage he earned during the day. In this hut open to the winds, nobody can enter aside from justice and the law. This is the main objective that government must keep in mind. A government that cannot ensure security is a government that needs to be changed.

Even more so, a government that, instead of guaranteeing security disturbs it; which instead of protecting the freedom of its citizens violates it; who under the guise of making some people happy makes others unhappy; and to please one party or another, one doctrine, one belief or lack of belief, becomes the instrument of particular preferences, dislikes, hatreds, greed, or enthusiasms from one side or the other and puts the power of the government at the disposal of the inventors of political systems and the seekers of the philosopher’s stones of social alchemy.

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<sup>57</sup> Laboulaye, Speech given at the “Séance du 28 janvier 1875,” in *Annales de l’assemblée nationale: compte-rendu in extenso des séances annexes*, vol. 36 (Paris: Impr. du Journal officiel, 1875), 339. See also his statements about the proper functions of the state in *L’état et ses limites: suivi d’essais politiques*, 3rd ed. (Paris: Charpentier, 1865), and *Le parti libéral: Son programme et son avenir* (Paris: Charpentier, 1863).

But, you might say, this is a government by policemen! And it can't be said often enough! Writing such beautiful words to get to this result is like repeating the story of the mountain giving birth to a mouse. Gentlemen, having a good police force is no small feat, and the role of a policeman should not be turned into a joke.

Ah, it's a difficult job,  
To safeguard property,  
Protect the fields and the town  
From theft and iniquity.<sup>58</sup>

Even though it's a song that says it, let's not say, "That is all very well, but it is just a song!" Laboulaye just showed us what is grand, honorable, and sacred within this everyday activity. As a matter of fact, reducing it just to protection or to physical coercion is really looking at it from just one side and willingly deceiving ourselves about its reach and consequences. The defensive and protective action of the government must reach all areas of human activity to properly fulfill its mission. This applies to agriculture, industry, business, science, politics, religion, all areas where the government must be neutral and impartial to ensure that individuals can freely develop their strengths and aptitudes. He is, as wittily expressed by Alfred Jourdan, the wise dean of Aix University,<sup>59</sup> to be like the field umpire responsible for ensuring the integrity of the jousts between the valiant knights during tournaments, or of the tests conducted under the old system of trial by combat, who would give the signal to open the gates to the arena, while saying, "Let the good fighters go." He has to watch things carefully and make sure that only worthy fighters will emerge. He has to prohibit poisoned weapons, backstabbing, fraudulent behavior, acts of unfair violence, and trying to exert undue influence through slander and lies, which, contrary to what has been said, are not competition, but its very negation.

And here again, I am calling on the testimony of the most determined champion of competition. "What is competition?" says Bastiat. "It's the absence of

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<sup>58</sup> These are the lyrics from a song called "Pandore, ou les deux gendarmes" in Charles Nisard, *Des chansons populaires chez les anciens et chez les Français: essai historique*, vol. 2 (Paris: E. Dentu, 1867), 283.

<sup>59</sup> Alfred Jourdan (1823–1891) was a Professor of Roman Law and Political Economy in the Faculty of Law at the University of Aix-en-Provence. I have not been able to locate this specific quote but he discusses the role of the state at some length in *Du rôle de l'état dans l'ordre économique: ou, Économie politique et socialisme* (Paris: Libr. Nouvelle de Droit et de Jurisprudence, 1882).

oppression. Nothing more. As for what interests me, I want to choose for myself and I don't want someone else to choose for me, in spite of me, that's all. And if someone wants to substitute their judgment for mine when it comes to my affairs, I will ask to decide for him when it comes to his business. Where is the guarantee that things will be any better as a result?" "There will be one less lesson," he says elsewhere, "and one more injustice." This is no compensation.<sup>60</sup>

You tell us, while showing us abuses that are too obvious and disorders that are too glaring: Freedom of the press has shown us its true worth through defamation, through blackmail and the trashing of other people's reputations; and the freedom of assembly has only allowed its partisans to get bashed over the head with jugs or to break jugs over other people's heads. This is not freedom gentlemen, this is license. And license—I have exhausted myself repeating this for the past forty years—license is not the ultimate end point of freedom, it is the negation of freedom. On the other hand, authority is not the enemy of liberty; it ought to be its guarantee and its safeguard. It fails in all its duties when either through weakness or arbitrariness, instead of ensuring liberty, it compromises it. Whether through speech or writing, through shouting on the street or hanging up posters, you have no right to infringe on the reputation, honor, or interests of others; to offend the eyes and ears, to outrage public or private morals, and to commit with impunity acts that morality reproves and that the law punishes. Freedom of association, freedom of discussion, it is clearly the freedom to speak and to listen; not the freedom to prohibit talking and listening. There are here today, most likely, people who feel that their opinions are being trampled. Now, in the name of this same freedom I am defending, should I allow them to grab me by the throat and throw me to the ground if they felt like it? Had I been present a week or two ago, would I have been welcome if I had allowed myself to respond to the foes of liberty in a similar fashion? No gentlemen, and thank God, practice, at least here, is worth more than theory; as the courteous people that we are, we take turns to speak and you judge us. This is freedom. It is a more difficult path for the one who has, or who thinks he has greater strength, than to have recourse to compulsion, and it seems like putting a muzzle on them would be an easier way to silence one's opponents than to have to respond to them. But in reality it is not as dependable because force can turn back on itself and arbitrary power can change hands; and it is less honest and dignified, because suppressing the effort someone makes is to suppress whatever merit it might have had. "The gag that is put into someone's mouth, hurts and humiliates me more than the

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<sup>60</sup> *EH*, chap. 10: "Competition," 285. The second quote comes from *EH*, chap. 19: "War," 510.



one applied to my mouth,” nobly declared Charles de Montalembert.<sup>61</sup> “If you suppress liberty,” declared before him St. Columbanus,<sup>62</sup> the apostle of Ireland, “you suppress the struggle, and if you suppress the struggle, you suppress the reward; *si tollis libertatem, tollis pugnam, si tollis pugnam, tollis et coranam.*” With these words, St. Columbanus had his sights on the eternal pleasures of heaven; but it applies similarly to the fleeting pleasures of this world, and we can apply to them Louis Bourdaloue’s saying:<sup>63</sup> “God, even though he could have, did not want to save us without us.” Even more so, the state, despite what its idolizers might think, would not be able to make us happy, create our wealth, or improve our minds and our morality, without us. We might want the state to give life to its citizens, as Bastiat jokes, but how could it when it is the citizens that give it life.<sup>64</sup> We want it to give us bread, and other things along with it, but how could it, adds Gustave de Molinari;<sup>65</sup> the state does not bake bread, it can only prevent people from stealing it.

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<sup>61</sup> Charles Forbes, Comte de Montalembert (1810–70), was born and educated in England before moving to France. In 1830 he joined forces with Lamennais to write for the journal *L’Avenir* and to promote liberal Catholicism, but he split with Lamennais after 1834, when the pope condemned liberal Catholicism, Montalembert choosing to submit to the will of the pope on this issue. He supported a free, Catholic alternative to the state monopoly of education and was arrested and fined for his activities. During the 1848 revolution he was elected to the Constituent Assembly as a moderate republican. He is known for his work, *Des devoirs des Catholiques sur la question de la liberté de l’enseignement* (1843). The reference comes from a speech, *L’Église libre dans l’État libre. Discours prononcés au congrès Catholique de Maline* (Paris: Ch. Douniol, 1863), 34.

<sup>62</sup> St. Columbanus (543–615) was an Irish missionary who founded several monasteries in the Frankish and Lombard kingdoms. The quote comes from Montalembert, *The Monks of the West: From St. Benedict to St. Bernard*, vol. 1 (New York: P. J. Kenedy, 1912), bk. 7, “St. Columbanus,” 566.

<sup>63</sup> Louis Bourdaloue (1632–1704) was a French Jesuit priest famous for his sermons. Among many similar statements, see “Sermon on the Nativity of Jesus Christ” in *Œuvres de Bourdaloue*, vol. 1 (Paris: Lefèvre, 1838), 230.

<sup>64</sup> Bastiat, “Disastrous Illusions,” *Journal des Économistes* (March 1848), *Economic Sophisms* (Third Series), *Collected Works*, 3:384.

<sup>65</sup> Passy is paraphrasing things “The Economist” said to his interventionist opponents in Molinari’s *Conversations sur le commerce des grains et la protection de l’agriculture. Nouvelle édition* (Paris: Guillaumin, 1886).

Gentlemen, here I want to return to a strange sophism, because it is here that we find the main root of error, the illusion and the mistake which we must relentlessly expose. This bizarre sophism, this unbelievable trick with words that makes the state its own reality, existing on its own, outside of and above the parts out of which it is made. But the state, gentlemen, is only what we make of it. The state, in whatever form it may appear to us, is never more than an expression or a representation more or less exact of what can be found in society, which is to say, in individual human beings. It also has its prejudices, its passions, and its errors. And these passions, these prejudices and errors, are not always those which come from the majority, as one would expect; they are often the prejudices, passions, and errors of the individuals. The state, and this may not be very respectful but true nevertheless, is a *Monsieur* [i.e., a man]; it is an administration that is imposing as a whole, perhaps, but made up of individuals subject to making errors. It is a sovereign, a king, an emperor, or people if you will, but someone who is not infallible and who is also moved, at times, by petty considerations. It could be the later Titus, but it could also be Nero, Domitian, or Elagabalus.<sup>66</sup> Here, we'll call him the great King, or Napoleon, or the sovereign people; he'll also be named Robespierre or Marat. But whether it be under Napoleon or Louis XIV, it is always an individual or a collection of individuals, as fallible as everyone else, who made decisions. The laws of the state are signed by the hand of a king, a president, or a minister. But who dictated, who inspired the measure, who decided not for one person, but for everyone; and who, if he was mistaken, made mistakes for everyone, and to the detriment of everyone? A division head, a director, a bureau chief, a simple clerk maybe; or if you will, to make it look better, a counsel, a commission, or some kind of wise body. There is a long list of blunders committed by the state. I am asking you, gentlemen, is there a useful product, some industrial process, a scientific discovery, a remedy or a procedure for healing or for teaching, a right or a freedom that was not forbidden and condemned in the name of wisdom and official science, in the name of public interest and order, and the banning of which had to be overturned step by step through the initiative and perseverance of intelligent minds and individual wills?

I am not talking about Galileo and the Earth, solemnly condemned to remain immobile at the center of the universe; [but] of Aristotle who together with the philosophers and politicians, declared slavery the cornerstone of the social state; of civil equality and of taxation equality, rejected and sent back to Parliament at

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<sup>66</sup> Titus (39–81), Nero (37–68), Domitian (51–96), and Elagabalus (202–222) were all Roman Emperors.

the *Lit de Justice* of Louis XVI by the attorney general Antoine-Louis Séguier,<sup>67</sup> of torture and not just torture as punishment, but torture as means of obtaining information, considered indispensable by the most enlightened magistrates, whom we unfortunately have to say, were also the most humane people outside of their official functions, until the French Revolution; of the theory of the circulation of the blood, denied by the entire medical profession of the time, including Guy Patin<sup>68</sup> himself, who was such a free and skeptical spirit in many other ways.

But the potato, which the people of Lorraine ate, was forbidden in France where it was suspected of spreading leprosy, as was oatmeal bread. Baking gruel bread and eating it was a punishable offense. Quinine and emetics also came under fire from the medical authorities. The parliament of Burgundy, which enjoyed good wine, in an effort to raise the quality of the local production, ordered that Gamay vines be uprooted. Gamay was known for producing an abundance of a mediocre wine more affordable to the common people. It was “the grape problem” of the period, which is still being thrown in the face of free-traders today. François Arago<sup>69</sup> laughed at the electric telegraph; Adolphe Thiers<sup>70</sup> did the same with the railroad, and Jules Armand Dufaure,<sup>71</sup> who more than anyone

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<sup>67</sup> This may be a reference to Antoine-Louis Séguier (1726–1792), who was a magistrate and lawyer and an arch foe of the Philosophes, whom he regarded as “an impius sect.”

<sup>68</sup> Guy Patin (1601–1672) was a doctor and Professor of Anatomy at the *Collège Royal de France*. He opposed much new thinking about medicine, such as William Harvey’s theory of the circulation of the blood. He was probably the model for Molière’s mocking of doctors in the person of “Thomas Diafoirus” in his play *The Hypochondriac* (1673).

<sup>69</sup> François Arago (1786–1853) was a famous astronomer and physicist at the Paris Observatory. He was a republican Deputy during the July Monarchy and after 1841 he became a vocal critique of Adolphe Thiers’s plans to build a fortified wall around the entire city of Paris (see following note). After the outbreak of the revolution in February 1848 he became Minister of War, the Navy and Colonies and played an important role in the abolition of slavery in the French colonies.

<sup>70</sup> Adolphe Thiers (1797–1877) was a conservative liberal lawyer, historian, politician, and journalist. During the July Monarchy he was briefly Minister for Public Works (1832–34), Minister of the Interior (1832, 1834–36), and Prime Minister and Minister for Foreign Affairs (1840). In 1840 he was instrumental in planning the construction of “Thiers’ Wall” around Paris between 1841–44.

<sup>71</sup> Jules Armand Dufaure (1798–1881) was a liberal politician who served in the July Monarchy as Minister of Public Works (1839), in the Second Republic as Minister of the Interior (1848), and in the Third Republic as Minister of Justice (1875).

else contributed to their development in France, shrugged his shoulders when we talked about using them to transport cattle. And this is why, because individuals can be wrong, it is necessary to replace their fallible wisdom with the less fallible wisdom of the state?

Regarding this matter you should listen to an eyewitness account which has some value, namely that of Robespierre:<sup>72</sup>

If the legislator is not careful he will get into the habit of trying to regulate everything, something for which the government has already been criticized, if he wants to manage himself the affairs of individuals and put them, so to speak, under his tutelage; then far from establishing public liberty, he destroys individual freedom and constantly burdens us with the most ridiculous and unbearable yoke.

He said this on December 14, 1790, at the Constituent Assembly, regarding the cuts in cabinet offices, which had found a way to come back to life and revive themselves. He was every bit as clear in 1793 when, talking about the Constitution, he pronounced the following words in front of the convention: “Avoid the old habit of governments of wanting to govern too much. Give individuals and families the right to do that which does not harm others.... In a word, give back to individual freedom that which does not belong naturally to public authority; thus there will be less left to ambition and arbitrary rule to take.”<sup>73</sup>

I know full well, and I shall give an example of this later, that Robespierre has not always practiced what he preached, no more than Napoleon who used to say that a government should not be too much of a father, and who had no trouble pretending to settle everything with a paternal approach, including managing

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<sup>72</sup> Maximilien de Robespierre (1758–94) was a lawyer and one of the best-known figures of the French Revolution. In the National Convention he was an active member of the *Société des amis de la constitution* (Society of Friends of the Constitution, or the Jacobin Club) and became leader of the Montagnard faction. He was a fierce opponent of the liberal Gironde faction, and in his position as leader of the Committee of Public Safety (1793) he had arrested and executed many members of this group during the Terror. Eventually the Terror turned on its own supporters and Robespierre was himself executed in July 1794. In his political thinking, Robespierre was strongly influenced by the writings of Rousseau, and in 1793 he supported a new declaration of the rights of man that subordinated private property to the needs of “social utility.”

<sup>73</sup> Robespierre, “Discours sur la Constitution (10 May 1793),” *Maximilien Robespierre, Discours et rapports*, vol. 3 of *Élite de la révolution*, ed. Charles Vellay (Paris: Charpentier et Fasquelle, 1908), 263–64.

the interest rate of public bonds and private loans.<sup>74</sup> But their faulty behavior does not affect the accuracy of their advice; they only prove their point more spectacularly. And it reminds us of the words of a pastor to his parishioners: “Do as I say, not as I do.”

Let us take a few examples—since it’s in the name of public interest and necessity to keep us from the disorder and inconsistency of individual market valuations and impulsive demand that we say we must have recourse to the moderating intervention of the state—let us gentlemen, for instance, look at a few examples taken from the area of the most universal and pressing concern; and let us compare the free play of commercial transactions as the means of ensuring the food supply of a nation, in other words, the constant swings of this terrible law of supply and demand, with the enlightened vigilance, the guardian-like planning, and the irresistible and all-powerful action of the great mechanism of the state. “I have never seen,” wrote Joseph de Maistre, “the state intervene in the trade of food without starting a famine.”<sup>75</sup>

And he wants to run agriculture! One day, during the reign of Louis XIV, the farmers estimated that the wheat crop had grown satisfactorily. The king or his council were of a different opinion. He ordered the ripening fields to be plowed up and reseeded. On another day in 1709, again under the reign of Louis XIV, the terrible winter froze the wheat in the furrows. The farmers wanted to plow the fields again. The king or his council declared that they were wrong and that the wheat would grow back, and they forbade the farmers from plowing again, mistakenly, just as mistakenly as they had ordered previously the fields to be

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<sup>74</sup> The Physiocrat Turgot in 1789 wrote a *Mémoire on interest* for the Constituent Assembly in which he advocated the complete liberalization of the laws regarding the charging of interest. The Assembly passed legislation legalizing the charging of interest but allowed the state to set the maximum allowed rate. The Law of 1807 (under Napoleon) set the rate for civil transactions at 5 percent and for commercial transactions at 6 percent.

<sup>75</sup> Joseph de Maistre (1753–1821) was a magistrate in Savoy and began his writing career as a supporter of the French Revolution but turned against it when the king was executed and the property of the Church confiscated. He then became one of the leading conservative defenders of the Old Regime and the idea of “throne and altar.” The quote is from “Letter of 18 August 1815,” in *Correspondance diplomatique de Joseph de Maistre, 1811–1817*, vol. 2, ed. Albert Blanc (Paris: Michel Lévy frères, 1860), 100.

plowed up. The earth proved the farmers right, and not the great king, and Madame de Maintenon<sup>76</sup> now has to eat oatmeal bread in Versailles.

The Convention,<sup>77</sup> which was no less powerful, was not any better either, and the same Robespierre who had spoken such wise words did not shy away from the most tyrannical expedients. We feared high prices, we worried about turning over the people's food supply to the vagaries of the cruel law of supply and demand, we wanted to free ourselves from the tribute levied upon us by commerce, and to escape from the murderous jaws of the monopolists. A truly democratic government ought to feed the people. So we created a Committee for Food Supplies.<sup>78</sup> And [we] enforced upon the monopolists, which is to say against anyone who buys something to sell again, this awful law enacted in the name of *Public Safety*, which we believed would bend the force of economic laws in our direction.<sup>79</sup> And, as Molinari has correctly pointed out, since the government can suppress commerce but not replace it, since being a legislator or dictator does not make one a merchant, and since bureaucrats are no match for businessmen when it comes to selling or buying, and it always comes down to this, the Committee for Food Supplies lost some fourteen hundred million francs in fifteen months, or close to a hundred million francs per month, which naturally the people had to pay.<sup>80</sup> This is quite an unusual way to reduce the price of bread for the people! And did the people at least get some bread? "Unfortunately," says Molinari,

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<sup>76</sup> Madame de Maintenon (1635–1719) was the governess of King Louis XIV's children and then secretly became his wife after the death of Queen Marie-Thérèse in 1683.

<sup>77</sup> The National Convention was the third government formed after the outbreak of revolution in 1789 (after the National Constituent Assembly and Legislative Assembly). It was the first government formed under the new republic and existed between August 1792 and October 1795. The government was controlled by a small group which ran the Committee of Public Safety under the control of Maximilien Robespierre and his allies.

<sup>78</sup> In September 1792 the Convention established 28 committees to run various aspects of French society and the economy, including a Committee for Agriculture and Commerce, which is what Passy probably has in mind here.

<sup>79</sup> The decree of 29 September 1793 introduced the notorious "Maximum" or price control legislation, which threw the internal French economy into considerable disarray with shortages and high prices for bread.

<sup>80</sup> Molinari, *Conversations familières sur le commerce des grains* (Paris: Guillaumin, 1855), 177–78.

the people fed by the government are literally starving to death. Rationing began, which was soon cut in half. And things got so bad that Bertrand Barrère,<sup>81</sup> not knowing which expedient to invoke, suggested that the Convention should order a general fast, a civic lent.

After the 9th of Thermidor,<sup>82</sup> when France was rid of Robespierre's tyranny, we renounced this system, which we realized was inadequate and we returned to freedom of commerce in grains. We did away with the Maximum and the law about monopolies and we started again protecting grain transports efficiently instead of letting them get stopped and robbed. What happened next? Abundance returned.<sup>83</sup>

It would have served us better if we had started there and if we had remembered what [Jeanne Manon] Roland<sup>84</sup> said when she declared that when it came to food supplies, the Assembly did not need to do anything, except to proclaim that it would not do anything, but severely punish anyone that would attempt to restrict the freedom of trade in grain.

Gentlemen, the government can suppress commerce but it cannot replace it. The law of supply and demand, which is for prices what the tendency for a liquid is to reach an equilibrium level, cannot be suppressed on a whim, and when one tries to bend it to one's will one only makes it harder and more inflexible. We complain that scarcity raises prices, and yet we increase scarcity by preventing these high prices from bringing back food supplies in greater abundance. You may call it a cruel law, and the science that recognizes this a disastrous and heartless science; but it's the same as calling gravity cruel, and accusing the person of inhumanity who warns you that the falling rock will crack your skull.

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<sup>81</sup> Bertrand Barère (1755–1841) was a lawyer, politician, gifted orator, and member of the Committee of Public Safety during the Convention, for which he served as secretary. Barère's "carême civique" (civic fast or Lent) in the winter of 1794 is described by the socialist historian Louis Blanc in his *Histoire de la révolution française*, vol. 10 (Paris: Langlois, 1858), 249.

<sup>82</sup> The "9th of Thermidor" (July 27, 1794) was the day Robespierre was arrested.

<sup>83</sup> Molinari, *Conversations familières*, 178.

<sup>84</sup> Manon Roland (1754–1793), née Jeanne Marie Philipon, was the wife of one of the leading members of the liberal Gironde faction during the Revolution, Jean-Marie Roland de La Platière. She ran an important liberal salon in Paris and was executed during the Terror on 8 November, 1793. See her *Mémoires de Madame Roland écrits durant sa captivité. Nouvelle édition, revue et complétée sur les manuscrits autographes et accompagnée de notes et de pièces inédites*, 2 vols., ed. Prosper Faugère (Paris: L. Hachette, 1864).

In a city under siege, a water carrier was going around shouting: “Six sous for a bucket.” A bomb split one bucket. Without a second thought, the carrier kept going: “Twelve sous for a bucket.” Although he is uneducated, he instinctively knows more than you do. You can scream and shout as much as you like, but you won’t change anything. When there is not enough of something for everyone, not everyone may have it; and when there is enough only if you are prudent and economize, to prevent there being a shortfall it is necessary that higher prices signal you to moderate your consumption. That’s what the French proverb: “cherté foisonne” [from high prices will come abundance] means. That’s why Adam Smith said there is no harvest which, if it is well managed, would not suffice, and there is no harvest which, if wasted, would be enough.<sup>85</sup> This is a kind of natural rationing by which a miracle is performed, a miracle which is greater than all the power and all the wisdom of the most enlightened and absolute despotism, namely the harvest, which is only carried out once a year, but which gets distributed every single day of the year to all the countless families of consumers. As was noted by Mr. Vivien, a former Commissioner of Police, Minister of Justice, and then Section President at the Conseil d’Etat, in his book *Administrative Studies*, in order to ensure the food supply of a city like Paris,<sup>86</sup> there is almost only one thing to do, that is not to meddle in it.<sup>87</sup>

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<sup>85</sup> Probably a reference to Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* by Adam Smith, edited with an Introduction, Notes, Marginal Summary and an Enlarged Index by Edwin Cannan, vol. 2 (London: Methuen, 1904), bk. 4, chap. 5: “Of Bounties,” “Digression concerning the Corn Trade and Corn Laws,” 25.

<sup>86</sup> See Bastiat’s account of the feeding of a large city like Paris unplanned by any government officials in *Economic Sophisms* (First Series), “There Are No Absolute Principles” in *Collected Works*, 3:84.

<sup>87</sup> Alexandre-François-Auguste Vivien (1799–1854) was a lawyer, a member of Thiers’s liberal group *Société de la Morale Chrétienne*, and was elected a Deputy representing l’Aisne in 1833. He was the Minister for Justice and Religion in the second government of Thiers in 1840 and was appointed to the Academy of Moral and Political Sciences (Legislation) in 1845. During the Second Republic he was elected a Deputy representing l’Aisne in April 1848, voted with the conservative right, and was appointed to the committee that supervised the drawing up of the new constitution. He was briefly appointed Minister of Public Works in late 1848 before Louis Napoléon took power. He resigned after Louis Napoléon’s coup d’état in December 1851. He wrote several articles for the *Journal des Économistes* and a book *Études administratives* (Paris: Guillaumin, 1845). For the quote, see 389–94, esp. 394.



Napoleon, with his authoritarian temperament, did not share this view. In 1811 he renewed with less emphasis but equally little success the efforts of the Convention. Before he set out for his grand and disastrous Russian campaign, he wanted to protect his rear and ensure that the Parisian people had sufficient food.<sup>88</sup> He fixed the price of a hectolitre of wheat at a maximum of thirty francs. He also regulated the conditions under which bakeries operated and the prices of production and sale of bread. He said he wanted to have a strong baking industry and in order to achieve that they needed to be well managed. He caused prices to rise to seventy francs, thus alarming and interfering with commerce, and triggered the ruin and bankruptcy of a large number of bakers to the great detriment of the general population: proving once again that the only way to have a strong industry is to have a free industry.

Do we need a counter-example? It takes place every day; because every day without realizing it, what Bastiat called commerce's "intuitive statistical sense,"<sup>89</sup> this unceasing movement of prices, which by rising or falling stimulate or slow down the production and supply of food, and maintains by means of swings which are usually quite mild, this not perfect but rather rough equilibrium which is the normal state of our societies. I am not saying it is perfect, gentlemen, because it tends towards this equilibrium without ever reaching it; and it is precisely this constant pursuit of an ever-elusive equilibrium that produces movement and progress. "There must be some play in all machines," said Turgot profoundly. If all the parts of a machinery were adjusted as tightly as possible, with no space in between them, the mechanism would not be able to function.<sup>90</sup>

But I will leave these reflections, and for those who are still unconvinced of this marvel that is the normal movement of commerce, let me cite an example as significant as it is the opposite of the mishaps of the Convention and of Napoleon. It was around 1854. You may remember that at the time we had about four lean years. It wasn't famine, or even dearth; but some prices rose significantly in some areas, causing significant suffering. We were still sorely misguided. I may be wrong to only speak in the past tense, because we've come back full circle

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<sup>88</sup> In two important decrees of 27 February 1811 and 17 March 1812, Napoleon reintroduced the severe regulation of the French bakery industry. Only 80 bakeries were allowed to serve the needs of the city of Paris and they were tightly controlled by the police.

<sup>89</sup> "Cinquième lettre" (14 November 1770), of "Lettres sur la liberté," in *Oeuvres de Turgot*, vol. 1 (Daire), 186.

<sup>90</sup> "Cinquième lettre" (14 November 1770), of "Lettres sur la liberté," in *Oeuvres de Turgot*, vol. 1 (Daire), 186.

in some ways; and the commercial freedom which saved France from poor crop yields in 1861,<sup>91</sup> and from hunger and revolution in 1879–80, the same freedom which even its detractors agree produced the best and most regular prices for the producer as well as for the consumer, has eroded today. We already see the consequences of this, but let's not dwell on it for now. I am simply adding the facts, not arguing about theory.

So we were still struggling with our old ways and old errors: the sliding scale for tariffs, the regulation of bakeries with its 30 or 40 rules about prescriptions, proscriptions, restrictions, and taxation levels. We believed it was efficient to have reserves of grain and these “granaries of abundance,” which Turgot so aptly named “granaries full of shortages,” that at the very least caused scarcity on the market and rang alarm bells, to use an expression by Arthur Young.<sup>92</sup> Thus the administrations of large cities were recommended to study which measures they had to put in place in order to build up supplies at the city level. This study thankfully led several of these cities, including Bordeaux, thanks to my friend Armand Lalande, to condemn the project. It showed that the end result would have been to make the people eat bread which was both more expensive and at the same time of lower quality.

It was in these circumstances that an important individual, Senator Weiss, who was the administrator of the Department of le Rhône and still had not made up his mind, saw the head of the town's statistics bureau enter his office. He was coming in to warn him that there was only a week's worth of food left in the city of Lyon, including grain as well as flour. He was asking what to do, what measures to take. City administrations, as you well know gentlemen, are of course always ready to adopt new measures. And it is also true that sometimes these fail.

It was the senator's first inclination. He did not claim to be an economist and would probably not have confessed, even if he were tied to the stake, that he subscribed to the doctrine of liberty; but he was a man of common sense, used to thinking, who knew that once something stupid had been done it could be difficult to undo it easily. “What measures?” he said after a moment of silence. “Have the city purchase grains, warn the bakers to build up their supply, or the

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<sup>91</sup> The Cobden-Chevalier free trade treaty between England and France was signed in 1860.

<sup>92</sup> Arthur Young (1741–1820) was an eighteenth-century English writer who is best known for the detailed accounts he published of his travels in England, Wales, Ireland, and France on the eve of the French Revolution. See *Arthur Young's Travels in France during the Years 1787, 1788, 1789*, ed. Miss Betham-Edwards (London: George Bell and Sons, 1909), 154.

public to decrease its consumption? We are going to create a panic, the prices will rise, everybody will worry and rush to the stores, afraid of being too late; all will want to have several days of bread at home to prepare for the imminent famine! There will be looting, grain and flour merchants will be slaughtered, and we will have caused mayhem by trying to prevent it. Listen, keep your mouth shut and your eyes open. Keep careful record of the incoming shipments of grain and flour, and of their sales. Bring me those numbers tomorrow, the day after tomorrow, the next day, and so on as needed; and we shall see.” The day after, Weiss said in 1861 (this story comes from his testimony in the investigation that was conducted at the time), the two sides of the balance sheet were perfectly balanced. The same happened the next day and the day after, even after the ominous deadline had passed. The city always had a week’s supply in reserve: there was this “intuitive statistical sense” at work which acted like a natural leveling [device] between two interconnected vessels which filled one up as quickly as it was emptied, and nothing changed in the process. Weiss soon calmed down and realized that in many cases, a prudent administration’s best move is to do nothing. The parties involved will figure it out. “We spent four years like that,” he added, “and nobody ever realized it.”

What did this intelligent man do to be able to reject the idea of intervention by the administration in regard to the supply of food, and to entrust it to the free action of commerce? He observed, quite simply. That is all the economists do. They do not speak in the name of preconceived ideas, but from experience. And it is experience that spoke, when a merchant, Legendre, asked by Jean-Baptiste Colbert<sup>93</sup> about what the king could do in the interest of commerce, gave the following answer which became the origin of a poorly-interpreted slogan: “My lord, leave us alone [*laissez-nous faire*].”<sup>94</sup> Experience is also what prompted

<sup>93</sup> Jean-Baptiste Colbert (1619–1683) was the Comptroller-General of Finance under King Louis XIV from 1665 to 1683. He epitomized the policy of state intervention in trade and industry known as “mercantilism,” whereby the state subsidized or established domestic industry in order to replace foreign imports, imposed high tariffs in order to reduce foreign imported goods, spent taxpayers’ money on lavish public works, and expanded France’s empire overseas.

<sup>94</sup> The origins of the term “laissez-faire” are not clear. One account attributes the origin to the merchant and Physiocrat Vincent de Gournay (1712–59), who used a slightly longer version of the phrase, “laissez faire, laissez passer” (let us do as we wish, let us pass unrestricted), to describe his preferred government economic policy. Another Physiocrat, Anne-Robert-Jacques Turgot (1727–81), attributes the phrase “laissez-nous faire” (let us do as we wish), to the seventeenth-century merchant Legendre, who used it in an argument with the French minister of finance Colbert about the

Turgot, in his wonderful *Letters on the Freedom of the Grain Trade* to Abbé Terray,<sup>95</sup> to denounce the recklessness of governments which, when they take upon themselves the responsibility of feeding the people, become the targets of all discontent. It is experience again which brought Frédéric Le Play,<sup>96</sup> after his great investigations that brought the imperial government to finally free the bakery business from government interference, to note that somehow a small business management issue had become a political one.

And herein, gentlemen, lies a consideration that should give pause to both the governments and the people they govern. By expanding its functions, the state, that is to say the government that represents them, expands its infringements upon the freedoms of the citizens, as Robespierre correctly noted. This comes at a hefty price to them as it thus reduces the scope of their activities and the means to develop their personal worth. It can also prove damaging to the government because as the scope of its responsibilities widen, likewise the chances of errors increase and with them causes for disaffection. As its action becomes more complex, the risks increase and make it more vulnerable. It becomes more prone to arbitrary rule and, to use Robespierre's observation again, offers greater opportunities for ambitious men. The more powerful it becomes, or appears to become, the more it will come under attack, and thus become more fragile. You turn it into a dispenser of favors, the regulator of wealth, to some a benefactor and to others a "giver of orders." But then everyone wants to become the state, or at least have the state at its beck and call; and then you have the perpetual struggle between factions and those competing for power; the unceasing back and forth between those who are holding the handle of the frying pan and those

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proper role of government in the economy. Yet a third Physiocrat, François Quesnay (1694–1774), combined the term with another phrase: "Laissez-nous faire. Ne pas trop gouverner" (Let us do as we wish. Do not govern us too much) to make the same point. See Joseph Garnier, "Laissez faire, laissez passer," *Dictionnaire de l'Économie Politique*, 2:19.

<sup>95</sup> Turgot, "Lettres sur la liberté du commerce des grains" (1770), in idem, *Oeuvres*, vol. 1, ed. Daire (1844), 159–67.

<sup>96</sup> Le Play was a member of the Council of State, which organized this inquiry into the baking industry. The irony here, which I'm sure was not lost on Passy, is that previous statistical and sociological studies done by Le Play and his followers like Jannet were used to promote government intervention in the economy. Here was an example of one being used for the opposite purpose: *Enquête sur la boulangerie du Département de la Seine: ou recueil de dépositions concernant les commerces du blé, de la farine et du pain, faites en 1859* (Paris: Imprimerie impériale, 1859).

who want to get hold of it. As Bastiat puts it, the law stops being the common protective shield, the impartial and solid rampart of liberty against the organizations that threaten it, in one word, justice, and becomes instead what it has already unfortunately become far too much, the battlefield for all kinds of greed, covetousness, and illusions.<sup>97</sup>

And so it is, in the very interest of the state that the same Bastiat wrote: “*in political economy, there is much to learn and little to do.*”<sup>98</sup>

If you like, I can add another quotation from this same author: “What political economy asks of governments is as simple as the request from Diogenes to Alexander: ‘Get out of my sunlight.’”<sup>99</sup>

A simple enough request to make, gentlemen, but not so simple to carry out, as we have already said, and as Bastiat himself repeated in something he wrote in his youth:

I shall never expect the welfare of my country to result from any violent change in either the forms or the holders of power; but rather from our good faith in supporting the government in the useful exercise of its essential powers and from our firm determination to restrict it to those limits. The government has to be firm facing enemies from within and from without, for its mission is to keep the peace at home and abroad. But it must leave to private activity everything that is within the latter’s competence. Order and freedom depend on those conditions.<sup>100</sup>

What should private activity include and what belongs to the state?<sup>101</sup> Would you like to ask Adam Smith; since he is recognized as the father of the orthodox school, he may not be disavowed. Here is his response:

The three duties of the sovereign are:

1. To defend society against any act of violence or invasion on the part of other independent societies;

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<sup>97</sup> This is one of the main arguments in his essay *The Law* (June 1850).

<sup>98</sup> Bastiat quoted this line from Jeremy Bentham at the beginning of the first series of *Economic Sophisms* (1846).

<sup>99</sup> This is another quote from Jeremy Bentham, this time at the beginning of his second series of *Economics Sophisms* (1848).

<sup>100</sup> Bastiat, “Election Manifesto” (1832), in idem, *Collected Works*, 1:367.

<sup>101</sup> This topic was debated by the members of the Political Economy Society in its meetings of October 1849, and January and February 1850. The minutes of these meetings have been translated in Bastiat, *Collected Works*, vol. 4 (forthcoming).

2. To protect every member of society against injustice or oppression by any other member by an exact administration of justice;
3. To erect and maintain certain public works and certain public institutions which it can never be for the interest of any individual, or small number of individuals, to erect and maintain; because the profit could never repay the expense, although with respect to a society the profit may do much more than repay the expense.

“That necessarily supposes,” he adds, “a corresponding expense, whether paid by the entire society, or by certain parties only, or certain members.”<sup>102</sup>

I am well aware that establishing these public works or services is precisely the delicate and difficult point; that even the most orthodox economists do not agree on what falls under the jurisdiction of the state.<sup>103</sup> Alfred Jourdan, whom I cited earlier, and Edmond Villey, professor of political economy at the University of Caen, whom I should also have mentioned, submitted a few years ago two books on the subject to the Academy of Moral and Political Sciences, which ended up sharing the academy’s prize.<sup>104</sup> Despite their respective talents and competence, they did not reach identical conclusions on all points; and the question remains open. But if they do not agree regarding the limits of the activity of the state; if the latter thinks he can let the private sector take care of such and such services, which the former thinks only the public administration should manage; neither one, although they are both quite liberal, would dream of taking away from the state, or to be more specific, the various forms of public authority, all other functions except for justice and the defense of the country. I am not aware of anyone besides my wise and intellectual friend, Gustave de Molinari, who would have thought of putting the government itself up for sale, and at a discount, and engaging entrepreneurs or companies to provide us with security

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<sup>102</sup> Passy does not quote Smith exactly but closely paraphrases what he says in *An Inquiry into the Nature and Causes of the Wealth of Nations*, vol. 2 (London: Methuen, 1904), 184–85.

<sup>103</sup> See the introduction above for a discussion of the split among the economists over this topic.

<sup>104</sup> Edmond Villey (1848–1924) was a Professor of Political Economy and the Dean of the Faculty of Law at the University of Caen. He cofounded with Charles Gide and Alfred Jourdan the *Revue d'économie politique* in 1887. Edmond Villey, *Du rôle de l'état dans l'ordre économique* (Paris: Guillaumin, 1882); and Alfred Jourdan, *Du rôle de l'état dans l'ordre économique: ou, Économie politique et socialisme* (Paris: Libr. Nouvelle de Droit et de Jurisprudence, 1882).

and justice at the best possible price.<sup>105</sup> Many think that a large amount of what is done by civil servants paid by means of taxes could be done by individuals or companies paid by voluntary payments. Victor Modeste used to advocate, not without reason in my view, in a book he wrote long ago (his ideas have changed on more than one point) what he called a “shareholder system,” as a means to reduce taxes and to develop a spirit of initiative and progress.<sup>106</sup> He pointed out that a wash house, a slaughter house, a market could all be built by a capitalist or by a company and managed by them, as well as by a town, a county, or the state. There is nothing revolutionary in thinking that the manufacture of playing cards, tobacco, gun powder, or matches, doesn’t have to be a monopoly benefiting the state.<sup>107</sup> There are people who think that education could be decentralized and with less government involvement than it is in most of the regions of Europe.<sup>108</sup> I heard Paul Bert, who was a doctor in several institutions, complain almost as sharply as Laboulaye regarding the abuse of exams; and asking if pouring all minds into the same mold, as is done with the baccalaureate exam and various diplomas, was not terribly detrimental not only to their studies but also to their

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<sup>105</sup> Molinari first presented his ideas on the private and competitive provision of “security” (police and national defense) in an article “On the Production of Security” in the *Journal des Économistes* in February 1849. This was followed by chapter 11 in his book *Les Soirées*, which dealt with the same topic.

<sup>106</sup> Victor Modeste (1818–ca. 1893) was active in the free trade movement and taught political economy at Reims (1861–62). In several works he argued that a “système actionnaire” (share owning system) could be used to help mobilize dispersed credit held by small capital owners/savers to build private industry as well as public goods normally funded by the state. See Victor Modeste, *De la Formation d’une société d’actionnaires à Meaux pour l’établissement d’un abattoir* (Meaux : impr. de A. Dubois, 1853); *Du paupérisme en France: état actuel, causes, remèdes possibles* (Paris: Guillaumin et Cie., 1858), 434; and *Résolutions nouvelles au souvenir de l’invasion* (Paris: Guillaumin, 1878), 68, 90.

<sup>107</sup> These were all industries monopolized and run by the state in France.

<sup>108</sup> When he was a young man Passy had debated Molinari on the proper role of the state in education, an issue that divided classical liberals in the nineteenth century. Passy was a hard-core advocate of no state involvement whatsoever in education, while Molinari argued that the state should not provide education but had a duty to force parents to send their children to a school of some sort. See *De l’enseignement obligatoire. Discussion entre G. de Molinari et Frédéric Passy* (Paris: Guillaumin, 1859).

characters.<sup>109</sup> Neither Sir Robert Stephenson<sup>110</sup> nor Isambard Kingdom Brunel<sup>111</sup> could have become engineers in my country. Would humanity have been better off if they had had to graduate? Even myself, a member of the Institute, I would not be able to teach a course in a university faculty because I have not been anointed by the system—I am not a doctor of law. All these critics and many more besides, as correct as they might be, do not change the fact that a number of services remain difficult to provide outside of a government-administered system. The telegraph or the telephone service could be handled by private business, provided a number of guarantees and regulations are in place. It is hard to imagine the postal service outside of the hands of the state. And if the Thurn and Taxis family<sup>112</sup> has run the service for a long time in a neighboring country, they were given a mandate by the state, as was Benjamin Franklin when he was

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<sup>109</sup> Paul Bert (1833–1886) was a doctor, politician, and colonial administrator in Indochina. He was a member of the Radical party during the Third Empire and served as Minister of Education and Religion (1881–82). He was an advocate of secular and compulsory education for all French children. Some of his speeches and writings from 1884 attacking the final Baccalauréat exam can be found in *A l'ordre du jour*, 2nd ed. (Paris: P. Ollendorff, 1885), chap. 11: “La suppression des baccalauréats,” 137.

<sup>110</sup> Robert Stephenson (1803–59) was the son of the English railway pioneer George Stephenson. He left school to be an apprentice to a mining engineer but left before he completed his training to work for his father surveying what would become the Stockton and Darlington Railway. He then returned to study at the University of Edinburgh before dropping out after six months to work as a mining engineer in Colombia. He returned to England and became a successful railroad engineer for his father’s company. See Passy’s essays on Stephenson, *Association philotechnique. Vie et travaux de G. Stephenson, deux conférences faites à la section des Quinze-Vingts* (Paris: impr. de A. Parent, 1879) and *Le petit Poucet du XIXe siècle: Georges Stephenson et la naissance des chemins de fer* (Paris: Hachette, 1881).

<sup>111</sup> Isambard Kingdom Brunel (1806–1859) was the most famous mechanical and civil engineer of his time; he built dockyards, railways, bridges, and steamships. Although he completed high school in France (his father was French), he was unable to attend the prestigious engineering school the *École Polytechnique* in Paris because of his English nationality. Instead he was apprenticed to a clockmaker and after completing his apprenticeship returned to England without engineering qualifications to begin his illustrious career as an engineer.

<sup>112</sup> The Thurn and Taxis family were members of the German nobility who had a monopoly to supply postal services throughout the Holy Roman Empire beginning in the fifteenth century.



postmaster general in his country.<sup>113</sup> And the same holds true for the production of money.<sup>114</sup> It would be even harder to fathom individuals building their section of the road by the edge of their fields or paving their section of street in front of their homes.<sup>115</sup> The different sections have to add up to a whole and the communication routes have to merit their name and get somewhere. Hence the view of the whole picture has to preside over the execution of these projects and in certain cases the opposition of particular interests would have to be made to yield to that of the general interest.<sup>116</sup> It would be childish to spend more time debating these considerations.

And while it's true that services today provided as public services could be returned tomorrow to the sphere of private activity whether provided by individuals or collectively, and probably much more so than I envision; they would still require control and supervision, which would justify the existence of the

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<sup>113</sup> Benjamin Franklin had been the postmaster of Philadelphia before being appointed deputy postmaster-general for the British colonies in 1753. During the Revolution he was appointed the first United States Postmaster General in July 1775 and served for 18 months.

<sup>114</sup> The political economists were divided over the question of free banking, that is, the private and competitive provision of money. An early advocate was Charles Coquelin, *Du Cr dit et des Banques* (Paris: Guillaumin, 1848) and then later J.-E. Horn, *La libert  des banques* (Paris: Guillaumin, 1866). Both Bastiat and Molinari also advocated free banking but they were in the minority.

<sup>115</sup> In *Les Soir es* (1849) Molinari supported the idea of private companies building roads and charging users tolls. Later, in *The Society of Tomorrow* (1899 French edition, 1904 English translation), he argued that private proprietary communities would provide public goods like streets, gas, and lighting. Interestingly, Passy wrote an Introduction for the English translation. See *The Society of Tomorrow: A Forecast of its Political and Economic Organization*, ed. Hodgson Pratt and Frederic Passy, trans. P. H. Lee Warner (New York: G. P. Putnam's Sons, 1904), <http://oll.libertyfund.org/titles/228>.

<sup>116</sup> The question of the government's use of the law of expropriation on the grounds of public utility (eminent domain laws) to seize private property for public works such as road building was another topic that split the political economists. Molinari stimulated strong opposition in a meeting of the Political Economy Society in October 1849 to his criticism of eminent domain laws as a violation of individual property rights, which he expressed in "The Third Evening," in his book *Les Soir es*. Gustave de Molinari, *Evenings on Saint Lazarus Street: Discussions on Economic Laws and the Defence of Property* (Paris: Guillaumin, 1849); available at <http://oll.libertyfund.org/pages/gdm-soirees>.

public authority. For instance, when it comes to public health and safety of the workplace or of local government schools; when it comes to the moral probity of teachers; or the accuracy of weights and measures, the precautions to be taken regarding public health, etc., guarantees would be necessary, that would have to be provided by the power of the state. We could even say that the development of society, by multiplying the different kinds of human activity, by bringing into play a greater number of weaker and more vulnerable interests, and by complicating in a thousand ways the workings of the “social workshop,” has also increased and complicated the functions of government to the same degree and has quite naturally given to the apparatus of government a corresponding extension and complication. For a long time the most liberal minds have recognized this fact, and this is exactly what lies behind the claim of the wise professor of Montpellier’s law school<sup>117</sup> that the functions, and as a consequence the importance of the state, grows to the same extent as societies themselves grow. But of course there is something else to add here. While the functions of the state grow in absolute terms, it diminishes in relative terms when compared to the role played in society by the individual and their activities. This seems to be a paradox but is obviously a reality, and is similar to the law of the relationship between capital and labor which was brought to light by Bastiat.<sup>118</sup> He nicely showed that the absolute share of capital in the whole of production grows as capital grows, while its proportional share diminishes; at the same time the share of labor grows in both senses, absolutely and proportionally.

The individual’s share grows at the same time as that of the state, albeit in different proportions. What explains, drives, and justifies the development of the action of the state is precisely the development of interests born from the increase in individual activity, for which it is obliged to provide security. It is like a tribunal that is important because of the number of cases brought before it. The judge is made for the parties, and society is made for man and by man. And civilization, in the end, is nothing more than the gradual emancipation of the individual. This in my view is what Paul-Victor Beauregard, a professor of political economy at Paris law faculty,<sup>119</sup> the most distinguished colleague of

<sup>117</sup> Charles Gide.

<sup>118</sup> Bastiat states as an “axiom” that “As capital accumulates, the capitalists’ absolute share in total production increases and their relative share decreases. On the other hand, workers see their share in both categories increase.” *EH*, chap. 7, “Capital,” 192.

<sup>119</sup> Paul Beauregard (1853–1919) was a professor of political economy at the Paris law faculty (1881). In 1891 he founded the newspaper *Le Monde économique* and

Charles Gide, expresses so well in the conclusion of a book that summarizes his teaching. He responds at the same time to both what has been exaggerated in the claims which I have just discussed above, and to the absolutely false and unjust criticisms leveled against the liberal school that it is unaware that things change in the conditions governing social life, and that they ignore all distinctions between theory and practice. [Pellegrino] Rossi made this distinction the subject of some of his most masterly lessons,<sup>120</sup> and I have also established it in the most formal way, in particular regarding freedom of trade, in the very city where my very knowledgeable opponent teaches.<sup>121</sup> Here is how Beauregard put it:

Political economy is both a science and an art: a science because the observation allows the discovery and formulation of natural laws that direct economic phenomena; an art because men derive valuable lessons from the knowledge of these laws.

The natural laws highlighted by political economy are of two kinds: Some of them have a character similar to *the laws of evolution*. When consulting history and comparing actually existing nations, we realize that all societies go through a series of phases during which the individual passes under the domination of collectivities which absorb progressively less and less, perfects himself, tends towards independence, and eventually frees himself. This evolution is general, implying a slow transformation of the whole social organization; from an economic standpoint, it translates into the conquest of two freedoms: the liberty of individual appropriation of property and the freedom of working. So

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wrote an economic textbook, *Éléments d'économie politique*, which went through many editions. He was active in politics as the vice-president of the lobby group that opposed the introduction of an income tax, "Fédération nationale pour la défense des contribuables contre le projet d'impôt sur le revenu." *Éléments d'économie politique à l'usage des étudiants en droit et des élèves des écoles de commerce*, 8th ed. (Paris: A. Picard et Kaan, 1889).

<sup>120</sup> Pellegrino Rossi (1787–1848) was born in Italy and lived in Geneva, Paris, and Rome. He was a professor of law and political economy, wrote poetry, and ended his days as a diplomat for the French government. After the death of Jean-Baptiste Say, Rossi was appointed professor of political economy at the Collège de France in 1833, and in 1836 he became a member of the *Académie des sciences morales et politiques*. In 1847 he was appointed ambassador of France to the Vatican but was assassinated on 15 November 1848 in Rome. He wrote *Cours d'économie politique* (1840), *Traité de droit pénal* (1841), and numerous articles in the *Journal des économistes*.

<sup>121</sup> Frédéric Passy, *Leçons d'économie politique, faites à Montpellier par M. Frédéric Passy. Recueillies par M. Émile Bertin et Paul Glaize. 1860–1861*, 2nd ed., 2 vols. (Paris: Guillaumin, 1862), 337–542.

then with free initiative and responsibility for their action, individuals become the main agents of civilization.<sup>122</sup>

The author then shows that next to these laws of evolution, there exist other laws that are independent of social organization, absolute and essential laws, such as the law of least effort,<sup>123</sup> or the law of the transformation of matter, etc. But here is not the place to delve into this point; it is enough that I have refuted, in the name of the law of evolution,<sup>124</sup> this rash and retrograde assertion of the lessening of the importance of the individual by social progress. And how would it be so since the object of authority, its purpose, its unique justification, is the duty to ensure [individual] liberty?

But, they say, we demand like you the development of the individual; what we fight against is individualism. And to explain this distinction, to establish that individuality is not incompatible with the most authoritarian regime, that liberty can flourish under tutelage and the narrowest discipline, we offer you as examples from earlier periods, such as during the republics of antiquity and those of the middle ages, [the existence of] some powerful men and dazzling characters.

Gentlemen, let's not play with words, and let's not confuse the exception with the rule, please. If we want to talk about a few extraordinary figures, we can cite some from these eras, and they are probably more extraordinary because they stand out in contrast to their surroundings, like a few oak trees towering over a low thicket. But if we want to talk about the mass of humanity, as we should, I think, if we pretend to be interested in democracy and humanitarianism, then it's a different story. I can see some Aristotles, Ciceros, Sophocles, Thucydides; but again, what is the mass of humanity? It is a nameless rabble, a crowd that matters little, a human manure heap on which I will admit a few admirable flowers

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<sup>122</sup> Paul Beauregard, "Conclusion. Les lois naturelles. Les enseignements de l'économie politique," in idem, *Éléments d'économie politique à l'usage des étudiants en droit et des élèves des écoles de commerce*, 8th ed. (Paris: A. Picard et Kaan, 1889), 434–35.

<sup>123</sup> Molinari argued that there were six "natural laws of economics": the natural law of the economizing of forces, or of the least effort; of competition; of value, or the progression of value; of supply and demand; of economic equilibrium; and Malthus's law of population growth. He discusses these in some detail in one of his earliest books, *Les Soirées de la rue Saint-Lazare; entretiens sur les lois économiques et défense de la propriété* (Paris: Guillaumin, 1849), and then again in two books published just before this conference was held: *Les Lois naturelles de l'économie politique* (Paris: Guillaumin, 1887) and *La Morale économique* (Paris: Guillaumin, 1888).

<sup>124</sup> It is unclear which previous work Passy is referring to.

bloom, but which is the repository of all kinds of shame and indignities, like servitude, abject poverty, and relentless work with no relief. These are societies of aristocrats and pariahs to be honest, so it is strange to think of going there to find models of attractive individuals, who should be more occupied in giving of themselves to others than being preoccupied with themselves and who only dream of lifting themselves up in order to spread themselves out further, like the waters of the Nile which Bossuet discusses.<sup>125</sup> [Yet, it is from individuals like these that we are expected] to learn about the new law which has to regenerate humanity, namely the law of *altruism* which is the opposite of the so-called “law of *egoism*,” which is confused with the law of liberty.

So gentlemen, why can't you see that in order to give of ourselves, we have to be able to first appropriate things to ourselves; and that in order to give something we have to be the master of that which we give? A sinister and heartless science, you say? Economic science, as I have already said, has no heart, and should have no heart; because if it had any it would not be a science anymore, it would be only feelings and imaginary fancies. But men do have them, when we don't remove them by stripping them of their initiative and liberty. “You mock charity,” Mr. de Lamartine used to say to the classical *liberal school*,<sup>126</sup> which he accused of being cruel, of proscribing and ridiculing almsgiving, of telling proletarians to work or die. In opposition to this he argued, as one does today, that the state should be the buffer between the masses and their miseries, should adopt orphans or abandoned children, ensure the well-being of everybody, through legislating the right to a job, the right to live, and regulating the level of wages; thus finally introducing into all government institutions the warmth

<sup>125</sup> Jacques-Bénigne Bossuet (1627–1704) was Bishop of Meaux, a historian, court priest to King Louis XIV, and tutor to the dauphin (son of Louis XIV). He was a noted orator and writer whose sermons and orations were widely studied as models of French style by generations of French schoolchildren. In politics he was an intransigent Gallican Catholic, an opponent of Protestantism, and a supporter of the idea of the divine right of kings. Bossuet, *Oeuvres complètes de Bossuet*, vol. 10 (Paris: Lefèvre, 1836), chap. 3: “Discours sur l’histoire universelle,” 281.

<sup>126</sup> Two examples of Lamartine’s thinking on this question can be found in “Du droit au travail et de l’Organisation du travail” (December 1844), 103–21 and “Rapport au Conseil général de Saône-et-Loire sur la question des enfants trouvés” (31 August 1845), 213–28 in Alphonse de Lamartine, *La France parlementaire (1834–1851): oeuvres oratoires et écrits politiques par Alphonse de Lamartine*, vol. 4: 1840–1847 (Paris: A. Lacroix, 1865). Bastiat replied to the former in one of his first articles published in the *Journal des Économistes* in January 1845 (translated in *Collected Works*, vol. 4 forthcoming).

and charity of these schools of thought, which were already quite old then, that we still call new today.

“Science doesn’t mock and forbid. It observes, deduces, and demonstrates,” Bastiat replied.

It 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.<sup>127</sup>

And, developing this idea, showing that misery is deserved or not and that only free and spontaneous charity can make this essential distinction, he offered in opposition to this true and sincere charity, the only one respectful of human dignity, the only one capable of mitigating the undeserved misfortunes without sowing around it encouragements to laziness, to secretiveness, and vice, this legal or state charity, which is coerced, organized, and decreed like a *debt* for the donor and as a *credit* for the recipient, which violates the principles of liberty and property, inverts the laws of responsibility, and by establishing a sort of community of rights between the well-to-do classes and the poor, removes the natural connections between wealth and reward; and poverty and punishment. And far from diminishing social sufferings, it aggravates them by expanding the causes that created them in the first place. Please read, gentlemen, the irrefutable observations by Malthus on the effects of the taxes on the poor in England and his admirable chapter regarding the direction to give to our charity [*Of the Direction of our Charity*],<sup>128</sup> or at least Benjamin Franklin’s quip on the same subject.<sup>129</sup> Please read again, since his authority was invoked here, St. Paul’s

<sup>127</sup> “Letter from an Economist to M. de Lamartine. On the occasion of his article entitled: The Right to a Job” (Un économiste à M. de Lamartine. A l’occasion de son écrit intitulé: Du Droit au travail), *Journal des Économistes*, February 1845, T. 10, no. 39, 209–23. In *Collected Works*, vol. 4 (forthcoming).

<sup>128</sup> Thomas Robert Malthus, *An Essay on the Principle of Population, or a View of its Past and Present Effects on Human Happiness; with an Inquiry into our Prospects respecting the Future Removal or Mitigation of the Evils which it Occasions*, 6th ed. (London: John Murray 1826), bk. 4, chap. 10: “Of the Direction of our Charity.”

<sup>129</sup> Of the many remarks about charity made by Franklin, this may be what Passy had in mind: “For my own part, I am not so well satisfied of the goodness of this thing. I am for doing good to the poor; but I differ in opinion about the means. I think the

stern admonition: *If anyone is not willing to work, let him not eat.*<sup>130</sup> And tell us if we are wrong to repeat with Vinet, in the interest of the poor as much as in the interest of the rich, and out of concern for the moral dignity of its members, that “charity must be first rooted in the soil of justice.”<sup>131</sup>

And the soil of justice, gentlemen, is the soil of liberty. If I had the time—if I could be allowed, after already having abused so much of your patience—to review the various circumstances when people want the state to intervene to correct the errors of liberty, it would be easy to show you that it is the same everywhere, and that everywhere, under the guise of resolving the problem of evil, we exacerbate it, instead of organizing fraternity, we jeopardize it, under the pretext of hastening progress we halt it. We are surprised, scandalized even, at the difference in wealth which exists between people. We want to soften the most shocking inequalities, and we ask the law, drawing upon Montesquieu’s authority as needed, and adding a few passages from Jean-Baptiste Say, or other orthodox thinkers, to solve in some measure the most extreme aspects of these inequalities. We reckon along with the first [Montesquieu] that the legislator has to bring wealth down towards an average, making the rich a little less rich and the poor not so poor.<sup>132</sup> We think along with the second [Say] that a certain

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best way of doing good to the poor is, not making them easy in poverty, but leading or driving them out of it. In my youth I travelled much, and I observed in different countries that the more public provisions were made for the poor, the less they provided for themselves, and, of course, became poorer. And, on the contrary, the less was done for them, the more they did for themselves, and became richer.” From “On the price of Corn and the Management of the Poor” (1766), in *The Works of Benjamin Franklin*, ed. John Bigelow, vol. 4: *Letters and Misc. Writings 1763–1768* (New York: G. P. Putnam’s Sons, 1904), 347.

<sup>130</sup> 2 Thessalonians 3:10.

<sup>131</sup> Alexandre Rodolphe (1797–1847) was a Swiss Protestant theologian and philosopher who taught at the University of Bâle. The quote seems to be a paraphrase of sections of “La fin et le commencement de la loi,” esp. 384–87, in Alexandre Rodolphe Vinet, *Nouveaux discours sur quelques sujets religieux*, 3rd ed., vol. 2 (Paris: Chez les éditeurs, 1848).

<sup>132</sup> Charles de Secondat, Baron de Montesquieu, *De l’esprit des lois* (Paris: Firmin Didot frères, 1858), bk. 5: “Les lois que le Législateur donne doivent être relatives au principe du gouvernement,” chap. 5: “Comment les lois établissent l’égalité dans la démocratie,” 41.

progressive rate of taxation can be a useful means to achieve that result.<sup>133</sup> But where should we stop? Who will determine the threshold beyond which wealth must be reduced, or below which poverty should not fall; who will assess the resources and the needs of these individuals and these families? Who, once the principle is agreed upon, will silence the demands and claims and will enforce the limit set by the justice demanded by the state? To the one who owns a hundred thousand, today you will take ten thousand, and why not take twenty tomorrow, and the rest the day after tomorrow? Why not, in the name of equality, since it is not possible to offer lodging to all on the same floor, have people take turns, alternating between the good spots and the bad ones and, as François-Noël Babeuf requested, have the honest *sans-culottes* comfortably settled in the bourgeois residences?<sup>134</sup> It remains to be seen if, once they have been established there, they would let themselves be easily dislodged and if the next relocation would be to their liking.

We protest against inheritance and we rebel at the thought that a man who, as the common phrase puts it, by taking no more trouble than just being born, could find himself starting in life owning goods that would require much work to acquire. Hence to remedy this injustice we want to take away from the father his ability to leave to his children the fruits of his labor and of his savings. And we don't see that alongside these disadvantages and occasional dangers which no one denies, this extension of the father's life into his children's, which is the visible link between the generations, has some advantages that cannot be taken away without causing great harm to the very people we call underprivileged! We think we will increase their share with what we are taking away from private inheritance, yet we are reducing it. Common inheritance is really only the spreading out of individual inheritances. If a number of us light torches in a dark, empty

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<sup>133</sup> Jean-Baptiste Say, *Cours complet d'économie politique pratique*, vol. 2, ed. Horace Say (Paris: Guillaumin, 1852), pt. 8, chap. 5: "De l'assiette de l'impôt," 405–6.

<sup>134</sup> François Noël Babeuf (1760–1797), also known as "Gracchus" Babeuf after the radical Roman Gracchi brothers, was a French socialist revolutionary who was inspired by the ideas of Rousseau. He was a member of the "Montagnard" (Mountain) faction during the Terror. Following the downfall of Robespierre he started a group known as "The Conspiracy of Equals" under the Directory, for which he was executed. On the extreme ideas about equality held by Gracchus Babeuf see Alexander Gray, *The Socialist Tradition. Moses to Lenin* (London: Longmans, Green, 1946), 100–109. A sample of his writings can be found in Gracchus Babeuf, *La doctrine des égaux: extraits des oeuvres complètes*, ed. Albert Thomas (Paris: Publications de la Société nouvelle de librairie & d'édition, Cornély, 1906).



theater, the whole room will light up, even if each individual lit a torch just for himself. If each of us produces, under the stimulus for personal gain, the whole of society will be better off. By taking away from me the hope of leaving something of myself to my descendants you are taking away the anticipated reward of my labor and savings. By forbidding me to sow my field for my grandnephews you deprive me of the joy of thinking that they will benefit from the fruits of my labor. So I will stop sowing. You think you have disinherited my descendants, but it is you whom you have disinherited.

You think credit is too scarce and expensive, and to make it more abundant and accessible, you can't imagine anything better than to suppress the free negotiation between individuals which determines its conditions, and then to decree universal and free credit.<sup>135</sup> You will simply kill credit, you will cut open the goose that laid the golden eggs, because you thought she was not laying enough. Is there nothing universal, aside from that which, like the air we breathe, comes to us all by itself? Is there anything free among the things that cost time and labor to produce? Doesn't a loan presuppose the existence of the thing being lent? And if there are only twenty plows, twenty bags of wheat, twenty looms, how do you think they can be used by thirty, or by a hundred or two hundred borrowers? Will you decide arbitrarily among the claimants? This would be favoritism or whim. Will you draw lots? That would be dispensing credit blindly; and if it's free, if it comes with no strings attached, it will be credit with no guarantee of being put to good use, which means it would be unproductive and destructive. What we need is productive and discerning credit. Not just for the lender, for whom it would only be just, or for the borrower, for whom it would be equally just, but in the general interest. This type of credit is "free" credit,<sup>136</sup> credit by auction which delivers the capital to the highest bidder on a level playing field, that is to say to the most meritorious and most useful [project].

We find wages to be inadequate, and we ask the law to intervene to regulate them. But whatever the kind of wage, whether it be fixed or not, in cash or not, can it be anything else than a share of the total product which is created, both

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<sup>135</sup> After Pierre Joseph Proudhon was elected to the Constituent Assembly in 1848 he tried to set up a "People's Bank" which would provide workers with low or zero interest loans. He and Bastiat engaged in a several months-long debate on this topic in late 1849. *Gratuité du crédit. Discussion entre M. Fr. Bastiat et M. Proudhon* (Paris: Guillaumin, 1850), in *Collected Works*, vol. 4 (forthcoming).

<sup>136</sup> Passy is making a play on words here as Proudhon's plan for "crédit gratuit" (gratuitous credit which was "free of charge") was not the same as "crédit libre" (credit supplied on the free market).

by the labor of the worker, the capital which is invested, and the intelligence which is applied to this investment? Is this share undefined? Is it arbitrary? And are you aware of anything better to grow it than to increase through intelligence and the good utilization of time the productive power of labor, and through liberty the means for labor to assert its rights? Here again, is it possible that the representatives from the economic school of liberty did a great disservice to the democratic cause? Did they not demonstrate, which is also the conclusion of Le Hardy de Beaulieu on the subject,<sup>137</sup> that high wages which reward good work, result in low-cost production, and that the interests of the employer and that of the worker in reality are closely united?

Aren't they the ones who more than anybody else have worked to get rid of these restrictive laws that used to prevent employees from working together to defend their interests,<sup>138</sup> and without glossing over the abuses that could be done as a result, make everyone aware of their right to negotiate work conditions and to refuse work if need be? If we were just, we'd acknowledge that since the abolition of these laws, the situation is more balanced between the workers and the employers and that the latter, despite what we may say regarding the tyranny of capital, do not always control matters at their discretion. If the state has to intervene in these matters, and I believe that it has a duty to do so, it does not aim to tilt the scales one way or another, or to make the workers or the owners capitulate. It is to prevent acts of violence on either part, and to enforce the

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<sup>137</sup> Charles Le Hardy de Beaulieu, *Du salaire, exposé des lois économiques qui régissent la rémunération du travail et des causes qui modifient l'action de ces lois*, 2nd ed. (Paris: Guillaumin, 1862).

<sup>138</sup> The ban on forming labor unions dates back to the Chapelier Law of 1791, which became the basis for articles 414 and 415 of the Penal Code. The revolutionary lawyer and politician Jean Le Chapelier (1754–1794) introduced the “Le Chapelier Law,” which was enacted on 14 June, 1791. The Assembly had abolished the privileged corporations of masters and occupations of the old regime in March and the Le Chapelier Law was designed to do the same thing to organizations of both employers and their workers. The law effectively banned guilds and trade unions (as well as the right to strike) until the law was altered in 1864. Both Bastiat and Molinari supported the right of workers to form unions and supported a group of Parisian carpenters who were tried and convicted in 1846 for trying to start a union. Bastiat gave an important speech in the Chamber on the right to form unions, while Molinari developed his idea of a Labor Exchange to help workers find jobs. See Bastiat, “The Repression of Industrial Unions” (17 November 1849), in *Collected Works*, 2:348–61; and Molinari, “Appel aux ouvriers” 20 July 1846, *Le Courrier français*, reprinted in *Questions d'économie politique*, vol. 1 (1861), 183–94 and *Les bourses du travail* (Paris: Guillaumin, 1893).

right to work as well as the right not to work, the right to ask for a raise, and the right to refuse one.

I would say the same today regarding the question of reducing the number of hours worked.<sup>139</sup> The economists asked [this question] long ago, and they established also long ago that only liberty can solve the issue and that it tends to solve it in a positive manner. We accuse machines of being a cause both of the workers' enslavement and their impoverishment. Experience, gentlemen, demonstrates the opposite, at least for those who can see and understand the lessons of experience; and it is not the economists' fault if they are not more widely and better understood. On one hand, the machine, a product of man's mind and a tool in man's hands, is not a master but a slave to him, which tackles the hardest and, as the phrase goes, the most mechanical parts of man's work, this therefore lightens his burden as much as it liberates him from it. On the other hand, as a result of using these machines, by putting these beasts of iron and fire to work, in advanced countries today each inhabitant has more than ten such slaves at his service; and as a result of using this mechanical kind of labor production has increased relentlessly; it is clear that technological progress, far from impoverishing us, enriches us, and provides us with more resources for the same investment in time and effort.<sup>140</sup> And in effect, without downplaying the poverty that still permeates our societies, but also without forgetting that all this poverty is not involuntary and undeserved, how would we not be struck by the changes taking place during this century, and especially in the second half, in the way most men are housed, clothed, and fed, which is to say obviously rewarded?

A century ago, the usual wage of a worker rarely provided enough for shoes and not always shirts. Nowadays how often is it impossible to distinguish by the clothing, and even sometimes the language or demeanor, outside of the hours

<sup>139</sup> Legislation setting the minimum age for child workers was introduced in 1841 (minimum age of 8 years) and 1874 (minimum age of 12 years). The eight-hour working day was initially advocated by the Welsh utopian socialist and industrialist Robert Owen (1771–1858) in 1817. An attempt was made during the 1848 Revolution to limit working hours in a day to twelve but this was not enforced and eventually disappeared. The International Workingmen's Association voted at its Congress in Geneva in 1866 for an eight-hour work day. Trade unions in France were legalized in 1884. The eight-hour day (40 hours per week) was introduced by George Clemenceau in 1919. Legislation in France limiting the working week to 35 hours was passed in 2000.

<sup>140</sup> On the economic and social impact of machines, see also Frédéric Passy, *Les Machines et leur influence sur le développement de l'humanité, deux conférences faites à Paris sous les auspices de l'Association polytechnique* (Paris: L. Hachette, 1866).

spent in the workshop, the employee from the employer, the manual worker from the educated worker? The same thought applies to the length of the workday. If we can do more in the same amount of time, we don't have to work as long.<sup>141</sup> And that's not all. Since machines are expensive, requiring fuel, lighting, and supervision; since they are complex and delicate and need to be operated with intelligence, care, and attention, it is desirable that they should be used only in conditions which are most favorable for their employment and which result in the greatest output. From this comes first of all a material interest, and then a moral one (and I'm not exaggerating here), in reducing working hours. To ask less in order to obtain more seems like an inexplicable paradox; however, industrialists and economists both have a claim to having discovered the truth of it. A philanthropic manufacturer, more than a half century ago, wrote: "We used to say that the last hour of work made a profit for the manufacturer; today we say that it's the last hour that eats into his profit."

Jean Dollfus,<sup>142</sup> around the same time, was cutting the workday by thirty minutes, which is one twenty-fourth of the workday, in his plant in Dornach. He got one twenty-fourth more profit. "Why do we produce at a higher cost than the English," a spinner from Ghent asked, "because we work two hours more." "It is proven today," wrote the Chamber of Commerce of Verviers, "that we can produce as much and more in nine and ten hours than we use to in twelve, thirteen, and fourteen." I strongly support this opinion. I have taught it in all my classes; and I brought it to the floor of the French Parliament; and I have contributed a few times to ensuring it was adopted in large industrial concerns, along with a reduction in the workday. I am honored to report that I received grateful testimonies in this regard.

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<sup>141</sup> Bastiat had some quite passionate things to say about the importance of leisure to ordinary people. He believed that it is only by increasing wealth and capital accumulation that leisure is made possible for an increasing number of people, including the poorest, and how this in turn is so important for the development of a person's emotional and aesthetic life. He discusses leisure in his pamphlet "Capital and Rent" (Feb. 1849), there is a "reflection on leisure" at the end of Letter 4 in his debate with Proudhon on *Free Credit* at the end of 1849, and a note on "The Morality of Wealth" at end of chap. 4: "On Wealth" in *EH*. See also "The Importance of Leisure" in "Further Aspects of Bastiat's Thought," *Collected Works*, vol. 4 (forthcoming).

<sup>142</sup> Jean Mathieu Dollfus (1800–1887) was a textile manufacturer based in Mulhouse (Alsace), an economist, an advocate of free trade, and a politician, serving as mayor of Mulhouse 1863–69. He built model housing for his workers and helped them set up retirement funds.

But if my conviction in this regard is sound, if I do not hesitate in saying that for more than 50 years, that is to say since I learnt about the life of the famous American blacksmith Elihu Burritt, the concept of “three 8 hour parts of the day” appears to me to be the best allocation of time for a useful and productive life.<sup>143</sup> My thinking and economic studies have only further confirmed this conviction, but I also realize that catching a glimpse of an ideal and working towards it is not the same as reaching it, and that even if there is a will there is not always a way. All professions and all social conditions do not have the same demands and do not require the same skills. One type of work cannot be performed for more than five or six hours; while another can go on easily for ten or eleven. One may be purely physical while another will be purely intellectual, and thus require different kinds of breaks; and yet another, by its very nature will require the use of the body and the mind one after the other or both at the same time. One man may be weak and can only give a small amount of physical force to his work; while another is strong and can withstand without difficulty long periods of physical labor. Furthermore, the latter because of the quality of his work receives a high wage or because of the moderate nature of his desires does not need to give his all to his work, is content with a shorter work day. The former, whose family’s needs or his expensive tastes, or his determination to build up some capital for his retirement, or whatever the case may be, pushes himself to get the most he can from his work, and therefore [he] can and wants to devote a greater proportion of his time to his job.

A regular work day will not satisfy him; he seeks the higher pay that comes with overtime work; or as a small business owner working in his shop or his attic, he gets up before dawn, and goes to bed after the stores have closed, and the sound of his hammer at five in the morning or at nine in the evening gives confidence both to his creditors and his customers who trust his zeal and punctuality, as Benjamin

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<sup>143</sup> Elihu Burritt (1810–1879) trained as a blacksmith, and became active opposing slavery, supporting temperance, and promoting international peace. He was appointed American Consul to the city of Birmingham by Abraham Lincoln in 1864. He would have met Passy, Bastiat, and Molinari at the International Friends of Peace conference held in Paris in August 1849, at which Bastiat gave one of the key speeches on war and high taxes as a major cause of social unrest. Passy uses the phrase “la formule des *trois-huit*,” which might normally be translated as “three shifts of eight hours in a day” but here is more likely to be a reference to Robert Owen’s notion of the need for a worker to spend eight hours a day working, eight hours in recreation, and eight hours asleep.

Franklin observed.<sup>144</sup> Will you go and by means of the law make yourselves the judges of all these various situations, substitute your judgment for that of the interested parties; forbid one person from devoting himself to more hardship, and the other person from passing more of their time daydreaming; regulating people as if they were in a convent, telling them when to get up, when to go to bed, and when to eat; deciding what must be deducted from their wages for insurance, for retirement, and for their children's education; imposing foresight, thriftiness, fraternity, and solidarity; and replacing everywhere personal effort, merit, and virtue with your wisdom and your orders? That's what you need to do if you are logical. But doing all this means killing man. Doing only some of it is mutilating him. And you call this developing the individual! You want to perfect the whole, you can find nothing better to do than destroy the parts that constitute it. You want to erect a strong building and you reduce to rubble, on your whim, the very stones which have to be used to build it!

Please listen to Bastiat again, as I will not tire of repeating that your alleged novelties are quite old and you are wrong to claim a patent for your invention:

To destroy the freedom to act is to destroy the possibility, and consequently the ability to choose, to judge, and to compare; it is to kill the mind, it is to kill thought, it is to kill mankind. From whatever side they come, this is where all the modern reformers end up; to improve society they begin by destroying the individual, under the pretext that all harm comes from the individual, as if all good things don't also come from the individual as well.<sup>145</sup>

I will stop here gentlemen, because whichever side I may turn to I can only repeat myself now and it is time to bring it to an end. In summary, the liberal school is nothing more than "the school of common sense," meaning the school of observation, of experience, and of progress through laborious improvement, as Jules Simon of the Professional Society of Lyon put it.<sup>146</sup> It teaches men, says

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<sup>144</sup> This is probably a reference to Franklin's "Advice to a Young Tradesman," where he states "that time is money" and that "the way to wealth, if you desire it, is as plain as the way to market. It depends chiefly on two words, industry and frugality—that is, waste neither time nor money, but make the best use of both." *The Works of Benjamin Franklin*, vol. 2 (1735–53), 234–35.

<sup>145</sup> Bastiat, *EH*, vol. 1, chap. 10: "Competition," 285.

<sup>146</sup> Jules Simon (1814–1896) was a philosopher and politician. He taught philosophy at the University of Caen (1836) and eventually the Sorbonne where he lectured on Plato and Aristotle. He was elected to the Constituent Assembly in April 1848 during the Second Republic, then again in the Second Empire (1863–1871) where he voted

the same Simon, “to leave their self-interest where it is, which is its first service to us, and not to leave it where it is not, which is its second and perhaps as big a service.”<sup>147</sup> It is neither indifferent nor quixotic. It doesn’t accept evil, but it also doesn’t pretend to suppress it all at once. It doesn’t ignore fraternity or solidarity, but it wants them to be real, not artificial. Rather, it is in the progress of enlightenment and feelings, in the wise use of spontaneous activity which is the foundation of our only strength, that it looks for a remedy for the ills that others would would like to remove through practical means, thus risking the loss of everything by taking away from man the only true good which gives value to his life: that is, freedom and responsibility. “*Et propter vitam vivendi perdere causas*” [To squander life’s purpose just in order to stay alive, and live a meaningless life].<sup>148</sup>

And if you’ll allow me to quote myself after I’ve often quoted others, I will summarize, gentlemen, all I’ve tried to say, all I maybe should have said, in two passages that were not written for this particular event. One is from 1883. It is the conclusion of a speech that, as the president of the French Association for the Advancement of Science, I gave at the opening of the Rouen Congress.<sup>149</sup> The topic was *A Quick Look at the History of Political Economy*, and I had particularly emphasized that science may know no country, but scientists do, and it is in France more than in any other country that men spelled out the main truths of the economic order, men to whom the world is indebted. And I said,

The men whose work and life I briefly described in this very imperfect draft, did not open wide (nor did they pretend to) the door to humanity’s promised land. Rather they taught us that imperfection and suffering are fully part of Providence’s plan; but they also taught us at the same time that it is in our power to gradually eliminate them and it is also our duty to do so. They substituted action for agitation, observation for hypothesis, and reasoning for fantasy, while applying with growing wisdom the methods of statistics and analysis,

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with the moderate Republicans, and finally elected a permanent Senator in the Third Republic. The quote is from Jules Simon and Gustave Simon, *La femme du vingtième siècle* (Paris: Calmann Lévy, 1892), 40.

<sup>147</sup> In an address to the *Société d’enseignement professionnel du Rhône* (1876).

<sup>148</sup> From Juvenal, *Satyrice* VIII, verses 83–84.

<sup>149</sup> Passy, “*Un coup d’oeil sur l’histoire de l’économie politique*” *Séance d’ouverture, 16 août 1883, Association française pour l’avancement des sciences. Compte rendu de la 12e session. Rouen 1883* (Paris: Secrétariat de l’Association, 1884), 11–30. Quote from pp. 29–30.

for which Vauban and Lavoisier gave the first and most valuable models.<sup>150</sup> The economists cleared away prejudices and fixed errors, they renounced unfortunate habits and abandoned baneful measures. They preached to men in the name of self-interest, as others did in the name of ethics and religion, the benefits of work, saving, foresight, sobriety, mutual respect, concord, and peace, and they honoured collective responsibility which goes by the name of solidarity, and personal responsibility which goes by the name of liberty.

They started a well-thought out campaign to fight against the illnesses of the social body in much the same way hygiene did for the diseases of the human body, and as part of this campaign, in order to attack the symptoms they went to the causes. To borrow Macauley's wording, they gathered strength from forces which were new in order to fight against miseries which were ancient: namely, the mind that discovers them and the humanity which alleviates them.<sup>151</sup> They fought with equal energy both stupid discouragement and blind impatience, both fatalism and empiricism. In other words, they understood and put into practice this new role of economic science regarding social questions, which far from reducing it actually widens it. They showed that theory is in vain if it doesn't improve practice, and practice falls short if it doesn't help theory progress.

And now here is the second passage gentlemen. It is from 1886 and it completes a study on the life and works of the most brilliant and purest representative of the doctrine of liberty, Bastiat himself.<sup>152</sup>

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<sup>150</sup> On Vauban see above, fn. 13; The chemist Antoine Lavoisier (1743–1794) was a wealthy tax collector (for which he was executed during the Terror) and a pioneer in collecting information about the diets and standard of living of ordinary French people. He wrote *De la Richesse territoriale du Royaume de France* (1791) and *Essai sur la population de la ville de Paris* (no date), which were edited by Molinari and published by Guillaumin in 1847 in vol. 15 of the *Collection des principaux économistes*.

<sup>151</sup> Lord Macaulay, born Thomas Babington (1800–1859), was an English historian, peer, politician, and poet. He was an active opponent of slavery, a supporter of education and equality in India, and instrumental to parliamentary reform to increase representation of cities that had become unrepresented relative to rural areas during the rapid industrial growth. He authored a five-volume work on the history of England, and wrote numerous clear-minded, critical essays. I cannot identify the quotation to which Passy refers here.

<sup>152</sup> Frédéric Passy, *Discours prononcés par M. Frédéric Passy. Chambre des députés: séances des 28 juin et 8 juillet 1886. Première délibération sur les propositions de loi concernant les céréales* (Paris: Impr. des Journaux Officiels, 1886).



No, I don't believe that we will ever be able to completely eradicate poverty, which men struggle with, because there are ills that affect one or the other with no apparent reason and which are inevitable; because there is death and mourning, errors, vices, and faults, which necessarily bring about a correction. But I do think it is possible to reduce in a growing proportion these miseries, these ills and sufferings, by reducing errors and vices. The best way to achieve this is to leave the field free for liberty and responsibility, which is, I will repeat in ending with Bastiat, our driving force, our teacher, our pay master, and our avenger.<sup>153</sup>

Depend only upon yourself is a common proverb said the good La Fontaine; and let us first depend upon ourselves. And then while depending on ourselves, while relying on ourselves, let us look around. And then voluntarily, freely, because we are human beings and have a duty towards each other and not because we have legal obligations or are subjected to violence; then let us turn to those who are less happy, who have received less, who are less enlightened and less educated, who may be lost, struck by accidents or misfortune that could not be prevented or avoided; and benevolently, fraternally, and freely provide assistance and charity and no longer because we are forced to, let us help, support, enlighten, and love each other. Let us do it for ourselves, for our own development and for the relief of those who are around us, and towards whom, I repeat, we have duties to fulfill.

Here is, gentlemen, the heart of these doctrines of economic freedom that people love to misrepresent as the doctrines of heartless people: It is none other than respect in practice, and in action justice, human dignity, and the only fraternity that deserves the beautiful name of fraternity: voluntary fraternity.

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<sup>153</sup> From Bastiat, *EH*, chap. 17: "Private Services and Public Services." "It is his motive force, his teacher, his rewarder and punisher," 452.