

**“GRAPPLING WITH ECONOMIC COMPLEXITY:
THE IDEA OF "CETERIS PARIBUS" OR "TOUTES CHOSES D'AILLEURS
ÉGALES" IN THE THOUGHT OF J.S. MILL AND FRÉDÉRIC BASTIAT”**

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Introduction

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About the Author

David Hart was born and raised in Sydney, Australia and has degrees from Stanford University and King’s College, Cambridge. He taught history at the University of Adelaide from 1986-2001, was the Director of the Online Library of Liberty Project at Liberty Fund in Indianapolis from 2001-2019, and is currently an Adjunct Research Fellow with the UWA Business School. His research interests include the history of classical liberal thought in general, and the French classical liberal tradition in particular. He was the Academic Editor of Liberty Fund’s translation of the *Collected Works of Frédéric Bastiat* before his retirement. Recent publications include a chapter on “The Paris School of Liberal Political Economy, 1803-1853” for the *Cambridge History of French Thought* (2019) and the anthology **Social Class and State Power** (Palgrave, 2018) on classical liberal class analysis. In his spare time, he curates a growing online collection of classic political and economic texts (now numbering 186, with 45 on economics), and has also written a screenplay for a film on the activities of the French political economist Frédéric Bastiat during the 1848 Revolution in Paris, called “Broken Windows”.

Websites:

- "The Digital Library of Liberty and Power" <<http://davidmhart.com/liberty/Index-Pages/recent-additions.html>>
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ABSTRACT (623 WORDS)

The study of the term "ceteris paribus" (CP) is complicated by the variety of spellings of the Latin phrase and the different equivalent expressions or translations which were used in English, French, and German language works of political economy.

I will show some screen snapshots of the frequency of the occurrence of key phrases in Google Books between 1600 and 2020 to show its fluctuating use.

The essence of the term is that, given the existence of economic phenomena which are complex in nature and which have many possible causes or factors which influence them and their outcomes, in order for economists to understand what is going on it is necessary to hold all of these causes/factors constant (the "other things" which are equal) (at least in one's own mind in a kind of "thought experiment") except for one cause/factor which is "allowed" to change. The outcome is then attributed to the one cause/factor which was allowed to change, and not the other causes which were held constant.

A key assumption behind the notion of CP was that the same cause would have the same effect regardless of the time or place of its occurrence. It was sometimes expressed as being a "chain of cause and effect". It was "considered to be universal" and, in the language of the late 18th century when economic ideas were being developed, was a kind of "natural law of economics" comparable to the "natural laws of physics. I examine what political economists in the late 18th and early 19th century thought about the "natural laws of economics," since in their view, only if causes and their effects were fixed by natural laws did it make sense to predict what might happen if one cause was changed while the others were held constant.

For most political economists who used the expression CP this was enough in their minds. They used the term in a fairly perfunctory fashion and then moved on to make their main point. However, a handful of economists were not satisfied to do only this but went on to ponder some of the complexities and problems of using a "thought experiment" like CP, most notably J.S. Mill and Frédéric Bastiat in the 1840s. These two theorists have provided me with the framework within which to trace the history of this concept

The standard account of its history is that the modern use of CP began with Alfred Marshall in his *Principles of Economics* (1890), with his notion of "the pound", but this is very incomplete as the term (or its variants) was used a great deal in the early and mid-19th century.

In this paper I want to examine the intellectual history of the idea of CP over the 100 odd years before Marshall by looking at the two streams of thought in which it emerged and was developed most fully, namely the French tradition of J.B. Say and Frédéric Bastiat, and the English tradition of Jeremy Bentham and J.S. Mill.

Mill and Say both saw some of the concept's weaknesses and gaps in its capacity to explain complex economic phenomena, or in other words when "ceteris non paribus" (when other things were not equal) and the "chain of cause and effect" seemed to be broken. They both came up with interesting ideas about 1.) "disturbing causes" / "des causes perturbatrices" and 2.) "fallacies of misobservation" / "ce qu'on ne voit pas" (the unseen) which they believed needed to be taken into account by economists so they could become "good observers" (Mill) or "good economists" (Bastiat).

The paper includes an Appendix in which I list the key passages in the works of Mill and Bastiat where these terms are used.

I conclude the paper with an "economic poem".

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GRAPPLING WITH ECONOMIC COMPLEXITY: THE IDEA OF "CETERIS PARIBUS" OR "TOUTES CHOSES D'AILLEURS ÉGALES" IN THE THOUGHT OF J.S. MILL AND FRÉDÉRIC BASTIAT

1. INTRODUCTION

Opening Remarks

In the article on "Ceteris paribus" in the *New Palgrave* John K. Whittaker makes the rather dismissive remark that: [1]

The term 'ceteris paribus' has no clearly settled technical meaning among economists, so that an attempt to chronicle its usage would be both difficult and unrewarding.

To someone interested in the history of economic thought this statement by Whittaker is like waving the proverbial red flag in front of a bull. It is precisely because its meaning is unclear today that it is important for us to see when and why the term appeared, how it was used by economists in the past, what its strengths and weaknesses are as an analytical and explanatory tool, and when (if at all) the concept should be used or modified in order to better understand the economic world in which we live.

A quick statement about terminology

Introduction

The study of the term "ceteris paribus" (henceforth "CP") is complicated by the variety of spellings of the Latin phrase and the different equivalent expressions or translations which were used in English, French, and German language works of political economy.

In Latin the term was spelled "ceteris paribus", "coeteris paribus", and "caeteris paribus".

If the Latin phrase was not used the equivalent term in the three languages I am familiar with are the following:

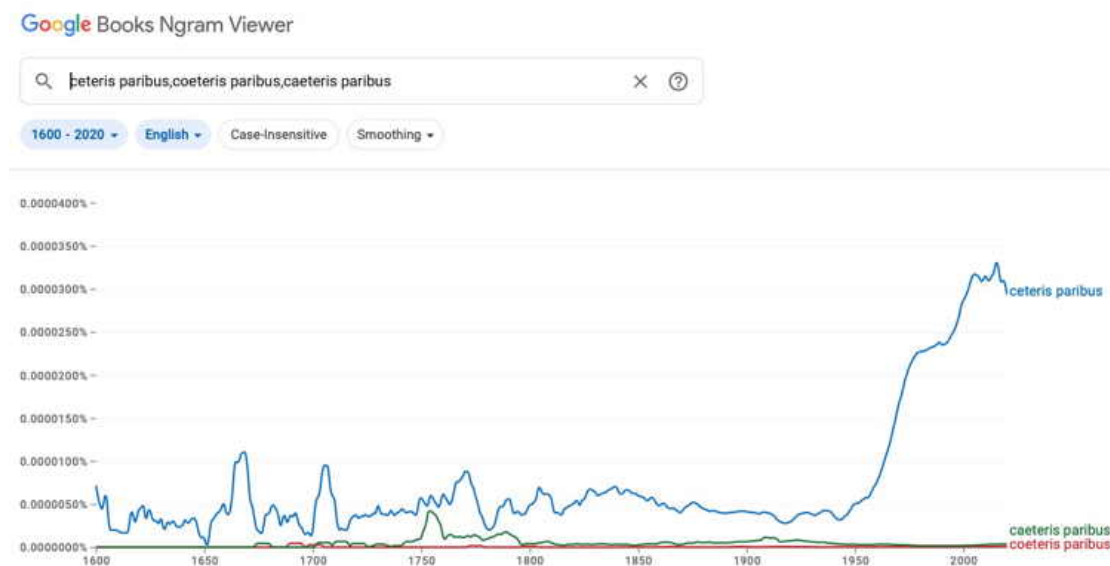
1. English: "other things being equal", "all things being equal", or just "things being equal"
2. French: "toutes choses d'ailleurs égales", "toutes choses étant égales", "toutes choses égales d'ailleurs"
3. German: "alle Dinge sind gleich", "bei sonst gleich Bedingungen", "wenn alles gleich sind/ bleibt"

In my discussion below when I refer to "the term" I mean either the original Latin expression or its other language equivalents as listed above.

Ngrams of CP

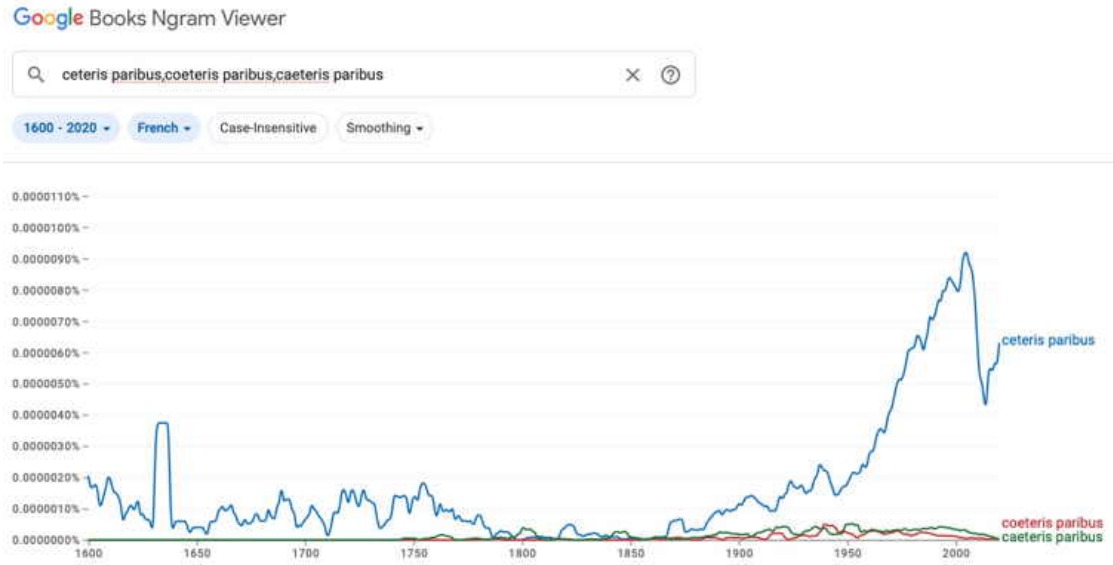
Note: the time frame is from 1600 to 2020.

English language texts



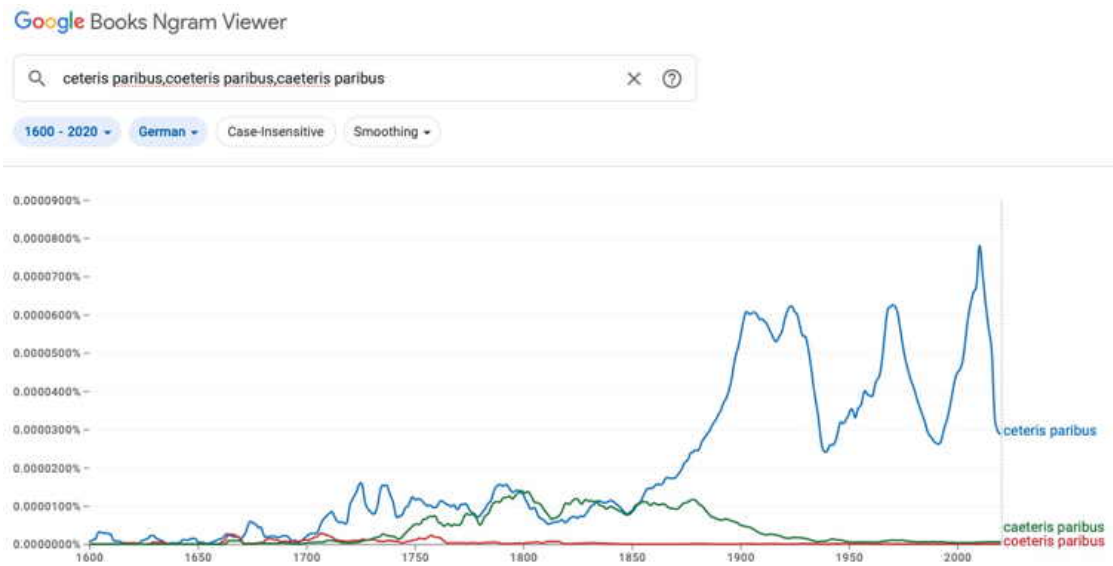
Editor: Note the slump beginning after 1850 and then the sudden rise after the end of World War Two.

French language texts



Editor: Note the slump between 1790 and 1870 and then the sudden rise after the end of World War Two. I have no explanation for the "crash" after 2000.

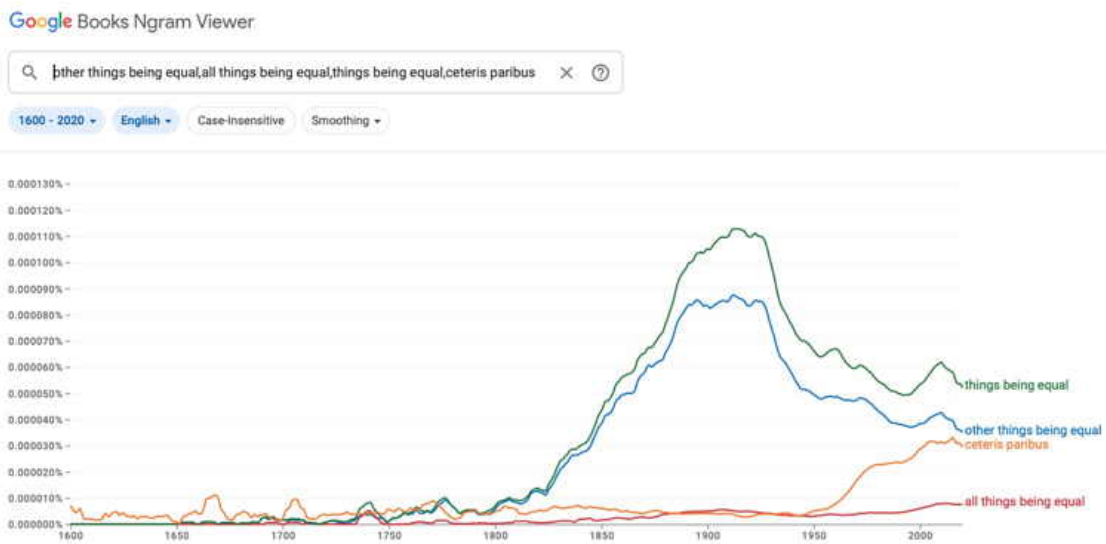
German language texts



Editor: Note the rise after 1850. I cannot explain the "rise and fall" since 1900.

Ngrams of English equivalents: other things being equal, all things being equal, things being equal

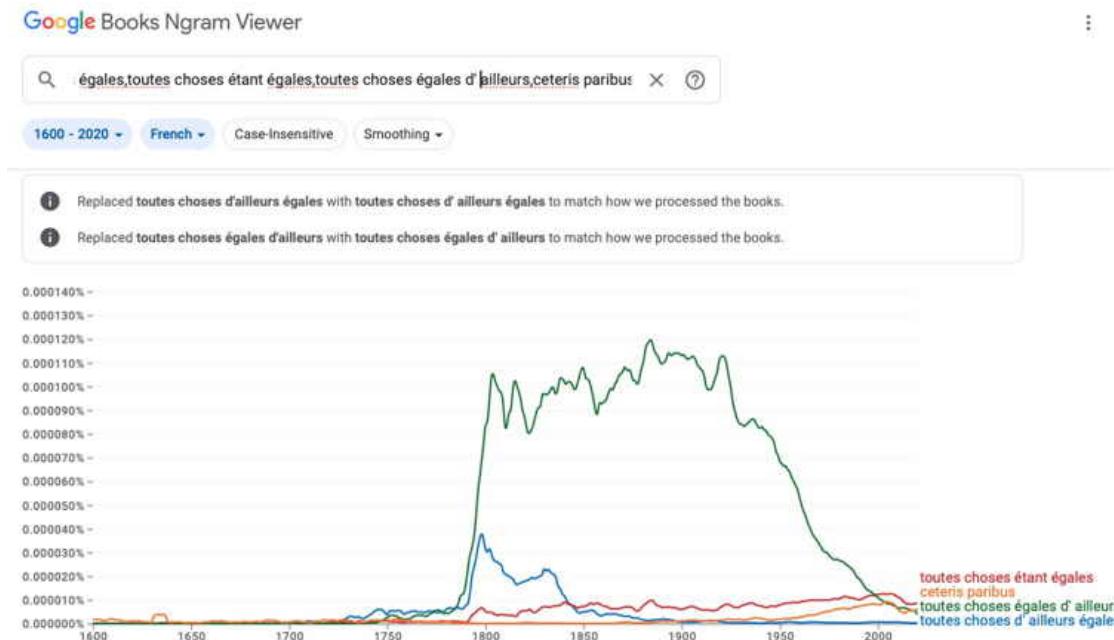
Note: I have included "ceteris paribus" as well for the purposes of comparison.



Editor: Note the steady rise after 1800 reaching a peak in 1880s and 1890s and then the sudden rise after the end of World War Two. There is a falling away around 1920 and a rise in CP after 1950.

Ngrams of French equivalents: toutes choses d'ailleurs égales, toutes choses étant égales, toutes choses égales d'ailleurs

Note: I have included "ceteris paribus" as well for the purposes of comparison.



Editor: Note the sharp rise in about 1790, the plateau from 1800-1920 and its sudden drop off after 1950.

A Definition

The essence of the term is that, given the existence of economic phenomena which are complex in nature and which have many possible causes or factors which influence them and their outcomes, in order for economists to understand what is going on it is necessary to hold all of these causes/factors constant (the other things which are equal) (at least in one's own mind in a kind of "thought experiment" (*Gedankenexperiment*)) [2] except for one factor or cause which is "allowed" to change. The results which eventuate are then attributed to the one variable or cause which was allowed to change, and not the other causes which were held constant.

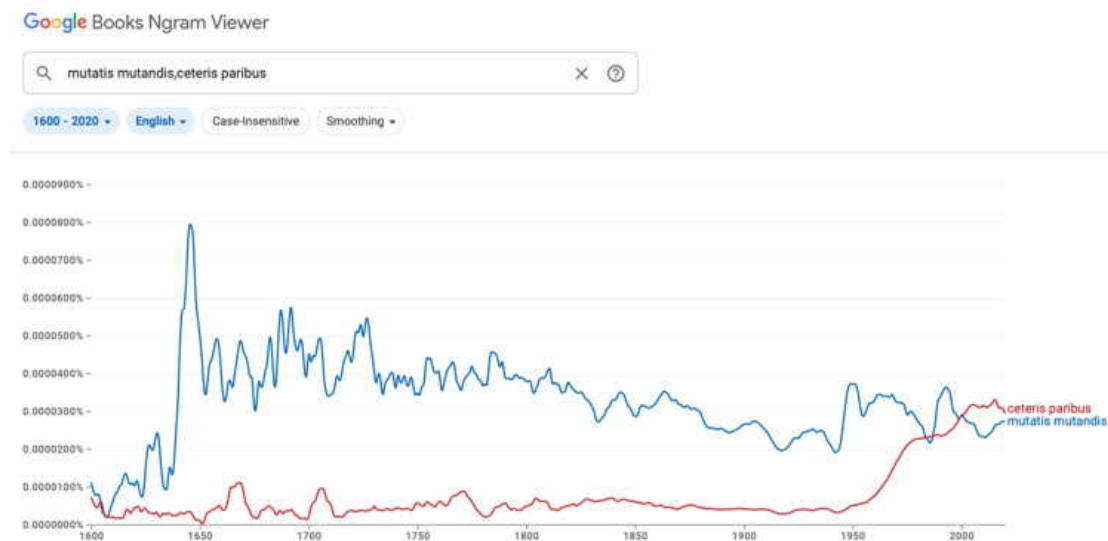
For most political economists who used the expression this was enough in their minds. They used the term and then moved on to make their main point. In the case of Marshall this involved the price of fish and the weather; for other classical economists it was usually the impact of changing prices of food ("corn") or wages as they went up or down, or the diminished purchasing power of money when the supply was increased.

However, a handful of economists were not satisfied to do only this but went on to ponder about some of the complexities and problems of using a "thought experiment" like CP, most notably J.S. Mill and Frédéric Bastiat in the 1840s who will be discussed below, and John Elliot Cairnes (1861) in a couple of footnotes.

A path NOT taken

For reasons of space, time, and lack of knowledge on my part, I haven't explored the opposite and related term of "mutatis mutandi" - the idea that other things (variables and causes) also need to be changed and not left unchanged. It is variously translated as "allowing other things to change accordingly", "the necessary changes having been made", and "with things changed that should be changed". [3]

However, I did do an Ngram search and found a surprising result:



2. A BRIEF HISTORICAL SURVEY OF ITS USE ↩

Marshall's "Pound"

The standard account of its history is that the modern use of CP began with Alfred Marshall in his *Principles of Economics* (1890) (3 instances spelt "coeteris paribus") but this is very incomplete as the term (or its variants) was used a great deal in the early and mid-19th century.

To remind ourselves, Marshall linked CP to the rather quaint notion of "the pound" which was a kind of holding pen for troublesome causal factors or variables which could be "held" unchanged while other causal factors or variables were allowed to change in order to help the observing economist understand what was happening "out in the field". His first use was explanatory (which I quote below) and the second and third uses were applied to the problem of explaining "the day to day oscillations of the price of fish resulting from uncertainties of the weather" . [4]

In his explanatory use of the term, Marshall stresses its use in trying to understand complex economic questions by breaking them down into their component parts, studying these pieces one by one, and then putting them back together again in order to understand the bigger picture, or as he put it "the whole riddle". He is also aware of the problem of "disturbing causes" and "other tendencies" which further complicate the matter but did not go into any detail concerning them. The mental trick of the "pound" is to enable the economist to temporarily isolate the individual causes /factors one by one in order to get a better grasp of the bigger picture. As understanding improves, each individual cause can be "let out of the pound" so the economist can focus their attention on the next one. However, he realizes that there is a trade off between understanding each individual cause ("that narrow issue") more "exactly", and understanding "the broader issue" which often remains too complex to fully and "exactly" comprehend. As Marshall describes the matter: [5]

The element of time is a chief cause of those difficulties in economic investigations which make it necessary for man with his limited powers to go step by step; breaking up a complex question, studying one bit at a time, and at last combining his partial solutions into a more or less complete solution of the whole riddle. In breaking it up, he segregates those disturbing causes, whose wanderings happen to be inconvenient, for the time in a **pound** called **Cœteris Paribus**. The study of some group of tendencies is isolated by the assumption other things being equal: the existence of other tendencies is not denied, but their disturbing effect is neglected for a time. The more the issue is thus narrowed, the more exactly can it be handled: but also the less closely does it correspond to real life. Each exact and firm handling of a narrow issue, however, helps towards treating broader issues, in which that narrow issue is contained, more exactly than would otherwise have been possible. With each step more things can be let out of the pound; exact discussions can be made less abstract, realistic discussions can be made less inexact than was possible at an earlier stage.

In this paper I want to examine the intellectual history of the idea of "ceteris paribus" over the 100 odd years

before Marshall wrote these lines by looking at the two streams of thought in which it emerged and was developed most fully, namely the French tradition of Say and Bastiat, and the English tradition of Bentham and J.S. Mill. In addition, I want to examine something that Marshall hints at but does not explore at any length, namely the problem of "disturbing factors" and factors which are "unseen" (Bastiat) or "misperceived" (Mill) and how they effect "the chain of cause and effect" and thus the economic tool of analysis, which is CP.

Two Traditions of Thought

Marshall was definitely not the originator or populariser of this term. If we go back to the "founding fathers" of political economy in the 18th century we see that in 1776 Adam Smith used the term "other things being equal" only once in *Wealth of Nations*; [6] while Condillac used the term "toutes choses d'ailleurs égale" 3 times in *Le commerce et le gouvernement* (1776). [7] Just for the record here is Smith's use of the phrase "other things being equal":

FIFTHLY and lastly, though the revenue of the inhabitants of every country was supposed to consist altogether, as this system [agricultural system] seems to suppose, in the quantity of subsistence which their industry could procure to them; yet, even upon this supposition, the revenue of a trading and manufacturing country must, **other things being equal**, always be much greater than that of one without trade or manufactures. By means of trade and manufactures, a greater quantity of subsistence can be annually imported into a particular country than what its own lands, in the actual state of their cultivation, could afford. The inhabitants of a town, though they frequently possess no lands of their own, yet draw to themselves by their industry such a quantity of the rude produce of the lands of other people as supplies them, not only with the materials of their work, but with the fund of their subsistence. What a town always is with regard to the country in its neighbourhood, one independent state or country may frequently be with regard to other independent states or countries.

During the 19th century, within the French tradition of political economy we see that Jean-Baptiste Say used it (the French language equivalent "toutes choses d'ailleurs égales" (all things being equal)) frequently - 3 instances in the 1st edition of the *Traité d'Économie politique* (1803) [8] which rose to 6 in later editions; and 11 instances in his *Cours complet d'économie politique* (1828). Interestingly, in the American translation of TEP of 1822 the translator Princep substituted the Latin phrase *ceteris paribus* (which Say did not use) for the French equivalent of which there were 6 instances.

Other important French economists who used the term include:

1. Benjamin Constant, *Commentaire sur l'ouvrage de Filangieri* (1822) with 4 instances
2. Destutt de Tracy, *Traité d'économie Politique* (1823) with 5 instances
3. Charles Comte, *Traité de législation* (1826) with 5 instances
4. Frédéric Bastiat (1846-1850) with 16 instances (*cæteris paribus* (5) or "toutes choses égales d'ailleurs" (12))

When we turn to the English tradition of political economy in the 19th century we see widespread use of the term, with a particular interest being shown by J.S. Mill. He used it 3 times in several newspaper articles written in 1823, 6 times in various papers and articles written between 1826 and 1844, 4 times in *A System of Logic* (1843), 3 instances in the essays collected in J.S. Mill, *Essays on Some Unsettled Questions of Political Economy* (1844), once in *On Liberty* (1859), and 17 times in *Principles of Political Economy* (1848, 1871).

A summary of other English language users of the term is:

1. Thomas Robert Malthus, *An Essay on the Principle of Population* (1st edition. 1798; revised and expanded edition of 1836) with 3 instances
2. Richard Whately, *Introductory Lectures on Political Economy* (1831) with 4 instances
3. Jeremy Bentham, various writings not published until 1838-43 by Bowring, such as *Manual of Political Economy* and *Essay on Logic*, with 4 instances
4. John Ramsay McCulloch, *A Review of Definitions in Political Economy* (1827) with 4 instances, and *The Principles of Political Economy* (1843) with 4 instances
5. Nassau William Senior, *Political Economy* (1850) with 4 instances
6. John Elliot Cairnes, *The Character and Logical Method of Political Economy* (1861) with 8 instances
7. William Edward Hearn, *Plutology* (1863) with 1 instance

Seeing the gaps in the concept - "ceteris non paribus"

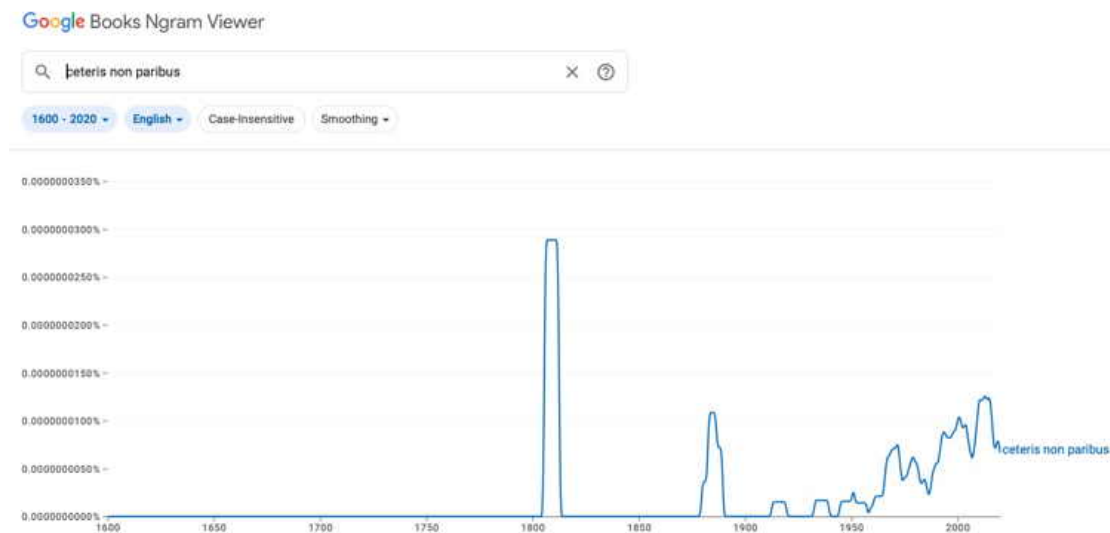
It should be noted here that a handful of political economists went beyond the rather perfunctory, standard use of the term in order to explore some of its weaknesses and gaps in its capacity to explain complex economic

phenomena, or in other words when "ceteris non paribus" (when other things were not equal"). For example, J.S. Mill made some very important observations about the occasions when *ceteris paribus* did not work as expected because of the existence of "disturbing causes/effects" but without mentioning it by name, in "On the Definition of Political Economy" (1836, revised and republished in 1844); or in *A System of Logic* (1843) where he discusses at length the "fallacies of misobservation" which prevented people from seeing all the factors involved in economic phenomena.

This concern with "disturbing factors" or "things which were not seen or foreseen" was also shared by J.B. Say (*Cours*, 1828) and particularly Bastiat who made it an important part of his theory of "economic harmony" (or in this case lack thereof) in his treatise of 1850.

This will be explored in more detail in this paper below.

Side note: Just for a joke I did an Ngram search for "ceteris non paribus" in English language texts and came up with this surprising result:



3. CETERIS PARIBUS AND THE "NATURAL LAWS OF ECONOMICS" ↩

The chain of cause and effect

A key assumption behind the notion of CP was that the same cause would have the same effect regardless of the time or place of its occurrence. It was sometimes expressed as a "chain of cause and effect". Thus it was "universal" and, in the language of the late 18th century when economic ideas were being developed, was a kind of "natural law of economics" comparable to the "natural laws of physics" such as the law of gravitation as elaborated by Isaac Newton and Laplace.

Note: However a distinction needs to be made here between "natural law IN economics" and the "natural laws OF economics." The former is the application of natural law and natural rights theory to economic affairs, namely the idea that property rights, the respect for individual rights to self and person, and respect for contracts etc. be applied and upheld in economic activity as in other fields; whereas the latter is the notion that natural laws govern the operation of economic activity which can either be deduced from first principles or are the result of observation of economic activity. In this paper the latter is the subject of my discussion, although it must be kept in mind that many late 18th and early 19th century political economists believed in both kinds of "natural law".

To return to the idea that there was a universally true "chain of cause and effect" which was observable in economic activity, this was expressed quite clearly by both Say and Mill.

For example, J.B. Say in *Cours complet d'économie politique* (1828) [9] notes that "des causes toujours suivies des mêmes effets" (causes always followed by the same effects) and "**la chaîne des événements**, qui nous montre que nous considérons les événements comme des chaînons qui se rattachent les uns aux autres" (a chain of events which demonstrates that we (should) consider events as links of a chain which are attached one to another). [10] And "Il y a encore ici des lois qui veulent que les mêmes causes, dans des circonstances pareilles, soient **suivies des mêmes effets**." (Here there are also laws which require that the same causes, in similar circumstances, be followed by the same effects). [11]

J.S. Mill argues similarly but in much greater depth in *A System of Logic* (1843) where he talks about "links in the chain of causation" [12] the study of which can result in what he calls a "law of nature": [13]

It is the nature of casual combinations to produce a repetition of the same event, as often and no oftener than any other series of events. But it is the nature of general causes to reproduce, in the same circumstances, **always the same event**. Common sense and science alike dictate that, all other things

being the same, we should rather attribute the effect to a cause which if real would be very likely to produce it, than to a cause which would be very unlikely to produce it.

And: [14]

We have it, for example, in a case of causation in which there has been an *experimentum crucis*. If an antecedent A, superadded to a set of antecedents in all other respects unaltered, is followed by an effect B which did not exist before, A is, in that instance at least, the cause of B, or an indispensable part of its cause; and if A be tried again with many totally different sets of antecedents and B still follows, then it is the whole cause. If these observations or experiments have been repeated so often, and by so many persons, as to exclude all supposition of error in the observer, a **law of nature is established**;

Complexity and the plurality of Causes

Mill also has extended discussions of "the law of cause and effect" (4 instances), "the law of causation" (52), and "the law of causality" (6) which I cannot go into here. What is relevant for a discussion of "ceteris paribus" is where these "laws" of cause and effect break down into mere "tendencies" or apparent contradictions of what were considered to be "laws". This is the result, Mill believes, of the "complexity" introduced when there are on the one hand a "plurality of causes" or a "composition of causes" (one cause layered above another) or "concurrent causes", or on the other hand "the mutual interference of causes".

A special category of causes which both Mill and Bastiat discussed were "disturbing causes" / "des causes perturbatrices" which weakened the effectiveness of CP as an analytical tool because they were not taken into account by economists and thus broke the "chain of cause and effect".

Another category of missing causes were those which were literally "not seen" by the observer. Mill organised these missing causes under the category of "fallacies of non-observation" (also termed "misobservation, mal-observation" or just things "overlooked") to which he devoted a 100 page section of *A System of Logic* to this problem. [15] Similarly for Bastiat. He made a distinction between "ce qu'on voit" ("what is seen" or "the seen") and "ce qu'on ne voit pas" ("what is not seen" or "the unseen") to which he devoted an entire book *Ce qu'on voit et ce qu'on ne voit pas* in 1850. [16]

The Natural Laws of Economics

Mill's Laws of Economics

Mill's *System of Logic* consists of much Benthamite categorization of the different types of "causes" and their effects, and the different kinds of laws which are the result. In brief Mill distinguished between "laws of nature" (such as temperature, pressure, gravitation, tides, chemical reactions); "laws of human nature", "laws of mind", and "laws of human action" concerning how people think, react to the world around them, and are often misled by false thinking or observation; and "laws of the social science" of which economics was only one part.

Mill is more explicit about what laws specifically applied to political economy in his treatise *Principles of Political Economy* (1848, 7th edition. 1871). Here he talks about "laws of value", "laws of price", "laws of production and distribution", "laws of rent", and "laws of interchange / exchanges". More general laws of economics (or perhaps sociology) included "the economical laws of a stationary and unchanging society" and "the laws of the movement (of society)." These "laws" are well known so I will not discuss them here.

Less well known are the ideas of his French contemporaries Frédéric Bastiat (1801-1850) and Gustave de Molinari (1819-1912).

Bastiat and "les grandes lois économiques" (the great laws of economics)

Like most economists writing in the mid-nineteenth century, Bastiat believed that the economic world was governed by economic laws which were just as obligatory to follow as Newton's famous "law of gravitation." This belief was a lynch-pin of the Physiocratic school as articulated by François Quesnay whom both Bastiat and Molinari quoted, sometimes on the title page of their books. In his essay "Le droit naturel" (Natural Law) (1765) Quesnay stated that : [17]

Il faut bien se garder d'attribuer aux lois physiques les maux qui sont la juste et inévitable punition de la violation de l'ordre même de ces lois, instituées pour opérer le bien.

It is necessary to refrain from attributing to the physical laws which have been instituted in order to produce good, the evils which are the just and inevitable punishment for the violation of this very order of laws.

The most explicit advocate of this point of view was Bastiat's close friend and colleague Gustave de Molinari (1819-1912) who wrote a book in mid-1849 (while Bastiat was writing the first volume of HE) called *Les Soirées de la rue Saint-Lazare: Entretiens sur les lois économiques et défense de la propriété*, the sub-title of which reads "discussions about the laws of economics and the defense of property rights." [18] Forty years later Molinari would return to this topic and published two more books: one entirely devoted to the topic *Les Lois naturelles de l'économie politique* (The Natural Laws of Political Economy) (1887) and another with a substantial section dealing with the topic *La Morale économique* (Economic Moral Philosophy) (1888). [19]

Molinari thought the world was governed by three sets of interlocking natural laws, the natural laws of the physical world, such as "la loi de la gravitation" (the law of gravitation), "les lois naturelles" (the natural laws) of the moral and social world, such as justice, property, and utility, and six "lois économiques" (economic laws). These "natural laws of economics" governed the operation of the economy and which could not be ignored with impunity by individuals or by governments. They were:

1. "la loi naturelle de l'économie des forces ou du moindre effort" (the natural law of the economising of forces, or of the least effort)
2. "la loi naturelle de la concurrence" (the natural law of competition) or "la loi de libre concurrence" (the law of free competition)
3. "la loi naturelle de la valeur," sometimes also expressed as "la loi de progression des valeurs" (the natural law of value, or the progression of value) to their "natural value" or cost of production.
4. "la loi de l'offre et de la demande" (the law of supply and demand)
5. "la loi de l'équilibre" (the law of economic equilibrium) - which is Molinari's version of Bastiat's theory of Harmony
6. "Malthus' law of population growth"

Bastiat shared Molinari's view about the existence and importance of these economic laws, especially the idea that one of the great injustices the economists had to face was the blame socialists and others placed on the free market for causing problems which were in fact the result of people not heeding these economic laws or ignoring the fact that various "des causes perturbatrices" (disturbing factors) prevented the laws of economics from functioning as they should.

More specifically Bastiat thought there were several sets of "les grandes lois" (great laws) which governed the world, and half a dozen of so laws which were more relevant to political economy. In the "great law" category were:

1. les grandes lois de la nature (the great laws of nature or natural laws) - HE Chap. X Concurrence, p. 325 [Online](#) and Conclusion to HE1, p. 328 [Online](#).
2. les grandes lois providentielles (the great laws of providence) - HE A la jeunesse franchise, pp. 7-8 [Online](#) and HE Chap. VII Capital, p. 211 [Online](#).
3. les grandes lois sociales (the great laws of society) - Lettre à M. de Lamartine (Feb. 1845) [Online](#).
4. "les grandes lois économiques" in HE Conclusion to part 1, p. 333 [Online](#) or "les grandes lois du monde économique" (the great economic laws, or the great laws of the economic world) in HE Chap. XIV Des salaires, p. 401 [Online](#).

Under the category of "great economic laws" were :

1. la grande loi de la concurrence (the great law of competition) - in Lettre à M. de Lamartine (Feb. 1845) [Online](#) and HE Chap. X Concurrence, p. 316 [Online](#)
2. la grande loi économique : Les services s'échangent contre des services (that services were exchanged for other services) - in "Propriété et Spoliation" (24 July, 1848) [Online](#).
3. la grande loi du Capital et du Travail, en ce qui concerne le partage du produit de la collaboration, est déterminée. Chacun d'eux a une part *absolue* de plus en plus grande, mais la part *proportionnelle* du Capital diminue sans cesse comparativement à celle du Travail (that each party receives a greater and greater absolute share (of wealth), but the proportional share of capital steadily decreases compared to that of labour's) - in HE Chap. VII Capital, p. 209 [Online](#).
4. la grande loi : le bien glisse sur le producteur pour aller s'attacher au consommateur (benefits "slip through the hands" of producers (or flow on to) and attach themselves (or end up in the hands of) the consumer) - in HE Chap. XIV Des salaires, p. 375 [Online](#).
5. cette grande loi que je prétends être celle des sociétés humaines : l'égalisation graduelle des individus et des classes combinée avec le progrès général (this great law of human society that there is a gradual equalization (of the standard of living) of both individuals and classes, which is combined with the general progress (of society)) - in HE Chap. XI Producteur - Consommateur, p. 341 [Online](#).
6. cette grande loi, que les populations se mettent au niveau des moyens de subsistance (population is limited by

- the means of subsistence) - in "Discours sur l'impôt des boissons" (12 Dec. 1849) [Online](#).
7. les deux grandes lois de *multiplication* et de *limitation* (de la population) (population tends to grow and also to limit itself) - in HE Chap. XVI De la population, p. 442 [Online](#).
 8. la grande loi de la responsabilité (individuals are self-interested and are responsible for their own actions) - in Lettre à M. de Lamartine (Feb. 1845) [Online](#).
 9. la Concurrence, qui est une des branches de la grande loi de la solidarité humaine (competition is one of the branches of the great law of human solidarity) - in HE Chap. X Concurrence, p. 319 [Online](#)
 10. la grande loi de *solidarité* pour la race humaine (individuals are social creatures and seek out others for mutual benefit and mutual assistance) - in HE Chap. XVI De la population, p. 452, [Online](#).
 11. l'action de ces deux grandes lois corollaires : responsabilité, solidarité (the two great corollary laws: (individual) responsibility) and (social) solidarity) - in Lettre à M. de Lamartine (Feb. 1845) [Online](#)

Conclusion

The relevance of the existence of Natural Laws of Economics to these 19th century economists was that they were a "codification" if you like of their understanding of the "chain of cause and effect" which made sense of economic activity and made it possible to use CP as any analytical tool. Only if causes and their effects were fixed by law did it make sense to predict what might happen if one cause was changed while the others were held constant.

4. SOME EXAMPLES OF THE USE OF CETERIS PARIBUS IN FRENCH AND ENGLISH ECONOMIC THOUGHT ↩

A Sample of Other / Minor Figures' uses of CP

[to add]

J.S. Mill's Use of CP

Pre-John Stuart

It seems appropriate before looking at J.S. Mill's use of CP to look at how those who had the most influence on him, Jeremy Bentham and his father James Mill, used the term.

To begin with Bentham, in *Manual of Political Economy* (written 1790-95, 1st published 1838?? but probably known to both James and John Stuart Mill) in the chapter on Wealth he states: [\[20\]](#)

§ 5.: Axioms applying to Equality,* in respect of wealth.

I. Case or state of things the first.—The quantities of wealth in question, considered as being in a quiescent state, actually in the hands of the two parties in question: neither entering into, nor going out of the hands of either.

1.) **Cæteris paribus**,—to every particle of the matter of wealth corresponds a particle of the matter of happiness. Accordingly, thence,

2.) So far as depends upon wealth,—of [229] two persons having unequal fortunes, he who has most wealth must by a legislator be regarded as having most happiness.

In his "Essay on Logic" (1838??) in a discussion of general well-being he states: [\[21\]](#)

The field of art and science is capable of extension, and is continually receiving it; and the greater the extension it receives, the greater, there seems reason to believe—the greater **cæteris paribus**—is the quantity of well-being possessed by the aggregate of mankind. Of no such property as extension in particular parts is a sphere susceptible;—if it be so extended it ceases to be spherical.

Turning to his father, James Mill, in his article on "Beggary" for the *Supplement of the Encyclopaedia Britannica* (1824) he discusses the impact on employment by war expenditure: [\[22\]](#)

Of all the causes of beggary, war may undoubtedly be assumed as one of the most extraordinary. We have already seen in what manner the people converted by it into soldiers swell the ranks of mendicity; but this is only a small part of the deplorable effects. It brings the condition of the whole of the labouring mass down nearer to the mendicant level; and, of course, a new and additional portion down to it altogether. This it does by the consumption which it produces. Exactly in proportion as money is spent upon war, exactly in that proportion is the means of employing labour, that is, of buoying up the condition of the people, destroyed; exactly in that proportion must the people, **cæteris paribus**, sink. These are conclusions which may be regarded as scientific, and which will never be called in dispute except by those who are ignorant of the subject. It is not impossible

for war to be accidentally accompanied with circumstances which counter-balance this tendency, even in respect to wealth; but this is exceedingly rare. The great men very often gain by war: the little almost always lose.

Early references in the 1820s and 1830s

In comparison to his father J.S. Mill used the term many times, some early references were not strictly economic but they became increasingly so later in his career. He used it 3 times in several newspaper articles written in 1823, 6 times in various papers and articles written between 1826 and 1844, 4 times in *A System of Logic* (1843), 3 instances in the essays collected in J.S. Mill, *Essays on Some Unsettled Questions of Political Economy* (1844), once in *On Liberty* (1859), and 17 times in *Principles of Political Economy* (1848, 1871).

In some newspapers articles written early in his career in 1823 he used the term in relation to the quality of evidence given in court after having taken an oath: [23]

"Yet we do not find that, **ceteris paribus**, [15] less reliance is to be placed on the oaths of one set of religionists, than of another."

Or the quality of a judge regarding abuses of judicial power: [24]

And if there is no particular reason for removing him, there is always this reason against it, that the experience which he has acquired in the exercise of his office, gives him (**ceteris paribus**) an advantage over any unpractised candidate."

Yet there are also references with an economic connection which are a foretaste of what was to come later, such as the connection between the amount of labour expended producing it and its price ("value"): [25]

When we say that value depends upon labour, we mean, that according as the quantity of labour expended in producing a commodity is increased or diminished, **ceteris paribus**, its value rises or falls .

And the relationship between the skill of artisans and the wealth of a nation from an essay written 1829-30: [26]

Further, if we adopted the above definition, we should be obliged to say that a nation whose artisans were twice as skilful as those of another nation, was not, **ceteris paribus**, more wealthy; although it is evident that every one of the results of wealth, and everything for the sake of which wealth is desired, would be possessed by the former country in a higher degree than by the latter.

And on the economic benefits of having commodities produced close to where the consumers live, in "Of the Influence of Consumption on Production", Essay II in *Some Unsettled Questions of Political Economy*:

The reason why towns exist, is that **ceteris paribus** it is convenient, in order to save cost of carriage, that the production of commodities should take place as far as practicable in the immediate vicinity of the consumer.

In an essay on "The Currency Juggle" (1833) he uses the term in a discussion of the depreciation of currency by overissue, especially in order to lower the amount of state debt: [27]

Several times, indeed, since paper credit existed, governments or public bodies have got into their hands the power of issuing a paper currency, without the restraint of convertibility, or any limitation of the amount. The most memorable cases are those of Law's Mississippi scheme, the Assignats, and the Bank Restriction in 1797. On these various occasions a depreciation did in fact take place; but the intention was not professed of producing one, nor were its authors in the slightest degree aware that such would be the effect. The important truth, that currency is lowered (**ceteris paribus**) in value, by being augmented in quantity, was known solely to speculative philosophers, to Locke and Hume. The Practicals had never heard of it; or if they had, disdained it as visionary theory.

In A Spirit of Logic (1843)

In his large, two volume work on *A Spirit of Logic* (1843) there are only 4 direct references to CP but several more where the concept is discussed but the term not used. Two references are to the formation of dew (thus a scientific use of the term), [28] and two are references to more general matters, such as this one on how best to study certain phenomena: [29]

For every phenomenon is best studied (*cæteris paribus*) where it exists in the greatest intensity. It is there that the effects which either depend on it, or depend on the same causes with it, will also exist in the greatest degree. It is there, consequently, and only there, that those effects of it, or joint effects with it, can become fully known to us, so that we may learn to recognise their smaller degrees, or even their mere rudiments, in cases in which the direct study would have been difficult or even impossible.

A good example of his discussion of the concept of CP but not mentioning it by name is the following passage which refers explicitly to economic matters: [30]

Political Economy, as I have said on another occasion, concerns itself only with "such of the phenomena of the social state as take place in consequence of the pursuit of wealth. ... The science then proceeds to investigate the laws which govern these several operations ... When an effect [ii-495] depends on a concurrence of causes, these causes must be studied one at a time, and their laws separately investigated, if we wish, through the causes, to obtain the power of either predicting or controlling the effect; since the law of the effect is compounded of the laws of all the causes which determine it. ... In order to judge how he will act under the variety of desires and aversions which are concurrently operating upon him, we must know how he would act under the exclusive influence of each one in particular. ... The political economist inquires, what are the actions which would be produced by this desire, if within the departments in question it were unimpeded by any other. In this way a nearer approximation is obtained than would otherwise be practicable to the real order of human affairs in those departments. This approximation has then to be corrected by making proper allowance for the effects of any impulses of a different description, which can be shown to interfere with the result in any particular case.

In Principles of Political Economy (1848)

Both the 1848 and 1871 editions of PPE have 17 references to CP. They range from:

1. a comparison of the relative productiveness of clergymen and missionaries and "agriculturalists and manufacturers" [31]
2. the benefits of "natural advantages" a society might find itself (climate, resources, etc) [32]
3. the relative productiveness of "small cultivation" vs. large [33]
4. the inverse relationship between the "produce of land" and the amount of labour used to cultivate it [34]
5. the claim of more distant relatives to the family for assistance in time of hardship [35]
6. the wage differential in trades where the wife and children assist the worker and those that do not [36]
7. the difference in productivity of grass vs. stall-feeding of animals [37]
8. the impact on prices of a foreigner entering the country and purchasing goods [38]
9. the impact on prices on an increase in demand for foreign commodities [39]
10. the benefits of foreign trade to rich countries [40]
11. the amount of bullion gained by countries which export "fine manufactures" compared to those which export "bulky raw produce" [41]
12. the connection between the price of land and the rate of interest [42]
13. the relationship between the demand for food and its cost of production [43]
14. the relationship between price of agricultural products and rent [44]
15. on the relative burden of taxes if one person pays less than "his fair share" [45]
16. the preference for custom-duties vs. excise as a form of taxation [46]
17. the relationship between the cost for a country of prohibiting some foreign imports and not others [47]

The full paragraph in which these references were made can be found in the Appendix.

Two of the examples in particular caught my eye, which I quote at greater length:

- 1.) on the difference in productivity of grass vs. stall-feeding of animals [48]

But when natural pasture is fit for the plough, a greater number of cattle than were supported on the whole, may be supported on a part, by laying it out in roots and artificial grasses ; and it is well known that on the stall-feeding system there is much greater preservation of manure. The question of *petite culture*, in relation to cattle, is, in fact, one and the same with the question of stall-feeding. The two things must stand or fall together. Stall-feeding produces, *ceteris paribus*, a greater quantity of provisions, but in the opinion of most judges a lower quality. Experience must decide.

- 2.) on the relative productiveness of clergymen and missionaries and "agriculturalists and manufacturers" [49]

To a religious person the saving of a soul must appear a far more important service than the saving of a life ; but he will not therefore call a missionary or a *clergyman* productive

labourers, unless they teach, as the South Sea Missionaries have in some cases done, the arts of civilization in addition to the doctrines of their religion. It is, on the contrary, evident that the greater number of missionaries or clergymen a nation maintains, the less it has to expend on other things; while the more it expends judiciously in keeping agriculturists and manufacturers at work, the more it will have for every other purpose. By the former it diminishes, *cæteris paribus*, its stock of material products ; by the latter, it increases them.

In On Liberty (1859)

There is only one reference to CP in *On Liberty* (1859) and it occurs in a discussion of free trade. [50] Since "trade is a social act" it does not, in Mill's view, rest on the same grounds as "the principle of individual liberty" where "restraints" on individual activity are considered to be wrong in principle and thus to be avoided by the state. This passage is a good illustration of the quite moderate liberalism of J.S. Mill, compared to the more radical (and I would say more consistent liberalism of his contemporaries Frédéric Bastiat and Herbert Spencer). He cloaks his justification for state restrictions on trade in CP terms:

Such questions involve considerations of liberty, only in so far as leaving people to themselves is always better, *cæteris paribus*, than controlling them: but that they may be legitimately controlled for these ends, is in principle undeniable.

The full quotation from which this quote is taken can be found in the Appendix.

Bastiat's use of CP

Pre-Bastiat uses of CP - JB Say

[to add]

Bastiat

Bastiat used the term CP 5 times and its French equivalent "toutes choses égales d'ailleurs" (TCED) 12 times, for a total of 17 instances (in one passages he used both terms). His first use of "toutes choses égales d'ailleurs" occurred in April 1834 in a memo on the Customs Service in a discussion criticizing regulations and discriminatory taxes (octroi) concerning where the distillation of wine should take place, whether in the countryside where the wine was produced or in Paris where it is consumed; [51] and his first use of "ceteris paribus" occurred in November 1846 in a letter to the editors of *La National* newspaper concerning the impact of "good" and "bad" taxes on the economy. [52] There are half a dozen uses of the term in *Economic Harmonies* (1850, 1851).

A typical example is from his article on "Competition" from May 1846 which also appeared as a chapter in his treatise *Harmonies économiques* in early 1850: [53]

Toutes choses égales d'ailleurs. il y a plus de profits aux travaux dangereux qu'à ceux qui ne le sont pas; aux états qui exigent un long apprentissage et des déboursés longtemps improductifs, ce qui suppose, dans la famille, le long exercice de certaines vertus, qu'à ceux où suffit la force musculaire; aux professions qui réclament la culture de l'esprit et font naître des goûts délicats, qu'aux métiers où il ne faut que des bras. Tout cela n'est-il pas juste? Or la concurrence établit nécessairement ces distinctions : la société n'a pas besoin qu'un Fourier ou un père Enfantin en décident.

All other things being equal. moreover, there is more profit in dangerous projects than in ones that are not, in trades that require long apprenticeships, and outlays that are unproductive for long periods of time, which assumes the long-term exercise within the family of certain virtues, than in trades where physical strength is all that is needed, or in occupations that require development of the mind and give rise to refined tastes than in those that just require manual labor. Is all this not just? Well, *competition* of necessity establishes these distinctions; society does not need a Fourier or a father-figure like Enfantin to decide this.

A full list of Bastiat's use of the terms follows:

1. TCED - in a discussion criticizing regulations and discriminatory taxes (octroi) concerning where the distillation of wine should take place, whether in the countryside where the wine was produced or in Paris where it is consumed; also taxes imposed on bulk wine vs. distilled spirits entering city of Paris. In "Réflexions sur les pétitions de Bordeaux, Le Havre, et Lyon concernant les Douanes" (Reflections on the Petitions from Bordeaux, Le Havre, and Lyons Relating to the Customs Service) April 1834. [54]
2. TCED - he argues that the lowering of British tariffs will not necessarily lead to greater sales of French butter in England unless the French also cut their tariffs and taxes to keep costs down and make their goods competitive. In "Lettre au rédacteur du *Journal des Débats*. Première lettre" (First Letter to the Editor of the

Journal des débats), *Journal des Débats*, 2 mai 1846. [55]

3. TCED - that free competition reveals to people that more dangerous work is higher paid than less dangerous work; and that high-level skills which require a longer period of training will be more highly paid than lower level skills ; they don't need central planners like Fourier and Enfantin (in this earlier version) p. 395; or Fourier and Louis Blanc in later HE version, p. 315. In "De la concurrence," (On Competition), JDE, Mai 1846, T. XIV, pp. 106-122. and HE X. Concurrence [56]
4. TCED - in a discussion of society being a "vaste bazar" for the exchange of mutually beneficial "services"; the rarity of one's service increases the price one can get in return. In "Deuxième discours, à Paris" (Second Speech given in the Montesquieu Hall in Paris) (salle Montesquieu, 29 septembre 1846). [57]
5. CP - in a discussion of the difference between "bons impôts" (good taxes) and "mauvais impôts" (bad taxes), where the former is recognized by the tax payer as providing a service which is greater than than or at least equal to the "sacrifice" (cost) he makes. Eg. taxes used to build a canal which lowers transport costs for the entire nation vs. the bad tax on domestically produced iron. In "Aux rédacteurs du *National* (2) (To the Editors of *Le National* (2)) *Courrier français*, 11 novembre 1846. [58]
6. TCED - on the relationship between the well-being of the working class and the abundance of capital. In "Peuple et Bourgeoisie" (The People and the Bourgeoisie), *Libre-Échange*, 22 May 1847 [59]
7. TCED - if one nation has double the amount of stuff of another nation the former will be twice as wealthy. In ES2 V. Cherté, bon marché (late 1847). [60]
8. TCED - the assumption that the costs of a small government administration and that of a large administration would be the same. In ES2 XII. Le sel, la poste et la douane (late 1847) [61]
9. TCED - on why having more money won't necessarily make you better off. In "Maudit argent" (Damned Money), *Journal des Économistes*, 15 Avril 1849, T. 23, no. 97, pp. 1-20. Published as book or pamphlet: Bastiat, *L'État. Maudit argent!* (Paris: Guillaumin, 1849). [62]
10. CP - on the different value of the service of proving a glass of water in the Pyrenees vs. one in the Sahara. In the pamphlet, *Capitale et rente* (Paris: Guillaumin, 1849). [63]
11. both CP and TCED - on the assumption that the justice of creating abundance is the same as the justice in distributing it. In the article written in 1850 but published posthumously "Abondance", *Dictionnaire de l'économie politique* (Paris: Guillaumin, 1852), vol. 1, pp. 2-4. [64]
12. TCED - on the relationship between greater wealth and greater population. In HE A la jeunesse française (early 1850). [65]
13. TCED - on the relationship between the value of a service and the difficulties one would face in providing it oneself. In HE V. De la Valeur (early 1850). [66]
14. CP - on rejecting the idea that the services provided by agricultural production are of higher value than the services provided by any other means. In *Harmonies économiques* (1851) chap. IX. Propriété foncière [67]
15. TCED - on the relationship between increasing demand for a service and those who are able to provide that service. In HE XVII. Services privés, service public (1850). [68]
16. CP - on the relationship between population density and the increase in the division of labour and greater wealth and productivity. In a letter from Eaux-Bonnes, 3 juillet 1850. A M. de Fontenay [69]

See the Appendix for the full quotes.

5. THE PROBLEM OF "DISTURBING CAUSES" ↔

Those handful of economists who thought more deeply about CP realized that the "chain of cause and effect" which existed because of the the operation of the numerous "natural laws of economics" listed above sometimes did not seem to work as predicted. This could be the result of an incomplete understanding of what NLEs existed and how they operated (in other words that there were more NLEs to be discovered and understood), or that there were so many causes / factors at work that it was too complex for the CP "pound" to isolate each one so that its effects could be understood, or that there were "disturbing factors" at work which temporarily interfered with the operation of the NLEs, or the economists had been misled by their false understanding of how the economy works due to their acceptance of economic "fallacies".

The two economists who took the most interest in these problems were J.S. Mill and Frédéric Bastiat.

J.S. Mill's Theory of "Disturbing Causes"

Introduction

Mill addressed this problem in some detail in his early essay "On the Definition of Political Economy" (1836, 1844) in which there were 14 references to "disturbing" and 12 references to "complex".[70] He returned to the

problem in *A System of Logic* (1843) in which there were 7 explicit references to "disturbing" but, just as important, many references to complexity, the "plurality of causes" (19), "concurrent causes" (8), "composition of causes" (25), "opposing causes" (1), and "the mutual interference of causes" (2). [see above for a discussion of complexity.] In his treatise *Principles of Political Economy* (1848) he is less interested in methodological problems and his references to "disturbing" factors and complexity in this sense fall away as a result. He discusses some "complex" cases such as trade and money, but only passing references to "the complexity of concrete phenomena" [71] and "the complex entanglement of circumstances" [72] but does not take the matter any further. The same is true for "disturbing" where there are 2 references to "disturbing causes" [73] and [74] and 2 to "disturbing influence" [75] and [76] which are mentioned only in passing with no further analysis.

Disturbing Causes in "On the Definition of Political Economy" (1836)

Mill's most detailed discussion of "disturbing causes" occurs in a 5 page section of his essay "On the Definition of Political Economy" (1836). [77] Just previous to this (pp. 145-49) he had been discussing the limitations of the *à posteriori* or experimental method (also what he called "the chemical method" [78]) for the "philosophical investigation in the moral sciences" given the difficulty perhaps impossibility of conducting experiments in one's laboratory as one can in chemistry and physics (natural philosophy). This is due he believes to "the immense multitude of the influencing circumstances" (in other words, the complexity of social and economic events) and "our very scanty means of varying the experiment" (i.e. we have limited access to a "pound"). The solution to the problem he argues is for the economist to adopt the *à priori* method or what he also terms "abstract speculation", of which CP was an important tool.

In the passage mentioned above (pp. 150-52) [79] he details how the political economist might go about analyzing "a particular case". First, one has to understand the relevant "law" which governs that case; secondly, to investigate "what other circumstances may exist in that case", what he calls "disturbing causes", which may or may not be governed by a recognized "law"; and thirdly, to be "quite sure" that one has not "overlooked" other pertinent facts or been misled by "fallacious thinking". The end result of this method of investigation is that the economist might come to realize that "disturbing causes have their (own) laws" which then need to be incorporated into the bigger "abstract science" which is political economy and which now, with this "supplementary theorem", will be able to understand and explain a "more complex combination of circumstances".

It should be noted here that Mill has a very similar concept to that of Marshall's "pound", namely "the pale" of economic science. New "causes" which have certain "effects" are first understood by being placed in temporary isolation outside the fence or "pale", studied carefully, and then "brought within the pale of the abstract science" as a "supplementary theorem" or even a new "law".

Here is the full quote of this important section:

When the principles of Political Economy are to be applied to a particular case, then it is necessary to take into account all the individual circumstances of that case; not only examining to which of the sets of circumstances contemplated by the abstract science the circumstances of the case in question correspond, but likewise what other circumstances may exist in that case, which not being common to it with any large and strongly-marked class of cases, have not fallen under the cognizance of the science. These circumstances have been called *disturbing causes*. And here only it is that an element of uncertainty enters into the process—an uncertainty inherent in the nature of these complex phenomena, and arising from the impossibility of being quite sure that all the circumstances of the particular case are known to us sufficiently in detail, and that our attention is not unduly diverted from any of them.

This constitutes the only uncertainty of Political Economy; and not of it alone, but of the moral sciences in general. When the disturbing causes are known, the allowance necessary to be made for them detracts in no way from scientific precision, nor constitutes any deviation from the *à priori* method. The disturbing causes are not handed over to be dealt with by mere conjecture. Like *friction* in mechanics, to which they have been often compared, they may at first have been [151] considered merely as a non-assignable deduction to be made by guess from the result given by the general principles of science; but in time many of them are brought within the pale of the abstract science itself, and their effect is found to admit of as accurate an estimation as those more striking effects which they modify. The disturbing causes have their laws, as the causes which are thereby disturbed have theirs; and from the laws of the disturbing causes, the nature and amount of the disturbance may be predicted *à priori*, like the operation of the more general laws which they are said to modify or disturb, but with which they might more properly be said to be concurrent. The effect of the special causes is then to be added to, or subtracted from, the effect of the general ones.

These disturbing causes are sometimes circumstances which operate upon human conduct through the same principle of human nature with which Political Economy is conversant, namely, the desire of wealth, but which are not general enough to be taken into account in the abstract science.

Of disturbances of this description every political economist can produce many examples. In other instances the disturbing cause is some other law of human nature. In the latter case it never can fall within the province of Political Economy; it belongs to some other science; and here the mere political economist, he who has studied no science but Political Economy, if he attempt to apply his science to practice, will fail. [11]

[152]

As for the other kind of disturbing causes, namely those which operate through the same law of human nature out of which the general principles of the science arise, these might always be brought within the pale of the abstract science if it were worth while; and when we make the necessary allowances for them in practice, if we are doing anything but guess, we are following out the method of the abstract science into minuter details; inserting among its hypotheses a fresh and still more complex combination of circumstances, and so adding *pro hęc vice* a supplementary chapter or appendix, or at least a supplementary theorem, to the abstract science.

Disturbing Causes in A System of Logic (1843)

There were 7 explicit references to "disturbing" ("disturbing cause" (2), "disturbing force" (2), and "disturbing effect" (2)) but, just as important, many references to complexity, the "plurality of causes" (19), "concurrent causes" (8), "composition of causes" (25), "opposing causes" (1), and "the mutual interference of causes" (2). See above for a discussion of Mill's thoughts on the complexity of causes.

For both Mill and Bastiat the work of astronomers like La Place stimulated them to think about "disturbing forces" in economics. [80] Laplace observed "disturbances" in the orbit of the planets which forced them to move out of their perfect elliptical paths. He was able to explain these disturbances mathematically which suggested that the law of gravitation was not being "violated" but that additional factors had to be taken into account (such as the existence of other massive objects in addition to the sun) in order to explain their motion through space. In other words, there were more complex forces at work and these forces also operated under "laws" which could be observed and described. Similarly they thought in the complex realm of political economy with its "plurality", "concurrent", "opposing", and "interfering" causes.

A key passage occurs in a discussion of the fact that "laws of causation" can at times be "counteracted" by other forces, which suggests to Mill that a better word to use is "tendency", that there is "a tendency to the particular effect with which the science is conversant" and not an inevitable effect. By neglecting the concept of "tendency" theorists were misled into believing that these "laws" had "exceptions." Mill's alternative explanation was that there were in fact "two laws" which operated together in order to bring about "a common effect", one law was "conspicuous" and thus more studied and better known, the other was "less conspicuous". Mill called the latter "the disturbing force" which acted as "a modifying cause" of the end result or effect. As he put it: [81]

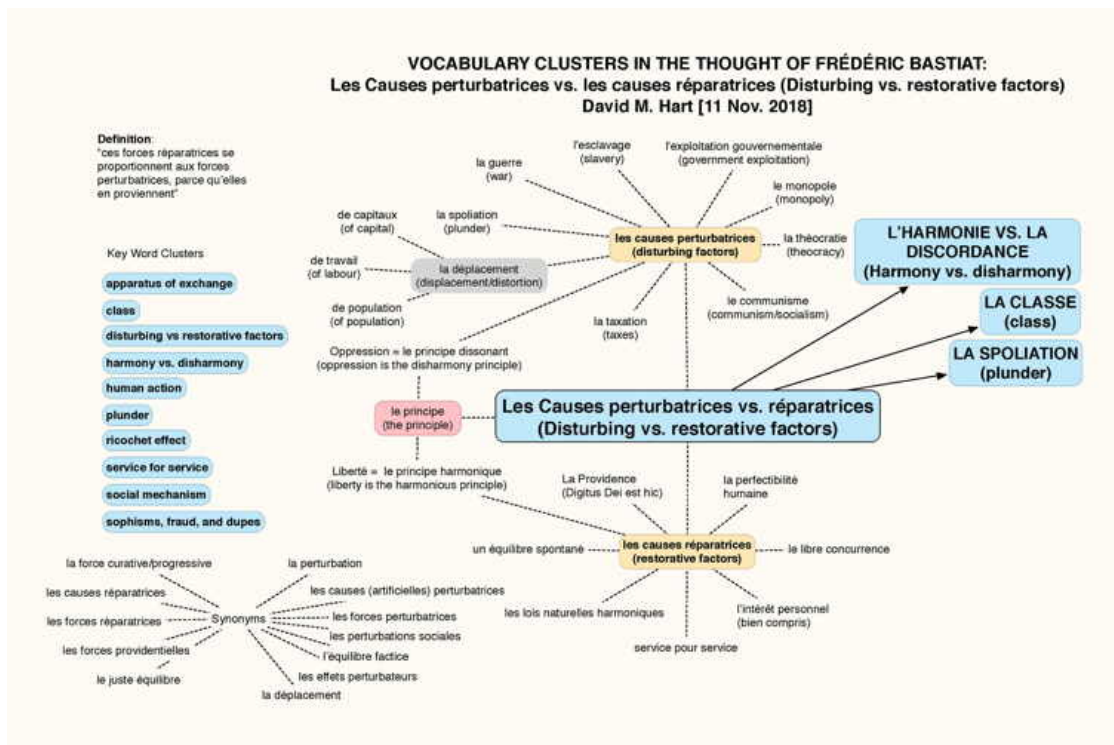
There are not a law and an exception to that law, the law acting in ninety-nine cases, and the exception in one. There are two laws, each possibly acting in the whole hundred cases, and bringing about a common effect by their conjunct operation. If the force which, being the less conspicuous of the two, is called the *disturbing* force, prevails sufficiently over the other force in some one case, to constitute that case what is commonly called an exception, the same disturbing force probably acts as a modifying cause in many other cases which no one will call exceptions.

Conclusion

The result of the existence of "disturbing causes" was that the principle of CP had to be used with some caution. Theorists could not necessarily assume that they knew all the causes or laws that were at work, the "chain of cause and effect" was not broken, and that they would be able to put one or two of them into "the pound" where they would remain unchanged "while all about them" things would change. This method might work for simple cases but it was a less reliable tool to use where complexity and changing circumstances were more the rule.

Bastiat's Theory of "Disturbing Causes" (des Causes perturbatrices)

Introduction



Central to Bastiat's economic theory is the idea that, if left unmolested by government intervention or violence by other individuals, human societies have a tendency to follow a path towards economic development which was "pacifique, régulier et progressif" (peaceful, steady, and progressive). [82] He believed that society would reach a "just" and "harmonious" state of equilibrium as a result of the operation of the natural economic laws, which the economists had identified and studied (his are listed above), as well as the behaviour of human beings who had a common and observable nature. Of course, he was aware that societies rarely pursued the peaceful, steady, and progressive path towards economic development without interruption, and this is where his theory of "les causes/forces perturbatrices" (disturbing causes or forces) came into play to explain these deviations from peace and prosperity. Also related to this was his countervailing theory of "les causes/forces réparatrices" (restorative factors or forces) which gradually took effect to move the world back towards its "just" and "harmonious" state.

One source for Bastiat's thinking on this topic came from the mathematical work of Laplace [83] in accounting for the perturbations in the orbits of Saturn, Jupiter, and the moon which seemed to violate the idea of some presumed "l'harmonie céleste" (celestial harmony). In the gravitational tug of war between the planetary giants of Jupiter and Saturn and the smaller objects in space it appeared that the disturbing forces exerted by the giants would pluck the smaller objects from their course and send them crashing into the sun. Laplace's mathematical analysis of these "celestial mechanics" showed that the perturbations oscillated in a predictable way and that "restorative forces" were at work to keep them in orbit. Bastiat applied these Laplacian ideas for the first time to economics in his "Letter to Lamartine" written in February 1845. [84]

Among "les causes/forces perturbatrices" (disturbing causes/forces) which upset the harmony of the free market Bastiat included fallacious and erroneous economic thinking ("l'action perturbatrice de l'ignorance et de l'erreur" (the disturbing action of ignorance and error)[85] as well as several political institutions and economic policies such as war, slavery, theocratic plunder, high and unequal taxes, government regulations, economic privileges, industrial subsidies, and tariffs. As he said in HE chap XVI Population, the disturbing causes which were currently at work in the world had become "vast": [86]

La guerre, l'esclavage, les impostures théocratiques, les privilèges, les monopoles, les restrictions, les abus de l'impôt, voilà les manifestations les plus saillantes de la spoliation. On comprend quelle influence **des forces perturbatrices** d'une aussi vaste étendue ont dû avoir et ont encore, par leur présence ou leurs traces profondes, sur l'inégalité des conditions ; nous essayerons plus tard d'en mesurer l'énorme portée.

This idea of "disrupting causes" was so important that Bastiat intended to devote a chapter to it in his treatise *Economic Harmonies* which was never completed, [87] and an entire volume to follow it on "A History of Plunder" or what have also been entitled with some justification "Economic Disharmonies." [88]

In Bastiat's writings I have found the following uses of the term "perturbation" in its several variations:

- all variations of "perturb??" (76)
- "perturbatrice" - adjective (25)

- "cause perturbatrice" (1) and "causes perturbatrices" (15)
- "force perturbatrice" (0) and "forces perturbatrices" (2)
- "causes artificielles perturbatrices" (1)
- "la perturbation" (22)
- "perturbation sociale (2)" and "perturbations sociales" (2)
- "perturbateur/s" (10) - a person who "disrupts" in a political sense, an agitator

The most importance of these references for our purposes here are the various versions of "cause perturbatrice" - singular (1), "causes perturbatrices" (15), and "causes artificielles perturbatrices" (1)

There are also references to its opposite - "la force réparatrice" (2) or "la force curative" (6) and "vis medicatrix" (8) which I will not discuss here in any detail.

First use

He first began talking about "forces perturbatrices" (disturbing forces) and their opposite "forces réparatrices" or "force curative" (restoring or repairing forces) in the seminal article he wrote in response to Lamartine's defence of the idea of the "right to a job" in February 1845 on the eve of his visit to Paris to meet with the Economists. Bastiat's reply to the charge that workers were unemployed and poor through no fault of their own and "society" had an obligation to assist them, was to argue that they were poor because of the disturbing forces previously introduced by the state into the smooth functioning of the free market through war, tariffs and taxes on food, and restrictions which hampered the growth of industry. Increasing taxes and regulations to help some of the poor would be at the expence of the broader society of workers and consumers and would not solve the original problem caused by high taxes and too many regulations. If these taxes and regulations were cut, Bastiat believed, there were self-correcting mechanisms within the free market system, what he called "les forces réparatrices" (repairing or restorative forces) or "la force curative" (the curative or healing force, often paired with the Latin phrase "vix medicatrix"). [89] driven ultimately by the motive of self-interest, whereby the market would begin to restore economic equilibrium after it had been upset by "les forces perturbatrices" (disturbing forces). As he pointed out to Lamartine: [90]

L'économie des sociétés a eu aussi ses Laplace. S'il y a **des perturbations sociales**, ils ont aussi constaté l'existence de forces providentielles qui ramènent tout à l'équilibre, et ils ont trouvé que **ces forces réparatrices** se proportionnent aux **forces perturbatrices**, parce qu'elles en proviennent. Ravis d'admiration devant cette harmonie du monde moral, ils ont dû se passionner pour l'œuvre divine et répugner plus que les autres hommes à tout ce qui peut la troubler. Aussi n'a-t-on jamais vu, que je sache, les séductions de l'intérêt privé balancer dans leur cœur cet éternel objet de leur admiration et de leur amour.

Political economy also has its Laplaces. They have observed that, when social disturbances appear, there also exist providential forces that bring everything back into equilibrium. They have discovered that these restorative forces are proportional to the disturbing forces because the one gives rise to the other. In delighted admiration for this harmony in the moral world, they have conceived a passion for the divine work and they, more than other people, reject everything that might disrupt it. For this reason, as far as I know, there has never been an instance when the attraction of private interest has come to rival in their hearts this eternal object of their admiration and love.

These "forces pertubatrices" (disturbing forces) soon became "causes perturbatrices" in the treatise *Harmonies économiques*. Here he made clear the connection between the introduction of "causes perturbatrices" (disturbing causes" which interfered with the operation of the natural laws of economics, in several chapters of *Harmonies économiques* (1850, 1851) such as this one from chapter XIV Des salaires (On Wages): [91]

Les lois générales du monde social sont harmoniques, elles tendent dans tous les sens au perfectionnement de l'humanité.

[translation to come]

Car enfin, puisque, après une période de cent ans, pendant laquelle elles ont été si fréquemment et si profondément violées, l'Humanité se trouve plus avancée, il faut que leur action soit bienfaisante, et même assez pour compenser encore **l'action des causes perturbatrices.**

Comment, d'ailleurs, en pourrait-il être autrement? N'y a-t-il pas une sorte d'équivoque ou plutôt de pléonasme sous ces expressions : *Lois générales bienfaites* ? Peuvent-elles ne pas l'être?... Quand Dieu a mis dans chaque homme une impulsion irrésistible vers le bien, et, pour le discerner, une lumière susceptible de se rectifier, dès cet instant il a été décidé que l'Humanité était perfectible et qu'à travers beaucoup de tâtonnements, d'erreurs, de déceptions, d'oppressions, d'oscillations, elle marcherait vers le mieux indéfini. Cette marche de l'Humanité, en tant que les erreurs, les déceptions, les oppressions en sont absentes, c'est justement ce qu'on appelle les lois générales de l'ordre social. **Les erreurs, les oppressions, c'est ce que je nomme la violation de ces lois ou les causes perturbatrices.** Il n'est donc pas possible que les unes ne soient bienfaites et les autres funestes, à moins qu'on n'aille jusqu'à mettre en doute si **les causes perturbatrices** ne peuvent agir d'une manière plus permanente que les lois générales. Or cela est contradictoire à ces prémisses : notre intelligence, qui peut se tromper, est susceptible de se rectifier. Il est clair que le monde social étant constitué comme il l'est, l'erreur rencontre tôt ou tard pour limite la Responsabilité, **l'oppression se brise tôt ou tard à la Solidarité** ; d'où il suit que **les causes perturbatrices** ne sont pas d'une nature permanente, et c'est pour cela que ce qu'elles troublent mérite le nom de lois générales.

Thus he was firmly convinced that economic "liberty tended to restore equilibrium" only if it were allowed to function. As he stated in HE1 Chapter VIII "Private Property and Communal Property" the pursuit of individual self-interest and the operation of natural economic laws was like a form of internal "gravitation" which would counteract the disturbing causes and propel society towards greater equality, economic progress, and harmony in only it were left free to do so: [92]

Quand nous admirons la loi providentielle des transactions, quand nous disons que les intérêts concordent, quand nous en concluons que leur gravitation naturelle tend à réaliser l'égalité relative et le progrès général, apparemment c'est de **l'action de ces lois et non de leur perturbation** que nous attendons l'harmonie. Quand nous disons : laissez faire, apparemment nous entendons dire : laissez agir ces lois, et non pas : laissez troubler ces lois.

When we admire the providential law governing transactions, when we say that interests are in agreement, when we conclude from this that their natural gravitation tends to achieve relative equality and general progress, it is clearly from the action of these laws and not from their disruption that we expect harmony. When we say: laissez faire, we clearly mean to say: let these laws act, and not let these laws be disrupted.

And again in HE Chap. 10 Competition: [93]

J'expose maintenant des lois générales que je crois harmoniques, et j'ai la confiance que le lecteur commence à se douter aussi que ces lois existent, qu'elles agissent dans le sens de la communauté et par conséquent de l'égalité. Mais je n'ai pas nié que **l'action de ces lois ne fût profondément troublée par des causes perturbatrices**. Si donc nous rencontrons en ce moment un *fait* choquant d'inégalité, comment le pourrions-nous juger avant de connaître et les lois régulières de l'ordre social et les causes perturbatrices de ces lois ?

I will now set out general laws that I believe to be harmonious, and I am confident that the reader also will begin to guess at the existence of these laws, that they act in favor of the community and consequently of equality. However, I have not denied that the action of these laws has been profoundly disrupted by disturbing factors. Therefore, if we now find some shocking *example* of inequality, how can we judge it without being conversant with both the regular laws of social order and the disturbing factors which distort these laws?

According to his theory of "economic harmony" the disturbing causes which upset "harmony" were "contingent", that is not inherent in the natural laws of economics but upon the actions of individuals (plunder and privilege) and governments war and economic policies). Thus, the disturbances could be rectified and the harm undone if the policies were halted or radically modified. As he put it in the unfinished chapter "Causes perturbatrices" in HE2: [94]

La Justice et la Liberté auraient-elles produit fatalement l'Inégalité et le Monopole ?

[translation to come]

Pour le savoir, il fallait, ce me semble, étudier la nature même des transactions humaines, leur origine, leur raison, leurs conséquences et les conséquences de ces conséquences jusqu'à l'effet définitif ; et cela, **abstraction faite des perturbations contingentes** que peut engendrer l'injustice ; — car on conviendra bien que l'Injustice n'est pas l'essence des transactions libres et volontaires.

Que l'injustice se soit fatalement introduite dans le monde, que la société n'ait pas pu y échapper, on peut le soutenir ; et, l'homme étant donné avec ses passions, son égoïsme, son ignorance et son imprévoyance primitives, je le crois. — Nous aurons à étudier aussi la nature, l'origine et les effets de l'Injustice.

Mais il n'en est pas moins vrai que la science économique doit commencer par exposer la théorie des transactions humaines supposées libres et volontaires, comme la physiologie expose la nature et les rapports des organes, **abstraction faite des causes perturbatrices** qui modifient ces rapports.

Occurrence of "causes perturbatrices" (disturbing causes) (14)

1. "Un économiste à M. de Lamartine. A l'occasion de son écrit intitulé: *Du Droit au travail*" (Letter from an Economist to M. de Lamartine. On the occasion of his article entitled: *The Right to Work*), *Journal des Économistes*, February 1845, T. 10, no. 39, pp. 209-223. [Online](#)
1. HE Chap. "A la jeunesse française" (early 1850), p.10 [Online](#)
2. HE Chap. II Besoins, Efforts, Satisfaction (early 1850), "causes artificielles perturbatrices", p. 38 [Online](#)
3. 2 references in HE Chap. X Competition, p. 312 [Online](#) and [Online](#)
4. 4 references in HE Chap. XIV Des salaires, p. 406 [Online](#)
5. HE Chap. XVI Population - "forces perturbatrices", p. 427 [Online](#)
6. 2 references in HE Chap. XVIII. Causes perturbatrices, pp. 489, 495. [Online](#) and [Online](#)
7. 3 references in HE Chap. XIX. Guerre, pp. 501, 505, 508 [Online](#) and [Online](#) and [Online](#)

See the Appendix for this list and the accompanying quotations.

There are also some other related usages of "la perturbation" which concern disturbances in the natural laws of economics or society in general. For example, in HE Chap. IV Échange:

1st instance: [95]

Elles devraient rechercher avec soin si elles ne jouissent pas de quelque monopole, pour y renoncer ; — si elles ne profitent pas de quelques inégalités factices, pour les effacer ; — si le

Paupérisme ne peut pas être attribué, en partie du moins, à **quelque perturbation des lois sociales naturelles**, pour la faire cesser, — afin de pouvoir dire en montrant leurs mains au peuple : Elles sont pleines, mais elles sont pures.

2nd instance: [96]

Il est bien évident que la solution de ces questions est subordonnée à l'étude et à la connaissance **des lois sociales naturelles**. On ne peut se prononcer raisonnablement avant de savoir si la propriété, la liberté, les combinaisons des services volontairement échangés poussent les hommes vers leur amélioration, comme le croient les économistes, ou vers leur dégradation, comme l'affirment les socialistes. — Dans le premier cas, **le mal social doit être attribué aux perturbations des lois naturelles**, aux violations légales de la propriété et de la liberté. Ce sont **ces perturbations et ces violations** qu'il faut faire cesser, et l'Économie politique a raison.

And in HE chap. V De la valeur [97]

Le diamant joue un grand rôle dans les livres des économistes. Il s'en servent pour élucider les lois de la valeur ou pour signaler les prétendues **perturbations de ces lois**.

On "Déplacement" (distortion)

There was another kind of distortion or disturbance which Bastiat talked about which took place in capital and labor markets as a result of government intervention in the economy, namely when "la population et le travail (sont) législativement déplacés" (people and labour are displaced or dislocated as a result of government policy). [98] As a consequence of prohibiting or taxing foreign imports entire industries are built behind the protection of the tariff wall drawing in capital and labour where they would not have gone if the wall were not there. Capital for the protected industries like woollen manufacturers is diverted from other industries such as farming. There has been no increase in the amount of productive capital. Some workers in the new industries might benefit from wages (the seen) but others lose out because they have to pay higher prices for clothes (the unseen). As he stated in a speech for the Free Trade Association in Lyon in August 1847: [99]

Donc, d'où sort ce capital ? Le soleil ou la lune l'ont-ils envoyé mêlé à leurs rayons, et ces rayons ont-ils fourni au creuset l'or et l'argent, emblèmes de ces astres ? ou bien l'a-t-on trouvé au fond de l'urne d'où est sortie la loi restrictive ? Rien de semblable. Ce capital n'a pas une origine mystérieuse ou miraculeuse. **Il a déserté d'autres industries**, par exemple, la fabrication des soieries. N'importe d'où il soit sorti, et il est positivement sorti de quelque part, de l'agriculture, du commerce et des chemins de fer, là, il a certainement découragé l'industrie, le travail et les *salaires*, justement dans la même proportion où il les a encouragés dans la fabrication du drap. — En sorte que vous voyez, Messieurs, que le capital ou une certaine portion de capital ayant été simplement **déplacé**, sans accroissement quelconque, la part du salaire reste parfaitement la même. Il est impossible de voir, dans ce pur remue-ménage (passez-moi la vulgarité du mot), aucun profit pour la classe ouvrière. Mais, a-t-elle perdu ? Non, elle n'a pas perdu du côté des salaires (si ce n'est par les inconvénients qu'entraîne la perturbation, inconvénients qu'on ne remarque pas quand il s'agit d'établir un abus, mais dont on fait grand bruit et auxquels les protectionnistes s'attachent avec des dents de boule-dogues quand il est question de l'extirper) ; la classe ouvrière n'a rien perdu ni gagné du côté du salaire, puisque le capital n'a été augmenté ni diminué, mais seulement **déplacé**. Mais reste toujours cette cherté du drap que j'ai constatée tout à l'heure, que je vous ai signalée comme l'effet immédiat, inévitable, incontestable de la mesure ; et à présent, je vous le demande, à cette perte, à cette injustice qui frappe l'ouvrier, où est la compensation ? Si quelqu'un en sait une, qu'il me la signale.

So where does this capital come from? Have the sun and moon sent it down mixed with their rays and have these rays poured gold and silver, the symbols of these two heavenly bodies, into the crucible? ... It has been taken from other industries, silk manufacture, for example. No matter where it has come from, it has definitely come from somewhere, from farming, commerce, or the railways, where it has certainly discouraged industry, labor, and *rates of pay*. in exactly the same proportion that it has encouraged these things in woollen cloth manufacture. So that you see, Gentlemen, that since capital or a certain proportion of capital has simply been *displaced*. without any increase whatever, the share of pay remains exactly the same. It is impossible to see in this pure jiggery-pokery (forgive me this homely expression) any benefit for the working class. But has it lost anything? No, it has lost nothing from the point of view of pay (other than the disadvantages produced by the upheaval, which are not noticed when it is a question of establishing an abuse but which are trumpeted far and wide and to which protectionists cling like bulldogs when it is a question of eliminating one); the working class has neither gained nor lost with regard to pay since capital has neither been increased nor decreased, but merely *displaced*. But there still remains the high price of woollen cloth that I noted just now and that I pointed out as being the immediate, inevitable and indisputable effect of the measure, and now I put the question to you, where is the compensation for this loss and injustice inflicted on workers? If anyone has the answer, please let me know.

6. THE PROBLEMS OF "THE MIS-OBSERVED" AND "CE QU'ON NE VOIT PAS" (THE UNSEEN)↔

Not taking into account "disturbing causes" when trying to understand the "chain of cause and effect" in economic matters was one important way in which the CP method of analysis was either weakened or made ineffective. Another was not taking into account causes which were "mis-observed" (Mill) or "unseen" (Bastiat) because of the ignorance, inexperience, incompetence, or erroneous beliefs of the observer.

Whereas a handful of other economists before Mill or Bastiat had inklings of the problem which "disturbing causes" might pose for sound economic analysis, none before Mill or Bastiat seemed aware of the problem which would be posed by "the mis-observed" and "the unseen" (ce qu'on ne voit pas). This seems to have been a problem which was only recognised in the mid-1840s with Mill's *A System of Logic* (1843) and Bastiat's essays written between 1845 and 1850. Why that is the case is not clear to me.

It could be because economic relations and activities are so complex, involving hundreds of millions perhaps billions of actors (producers and consumers and entrepreneurs), and a "plurality of causes" that it is too difficult for ordinary people to understand. It may be that sound economic analysis is counter-intuitive for many people, who often think that if a price is too high then the government should impose price controls to bring the price down to "normal" or "just" levels. The finer points of price theory be damned.

J.S. Mill on Observing and Mis-observing

"On the Definition of Political Economy" (1836, 1844)

Mill first confronted the problem in his essay on "On the Definition of Political Economy" (1836). The question arose because, as he lamented, economists were unable to conduct true "experiments" or an "actual trial" [100] to test their theories as their scientific colleagues could in chemistry and physics laboratories - "We cannot try forms of government and systems of national policy on a diminutive scale in our laboratories". [101] Economists were thus limited to just "observation" ("we can only observe") which meant that, given the complexity of human behaviour and the fallibility of human observers, many causes and "processes" which might have been revealed in a laboratory experiment were "concealed from our observation" and went undetected. This meant that there was a "great danger" of economists and other social theorists only seeing "a portion only of the causes which are actually at work". [102]

In his words: [103]

There is a property common to almost all the moral sciences, and by which they are distinguished from many of the physical; this is, that it is seldom in our power to make experiments in them. In chemistry and natural philosophy, **we can not only observe** what happens under all the combinations of circumstances which nature brings together, but we may also try an indefinite number of new combinations. This we can seldom do in ethical, and scarcely ever in political science. **We cannot try forms of government and systems of national policy on a diminutive scale in our laboratories**, shaping our experiments as we think they may most conduce to the advancement of knowledge. We therefore study nature under circumstances of great disadvantage in these sciences; being confined [147] to the limited number of experiments which take place (if we may so speak) of their own accord, without any preparation or management of ours; **in circumstances, moreover, of great complexity, and never perfectly known to us; and with the far greater part of the processes concealed from our observation.**

This was a special problem with "disturbing causes" which were liable to be "overlooked", omitted", "not seen at all", or only "partially" seen. The problem was not just that some of the causes were "absolutely hidden" from the observer's eye but that could only be seen as if "through a mist" - the "mist" being the "fallacies of observation" (those of "mis-observation", "mal-observation", and "non-observation") which he would discuss at some length in *A System of Logic*. Even if the observer had "contemplated (them) with his mind's eye" this was no guarantee that their effects would be seen in the real world, or as Mill put it in "the limited number of experiments which take place (if we may so speak) of their own accord, without any preparation or management of ours". [104]

A close approximation to an actual "experiment" concerning economic policy would be to "find two nations alike in every other respect", one of which adopted a policy of free trade while the other retained commercial restrictions. He was sceptical that this could be achieved and that it would provide a definitive answer. But as Mill was republishing these lines in 1844 England was on the verge of repealing the Corn Laws (1846) which would provide exactly the kind of "experiment" Mill had in mind. The relevant passage is this: [105]

How, for example, can we obtain a crucial experiment on the effect of a restrictive commercial policy upon national wealth? We must find two nations alike in every other respect, or at least

possessed, in a degree exactly equal, of everything which conduces to national opulence, and adopting exactly the same policy in all their other affairs, but differing in this only, that one of them adopts a system of commercial restrictions, and the other adopts free trade. This would be a decisive experiment, similar to those which we can almost always obtain in experimental physics. Doubtless this would be the most conclusive evidence of all if we could get it. But let any one consider how infinitely numerous and various are the circumstances which either directly or indirectly do or may influence the amount of the national wealth, and then ask himself what are the probabilities that in the longest revolution of ages two nations will be found, which agree, and can be shown to agree, in all those circumstances except one?

Since, therefore, it is vain to hope that truth can be arrived at, either in Political Economy or in any other department of the social science, while we look at the facts in the concrete, clothed in all the complexity with which nature has surrounded them, and [149] endeavour to elicit a general law by a process of induction from a comparison of details; there remains no other method than the *à priori* one, or that of "abstract speculation."

Until a definitive "experiment" arrived to prove things one way or the other economists were forced to resort to more piecemeal observation of the events actually taking place around them, usually one a small scale. If economists looked at carefully and in the right place that might gradually arrive at the truth:

But the causes are not so revealed (by infallible authority) : they are to be collected by observation; and observation in circumstances of complexity is apt to be imperfect. Some of the causes may lie beyond observation; many are apt to escape it, unless we are on the look-out for them; and it is only the habit of long and accurate observation which can give us so correct a preconception what causes we are likely to find, as shall induce us to look for them in the right quarter. But such is the nature of the human understanding, that the very fact of attending with intensity to one part of a thing, has a tendency to withdraw the attention from the other parts. We are consequently in great danger of adverting to a portion only [154] of the causes which are actually at work.

However, Mill was fairly confident that there would emerge that "rare class" of economists who were "good observers" who would be "on the look-out" for those causes which would normally be "overlooked", "escape" observation, or be only "partially seen", by "look(ing) for them in the right quarter". [106]

In A System of Logic (1843)

If economists wanted to be "good observers" Mill thought that they needed a toolkit to help them avoid the many "fallacies of observation" which would mislead them in their efforts to discover all the relevant causes and their effects, and their related economic laws, which governed the operation of the economic realm. This he attempted to do in a 115 page discussion which was Book V "On Fallacies" in *A System of Logic* (1843). [107] There were many categories of "fallacy" but the ones dealing with "not seeing properly" were grouped under the general heading of "fallacies of observation", and included "the fallacy of misobservation", "the fallacy of mal-observation", "the fallacy of non-observation", and "the fallacy of overlooking".

Some of the other terms and concepts he used in his analysis were to "escape the notice" (2) of the observer, seeing only a "part" of a greater whole, "not seeing" (3) things at all, accepting what one sees "at first sight" (15), and seeing what is "immediate" and "obvious to all eyes" and neglecting the things which were "diffused" and "deeper". References to "eyes" were very common in these pages (15).

A good summary of his theory of "fallacies of observation" is this passage: [108]

A fallacy of misobservation may be either negative or positive; either Non-observation or Mal-observation. It is non-observation, when all the error consists in overlooking, or neglecting, facts or particulars which ought to have been observed. It is mal-observation, when something is not simply unseen, but seen wrong; when the fact or phenomenon, instead of being recognised for what it is in reality, is mistaken for something else.

§ 2. Non-observation may either take place by overlooking instances, or by overlooking some of the circumstances of a given instance. If we were to conclude that a fortune-teller was a true prophet, from not adverting to the cases in which his predictions had been falsified by the event, this would be non-observation of instances; but if we overlooked or remained ignorant of the fact that in cases where the predictions had been fulfilled, he had been in collusion with some one who had given him the information on which they were grounded, this would be non-observation of circumstances.

Some of his other important insights are:

1. "the greatest of all causes of non-observation is a preconceived opinion" [109]
2. "seeing a part only of the phenomena, and imagining that part to be the whole: and may be ranked among Fallacies of Non-observation." [110]

3. and an insight which has striking similarities to Bastiat's notion of "the good economist" and "the seen" and "the unseen" which will be discussed below. Mill argues that there are "two sets of phenomena" which a good economist needs to take into account: [111]

Fallacies of this description (overlooking or of non-observation) are the great stumbling-block to correct thinking in political economy. The economical workings of society afford numerous cases in which the effects of a cause consist of two sets of phenomena: the one immediate, concentrated, obvious to all eyes, and passing, in common apprehension, for the whole effect; the other widely diffused, or lying deeper under the surface, and which is exactly contrary to the former. Take, for instance, the common notion so plausible at the first glance, of the encouragement given to industry by lavish expenditure ...

In PPE (1848)

Mill has little to say on methodological issues in this work and does not expand on what he had written previously. He does however use some relevant terms in his general discussion but only in a descriptive way, terms such as "at first sight" (13 instances), to "overlook" things (16), "seeing only one-half of the matter" (1), and "fallacy" (8) but not with respect to the "fallacy of observation" which had much concerned him in 1843.

Bastiat on the Seen and the Unseen

Introduction

Mill wrote 100 pages on the problem of "mis-observation" in 1843. Bastiat wrote 80 pages on the problem of "not seeing" in 1850. [112] I don't think the two have ever been connected before but I think they should be. There is no evidence either of them knew about the existence of the other but the similarity in their thinking on this matter is striking. Both seem to have come to the same conclusion that the "chain of cause and effect" based upon the certainties of the "natural laws of economics" was not as strong as they had thought because of the existence of additional "disturbing causes" on the one hand and "mis-observations" or "non-observations" of economic activities on the other. This meant that the apparent simplicity of "ceteris paribus" assumptions had to be modified as it had become more difficult for political economists to discover "the truth" "at first sight" and that economists had to become more perceptive in their analysis of economics events/processes and had to go looking for "the unseen".

Bastiat summarized his approach in the opening paragraph and in the chapter on "Algeria" in his 1850 work: [113]

Dans la sphère économique, un acte, une habitude, une institution, une loi, n'engendrent pas seulement un effet, mais une série d'effets. De ces effets, le premier seul est immédiat; il se manifeste simultanément avec sa cause, on le voit. Les autres ne se déroulent que successivement, on ne les voit pas, heureux si on les prévoit!

Entre un mauvais et un bon Économiste, voici toute la différence: l'un s'en tient à l'effet *visible*; l'autre tient compte et de l'effet qu'on *voit* et de ceux qu'il faut *prévoir*.

Le seul but que j'ai en vue, c'est de faire comprendre au lecteur que, dans toute dépense publique, derrière le bien apparent il y a un mal plus difficile à discerner. Autant qu'il est en moi, je voudrais lui faire prendre l'habitude de voir l'un et l'autre et de tenir compte de tous deux

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.

[translation to come]

The sole object which I have in mind is to get the reader to understand that in all public expenditure behind the apparent good there is harm which is much more difficult to see. To the extent that I can I would like to get him/her into the habit of seeing the one (as well as) the other and to take both of them into account.

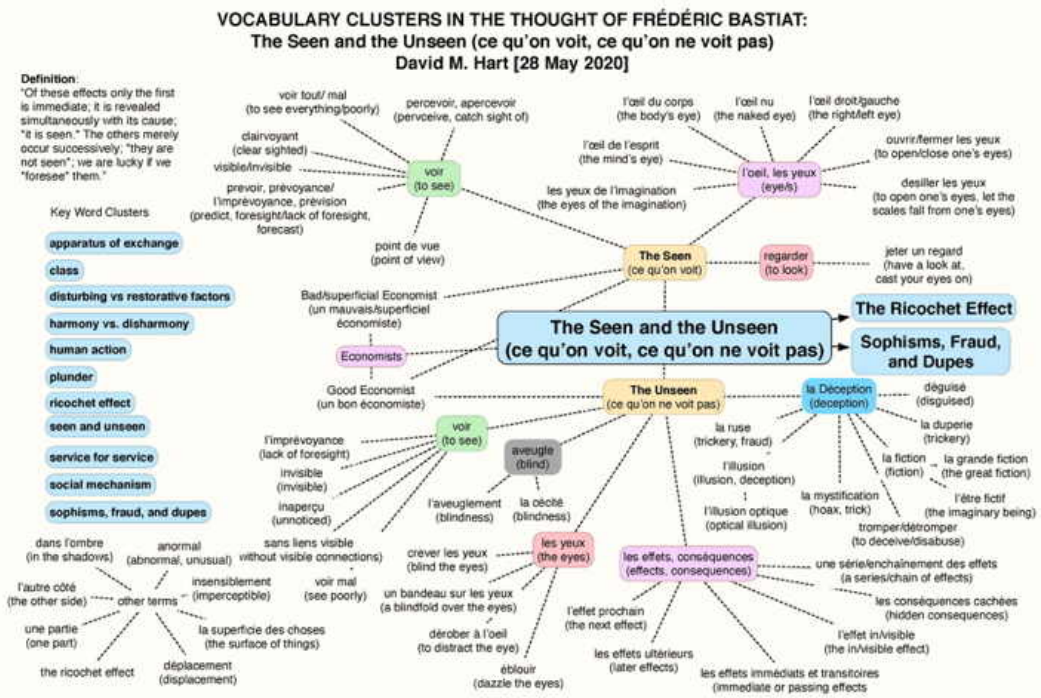
The essence of his theory of "the seen and the unseen" can be summarized as follows:

- there are a series of interlocking and sequential "effects" or "consequences" which flow from any government intervention in the economy
- some of these events or consequences, especially the first ones, are readily apparent to observers. They are immediate, close by, and obvious. They are "seen".
- other events or consequences follow on from these early events. They are delayed, secondary, and possibly far removed from the initial government intervention. They are not so readily seen, if they are seen at all. Hence, they are "unseen" to most observers.

- most observers, even many economists, are "superficial" observers of economic events. Hence, in Bastiat's view, they are "bad economists."
- other observers are not superficial. They have learned to expect and to look for these later, more distant, and indirect effects or consequences of government interventions. Hence, in Bastiat's view, they are "good economists."

The Importance of Seeing and Not Seeing in Bastiat's Economic Theory

The vocabulary Bastiat developed to describe his key insights was very rich, carefully chosen, and was often unique to him, but as we will see bore some striking similarities to what J.S. Mill had written in 1843 in *A System of Logic*. He regularly used what I call a "vocabulary cluster" of terms around some of his key insights. He did this with his theory of "causes perturbatrices" (disturbing causes) (which I have discussed above) and with "the seen" and "the unseen" for which I have created another graphical depiction of his "vocabulary cluster" and which I will briefly outline here.



As he liked to do, Bastiat uses pairs of opposing words and concepts to make his arguments, such as the seen and the unseen, the visible and the invisible, the noticed and the unnoticed, things in the light and things in the shadows, the real world versus the unreal world of fictions and illusions and disguises, the close by and the distant, the immediate and the postponed or delayed, the hidden and the obvious, the direct and the indirect, being blind and being clear sighted, seeing only one side or all sides of an event, the deep and the superficial, the normal and the abnormal, the single event versus events which are linked in a chain or series, and of course the "good economist" who sees or foresees "the unseen" and the "bad economist" who does not.

A deep insight into the nature of economic activity lay at the heart of Bastiat's notion of "the seen" and "the unseen". This was the idea that economic activities were linked to each other by what he called "a series" or "a chain" (l'enchaînement) of interconnections. What was immediately apparent or obvious to the observer of an economic event was something that was direct, immediate, close in time or space, on the surface of events, and thus visible, that is to say "the seen". However, because economic actions were interconnected they had "flow on effects" which impinged upon others in the market. These effects were "hidden" in the sense that they could be indirect, delayed in time, further away in distance, take place at a deep level, and thus were "invisible" or "unseen." Bastiat thought that these latter hidden or unseen effects could and should be seen (or "foreseen") by an intelligent and inquiring mind, one that had been trained in sound economic analysis, or what he called a "good economist". In contrast, those who lacked such training could not or would not see "the unseen" and therefore he called them a "bad" or "superficial" economist.

There was also the serious problem of people who were prevented from "seeing" what was happening in the economy because they were deliberately lied to or "duped" (his word) by powerful vested interest groups (such as protected domestic manufacturers); or they were forced to wear ideological "blindfolds" because of what they had been taught in government schools (such as the focus on ancient Roman society which disdained productive labour

and extolled the virtues of slavery and military conquest), or were persuaded by the powerful oratory of socialist critics who had been railing against the “injustice” of rent, interest, and profit in the press for over ten years leading up to the outbreak of the February Revolution of 1848. Bastiat wrote two collections of what he called "sophismes économiques" which were brief essays designed to rip off the blindfolds which covered the eyes of these “dupes” who believed the economic “sophistry” which was being peddled by these groups. [114] Thus, his concern with “the seen” and “the unseen” needs to be seen in the context of this more general critique.

The vocabulary Bastiat devised to explore the idea of "the seen" and "the unseen" can be divided into three groups: words he used to describe seeing and perceiving, not seeing and being deceived, and the “series” or “chains” of consequences which tied the economy together into an interconnected whole. This vocabulary, like his other ones, evolved over the short period between his coming to the attention of the Paris-based economists in late 1844 and his death at the end of 1850.

The terms used to describe “seeing” include the following:

1. “ce qu’on voit” (that which one sees, or “the seen”) and “ce qu’on ne voit pas” (that which one does not see, or “the unseen”)
2. visible vs. invisible: “l’effet visible” (the visible effect) in CQV Introduction, p. 3 [Online](#)
3. prévoir (to foresee, predict); la prévoyance (foresight); les prévisions (forecasts, predictions); "regarder" (to see or look at); “percevoir” (to perceive, sense)
4. the “eyes” which do the seeing: “l’œil nu” (the naked eye) in "Protectionnisme et communisme" (Jan. 1849) [Online](#) and HE Chap. IX Propriété, p. 281 [Online](#); "l’œil du corps" (the body's eye); "l’œil de l’esprit” (the mind’s eye) in HE Chap. XI Epargne et luxe, p. 70 [Online](#) and SE1 Introduction, p. 2 [Online](#); "l’œil investigateur de l’esprit" (the investigating eye of the mind) in "Protectionnisme et communisme" (Jan. 1849) [Online](#); “l’œil gauche” (the left eye which only sees the obvious) and “l’œil droit” (the right eye which sees what is hidden); “les yeux de l’imagination” (the eyes of the imagination)
5. Bastiat’s urging the reader to look more closely at events: “jeter un regard" (to cast a glance or look at something)
6. “ouvrir les yeux” (to open one’s eyes); “fermer les yeux" (to close one's eyes); “dessiller les yeux” (to open one’s eyes; make the scales fall from one's eyes) in Introduction to Cobden and the League (1845), p. xiii [Online](#) and SE2 Chap. II Deux Morales, p. II-38 [Online](#).
7. seen and unseen consequences/effects: “ l’effet visible" (the visible effect) CQV, p. 3 [Online](#); “les conséquences cachées" (hidden consequences) CQV, Chap. XI Epargne et luxe, p. 70 [Online](#).

The terms used to describe “not seeing” include the following (I have not given a reference for those phrases which are used many times):

1. “ce qu’on ne voit pas” (that which one does not see, or “the unseen”)
2. “l’imprévoyance” (lack of foresight)
3. “la duperie” (deception, being duped); “tromper” (to deceive); "la déception" (deception); "la ruse" (deception, trickery, fraud); “une mystification ruineuse” (a destructive hoax/trick)
4. “les illusions” (illusions); “cette puérile illusion" (this childish illusion); "les funestes illusions" (dangerous illusions); “une pure illusion d’optique” (a pure optical illusion) in CQV Chap. IX Crédit, p. 56 [Online](#)
5. “la fiction” (fiction) as in the state as "la grande fiction" (the great fiction") or "l’être fictif" (the fictional, imaginary being)
6. "invisibles et impalpable" (invisible and untouchable) in CQV Chap. IV Théâtres, Beaux-Arts, pp. 24-25 [Online](#)
7. “ces courants inaperçus” (currents which are unnoticed, not perceived) in HE Chap. XXI Solidarité, p. 539 [Online](#).
8. “sans liens visibles” (without visible ties or connections) in HE Chap. XXI Solidarité, p. 539 [Online](#).
9. “déguisé” (disguised, as in “disguised taxes”)
10. “aveugle” (blind); “l’aveuglement” (blindness); "la cécité" (blindness)
11. “crever les yeux” (overwhelm, blind the eyes) in "Baccalauréat et socialisme (early 1850) [Online](#); “éblouir” (dazzle or blind the eyes”) in CQV Chap. XII Droit au travail, pp. 78-79 [Online](#); “dérober à l’œil du lecteur” (to distract the readers eye) in HE Chap. X Concurrence, p. 304 [Online](#).
12. “un bandeau sur les yeux” (a blindfold over the eyes, blind folded) in "Maudit argent" (avril 1849) [Online](#) and "Second discours à Paris" (29 sept. 1846) [Online](#) and "Conséquence de la réduction sur l’impôt de sel" (1 Jan. 1849) [Online](#); "le voile qui couvre les yeux de nos frères” (the veil which covers the eyes of our brothers) in "Quatorze Lettre à Proudhon" (1849) [Online](#).
13. “voir mal” (to see see poorly or badly), and not "voir tout" (see everything)
14. “laissant dans l’ombre” (things lying or hidden in the shadows) in CQY Chap. VII Restriction, p. 43 [Online](#)

and Chap. X L'Algérie, p. 67 [Online](#).

The terms he used to describe the interconnectedness of economic activity and the various effects and consequences of an action, include the following:

1. "une série d'effets" (a series of effects) in HE Chap. XXI Solidarité, p. 540 [Online](#) and CQV Introduction, p. 3 [Online](#).
2. "la chaîne" (chain); "l'enchaînement des effets" (the interconnectedness of or links between effects) - 8 instances. See "l'enchaînement des effets aux causes," (the chain of causes and effects) in HE Chap. X Concurrence, p. 322 [Online](#).
3. "l'autre côté" (the other side)
4. "une partie" (one part) vs. "le tout" (the whole)
5. "la superficie des choses" (the surface of things) (2) - in HE Chap. X Concurrence, p. 305 [Online](#) and HE XIV Des salaires, p. 408 [Online](#).
6. "une cause directe ou indirecte" (a direct or indirect cause) in HE Chap. II Des besoins de l'homme, p. 71 [Online](#)
7. "les effets immédiats et transitoires" (immediate and passing effects) vs. "les effets ultérieurs" (later effects) in SE1 Chap. XX Travail humain, travail national, p. I-136 [Online](#).
8. "le sophisme des ricochets" and "par ricochet" (the ricochet or flow on effect) [[115](#)]

And finally the two different kinds of economists:

1. "les Économistes superficiels" (superficial economists) in HE Chap. XIII De la rente, p. 367 [Online](#), "un mauvais Économiste" (a bad economist), or "des esprits superficiels" (superficial minds) vs.
2. "un bon Économiste" (a good economist) in CQV Introduction, 3 [Online](#).

One might summarise the different though related approaches to economic thinking of Adam Smith and Bastiat by saying that the former talked about markets being guided as if by "an invisible hand" (Adam Smith, *Wealth of Nations*, IV.i.10.) whereas Bastiat wanted to expose the "invisible harm" caused by government intervention in those markets. The former wanted to show the beneficial effects of what was unseen (the hand of the market); whereas the latter wanted to show the harmful consequences of what was unseen when the government intervened.

The Origin of Bastiat's idea of "the seen" and "the unseen"

As is often the case with Bastiat, his changing use of terminology makes it hard to pin down exactly the first time he expressed this idea in his writing. The following are a selection of his early efforts to refine his thinking about "the seen" and "the unseen". A very early usage is in "Human Labor and Domestic Labor" (c. 1845) [[116](#)] where he argues against opponents of imported goods and the use of machines in factories by contrasting "leurs effets immédiats et transitoires" (their immediate and transitory effects) (which are seen to be harmful) and their "conséquences générales et définitives" (general and permanent consequences) (which are beneficial).

Another early use occurs in an essay he wrote at the end of 1846 "On the Impact of the Protectionist Regime on Agriculture" (Dec. 1846) [[117](#)] in which he talks about tariffs as being "disguised taxes" and where the "benefits" dazzle the eyes but the taxes pass unnoticed ("le bénéfice crève les yeux, tandis que la cotisation qui le constitue passe inaperçue"). In early 1847 in the essay "Domination through Work" he talks about the "illusion" people have about the dangers of importing the products of foreign labour which he believes comes about because people do not see or appreciate a key thing, namely it saves them labour which they can devote to something else: "L'illusion provient de ce qu'on ne voit pas une chose" (the illusion comes about because one does not see something). [[118](#)]

In early 1848 when he begins writing articles which will later be reworked and republished in his treatise *Economic Harmonies* (Jan. 1850) he quotes an insight made by Rousseau (someone he didn't normally quote favourably) [[119](#)] that it required a lot of thinking in order to see and understand the things that one was constantly surrounded by and took for granted. [[120](#)]

Rousseau a dit: « Il faut beaucoup de philosophie pour observer les faits qui sont trop près de nous. »

Tels sont les phénomènes sociaux au milieu desquels nous vivons et nous nous mouvons. L'habitude nous a tellement familiarisés avec ces phénomènes, que nous n'y faisons plus attention, pour ainsi dire, à moins qu'ils n'aient quelque chose de brusque et d'anormal qui les impose à notre observation.

Rousseau has said: "A great deal of philosophy is needed for us to take account of those facts that are too close to us."

Such are the social phenomena in the midst of which we live and move. Habit has familiarized us with these phenomena to such an extent that we no longer pay attention to them, so to speak, unless something sudden and abnormal brings them to our notice.

In early 1849 in a long pamphlet called "Protectionism and Communism" in which he argued that the conservative support for protection was logically similar to the ideas for the redistribution of wealth being put forward by the communists, he makes the point that the immediate "profits" which seem to come from a protective tariff can be seen by "the naked eye" but the string of costs and losses which they bring in their train can only be seen by "the inquiring eye of the mind": [121]

Ce qui fait que l'opinion publique s'égare sur ce point, c'est que le Profit de la protection est visible à l'œil nu, tandis que des deux Pertes égales qu'elle entraîne, l'une se divise à l'infini entre tous les citoyens, et l'autre ne se montre qu'à l'œil investigateur de l'esprit.

What causes public opinion to err on this point is that the profit due to protectionism is visible to the naked eye, whereas of the two equal losses it brings in its wake one is infinitely divided between the citizens and the other is visible only to the eye of an investigative mind.

Probably the first explicit use of the phrase "ce qu'on ne voit pas" (that which one doesn't see) in the sense it came to have in his later writings (*Economic Harmonies* (Jan. 1850) and WSWNS (July 1850) was in an article "Laziness and Trade Restrictions" he wrote in January 1848 for the journal of the French Free Trade Association which he edited, *Libre-Échange*, pointing out the clear opportunity costs which this action imposes and which are "not seen" immediately: [122]

Si un homme d'État intervient et dit: « Nous allons exclure le produit étranger; tu le feras toi-même, et tes concitoyens *te le payeront plus cher*, afin de te déterminer au travail par l'appât d'un plus grand gain, » le résultat sera que tous ses concitoyens, payant le produit plus cher, *seront moins riches d'autant*, et favoriseront dans une moindre proportion des industries déjà existantes dans le pays. Tout ce qu'on aura fait, c'est d'encourager une forme de travail en en décourageant dix autres, et l'on ne voit pas alors comment le *sacrifice* atteint le but, qui est de détruire la paresse.

If a politician steps in and says "We are going to ban the entry of foreign products; you will make them yourself and your fellow citizens will pay you more for it, in order to encourage you to work with the incentive of more money", the result will be that all his fellow citizens will be less wealthy by the same amount, and will patronize to a lesser extent the industries which already exist in the country. All that will happen, is to encourage one form of labour by discouraging ten others, and one will not then see how this sacrifice will achieve its goal, which is to destroy laziness.

Thus the range of words he used before he settled on "ce qu'on voit" (that which one sees, or the seen) and "ce qu'on ne voit pas" (that which one does not see, or the unseen), probably at the beginning of 1848, is considerable, which makes tracking his changing usage problematical at times.

The Seen and the Unseen in Economic Harmonies (1850)

Opening quote: [123]

Vous ressemblez à des architectes qui disputent sur un monument dont chacun n'a observé qu'une face. Ils ne voient pas *mal*, mais ils ne voient pas *tout*. Pour les mettre d'accord il ne faut que les décider à faire le tour de l'édifice.

"You (communists) are like architects who quarrel over a monument, which they have seen from just one side. They do not see *incorrectly*, but they do not see *everything*. To make them agree, all you need is to persuade them to walk around the edifice."

Before turning to the classic statement of his theory in the booklet WSWNS (July 1850) it should be noted that there were many references as well in his treatise *Economic Harmonies*, the first and unfinished edition of which appeared in January 1850 and an expanded posthumous edition which appeared in July 1851. I believe that the concept of "the unseen" plays a very important part in his treatise which has gone largely unrecognised (dare I say "unseen?") by scholars. We have identified eleven instances of this principle being referred to directly and indirectly which we list below.

1. IV Exchange - (HE, p. 95, [Online](#)) - Here is a classic statement of the principle of opportunity cost, where the intervention of the state causes losses and distortions by causing exchanges to be made (which are "seen") that would never have taken place in its absence, and prevented other exchanges that would have been made (which are "not seen").
2. V On Value - (HE, p. 116, [Online](#)) - Bastiat reprimands the communists who wish to restructure the economy so there is a "community of goods" by comparing them to architects arguing about the merits of a statue, each one of which has only looked at one side of it. It is not that they do not see what is before them, but they do not see the whole of the statue. To do that they need to walk around it to see the bigger picture. The

- communists, he argues, do the same thing with the economy.
3. Addition to the HE2 version of chap. V "Value" - (HE, p. 164, [Online](#).) - Bastiat quotes Rousseau positively (which is usually did not do) on how people often cannot see the things which are immediately around them, things which are habitual and everyday occurrences and thus pass unnoticed much of the time. Instead they only see things that are "abnormal" or out of the ordinary. The free market, Bastiat argues, makes it possible to pool individual foresight or planning for the future thus creating a kind of "la prévoyance sociale" (social foresight or planning) to anticipate "unseen" future demand for a product (like food) by making plans to produce it in the present.
 4. IX Property in Land - (HE, pp. 281-82 [Online](#).) In this passage Bastiat responds to socialist criticisms about the legitimacy of charging interest on capital and rent for agricultural land which had become common place in the late 1840s. The socialists believed that only "le travail actuel" (present labour) which could be "seen by the naked eye" should be paid for, and not "le travail antérieur" (labour which had been completed in the past and was now in the form of capital) which was no longer visible. He appeals to the reader not to be blind (insensibles) to the beneficent effects of the "economic harmonies" of the free market which are "unfolding before our very eyes".
 5. X Competition** - (HE, pp. 304-5, [Online](#).) In this passage Bastiat defends competition against its critics. Previously he had focused on the benefits of international, global competition which brought products from all over the world to the consumers of France at the cheapest price. But he worries that he has thereby distracted "the readers eye" (dérober à l'œil du lecteur) from the same processes which were taking place with more common domestic products.
 6. X Competition - (HE, p. 314, [Online](#).) This passage is an example of Bastiat discussing the importance of not just looking at a part of something but the whole of it, as well as only looking at the surface of things and not the deeper reality. A common criticism of competition was that it harmed the interests of workers. It could take the form of competition between producers who wanted to lower their costs and thus sought to replace physical labour with machines in the factories. Or it could take the form of competition between workers for jobs, who would take cuts in their pay and working conditions in order to get employment. Bastiat's response was that competition had a beneficial side for the workers and that the costs and benefits of competition had to be carefully weighed up both in the short term as well as in the longer term.
 7. XVII Private and Public Services - (HE, p. 471, [Online](#).) This is one of the unfinished chapters which only appeared in the second enlarged posthumous edition. It is a version of the argument he used in his "sophism of the ricochet effect" and is similar to chapter III "Taxes" in WSWNS. He criticises the idea that taxes paid for the salaries of public servants (functionaries) "come back" to the taxpayer, as a result of the "ricochet" or flow on effect, when the public servant spends their salary. This is an "illusion" in Bastiat's view and is another example of opportunity cost where people only see the public servant's expenditure and do not see what the taxpayers would have done with their money had they been allowed to keep it. They too would have spent it on something, but on something else and somewhere else.
 8. XVII Private and Public Services** - (HE, pp. 479-80, [Online](#).) This passage comes from another unfinished chapter which appeared in the second, enlarged, posthumous edition. It provides another example of Bastiat arguing that one must "look at" (regarder) more than just one side in order to understand what is going on. The issue here is when is it legitimate to use force against another person, what is the proper function of the state, and what are the limits to its power.
 9. XVII Private and Public Services** - (HE, p. 488, [Online](#).) Here is another example of the problems of legal plunder by the state, the "ricochet effect" defence of government spending, and seeing an issue from only one side. The latter is used by Bastiat to turn the "ricochet effect" on its head. Normally it was used by public servants (functionaries) or recipients of government privileges such as subsidies and tariffs to justify what they received from the government as it would "trickle down" to the poor eventually. Here Bastiat argues that the poor could use the same argument to justify their getting taxpayer funded benefits, as they too would stimulate the economy by spending it themselves.
 10. XX Responsibility** - (HE, pp. 523-24, [Online](#).) In this passage Bastiat discusses the issue of an action which produces a series of effects or consequences, some of which result in benefits to the actor (usually the first consequence) and some of which do not (usually later ones). Experience will teach the individual when this is the case, this will cause them to learn from their mistakes, and in the future they will exercise "foresight" so this does not occur again. The harmful effects will "open their eyes" and enlightenment will be achieved.
 11. XXI Solidarity** - (HE, p. 540, [Online](#).) In this passage, Bastiat discusses how people learn from their mistakes, pass this knowledge on to others, and use the power of public opinion to correct harmful behaviour instead of resorting to the state to solve problems. He called this a form of "human solidarity". However, sometimes this is not possible when the link between an action and its consequences are broken. In the case of an individual, they soon feel directly and personally the consequences of a poorly chosen action, however this

is not the case in a large group of people. Since actions result in a "series of consequences" the observer has to take into account all of them not just the initial one. An act might have an immediate and good effect which occurs locally and thus is "parfaitement visible" (perfectly visible) to the people. However, the subsequent, later consequences might cause harm, which is difficult to see, which then enters into society. Thus the connection between a harmful action and its bad effects is broken. In this way the general public is often misled or deceived about the good which will result from a certain action when in fact it will cause them and society great harm. It is very revealing of Bastiat's anti-war sentiments that he chose war as his example in this passage.

This list with the full quotation can be found in the Appendix.

His definitive statement in Ce qu'on voit (What is Seen and What is not Seen) (1850)

Opening quote: [124]

Ne pas savoir l'Économie politique, c'est se laisser éblouir par l'effet immédiat d'un phénomène ; la savoir, c'est embrasser dans sa pensée et dans sa prévision l'ensemble des effets.

Not to understand political economy is to let oneself be dazzled by the immediate effect of a phenomenon; to understand it (means) to consider all of its effects in one's thinking and in one's predictions (about the future).

In his definitive work on the matter, written only months before he died, Bastiat provides the reader with a concise definition of what he meant by the term (quoted above) and a dozen specific examples of his principle at work. Since the entire book is devoted to a detailed discussion of the principle of "the seen" and "the unseen" we will only summarise the contents here.

A number of his key ideas from previous books and articles are drawn upon here as well and in some cases developed in new directions, such as the idea of the "displacement" or transfer of wealth which is often misunderstood as an increase in wealth, the sophism of the ricochet effect (especially applied to the salaries paid to public servants), the idea of the "double incidence of loss" which describes the missing "third party" who loses out when state laws favour one party over another (this "third party" is left hidden in the shadows and thus can't be seen easily), the idea that economic actions produce a series of events which take place over time and space; and his objection to the practice of "legal plunder" (and a new related term of the "legal parasite"). He also introduces two new kinds of "eyes" with which the economic world can be viewed: "l'œil gauche" (the left eye) which only sees the immediately obvious, i.e. "the seen", and "l'œil droit" (the right eye) which is not usually used to view the world but which would reveal the less obvious or things hidden, i.e. "the unseen."

The specific examples of the "the seen" and "the unseen" covered in this book include the following:

1. La Vitre cassée, pp. 5-8, [Online](#) - "The Broken Window," (CW3, pp. 405-7): replacing a broken window provides work for the glazier but not for the shoemaker whose shoes Jacques Bonhomme does not buy (the glazier in this story is the "forgotten third man")
2. II. Le Licenciement, pp. 9-13, [Online](#) - "Dismissing Members of the Armed Forces," (CW3, pp. 407-10): dismissing members of the armed forces reduces the expenditure of the troops in the garrison town but the taxes saved allows taxpayers to spend more in the town where they live
3. III. L'Impôt, pp. 13-18, [Online](#) - "Taxes," (CW3, pp. 410-13): defenders of taxes which go to public servants (functionaries) argue that because of the "ricochet" or flow on effect the taxes ultimately find their way back into the pockets of taxpayers; but he asks what would the taxpayers have done if they had been able to keep their tax money and spend it as they chose instead?
4. IV. Théâtres, Beaux-Arts, pp. 18-26, [Online](#) - "Theaters and the Fine Arts," (CW3, pp. 413-18): the same goes for spending on theaters and the fine arts
5. V. Travaux publics, pp. 27-30, [Online](#) - "Public Works," (CW3, pp. 419-21): the same goes for workers employed in public works projects
6. VI. Les Intermédiaires, pp. 30-39, [Online](#) - "The Middlemen," (CW3, pp. 422-27): socialists who condemn "the middlemen" such as capitalists, bankers, speculators, entrepreneurs, merchants, and traders, as "unproductive" ignore what it would cost the state to provide those same services to consumers
7. VII. Restriction, pp. 40-47, [Online](#) - "Trade Restrictions," (CW3, pp. 427-32): when a protectionist goes to "the great law factory" in Paris to get foreign trade restricted for his own benefit, the losses imposed on ordinary consumers like Jacques Bonhomme are ignored
8. VIII. Les Machines, pp. 47-55, [Online](#) - "Machines," (CW3, pp. 432-36): when a new machine is introduced and replaces a labourer what is not seen is that the savings to the manufacturer (in labour costs) and to the consumer (in the lower cost of the products made) are spent on other things which increases the demand for

labour in those areas

9. IX. Le Crédit, pp. 56-60, [Online](#) - "Credit," (CW3, pp. 437-39): when the state intervenes to control the allocation of credit it does not create any new credit but merely "displaces" it from one person (perhaps who is more creditworthy) to another (perhaps who is less creditworthy)
10. X. L'Algérie, pp. 61-67, [Online](#) - "Algeria," (CW3, pp. 439-443): when the state spends taxpayers money on the colony of Algeria what is seen is an increase in trade out of Marseilles and the building of new ports and roads in Algeria, but what is not seen are the things not built by the taxpayers back in France
11. XI. Épargne et Luxe, pp. 67-76, [Online](#) - "Thrift and Luxury," (CW3, pp. 443-49): when a thrifty person saves money what is seen is that he is not spending his money on the businesses around him, but what is not seen is the employment created by the investments made by the bank in which he places his savings; the reverse is the case for the spendthrift who spends everything on luxury goods and saves nothing for the future.
12. XII. Droit au Travail, droit au Profit, pp. 76-79, [Online](#) - "The Right to Work and the Right to Profit," (CW3, pp. 449-52): when the state uses taxpayer's money to fund a government run "right to a job" make-work scheme (as the socialists in 1848 tried to do with the National Workshops program run by Louis Blanc) what is seen are only those government jobs and not those private sector jobs which would have been created had the taxpayers been able to keep their tax money; the same is true for those politically privileged companies which demand "the right to a profit" guaranteed by the state vis-à-vis the consumers who have to pay more for their products.

Conclusion

Opening quote: [\[125\]](#)

C'est toujours la lutte entre ce qui frappe les yeux et ce qui ne se montre qu'à l'esprit, entre ce qu'on voit et ce qu'on ne voit pas.

It is always the struggle between what strikes the eyes and what is only revealed to the mind, between *what is seen* and *what is not seen*.

Bastiat concluded his booklet CQV with the following words which I think are fitting here as well: [\[126\]](#)

Ainsi, on le voit par les nombreux sujets que j'ai parcourus: Ne pas savoir l'Économie politique, c'est se laisser éblouir par l'effet immédiat d'un phénomène; la savoir, c'est embrasser dans sa pensée et dans sa prévision l'ensemble des effets.

Thus one sees in the many subjects I have dealt with that, not to understand Political Economy is to let oneself be blinded by the immediate effect of a phenomenon; to understand it (means) to consider all of its effects in one's thinking and in one's predictions (about the future).

Je pourrais soumettre ici une foule d'autres questions à la même épreuve. Mais je recule devant la monotonie d'une démonstration toujours uniforme, et je termine, en appliquant à l'Économie politique ce que Chateaubriand dit de l'Histoire:

I might at this point submit a host of other questions to the same proof. However, I draw back from the monotony of an endlessly repetitive argument and will close by applying to Political Economy what Chateaubriand said about History:

« Il y a, dit-il, deux conséquences en histoire: l'une immédiate et qui est à l'instant connue, l'autre éloignée et qu'on n'aperçoit pas d'abord. Ces conséquences souvent se contredisent; les unes viennent de notre courte sagesse, les autres de la sagesse perdurable. L'événement providentiel apparaît après l'événement humain. Dieu se lève derrière les hommes. Niez tant qu'il vous plaira le suprême conseil, ne consentez pas à son action, disputez sur les mots, appelez force des choses ou raison ce que le vulgaire appelle Providence; mais regardez à la fin d'un fait accompli, et vous verrez qu'il a toujours produit le contraire de ce qu'on en attendait, quand il n'a point été établi d'abord sur la morale et la justice. » (Chateaubriand. *Mémoires d'outre-tombe*.)

"There are" he said, "two consequences in history; one that is immediate and known right away, the other more distant and not obvious at first sight. These consequences are often contradictory; some come from our recently acquired wisdom, the others from wisdom of long standing. A providential event appears after a human one. God arises behind men. You may deny as much as you like the supreme counsel, refuse to accept what it has done, query its choice of words and dismiss as the mere force of things or reason, what the common folk call Providence, as much as you like. But look to the end of an accomplished deed and you will see that it has always produced the opposite of what was expected of it, when it has not initially been based on morality and justice." (Chateaubriand, *Memoirs from Beyond the Grave*)

CONCLUSION ↩

I thought I might end this academic analysis of obscure word use among dead white economists with a poem. I don't think there has been much poetry written about economics or by economists. The one I do know about wrote very bad poetry extolling the virtues of free trade during the campaign by the Anti-Corn Law League, namely Ebenezer Elliott (1781-1849) known as "the Corn Law rhymmer". In reading about CP it became clear that "if ... then" statements were the form most commonly used - "if you keep these other things equal, then this will be the result." So it was natural I should think of Rudyard Kipling's famous poem "If" (c. 1895). [\[127\]](#)

The poem consists of a rather tedious set of "if ... then" statements of advice from a father to his son. There are 4 stanzas, 11 "if statements", and one "then" conclusion. To remind you, here is part of the first stanza and the conclusion:

If you can keep your head when all about you
Are losing theirs and blaming it on you;
If you can trust yourself when all men doubt you,
But make allowance for their doubting too; ...
Yours is the Earth and everything that's in it,
And— which is more— you'll be a Man, my son!

Here is my humble "if ... then" poem on a theme of economics:

If you can hold one factor still when all about you
Other factors change and make it hard to view,
If you can see more clearly when others shroud their eyes
And whose mal-observation prevents them being wise,
The economy is yours and everything that's in it,
And more, you'll be an economist my friend.

APPENDICES ↩

Appendix I: Mill's References to *Cæteris Paribus* (17) in *Principles of Political Economy* (1848, 1868)

The edition I have used is John Stuart Mill, *Principles of Political Economy with some of their Applications to Social Philosophy*. By John Stuart Mill. In Two Volumes. Seventh Edition. (London: Longmans, Green, Reader And Dyer, 1871). It is available at my website [Online](#).

1.) Chap III Of Unproductive Labour , p. I-62 [Online](#).

All labour is, in the language of political economy, unproductive, which ends in immediate enjoyment, without any increase of the accumulated stock of permanent means of enjoyment. And all labour, according to our present definition, must be classed as unproductive, which terminates in a permanent benefit, however important, provided that an increase of material products forms no part of that benefit. The labour of saving a friend's life is not productive, unless the friend is a productive labourer, and produces more than he consumes. To a religious person the saving of a soul must appear a far more important service than the saving of a life ; but he will not therefore call a missionary or a [i-62] clergyman productive labourers, unless they teach, as the South Sea Missionaries have in some cases done, the arts of civilization in addition to the doctrines of their religion. It is, on the contrary, evident that the greater number of missionaries or clergymen a nation maintains, the less it has to expend on other things; while the more it expends judiciously in keeping agriculturists and manufacturers at work, the more it will have for every other purpose. By the former it diminishes, *cæteris paribus*, its stock of material products ; by the latter, it increases them.

2.) CHAPTER VII. ON WHAT DEPENDS THE DEGREE OF PRODUCTIVENESS OF PRODUCTIVE AGENTS, p. I-129 [Online](#).

§ 3. So much for natural advantages ; the value of which, *cæteris paribus*, is too obvious to be ever underrated. But experience testifies that natural advantages scarcely ever do for a community, no more than fortune and station do for an individual, anything like what it lies in their nature, or in their capacity, to do. Neither now nor in former ages have the nations possessing the best climate and soil, been either the richest or the most powerful ; but (in so far as regards the mass of the people) generally among the [i-130] poorest, though, in the midst of poverty, probably on the whole the most enjoying. Human life in those countries can be supported on so little, that the poor seldom suffer from anxiety, and in climates in which mere existence is a pleasure, the luxury which they prefer is that of repose. Energy, at the call of passion, they possess in abundance, but not that which is manifested in sustained and persevering labour : and as they seldom concern themselves enough about remote objects to establish good political institutions, the incentives to industry are further weakened by imperfect protection of its fruits. Successful production, like most other kinds of success, depends more on the qualities of the human agents, than on the circumstances in which they work : and it is difficulties, not facilities, that nourish bodily and mental energy. Accordingly the tribes of mankind who have overrun and conquered others, and compelled them to labour for their benefit, have been mostly reared amidst hardship. They have either been bred in the forests of northern climates, or the deficiency of natural hardships has been supplied, as among the Greeks and Romans, by the artificial ones of a rigid military discipline. From the time when the circumstances of modern society permitted the discontinuance of that discipline, the South has no longer produced conquering nations ; military vigour, as well as speculative thought and industrial energy, have all had their principal seats in the less favoured North.

3.) CHAPTER IX. OF PRODUCTION ON A LARGE, AND PRODUCTION ON A SMALL SCALE p. I-187 [Online](#).

But although the gross produce of the land is greatest, *cæteris paribus*, under small cultivation, and although, therefore, a country is able on that system to support a larger aggregate population, it is generally assumed by English writers that what is termed the net produce, that is, the surplus after feeding the cultivators, must be smaller ; that therefore, the population disposable for all other purposes, for manufactures, for commerce and navigation, for national defence, for the promotion of knowledge, for the liberal professions, for the various functions of government, for the arts and literature, all of which are dependent on this surplus for their existence as occupations, must be less numerous ; and that the nation, therefore (waving all question as to the condition of the actual cultivators), must be inferior in the principal elements of national power, and in many of those of general well-being. This, however, has been taken for granted much too readily. Undoubtedly the non-agricultural population will bear a less ratio to the agricultural, under small than under large cultivation.

4.) CHAPTER XII. OF THE LAW OF THE INCREASE OF PRODUCTION FROM LAND p. I-226 [Online](#).

§ 3. That the produce of land increases, *ceteris paribus*, in a diminishing ratio to the increase in the labour employed, is a truth more often ignored or disregarded than actually denied. It has, however, met with a direct impugner in the well-known American political economist, Mr. H. C. Carey, who maintains that the real law of agricultural industry is the very reverse ; the produce increasing in a greater ratio than the labour, or in other words affording to labour a perpetually increasing return. To substantiate this assertion, he argues that cultivation does not begin with the better soils, and extend from them, as the demand increases, to the poorer, but begins with the poorer, and does not, till long after, extend itself to the more fertile. Settlers in a new country invariably commence on the high and thin lands ; the rich but swampy soils of the river bottoms cannot at first be brought into cultivation, by reason of their unhealthiness, and of the great and prolonged labour required for clearing and draining them. As population and wealth increase, cultivation travels down the hill sides, clearing them as it goes, and the most fertile soils, those of the low grounds, are generally (he even says universally) the latest cultivated. These propositions, with the inferences which Mr. Carey draws from them, are set forth at much length in his latest and most elaborate treatise, " Principles of Social Science ;" and he considers them as subverting the very foundation of what he calls the English political economy, with all its practical consequences, especially the doctrine of free trade.

5.) CHAPTER II. THE SAME SUBJECT CONTINUED p. I-275 [Online](#).

But the feudal family, the last historical form of patriarchal life, has long perished, and the unit of society is not now the family or clan, composed of all the reputed descendants of a common ancestor, but the individual; or at most a pair of individuals, with their unemancipated children. [i-275] Property is now inherent in individuals, not in families: the children when grown up do not follow the occupations or fortunes of the parent: if they participate in the parent's[^] pecuniary means it is at his or her pleasure, and not by a voice in the ownership and government of the whole, but generally by the exclusive enjoyment of apart; and in this country at least (except as far as entails or settlements are an obstacle) it is in the power of parents to disinherit even their children, and leave their fortune to strangers. More distant relatives are in general almost as completely detached from the family and its interests as if they were in no way connected with it. The only claim they are supposed to have on their richer relations, is to a preference, *ceteris paribus*, in good offices, and some aid in case of actual necessity.

6.) CHAPTER XIV. OF THE DIFFERENCES OF WAGES IN DIFFERENT EMPLOYMENTS p. I-489 [Online](#).

For the same reason it is found that, *ceteris paribus*, those trades are generally the worst paid, in which the wife and children of the artizan aid in the work. The income which the habits of the class demand, and down to which they are almost sure to multiply, is made up, in those trades, by the earnings of the whole family, while in others the same income must be obtained by the labour of the man alone. It is even probable that their collective earnings will amount to a smaller sum than those of the man alone in other trades ; because the prudential restraint on marriage is unusually weak when the only consequence immediately felt is an improvement of circumstances, the joint earnings of the two going further in their domestic economy after marriage than before. Such accordingly is the fact, in the case of hand-loom weavers. In most kinds of weaving, women can and do earn as much as men, and children are employed at a very early age ; but the aggregate earnings of a family are lower than in almost any other kind of industry, and the marriages earlier. ...

7.) APPENDIX p. I-613 [Online](#).

On what evidence is it asserted that small properties imply deficiency of cattle, and consequent deficiency of manure ? That they are not favourable to sheep farming seems to be admitted ; yet in France, as well as in the United Kingdom, the number of sheep has doubled in the course of a century. It is true that in quality, instead of the extraordinary improvement which has taken place in England, they have remained almost stationary. But the breeding and fattening of horned cattle is so perfectly compatible with small capital, that in the opinion of many Continental authorities, small farms have the advantage in this respect, and so great an advantage as to be more than a compensation for their inferiority in sheep. It is argued that the *petite propriété* must diminish the number of cattle, because it leads to the breaking up of natural pasture. But when natural pasture is fit for the plough, a greater number of cattle than were supported on the whole, may be supported on a part, by laying it out in roots and artificial grasses ; and it is well known that on the stall-feeding system there is much greater preservation of manure. The question of *petite culture*, in relation to cattle, is, in fact, one and the same with the question of stall-feeding. The two things must stand or fall together. Stall-feeding produces, *ceteris paribus*, a greater quantity of provisions, but in the opinion of most judges a lower quality. Experience must decide.

8.) CHAPTER VIII. OF THE VALUE OF MONEY, AS DEPENDENT ON DEMAND AND SUPPLY. p. II-20

[Online.](#)

It frequently happens that money, to a considerable amount, is brought into the country, is there actually invested as capital, and again flows out, without having ever once acted upon the markets of commodities, but only upon the market of securities, or, as it is commonly though improperly called, the money market. Let us return to the case already put for illustration, that of a foreigner landing in the country with a treasure. We supposed him to employ his treasure in the purchase of goods for his own use, or in setting up a manufactory and employing labourers; and in either case he would, *cæteris paribus*, raise prices. But instead of doing either of these things, he might very probably prefer to invest his fortune at interest; which we shall suppose him to do in [ii-21] the most obvious way, by becoming a competitor for a portion of the stock, exchequer bills, railway debentures, mercantile bills, mortgages, &c., which are at all times in the hands of the public. By doing this he would raise the prices of those different securities, or in other words would lower the rate of interest; and since this would disturb the relation previously existing between the rate of interest on capital in the country itself, and that in foreign countries, it would probably induce some of those who had floating capital seeking employment, to send it abroad for foreign investment rather than buy securities at home at the advanced price. As much money might thus go out as had previously come in, while the prices of commodities would have shown no trace of its temporary presence. This is a case highly deserving of attention: and it is a fact now beginning to be recognised, that the passage of the precious metals from country to country is determined much more than was formerly supposed, by the state of the loan market in different countries, and much less by the state of prices.

9.) CHAPTER XVIII. OF INTERNATIONAL VALUES, p. II-136 [Online.](#)

It deserves notice, that this effect in favour of England from the opening of another market for her exports, will equally be produced even though the country from which the demand comes should have nothing to sell which England is willing to take. Suppose that the third country, though requiring cloth or iron from England, produces no linen, nor any other article which is in demand there. She however produces exportable articles, or she would have no means of paying for imports: her exports, though not suitable to the English consumer, can find a market somewhere. As we are only supposing three countries, we must assume her to find this market in Germany, and to pay for what she imports from England by orders on her German customers. Germany, therefore, besides having to pay for her own imports, now owes a debt to England on account of the third country, and the means for both purposes must be derived from her exportable produce. She must therefore tender that produce to England on terms sufficiently favourable to force a demand equivalent to this double debt. Everything will take place precisely as if the third country had bought German produce with her own goods, and offered that produce to England in exchange for hers. There is an increased demand for English goods, for which German goods have to furnish the payment; and this can only be done by forcing an increased demand for them in England, that is, by lowering their value. Thus an increase of demand for a country's exports in any foreign country, enables her to obtain more cheaply even [ii-136] those imports which she procures from other quarters. And conversely, an increase of her own demand for any foreign commodity compels her, *cæteris paribus*, to pay dearer for all foreign commodities.

10.) CHAPTER XVIII. OF INTERNATIONAL VALUES, II-150 [Online.](#)

But these two influencing circumstances are in reality reducible to one: for the capital which a country has to spare from the production of domestic commodities for its own use, is in proportion to its own demand for foreign commodities: whatever proportion of its collective income it expends in purchases from abroad, that same proportion of its capital is left without a home market for its productions. The new element, therefore, which for the sake of scientific correctness we have introduced into the theory of international values, does not seem to make any very material difference in the practical result. It still appears, that the countries which carry on their foreign trade on the most advantageous terms, are those whose commodities are most in demand by foreign countries, and which have themselves the least demand for foreign commodities. From which, among other consequences, it follows, that the richest countries, *cæteris paribus*, gain the least by a given amount of foreign commerce: since, having a greater demand for commodities generally, they are likely to have a greater demand for foreign commodities, and thus modify the terms of interchange to their own disadvantage. Their aggregate gains by foreign trade, doubtless, are generally greater than those of poorer countries, since they carry on a greater amount of such trade, and gain the benefit of cheapness on a larger consumption: but their gain is less on each individual article consumed.

11.) CHAPTER XIX. ON MONEY, CONSIDERED AS AN IMPORTED COMMODITY. p. II-156 [Online.](#)

Money, then, if imported solely as a merchandize, will, like other imported commodities, be of lowest value in the countries for whose exports there is the greatest foreign demand, and which have themselves the least demand for foreign commodities. To these two circumstances it is however

necessary to add two others, which produce their effect through cost of carriage. The cost of obtaining bullion is compounded of two elements; the goods given to purchase it, and the expense of transport: of which last, the bullion countries will bear a part, (though an uncertain part,) in the adjustment of international values. The expense of transport is partly that of carrying the goods to the bullion countries, and partly that of bringing back the bullion: both these items are influenced by the distance from the mines; and the former is also much affected by the bulkiness of the goods. Countries whose exportable produce consists of the finer manufactures, obtain bullion, as well as all other foreign articles, *cæteris paribus*, at less expense than countries which export nothing but bulky raw produce.

12.) CHAPTER XXIII. OF THE RATE OF INTEREST., p. II-206 [Online](#).

The price of land, mines, and all other fixed sources of income, depends in like manner on the rate of interest. Land usually sells at a higher price, in proportion to the income afforded by it, than the public funds, not only because it is thought, even in this country, to be somewhat more secure, but because ideas of power and dignity are associated with its possession. But these differences are constant, or nearly so; and in the variations of price, land follows, *cæteris paribus*, the permanent (though of course not the daily) variations of the rate of interest. When interest is low, land will naturally be dear; when interest is high, land will be cheap. The last long war presented a striking exception to this rule, since the price of land as well as the rate of interest was then remarkably high. For this, however, there was a special cause. The continuance of a very high average price of corn for many years, had raised the rent of land even more than in proportion to the rise of interest and fall of the selling price of fixed incomes. Had it not been for this accident, chiefly dependent on the seasons, land must have sustained as great a depreciation in value as the public funds: which it probably would do, were a similar war to break out hereafter; to the signal disappointment of those landlords and farmers who, generalizing from the casual circumstances of a remarkable period, so long persuaded themselves that a state of war was peculiarly advantageous, and a state of peace disadvantageous, to what they chose to call the interests of agriculture.

13.) CHAPTER II. INFLUENCE OF THE PROGRESS OF INDUSTRY AND POPULATION ON VALUES AND PRICES, p. II-273 [Online](#).

When, however, population increases, as it has never yet failed to do when the increase of industry and of the means of subsistence made room for it, the demand for most of the productions of the earth, and particularly for food, increases in a corresponding proportion. And then comes into effect that fundamental law of production from the soil, on which we have so frequently had occasion to expatiate; the law, that increased labour, in any given state of agricultural skill, is attended with a less than proportional increase of produce. The cost of production of the fruits of the earth increases, *cæteris paribus*, with every increase of the demand.

14.) CHAPTER III. INFLUENCE OF THE PROGRESS OF INDUSTRY AND POPULATION, ON RENTS, PROFITS, AND WAGES., p. II-284 [Online](#).

It follows, from principles with which we are already familiar, that in these circumstances rent will rise. Any land can afford to pay, and under free competition will pay, a rent equal to the excess of its produce above the return to an equal capital on the worst land, or under the least favourable conditions. Whenever, therefore, agriculture is driven to descend to worse land, or more onerous processes, rent rises. Its rise will be twofold, for, in the first place, rent in kind, or corn rent, will rise; and in the second, since the value of agricultural produce has also risen, rent, estimated in manufactured or foreign commodities (which is represented, *cæteris paribus*, by money rent) will rise still more.

15.) CHAPTER II. ON THE GENERAL PRINCIPLES OF TAXATION., p. II-392 [Online](#).

§ 2. For what reason ought equality to be the rule in matters of taxation? For the reason, that it ought to be so in all affairs of government. As a government ought to make no distinction of persons or classes in the strength of their claims on it, whatever sacrifices it requires from them should be made to bear as nearly as possible with the same pressure upon all, which, it must be observed, is the mode by which least sacrifice is occasioned on the whole. If any one bears less than his fair share of the burthen, some other person must suffer more than his share, and the alleviation to the one is not, *cæteris paribus*, so great a good to him, as the increased pressure upon the other is an evil. Equality of taxation, therefore, as a maxim of politics, means equality of sacrifice. It means apportioning the contribution of each person towards the expenses of government, so that he shall feel neither more nor less inconvenience from his share of the payment than every other person experiences from his. This standard, like other standards of perfection, cannot be completely realized; but the first object in every practical discussion should be to know what perfection is.

5thly. Among luxuries of general consumption, taxation should by preference attach itself to stimulants, because these, though in themselves as legitimate indulgences as any others, are more liable than most others to be used in excess, so that the check to consumption, naturally arising from taxation, is on the whole better applied to them than to other things. 6thly. As far as other considerations permit, taxation should be confined to imported articles, since [ii-475] these can be taxed with a less degree of vexatious interference, and with fewer incidental bad effects, than when a tax is levied on the field or on the workshop. Custom-duties are, *cæteris paribus*, much less objectionable than excise: but they must be laid only on things which either cannot, or at least ill not, be produced in the country itself; or else their production there must be prohibited (as in England is the case with tobacco), or subjected to an excise duty of equivalent amount. 7thly. No tax ought to be kept so high as to furnish a motive to its evasion, too strong to be counteracted by ordinary means of prevention: and especially no commodity should be taxed so highly as to raise up a class of lawless characters, smugglers, illicit distillers, and the like.

17.) CHAPTER X. OF INTERFERENCES OF GOVERNMENT GROUNDED ON ERRONEOUS THEORIES., p. II-534 [Online](#).

Now, in the first place, there is nothing more objectionable in a money payment than in payment by any other medium, if the state of the market makes it the most advantageous remittance; and the money itself was first acquired, and would again be replenished, by the export of an equivalent value of our own products. But, in the next place, a very short interval of paying in money would so lower prices as either to stop a part of the importation, or raise up a foreign demand for our produce, sufficient to pay for the imports. I grant that this disturbance of the equation of international demand would be in some degree to our disadvantage, in the purchase of other imported articles; and that a country which prohibits some foreign commodities, does, *cæteris paribus*, obtain those which it does not prohibit, at a less price than it would otherwise have to pay. To express the same thing in other words; a country which destroys or prevents altogether certain branches of foreign trade, thereby annihilating a general gain to the world, which would be shared in some proportion between itself and other countries—does, in some circumstances, draw to itself, at the expense of foreigners, a larger share than would else belong to it of the gain arising from that portion of its foreign trade which it suffers to subsist. But even this it can only be enabled to do, if foreigners do not maintain equivalent prohibitions or restrictions against its commodities. In any case, the justice or expediency of destroying one of two gains, in order to engross a rather larger [****ii-535****] share of the other, does not require much discussion: the gain, too, which is destroyed, being, in proportion to the magnitude of the transactions, the larger of the two, since it is the one which capital, left to itself, is supposed to seek by preference.

Appendix II: Bastiat on "Cæteris Paribus" (5) and "toutes choses égales d'ailleurs" (12)

His use of "ceteris paribus" (5)

- 1.) "Aux rédacteurs du *National* (2) (To the Editors of *Le National* (2)) *Courrier français*, 11 novembre 1846. [Online](#)

"Il y a en effet deux sortes d'impôts, les bons et les mauvais. J'appelle *bon impôt* celui en retour duquel le contribuable reçoit un service supérieur ou du moins équivalent à son sacrifice. Si l'État, par exemple, prend, en moyenne, 1 franc à chaque citoyen, et si, avec les 36 millions qui en proviennent, il fait un canal qui économise tous les ans à l'industrie 5 ou 6 millions de frais de transport, on ne peut pas dire que l'opération nous place dans une condition inférieure au peuple voisin, qui, *cæteris paribus*, ne paye pas les 36 millions, mais n'a pas non plus le canal. S'agit-il du fer ? Il est bien vrai qu'en raison de la taxe son prix de revient sera augmenté dans une proportion quelconque ; mais, en raison du canal, il sera diminué dans une proportion plus forte encore, en sorte que, si le maître de forges fait son compte, il trouvera que son fer lui coûte moins qu'avant la taxe. Or, il est évident qu'un impôt de cette nature (et tous devraient l'être) ne justifie pas une protection spéciale en faveur du fer. Il s'en passait avant la taxe, *à fortiori*, il peut s'en passer après."

- 2.) *Capitale et rente* (Paris: Guillaumin, 1849). [Online](#).

"D'après quelle loi s'établit le taux de ces services rémunérateurs du prêt ? D'après la loi générale qui règle l'équivalence de tous les services, c'est-à-dire d'après la loi de l'offre et de la demande. Plus une chose est facile à se procurer, moins on rend service en la cédant ou prêtant. L'homme qui me donne un verre d'eau, dans les Pyrénées, ne me rend pas un aussi grand service que celui qui me céderait un verre d'eau, dans le désert de Sahara. S'il y a beaucoup de rabots, de sacs de blé, de maisons dans un pays, on en obtient l'usage (*cæteris paribus*) à des conditions plus favorables que s'il y en a peu, par la simple raison que le prêteur rend en ce cas un moindre service relatif."

3.) "Abondance", *Dictionnaire de l'économie politique* (Paris: Guillaumin, 1852), vol. 1, pp. 2-4. [Online](#)

"On dira peut-être qu'il ne suffit pas que les produits *abondent* ; qu'il faut encore qu'ils soient équitablement répartis. Rien n'est plus vrai. Mais ne confondons pas les questions. Quand nous défendons l'abondance, quand nos adversaires la décrient, les uns et les autres nous sous-entendons ces mots : **cæteris paribus, toutes choses égales d'ailleurs**, l'équité dans la répartition étant supposée la même."

4.) *Harmonies économiques* (1851) chap. IX. Propriété foncière, p. 271 [Online](#)

"Le seul fait qu'il existe des terres sans valeur quelque part oppose au privilège un obstacle invincible, et nous nous retrouvons dans l'hypothèse précédente. Les services agricoles subissent la loi de l'universelle compétition, et il est radicalement impossible de les faire accepter pour plus qu'ils ne valent. J'ajoute qu'ils ne valent pas plus (**cæteris paribus**) que les services de toute autre nature."

5.) Letter from Eaux-Bonnes, 3 juillet 1850. A M. de Fontenay [Online](#)

"Il y a toute une science à élever sur le vilain mot consommation : c'est ce que j'établirai au commencement de mon second volume. Quant à la population, il est incompréhensible que M. Clément m'attaque sur un sujet que je n'ai pas encore abordé ! Et au fond, nier cet axiome : La densité de la population est une facilité de production, c'est nier toute la puissance de l'échange et de la division du travail. De plus c'est nier des faits qui crèvent les yeux. — Sans doute la population s'arrange naturellement de manière à produire le plus possible ; et pour cela, selon l'occurrence, elle diverge ou converge, elle obéit à une double tendance de dissémination et de concentration ; mais plus elle augmente, **cæteris paribus**, — c'est-à-dire à égalité de vertus, de prévoyance, de dignité, — plus les services se divisent, se rendent facilement, plus chacun tire parti de ses moindres qualités spéciales, etc..."

His use of "toutes choses égales d'ailleurs" (12)

1.) "Réflexions sur les pétitions de Bordeaux, Le Havre, et Lyon concernant les Douanes" (Reflections on the Petitions from Bordeaux, Le Havre, and Lyons Relating to the Customs Service) April 1834. [Online](#).

"**Toutes choses égales d'ailleurs**, il est avantageux pour le public que les matières premières soient mises en œuvre sur le lieu même de leur production."

2.) "Lettre au rédacteur du *Journal des Débats*. Première lettre" (First Letter to the Editor of the *Journal des débats*), *Journal des Débats*, 2 mai 1846. [Online](#).

"Ici on pourra m'arrêter et me dire que de telles suppositions ne se réalisent jamais ; mais comme je cherche l'influence de deux systèmes de douane différents sur deux opérations analogues, je dois bien raisonner comme les géomètres, sur cette formule : **toutes choses égales d'ailleurs**."

3.) "De la concurrence," (On Competition), JDE, Mai 1846, T. XIV, pp. 106-122. and HE X. Concurrence, p. 315 [Online](#).

"**Toutes choses égales d'ailleurs**, il y a plus de profits aux travaux dangereux qu'à ceux qui ne le sont pas; aux états qui exigent un long apprentissage et des déboursés longtemps improductifs, ce qui suppose, dans la famille, le long exercice de certaines vertus, qu'à ceux où suffit la force musculaire; aux professions qui réclament la culture de l'esprit et font naître des goûts délicats, qu'aux métiers où il ne faut que des bras. Tout cela n'est-il pas juste? Or la concurrence établit nécessairement ces distinctions : la société n'a pas besoin qu'un Fourier ou un père Enfantin en décident."

4.) "Deuxième discours, à Paris" (Second Speech given in the Montesquieu Hall in Paris) [salle montesquieu, 29 septembre 1846], *Journal des Économistes*, octobre 1846. [Online](#).

"Chacun de nous comprend instinctivement que nos services seront d'autant plus recherchés, d'autant plus demandés, auront d'autant plus de valeur, d'autant plus de prix, qu'ils seront plus rares, **toutes choses égales d'ailleurs**, c'est-à-dire le grand réservoir commun, le milieu demeurant également pourvu. Et voilà pourquoi nous avons tous l'instinct du monopole. Tous nous voudrions opérer la rareté du service qui fait l'objet de notre industrie, en éloignant nos concurrents."

5.) "Peuple et Bourgeoisie" (The People and the Bourgeoisie), *Libre-Échange*, 22 May 1847 [Online](#).

“Ces loisirs, s’ils ne coûtent rien à qui que ce soit, méritent-ils d’exciter la jalousie ? Ce développement intellectuel ne tourne-t-il pas au profit du progrès, dans l’ordre moral aussi bien que dans l’ordre industriel ? Ces capitaux sans cesse croissants, précisément à cause des avantages qu’ils confèrent, ne sont-ils pas le fonds sur lequel vivent les classes qui ne sont pas encore affranchies du travail manuel ? Et le bien-être de ces classes, **toutes choses égales d’ailleurs**, n’est-il pas exactement proportionnel à l’abondance de ces capitaux et, par conséquent, à la rapidité avec laquelle ils se forment, à l’activité avec laquelle ils rivalisent ?”

6.) *Sophismes économiques II* chap. V. Cherté, bon marché (late 1847), p. II-52. [Online](#)

“Supposons deux nations isolées, chacune composée d’un million d’habitants. Admettons que, **toutes choses égales d’ailleurs**, il y ait chez l’une juste une fois plus de toutes sortes de choses que chez l’autre, le double de blé, de viande, de fer, de meubles, de combustible, de livres, de vêtements, etc. On conviendra que la première sera le double plus riche.”

7.) *Sophismes économiques II* chap. XII. Le sel, la poste et la douane (late 1847), p. II-128 [Online](#)

“Mais permettez-moi de vous dire que les chiffres, dans votre rapport, dansent avec un peu trop de laisser aller. Dans tous vos tableaux, dans tous vos calculs, vous sous-entendez ces mots : **Toutes choses égales d’ailleurs**. Vous supposez les mêmes frais avec une administration simple qu’avec une administration compliquée ;”

8.) "Maudit argent" (Damned Money), *Journal des Économistes*, 15 Avril 1849, T. 23, no. 97, pp. 1-20. Published as book or pamphlet: Bastiat, *L’État. Maudit argent!* (Paris: Guillaumin, 1849). [Online](#)

“Tout cela est fort subtil. Mais vous aurez bien de la peine à me faire comprendre que je ne suis pas plus riche, **toutes choses égales d’ailleurs**, si j’ai deux écus, que si je n’en ai qu’un.”

9.) “Abondance”, *Dictionnaire de l’économie politique* (Paris: Guillaumin, 1852), vol. 1, pp. 2-4. [Online](#)

“On dira peut-être qu’il ne suffit pas que les produits *abondent* ; qu’il faut encore qu’ils soient équitablement répartis. Rien n’est plus vrai. Mais ne confondons pas les questions. Quand nous défendons l’abondance, quand nos adversaires la décrient, les uns et les autres nous sous-entendons ces mots : **cæteris paribus, toutes choses égales d’ailleurs**, l’équité dans la répartition étant supposée la même.”

10.) HE A la jeunesse française (early 1850), p. 12. [Online](#).

“Disciples de Malthus, philanthropes sincères et calomniés, dont le seul tort est de prémunir l’humanité contre une loi fatale, la croyant fatale, j’aurai à vous soumettre une autre loi plus consolante : « **Toutes choses égales d’ailleurs**, la densité croissante de population équivaut à une facilité croissante de production. » — Et s’il en est ainsi, certes, ce ne sera pas vous qui vous affligerez de voir tomber du front de notre science chérie sa couronne d’épines.”

11.) HE V. De la Valeur (early 1850), pp. 155=56. [Online](#).

“Au fond, le mot rareté, dans le sujet qui nous occupe, exprime d’une manière abrégée cette pensée : **Toutes choses égales d’ailleurs**, un service a d’autant plus de valeur que nous aurions plus de difficulté à nous le rendre à nous-mêmes, et que, par conséquent, nous rencontrons plus d’exigence quand nous le réclamons d’autrui.”

12.) HE XVII. Services privés, service public (1850), pp. 486-87. [Online](#).

“Parmi les arguties traditionnelles qu’on fait valoir en sa faveur, il est bon de discerner celle-ci : **Toutes choses égales d’ailleurs**, un accroissement de demande est un bien pour ceux qui ont un service à offrir ; puisque ce nouveau rapport entre une demande plus active et une offre stationnaire est ce qui augmente la valeur du service. De là on tire cette conclusion : La spoliation est avantageuse à tout le monde : à la classe spoliatrice qu’elle enrichit directement, aux classes spoliées qu’elle enrichit par ricochet.”

Appendix III: Mill's justification for restrictions on free trade

John Stuart Mill, *On Liberty*. By John Stuart Mill. Fourth Edition. (London: Longmans, Green, Reader and Dyer. 1869). pp. 170-71 [Online](#).

Again, trade is a social act. Whoever undertakes to sell any description of goods to the public, does what affects the interest of other persons, and of society in general; and thus his conduct, in principle, comes within the jurisdiction of society: accordingly, it was once held to be the duty of governments, in all cases which were considered of importance, to fix prices, and regulate the processes of manufacture. But it is now recognised, though not till after a long struggle, that both the cheapness and the good quality of commodities are most effectually provided for by leaving the producers and sellers perfectly free, under the sole check of equal freedom to the buyers for supplying themselves elsewhere. This is the so-called doctrine of Free Trade, which rests on grounds different from, though equally solid with, the principle of individual liberty asserted in this Essay. Restrictions on trade, or on production for purposes of trade, are indeed restraints; and all restraint, *quâ* restraint, is an evil: but the restraints in question affect only that part of conduct which society is competent to restrain, and are wrong [171] solely because they do not really produce the results which it is desired to produce by them. As the principle of individual liberty is not involved in the doctrine of Free Trade, so neither is it in most of the questions which arise respecting the limits of that doctrine; as for example, what amount of public control is admissible for the prevention of fraud by adulteration; how far sanitary precautions, or arrangements to protect workpeople employed in dangerous occupations, should be enforced on employers. Such questions involve considerations of liberty, only in so far as leaving people to themselves is always better, *cæteris paribus*, than controlling them: but that they may be legitimately controlled for these ends, is in principle undeniable. On the other hand, there are questions relating to interference with trade, which are essentially questions of liberty; such as the Maine Law, already touched upon; the prohibition of the importation of opium into China; the restriction of the sale of poisons; all cases, in short, where the object of the interference is to make it impossible or difficult to obtain a particular commodity. These interferences are objectionable, not as infringements on the liberty of the producer or seller, but on that of the buyer.

Appendix IV: Bastiat on "causes perturbatrices" (disturbing causes) and related terms

I have counted the following instances of its use in Bastiat's work:

1. Les forces perturbatrices (disturbing forces) (2)
2. Les causes perturbatrices (disturbing causes) (14)
3. L'action perturbatrice (a disturbing action) (3)
4. Les perturbations des lois naturelles (disturbances in the natural laws) (3)
5. Les forces réparatrices (repairing or restoring forces) (2)
6. La force curative (healing or curing force) (5)

Les forces perturbatrices (disturbing forces)

1.) "Un économiste à M. de Lamartine. A l'occasion de son écrit intitulé: *Du Droit au travail*" (Letter from an Economist to M. de Lamartine. On the occasion of his article entitled: *The Right to Work*) [*Journal des Économistes*, February 1845, T. 10, no. 39, pp. 209-223. [Online](#)]

L'économie des sociétés a eu aussi ses Laplace. S'il y a **des perturbations sociales**, ils ont aussi constaté l'existence de forces providentielles qui ramènent tout à l'équilibre, et ils ont trouvé que **ces forces réparatrices** se proportionnent aux **forces perturbatrices**, parce qu'elles en proviennent. Ravis d'admiration devant cette harmonie du monde moral, ils ont dû se passionner pour l'œuvre divine et répugner plus que les autres hommes à tout ce qui peut la troubler. Aussi n'a-t-on jamais vu, que je sache, les séductions de l'intérêt privé balancer dans leur cœur cet éternel objet de leur admiration et de leur amour.

Political economy also has its Laplaces. They have observed that, when social disturbances appear, there also exist providential forces that bring everything back into equilibrium. They have discovered that these restorative forces are proportional to the disturbing forces because the one gives rise to the other. In delighted admiration for this harmony in the moral world, they have conceived a passion for the divine work and they, more than other people, reject everything that might disrupt it. For this reason, as far as I know, there has never been an instance when the attraction of private interest has come to rival in their hearts this eternal object of their admiration and love.

2.) HE2 chap. XVI De la population, p. 427 [Online](#)

La guerre, l'esclavage, les impostures théocratiques, les privilèges, les monopoles, les restrictions, les abus de l'impôt, voilà les manifestations les plus saillantes de la spoliation. On comprend quelle influence **des forces perturbatrices** d'une aussi vaste étendue ont dû avoir et ont encore, par leur présence ou leurs traces profondes, sur l'inégalité des conditions ; nous essayerons plus tard d'en mesurer l'énorme portée.

Les causes perturbatrices

1.) HE Chap. "A la jeunesse française" (early 1850), p. 10 [Online](#)

Il ne suffisait donc pas d'exposer, dans leur majestueuse harmonie, **les lois naturelles de l'ordre social**, il fallait encore montrer **les causes perturbatrices** qui en paralysent l'action. C'est ce que j'ai essayé de faire dans la seconde partie de ce livre.

2.) HE Chap. II Besoins, Efforts, Satisfaction (early 1850), p. 38 [Online](#)

Enfin j'appellerai l'attention du lecteur sur les obstacles artificiels que rencontre le développement pacifique, régulier et progressif des sociétés humaines. De ces deux idées : Lois naturelles harmoniques, **causes artificielles perturbatrices**, se déduira la solution du Problème social.

3.) 2 references in HE Chap. X Competition,

3.1.) HE Chap. X Competition, p. 296 [Online](#)

Loin que la Concurrence, comme on l'en accuse, agisse dans le sens de l'inégalité, on peut affirmer que toute inégalité *factice* est imputable à son absence ; et si l'abîme est plus profond entre le grand lama et un paria qu'entre le président et un artisan des États-Unis, cela tient à ce que la Concurrence (ou la liberté), comprimée en Asie, ne l'est pas en Amérique. Et c'est pourquoi, pendant que les Socialistes voient dans la Concurrence la cause de tout mal, c'est dans les atteintes qu'elle reçoit qu'il faut chercher **la cause perturbatrice de tout bien**. Encore que cette grande loi ait été méconnue des Socialistes et de leurs adeptes, encore qu'elle soit souvent brutale dans ses procédés, il n'en est pas de plus féconde en **harmonies sociales**, de plus bienfaisante dans ses résultats généraux, il n'en est pas qui atteste d'une manière plus éclatante l'incommensurable supériorité des desseins de Dieu sur les vaines et impuissantes combinaisons des hommes.

3.2.) HE Chap. X Competition, p.312 [Online](#)

J'expose maintenant des lois générales que je crois harmoniques, et j'ai la confiance que le lecteur commence à se douter aussi que ces lois existent, qu'elles agissent dans le sens de la communauté et par conséquent de l'égalité. Mais je n'ai pas nié que l'action de ces lois ne fût profondément troublée par **des causes perturbatrices**. Si donc nous rencontrons en ce moment un *fait* choquant d'inégalité, comment le pourrions-nous juger avant de connaître et les lois régulières de l'ordre social et **les causes perturbatrices** de ces lois ?

4.) 4 references in HE chap XIV Des salaires, p. 406 [Online](#)

Les lois générales du monde social sont harmoniques, elles tendent dans tous les sens au perfectionnement de l'humanité. [translation to come]

Car enfin, puisque, après une période de cent ans, pendant laquelle elles ont été si fréquemment et si profondément violées, l'Humanité se trouve plus avancée, il faut que leur action soit bienfaisante, et même assez pour compenser encore **l'action des causes perturbatrices.**

Comment, d'ailleurs, en pourrait-il être autrement? N'y a-t-il pas une sorte d'équivoque ou plutôt de pléonasme sous ces expressions : *Lois générales bienfaites ?* Peuvent-elles ne pas l'être?... Quand Dieu a mis dans chaque homme une impulsion irrésistible vers le bien, et, pour le discerner, une lumière susceptible de se rectifier, dès cet instant il a été décidé que l'Humanité était perfectible et qu'à travers beaucoup de tâtonnements, d'erreurs, de déceptions, d'oppressions, d'oscillations, elle marcherait vers le mieux indéfini. Cette marche de l'Humanité, en tant que les erreurs, les déceptions, les oppressions en sont absentes, c'est justement ce qu'on appelle les lois générales de l'ordre social. **Les erreurs, les oppressions, c'est ce que je nomme la violation de ces lois ou les causes perturbatrices.** Il n'est donc pas possible que les unes ne soient bienfaites et les autres funestes, à moins qu'on n'aille jusqu'à mettre en doute si **les causes perturbatrices** ne peuvent agir d'une manière plus permanente que les lois générales. Or cela est contradictoire à ces prémisses : notre intelligence, qui peut se tromper, est susceptible de se rectifier. Il est clair que le monde social étant constitué comme il l'est, l'erreur rencontre tôt ou tard pour limite la Responsabilité, **l'oppression se brise tôt ou tard à la Solidarité** ; d'où il suit que **les causes perturbatrices** ne sont pas d'une nature permanente, et c'est pour cela que ce qu'elles troublent mérite le nom de lois générales.

5.) HE chap XVI Population, p. 427 [Online](#)

Il n'en a pas été ainsi pourtant ; c'est un point de fait incontestable. Il y a dans le monde une multitude de malheureux qui ne sont pas malheureux par leur faute.

Quelles sont les causes de ce phénomène ?

Je crois qu'il y en a plusieurs. L'une s'appelle *spoliation*, ou, si vous voulez, *injustice*. Les économistes n'en ont parlé qu'incidemment, et en tant qu'elle implique quelque erreur, quelque fausse notion scientifique. Exposant les lois générales, ils n'avaient pas, pensaient-ils, à s'occuper de l'effet de ces lois, quand elles n'agissent pas, quand elles sont violées. Cependant la spoliation a joué et joue encore un trop grand rôle dans le monde pour que, même comme économiste, nous puissions nous dispenser d'en tenir compte. Il ne s'agit pas seulement de vols accidentels, de larcins, de crimes isolés. — La guerre, l'esclavage, **les impostures théocratiques**, les privilèges, les monopoles, les restrictions, les abus de l'impôt, voilà les manifestations les plus saillantes de la spoliation. On comprend quelle influence **des forces perturbatrices** d'une aussi vaste étendue ont dû avoir et ont encore, par leur présence ou leurs traces profondes, sur l'inégalité des conditions ; nous essayerons plus tard d'en mesurer l'énorme portée.

6.) 2 references in HE XVIII. Causes perturbatrices.

6.1.) HE XVIII. Causes perturbatrices, p. 489 [Online](#)

La Justice et la Liberté auraient-elles produit fatalement l'Inégalité et le Monopole ?

Pour le savoir, il fallait, ce me semble, étudier la nature même des transactions humaines, leur origine, leur raison, leurs conséquences et les conséquences de ces conséquences jusqu'à l'effet définitif ; et cela, **abstraction faite des perturbations contingentes** que peut engendrer l'injustice ; — car on conviendra bien que l'Injustice n'est pas l'essence des transactions libres et volontaires.

Que l'injustice se soit fatalement introduite dans le monde, que la société n'ait pas pu y échapper, on peut le soutenir ; et, l'homme étant donné avec ses passions, son égoïsme, son ignorance et son imprévoyance primitives, je le crois. — Nous aurons à étudier aussi la nature, l'origine et les effets de l'Injustice.

Mais il n'en est pas moins vrai que la science économique doit commencer par exposer la théorie des transactions humaines supposées libres et volontaires, comme la physiologie expose la nature et les rapports des organes, **abstraction faite des causes perturbatrices** qui modifient ces rapports.

6.2.) p. 495 [Online](#)

D'après ce qui précède, on voit que nous ne sommes pas tellement fanatique de l'harmonie sociale que nous ne convenions qu'elle peut être et qu'elle est souvent troublée. Je dois même dire que, selon moi, les perturbations apportées à ce bel ordre par les passions aveugles, par l'ignorance et l'erreur, sont infiniment plus grandes et plus prolongées qu'on ne pourrait le supposer. Ce sont ces **causes perturbatrices** que nous allons étudier.

7.) 3 references in HE XIX. Guerre

7.1.) p. 501 [Online](#)

Consolons-nous en pensant qu'il occupait une place non moins large dans la vie antique : Seulement, celui dont quelques hommes s'étaient affranchis retombait d'un poids accablant sur les multitudes assujetties, au grand détriment de la justice, de la liberté, de la propriété, de la richesse, de l'égalité, du progrès ; et c'est la première des **causes perturbatrices** que j'ai à signaler au lecteur

7.2.) pp. 504-5 [Online](#)

Jusqu'ici on a pu croire que j'avais voué à ce principe un culte idolâtre, que je ne lui attribuais que des conséquences heureuses pour l'humanité, peut-être même que je l'élevais dans mon estime au-dessus du principe sympathique, du dévouement, de l'abnégation. — Non, je ne l'ai pas jugé ; j'ai seulement constaté son existence et son omnipotence. Cette omnipotence, je l'aurais mal appréciée, et je serais en contradiction avec moi-même, quand je signale l'intérêt personnel comme le moteur universel de l'humanité, si je n'en faisais maintenant découler les **causes perturbatrices**, comme précédemment j'en ai fait sortir les lois harmoniques de l'ordre social.

7.3.) p. 508 [Online](#)

Combien ces grands événements n'ont-ils pas agi comme **causes perturbatrices**, comme entraves sur le progrès naturel des destinées humaines ! Si l'on tient compte de la déperdition de travail occasionnée par la guerre, si l'on tient compte de ce que le produit effectif, qu'elle amoindrit, se concentre entre les mains de quelques vainqueurs, on pourra comprendre le dénûment des masses, dénûment inexplicable de nos jours par la liberté...

Other related uses of similar terms:

L'action perturbatrice

1.) HE chap VIII Propriété, Communauté, p. 216 [Online](#).

Quand nous admirons la loi providentielle des transactions, quand nous disons que les intérêts concordent, quand nous en concluons que leur gravitation naturelle tend à réaliser l'égalité relative et le progrès général, apparemment c'est de **l'action de ces lois et non de leur perturbation** que nous attendons l'harmonie. Quand nous disons : laissez faire, apparemment nous entendons dire : laissez agir ces lois, et non pas : laissez troubler ces lois.

When we admire the providential law governing transactions, when we say that interests are in agreement, when we conclude from this that their natural gravitation tends to achieve relative equality and general progress, it is clearly from the action of these laws and not from their disruption that we expect harmony. When we say: laissez faire, we clearly mean to say: let these laws act, and not let these laws be disrupted.

2.) HE Chap. X Competition, p. 312 [Online](#)

J'expose maintenant des lois générales que je crois harmoniques, et j'ai la confiance que le lecteur commence à se douter aussi que ces lois existent, qu'elles agissent dans le sens de la communauté et par conséquent de l'égalité. Mais je n'ai pas nié que **l'action de ces lois ne fût profondément troublée par des causes perturbatrices**. Si donc nous rencontrons en ce moment un *fait* choquant d'inégalité, comment le pourrions-nous juger avant de connaître et les lois régulières de l'ordre social et les causes perturbatrices de ces lois ?

I will now set out general laws that I believe to be harmonious, and I am confident that the reader also will begin to guess at the existence of these laws, that they act in favor of the community and consequently of equality. However, I have not denied that the action of these laws has been profoundly disrupted by disturbing factors. Therefore, if we now find some shocking *example* of inequality, how can we judge it without being conversant with both the regular laws of social order and the disturbing factors which distort these laws?

3.) HE XVIII. Causes perturbatrices, pp. 492-93 [Online](#)

Nous, après avoir étudié les lois providentielles de la société, nous disons : Ces lois sont harmoniques. Elles admettent le mal, car elles sont mises en œuvre par des hommes, c'est-à-dire, par des êtres sujets à l'erreur et à la douleur. Mais le mal aussi a, dans le mécanisme, sa mission qui est de se limiter et de se détruire lui-même en préparant à l'homme des avertissements, des corrections, de l'expérience, des lumières, toutes choses qui se résument en ce mot : Perfectionnement.

Nous ajoutons : Il n'est pas vrai que la liberté règne parmi les hommes ; il n'est pas vrai que les lois providentielles exercent toute leur action, ou du moins, si elles agissent, c'est pour réparer lentement, péniblement **l'action perturbatrice de l'ignorance et de l'erreur**. — Ne nous accusez donc pas quand nous disons *laissez faire* ; car nous n'entendons pas dire par là : laissez faire les hommes, alors même qu'ils font le mal. Nous entendons dire : étudiez les lois providentielles, admirez-les et *laissez-les agir*. Dégagez les obstacles qu'elles rencontrent dans les abus de la force et de la ruse, et vous verrez s'accomplir au sein de l'humanité cette double manifestation du progrès : l'égalisation dans l'amélioration.

Les perturbations des lois naturelles

1.) HE Chap. IV Échange

1.1.) p. 107 [Online](#)

Elles devraient rechercher avec soin si elles ne jouissent pas de quelque monopole, pour y renoncer ; — si elles ne profitent pas de quelques inégalités factices, pour les effacer ; — si le Paupérisme ne peut pas être attribué, en partie du moins, à **quelque perturbation des lois sociales naturelles**, pour la faire cesser, — afin de pouvoir dire en montrant leurs mains au peuple : Elles sont pleines, mais elles sont pures.

1.2.) p. 110 [Online](#)

Il est bien évident que la solution de ces questions est subordonnée à l'étude et à la connaissance **des lois sociales naturelles**. On ne peut se prononcer raisonnablement avant de savoir si la propriété, la liberté, les combinaisons des services volontairement échangés poussent les hommes vers leur amélioration, comme le croient les économistes, ou vers leur dégradation, comme l'affirment les socialistes. — Dans le premier cas, **le mal social doit être attribué aux perturbations des lois naturelles**, aux violations légales de la propriété et de la liberté. Ce sont **ces perturbations et ces violations** qu'il faut faire cesser, et l'Économie politique a raison.

2.) HE chap. V De la valeur, p. 124 [Online](#)

Le diamant joue un grand rôle dans les livres des économistes. Il s'en servent pour élucider les lois de la valeur ou pour signaler les prétendues **perturbations de ces lois**.

"*Les forces réparatrices*" and "*La force curative (vis medicatrix)*"

"Les forces réparatrices"

1.) "Un économiste à M. de Lamartine" (Feb. 1845)

1.1.) [Online](#)

L'économie des sociétés a eu aussi ses Laplace. S'il y a des perturbations sociales, ils ont aussi constaté l'existence de forces providentielles qui ramènent tout à l'équilibre, et ils ont trouvé que **ces forces réparatrices** se proportionnent aux forces perturbatrices, parce qu'elles en proviennent. Ravis d'admiration devant cette harmonie du monde moral, ils ont dû se passionner pour l'œuvre divine et répugner plus que les autres hommes à tout ce qui peut la troubler. Aussi n'a-t-on jamais vu, que je sache, les séductions de l'intérêt privé balancer dans leur cœur cet éternel objet de leur admiration et de leur amour. Bonaparte s'en étonna. Peu habitué à de telles résistances, il les honora du titre de *niais*, parce qu'ils refusaient leur concours à sa mission d'arbitraire, la regardant comme incompatible avec les grandes lois sociales qu'ils avaient découvertes et proclamées. Et ce titre glorieux, ils le portent encore, — et on n'en voit aucun aux affaires, car ils n'y veulent entrer qu'avec leur principe.

1.2.) [Online](#)

Ce ne sont pas là les doctrines que vous devez promulguer en France. Repoussez leurs trompeuses séductions. Rattachez-vous au principe sévère, mais vrai, mais le seul vrai, de la Liberté. Embrassez dans votre vaste intelligence et ses lois, et son action, et ses phénomènes, et les causes qui la troublent, et **les forces réparatrices** qui sont en elle. Inscrivez sur votre bannière : « *Société libre, gouvernement simple*, »

"La force curative"

1.) "De la population" *Encyclopédie du 19e siècle* and also JDE version [Online](#).

De même, quand, par quelque cause, l'humanité suit un mouvement rétrograde, le malaise et l'imprévoyance sont entre eux cause et effet réciproques, et la déchéance n'aurait pas de terme si la société n'était pas pourvue de **cette force curative**, *vis medicatrix*, que la Providence a placée dans tous les corps organisés. Remarquons, en effet, que, à chaque période dans la déchéance, l'action de la limitation dans son mode destructif devient à la fois plus douloureuse et plus facile à discerner.

2.) conclusion to HE 1st part, p. 334 [Online](#):

Je répéterai ici ce que j'ai dit ailleurs : En tout ce qui concerne l'homme, cet être qui n'est perfectible que parce qu'il est imparfait, l'Harmonie ne consiste pas dans l'absence absolue du mal, mais dans sa graduelle réduction. Le corps social, comme le corps humain, est pourvu d'**une force curative**, *vis medicatrix*, dont on ne peut étudier les lois et l'infaillible puissance sans s'écrier encore : *Digitus Dei est hic*.

3.) HE Chap. XVI De la population, p. 443 [Online](#)

De même, quand, par quelque cause, l'humanité suit un mouvement rétrograde, le malaise et l'imprévoyance sont entre eux cause et effet réciproques, et la déchéance n'aurait pas de terme, si la société n'était pas pourvue de **cette force curative**, *vis medicatrix*, que la Providence a placée dans tous les corps organisés. Remarquons, en effet, qu'à chaque période dans la déchéance, l'action de la limitation dans son mode destructif devient à la fois plus douloureuse et plus facile à discerner. D'abord il ne s'agit que de détérioration, d'abaissement ; ensuite c'est la misère, la famine, le désordre, la guerre, la mort ; tristes mais infaillibles moyens d'enseignement.

4.) HE chap XX Responsabilité, pp. 514-15 [Online](#)

Une communauté se renouvelle incessamment. **Que ses institutions soient élastiques et flexibles**, qu'au lieu de venir en collision avec les puissances nouvelles qu'enfante l'esprit humain, elles soient organisées de manière à admettre cette expansion de l'énergie intellectuelle et à s'y accommoder ; et l'on ne voit aucune raison pour qu'elle ne fleurisse pas dans une éternelle jeunesse. Mais, quoi qu'on pense de la fragilité et du fracas des empires, toujours est-il que la société, qui, dans son ensemble, se confond avec l'humanité, est constituée sur des bases plus solides. Plus on l'étudie, plus on reste convaincu qu'elle aussi a été pourvue, comme le corps humain, d'**une force curative** qui la délivre de ses maux, et qu'en outre elle porte dans son sein une force *progressive*.

Elle est poussée par celle-ci vers un perfectionnement auquel on ne peut assigner de limites.

5.) HE chap. XXII Moteur social, pp. 550-51 [Online](#)

Comment donc des chefs d'école (socialiste) se rangent-ils sous la dénomination commune de *Socialistes*, et quel est le lien qui les unit contre la société naturelle ou providentielle ? Il n'y en a pas d'autre que celui-là : *Ils ne veulent pas la société naturelle*. Ce qu'ils veulent, c'est une société artificielle, sortie toute faite du cerveau de l'inventeur. Il est vrai que chacun d'eux veut être le Jupiter de cette Minerve ; il est vrai que chacun d'eux caresse son artifice et rêve de son ordre social. Mais il y a entre eux cela de commun, qu'ils ne reconnaissent dans l'humanité ni **la force motrice** qui la porte vers le bien, ni **la force curatrice** qui la délivre du mal. Ils se battent pour savoir à qui pétrira l'argile humaine ; mais ils sont d'accord que c'est une argile à pétrir. L'humanité n'est pas à leurs yeux un être vivant et harmonieux, que Dieu lui-même a pourvu de forces progressives et conservatrices ; c'est une matière inerte qui les a attendus, pour recevoir d'eux le sentiment et la vie ; ce n'est pas un sujet d'études, c'est une matière à expériences.

Appendix V: References to "the seen and the unseen" (11) in *Harmonies économique* (1850,1851)

The edition I have used is the second edition published posthumously: Frédéric Bastiat, *Harmonies économiques. 2me Édition. Augmentée des manuscrits laissés par l'auteur. Publiée par la Société des amis de Bastiat*. (Paris: Guillaumin, 1851). It is available at my website [Online](#).

(1.) IV Exchange - (HE, p. 95, [Online](#).)

Here is a classic statement of the principle of opportunity cost, where the intervention of the state causes losses and distortions by causing exchanges to be made (which are "seen") that would never have taken place in its absence, and prevented other exchanges that would have been made (which are "not seen").

Soit que cette intervention de la Force dans les échanges en provoque qui ne se seraient pas faits, ou en prévienne qui se seraient accomplis, il ne peut pas qu'elle n'occasionne tout à la fois Déperdition et Déplacement de travail et de capitaux, et par suite perturbation dans la manière dont la population se serait naturellement distribuée.

Whether the intervention of the power (of the state) in exchanges stimulates some exchanges that would never have been made, or prevents some that would have been made, it cannot fail to cause the simultaneous loss or displacement of labor and capital, and consequently a disturbance in the way that populations are naturally distributed.

(2.) V On Value - (HE, p. 116, [Online](#).)

Bastiat reprimands the communists who wish to restructure the economy so there is a "community of goods" by comparing them to architects arguing about the merits of a statue, each one of which has only looked at one side of it. It is not that they do not see what is before them, but they do not see the whole of the statue. To do that they need to walk around it to see the bigger picture. The communists, he argues, do the same thing with the economy.

Communistes, vous rêvez la communauté. Vous l'avez. L'ordre social rend toutes les *utilités* communes, à la condition que l'échange des valeurs appropriées soit libre.

Communists, you dream of the community (of goods). Well you have it. The social order makes all *things of use* common (to all), on condition that the exchange of privately owned things of value is made freely.

Vous ressemblez à des architectes qui disputent sur un monument, dont chacun n'a observé qu'une face. Ils ne voient pas *mal*, mais ils ne voient pas *tout*. Pour les mettre d'accord, il ne faut que les décider à faire le tour de l'édifice.

You are like architects who quarrel over a monument, which they have seen from just one side. They do not see *incorrectly*, but they do not see *everything*. To make them agree, all you need is to persuade them to walk around the edifice.

(3.) Addition to the HE2 version of chap. V "Value" - (HE, p. 164, [Online](#).)

This comes from a passage that was added to the second expanded edition of *Economic Harmonies*. Bastiat severely criticised Rousseau whose ideas he believed had mislead generations of French readers about what he thought were the harmful effects of civilisation, private property, and free markets. See in particular his harsh comments in the essay "The Law" (June 1850). But here he quotes him more positively (in fact, he quotes this passage several times in his writings) agreeing with Rousseau that people often cannot see the things which are immediately around them, things which are habitual and everyday occurrences and thus pass unnoticed much of the time. Instead they only see things that are "abnormal" or out of the ordinary like the crop failures of 1846-47 which caused so much harm to ordinary workers and their families, prompting calls for price controls to be imposed on bread. What is not seen or properly understood is how, in normal times, individuals do anticipate and plan for the future needs of consumers which they cannot see now in the present but can only imagine or "foresee" will exist in

the future. The market makes it possible to pool individual foresight or planning for the future thus creating a kind of “la prévoyance sociale” (social foresight or planning) to anticipate “unseen” future demand for a product (like food) by making plans to produce it in the present.

Bastiat argues that “from the point of view of political economy” the human capacity to engage in foresight or planing for the future (prévoir, la prévoyance) should never be underestimated.

Remarquez ceci: dans l’humanité, l’inexpérience et l’imprévoyance précèdent l’expérience et la prévoyance. Ce n’est qu’avec le temps que les hommes ont pu prévoir leurs besoins réciproques, au point de se préparer à y pourvoir.

Logiquement, le *facio ut facias* a dû précéder le *do ut des*. Celui-ci est en même temps le fruit et le signe de quelques connaissances répandues, de quelque expérience acquise, de quelque sécurité politique, de quelque confiance en l’avenir, en un mot, d’une certaine civilisation. Cette prévoyance sociale, cette foi en la *demande* qui fait qu’on prépare l’*offre*, cette sorte de *statistique intuitive* dont chacun a une notion plus ou moins précise, et qui établit un si surprenant équilibre entre les besoins et les approvisionnements, est un des ressorts les plus efficaces de la perfectibilité humaine. C’est à lui que nous devons la séparation des occupations, ou du moins les professions et les métiers. C’est à lui que nous devons un des biens que les hommes recherchent avec le plus d’ardeur: la fixité des rémunérations, sous forme de *salaire* quant au travail, et d’*intérêt* quant au capital. C’est à lui que nous devons le crédit, les opérations à longue échéance, celles qui ont pour objet le nivellement des risques, etc. Il est surprenant qu’au point de vue de l’économie politique ce noble attribut de l’homme, la Prévoyance, n’ait pas été plus remarqué. C’est toujours, ainsi que le disait Rousseau, à cause de la difficulté que nous éprouvons à observer le milieu dans lequel nous sommes plongés et qui forme notre atmosphère naturelle. Il n’y a que les faits anormaux qui nous frappent, et nous laissons passer inaperçus ceux qui, agissant autour de nous, sur nous et en nous d’une manière permanente, modifient profondément l’homme et la société.

Note this: in the human race, inexperience and lack of foresight precede experience and foresight. It is only with the passing of time that people have been able to foresee their reciprocal needs to the extent of preparing to meet them. Logically, *facio ut facias* (I do (something) for you so that you may do (something) for me) had to precede the *do ut des* (I give (something) to you so that you may give (something) to me). The latter is simultaneously the fruit and evidence of some dispersed knowledge, some acquired experience, some political security, or some confidence in the future, in a word, a certain degree of civilization. This social foresight, this belief in *demand* which means that we prepare the *supply*, this sort of *intuitive (understanding of) statistics*, of which everyone has a more or less accurate notion and which establishes so surprising an equilibrium between needs and supplies, is one of the most efficient springs of human perfectibility. To it we owe the division of labor, or at least the professions and trades. To it we owe one of the things that men pursue with the greatest ardor, the stability of payment in the form of *wages* in the case of labor and *interest* in the case of capital. To it we owe credit, operations of long term finance, those whose object is to level out risk, etc. It is surprising that from the point of view of political economy this noble attribute of man, foresight, has not been more noted. This, as Rousseau said, stems always from the difficulty we have in observing the environment that surrounds us, forming the very air we breathe. Only abnormal events strike us and we let pass unnoticed those that have their effects around us, on us, and in us, and create permanent and profound changes in man and society.

(4.) IX Property in Land - (HE, pp. 281-82 [Online](#).)

In this passage Bastiat responds to socialist criticisms about the legitimacy of charging interest on capital and rent for agricultural land which had become common place in the late 1840s. The socialists believed that only “le travail actuel” (present labour) which could be “seen by the naked eye” should be paid for, and not “le travail antérieur” (labour which had been completed in the past and was now in the form of capital) which was no longer visible. He appeals to the reader not to be blind (insensibles) to the beneficent effects of the “economic harmonies” of the free market which are “unfolding before our very eyes”.

Passez en revue toutes les améliorations permanentes dont l'ensemble constitue la valeur du sol, et vous pourrez faire sur chacune la même remarque. Après avoir détruit le fossé, détruisez aussi la clôture, réduisant l'agriculteur à monter la garde autour de son champ; détruisez le puits, la grange, le chemin, la charrue, le nivellement, l'humus artificiel; remplacez dans le champ les cailloux, les plantes parasites, les racines d'arbres, alors vous aurez réalisé l'utopie égalitaire. Le sol, et le genre humain avec lui, sera revenu à l'état primitif: il n'aura plus de valeur. Les récoltes n'auront plus rien à démêler avec le capital. Leur prix sera dégagé de cet élément maudit qu'on appelle intérêt. Tout, absolument tout, se fera par du travail actuel, visible à l'œil nu. L'économie politique sera fort simplifiée. La France fera vivre un homme par lieue carrée. Tout le reste aura péri d'inanition; — mais on ne pourra plus dire: La propriété est un monopole, une illégitimité, un vol.

Ne soyons donc pas insensibles à ces harmonies économiques qui se déroulent à nos yeux, à mesure que nous analysons les idées d'échange, de valeur, de capital, d'intérêt, de propriété, de communauté.

If we review all the permanent improvements that constitute the value of the soil you would be able to make the same comment for each of them. Having destroyed the ditch, destroy the fencing as well, thus reducing the farmer to mounting guard on his field. Destroy the well, the barn, the track, the plough, the leveling (which has been) carried out, and the artificial fertilizer. Put the stones back into the field, together with the weeds and the roots of trees, and then you will have achieved egalitarian utopia. The soil, and the human race with it, will be returned to its original state, and will no longer have any value. Harvests would no longer have anything to do with. Their price would be free of this damn thing known as interest. Everything, absolutely everything, will be done through present labor visible to the naked eye. Political economy will be very much simpler. France will provide a living for one man per square league; all the others will have died of starvation, but nobody will be able to say: property is a monopoly, illegitimate, a theft.

Let us therefore not be blind to the economic harmonies unfolding before our eyes as we analyze the ideas of exchange, value, capital, interest, property, and community.

(5.) X Competition - (HE, pp. 304-5, [Online](#).)

In this passage Bastiat defends competition against its critics. Previously he had focused on the benefits of international, global competition which brought products from all over the world to the consumers of France at the cheapest price. But he worries that he has thereby distracted “the readers eye” (dérober à l'œil du lecteur) from the same processes which were taking place with more common domestic products.

Here he revisits the quote from Rousseau about people not seeing what is right before their eyes in the form of mundane and everyday items like a piece of bread or cloth. In order to see what is going on the consumer has to go beneath the surface appearance of things, under “the skin” of society as it were, in order to appreciate how competition between producers leads to innovation, improvement in quality, and cheaper prices for these everyday goods. He calls this the “gratuitous utility” which the innovators and producers make available to the consumers.

J'ai cité deux exemples, et, pour rendre le phénomène plus frappant par sa grandeur, j'ai choisi des relations internationales opérées sur une vaste échelle. Je crains d'être ainsi tombé dans l'inconvénient de dérober à l'œil du lecteur le même phénomène agissant incessamment autour de nous et dans nos transactions les plus familières. Qu'il veuille bien prendre dans ses mains les plus humbles objets, un verre, un clou, un morceau de pain, une étoffe, un livre. Qu'il se prenne à méditer sur ces vulgaires produits. Qu'il se demande quelle incalculable masse d'utilité gratuite serait, à la vérité, sans la Concurrence, demeurée gratuite pour le producteur, mais n'aurait jamais été gratuite pour l'humanité, c'est-à-dire ne serait jamais devenue *commune*. ... et il comprendra alors le vice des théories socialistes, qui, ne voyant que la superficie des choses, l'épiderme de la société, se sont si légèrement élevées contre la Concurrence, c'est-à-dire contre la liberté humaine; il comprendra que la Concurrence, maintenant aux dons que la nature a inégalement répartis sur le globe le double caractère de la gratuité et de la communauté, il faut la considérer comme le principe d'une juste et naturelle égalisation.

I have cited two examples, and in order to make the phenomenon even more striking in its grandeur I have chosen international relations operating on a vast scale. I fear that I may thereby have fallen into the trap of shifting the reader's gaze from the very same phenomenon happening constantly around us in our most mundane transactions. Let him pick up the most humble of objects, a glass, a nail, a piece of bread, a piece of fabric or a book. He should meditate a while on these commonplace objects. Let him ask himself whether, without competition, such an incalculable mass of free utility would truly have remained free for the producer but would never have become free for the human race, that is to say, would never have become *common to all*. ... At this point he will understand the flaws in socialist theories that, merely seeing the surface appearance of things, the epidermis of society, have spoken out so irresponsibly against competition, that is to say, against human freedom, and will realize that since competition safeguards the twin character of gratuitousness and common availability of the gifts that nature has inequitably distributed over the planet, it has to be considered as the basis of a just and natural process of equalization.

(6.) X Competition - (HE, p. 314, [Online](#).)

The following passage is an example of Bastiat discussing the importance of not just looking at a part of

something but the whole of it, as well as only looking at the surface of things and not the deeper reality. A common criticism of competition was that it harmed the interests of workers. It could take the form of competition between producers who wanted to lower their costs and thus sought to replace physical labour with machines in the factories. Or it could take the form of competition between workers for jobs, who would take cuts in their pay and working conditions in order to get employment. Bastiat's response was that competition had a beneficial side for the workers and that the costs and benefits of competition had to be carefully weighed up both in the short term as well as in the longer term.

Competition between producers often benefited the workers when there was a labour shortage which led to a bidding war for labour which increased their wages, or the introduction of machines which made the workers more productive and which also led to higher wages as a result. Workers also benefitted more generally in that they like all consumers enjoyed the lower prices, greater choice, and higher quality of goods which global competition made possible. Elsewhere Bastiat argued that when the observer takes a much longer term view, say over a century or two, the gradual progress which European societies had enjoyed in diet, housing, living conditions, longevity of life, transport and communications, etc. showed that people had become much better off. However, because these improvements were so gradual they were almost invisible to the eye and thus not fully understood or appreciated.

Il est vrai que le prolétaire, quand il se considère comme producteur, comme offreur de travail ou de services, se plaint aussi de la concurrence. Admettons donc qu'elle lui profite d'une part, et qu'elle le gêne de l'autre; il s'agit de savoir si la balance lui est favorable, ou défavorable, ou s'il y a compensation.

It is true that when they consider themselves producers or suppliers of work or services, the proletariat also complain about competition. Let us assume therefore that it benefits them on one hand and harms them on the other. What we need to know is whether on the whole competition is beneficial or detrimental to the proletariat or whether it balances out.

Je me serais bien mal expliqué si le lecteur ne comprenait pas que, dans ce mécanisme merveilleux, le jeu des concurrences, en apparence antagoniques, aboutit à ce résultat singulier et consolant qu'il y a balance favorable pour tout le monde à la fois, à cause de l'Utilité gratuite agrandissant sans cesse le cercle de la production et tombant sans cesse dans le domaine de la Communauté. ... C'est cette portion d'utilité *gratuite*, forcée par la Concurrence de devenir *commune*, qui fait que les valeurs tendent à devenir proportionnelles au travail, ce qui est au profit évident du travailleur. C'est elle aussi qui explique cette solution sociale, que je tiens constamment sous les yeux du lecteur, et qui ne peut nous être voilée que par les illusions de l'habitude: pour un travail déterminé chacun obtient une somme de satisfactions qui tend à s'accroître et à s'égaliser.

I would have explained myself very badly if the reader failed to understand that in this marvelous mechanism, the interplay of these different kinds of competition which appear (on the surface) to be antagonistic result in this important and reassuring conclusion that there is a balance which is favourable to everybody at the same time, because gratuitous utility constantly increases the sphere of production and (then) falls into the domain of the Commons. ... It is also this portion that explains the solution to the social problem that I constantly keep before the reader's eyes, and which only the illusions of habit alone are capable of shrouding. For a given quantity of work each person receives a quantity of satisfaction that tends to increase and become equal.

(7.) XVII Private and Public Services - (HE, p. 471, [Online](#).)

This is one of the unfinished chapters which only appeared in the second enlarged posthumous edition. It is a version of the argument he used in his "sophism of the ricochet effect" and is similar to chapter III "Taxes" in WSWNS. He criticises the idea that taxes paid for the salaries of public servants (functionaries) "come back" to the taxpayer, as a result of the "ricochet" or flow on effect, when the public servant spends their salary. This is an "illusion" in Bastiat's view and is another example of opportunity cost where people only see the public servant's expenditure and do not see what the taxpayers would have done with their money had they been allowed to keep it. They too would have spent it on something, but on something else and somewhere else. See also example 9 below.

Nous plaçons ici cette observation pour prévenir un sophisme très-répandu, né de l'illusion monétaire. On entend souvent dire: L'argent reçu par les fonctionnaires retombe en pluie sur les citoyens. Et l'on infère de là que cette prétendue pluie est un second bien ajouté à celui qui résulte du service. En raisonnant ainsi, on est arrivé à justifier les fonctions les plus parasites. On ne prend pas garde que, si le service fut resté dans le domaine de l'activité privée, l'argent qui, au lieu d'aller au trésor et de là aux fonctionnaires, aurait été directement aux hommes qui se seraient chargés de rendre librement le service, cet argent, dis-je, serait aussi retombé en pluie dans la masse. Ce sophisme ne résiste pas quand on porte la vue au-delà de la circulation des espèces, quand on voit qu'au fond il y a du travail échangé contre du travail, des services contre des services. Dans l'ordre public, il peut arriver que des fonctionnaires reçoivent des services sans en rendre; alors il y a perte pour le contribuable, quelque illusion que puisse nous faire à cet égard le mouvement des écus.

We have made this observation here to ward off a widespread sophism born of the money illusion. You often hear it said that the money received by functionaries falls again like rain on the citizens, with the inference that this alleged rain is a second benefit added to the one resulting from the service. Such reasoning serves to justify the most parasitical functions. No notice is taken of the fact that if the service had been left in the domain of private activity, the money, instead of going to the treasury and thence to functionaries, would have gone directly to people who would have been responsible for freely providing the service, and would also have fallen like rain on the population. This sophism does not stand up if we look beyond the circulation of money and see that this is basically work being exchanged for work and services for services. In the public realm, it may happen that functionaries receive services without rendering any in return. In this case taxpayers are the losers, whatever the illusion the movement of *écus* may have on us.

(8.) XVII Private and Public Services - (HE, pp. 479-80, [Online](#).)

This passage comes from another unfinished chapter which appeared in the second, enlarged, posthumous edition. It provides another example of Bastiat arguing that one must “look at” (regarder) more than just one side in order to understand what is going on. The issue here is when is it legitimate to use force against another person, what is the proper function of the state, and what are the limits to its power.

A related issue, which is not directly discussed here, is how one should regard (look at) the state itself, especially when it transcends its legitimate functions.

Bastiat believes that the only legitimate use of force is in self-defence, which he believes is a right individuals have before the state arose;[\[128\]](#) and once there is a state its only legitimate function is to defend and protect the legitimate rights of the individuals in society, and no more than this. Here Bastiat wants to take issue with a common belief that when an individual violates the liberty of another individual, this is a result of there being “too much” liberty for the former. Bastiat believes this is an example of only looking at (regarder) the issue from one side, namely that of the aggressor. Bastiat believes this is a false way of looking at the problem, rather it should be looked at from the point of view of the victim of aggression, from which it appears to be a result of an absence or the destruction of liberty. He believes that it also appears to be a “lack of liberty” for society as a whole when it is looked at from the perspective of “l'ensemble du phénomène” (the whole or the collection of phenomena).

This passage also touches upon some of Bastiat's greatest insights into the nature of the state, firstly that it engages in organised and “legal plunder” which private individuals are prohibited from doing but which it hides or disguises under the cloak of the law which legitimizes its actions; secondly, that people are deluded by what the state can and should do and thus ask this “fiction” or “l'être fictif” (imaginary being) to provide them with everything they need at taxpayers' expense, such as jobs, food, education, housing, etc.[\[129\]](#) He also calls this a “dangerous illusion” [\[130\]](#) the folly of which needs to be pointed out to the people.

Dans quel cas l'emploi de la force est-il légitime? Il y en a un, et je crois qu'il n'y en a qu'un: *le cas de légitime défense*. S'il en est ainsi, la raison d'être des gouvernements est trouvée, ainsi que leur limite rationnelle.

In what circumstances is the use of force legitimate? There is one, and I believe there is only one: *the case of legitimate self-defence*. If this is so, the reason d'être of governments is apparent, as is their rational limit.

Quel est le droit de l'individu? C'est de faire avec ses semblables des transactions libres, d'où suit pour ceux-ci un droit réciproque. Quand est-ce que ce droit est violé? Quand l'une des parties entreprend sur la liberté de l'autre. En ce cas il est faux de dire, comme on le fait souvent: «Il y a des excès, abus de liberté.» Il faut dire: «Il y a défaut, destruction de liberté.» Excès de liberté sans doute si on ne regarde que l'agresseur; destruction de liberté si l'on regarde la victime, ou même si l'on considère, comme on le doit, l'ensemble du phénomène.

What is the right of an individual? It is to carry out free transactions with his fellow men, which gives rise to a reciprocal right in these people. When is this right violated? When one of the parties infringes the freedom of the other. In this case, it is wrong to say, as is so often done: “There has been an excess, an abuse of freedom.” What ought to be said is: “There has been a lack, a destruction of freedom.” An excess of freedom, doubtless, if you look only at the aggressor; destruction of freedom if you take only look at the victim, or even if you consider, as you should, the phenomenon as a whole.

(9.) XVII Private and Public Services - (HE, p. 488, [Online](#).)

Here is another example of the problems of legal plunder by the state, the “ricochet effect” defence of government spending, and seeing an issue from only one side. The latter is used by Bastiat to turn the “ricochet effect” on its head. Normally it was used by public servants (functionaries) or recipients of government privileges such as subsidies and tariffs to justify what they received from the government as it would “trickle down” to the poor eventually. Here Bastiat argues that the poor could use the same argument to justify their getting taxpayer funded benefits, as they too would stimulate the economy by spending it themselves.

On pourrait cependant leur faire observer que si, au lieu d'exercer la spoliation par l'intermédiaire de la loi, ils l'exerçaient directement, leur sophisme (le sophisme des ricochets) s'évanouirait: Si, de votre autorité privée, vous preniez dans la poche d'un ouvrier un franc qui facilitât votre entrée au théâtre, seriez-vous bien venu à dire à cet ouvrier: « Mon ami, ce franc va circuler et va donner du travail à toi et à tes frères? » Et l'ouvrier ne serait-il pas fondé à répondre: « Ce franc circulera de même si vous ne me le volez pas; il ira au boulanger au lieu d'aller au machiniste; il me procurera du pain au lieu de vous procurer des spectacles? »

Il faut remarquer, en outre, que le sophisme des ricochets pourrait être aussi bien invoqué par les pauvres. Ils pourraient dire aux riches: «Que la loi nous aide à vous voler. Nous consommerons plus de drap, cela profitera à vos manufactures; nous consommerons plus de viande, cela profitera à vos terres; nous consommerons plus de sucre, cela profitera à vos armements.»

However, it might be pointed out to them that if, instead of carrying out plunder using the law as an intermediary, they exercised it directly, their sophism (of the ricochet effect) would vanish: “If on your individual authority you took from the pockets of a workman one franc to help to pay for your admission to the theatre, would you be in any position to say to this workman: ‘My friend, this franc will be put into circulation and will give work to you and your brethren.’”? And would the workman not be entitled to reply: “This franc would circulate even if you did not steal it from me. It would go to the baker instead of the stagehand; it would provide me with bread instead of entertainment for you.”

What is more, it should be noted that the sophism of the ricochet effect might also be invoked by the poor. They might say to the wealthy: “Let the law help us to rob you. We will consume more woolen cloth, and that will benefit your factories. We will consume more meat, and that will benefit your land. We will consume more sugar, and that will benefit your shipping.”

(10.) XX Responsibility - (HE, pp. 523-24, [Online](#).)

In this passage Bastiat discusses the issue of an action which produces a series of effects or consequences, some of which result in benefits to the actor (usually the first consequence) and some of which do not (usually later ones). Experience will teach the individual when this is the case, this will cause them to learn from their mistakes, and in the future they will exercise “foresight” so this does not occur again. The harmful effects will “open their eyes” and enlightenment will be achieved.

Quand un de nos actes produit une première conséquence qui nous agrée, suivie de plusieurs autres conséquences qui nuisent, de telle sorte que la somme des maux l'emporte sur celle des biens, cet acte tend à se restreindre et à disparaître à mesure que nous acquérons plus de prévoyance.

Les hommes aperçoivent naturellement les conséquences immédiates avant les conséquences éloignées. D'où il suit que ce que nous avons appelé les actes vicieux sont plus multipliés dans les temps d'ignorance. Or la répétition des mêmes actes forme les habitudes. Les siècles d'ignorance sont donc le règne des mauvaises habitudes.

Par suite, c'est encore le règne des mauvaises lois, car les actes répétés, les habitudes générales constituent les mœurs sur lesquelles se modèlent les lois, et don't elles sont, pour ainsi parler, l'expression officielle.

Comment cesse cette ignorance? Comment les hommes apprennent-ils à connaître les secondes, les troisièmes et jusqu'aux dernières conséquences de leurs actes et de leurs habitudes?

Ils ont pour cela un premier moyen: c'est l'application de cette faculté de discerner et de raisonner qu'ils tiennent de la Providence.

Mais il est un moyen plus sûr, plus efficace, c'est l'expérience. — Quand l'acte est commis, les conséquences arrivent fatalement. La première est bonne, on le savait, c'est justement pour l'obtenir qu'on s'est livré à l'acte. Mais la seconde inflige une souffrance, la troisième une souffrance plus grande encore, et ainsi de suite.

Alors les yeux s'ouvrent, la lumière se fait. On ne renouvelle pas l'acte; on sacrifie le bien de la première conséquence par crainte du mal plus grand que contiennent les autres. Si l'acte est devenu une habitude et si l'on n'a pas la force d'y renoncer, du moins on ne s'y livre qu'avec hésitation et répugnance, à la suite d'un combat intérieur. On ne le conseille pas, on le blâme; on en détourne ses enfants. On est certainement dans la voie du progrès.

When one of our actions produces an initial consequence that we like, followed by several others that are harmful, so that the total evil outweighs the good, this act tends to become limited and disappear as we acquire more foresight.

People naturally perceive immediate consequences before those that occur later. From this it follows that what we have called harmful acts are more frequent in eras of ignorance. Well, a repetition of the same act forms a habit. Centuries of ignorance therefore cause bad habits to reign.

As a result bad laws still reign, for repeated acts and general habits make up the customs on which the laws are modeled and of which they are, so to speak, the official expression.

How do we stop this ignorance? How do people learn to identify the second, third, and so on to the final consequences of their actions and habits?

The first means for them to do this is to apply the faculty of discernment and reason that they receive from Providence.

But there is another means that is surer and more effective, experience. When an action is done, it inevitably has consequences. One knew that the first consequence would be good, since it was precisely to achieve this that the action was undertaken in the first place. But the second consequence inflicts suffering, the third even greater suffering, and so on.

Eyes are then opened, and enlightenment follows. The action is not repeated, and the good of the first consequence is sacrificed for fear of the greater evil caused by the succeeding ones. If the action has become a habit and if people are not strong enough to reject it, at least they carry it out only with hesitation and repugnance following (some) inner conflict. It is not recommended, but censured, and children are warned against it. This is certainly the path of progress.

(11.) XXI Solidarity - (HE, p. 540, [Online](#).)

In this passage, Bastiat discusses how people learn from their mistakes, pass this knowledge on to others, and use the power of public opinion to correct harmful behaviour instead of resorting to the state to solve problems. He called this a form of "human solidarity". However, sometimes this is not possible when the link between an action and its consequences are broken. In the case of an individual, they soon feel directly and personally the consequences of a poorly chosen action, however this is not the case in a large group of people. Since actions result in a "series of consequences" the observer has to take into account all of them not just the initial one. An act might have an immediate and good effect which occurs locally and thus is "parfaitement visible" (perfectly visible) to the people. However, the subsequent, later consequences might cause harm, which is difficult to see, which then enters into society. Thus the connection between a harmful action and its bad effects is broken. In this way the general public is often misled or deceived about the good which will result from a certain action when in fact it will cause them and society great harm. It is very revealing of Bastiat's anti-war sentiments that he chose war as his example in this passage.

La Solidarité est donc, comme la responsabilité, *une force progressive*; et l'on voit que, relativement à l'auteur de l'acte, elle se résout en *responsabilité répercutée*, si je puis m'exprimer ainsi; — que c'est encore un système de peines et de récompenses réciproques, admirablement calculé pour circonscrire le mal, étendre le bien et pousser l'humanité dans la voie qui mène au progrès.

Mais pour qu'elle fonctionne dans ce sens, — pour que ceux qui profitent ou souffrent d'une action, qu'ils n'ont pas faite, réagissent sur son auteur par l'approbation ou l'improbation, la gratitude ou la résistance, l'estime, l'affection, la louange, ou le mépris, la haine et la vengeance, — une condition est indispensable : c'est que le lien qui existe entre un acte et tous ses effets soit connu et apprécié.

Quand le public se trompe à cet égard, la loi manque son but.

Un acte nuit à la masse; mais la masse est convaincue que cet acte lui est avantageux. Qu'arrive-t-il alors? C'est qu'au lieu de réagir contre cet acte, au lieu de le condamner et par là de le restreindre, le public l'exalte, l'honore, le célèbre et le multiplie.

Rien n'est plus fréquent, et en voici la raison:

Un acte ne produit pas seulement sur les masses un effet, mais une série d'effets. Or il arrive souvent que le premier effet est un bien local, parfaitement visible, tandis que les effets ultérieurs font filtrer insensiblement dans le corps social un mal difficile à discerner ou à rattacher à sa cause.

La guerre en est un exemple. ...

(Human) solidarity, like (individual) responsibility, is thus *a force for progress*, and it can be seen that with regard to the author of the act it results in *responsibility which is passed on to others*, if I may put it this way, which is another system of reciprocal rewards and punishments which are admirably calculated to limit harm, extend good, and propel the human race along the path that leads to progress.

But in order for it to act in this way, for those who benefit or suffer from an action of which they are not the authors, to redirect their approval or blame, gratitude or resistance, esteem, affection and praise or scorn, hatred and vengeance to the person who carried it out, one condition is essential, and that is that the link that exists between an action and all its effects must be known and assessed.

When the general public is mistaken with regard to this, the law fails in its aim.

If an action causes harm to the masses but the masses are convinced that this action is beneficial to them, what happens? Instead of reacting against this act, instead of condemning it and restraining it, the general public exalts, honors, praises, and multiplies it.

Nothing happens more often, and this is the reason why:

An action does not have just one effect on the masses, but a series of effects. Well, it often happens that the initial effect is good locally and perfectly visible, while subsequent effects pass through unseen into the social body a form of harm difficult to discern/perceive/see or to relate to its cause.

War is an example of this. ...

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- [78] *A System of Logic*, p. II-474 [Online](#).
- [79] *A System of Logic*, pp. 150-52 [Online](#).
- [80] *A System of Logic*, I-474-75 [Online](#).
- [81] *A System of Logic*, I-498 [Online](#).
- [82] HE Chap. II "Besoins, Efforts, Satisfactions," p. 38. [Online](#)
- [83] Pierre-Simon, marquis de Laplace (1749-1827) was an astronomer and mathematician who used mathematical models to explain the perturbations in the orbits of Saturn, Jupiter, and the moon and discovered that they were oscillations which repeated themselves over time within precise limits.
- [84] "Un économiste à M. de Lamartine. A l'occasion de son écrit intitulé: *Du Droit au travail*" (Letter from an Economist to M. de Lamartine. On the occasion of his article entitled: *The Right to Work*), *Journal des Économistes*, February 1845, T. 10, no. 39, pp. 209-223. [Online](#).
- [85] HE XVIII. Causes perturbatrices, p. 492 [Online](#).
- [86] HE, Chap XVI De la population, p. 427 [Online](#).

- [87] It did not appear in HE1 which was published in early 1850 but the introductory section to a draft chapter on it did appear in the posthumous HE2. See HE2 Chapter XVIII "Disturbing Factors."
- [88] He gives some indication of what this second book might have covered in chapters XVIII and XXII of *Economic Harmonies* ("Causes perturbatrices" (Disturbing Factors) and "Moteur social" (The Motive Force of Society)) and in ES2 I "Physiologie de la Plunder" (The Physiology of Plunder) (CW3, pp. 113-30).
- [89] Bastiat first paired the concepts "cette force curative, vis medicatrix" in the article he wrote "On Population" which was published in *L'Encyclopédie du 19e siècle* [Online](#) and then in the *Journal des Économistes* [Online](#) before becoming a chapter in *Harmonies économiques*, p. 443 [Online](#).
- [90] "Un économiste à M. de Lamartine. A l'occasion de son écrit intitulé: *Du Droit au travail*" (Letter from an Economist to M. de Lamartine. On the occasion of his article entitled: *The Right to Work*) [*Journal des Économistes*, February 1845, T. 10, no. 39, pp. 209-223 [Online](#)].
- [91] HE Chap. XIV Des salaires, pp. 405-6 [Online](#).
- [92] HE Chap. VIII Propriété, Communauté, p. 216 [Online](#).
- [93] HE Chap. X Competition, p. 312 [Online](#).
- [94] HE Chap. XVIII. Causes perturbatrices, p. 489 [Online](#).
- [95] HE Chap. IV Échange, p. 107 [Online](#)
- [96] HE Chap. IV Échange, p. 110 [Online](#)
- [97] HE Chap. V De la value, 124 [Online](#)
- [98] HE chap. XVII "Private and Public Services", p. 484 [Online](#).
- [99] Fifth Speech for the Free Trade Association in Lyon in August 1847, [Online](#) and OC2, pp. 281-82.
- [100] *Some Unsettled Questions*, pp. 153-54 [Online](#).
- [101] *Some Unsettled Questions*, pp 146-47 [Online](#).
- [102] *Some Unsettled Questions*, pp. 153-54 [Online](#).
- [103] *Some Unsettled Questions*, pp 146-47 [Online](#).
- [104] *Some Unsettled Questions*, p. 147 [Online](#).
- [105] *Some Unsettled Questions*, pp. 148-49 [Online](#).
- [106] *Some Unsettled Questions*, p. 153 [Online](#).
- [107] *A System of Logic*, Book V "On Fallacies" in Volume II, pp. 295-409.
- [108] *A System of Logic*, chap. IV II-341 [Online](#).
- [109] *A System of Logic*, II-345 [Online](#).
- [110] *A System of Logic*, II-352 [Online](#).
- [111] *A System of Logic*, II-351-52 [Online](#).
- [112] Bastiat, *Ce qu'on voit et ce qu'on ne voit pas, ou l'Économie politique en une leçon* (What is Seen and What is Not Seen, or Political Economy in One Lesson): 1st edition *Ce qu'on voit et ce qu'on ne voit pas, ou l'Économie politique en une leçon. Par M. F. Bastiat, Représentant du peuple à l'Assemblée nationale, Membre correspondant de l'Institut* (Paris: Guillaumin, 1850). [Online](#). This 1st edition is also available in a combined "2 vols. in 1" edition [Online](#). Other French editions appeared in his *Oeuvres complètes* (1854-55 and 1862-64), and as stand alone texts in 1869 (4th ed.), 1879 (5th ed.), and a Belgian edition on the eve of the First World War (1914).
- [113] CQV, p. 3, [Online](#) and pp. 63-64 [Online](#).
- [114] *Sophismes économiques. Par M. Frédéric Bastiat, Membre du Conseil général des Landes* (Paris: Guillaumin, 1846) and *Sophismes économiques. Par M. Frédéric Bastiat. Membre correspondant de l'Institut et du Conseil général des Landes. Deuxième Série.* (Paris: Guillaumin, 1848). 2 volumes in 1 version [Online](#)
- [115] See my paper "On Ricochets, Hidden Channels, and Negative Multipliers: Bastiat on calculating the economic costs of 'The Unseen'". A paper given at the "History of Thought" Session of the Society for the Development of Austrian Economics, Southern Economic Association 83rd Annual Meeting, November 23-25, 2013, Tampa, Florida. [Online](#).

- [116] "Travail humain, travail national" (Human Labor and Domestic Labor) (c. 1845), ES1 20, p. I-136 [Online](#).
- [117] "De l'influence du régime protecteur sur l'agriculture" (On the Impact of the Protectionist Regime on Agriculture), *Journal des Économistes*, Décembre 1846, T. XVI, no. 61, pp. 6-15. [Online](#).
- [118] "Domination par le travail" (Domination through Work) (*Libre-Échange*, 14 February 1847) ES2.17, p. II-185 [Online](#) and in CW3, pp. 248-53. Quote p. 250. [Online elsewhere](#).
- [119] See for example his attacks on Rousseau in "The Law" (July 1850), pp. 46 ff. [Online](#) and CW2, pp. 128 ff, [Online elsewhere](#).
- [120] "Natural and Artificial Organisation" (Organisation naturelle Organisation artificielle), *Journal des Économistes*, T. XIX, No. 74, Jan 1848, pp. 113-26; this essay also appeared as chapter 1 in HE1, p. 16 [Online](#). The quote comes from Rousseau's *Discourse on Inequality* but Bastiat is quoting from memory here and it is not exactly correct. The French states: "...ce n'est pas chez lui (l'homme sauvage) qu'il faut chercher la philosophie don't l'homme a besoin, pour savoir observer une fois ce qu'il a vu tous les jours" (... and we should look in vain to him for that philosophy which a man needs if he is to know how to notice once what he has seen everyday.) See, Rousseau, *Du contrat social et autres oeuvres politiques*, ed. J. Ehrard, p. 49; Rousseau, *Discourse on Inequality*, Part I, p. 90 (Cranston trans.). Bastiat was so impressed with this statement that he refers to it 4 times in the *Economic Harmonies*.
- [121] "Protectionisme et communisme" (Protectionism and Communism) (January 1849) [Online](#), and in CW2, pp. 235-65. Quote p. 256. [Online elsewhere](#).
- [122] "Paresse et restriction" (Laziness and Trade Restrictions) *Libre-Échange*, 16 January 1848. [Online](#).
- [123] HE, chap. V "De la value", p. 116, [Online](#).
- [124] CQV, Chap. XII Le droit au travail, pp. 78-79, [Online](#).
- [125] CQV, Chap. VI "Intermediaries", pp. 31-32, [Online](#).
- [126] CQV, Chap. XII. "Droit au travail, droit au profit", pp. 78-79, [Online](#). Quote from Chateaubriand, *Mémoires d'outre-tombe* (Paris: Eugène et Victor Penaud, 1850), vol. 11, Conclusion. L'idée chrétienne est l'avenir du monde", p. 491.
- [127] Academy of American Poets - Rudyard Kipling's poem "If" (c. 1895) [Online elsewhere](#).
- [128] As a believer in natural rights Bastiat thought that every individual had an inherent right to defend themselves and their property from attack by others, or what he called "le droit individuel de légitime défense" (the individual's right to legitimate self-defense). This right existed prior to the existence of any state or other social organisation and was only limited by the individual's obligation not to initiate the use of force against others. He thought these pre-existing rights were "la Personnalité, la Liberté et la Propriété" ((the rights to) the person (or "personhood," i.e. to life), liberty, and property). See HE2 XVII "Public and Private Services".
- [129] See Bastiat's famous definition of the state as "the great fiction" in "L'État" (The State) (*Journal des débats*, Sept. 1848): "L'Etat, c'est la grande fiction à travers laquelle *tout le monde* s'efforce de vivre aux dépens de *tout le monde*" (The State is the great fiction by which everyone endeavors to live at the expense of everyone else) [Online](#) and in CW2, p. 97, [Online elsewhere](#).
- [130] "Funestes illusions. Les citoyens font vivre l'État. L'État ne peut faire vivre les citoyens" (Disastrous Illusions. The citizens give life to the state. The state cannot give life to the citizens), *Journal des Economistes*, 15 March 1848, T. 19, no. 70, pp. 323-33; ES3.24 in CW3, pp. 384-99, [link](#).