

# Lecture Overview

## “The Importance of Frédéric Bastiat (1801-1850)”

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### Limericks about Bastiat

There once was an arch anti-statist,  
Who thought the state's dangers were greatest,  
When those whom it bettered,  
Fought those whom it fettered,  
With statutes that made them the strongest.

There once was a critic of tariffs,  
Who argued restrictions are rip offs,  
Consumers are plundered,  
Trade rivals are hindered,  
And commerce in all quarters drops off.

### Useful Links

at my website <<http://homepage.mac.com/dmhart/>>

- biography, works by him and about him (mainly in French)  
<<http://homepage.mac.com/dmhart/FrenchClassicalLiberals/Bastiat/index.html>>
- A Chronology of his Life and Work  
<<http://homepage.mac.com/dmhart/Teaching/2010/Bastiat/Chronology.html>>
- The World of French Political Economy in the 1830s and 1840s  
<<http://homepage.mac.com/dmhart/FrenchClassicalLiberals/Bastiat/Glossary.html>>

at the OLL website <<http://oll.libertyfund.org/>>

- the Bastiat page at the Online Library of Liberty <<http://oll.libertyfund.org/person/25>>
- Essays on Bastiat at The Forum  
<[http://oll.libertyfund.org/index.php?option=com\\_content&task=blogcategory&id=78&Itemid=281](http://oll.libertyfund.org/index.php?option=com_content&task=blogcategory&id=78&Itemid=281)>
- Images of Liberty: Monuments to Two 19th Century Free Traders: Frédéric Bastiat (1801-1850) & Richard Cobden (1804-1865)  
<[http://oll.libertyfund.org/index.php?option=com\\_content&task=view&id=1568&Itemid=263](http://oll.libertyfund.org/index.php?option=com_content&task=view&id=1568&Itemid=263)>

a modern day “Bastiat”? - Prof. Don Boudreaux (GMU) at Café Hayek <<http://cafehayek.com/>>

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### **Bastiat's Place in the History of Economic Thought**

- The Anglo-Scottish School - Adam Smith (1723-1790), David Ricardo (1772-1823), J.S. Mill (1806-1873)
- The French School (les Économistes) - Turgot (1727-1781), J.B. Say (1767-1832), F. Bastiat (1801-1850)
- The Socialist School - H. de Saint-Simon (1760-1825), P.J. Proudhon (1809-1865), Karl Marx (1818-1883)
- The Marginalist/Austrian School - Léon Walras (1834-1910), W.S. Jevons (1835-1882), Karl Menger (1840-1921)

### **Marx's Hostility towards Bastiat and Free Market Ideas**

- “the most superficial and therefore the most successful representative of apologetic vulgar economics”
- “the modern bagman of free trade”
- “a dwarf economist”

## **The rediscovery of Bastiat in the Post-WW2 Era**

- Leonard E. Read (1898-1983) - Foundation for Economic Education (FEE)
- Henry Hazlitt (1894-1993) - WSJ, NYT
- Murray N. Rothbard (1926-1995)
- Pres. Ronald Reagan (1911-2004) - president 1981-1989

## **The importance of Frédéric Bastiat**

- impact on the French classical liberal movement in mid-19th century
- rediscovery of Bastiat in the modern libertarian movement
- recognition as a brilliant stylist and polemicist
- proto-Austrian economist in his theoretical writing
- proto-public choice analysis of politics
- radical natural rights approach to individual liberty
- combined single-issue activism, journalism, election to political office, theoretical work in a coherent whole

## **Chronology of His Life and Work (see Timeline handout)**

location of Mugron and Les Landes in SW France

The early “unseen” Bastiat (1801-1844)

- in the provinces as provincial magistrate and landowner
- his intellectual influences
  - positive: Turgot (Physiocrats), Adam Smith, JB Say, Comte & Dunoyer, Destutt de Tracy, R. Cobden
  - negative: French monarchists/conservatives, Bonapartists, protectionists and socialists of 1840s

The “Seen” Bastiat (1844-1850)

- the Free Trade organizer and journalist
- the politician during the 1848 Revolution and 2nd Republic
- the theorist

## **Bastiat’s major works**

1844 - “De l’influence des tarifs français et anglais sur l’avenir des deux peuples” in JDE Oct. 1844

1845

- *Cobden et al ligue* (Cobden and the League)
- part 1 of *Economic Sophisms* (Part 1 1845, Part 2 1848)
- "Petition of the Candle-makers"

1846 - editor of *Le libre échange* (Free Exchange or Free Trade) (until 16 Apr. 1848)

1848

- “Propriété et loi” (Property and Law)

- “Justice et fraternité” (Justice and Fraternity)
- “Propriété et spoliation” (Property and Plunder)
- “L’État” (The State)

1849

- “Protectionnisme et communisme” (Protectionism and Communism)
- “Capitale et rente” (Capital and Rent)
- “Paix et liberté ou le budget républicain” (Peace and Liberty, or the Republican Budget)
- “Les incompatibilités parlementaires” (Parliamentary Conflicts of Interest)
- “Maudit l’argent!” (Damn Money!)

1850

- part 1 of his magnum opus *Economic Harmonies* (part 2 published posthumously)
- “Intérêt et principal” (Interest and Principal)
- “Spoliation et la loi” (Plunder and the Law)
- “La loi” (The Law)
- “Baccalauréat et socialisme” (Baccalaureat (or High School) and Socialism)
- “Ce qu’on voit et ce qu’on ne voit pas” (The Seen and the Unseen)

### **Bastiat’s key ideas**

- the economy is a harmonious network of voluntary exchanges
- a natural rights theory of individual liberty, limited state constitutionalism
- theory of rent - all exchanges are services for services
- conflict between voluntary exchange and coercion via state
- free trade and peace
- class analysis theory - producers and exchangers vs plunderers

### **Key Quotes from Bastiat's Writings**

- The Benefits of Free Exchange: the Provisioning of Paris (Ec. Soph. I)
- Restrictions on Trade harm Consumers: the Petition of the Candlemakers (Ec. Soph. I)
- Legal and Illegal Plunder (The Law) and The Laws of its Operation (Ec. Soph. II)
- Unseen Negative Unintended Consequences: The Broken Window Fallacy (Seen and Unseen)
- FB’s Definition of the State: The Great Fiction (The State)

### **Bastiat's enduring legacy**

- monuments to Cobden and Bastiat
- the FEE editions of his works (1960s)
- Jacques de Guenin’s edition of the *Oeuvres complètes* (French)
- LF’s edition of his Collected Works (English trans.)



Le Monument élevé à la mémoire de l'économiste Bastiat sur la place de Mugron.

(Dessin de M. Bocourt, d'après la photographie de M. Soubaigné.)