



“FRÉDÉRIC BASTIAT (1801-1850): CAMPAIGNER FOR FREE TRADE, POLITICAL ECONOMIST, & POLITICIAN IN A TIME OF REVOLUTION”

Dr. David M. Hart

“The Freedom to Work and Trade” (1847)

My dear Frédéric [FB writing to himself],

Like you I love all forms of freedom; and among these, the one that is the most universally useful to mankind, the one you enjoy at each moment of the day and in all of life's circumstances, is the freedom to work and to trade. I know that making things one's own is the fulcrum of society and even of human life. I know that trade is intrinsic to property and that to restrict the one is to shake the foundations of the other. I approve of your devoting yourself to the defense of this freedom whose triumph will inevitably usher in the reign of international justice and consequently the extinction of hatred, prejudices between one people and another, and the wars that come in their wake...

All forms of freedom go together. All ideas form a systematic and harmonious whole, and there is not a single one whose proof does not serve to demonstrate the truth of the others. But you act like a mechanic who makes a virtue of explaining an isolated part of a machine in the smallest detail, not forgetting anything. The temptation is strong to cry out to him, “Show me the other parts; make them work together; each of them explains the others. . . .” [Draft Preface for the *Harmonies* (1847)]

[Online at <<http://oll.libertyfund.org/title/2393/226010>>]

Liberty Fund's Online Library of Liberty:

- the Bastiat bio page <<http://oll.libertyfund.org/person/25>>
- LF's edition of the Collected Works of Bastiat <<http://oll.libertyfund.org/title/2393>>
- Selected Quotations from Bastiat's Collected Works, vol. 1: The Man and the Statesman: The Correspondence and Articles on Politics (2011)
- Essays on and by Bastiat in The Forum
- A Chronological Listing of Bastiat's writings
- Images of Liberty: Monuments to Two 19th Century Free Traders: Frédéric Bastiat (1801-1850) & Richard Cobden (1804-1865)
- Timeline of the Life and Work of Bastiat

Online Resources on Bastiat II

My Personal Website: <http://www.davidmhart.com>

- the main Bastiat page with many of his works (in French)
- a research paper on Bastiat's Economic Sophisms: "Opposing Economic Fallacies, Legal Plunder, and the State: Frédéric Bastiat's Rhetoric of Liberty in the Economic Sophisms (1846-1850)"
- lectures I have given about Bastiat
- A Brief Chronology of his Life and Work [& an Expanded Chronology]
- timeline of Bastiat's life and work: Part 1 The "Unseen" Bastiat (1801-1844)
- timeline of Bastiat's life and work: Part 2 The "Seen" Bastiat (1844-1850)
- The World of French Political Economy in which Bastiat moved in the 1830s and 1840s
- songs and limericks about Bastiat

The Collected Works of Frédéric Bastiat, 6 vols. (Liberty Fund, 2011-)

FRÉDÉRIC BASTIAT THE MAN AND THE STATESMAN

The Correspondence and Articles on Politics

THE COLLECTED WORKS OF FRÉDÉRIC BASTIAT



Jacques de Guenin, *General Editor*

- Vol. 1: *The Man and the Statesman. The Correspondence and Articles on Politics*
- Vol. 2: *"The Law," "The State," and Other Political Writings, 1843-1850*
- Vol. 3: *Economic Sophisms and "What is Seen and What is Not Seen"*
- Vol. 4: *Miscellaneous Works on Economics: From "Jacques-Bonhomme" to Le Journal des Économistes*
- Vol. 5: *Economic Harmonies*
- Vol. 6: *The Struggle Against Protectionism: The English and French Free-Trade Movements*

General Editor - Jacques de Guenin

Academic Editor - Dr. David M. Hart

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Other Political Writings,

1843–1850

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LECTURE OVERVIEW



I. Why I think Frédéric Bastiat is important in the struggle for liberty

II. Brief Biography of the Life & Work of Frédéric Bastiat

III. Debunking False Economic Thinking

- a. The Petition of the Candle Makers
- b. The Broken Window fallacy

IV. FB's Use of Humour in Popularizing Economic Ideas

Why I think the Life & Thought of Frédéric Bastiat is Important (i)



- a fervent **advocate of individual political & economic liberty** in a society which did not value these ideals highly
- a **humble & shy man** who did what he thought was right & didn't know how much he knew or how good he was at what he did
- a **brilliant economic journalist & popularizer** who was also capable of writing serious academic papers which showed deep insight

Why I think the Life & Thought of Frédéric Bastiat is Important (ii)



- a man of **wit & humour** who developed a distinctive personal “style” with which to defend liberty - “**a rhetoric of liberty**”
 - used sarcasm, parody, puns, literary references to make economics less “dull & dry”
 - used “**the sting of ridicule**” to excellent effect in exposing the follies of those in power

Why I think the Life & Thought of Frédéric Bastiat is Important (iii)



- a very **courageous & determined man** who continued to fight for what he believed in despite significant setbacks:
 - lack of popular support for free trade
 - a Revolution which turned increasingly statist & socialist
 - took to the streets of Paris in revolution to advocate his views & to defend those he opposed from being shot
 - a terminal throat condition which killed him at 49

Why I think the Life & Thought of Frédéric Bastiat is Important (iv)



- his ability to combine **multiple areas of activity**
 - single issue agitation - French Free Trade Assoc.
 - economic journalism to debunk fallacies
 - political activity as member of Chamber of Deputies in a Revolution - VP of Finance Committee
 - writing a major theoretical treatise (unfinished) - Ec. Harmonies
 - a planned work of history - “A History of Plunder”

LECTURE OVERVIEW



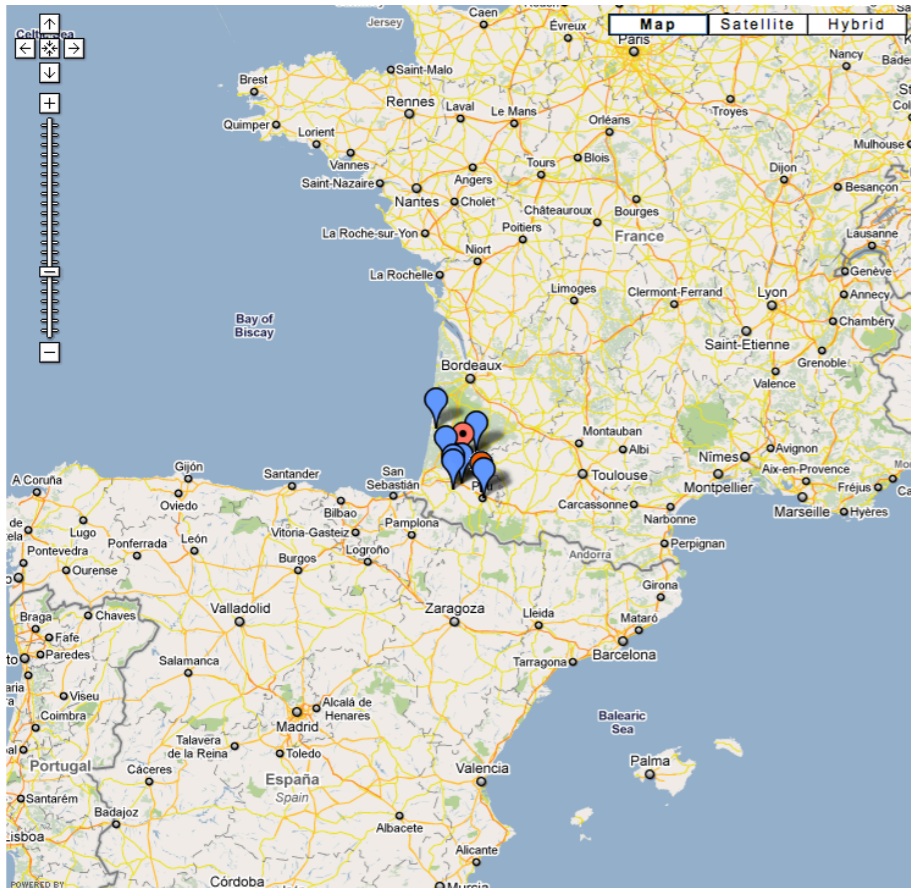
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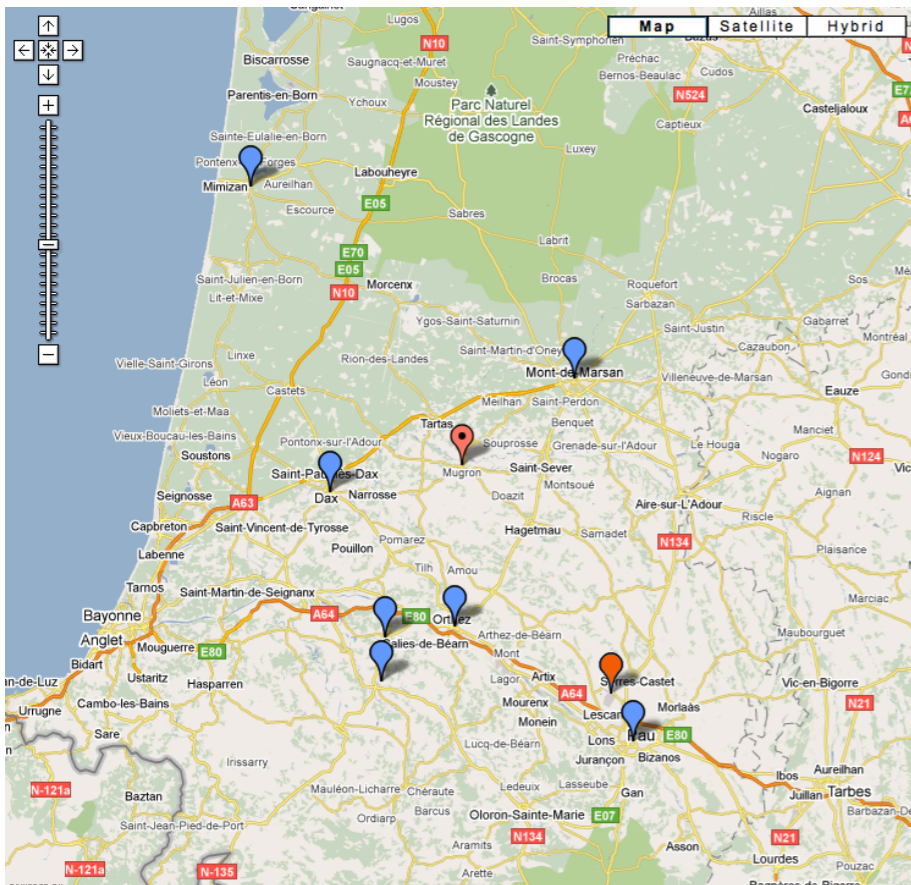
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Bastiat's Childhood & Early Adulthood (1801-1825)



- FB born June 30, 1801 in Bayonne - mouth of Adour R. - Department of Les Landes in SW France
- father merchant in Spanish trade
- orphaned at age 9, brought up by aunt
- innovative education at Saint-Sever, modern languages, music
- entered uncle's business before finishing school
- inherited grandfather's estate 1825 and became gentleman farmer in Mugron



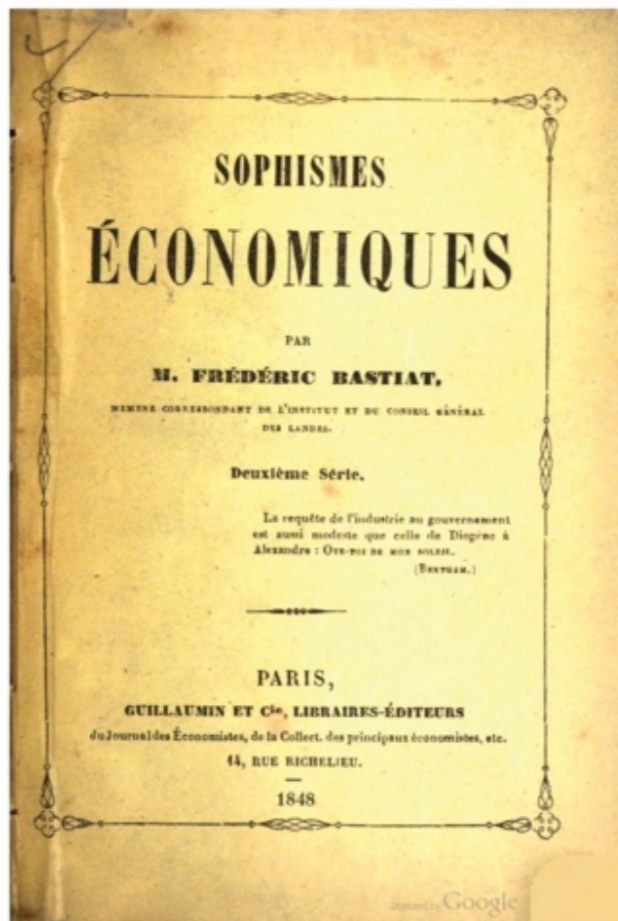
Bastiat: Gentleman Farmer & Provincial Magistrate (1825-1844)



{Delacroix, “Liberty leading the People at the Barricade” (1830)}

- spends time reading voraciously in political economy
- participates in **July Revolution of 1830** in Bayonne
- appointed JP 1831 then Councillor General 1833 in Mugron canton
- discovers Richard Cobden’s **Anti-Corn Law League** (1838-1846)
- writes article on French and English free trade for JDE 1844 and becomes famous in political economy circles

Bastiat: Free Trade Organizer & Economic Journalist (1845-1847)



- **1845** - goes to Paris, joins Société d'économie politique
- writes book on *Cobden and the League*
- writes articles debunking economic fallacies or “sophisms” - *Economic Sophisms I*
- **1846** - starts Bordeaux Free Trade Association and National Free Trade Association in Paris
- begins journal *Le libre-échange* (1846-48)
- **1847** - French Chamber of Deputies debates free trade bill and it is defeated
- lectures on political economy (become *Economic Harmonies*) at the School of Law

Bastiat: Revolutionary Politician & Economist (1848-1850)



- **1848** - *Economic Sophisms* Series II (Jan.)
- abdication of King Louis Philippe 24 Feb. 1848 ends “July Monarchy”
- declaration of 2nd Republic 25 February
- FB immediately founds *Jacques Bonhomme* ed. by Charles Coquelin and G. de Molinari
- 23 April 1848 FB elected deputy of Les Landes to Constituent Assembly
- publishes pamphlets: “Property and Law,” “Property and Plunder,” “The State”

Meissonier, *The Barricade, rue de la Mortellerie, June 1848*

Bastiat: Author & Politician in a Time of Revolution (1848-1850)

L'ÉTAT
—
MAUDIT ARGENT

PAR
M. FRÉDÉRIC BASTIAT,

Représentant du peuple,

MEMBRE CORRESPONDANT DE L'INSTITUT,
ET DU CONSEIL GÉNÉRAL DES LANDES.



PARIS

GUILLAUMIN ET C^e, LIBRAIRES-ÉDITEURS
du Journal des Économistes, de la Collect. des princip. économistes, etc.,
14, RUE RICHELIEU.

1849

HARMONIES
ÉCONOMIQUES

PAR
M. FR. BASTIAT

Membre correspondant de l'Institut,
Représentant du Peuple à l'Assemblée Législative.

Digitus Dei est hic.

PARIS

GUILLAUMIN ET C^e, LIBRAIRES
Éditeurs du Dictionnaire du Commerce et des Marchandises, du Journal des
Économistes, de la Collection des principaux Économistes, etc.
14, RUE RICHELIEU.

1850

- **1849** - pamphlets: “Protectionism and Communism”; “Peace and Liberty”; “Damn Money!”
- 13 May 1849 re-elected to Legislative Assembly and appointed vice-president of Finance Committee
- Aug. 1849 attends Paris Peace Congress organised by V. Hugo
- **1850** - *Economic Harmonies* (Part 1)
- pamphlets: “Plunder and the Law”; “The Law”; “What is Seen and What is Not Seen”

Death of an Important Free Market Economist (1850)



Death

- died Christmas eve 1850 in Rome
- possibly TB or throat cancer

Memorial

- Friends raised money to build monument in Mugron 1878 (desecrated by Nazis in 1942)



**A Monument erected to the memory of Bastiat in Mugron, 23 April, 1878
[how it appeared in 1878]**



**A Monument erected to the memory of Bastiat in Mugron, 23 April, 1878
[how it appears to day]**

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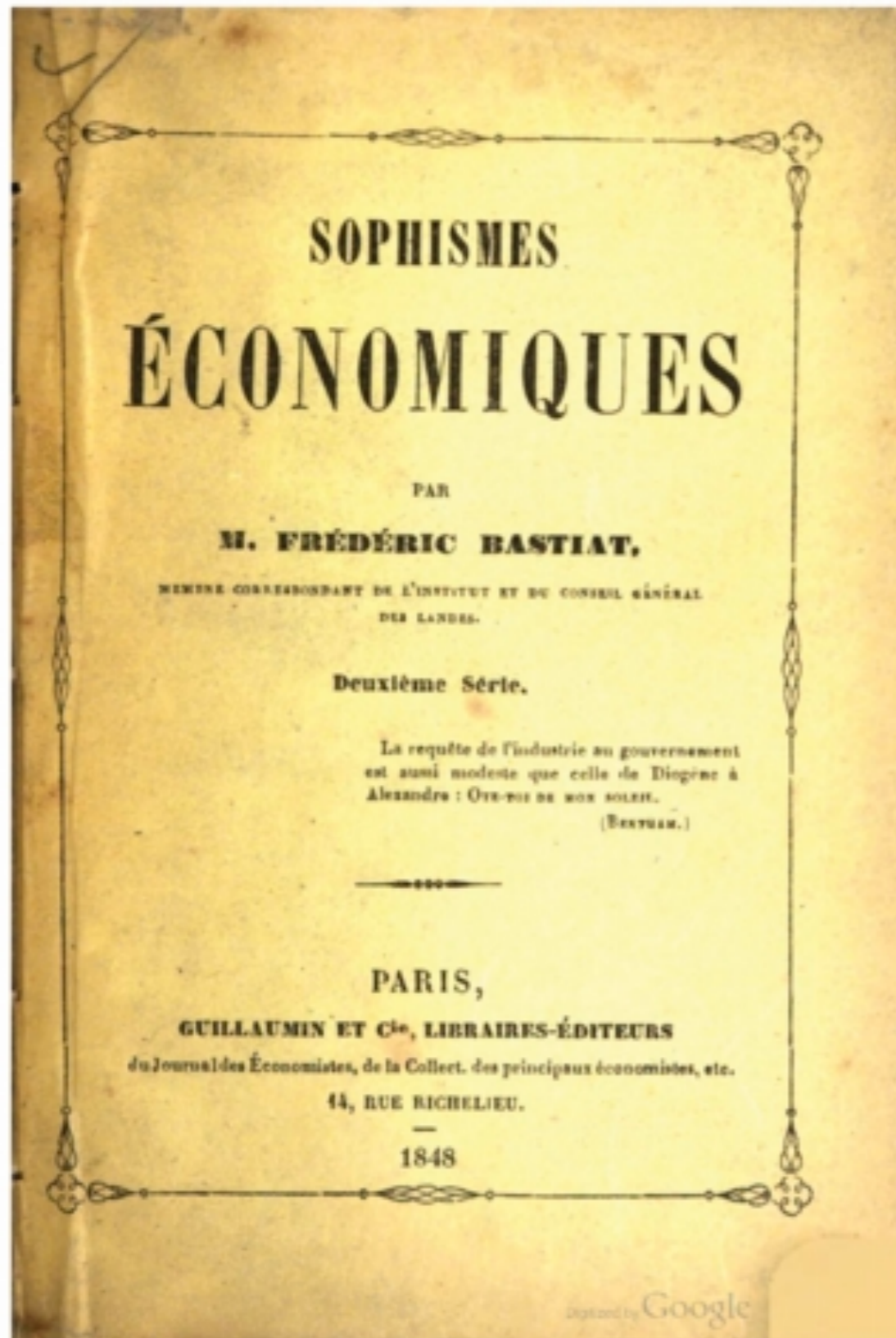
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Bastiat's Use of Humour in Popularizing Economics (i)



- FB was a master at exposing the **hypocrisy** and naked **self-serving interest** of the ruling elites of his day
- showed that claims that policy was in the “national interest” really served narrow “private interests”
- Also debunked widely held **popular misunderstandings** of economic principles
- Spread as “**sophisms**” by beneficiaries of govt. policies to mislead public
- FB wrote 2 published collections of “Economic Sophisms” and left a 3rd unpublished at his death

Vested Interests who seek Government Favours:

“The Petition of the Candlemakers” (1846)



[King Louis Philippe]

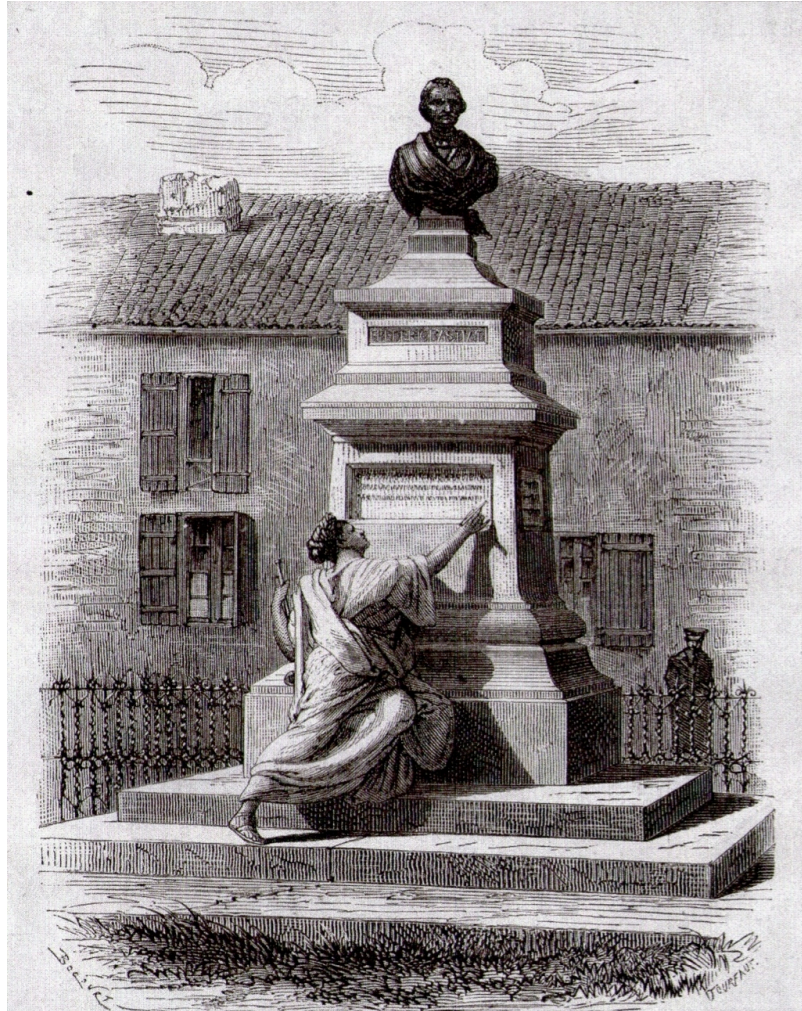
- from *Economic Sophisms*, Series I (1846), Chap. 7
- **satirizes** typical petition by vested interests to government for protection from foreign competition
- argument in **favour**: “French” manufacturers will be able to expand production, provide employment for “French” workers, pay taxes to the “French” government, keep profits within “France”
- FB ridicules these arguments by using **reductio ad absurdum** method
- postulates case where the manufacturers of “artificial light” petition government for protection from “unfair” competition from a low cost, foreign supplier
- **“The Seen”**: benefits accrue to manufacturers in that industry and their workforce, and the government
- **“The Unseen”**: consumers lose access to cheaper alternatives, losses to other manufacturers whom those consumers would have patronized
- compare **“Crusoe economics”** of Crusoe and the plank washed ashore

“We are suffering from the ruinous competition of a foreign rival who apparently works under conditions so far superior to our own for the production of light that he is flooding the domestic market with it at an incredibly low price...

We ask you to be so good as **to pass a law requiring the closing of all windows, dormers, skylights, inside and outside shutters, curtains, casements, bull's-eyes, deadlights, and blinds—in short, all openings, holes, chinks, and fissures through which the light of the sun is wont to enter houses, to the detriment of the fair industries with which, we are proud to say, we have endowed the country, a country that cannot, without betraying ingratitude, abandon us today to so unequal a combat.”**

“The Petition of the Candlemakers”
Economic Sophisms I, Chapter 7.

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The Unintended Consequences of Government Policies:

“The Broken Window Fallacy” (1850)

CE QU'ON VOIT
ET
CE QU'ON NE VOIT PAS
OU
L'ÉCONOMIE POLITIQUE EN UNE LEÇON
PAR
F. BASTIAT

—
CINQUIÈME ÉDITION
—

PARIS
LIBRAIRIE GUILLAUMIN ET C^e
RUE RICHELIEU, 14

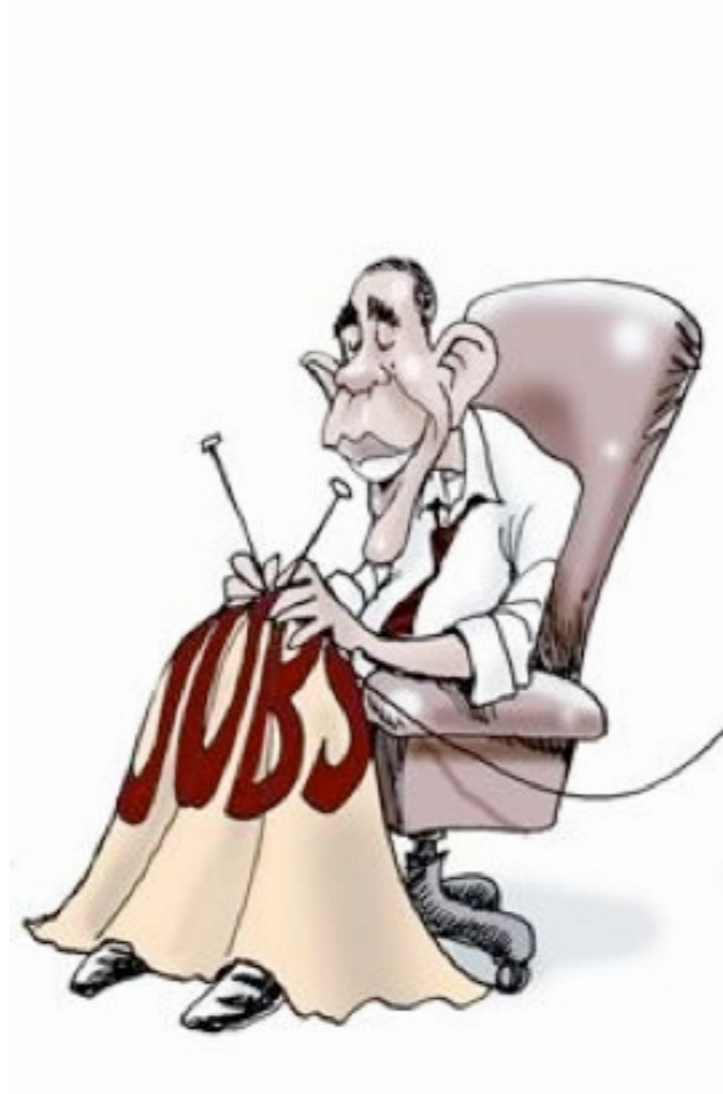
- all economic activities produce a **complex series of effects** - some immediately obvious (“the seen”) & some others occur later & are “unintended” (“the unseen”)
- FB’s famous story of Jacques Bonhomme (“Joe Sixpack”), the Glazier, & the Shoe Maker
- what is immediately “**seen**” - JB has to fix a broken window & pays a Glazier to do so. This is a stimulus to the Glazier’s business
- what is “**unseen**” - JB is out of pocket & the money he would have spent on other things (say a pair of shoes) has gone to the Glazier; the loss of potential business of the Shoemaker is “not seen”
- Result: a gain for the Glazier (seen), but a “**double incidence of loss**” for JB and the Shoemaker (unseen)
- FB refuting some economists who thought the Great Fire of London (1666) stimulated English economy because of reconstruction

“In the sphere of economics an action, a habit, an institution or a law engenders not just one effect but a **series of effects**. Of these effects **only the first is immediate**; it is revealed simultaneously with its cause, *it is seen*. The **others** merely occur successively, *they are not seen*; **we are lucky if we foresee them.**” (p. 4)

But if, by way of deduction, as is often the case, the conclusion is reached that it is a good thing to break windows, that this causes money to circulate and therefore industry in general is stimulated, I am obliged to cry: “Stop!” Your theory has stopped at *what is seen* and takes no account of *what is not seen*. *What is not seen* is that since our bourgeois has spent six francs on one thing, he can no longer spend them on another. ***What is not seen* is that if he had not had a windowpane to replace, he might have replaced his down-at-heel shoes or added a book to his library.** In short, he would have used his six francs for a purpose that he will no longer do.”

***What is Seen & What is not Seen* (1850), Chapter 1: The Broken Window.**

**“The Seen and the Unseen” in Obama’s America:
What is “Seen”: The Obama Administration “creating” New Jobs
by Government Expenditure**



**“The Seen and the Unseen” in Obama’s America:
What is “Unseen”: The Obama Administration “creating” New
Jobs by Government Expenditure**



The Seen and the Unseen: The Obama Administration “creating” New Jobs





[Honoré Daumier, "Gargantua" (1831)]



Les Honnêtes gens, par Hon. Daumier

Paris, chez les Bachelin

[Honoré Daumier, "We are all Honest People Here" (1834)]

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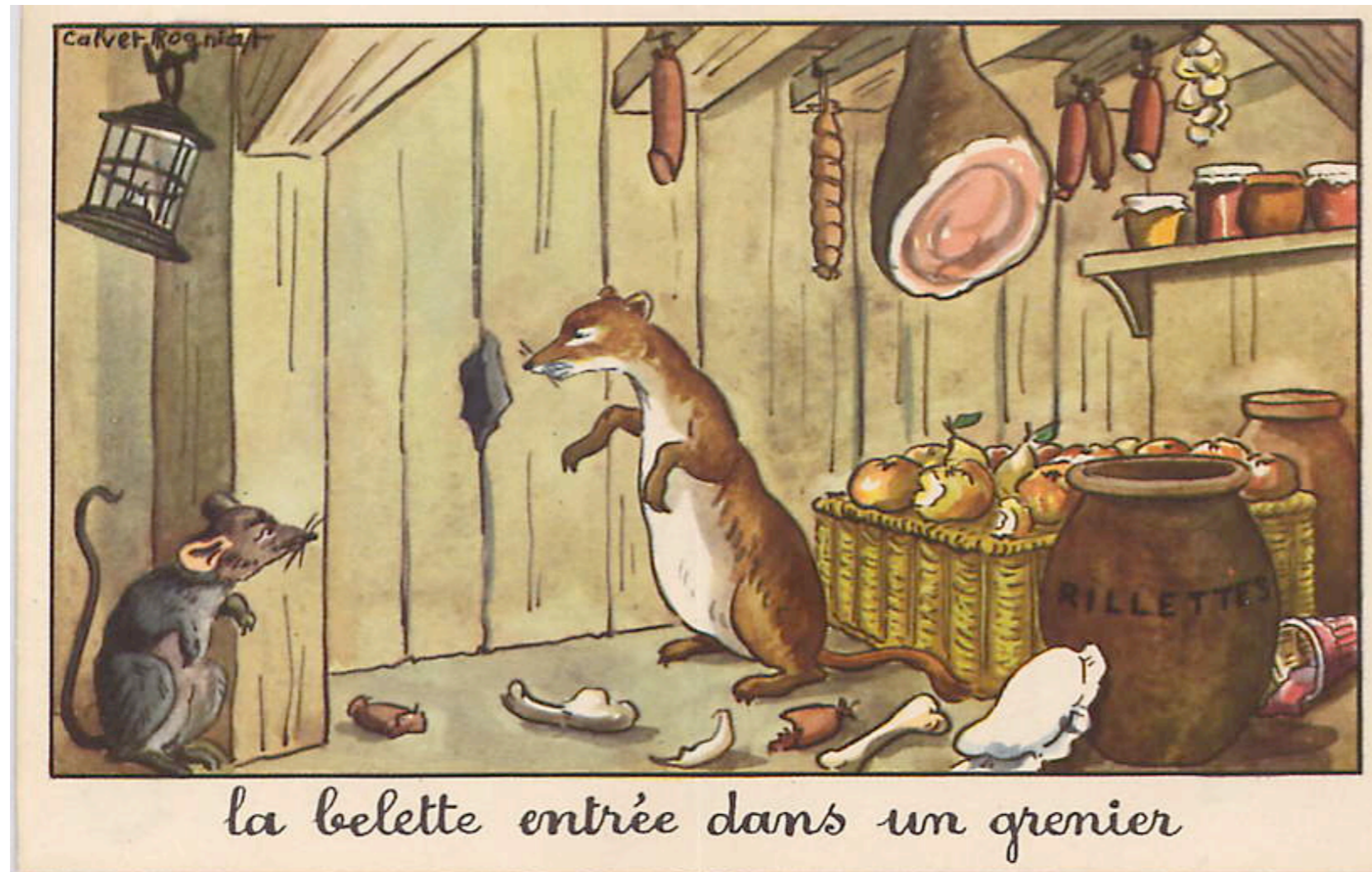
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The “Sting of Ridicule”: La Fontaine’s fable, “The Weasel that got caught in the Storeroom”



FB liked the fables of La Fontaine (1621-1695) because they contained poignant moral lessons which could be turned into “**economic tales**” accessible to everybody. This is the story of a greedy **weasel** (a _ or a military vested interest) who plans to sneak into a **farmer’s** granary (**taxpayers**) to steal his harvest. When he plans the theft the weasel is skinny enough to squeeze through a gap in the wall. After gorging himself on the product of the farmer’s hard work, the weasel has put on too much weight to escape through the same hole. A wise mouse points out his folly.

AIRS
DES
CHANSONS DE BÉRANGER

LE ROI D'YVETOT.

Air: *Quand un tendron vient en ces lieux.*

N^o 1. *Allegretto.*

Il é--tait un roi d'Y - ve - tot Peu con - nu dans l'his
toi - re Se le - vant tard se cou - chant tôt Dor - mant fort bien sans
gloi - re Et cou - ron - - né par Jean - ne - - ton D'un sim - ple
bon - net de co - - ton dit - on. Oh! oh! oh! oh! ah! ah! ah!
ah! Quel bon pe - tit roi c'é - tait là la la.

LA BACCHANTE.

Air: *Fournissez un canal au ruisseau.*

N^o 2. *Allegretto.*

Cher a - mant je cède à tes dé - sirs De cham -
pagne en - i - vre Ju - li - e In - ven - tons s'il se peut des plai -

The “Sting of Ridicule”:
Béranger, “Le roi d’Yvetot”

A song of a “**goguettier**” (a political song writer) Pierre-Jean Béranger (1780-1857) mocking a local political lord (Napoleon) who think they are “kings” and lord it over their subjects “The King Yvetot” (1813):

III. No costly regal tastes had he,
Save thirstiness alone;
But ere (before) a people blest can be,
We must support the throne!
So from each cask new tapp'd he got,
(His own tax-gath'rer), on the spot,
A pot!
Ha! ha! ha! ha! Ho! Ho! Ho! Ho!
A kingdom match with Yvetot!
Ho! Ho!

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DES
CHANSONS DE BÉRANGER

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N° 2. *Allegretto.*

Cher a - mant je cède à tes dé - sirs De cham -
pagne en - i - vre Ju - li - e In - ven - tons s'il se peut des plai -

The “Sting of Ridicule”:
Béranger, “Le roi d’Yvetot”

IV. So well he pleased the damsels all,
The folks could understand
A hundred reasons him to call
The Father of his Land.
His troops levied in his park
But twice a year - to hit a mark,
And lark!
Ha! ha! ha! ha! Ho! Ho! Ho! Ho!
A kingdom match with Yvetot!
Ho! Ho!”

FB probably sang songs like this with the officers of the Bayonne garrison in 1830 when he persuaded them to side with the revolutionaries of 1830.

Singing and Drinking for Liberty: “I was expecting blood but it was only wine that was spilt” (5 August 1830)

In a letter to his friend Felix Coudroy (Bayonne 5 August 1830) Bastiat relates his activities in the 1830 Revolution (27-29 July) when the garrison in Bayonne was split over whether or not to side with the revolution or the sitting monarch Charles X. Bastiat visited the garrison in order to speak to some of the officers in order to swing them over the revolutionary cause. In a midnight addition to his letter Bastiat relates how some good wine and the songs of Béranger helped him persuade the officers that night:

The 5th at midnight

I was expecting blood but it was only wine that was spilt. The citadel has displayed the tricolor flag. The military containment of the Midi and Toulouse has decided that of Bayonne; the regiments down there have displayed the flag. The traitor J..... thus saw that the plan had failed, especially as the troops were defecting on all sides; he then decided to hand over the orders he had had in his pocket for three days. Thus, it is all over. I plan to leave immediately. I will embrace you tomorrow.

This evening we fraternized with the garrison officers. **Punch, wine, liqueurs and above all, Béranger contributed largely to the festivities.** Perfect cordiality reigned in this truly patriotic gathering. The officers were warmer than we were, in the same way as horses which have escaped are more joyful than those that are free. [Vol. 1, p. 30]

The “Sting of Ridicule”: Molière. “The Imaginary Invalid” (1673)



Bastiat parodies Molière’s parody of the granting of a degree of doctor of medicine in *Le malade imaginaire* (The Imaginary Invalid, or the Hypochondriac) (1673).

Molière is suggesting that doctors in the 17thC were quacks who did more harm to their patients than good.

FB in his parody of a “**swearing in**” of a new government tax collector, is suggesting that government officials were thieves who did more harm to the economy than good.

The “Sting of Ridicule”: Molière. “The Imaginary Invalid” (1673)



Ego, cum isto boneto Venerabili et doctor,
Don tibi et concedo Virtutem et puissanciam
Medicandi,
Purgandi,
Seignandi,
Perçandi,
Taillandi,
Coupandi,
Et occidendi
Impune per total terram.

I give and grant you
Power and authority to Practice
Medicine,
Purge,
Bleed,
Stab,
Hack,
Slash,
and Kill
With impunity throughout the whole world.

The “Sting of Ridicule”: Bastiat’s Parody of Molière where a Government Official gives a Tax Collector Permission to violate Traders’ Rights



Dono tibi et concedo
Virtutem et puissantiam
Volandi
Pillandi
Derobandi
Filoutandi
Et escroquandi
Impune per totam istam
Viam

I give to you and I grant
virtue and power
to steal
to plunder
to filch
to swindle
to defraud
At will, along this whole
road





Freddie and the Free Traders” singing “Crazy little thing called trade”

“I can’t get no Liberation”

- (to the tune of the Rolling Stones “I can’t get no satisfaction”)

“Laissez-faire”

- (to the tune of the Beatles’ “Let it Be”) [see below for the lyrics]

“Stairway to Freedom”

- (to the tune of Led Zeppelin’s “Stairway to Heaven”)

“Crazy little thing called trade”

- (to the tune of Freddie Mercury and Queen’s “Crazy little thing called love”)