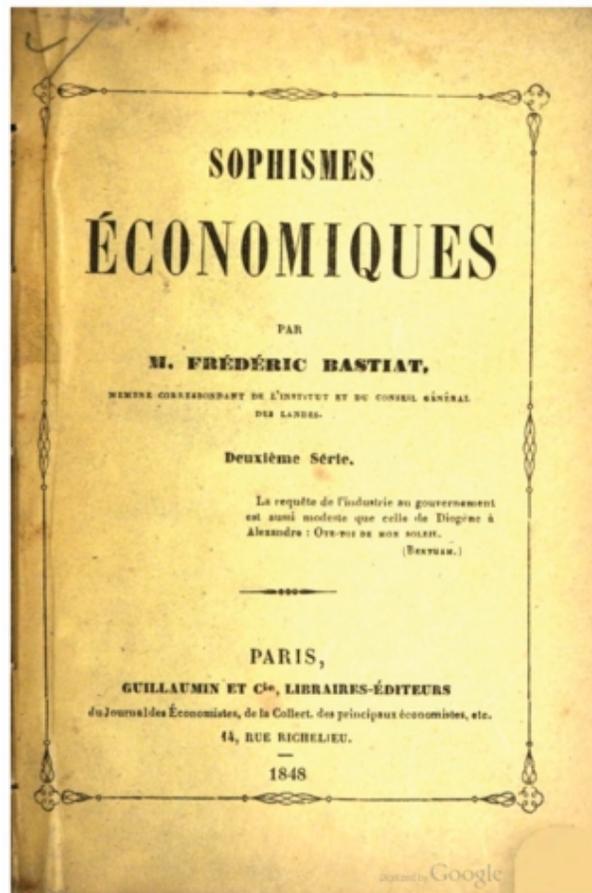


Frédéric Bastiat's Distinction between Legal and Illegal Plunder

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Frédéric Bastiat's Distinction between Legal and Illegal Plunder

i. Some Prefatory Remarks

I confess I feel like an interloper here tonight - like an historian lamb in the philosophers' lion den. I am a historian who is interested in the history of ideas, in particular the history of economic ideas and the history of the classical liberal tradition. So I beg for forgiveness and forbearance (though I suppose the theological sessions are being held elsewhere tonight) if what I have to say is less "philosophical" and rather more "historical" in nature. I only you hope you find it interesting, even if you think it is horribly wrong (and even wrong-headed).

One might well ask, "what has Bastiat got to do with the philosophy of anarchism?"

Was he an anarcho-capitalist like his friend and colleague Gustave de Molinari?

- No, he was an advocate of limited government along the lines of the classical "nightwatchman state" - police, defence, some public goods.

Did he hate the state (to use Rothbard's very useful litmus test)?

- Yes, I think he did. At least the monarchical, religious, protectionist, regulatory, and then socialist state under which he lived. He also got more anti-statist as he got older.

Did he believe the same moral principles should govern the actions of members of the State as they did for private individuals?

- Yes, he did most certainly.

Did he believe that the state was the main source of suffering, killing, and exploitation not just in his own day but throughout history?

- Yes, he did most certainly.

Therefore, on these grounds I believe Bastiat has a lot that is of interest to say to those interested in the theory of anarchism.

ii. Introduction

This paper comes out of a larger research and publishing project on the life and work of the French advocate for free trade, economic journalist, arch-critic of the socialist movement, member of the French Chamber of Deputies during the Second Republic, and economic, political, and social theorist Frédéric Bastiat (1801-1850).¹ [See bio below for details.].

An important part of Bastiat's social theory was the idea of "plunder" ("spoliation" in French). His theory emerged in the last 3 years of his life (1847-1850) as he intensified his battle against protectionism and socialism, first as a journalist, then as a politician in the Chamber of Deputies during Second Republic, and then as an economic theorist. We can track his scattered writings on plunder as this preliminary list indicates:

- "'Le vol à la prime" (Theft by Subsidy), *Journal des économistes*, January 1846, T. XIII, pp. 115-120

¹ Frédéric Bastiat, *The Collected Works of Frédéric Bastiat* in 6 volumes, General Editor Jacques de Guenin, Academic Editor David M. Hart (Indianapolis: Liberty Fund, 2011). Volume 1: *The Man and the Statesman: The Correspondence and Articles on Politics* (March 2011). Available online at <<http://oll.libertyfund.org/title/2393>>. Volume 2: *The Law, The State, and Other Political Writings, 1843-1850* (June 2012). Volume 3: *Economic Sophisms and "What Is Seen and What Is Not Seen"* (2013-14).

- The “Conclusion” to *Economic Sophisms I* (dated November 1845)
- “The Working Class and the Bourgeoisie” 22 May 1847, Sophisms from *Le Libre-Échange*
- From *Economic Sophisms Series II* (published early 1848, probably written in late 1847)
 - Physiologie de la Plunder [The Physiology of Plunder] [no details given].
 - Deux morales [Two Moralities] [no details given].
- “Propriété et loi” (Property and Law). Originally published in the 15 May 1848 issue of *Le Journal des économistes*.
- “Propriété et spoliation” (Property and Plunder). Originally published in the 24 July 1848 issue of *Le Journal des débats*.
- “Spoliation et loi” (Plunder and Law). This pamphlet was first published in the 15 May 1850 issue of *Le Journal des économistes*.
- “III. Taxes”, in *What is Seen and What is Not Seen* (1850)
- “La Loi” (The Law). Bastiat wrote this pamphlet while vacationing with his family in Mugron. June 1850.

The following definition of what he meant by plunder has been compiled from the first chapter of his second series of *Economic Sophisms* which appeared in early 1848, “The Physiology of Plunder” (these are Bastiat’s words):

- There are only two ways of acquiring the things that are necessary for the preservation, embellishing and amelioration of life: PRODUCTION and Plunder.
- Plunder is exercised on a vast scale in this world and is too universally woven into all the major events in the annals of humanity for any moral science, and above all *Political Economy*, to feel justified in disregarding it.
- What separates the social order from perfection (at least from the degree of perfection it can attain) is the constant effort of its members to live and progress at the expense of one another.
- When Plunder has become the means of existence of a large group of men mutually linked by a social connection, they soon contrive to pass a law that sanctions it and a moral code that glorifies it.

- [stages of plunder in history]. First of all, there is WAR... SLAVERY... THEOCRACY... MONOPOLY.
- The genuine and equitable law governing man is “*The exchange freely discussed of one service for another.*” Plunder consists in banishing by cunning or force the freedom to discuss in order to receive a service without returning it. Plunder by force is exercised as follows: People wait for a man to produce something and then seize it from him with weapons. This is formally condemned by the Ten Commandments: Thou shalt not steal. When it takes place between individuals, it is called theft and leads to prison; when it takes place between nations, it is called conquest and leads to glory.
- [in summary] Plunder consists in banishing by deception or force the freedom to negotiate in order to receive a service without receiving another in return.

I would like to emphasize a few key points in this definition to help us better understand Bastiat’s perspective:

- he believes in an absolute moral philosophy based upon natural law
- these natural laws are partly discovered through the scientific, empirical observation of human societies (economics and history) and partly through divine revelation (Bastiat’s deism and his moral Christianity)
- this moral philosophy applies to all human beings without exception
- he believes that there are only two ways by which wealth (property) can be acquired: firstly by voluntary individual activity and by freely negotiated exchange with others (“service for service”), by individuals called the “Producers”; secondly, by theft (coercion or fraud) by a third party, also called “the Plunderers”

- the existence of plunder is a scientific, empirical matter which is revealed by the study of history (this was to be his great next unfulfilled research project)²
- the Plunderers have historically organised themselves into States and have tried to make their activities an exception to the universal moral principles by introducing laws that “sanction” plunder and a moral code that “glorifies” it
- the Plunderers also deceive their victims by means of “la Ruse” (trickery, deception, fraud) and the use of “sophisms” (fallacies) to justifying and disguise what they are doing

With this working definition in mind I would like to explore in more detail what Bastiat thought about the history of plunder and what part it plays in his social and economic theory.

iii. The Unwritten “History of Plunder”

Had Bastiat lived longer there are at least two more books he would have written: the first would have been to complete his main theoretical work on political economy, the *Economic Harmonies* (1850), which he left incomplete at his death; the second would have been to write “A History of Plunder”. The latter was mentioned by the editor of his *Oeuvres complètes* (Collected Works), Prosper Paillottet, as something that was very much on Bastiat’s mind in his last days in Rome on the eve of his death (Christmas eve 1850). Paillottet quotes Bastiat in an aside:

² The issue of intent might be raised here. The fact that some individuals acquire their property by force or fraud at the expense of other individuals is an empirical matter to be determined by the study of history. The purpose or intent of those using plunder (to save souls, or to promote the “public good”) might be a legal matter for lawyers and judges to determine in a court of law. Lord Acton’s historian acting as a “hanging judge” would probably not see any grounds for mitigation - as would Bastiat.

A very important task to be done for political economy is to write the history of Plunder (la Spoliation). It is a long history in which, from the outset, there appeared conquests, the migrations of peoples, invasions and all the disastrous excesses of force in conflict with justice. Living traces of all this still remain today and cause great difficulty for the solution of the questions raised in our century. We will not reach this solution as long as we have not clearly noted in what and how injustice, when making a place for itself amongst us, has gained a foothold in our customs and our laws.³

The most likely origin for Bastiat's thinking on plunder and the development of societies based upon different forms of seizing the property of their productive citizens is the work of two political economists and lawyers whose writings were well known to Bastiat, namely Charles Comte (1782-1837) and Charles Dunoyer (1786-1862). Comte's book *Traité de législation* (1827) in particular was much admired by Bastiat.⁴ Although Bastiat never wrote his "History of Plunder" his ideas did inspire others to attempt such a task. Ambroise Clément (1805-86) who, after Bastiat's death was one of the editors of *Dictionnaire de l'économie politique* (1852), wrote an article for the *Journal des Économistes* in July 1848 on "Legal Plunder" in which he developed some of Bastiat's ideas further with a more detailed

³ Conclusion of *Economic Sophisms I*, p. 199.

⁴ See the many references to Comte and Dunoyer in Bastiat's correspondence in Vol. 1 of *Works*. See Charles Comte, *Traité de législation, ou exposition des lois générales suivant lesquelles les peuples prospèrent, dépérissent ou restent stationnaire*, 4 vols. (Paris: A. Sautet et Cie, 1827); *Traité de la propriété*, 2 vols. (Paris: Chamerot, Ducollet, 1834). And Charles Dunoyer, *L'Industrie et la morale considérées dans leurs rapports avec la liberté* (Paris: A. Sautet et Cie, 1825); *Nouveau traité d'économie sociale, ou simple exposition des causes sous l'influence desquelles les hommes parviennent à user de leurs forces avec le plus de LIBERTÉ, c'est-à-dire avec le plus FACILITÉ et de PUISSANCE* (Paris: Sautet et Mesnier, 1830), 2 vols.; *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).

categorization of the kinds of legal state theft or plunder.⁵ Gustave de Molinari (1819-1912), who was one of Bastiat's collaborators in founding two newspapers in February and then June of 1848, wrote several book-length works using his theoretical framework in which he chronicled the rise of the state since medieval times and the way in which the ruling elites organized the plundering of their subject peoples.⁶

Paillottet also tells us that a significant part of the *Economic Harmonies*, which was left half-finished, was supposed to cover in more detail the problem of the “Disturbing Factors”, by which he meant war and other forms of plunder (such as Slavery, Theocracy, Monopoly, Government Exploitation, and Communism), which prevented the full and harmonious operation of the free market.^{7 8}

⁵ Clément's main contribution was to begin categorizing the various kinds of “legal theft” (“vols”) which had existed in French history up to the present (1848), which included aristocratic theft during the Old Regime, monarchical theft, theft by regulation (“vols réglementaires”), industrial theft, theft under the guise of philanthropy (“vols à prétensions philanthropiques”), administrative theft. “De la spoliation légale,” *Journal des Économistes*, No. 84, 15 juillet, 1848, pp. 363-374.

⁶ Gustave de Molinari, *L'évolution économique du XIXe siècle: théorie du progrès* (Paris: C. Reinwald 1880); *L'évolution politique et la révolution* (Paris: C. Reinwald, 1884); *Économie de l'histoire: Théorie de l'Évolution* (Paris: F. Alcan, 1908).

⁷ In a proposed section of *Economic Harmonies* on “Disturbing Factors” Bastiat had planned the following chapters: 16. Plunder, 17. War, 18. Slavery, 19. Theocracy, 20. Monopoly, 21. Government Exploitation, 22. False Brotherhood or Communism. Aside from the first two chapters there were no notes or drafts found among Bastiat's papers at the time of his death.

⁸ In vol. 1 of Bastiat's *Works* one should also note his letter to Mme. Cheuvreux of 23 June, 1850; and in vol. 2 the essays “Property and Plunder” and “Plunder and the Law” for additional thoughts on this topic. In vol. 5 (forthcoming) there is Paillottet's footnote at the end of chapter 10 of *Economic Harmonies* in which he relates Bastiat's plans for further work on the theory and history of plunder.

iv. “*Thou Shalt Not Steal*”

As a supporter of the idea of natural law and natural rights, Bastiat believed that there were universal moral principles which could be identified and elaborated by human beings and which had a universal application. In other words, there were not two moral principles in operation, one for the sovereign power and government officials and another for the rest of mankind. One of these universal principles was the notion of an individual’s right to own property, along with the corresponding injunction not to violate an individual’s right to property by means of force or fraud. In the Christian world the injunction was expressed in the Ten Commandments, particularly “Thou shalt not steal”⁹ and, since there was no codicil attached to Moses’ tablets exempting monarchs, aristocrats, or government employees, Bastiat was prepared to argue that this moral commandment had universal applicability.

According to Bastiat there were two ways in which wealth could be acquired, either by voluntary production and exchange or by coercion:

There are only two ways of acquiring the things that are necessary for the preservation, embellishing and amelioration of life:
PRODUCTION and PLUNDER.¹⁰

And a bit further into the essay he elaborates as follows, with his definition of plunder (in bold):

The genuine and equitable law governing man is “*The freely negotiated exchange of one service for another.*” **Plunder consists in banishing by**

⁹ “1. The Physiology of Plunder” in *Economic Sophisms II*, p. 8.

¹⁰ “1. The Physiology of Plunder” in *Economic Sophisms II*, p. 2. One should also note the similarity of FB’s views to those of the sociologist Franz Oppenheimer who wrote *The State: Its History and Development viewed Sociologically*, authorized translation by John M. Gitterman (New York: B.W. Huebsch, 1922). <<http://oll.libertyfund.org/title/1662>>.

deception or force the freedom to negotiate in order to receive a service without receiving another in return.

Plunder by force is exercised as follows: People wait for a man to produce something and then seize it from him with weapons.

This is formally condemned by the Ten Commandments: *Thou shalt not steal.*

When it takes place between individuals, it is called *theft* and leads to prison; when it takes place between nations, it is called *conquest* and leads to glory.

It is not certain when these words were written as neither Bastiat nor Pailloitet provide that information. It is most likely that they were written specifically for the the Second Series of the *Economic Sophisms* which were published in January 1848. In an earlier article published in January 1846, “Theft by Subsidy”, Bastiat responded to criticism of his First Series of *Economic Sophisms* which had just appeared in print that they were “too theoretical, scientific, and metaphysical.” His response was to make sure that his future writings could not be accused of this again, which he did by peppering their pages with an “explosion of plain speaking.” By this he meant that he would use very blunt, direct, even “brutal” language, such as “theft”, “pillage”, “plunder,” and “parasitism,” when describing the activities undertaken by the State which were accepted by most people as perfectly normal and “legal”.¹¹ So, in many of the essays written in 1846 and 1847 which were to end up in future editions of the *Economic Sophisms* Bastiat wanted to make it perfectly clear what he thought the state was doing by regulating and taxing French citizens and to call these activities by their “real name”, namely theft and plunder. As he notes in an aside:

¹¹ “Le vol à la prime”, *Journal des économistes*, January 1846, T. XIII, pp. 115-120; this also appeared in SE2 IX, pp. ???

Frankly, my good people, *you are being robbed*. That is plain speaking but at least it is clear.

The words, *theft, to steal* and *thief* seem to many people to be in bad taste. Echoing the words of Harpagon to Elise, I ask them: Is it the word or the thing that makes you afraid?¹²

He cites the Ten Commandments, the French Penal Code, and the Dictionary of the French Academy to define what theft is as clearly as he can and to note its universal prohibition. According to these definitions, in Bastiat's mind, the policies of the French government were nothing more than "theft by subsidy", "theft by Customs duties", "mutual theft" of all Frenchmen via subsidies and protective duties, and so on. Altogether they made up an entire system of "plunder" which had been evolving for centuries and which he had wanted to make the topic of his book on "A History of Plunder".

Therefore, because of the ubiquity of plunder in human history it was essential for political economy to take it into account when discussing the operation of the market and its "disturbing factors":

Some people say: "PLUNDER is an accident, a local and transitory abuse, stigmatized by the moral order, reprovved by law and unworthy of the attentions of *Political Economy*."

But whatever the benevolence and optimism of one's heart one is obliged to acknowledge that PLUNDER is exercised on a vast scale in this world and is too universally woven into all the major events in the annals of humanity for any moral science, and above all *Political Economy*, to feel justified in disregarding it.¹³

¹² "Theft by Subsidy", p. 104.

¹³ "1. The Physiology of Plunder" in *Economic Sophisms II*, p. 2.

v. “*La Ruse*” (*Trickery*) and *Legal Plunder*

A key feature of plunder which distinguishes it from the acquisition of wealth by voluntary exchange is the use of violence or what he called “*la Ruse*” (fraud or trickery) fraud. Within the category of “plunder” there are two main types which interested Bastiat: “illegal plunder” which was undertaken by thieves, robbers, and highway men and which was prohibited by law - hence the title “illegal plunder”; the second type of plunder was what Bastiat called “legal plunder” which was usually undertaken by the state under the protection of the legal system which exempted sovereigns and government officials from the usual prohibition of taking other people’s property by force. Illegal plunder was less interesting to Bastiat as it was universally condemned and quite well understood by legal theorists and economists. Instead, Bastiat concentrated in his scattered writings on the latter form, legal plunder, as it was hardly recognized at all by economists as a problem in spite of the fact that it had existed on a “vast scale”¹⁴ throughout history and was one its driving forces. As he noted in his “final and important aperçu” which ended the “Conclusion” to *Economic Sophisms I*:

Force applied to spoliation is the backdrop of the annals of the human race. Retracing its history would be to reproduce almost entirely the history of every nation: the Assyrians, the Babylonians, the Medes, the Persians, the Egyptians, the Greeks, the Romans, the Goths, the Franks, the Huns, the Turks, the Arabs, the Mongols and the Tartars, not to mention the Spanish in America, the English in India, the French in Africa, the Russians in Asia, etc., etc.¹⁵

¹⁴ “1. The Physiology of Plunder” in *Economic Sophisms II*, p. 2.

¹⁵ “Conclusion” to *Economic Sophisms I*, p. 197.

In the essay “The Physiology of Plunder” which opened *Economic Sophisms II* Bastiat sketches out the main types of plunder which had emerged in history: war, slavery, theocracy, and monopoly. Historically, societies and their ruling elites which lived from plunder had evolved through alternating periods of conflict, where the elites fought for control of the state, and periods of “truce”, where plunder became regularized until another rivalrous group of plunderers sought control of the state. In a letter to Mme Cheuvreux (23 June 1850) Bastiat observes that:

... our history will be seen as having only two phases, the periods of conflict as to who will take control of the State and the periods of truce, which will be the transitory reign of a triumphant oppression, the harbinger of a fresh conflict.¹⁶

The immediate historical origins of the modern French state were the aristocratic and theological elites which rose to dominance in the Old Regime and which were challenged for control of the state first by socialist-minded reformers under Robespierre during the Terror and then by the military elites under Napoleon. The defeat of Napoleon had led to a temporary return of the aristocratic and theological elites until they were again overthrown in another Revolution, this time one in which Bastiat played an active role as elected politician, journalist, and economic theoretician. Bastiat examines in some detail the part played by the aristocracy in the essay “The Working Class and the Bourgeoisie” (22 May 1847), *Sophisms from Le Libre-Échange*, and he devotes a surprising amount of space to analyzing “theocratic plunder” in “The Physiology of Plunder”. On the rise of the aristocracy he states:

Between a nation and its aristocracy, we clearly see a deep dividing line, an undeniable hostility of interests, which sooner or later can only lead to strife. The aristocracy has come from outside; it has conquered

¹⁶ Vol 1 *Works*, Letter 176 to Mme Cheuvreux, 23 June 1850. p. 252.

its place by the sword and dominates through force. Its aim is to turn the work done by the vanquished to its own advantage. It seizes land, has armies at its disposal and arrogates to itself the power to make laws and expedite justice. In order to master all the channels of influence, it has not even disdained the functions, or at least the dignities, of the church. In order not to weaken the esprit de corps that is its lifeblood, it transmits the privileges it has usurped from father to son by way of primogeniture. The aristocracy does not recruit from outside its ranks, or if it does so, it is because it is already on the slippery slope.¹⁷

In the period in which he was living, the modern state had evolved to the point where a large, permanent, professional class of bureaucrats carried out the will of the sovereign power (which was King Louis Philippe during the July Monarchy 1830-1848, and then the “People” in the Second Republic following the Revolution of February 1848) to tax, regulate, and subsidize a growing part of the French economy. Three aspects of the growth of the state on which Bastiat had focussed his opposition in the mid- and late 1840s were protectionist tariffs on imported goods, taxation, and the government subsidization of the unemployed in the National Workshops during 1848. As the state expanded in size and the scope of its activities it began supplying an ever larger number of “public services” which were funded by the taxpayers. Bastiat had a stern view of these developments and viewed any “public service” which went beyond the bare minimum of police and legal services as “a disastrous form of parasitism”.¹⁸ Using his favourite stock figure of Jacques Bonhomme (John Everyman) in order to make his points Bastiat compares the “forced sale” of “public services” - or “legal parasitism” of the French bureaucracy - to the actions of the petty thief who indulges in mere “illegal

¹⁷ “The Working Class and the Bourgeoisie” 22 May 1847, *Sophisms from Le Libre-Échange*, pp. 11-12.

¹⁸ “The Middlemen” in *What is Seen and What is Not Seen*, p. 33.

(or extralegal) parasitism” when he takes Jacques’ property by breaking into his house.¹⁹

vi. The “Malthusian” Limits to State Plunder

Although the plundering elites were voracious in their appetite for the taxpayers’ property, Bastiat believed there was an upper limit to how much they could take because countervailing forces came into operation to check their growth. Firstly, widespread plunder and regulation of the economy hampered productive growth and made society less productive and prosperous than it might otherwise have been. A good example of this Bastiat thought was evidenced by slave societies where the productivity of slave labour was considerably less than that of free labour. By locking themselves into a slave-based economy the slave owners deprived themselves of further economic gains.

This invariable constraint is a marvelous thing. In its absence, provided that there were a stable balance of power between the oppressors and the oppressed, Plunder would have no end. When the constraint obtains, this balance always tends to be broken, either because the Despoilers become aware of the loss of wealth in question, or, where this awareness is lacking, because the ill constantly grows worse and it is in the nature of things that constantly deteriorate to come to an end.

In fact, there comes a time when, in its gradual acceleration, the loss of wealth is so great that Despoilers are less rich than they would have been if they had remained honest.²⁰

¹⁹ “III. Taxes”, in *What is Seen and What is Not Seen*, pp. 15-16.

²⁰ “1. The Physiology of Plunder” in *Economic Sophisms II*, p. 5-6.

Secondly, Bastiat thought that a “Malthusian Law” operated to fatally restrict the expansion of the plundering class. The Malthusian pressures on the plundering class were twofold: their plunder provoked opposition on the part of those who were being plundered who would eventually resist (such as tax revolts, smuggling, or outright revolution); and the “Despoilers” (of wealth) would gradually realize that their plunder and regulation created economic inefficiencies and absolute limits on the amount of wealth they could extract from any given society. Bastiat developed his ideas on a Malthusian limit of the scale of plunder first in a discussion of “theocratic plunder” and then in a section on the State in general:

Plunder using this procedure and the clear-sightedness of a people are always in inverse proportion one to the other, for it is in the nature of abuse to proceed wherever it finds a path. Not that pure and devoted priests are not to be found within the most ignorant population, but how do you prevent a rogue from putting on a cassock and an ambitious adventurer from assuming a miter? Despoilers obey Malthus’s law: they multiply in line with the means of existence, and the means of existence of rogues is the credulity of their dupes. It is no good searching; you always find that opinion needs to be enlightened. There is no other panacea... (p. 21)

The State is also subject to Malthus’s Law. It tends to exceed the level of its means of existence, it expands in line with these means and what keeps it in existence is the people’s substance. Woe betide those peoples who cannot limit the sphere of action of the State. Freedom, private activity, wealth, well-being, independence and dignity will all disappear there. (p. 24).²¹

In the earliest forms of the plundering state, such as the warrior and slave state of the Roman Empire, the role played by outright violence and coercion in maintaining the flow of plunder to privileged groups was very important. However,

²¹ “1. The Physiology of Plunder” in *Economic Sophisms II*, pp. 21, 24.

as populations grew and economies advanced alternative methods were needed by the elites to protect the continued flow of plunder. It was at this moment in human history, Bastiat thought (developing Bentham's idea of "deceptions" and "political fallacies" to prevent political reform),²² that ruling elites began to use what he called "la Ruse" (trickery or cunning) and "les Sophismes" (fallacies, sophisms, and other forms of ideological deception and confusion) so that they could trick or "dupe" the citizens into complying with the demands of the elite to hand over their property. Of course, it was in order to defeat this stage in the evolution of societies based upon plundering that Bastiat wrote his series of *Economic Sophisms* between 1845 and 1850.

As he stated in the "Conclusion" of *Economic Sophisms I* (which served more like an introduction to his first collection of *Economic Sophisms* than its conclusion) Bastiat explains the connection between his rebuttal of commonly held economic sophisms and the system of plunder he opposed so vigorously:

For them (the plundering classes) to rob the public, the latter have to be misled. To mislead them is to persuade them that they are being robbed for their own good; it is to make them accept fictitious services and often worse in exchange for their possessions. This gives rise to *Sophism*. Theocratic Sophism, economic Sophism, political Sophism and financial Sophism. Therefore, since the time when force has been held in check, *Sophism* is not only an evil, it is the very genius of evil. It must in its turn be held in check. And to do this the public must be made more *shrewd* than the shrewd, just as it has become *stronger* than the strong.

²² See Jeremy Bentham, *Handbook of Political Fallacies*, revised and edited by Harold A. Larrabee. Introduction to the Torchbook edition by Crane Brinton (New York: Harper Torchbooks, 1962); and also *The Works of Jeremy Bentham, published under the Superintendence of his Executor, John Bowring* (Edinburgh: William Tait, 1838-1843). 11 vols. Vol. 2. THE BOOK OF FALLACIES: FROM UNFINISHED PAPERS OF JEREMY BENTHAM. EDITED BY A FRIEND. <<http://oll.libertyfund.org/title/1921/114047>>.

Good public, it is under the patronage of this thought that I am addressing this first essay to you, although the Preface has been strangely transposed and the Dedication is somewhat belated.²³

vii. Theological Plunder

A case study of how trickery and sophistic arguments can be used to ensure compliance with the demands of the plundering class is provided by Bastiat in his lengthy discussion about the rule of the Church in European history which he believed had practised deception and trickery "on a grand scale".²⁴ The Church had developed an elaborate system of "theological plunder" through its tithing of income and production and on top of this it created a system of "theological trickery" based upon the notion that only members of the church could ensure the peoples' passage to an afterlife. This and other "theological sophisms" created "dupes" of the ordinary people who duly handed over their property to the Church. Bastiat had no squabble with a church in which the priests were the instrument of the religion, but for hundreds of years religion had become instead "the instrument of its priest":

If, on the other hand, *Religion is the instrument of its priest*, he will treat it as some people treat an instrument that is altered, bent and turned in many ways so as to draw the greatest benefit for themselves. He will increase the number of questions that are *taboo*; his moral code will bend according to the climate, men and circumstances. He will seek to impose it through studied gestures and attitudes; he will mutter words

²³ The Conclusion of *Economic Sophisms I*, p. 198. The last paragraph of this quotation suggests that Bastiat's first collection of *Economic Sophisms* was assembled and printed in some haste, thus not allowing him to get the Dedication and Preface in the right order.

²⁴ "1. The Physiology of Plunder" in *Economic Sophisms II*, pp. 16ff.

whose meaning has disappeared, a hundred times a day, words which are nothing other than vain *conventionalism*. He will peddle holy things, but just enough to avoid undermining faith in their sanctity and he will take care to see that this trade is less obviously active where the people are more keen-sighted. He will involve himself in terrestrial intrigue and always be on the side of the powerful, on the sole condition that those in power ally themselves with him. In a word, in all his actions, it will be seen that he does not want to advance Religion through the clergy but the clergy through Religion, and as so much effort implies an aim and as this aim, in these hypothetical circumstances, cannot be anything other than power and wealth, the definitive sign that the people have been misled is when priests are rich and powerful.²⁵

The challenge to this “theocratic plundering” came through the invention of the printing press which enabled the transmission of ideas critical of the power and intellectual claims of the Church and gradually led to the weakening of this form of organised, legal plunder. The Reformation, the Renaissance, and the Enlightenment gradually exposed the “theological sophisms” for what they really were - so many tricks, deceptions, lies, and contradictions - and many people were thus no longer willing to be the dupes of the Church.

In a similar manner, Bastiat thought, the modern bureaucratic and regulatory state of his day was, like the Church, based upon a mixture of outright violence and coercion on the one hand, and trickery and fallacies (Sophisms) on the other. The violence and coercion came from the taxes, tariffs, and regulations which were imposed on taxpayers, traders, and producers; the ideological dimension which maintained the current class of plunderers came from a new set of “political” and “economic sophisms” which confused, misled, and tricked a new generation of “dupes” into supporting the system. The science of political economy, according to

²⁵ “1. The Physiology of Plunder” in *Economic Sophisms II*, pp. 20-21.

Bastiat, was to be the means by which the economic sophisms of the present would be exposed, rebutted and finally overturned, thus depriving the current plundering class of their livelihood and power: “I have said enough to show that Political Economy has an obvious practical use. It is the flame that destroys this social disorder, Plunder, by unveiling Trickery and dissipating Error.”²⁶ And in the following essay on “The Two Moralities” Bastiat contrasts the role of “religious morality” and “economic morality” in bringing about this change in thinking: “Let religious morality therefore touch the hearts of the Tartuffes, the Caesars, the colonists, sinecurists and monopolists, etc. if it can. The task of political economy is to enlighten their dupes.”²⁷ Bastiat was skeptical that religious morality would be successful in changing the views of those who held power because, as he pointed out on several occasions, how many times in history have ruling elites ever voluntarily given up their power and privileges? His preference was to strike at power from below by opening the eyes of the duped and tricked with the truths which political economy provided, to encourage doubt and mistrust in the justice of the rulers’ actions, and to mock the follies of the political elite by using sarcasm and the “sting of ridicule”. Bastiat summed up the job of the political economists as “opening the eyes of the Orgons, uprooting preconceived ideas, stimulating just and essential mistrust and studying and exposing the true nature of things and actions.”²⁸

²⁶ “1. The Physiology of Plunder” in *Economic Sophisms II*, p. 7.

²⁷ “II. The Two Moralities” in *Economic Sophisms II*, p. 43.

²⁸ “II. The Two Moralities” in *Economic Sophisms II*, p. 45. In Molière’s play *Tartuffe, or the Imposter* (1664) Tartuffe is a scheming hypocrite and Orgon is a well-meaning dupe.

viii. Conclusion

That Bastiat died at the age of 49 before he could complete his magnum opus on economic theory, the *Economic Harmonies*, or even begin his second on “A History of Plunder” was a major blow to the classical liberal movement in the 19th century. The precocious economic insights he developed in his journalism and began to explore in more depth in *Economic Harmonies* are starting to be recognised and appreciated by modern scholars. There is evidence that Bastiat wasn’t just a brilliant economic journalist but should be seen as a major economic thinker in his own right, who was much ahead of his time - perhaps a couple of decades ahead of the Marginal Revolution which broke out in the 1870s, and perhaps a century ahead of his time as forerunner of the Public Choice school of the 1970s and 1980s.²⁹ Had he been able to complete his other planned work on Plunder this would have truly made Bastiat one of the leading figures in the development of social theory in the 19th century. He would have been able to extend the classical liberal historiography which was being pioneered by Augustin Thierry with his work on the Third Estate (Thierry, 1853) and much later after his death by his friend the economist Gustave de Molinari in his works of economic sociology in the 1880s (Molinari, 1880, 1884). With a major economic treatise under his belt as well as a history of plunder, Bastiat might well have turned into a kind of classical liberal Karl Marx.³⁰

²⁹ See the recent assessment of Bastiat’s contribution by Robert Leroux, *Political Economy and Liberalism in France: The contributions of Frédéric Bastiat* (Routledge Studies in the History of Economics, 2011).

³⁰ Gustave de Molinari, *L'évolution économique du XIXe siècle: théorie du progrès* (Paris: C. Reinwald 1880). Gustave de Molinari, *L'évolution politique et la révolution* (Paris: C. Reinwald, 1884). Augustin Thierry, *Essai sur l'histoire de la formation et des progrès du Tiers État suivi de deux fragments du recueil des monuments inédits de cette histoire* (Paris: Furne et Ce, 1853).

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See the bibliography and other Bastiat resources at my website <<http://davidmhart.com/FrenchClassicalLiberals/Bastiat/index.html>>.

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Biography of Frédéric Bastiat (1801-1850)



[Frédéric Bastiat (1801-1850)]

Frédéric Bastiat (1801-1850) was a pivotal figure in French classical liberalism in the mid-19th century. He suddenly emerged from the south west province of Les Landes to assume leadership of the fledgling French free trade movement in 1844 which he modelled on that of Richard Cobden's Anti-Corn Law League in England. Bastiat then turned to a brilliant career as an economic journalist, debunking the myths and misconceptions people held on protectionism in particular and government intervention in general, which he called "sophisms" or "fallacies" [*Economic Sophisms. Part I* (1846), *Economic Sophisms. Part II* (1848)]. When revolution broke out in February 1848 Bastiat was elected twice to the Chamber of Deputies where he served on the powerful Finance Committee where he struggled to bring government expenditure under control. He confounded his political opponents with his consistent libertarianism: on the one hand he denounced the

socialists for their economic policies, but took to the streets to prevent the military from shooting them during the riots which broke out in June 1848. In the meantime he was suffering from a debilitating throat condition which severely weakened him and led to his early death on Christmas Eve in 1850. Knowing he was dying, Bastiat attempted to complete his magnum opus on economic theory, his *Economic Harmonies* (1850). In this work he showed the very great depth of his economic thinking and made advances which heralded the Austrian school of economics which emerged later in the century. Bastiat to the end was an indefatigable foe of political privilege, unaccountable monarchical power, the newly emergent socialist movement, and above all, the vested interests who benefited from economic protectionism. He was a giant of 19th century classical liberalism. Other important works include *Cobden and the League* (1845), *Property and Plunder* (1848), *The State* (1848), *Damn Money!* (1849), *What is Seen and What is Not Seen* (1850), and *The Law* (1850).

About the Author



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David Hart was born and raised in Sydney, Australia. He did his undergraduate work at Macquarie University, Sydney, writing a thesis on the radical anti-statist thought of the Belgian/French political economist Gustave de Molinari. After spending a year in Germany studying German Imperialism and the origins of the First World War at the University of Mainz, he completed an M.A. in history at Stanford University. While at Stanford he worked on student programs for the Institute for Humane Studies (when it was located at Menlo Park, California) where

³¹ *The Collected Works of Frédéric Bastiat* in 6 volumes, General Editor Jacques de Guenin, Academic Editor David M. Hart (Indianapolis: Liberty Fund, 2011). Volume 1: *The Man and the Statesman: The Correspondence and Articles on Politics* (March 2011). Available online at <<http://oll.libertyfund.org/title/2393>>.

he was founding editor of the *Humane Studies Review*. He received a Ph.D. in history from King's College, Cambridge on the work of two leading French classical liberals of the early 19th century, Charles Comte and Charles Dunoyer who pioneered a liberal class theory of history. He then taught for 15 years in the Department of History at the University of Adelaide in South Australia where he was awarded the University teaching prize. Since 2001 he has been the Director of the Online Library of Liberty Project at Liberty Fund in Indianapolis <<http://oll.libertyfund.org>>. The OLL has won several awards including a "Best of the Humanities on the Web" Award from the National Endowment for the Humanities in 2006. His research interests include the history of classical liberal thought, war and culture, and film and history.

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