Journal of Markets & Morality
Volume 20, Number 2 (Fall 2017): 383–406

Introduction

For Whom the Bell Tolls: The School of Liberty and the Rise of Interventionism in French Political Economy in the Late Nineteenth Century

David M. Hart

> *You have heard the four notes of the economic musical scales and the chimes of the four bells of this carillon are far from ringing in harmony.*
>
> — Charles Gide (1890)[1]

> *Perchance, he for whom this bell tolls may be so ill, as that he knows not it tolls for him; and perchance I may think myself so much better than I am, as that they who are about me, and see my state, may have caused it to toll for me, and I know not that.… [T]herefore never send to know for whom the bell tolls; it tolls for thee.*
>
> — John Donne (1623)[2]

The quotation above contains the wry and rather mocking last words of Charles Gide's address to the Swiss Christian Society of Social Economy held in the Great Hall of the University of Geneva between February and April 1890. The conference had been called to present to the public what the Society considered to be the leading representatives of the main schools of economic thought in the French-speaking world at the time. They invited only four speakers, implying

1 *Quatre écoles d'économie sociale*, 154.

2 John Donne, Meditation No. 17 in *Devotions upon Emergent Occasions* (1623). XVII: Nunc Lento Sonitu Dicunt, Morieris (Now this bell, tolling softly for another, says to me, Thou must die.)

that there were only four such schools worth considering, and stacked the deck 3–1 against the sole defender of rigorous free market thought, the aging Frédéric Passy (1822–1912).[3]

There was no representative of the emerging school of "marginalism" which had begun in 1871 with the simultaneous but uncoordinated publication of innovative works by Karl Menger in Austria,[4] William Stanley Jevons in England,[5] and Léon Walras in Switzerland.[6] Their work would mark a revolutionary break with the classical school of economic thought and lead to the formation of a new school of economic thought based upon the idea of subjective value theory and marginal utility, which, in the hands of Ludwig von Mises and Friedrich Hayek, would lead to the creation of a new and invigorated school of free market economic thought in the mid- and late twentieth century known as the Austrian school.[7]

---

3 The four lectures were published as a book in April: *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's lecture on "L'École de la Liberté" can be found on pages 157–231. Passy later published his lecture as a separate pamphlet to give it greater circulation 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). He added a brief foreword to his version, which we include with this translation.

4 Karl Menger (1840–1921) *Grundsätze der Volkswirtschaftslehre* (1871). Translation: *Principles of Economics*, trans. J. Dingwall and B. F. Hoselitz, with an introduction by Friedrich A. Hayek (New York: New York University Press, 1981). On Menger see http://www.econlib.org/library/Enc/bios/Menger.html.

5 William Stanley Jevons (1835–1882), *The Theory of Political Economy (1871)*, ed. R. D. Collison Black (Harmondsworth: Penguin Books, 1970). On Jevons see "William Stanley Jevons (1835–1882)," *The Concise Encyclopedia of Economics*, http://www.econlib.org/library/Enc/bios/Jevons.html.

6 Léon Walras (1834–1910) *Éléments d'économie politique pure, ou théorie de la richesse sociale* (1874). Translation: *Elements of Pure Economics, or the theory of social wealth*, trans. W. Jaffé (Homewood, Ill., Published for the American Economic Association by Richard D. Irwin, Inc., 1954). On Walras see "Leon Walras (1834–1910)," *The Concise Encyclopedia of Economics*, http://www.econlib.org/library/Enc/bios/Walras.html.

7 On the Austrian School see, Peter J. Boettke, "Austrian School of Economics." *The Concise Encyclopedia of Economics*, http://www.econlib.org/library/Enc/AustrianSchoolofEconomics.html.

There was also no representative of the neo-classical school, but this is quite understandable as Alfred Marshall (1842–1924) did not publish his path-breaking work *Principles of Economics* until later that same year.[8] It is just a pity and an unfortunate irony of history that these two important schools of thought missed out on a chance to present their cases in Geneva in the early months of 1890.

Of those who were present at the conference, three were young advocates of what the organizers thought was the wave of the future, namely socialism or other forms of government intervention in the economy. The first to speak was Claudio Jannet (1844–1894), a 46-year old professor of economics and law and an advocate of a conservative Catholic form of "state socialism" and paternalism. The next to speak was the youngest of the group, Gaston Stiegler (1853–1931), who was a 37-year old communist journalist. He was followed by the up-and-coming star of French academic economic theory, Charles Gide (1847–1932), who was 43 years old, taught at the University of Montpellier, and supported a form of "cooperative socialism" based on the ideas of the socialist Charles Fourier.[9] Taking up the rear in more ways than one was the much older classical liberal journalist and politician Frédéric Passy (1822–1912), who, at 68 years of age, was a quarter of a century older than the others. This would clearly have made the point to those in the audience—which probably was the intention of the organizers—that the liberal school was antiquated and out of touch both intellectually and physically with the needs of European society as it approached the end of the century.

The cleverness of Gide's quip about the unharmonious sounds made by the four bells of the carillon in the economic bell-tower is double-edged. It refers to the fact that the three advocates of socialism and government intervention cannot agree among themselves about what should be done, except to denounce the "heartlessness" of the classical free market school; and it is also a snide and mocking remark about Frédéric Bastiat's famous, now notorious argument, that if left alone, free people engaging in voluntary free market activities among themselves

---

8 Alfred Marshall, *Principles of Economics* (London: Macmillan, 1890). Eighth edition online at http://oll.libertyfund.org/titles/1676.

9 The socialist Charles Fourier (1772–1837) believed that a more just and productive society would be one that was based on the common ownership of property and the communal organization of all productive activity. The organizational base of Charles Fourier's new society was the "Phalanstery" or "Phalanx," which was the name of the specially designed building that would house 1,600 people. Some utopian communities based on his idea were established in North America. His main work was *Le Nouveau monde industriel et sociétaire* (1829).

will produce "harmonious" outcomes where all will benefit.[10] To Gide's ears, the sounds coming from the lecture hall from all sides were decidedly unharmonious, perhaps even cacophonous, yet only he, as he would eventually argue, would be able to unite everyone in the socialist "solidarity" that alone could overcome the harsh "heartless" individualism of the classical school. However, there was one thing all three interventionists could agree on: that their combined criticism of the "school of liberty" amounted to the church bell that tolled to mark the death of the free market school represented by Bastiat and his aging follower Frédéric Passy, a point they repeatedly hinted at in their lectures.

Why Not Gustave de Molinari?

Why the journalist and politician Frédéric Passy was invited to defend "the school of liberty" is an interesting question to ask. Passy had trained as a lawyer and worked as an accountant in the civil service before becoming a professor at the University of Montpellier in the early 1860s.[11] He became an activist in the free trade movement and the peace movement for many years, founding the *Ligue internationale et permanente de la paix* (The International League for Peace) in 1868, the *Société d'arbitrage entre les Nations* (The International Arbitration Society) (1889), and the Inter-Parliamentary Union (1889). The latter efforts led to his receiving the first ever Nobel Peace Price (along with Henri Dunant, one of the founders of the Red Cross) in 1901. He also had a career as a politician, being elected during the Third Republic in 1881 and 1885. In politics he opposed legal discrimination against women (making him an early feminist), the

---

10 Frédéric Bastiat (1801–1850) was a magistrate and landowner from Gascony who moved to Paris in 1846 to organize the French Free Trade Association. After the February Revolution of 1848 he was elected to the Chamber of Deputies and was vice-president of the Finance Committee. He is best known for his witty journalism opposing tariffs and subsidies to industry, the *Economic Sophisms* (1846, 1848), his series of anti-socialist pamphlets, and an unfinished treatise on economics, *Economic Harmonies* (1850, 1851). *Economic Harmonies* will hereafter be cited as *EH*. His works are available online at http://oll.libertyfund.org/people/frederic-bastiat.

11 Some of his students put together their lecture notes to reconstruct his course at Montpellier: 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. Leçons 1–16* (Paris: Guillaumin, 1862) and *Mon début, 1re conférence sur l'économie politique, faite à Pau le 24 mars 1860* (Bordeaux: impr. de G. Gounouilhou, 1900).

death penalty, and French colonialism (something which Charles Gide strongly supported),[12] the last being a major reason for him not being re-elected in 1889.

A better intellectual candidate to present the case for the liberty school of economics might have been the Franco-Belgian economist Gustave de Molinari (1819–1912),[13] who had worked closely with Passy and Bastiat during the 1840s, had taught economics in Brussels during the 1850s and 1860s, and after a stint as a journalist had returned to economics when he accepted the position of editor of the leading free market economics journal, the *Journal des Économistes* in 1881, which began an extraordinarily productive period of his long life. In the decade immediately preceding the Geneva conference, while Passy was pursuing a career in politics, Molinari had been publishing a steady stream of books on the economic sociology of the state, free trade, the natural laws of economics, and Thomas Malthus's theory of population. He would have been an even better representative than Passy of the old school of classical liberal economic theory. He was mentioned a few times by the other lecturers at the conference but, since his free market views were even more radical than Bastiat's or Passy's and since he was three years older than the latter, he may have been regarded as too easy a target for the critics of "the old school." Still, Passy had proven credentials as a formidable debater both in the lecture hall and on the floor of the Parliament and he was able to hold his own at the Geneva conference. In addition, Passy's sympathies towards the Christian religion which he had expressed two years

---

12 Gide supported French colonization in Africa and Indochina, calling it "admirable and necessary" in order to perpetuate the French race and its culture, so long as it was done "peacefully and piously." See Charles Gide, preface to Jacques Dumas, *La colonisation: Essai de doctrine pacifiste* (Paris: V. Giard et E. Brière, 1904), v–x.

13 Gustave de Molinari (1819–1912) was born in Belgium but spent most of his working life in Paris, becoming the leading representative of the laissez-faire school of classical liberalism in France in the second half of the nineteenth century. He was a journalist, academic, editor, travel writer, and prolific author of dozens of books. He was editor of the prestigious *Journal des débats* in the 1870s and then of the *Journal des économistes* from 1881–1909. He is best known for his theory of the private and competitive "production of security." Liberty Fund is publishing a translation of his book *Les Soirées de la rue Saint-Lazare* (1849) (forthcoming), a draft of which is available online, http://oll.libertyfund.org/pages/gdm-soirees. See also "Gustave de Molinari," *Online Library of Liberty*, http://oll.libertyfund.org/people/gustave-de-molinari.

earlier might have also made him a more attractive speaker for the Society than the more secular-minded Molinari.[14]

The Geneva Conference (February-April, 1890)

Passy's opening remarks suggest he realized he had been set up by the organizers of the conference. He comments on the barrage of attacks his position had received in the previous weeks (a lecture was given every two weeks or so between 28 February and 28 March) and he was the last to present his case. I use the word "case" because in may ways Passy must have thought he and the liberal school were on trial for their beliefs and this was its last chance to present its defense before the verdict and the punishment were handed down by the judge of public and academic opinion. He opened his talk with the words:

> 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*.[15]

As a relatively old man of 68 he must have known the intellectual tide had turned against the classical liberal school by 1890. Free trade was under attack again after the liberalization introduced by the Cobden-Chevalier free trade treaty between England and France, which was signed in 1860 (the Méline tariff, which would raise the level of tariffs in January 1892, was under discussion in the Chamber as he was speaking), the great powers of Europe were about to launch a naval arms race which would lay the foundations for World War I, socialist parties were growing in strength in France and Germany and the Labour Party would soon be formed in England in 1900, and the supporters of free market economics had been largely excluded by the reform of the French higher education system in 1878.

The latter was very important because there had been few academic positions of any kind for economists until this reform. There was the private lecture forum of the *Paris Athénée*, where J. B. Say had lectured from 1816–19, Charles

---

14 Frédéric Passy, *Conférence faite le mardi 27 mars 1888 sur l'idée de Dieu et la liberté* (Paris: Siège Social, 1888).

15 *Quatre écoles d'économie sociale*, 157.

Dunoyer from 1824–26, Adolphe Blanqui from 1827–29, and Joseph Garnier from 1842–45. There were three publicly funded institutions: the *Conservatoire des Arts et Métiers*, which was a kind of glorified research engineering and technical school where J. B. Say had taught in 1820; the *École des Ponts et Chaussées* (the School of Bridges and Roads), which was a more mundane engineering school; and the *Collège de France*, which was the elite research and teaching institution of higher learning in the country. The most prestigious academic position was the chair of economics at the *Collège de France*, which was initially held by the great Jean-Baptiste Say in 1831, then by Pellegrino Rossi (1834–40), and then by Michel Chevalier (1841–52). However, because the lectures were open to the public, the holder of the chair did not have a chance to teach graduate students and thereby build a school of teachers and researchers who would go out and spread the word in the other French universities. The state-run technical schools such as the School of Bridges and Roads provided economists with an income from teaching, but their audience was future bureaucrats and engineers who would work for the state, so their influence was rather limited in scope.[16] Thus, before the 1878 higher education reforms the free market school had to resort to private institutions outside the state system, such as the Guillaumin publishing firm, the Political Economy Society, the *Journal des Économistes*, and a handful of private business schools. The only state-funded institution the liberal political economists had been able to dominate was the prestigious *Institute*, which had one of its five branches, the *Académie des sciences morales et politiques*, open to political economists and which they had dominated since its reconstitution in 1832.[17]

---

16 On teaching economics in France, see Lucette Le Van-Lemesle, "La promotion de l'économie politique en France au XIXe siècle jusqu'à son introduction dans le facultés (1815–1881)," *Revue d'histoire moderne et contemporaine*, 27 April 1980, 270–94; Martin S. Staum, "French Lecturers in Political Economy, 1815–1848: Varieties of Liberalism," *History of Political Economy* 30, no. 1 (1998): 95–120; and Alain Alcouffe, "The Institutionalization of Political Economy in French Universities: 1819–1896," *History of Political Economy* 21, no. 2 (Summer 1989): 313–44.

17 The *Académie des sciences morales et politiques* (the Academy of Moral and Political Sciences) is a French learned society and one of the five academies which comprise the Institute of France. The Academy was founded in 1795 as part of a restructuring of the pre-revolutionary Royal Academies. It was reconstituted by King Louis-Philippe in October 1832 with five sections: philosophy, moral science, law and jurisprudence, political economy, and history. Many of the economists and other classical liberals were members of the Academy, such as the following (with the year they were elected): Charles Dunoyer (1832); Joseph Droz (1832); Charles Comte (1832); Pellegrino Rossi

The bind the free-market economists got themselves into was to lobby, once the Third Republic was established in 1875, for an expanded program for teaching economics in the state university system, only to find that they were outmaneuvered when the government agreed to fund the teaching of economics but only in the law schools—which required a doctorate in law that none of the economists had, thereby excluding them from the newly created posts. This is something Passy would lament in his speech. The end result was that economics was taught by people untrained in economics and not inclined to support laissez-faire views, to students who would become lawyers, bureaucrats, and government officials, who were also disinclined to be receptive to free market ideas.[18] So by the time the Geneva conference was held the free market school had become even weaker after twelve years of exclusion from the university system, something Charles Gide somewhat gleefully pointed out in an essay he published in the *American Political Science Quarterly* later that same year.[19]

The Participants and Their Charges against the "School of Liberty"

Claudio Jannet and the School of State Socialism and Catholic Paternalism

The first to speak on 28 February 1890 was Claudio Jannet, a professor of political economy at the Catholic Institute of Paris, which was a private Catholic university set up in 1875. He had trained as a lawyer and had worked at the Court in Aix-en-Provence, and was a staunch anti-Mason. The organizers of the conference described him as a representative of the "Le Play School of Economics,"

(1836); Alexis de Tocqueville (1838); Hippolyte Passy (1838); Adolphe Blanqui (1838); Gustave de Beaumont (1841); Léon Faucher (1849); Louis Reybaud (1850); Michel Chevalier (1851); Louis Wolowski (1855); Horace Say (1857); Augustin-Charles Renouard (1861); Henri Baudrillart (1866); Joseph Garnier (1873); Frédéric Passy (1877); Léon Say (1881). Neither Bastiat nor Molinari were full members of the Academy; they were "corresponding members" and were appointed in 1846 and 1874 respectively.

18 Joseph T. Salerno, "The Neglect of Bastiat's School by English-Speaking Economists: A Puzzle Resolved," *Journal des économistes et des Etudes Humaines* 11, no. 2/3 (June/September 2001): 451–95.

19 Charles Gide, "The Economic Schools and the Teaching of Political Economy in France," *The Political Science Quarterly* 4, no. 4 (1890): 603–35.

whereas Jannet himself described it as the "School of State Socialism,"[20] while Charles Gide, who spoke third and had a way with words, called it the "Catholic School" or the "School of Authority." The previous year Jannet had published a book upon which his lecture was based.[21]

Jannet's views about economics had been influenced by two main intellectual traditions: his Catholicism of course, to which he gave a paternalistic and authoritarian twist, and the sociological work of Frédéric Le Play (1806–1882) on the living conditions of French families. The latter began an influential sociological approach to the study of "the social question" with dozens of meticulous studies of working conditions and the standard of living of ordinary workers in several different countries.[22] Many who drew upon these studies, such as Jannet, used them to justify a much greater role for the state in regulating economic activity and redistributing wealth through various state-run welfare programs.

Jannet's Catholicism came into the picture when he argued that poverty and the unequal distribution of wealth were not the result of bad political and economic institutions or perverse incentives but the direct result of "la chute originelle" (the original fall of man). This could only be alleviated (and not completely rectified) by a strict return to the teachings of the Ten Commandments of the Old Testament and the Gospels. Because individuals were too weak to accomplish this on their own, they had to be "led," partly by their "patron" (boss) or employer, but more often by the state. In his view, an unregulated market economy was very limited in what it could do to relieve the suffering of the mass of the people; hence there had to be considerable state intervention to overcome this. As he noted in his lecture: "Indeed, political economy demonstrates that there are limits to the transformation of the material conditions of human existence, and that there was

---

20 L'École Le Play: Claudio Jannet, "Le Socialisme d'état et la reforme sociale" (28 February 1890), in *Quatre écoles d'économie sociale*, 3–53. See the lengthy article on "Socialisme d'état" (State Socialism) by Ludwig Bamberger, in the *Nouveau Dictionnaire d'Économie Politique*, the first edition of which appeared in the same year this Conference was held. See *Nouveau Dictionnaire d'Économie Politique, publié sur la direction de M. Léon Say et de M. Joseph Chailley*, 2nd ed. (Paris: Librairie de Guillaumin et Cie, 1900 [1890]), 2:866–82.

21 Claudio Jannet, *Le Socialisme d'état et la reforme sociale* (Paris: E. Plon, 1889).

22 Frédéric Le Play, Les Ouvriers des deux mondes: *études sur les travaux, la vie domestique et la condition morale des populations ouvrières des diverses contrées* (Paris: Société internationale de science sociale, 1857). Many more volumes appeared after this first one.

a certain unsolvable amount of human suffering which resulted from the great fracture of the original divine plan."[23]

Jannet was encouraged by the spread of voluntary worker-inspired "self-help" groups that were emerging, especially in England, but these, he believed, did not go far enough to solve the social problem. The problem was compounded by the fact that too many people who had become wealthy through the market were what he termed "les mauvais riches" (bad rich people) who had forgotten their Christian obligation to help the poor and thus had to be "nudged" (to use a modern term) either noncoercively by the Church or coercively by what he called "state socialism." His preferred solution was a mixture of Catholic-inspired moral reform, more paternalism by private manufacturers towards their workers (he wanted to turn businesses into one big family headed by "le patron"—the boss—who would look after his worker-children), moderate Christian welfare-statism, which would regulate working conditions and provide tax-payer funded subsidies to poor (an idea he got from Le Play), and interestingly "la guerre à l'alcoolisme" (a war on alcoholism), which would be waged by the state. The combined effects of all these measures would be to place the French people in a state of "tutelage," which would severely limit their responsibility for their own lives. In many ways Jannet's proposals were similar to the Protestant "Social Gospel" movement that was emerging at the same time in the United States, which also had a strong anti-alcohol component, which would later become influential as the Progressive movement, and which achieved the disastrous policy of state-enforced Prohibition (1920–1933).

He summarized the reforms he wanted to see as follows:

> These reforms have to come from the combined action of religion, the family, charity understood in the broader sense, the Self Help of the people concerned as exercised in their free and voluntary associations, and finally the action of the State by carrying out its role of making justice be respected, by the State fulfilling its duties, providing peace for its citizens instead of crushing them with taxes and sacrificing their lives in time of war.[24]

Jannet argued that his proposal was a more thoroughgoing form of "state socialism" than the rather tepid defense of welfare state measures that had been advocated by many members of the classical school of economics such as Louis

---

23 *Quatre écoles d'économie sociale*, 21.

24 *Quatre écoles d'économie sociale*, 27.

René Villermé,[25] Jérôme Adolphe Blanqui,[26] and Louis Wolowski,[27] but not as statist as the revolutionary form of socialism espoused by Marx (communism) or the non-revolutionary form espoused by Lassalle, which would be defended by the next speaker, Gaston Stiegler.

In his lecture, Charles Gide provided a telling summary of Jannet's views:

> The Catholic School is the conservative school *par excellence*: if I had to define it in one word, I would have to say that it would have to be called, without doing it any injury, "the School of Authority." Indeed, its program is the restoration of a triple authority: the authority of the father in the family, the authority of the boss (patron) in the workshop, and the authority of the Church within the State …[28]

Gaston Stiegler and the Revolutionary Socialist School

The second speaker at the conference was the radical journalist Gaston Stiegler (1853–1931), who wrote for the newspaper *Le Matin* (founded in 1883) and is best known for his travel writing, most notably his book about his attempt

---

25 Louis René Villermé (1782–1863) was a French military surgeon, then a civilian doctor. He was a member of the *Académie des sciences morales et politiques* and wrote on public-health issues such as prisons, mortality rates, population growth, and the condition of workers. On the last he wrote *Tableau de l'état physique et moral des ouvriers employés dans les manufactures de coton, de laine, et de soie* (1840), which was used in the campaign to introduce labor regulation in France.

26 Jérôme Adolphe Blanqui (1798–1854) was a liberal political economist and brother of the revolutionary socialist Auguste Blanqui. He succeeded Jean-Baptiste Say to the chair of political economy at the *Conservatoire national des arts et métiers*, and was the editor of the *Journal des Économistes* between 1842 and 1843. Among his many works on political economy and sociology are the *Encyclopédie du commerçant* (1839–41), *Précis élementaire d'économie politique* (1842), and *Les classes ouvrières en France* (1848).

27 Louis Wolowski (1810–76) was a lawyer, politician, and economist of Polish origin. His interests lay in industrial and labor economics, free trade, and bimetallism. He was a professor of industrial law at the *Conservatoire national des arts et métiers*, a member of the *Académie des sciences morales et politiques* from 1855, serving as its president in 1866–67, and a member and president of the *Société d'économie politique*. Among his many works are *Études d'économie politique et de statistique* (1848), *La question des banques* (1864), *La Banque d'Angleterre et les banques d'Ecosse* (1867), and *L'or et l'argent* (1870).

28 *Quatre écoles d'économie sociale*, 149.

to do better than the title of Jules Verne's novel *Around the World in 80 Days* (1873)—he did it in 63 days in 1901.[29] At the conference he defended what the conference organizers called "the collectivist school" and what he called "the contemporary socialist school."[30]

He was in fact a supporter of communism, although not technically "a Marxist" because he supported the ideas of the German socialist activist Ferdinand Lassalle (1825–1864), whom he quotes in his lecture. Lassalle had founded the *Allgemeiner Deutscher Arbeiterverein* (General German Workers Association) in May 1863, which would later become the German Social Democratic Party in 1875, but he and Marx had had a falling out over the strategy of working within the political system, which Lassalle favored and Marx did not.

Stiegler was not an original thinker and followed the standard socialist line that the world was divided into two classes, the capitalists and the workers, where the former ruthlessly exploited the latter. He believed that there were four ways of acquiring wealth: inheritance, land speculation, speculation on the stock market, and, most importantly, employing workers paid with wages for their work. According to Lassalle the wages paid to workers only covered the first few hours of their working day. The value they added to the things they made in the last two or three hours of the working day were not paid to the workers but were kept by the capitalists and it was this "surplus" that constituted their profits and their "exploitation" of the workers. The only way to end this exploitation by means of wage labor was to destroy the entire factory system that was based upon it and return control of production to the workers or their representatives. They could then share in the value of the things their labor created and none would get siphoned off by greedy capitalists.

Stiegler argued that the so-called "natural laws of political economy" defended by the classical school in general and by Bastiat and Molinari in particular[31] were based upon a fallacy, namely that they were unchangeable since they were

---

29 Gaston Stiegler, *Le Tour du monde en 63 jours* (Paris: Société française d'imprimerie et de librairie, 1901).

30 L'École collectiviste: Gaston Stiegler, "Coup d'oeil sur le socialisme contemporain" (14 March 1890), in *Quatre écoles d'économie sociale*, 57–96.

31 Bastiat and Molinari were both defenders of the idea that there were unchangeable "natural laws of economics," most particularly the "law of supply and demand." Molinari had identified at least six such laws, which he explored in some detail in a pair of books published just before this conference took place: *Les Lois naturelles de l'économie politique* (Paris: Guillaumin, 1887) and *La Morale économique* (Paris: Guillaumin, 1888).

fixed by nature, like the law of gravitation. He argued that since they were man-made and historically determined they could be "unmade" or "remade" by man as circumstances demanded. "Your economic laws are not unchangeable," he insisted. "They have changed from country to country and from historical period to historical period. Every regime of property is a convention which is useful for a particular time … it is not the result of natural laws."[32]

Nevertheless, Stiegler, following Lassalle, believed that there was in fact one unchangeable "law" that governed the economic lives of workers under capitalism, and that was the brutal "iron law of wages." By this they meant that all workers were doomed to perpetual poverty no matter how hard they worked and no matter what technological improvements were introduced to make work easier or more productive. Competition between workers for the few jobs there were would mean they would drive wages down to bare subsistance levels. Every new machine that was introduced onto the factory work floor meant another group of workers would "be thrown out onto the pavement." Thus the workers had at the very least to form unions in order to keep job-destroying machines out of the factories. At best they should vote for a socialist party that would reform the entire capitalist system once and for all.

Other measures Stiegler advocated in his lecture included the following: that all land, factories, and tools should be collectivized by the state for the benefit of all the citizens of the nation; that only some personal items could be kept as the private property of individuals; that factories and workshops would be organized and run by managers elected by the workers; that private commercial activities (including street corner shops) would be abolished and all goods would be distributed through large community owned warehouses; that money would be abolished and everything would be valued according to the amount of labor-time needed to produce it; and that everybody would be forced to work for a few years in large "industrial armies" in order to learn the productive and social skills necessary to live in the new socialist society.

The specific means by which this transition from a market society to a socialist or communist one might be effected was not revealed in Stiegler's lecture. He admitted that they were still working on precisely how to do it and that at the moment the plan was "still no more than a few conjectures, shadows of thoughts, and idealistic conceptions."[33] But he did share Marx's idea that capitalism itself, in a kind of suicidal drive to its own self-destruction, was building the means

---

32 *Quatre écoles d'économie sociale*, 77.

33 *Quatre écoles d'économie sociale*, 83.

by which it would be replaced by a better society. He recounted the evidence of the past 100 years:

> The inevitable result of competition to the bitter end, of this state of permanent war in which commerce is engaged, has been to ruin the small shopkeepers, the small workshop owners, who do not have enough money to maintain the fight. Their replacements have been immediately gathered by those who have murdered them and thus there have been established little by little immense factories where thousands of workers work, massive shops where entire armies of employees are busy, and which are owned jointly by share-holding companies. So you can see there that capital is in the hands of many people, in the hands of a collectivity. Here we already have collectivism on a small scale and it is the natural culmination of the present situation.[34]

In the meantime, while this inevitable "collectivization" of commerce and industry continued within the very heart of capitalism, Stiegler did advocate some current measures to reform the worst abuses of the capitalist system, such as the eight-hour work day, the spread of profit sharing enterprises, the passing of legislation limiting child labor and women workers in the factories, the introduction of state-funded pension programs for the old and sick, the nationalization of the railroads, mines, and canals, a progressive tax on income, and the abolition of inheritance.

To his credit, Stiegler does recognize the existence of the Hayekian "knowledge problem," which is faced by all would-be central planners, that the economy is too vast for any "one brain" to understand how it functions now or should function in the future. The best solution to this problem, he thought, was the rather simplistic and dangerous idea of "trial and error": "The make up of society is like a machine which is too complex and too delicate for the brain of man to sketch out on a piece of paper in an a priori fashion. A reconstruction of this society which would be as vast in its overall size, and as varied in all its details, cannot be brought about except by considerable experimentation and much trial and error."[35]

Charles Gide and the School of Socialist Solidarity

The third lecture at the Conference was given by the forty-three-year-old rising star of French political economy, Charles Gide (1847–1832), on what the

---

34 *Quatre écoles d'économie sociale*, 81.

35 *Quatre écoles d'économie sociale*, 93.

organizers called "the new school of political economy" or what Gide preferred to call "the school of solidarity."[36] Gide had been born in the south of France to a Protestant family and received a doctorate from the Faculty of Law at the University of Paris on "The Right of Association in Religious Matters" in 1872, just in time to take advantage of the reorganization of the teaching of economics in French universities to law faculties.

Gide was a more formidable academic opponent than the other two previous lecturers and would go on to have a profound impact on the economics profession in France over the next three decades. He had academic positions at the University of Bordeaux (1874), Montpellier (1880), and then Paris in 1898, where he taught until 1920; he founded the influential journal *la Revue d'économie politique* in 1883, which would eclipse in importance the classical liberal stronghold of the *Journal des Économistes* edited since 1881 by Gustave de Molinari; he wrote the leading economics textbook of his day, *Principes d'économie politique* (1884), which had gone through twenty-six editions by 1931 and was translated into English in 1891; and with Charles Rist wrote in 1909 what for several decades would be the standard history of economic thought.[37]

Gide's economic ideas can be summed up as another form of Christian socialism but mixed with a dose of German historicism. He differed from Claudio Jannet in that he was Protestant and not Catholic, and that his major influence was the "utopian socialist" Charles Fourier and not the sociologist Le Play. From Fourier he absorbed ideas about nonmarket forms of worker association and cooperation. Interestingly, Bastiat had written a considerable amount in opposition to the ideas of both Charles Fourier and Louis Blanc in the last three years of his life (1848–50), as their ideas had been extremely influential in the socialist movement leading up to and during the February revolution of 1848.[38] Their slogans had been "Association" and "Organization" (both with capital letters),

---

36 L'École nouvelle: Charles Gide, "L'École nouvelle" (28 March 1890), in *Quatre écoles d'économie sociale*, 99–174.

37 Gide, *Principes d'économie politique* (1883). Translation: *Principles of Political Economy*, trans. Edward Percy Jacobsen (Boston: D. C. Heath & Co., 1891). And Gide and Rist, *L'Histoire des doctrines économiques depuis les physiocrates jusqu'à nos jours, en collaboration avec Charles Rist* (1909). Translation: *A History of Economic Doctrines from the Time of the Physiocrats to the Present Day*, trans R. Richards (London, G. G. Harrap & Company, 1915).

38 Between May 1848 and July 1850 Bastiat wrote a series of twelve antisocialist pamphlets, or what the Guillaumin publishing firm marketed in their catalog as the *Petits pamphlets de M. Bastiat* (Mister Bastiat's Little Pamphlets), which included several

which were put forward as alternatives to working for wages in workshops and factories on the free market.[39] Louis Blanc had attempted to show how workers could run workshops without using wage labor and the profit system in the National Workshops he ran out of the Luxembourg Palace in Paris, which he and his socialist colleagues had overrun and occupied in the revolution of February 1848.[40] Fourier in several works had inspired the socialist movement with his plans for organizing workers to live cooperatively and communally in large buildings called "Phalanxes," which would be run like army barracks and in which living, sleeping, and eating would all be done collectively. Bastiat opposed these ideas strongly both politically as vice president of the Chamber's Finance Committee where he tried to shut down taxpayer funding for Blanc's National Workshops (which he succeeded in doing in May 1848), and intellectually in a stream of anti-socialist pamphlets directed against Blanc, Victor Considérant, and Fourier.[41] Gide wanted to update Fourier's socialist and cooperative ideas to

---

for which Bastiat has become justly famous such as "The State" (Sept. 1848), "The Law" (July 1850), and "What is Seen and What is Not Seen" (July 1850).

39 In Bastiat's day the economists got frustrated with the socialists because they seemed to be claiming that only they advocated "Association" and "Organization." The economists countered this by arguing that they too were in favor of "association" and "organization" (but spelled in lower case) as long as it was voluntary and not imposed upon workers by the state or some privileged group. Of course, they further argued that the essence of the free market was a network of interlocking associations and organizations created to satisfy the needs of consumers.

40 Louis Blanc (1811–1882) was a journalist and historian who was active in the socialist movement. Blanc founded the journal *Revue du progrès* and published articles that later became the influential pamphlet *L'Organization du travail* (1839). During the 1848 revolution he became a member of the provisional government, headed the National Workshops, and debated Adolphe Thiers on the merits of the right to work in *Le socialisme; droit au travail, réponse à M. Thiers* (1848). When his supporters invaded the Chamber of Deputies in May 1848 to begin a coup d'état in order to save the National Workshops from closing, they carried him around the room on their shoulders. He was arrested, lost his parliamentary immunity, and was forced into exile in England. Bastiat was one of the few deputies to oppose the Chamber's prosecution of Blanc.

41 Bastiat's essays "Justice and Fraternity" (June 1848), "Individualism and Fraternity" (c. June 1848), "Plunder and Law" (May 1850), and "The Law" (July 1850) were written to oppose Louis Blanc's ideas; the essay "Property and Plunder" (July 1848) was directed against Victor Considérant. These can all be found in Liberty Fund's edition of *The Collected Works of Bastiat*, vol. 2, http://oll.libertyfund.org/titles/2450.

the 1880s and he became active in the new cooperative movement that emerged in Nîmes around the Society for National Economy.

In spite of the fact that Gide confessed that Bastiat's *Economic Harmonies*[42] was the first book of economics that he ever read and that it had at the time had a deep impact on him, he came to reject Bastiat's optimistic view of the "harmonious" operation of the free market. In his lecture he listed many problems that he believed were caused by too much economic liberty, or what he called this *stérile laisser-faire* (sterile policy of laisser-faire), such as selfish behavior that did not promote the general interest, the heartless operation of the law of supply and demand (especially when it came to workers' wages), and ruthless competition, which led to a Darwinian struggle for the survival of the fittest.

The liberals, like Herbert Spencer in England and Molinari in France,[43] who believed that evolutionary processes were leading to an expansion of the sphere of liberty and a corresponding reduction in the sphere of state activity, were grossly mistaken in Gide's view. He thought the direction of evolution was in the opposite direction as contemporary policy was showing; that states all over the industrializing world were expanding the scope of their activities, not reducing them, and that as societies became more complex as they industrialized and grew in size this tendency would steadily increase. Today, Austrian and Public Choice economists make exactly the opposite argument, contending that the knowledge problem, the absence of free-market pricing of all goods and services,

---

42 Bastiat published the first part of *Economic Harmonies* with ten chapters during the last year of his life. A second, more complete edition was published after his death. This will be volume 5 of Liberty Fund's *The Collected Works of Bastiat* (forthcoming). See the older FEE edition: Frédéric Bastiat, *Economic Harmonies*, trans W. Hayden Boyers, ed. George B. de Huszar, introduction by Dean Russell (Irvington-on-Hudson: Foundation for Economic Education, 1996), http://oll.libertyfund.org/titles/79. This FEE edition is referred to throughout these notes as *EH*.

43 Herbert Spencer (1820–1903) was one of the leading nineteenth-century English radical individualists. He began working as a journalist for the laissez-faire magazine *The Economist* in the 1850s. Much of the rest of his life was spent working on an all-encompassing theory of human development based upon the ideas of individualism, utilitarian moral theory, social and biological evolution, limited government, and laissez-faire economics. Among his works are *Social Statics* (1851), *The Principles of Ethics*, 2 vols. (1879); *The Man versus the State* (1885), *The Principles of Sociology*, 3 vols. (1898). See http://oll.libertyfund.org/people/herbert-spencer. Molinari's theory of economic and political evolution can be found in *L'évolution économique du XIXe siècle: théorie du progrès* (Paris: C. Reinwald 1880) and *L'évolution politique et la Révolution* (Paris: C. Reinwald, 1884).

the incentive problem in the absence of profits for capitalists and different wages for workers, and the self-interest of bureaucrats and politicians, mean that states become increasingly unable to plan and regulate complex societies. However, in Gide's day it appeared that more state regulation of the economy was purely an "engineering matter" that would soon be solved in the socialists' favor: "as these two areas, that of individual life and that of social life, become more and more tightly intertwined as a result of the progress of the division of labour and the growing complexity of social relationships … it is quite logical that the role of the state go on increasing without limit.…"[44]

In contrast, Gide thought that the logical end result for advocates of the liberal school was a form of extreme anti-statism that verged on anarchism. This was recognized and accepted by Herbert Spencer and Gustave de Molinari, but not by the mainstream members of the school. That they refused to see the logic inherent in their own views was, in Gide's estimation, just more proof of how out of touch they had become.

On the other hand, the many advantages Gide thought "the new school" had over the older liberal school of political economy went beyond its greater overall logical consistency and included much deeper methodological and practical matters. Concerning methodological matters, the old school saw the world in fixed, static terms whereas the historical school saw things being in constant change, including the so-called "natural laws" that governed political economy and the very "nature" of man as an economic being. In his view, they too were subject to dynamic change over time. Gide also rejected what he called the "deductive or abstract method," which theorists like Bastiat in particular used to try to identify the abstract principles of human action that explained why and how individuals made economic choices in a state of scarcity and competing uses for goods.[45]

Concerning "practical" or "policy" matters, the new school had considerable advantages in Gide's view because devotees of the old liberal school could only throw up their hands when government interventions were proposed by socialists

---

44 *Quatre écoles d'économie sociale*, 119.

45 Bastiat began to develop a more abstract theory of "human action" (a phrase Bastiat sometimes used) to explain individual economic behavior by using a thought experiment involving Robinson Crusoe on his Island of Despair. This had a profound impact on Murray Rothbard when he was writing his treatise *Man, Economy, and State* in the 1950s. See "Bastiat's Invention of 'Crusoe Economics,'" in the Introduction to *Collected Works of Bastiat*, vol. 3, lxiv–lxvii. Passy also tried his own hand at doing this but with much less sophistication and wit, in *Robinson et Vendredi, ou la Naissance du capital* (Bordeaux: impr. de G. Gounouilhou, 1893).

and other reformers to solve "the social problem" and say that they couldn't work because they flew in the face of inevitable economic laws and the problem of scarcity. With the new school, reformers like Gide could now argue that practical political solutions could be seen to flow naturally out of the new economic theory as both economic theory and human behavior changed as historical circumstances changed. The old school economists, by refusing to recognize the possibility for widespread social and economic reforms in the new era, continued to justify the criticism that they did not have any feelings and were possibly brainless as well, as Gide nastily put it: "It is for that reason that political economy was sometimes called 'the sinister science,' the dismal science, or sometimes even the science without any feelings—an epithet by the way that was quite unjust, because a science is not normally expected to have a heart; it is quite enough that it should have a brain. The new school takes the opposite view."[46]

Thus the new school of political economy had an explicit social agenda, which its representatives would actively pursue in both the area of pure economic theory concerning market failure and the need for a welfare state to fill the gaps, as well as politically in advising the government and its growing number of bureaucracies.

Gide concluded his lecture with this definition of what the "new school" meant to him:

> I will call it the "school of solidarity." Yes, solidarity, because of its method which studies societies in their historical development and looks for the chain which links the phenomena of today with the phenomena of another time, and links present generations with past generations; because of its practical action which consists in changing man (himself) by first changing the milieu in which he lives; because of the intervention of the state which it (the school) considers to be the visible expression of an invisible, though real, link which unites men and women living in the same society. It is truly the "school of solidarity."[47]

---

46 *Quatre écoles d'économie sociale*, 133. Gide is making a play on words here with the words "les entrailles" (entrails or guts) and "le cerveau" (brain). He called classical economics "la science sans entrailles" which literally means "the science without guts" or as we would say "the science without a heart or without feelings." On how economics got falsely named "the dismal science" see David M. Levy, *How the Dismal Science Got Its Name: Classical Economics and the Ur-Text of Racial Politics* (Ann Arbor: University of Michigan Press, 2001).

47 *Quatre écoles d'économie sociale*, 151.

Frédéric Passy's Defense

Thus after five weeks of harsh criticism, which at times verged on verbal abuse, by the three critics of the "school of liberty," the sixty-eight-year-old veteran of many debates, Frédéric Passy, went up to the lectern to defend himself, the school of thought which he had spent his life defending, and his colleagues and intellectual heirs who had come under such criticism. He must have felt a considerable weight on his shoulders as he began his defense. The conference organizers did at least allow him to speak longer than the previous three in order to address all the issues they had raised for the prosecution.[48]

The reader may view Passy's arguments in full in the text below, but here is a summary list for the court record:

1. Natural laws of economics do exist and they cannot be changed however well-meaning the reformers might be. The best the classical economists had to offer was that people should know what these laws are and try to adjust their economic behavior accordingly, so as not to make things worse for themselves. This especially applied to the new socialist school of thought.
2. The long history of economic thinking going back to Boisguilbert and Turgot in the eighteenth century shows that political economists were not "heartless" and had constantly tried to better the lot of ordinary people, often at their own considerable personal risk—for example, when they challenged powerful monarchs to their face—as they tried to lower taxes and tariffs, open up more sectors of the economy to free entry and competition, end monopolies and other forms of political favoritism, and prevent war.
3. The classical school of economic thought is not a rigid and unchanging body of doctrine but had gone through several periods when key ideas were challenged, questioned, and debated. The examples he gives are the following:[49]

---

48 Claudio Jannet's speech took up 51 pages in the book; Gaston Stiegler's 40 pages; Charles Gide's 56 pages; and Frédéric Passy's 75 pages.

49 Passy does not mention other issues that divided the political economists, perhaps because he didn't want to give his opponents any more ammunition that they might use to argue that the economists of the old school were "too divided." He could have mentioned the question of what role the government should have in educating children (some liberals thought the state should provide all children with taxpayer-funded, compulsory education; some like Molinari thought the state should force parents to

- The debate opened up by Frédéric Bastiat, who challenged the orthodox Ricardian view about the productivity of land rent. (The Ricardians thought that the land produced an "unearned" income for the land owner which the socialist critics of the free market had seized upon; Bastiat argued that there was nothing special about rent and it could be interpreted as being an economic "service" just like any other);[50]
- The legitimacy of property rights, especially of land. (The mainstream economists argued that as "economists" they should just assume property rights as given, whereas both Bastiat and Molinari argued that economists had to provide a more coherent defense of property rights if they were to fend off the socialist challenge which cut to the heart of political economy); and
- The proper functions of the state. Most economists supported some version of the classical view put forward by Adam Smith that the state should provide police, national defense, and a limited number of public goods such as money, roads and bridges, and perhaps basic education. However, this view had been vig-

---

educate their children but leave it to the market to provide that education; others like Passy thought education should be completely free and privately supplied); how valid was Malthus's "law of population" (both Molinari and Passy were staunch Malthusians, whereas Bastiat argued that the Malthusians were wrong as they did not appreciate how productive a fully free market in food would be); what role should the government play in provision of money (most of the economists followed Smith in thinking that money was a public good best provided by the government, whereas Coquelin, Bastiat, and Molinari thought it could be privately and competitively supplied on the free market); the traditional Smithian theory of value (determined by utility and the amount of labor required to create that utility), which was challenged by Bastiat and then replaced by the subjective theory of value which emerged in the 1870s; or the issue of colonization: as the century wore on many liberals turned away from the traditional opposition to colonies expressed by Smith, Bastiat, and Molinari, and saw colonies in a more favorable light—like Paul Leroy-Beaulieu in his influential book *De la Colonisation chez les peuples modernes* (Paris: Guillaumin, 1874). The latter is particularly striking as Passy was strongly opposed to French colonization (which cost him his re-election the previous year) while Gide was a strong supporter.

50 Bastiat presented his radically new ideas on rent, which challenged the Ricardian orthodoxy, in two chapters in *Economic Harmonies* (1850, 1851): *EH*, chap. 9: "Landed Property," http://oll.libertyfund.org/titles/79#lf0187_label_127; *EH*, chap. 13: "Rent," http://oll.libertyfund.org/titles/79#lf0187_label_156.

orously challenged by Gustave de Molinari in 1849, when he argued that even police and defense could be better provided voluntarily on the free market by competing firms, most likely by insurance companies. This prompted a debate within the Political Economy Society, which revealed that it was divided into three, possibly four, factions: the anarchist Molinari (who stood alone on this question), the ultra-minimalist state advocate Bastiat, the Smithian limited government advocates (the majority of the economists), and a group who advocated a more substantial role for government, like Louis Wolowski.[51] What is interesting to note in the context of Passy's lecture in 1890 is how far the mainstream political economists, even Passy himself, had moved towards accepting a greater role for government intervention in the economy, thus conceding considerable ground to the Catholic reformers and the socialists.

4. Political economists do not unthinkingly accept the status quo and dismiss the existence of many harms and injustices in contemporary European society. Passy reminds his audience that Bastiat had developed a theory about what he called "*des cause perturbatrices*" (disturbing factors), which prevented many people from improving their situation through their own hard work and planning. These "disturbing factors" included war, taxes, tariffs, and monopolies (on which Bastiat had planned to write a book). Until these were removed there would continue to be significant impediments to greater economic well-being for ordinary people.[52]

---

51 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. These two pieces provoked a debate among the members of the Political Economy Society on the topic of the proper role of the state 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). See Gustave de Molinari, "De la production de la sécurité," *Journal des Économistes* 22, no. 95 (15 February 1849): 277–90. English translation: davidmhart.com/liberty/FrenchClassicalLiberals/Molinari/Articles/ProductionSecurity1.html.

52 One of Bastiat's unfinished chapters which appeared in the second posthumous edition of *Economic Harmonies* was on "disturbing factors": *EH*, chap. 18: "Disturbing Factors," http://oll.libertyfund.org/titles/79#Bastiat_0187_2195. For more details

5. The policy of laissez-faire must be based on equal protection for all people of their rights to liberty and private property under the rule of law. Far from being the absence of law, it requires the better implementation of the law.[53]
6. It is naive of interventionists and socialists to consider the state to be an entity that exists outside of society and somehow above the weaknesses that are inherent in all individuals. Instead of being the "defender of the poor" it too often becomes the "plunderer" of the poor and the weak and the servant of the powerful vested interests that control it. Passy gives many examples of mistakes made by politicians and powerful bureaucrats who pursued their own or their supporters' personal interests and which had catastrophic impacts on ordinary people. He wonders what harms an expanded state with even greater powers bestowed upon it in the name of socialist reform might cause in the future.
7. It is unlikely that the social reformers' plans will work as promised in alleviating the poverty of the people. Since they want to suspend the natural laws that govern the operation of the economy, they will have to face the consequences when their attempts to fix prices on, say, food, hit the economic wall of reality. He notes that many previous attempts at price controls prevented information about markets reaching traders who could take corrective action (what Bastiat called the market's "*cette sorte de statistique intuitive*" [intuitive statistical sense]) and the end result was often the opposite of what was intended. If they attempt the more widespread redistribution of wealth by means of state confiscation of other people's property, he wonders where this will end. Once redistribution has begun, he suggests, there is no logical end.

These are only some of the many arguments Passy makes in his long speech. I leave it to the reader to explore them at their leisure and hope that the notes will help explain the context in which Passy was working. I will conclude with a quote from Passy's beloved Bastiat (whom he called "the most brilliant and

---

see "Disturbing and Restorative Factors" in *Further Aspects of Bastiat's Thought*, in *Collected Works*, vol. 4 (forthcoming).

53 See in particular Bastiat's defense of the rule of law and natural rights in his essay "The Law" (July 1850). Frédéric Bastiat, *The Collected Works of Frédéric Bastiat. Vol. 2: The Law, The State, and Other Political Writings, 1843–1850* (Indianapolis: Liberty Fund, 2012), http://oll.libertyfund.org/titles/2450#lf1573-02_label_197.

purest representative of the doctrine of liberty"[54]), which Passy uses towards the end of his address and which sums up his own love of individual liberty and the reasons why he opposed the views of the three speakers who came before him:

> 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.[55]

54 *Quatre écoles d'économie sociale*, 229.

55 Quoted here *Quatre écoles d'économie sociale*, 226. Originally from Bastiat, *EH*, chap. 10: "Competition," 285, http://oll.libertyfund.org/titles/79#Bastiat_0187_1432.

Journal of Markets & Morality
Volume 20, Number 2 (Fall 2017): 407–412

Bibliographical Notes

David M. Hart

A Brief Biography of Frédéric Passy (1822–1912)

Frédéric Passy (1822–1912) was a politician, peace activist, and economist who served as the president of the Political Economy Society for 70 years. He was a supporter of the free trade ideas of Richard Cobden and Frédéric Bastiat and taught economics at the University of Montpellier. He was elected twice to the Chamber of Deputies (1881, 1885) where he opposed the colonial policies of Jules Ferry, the death penalty, and legal discrimination against women. Passy was also active in the French peace movement, helping to found the *Ligue internationale et permanente de la paix* in 1868, and in various efforts to establish organizations to encourage international arbitration such as the *Société d'arbitrage entre les Nations* (1889) and the *Inter-Parliamentary Union*. For his efforts he received the first Nobel Peace Prize in 1901, with Henri Dunant, one of the founders of the Red Cross. Passy wrote many books on economics and peace, including *Mélanges économiques* (1857), an important debate with Molinari on compulsory education, *De l'enseignement obligatoire* (1857), *De la propriété intellectuelle* (1859), *Notice biographique sur Frédéric Bastiat (1857)*, and *Pour la paix: notes et documents* (1909).

A Bibliography of the Works of Frédéric Passy

Passy gave many speeches and lectures that were also published as pamphlets, wrote introductions to many books written by others, and wrote many articles and book reviews that appeared in journals. Not all such publications are listed here.

De l'Instruction secondaire en France, de ses défauts, de leurs causes, et des moyens d'y remédier (Paris: Guillaumin, 1846).

De l'Influence morale et matérielle de la contrainte et de la liberté, ou de la Responsabilité individuelle (Paris: Guillaumin, 1855).

Mélanges économiques (Paris: Guillaumin, 1857).

Notice biographique sur Frédéric Bastiat (Paris: Guillaumin, 1857).

De la propriété intellectuelle, avec V. Modeste et P. Paillottet (Paris: Guillaumin, 1859).

De l'Enseignement obligatoire, discussion entre M. G. de Molinari,... et M. Frédéric Passy (Paris: Guillaumin, 1859).

De la Souveraineté temporelle des papes au point de vue de la justice et de la religion (Paris: E. Dentu, 1860).

Leçons d'économie politique (recueilli par E. Bertin et P. Glaize) (Montpellier: Gras, 1861).

La Démocratie et l'instructio (Paris: Guillaumin, 1864).

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).

Conférence sur la paix et la guerre faite à l'école de médecine de Paris le 21 mai 1867 (Paris: Guillaumin, 1867).

De l'Abolition des octrois en France: Lettres de MM. F. Passy et L. de Lavagne. Réponses de M. H. Courcelles (Rouen: impr. de C.-F. Lapierre, 1867).

Le principe de la population: Malthus et sa doctrine (Paris: L. Hachette, 1868).

L'industrie humaine (Paris: L. Hachette, 1868).

Communauté et communisme (Paris: Pichon-Lamy et Dewez, 1869).

"Rapport," 34–89, *Ligue de la Paix: Deuxième assemblée générale, 24 juin 1869: discours de MM. Michel Chevalier, Frédéric Passy, du R. P. Hyacinthe* (Paris: Pichon-Lamy et Dewez, 1869).

Les maux de la guerre et les bienfaits de la paix: première réunion publique tenue à Paris le 10 février 1869 par les amis de la paix. Discours de M.M. Ed. Laboulaye,... Frédéric Passy. suivis d'une Conférence faite à Metz sur le respect mutuel / par M. B. Faivre (Paris: Pichon-Lamy et Dewez: Guillaumin, 1869).

La Barbarie moderne, discours prononcé à l'assemblée générale de la Fédération des instituteurs belges, le 27 septembre 1871 (Paris: Guillaumin, 1871).

Ce que coûte la paix armée (Paris: au secrétariat des "Amis de la paix," 1871).

Réforme de l'éducation: introduction de l'économie politique dans l'enseignement des femmes, deux discours de Frédéric Passy (Paris: Guillaumin, 1871).

Histoire du travail: leçons faites aux soirées littéraires de la Sorbonne (Paris: H. Bellaire, 1872).

La Question des jeux (Paris: H. Bellaire, 1872).

Bastiat, sa vie et ses oeuvres: conférence de M. Frédéric Passy (Association du libre-échange de Bordeaux Séance publique tenue le 6 avril 1873 dans le grand amphithéâtre de l'École professionnelle 1873).

De l'Importance des études économiques, conférence donnée par M. Frédéric Passy, le 15 décembre 1872 dans la salle de la Société philomathique, pour inaugurer le cours d'économie politique, fondé par la Chambre de commerce de Bordeaux (Paris: H. Bellaire, 1873).

L'Éducation mutuelle, par Frédéric Passy, conférence faite à Neuilly pour l'inauguration de cours d'adultes, le 12 février 1874 (Elbeuf-sur-Seine: impr. de Levasseur, 1874).

La solidarité du capital et du travail: conférence sur les intérêts et les devoirs réciproques des patrons et des ouvriers, faite le 14 avril 1874 (Paris: Sandoz et Fischbacher, 1874).

"Nécrologie. Prosper Paillottet." *Le Journal des économistes* (January–March 1878): 285–89.

Conférence sur l'enseignement élémentaire de l'économie politique, par M. Frédéric Passy, 25 août 1878 (Paris: Impr. nationale, 1879).

Association philotechnique. Vie et travaux de G. Stephenson, deux conférences faites à la section des Quinze-Vingts (Paris: impr. de A. Parent, 1879).

La Liberté du travail et les traités de commerce, étude faite à l'assemblée générale de la Société protestante du travail à la mairie du 1er arrondissement de Paris, le 12 mai 1879 (Paris: impr. de Vve Éthiou-Pérou, 1879).

La Liberté individuelle en 1881, mémoire à M. le Garde des Sceaux (Paris: impr. de Chaix, 1881).

Le petit Poucet du XIXe siècle: Georges Stephenson et la naissance des chemins de fer (Paris: Hachette, 1881).

Étude sur l'enseignement de l'économie politique (Orléans: impr. de E. Colas, 1881).

Discours prononcé par M. Frédéric Passy, séance du 12 mars 1883 ; première délibération sur les propositions relatives aux accidents dont les ouvriers sont victime (Paris: impr. du "Journal officiel," 1883).

Discours prononcé par M. Frédéric Passy, séance du 16 juin 1883: discussion du projet de loi relatif à la création des syndicats professionnels (Paris: impr. du "Journal officiel," 1883).

L'Économie politique en une séance, conférence faite par M. Frédéric Passy, le 7 mai 1883, à l'assemblée générale de la Société protestante du travail (Paris: Guillaumin, 1883).

Conférence faite à la Société du travail par M. Frédéric Passy, ed. Laboulaye (Paris: Guillaumin, 1884).

Un coup d'oeil sur l'histoire de l'économie politique (Paris: impr. de Chaix, 1884).

Chambre des députés. Discours prononcés par M. Frédéric Passy, séances des 9 et 23 février 1885. Discussion des propositions de loi portant modification du tarif général des douanes (droits sur les céréales) (Paris: Impr. du "Journal officiel," 1885).

Discours prononcés par M. Frédéric Passy, séances des 19 février, 5 et 12 mars 1887: discussion des propositions de loi portant modification du tarif général des douanes (blé, avoine et farine) (Paris: impr. des "Journaux officiels," 1887).

Conférence faite le mardi 27 mars 1888 sur l'idée de Dieu et la liberté (Paris: Siège Social, 1888).

Discours prononcé par M. Frédéric Passy, séance du 26 janvier 1888 : discussion du budget général des dépenses et des recettes de l'exercice 1888 (Paris: impr. des "Journaux officiels," 1888).

Discours prononcé par M. Frédéric Passy, séances des 2, 9, 12 et 18 juin 1888 : première délibération sur le projet et la proposition de loi concernant le travail des enfants, des filles mineures et des femmes dans les établissements industriels (Paris: impr. des "Journaux officiels," 1888).

Les Fables de La Fontaine, conférence faite à la mairie de Passy, sous la présidence de M. Léon Donnat (Paris: Fischbacher, 1888).

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," 157–231.

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.

Cinquantenaire de la Société d'économie politique, 5 novembre 1892, discours de M. Frédéric Passy (Paris: Guillaumin, 1892).

Robinson et Vendredi, ou la Naissance du capital (Bordeaux: impr. de G. Gounouilhou, 1893).

Vérités et paradoxes (Paris: C. Delagrave, 1894).

La Question de la paix (Paris: impr. de A. Davy, 1895).

Le respect (Paris: J. André, 1895).

Sur la nécessité de renouer nos relations commerciales avec l'étranger, conférence faite dans la salle de l'Athénée, le 3 avril 1895 (Bordeaux : impr. de G. Gounouilhou, 1895).

Une exhumation: un cours libre sous l'Empire, 1863–1865 (Paris: Guillaumin, 1900).

L'Héritage du XIXe siècle (Paris: Guillaumin, 1900).

Mon début, 1re conférence sur l'économie politique, faite à Pau le 24 mars 1860 (Bordeaux: impr. de G. Gounouilhou, 1900).

Pages et discours (Paris: Guillaumin, 1901).

Feuilles éparses: 1840–1904 (Paris: Société française d'imprimerie et de librairie, 1904).

Historique du mouvement de la paix (Paris: V. Giard & E. Brière, 1904).

Les causeries du grand-père (Paris: A. Picard et Kaan, 1905).

Histoire d'une pièce de cinq francs et d'une feuille de papier (Paris: F. Alcan, 1909).

Pour la paix, notes et documents (Paris: E. Fasquelle, 1909).

Sophismes et truismes (Paris: Giard et Brière, 1910).

La vie économique: questions essentielles (Paris: Larousse, 1910).

Par-dessus la haie: à mon ami Jacques Bonhomme (Paris: E. Figuière, 1911).

The Political Economists on Property

Defenses of Property (listed in chronological order of publication)

Benjamin Constant, Book X: "On the Action of Government with Regard to Property," in Benjamin Constant, *Principles of Politics Applicable to a all Governments (1815)*, trans. Dennis O'Keeffe, ed. Etienne Hofmann, Introduction by Nicholas Capaldi (Indianapolis: Liberty Fund, 2003). http://oll.libertyfund.org/titles/861#lf2641_label_446.

J. B. Say, Book I, Chap. XIV "Of the Right of Property" in Jean Baptiste Say, *A Treatise on Political Economy; or the Production, Distribution, and Consumption of Wealth (1819)*, 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#lf0518_label_153.

Pierre-Louis Roederer, *De la propriété considérée dans ses rapports avec les droits politiques* (Paris: Porthmann, 1819).

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 force humaines s'exercent avec le plus de puissance* (Paris: Guillaumin, 1845). 3 vols.

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

Frédéric Bastiat, *Propriété et Loi. Justice et fraternité* (Guillaumin, 1848). Online: Frédéric Bastiat, *The f of Frédéric Bastiat. Vol. 2: The Law, The State, and Other Political Writings, 1843–1850* (Indianapolis: Liberty Fund, 2012). http://oll.libertyfund.org/titles/2450#lf1573-02_label_134.

Louis Leclerc, "Simple observation sur le droit de propriété," *Journal des Économistes* 21, no. 90 (15 October 1848): 304–305.

Gustave de Molinari, *Les Soirées de la rue Saint-Lazare; entretiens sur les lois économiques et défense de la propriété* (Paris: Guillaumin, 1849). Online version: http://oll.libertyfund.org/titles/1344.

Bastiat, *The Law* (June 1850). Online: Frédéric Bastiat, *The Collected Works of Frédéric Bastiat. Vol. 2: The Law, The State, and Other Political Writings, 1843–1850* (Indianapolis: Liberty Fund, 2012). http://oll.libertyfund.org/titles/2450#lf1573-02_label_197.

Léon Faucher, "Propriété," *Dictionnaire de l'Économie Politique* (Paris: Guillaumin, 1852–53), vol. 2, pp. 460–73. Trans. "Property" in John Joseph Lalor, *Cyclopaedia of Political Science, Political Economy, and of the Political History of the United States by the best American and European Authors*, vol. 3, ed. John J. Lalor (New York: Maynard, Merrill, & Co., 1899). http://oll.libertyfund.org/titles/971#lf0216_head_894.

Frédéric Passy, *De la propri*été *intellectuelle, avec V. Modeste et P. Paillottet* (Paris: Guillaumin, 1859).

Louis Wolowski and Émile Levasseur, "Propriété', *Dictionnaire générale de la politique par Maurice Block ave la collaboration d'hommes d'état, de publicistes et d'écrivains de tous les pays. Nouvelle édition refondue et mises à jour*, 1st. ed. (Paris: O. Lorenz. 1st ed. 1863–64, 2nd revised ed. 1873), 2:682–93. Trans. in John Joseph Lalor, *Cyclopaedia of Political Science, Political Economy, and of the Political History of the United States by the best American and European Authors*, vol. 3, ed. John J. Lalor (New York: Maynard, Merrill, & Co., 1899). http://oll.libertyfund.org/titles/971#lf0216_footnote_nt216; and "Louis Wolowski and Émile Levasseur on 'Property' (1863)," in *French Liberalism in the 19th Century: An Anthology*, ed. Robert Leroux and David M. Hart (London: Routledge, 2012), 243–54.

Courcelle-Seneuil, "Propriété (droit de)," in *Nouveau Dictionnaire d'Économie Politique* (Paris: Guillaumin, 1st ed. 1890, 2nd ed. 1900), 2:641–55.

A Key Critique of Property

Proudhon, Pierre Joseph, *Qu'est-ce que la propriété? ou Recherches sur le principe du Droit et du Gouvernement. Premier mémoire* (Paris: J.-F. Brocard, 1840).