

S

SAY, JEAN-BAPTISTE (1767–1832)

Jean-Baptiste Say was the leading French political economist in the first third of the 19th century. Before becoming an academic economist quite late in life, Say had worked at a broad range of occupations, including, following in the family tradition, an apprenticeship in a commercial office. He later was employed by a life insurance company and then took on a series of disparate occupations: journalist, soldier, politician, cotton manufacturer, and writer. His constantly changing careers were in large part due to the political and economic upheavals that his generation had to endure: the French Revolution, the Revolutionary Wars, the rise of Napoleon Bonaparte, economic warfare with Britain, and eventually the fall of the Empire and the Restoration of the Bourbon monarchy. Only after a quarter century of turmoil could Say occupy his first position teaching political economy in Paris in 1815, an activity he was to continue in until his death in 1832.

Say made his name with the publication of the *Traité d'économie politique* (1803), which went through many editions and revisions during his lifetime. The ideas that are most closely associated with his name include “Say’s law” of markets—crudely formulated sometimes as “supply creates its own demand” or more broadly understood as the idea that nations and individuals benefit from each other’s rising level of wealth as it provides increased opportunities for mutually beneficial trade. In addition, Say emphasized the vital role played by the entrepreneur in economic activity and the contribution of “nonmaterial” goods, such as services, human capital, and institutions, to the creation of wealth. He also provided an early formulation of the theory of rent seeking.

Say was a keen popularizer of economic ideas, writing several works in dialogue form in order to reach a broader

audience with his liberal views at a time when economic nationalism and socialism were becoming increasingly popular. One of his last major works, the *Cours complet d'économie politique pratique* (1828–1829), attempted to broaden the scope of political economy, away from its earlier preoccupation with the production of wealth, by examining the moral, political, and sociological requirements of a free society and how they are interrelated with the study of political economy. In other words, he wished to return political economy to its Smithian roots.

Say’s family originated in Nîmes, but they were forced to flee to Geneva in the late 17th century when the state ended its policy of toleration toward Protestants. They returned to Lyon in the mid-18th century, where Say’s father became a merchant. The family intended Say and his brother Horace to continue in the family business, and, to this end, the two brothers were sent to London to learn about modern commerce. There they became proficient in English; when Say came across a copy of Smith’s *Wealth of Nations*, which had not yet been translated into French, he was able to absorb its contents.

When the French Revolution broke out, Say was swept up in events. He stopped working for the Comte de Mirabeau’s journal, the *Courrier de Provence*, to volunteer to fight and saw service in Champagne in 1792–1793. He got married only to find his family’s moderate wealth had made him a target of the terror before hyperinflation wiped out most of what they had saved. Finally, he was appointed editor of the journal of the liberal-minded “Idéologues,” *La Décade philosophique, littéraire, et politique*, for which he wrote articles on political economy from 1794 to 1799. Say’s practical business experience and his knowledge of current economic policy led to his appointment in 1799 to the Tribunat, where he served on the finance committee. It was in this context that the idea of a *Treatise on Political Economy* was hatched, and the first of six editions appeared in 1803. Say’s *Treatise* even came to the attention of the

First Consul, Napoleon, who, over dinner with Say, suggested that a new edition should be published that would more explicitly support the government's unpopular fiscal policies. Say's blunt refusal to serve the interests of Napoleon and his constant opposition to the profligate spending of the government in the finance committee led to his dismissal from the Tribunal.

The next stage of Say's career was a return to the commercial world after a stint as an editor and a politician. Say relocated his family to Auchy in Pas-de-Calais, where he set up a cotton-spinning plant using the latest machinery from England. After 8 successful years as a businessman, in which he employed between 400 and 500 people in his factory, Say sold the enterprise and returned to Paris in 1813. He was convinced that French economic policy would result in economic collapse. The continental system, which placed an embargo on British goods trying to enter the Continent, the proliferation of government licenses needed to enter business, the increasing tariffs on imported cotton, in addition to the difficulties of trading in wartime, were stifling French industry.

The publication of the second edition of the *Treatise on Political Economy* in 1814 once again brought Say to the attention of the government. At this point, he was employed to travel to England on a fact-finding mission for the purpose of discovering the secret of English economic growth and to examine the impact of the revolutionary wars on the British economy. Say also took advantage of his visit to England to make contact with British philosophical radicals and political economists such as James Mill, Jeremy Bentham, and David Ricardo. Part of his report was published in the pamphlet *De l'Angleterre et des Anglais* (1814), which contains a devastating critique of the economic impact of war on ordinary British working people, including the inflationary policies employed to finance the conflict.

Only after the defeat of Napoleon and the Restoration of the Bourbon monarchy was Say, then the preeminent French political economist of his day, able to obtain a position teaching economics in Paris, first at the Athénée and then at the Conservatoire des Arts et Métiers. The expression "political economy" was still regarded as somewhat radical and subversive; however, he was finally offered the first chair in political economy at the Collège de France. Although he was a notoriously bad lecturer, reading directly from his manuscripts, he published a considerable amount in his remaining 17 years. Numerous popular works on political economy appeared, along with several revised editions of the *Treatise on Political Economy*, a series of polemical letters written to Thomas Malthus, and a lengthy and unjustly neglected *Cours complet d'économie politique pratique* in 1828–1829.

DMH

See also Classical Economics; French Revolution; Ricardo, David; Smith, Adam

Further Readings

- Forget, Evelyn. "Jean-Baptiste Say and Adam Smith: An Essay in the Transmission of Ideas." *Canadian Journal of Economics* 26 no. 1 (1993): 121–133.
- Hart, David M. *Class Analysis, Slavery and the Industrialist Theory of History in French Liberal Thought, 1814–1830: The Radical Liberalism of Charles Comte and Charles Dunoyer*. Unpublished doctoral dissertation, King's College, Cambridge, 1994.
- Say, Jean-Baptiste. *Cours complet d'économie politique pratique; ouvrage destiné à mettre sous les yeux des hommes d'état, des propriétaires fonciers et les capitalistes, des savans, des agriculteurs, des manufacturiers, des négocians, et en général de tous les citoyens, l'économie des sociétés*. 6 vols. Paris: Rapilly, 1828–1829.
- . *Oeuvres diverses contenant: Catéchisme d'économie politique, fragments et opuscules inédits, correspondance générale, Olbie, Petit Volume, Mélanges de morale et de littérature précédées d'une Notice historique sur la vie et les travaux de l'auteur, Avec des notes par Ch. Comte, E. Daire et Horace Say*. Paris: Guillaumin, 1848.
- . *Traité d'économie politique, ou simple exposition de la manière dont se forment, se distribuent et se consomment les richesses*. Paris: Deterville, 1803.
- . *A Treatise on Political Economy; or the Production, Distribution, and Consumption of Wealth*. C. R. Princep, trans. Philadelphia: Grigg and Elliott, 1832.
- Sowell, Thomas. *Say's Law: An Historical Introduction*. Princeton, NJ: Princeton University Press, 1972.
- Weinburg, Mark. "The Social Analysis of Three Early 19th Century French Liberals: Say, Comte, and Dunoyer." *Journal of Libertarian Studies* 2 no. 1 (1978): 45–63.

SCHOLASTICS/SCHOOL OF SALAMANCA

Medieval Scholasticism encompassed some seven centuries, from 800 A.D. to 1500 A.D. In theological and philosophical studies, the activity of the period from 1350 to 1500 is known as Late Scholasticism. In social sciences, Late Scholasticism reaches until the end of the 17th century.

St. Thomas Aquinas (1225–1274) was the foremost Scholastic writer. His influence was so widespread that nearly all Late Scholastics studied, quoted, and commented on his remarks. Their works analyzed issues that later proved relevant to libertarian political and economic philosophy. Francisco de Vitoria (c. 1480–1546), often called the Father of the Hispanic Scholastics, is regarded as the great figure in Late Scholasticism. He belonged to the Dominican order and studied and taught at the Sorbonne, where he helped to edit one of the editions of Aquinas's *Summa Theologica* and of the *Summa* of Saint Antonino of Florence (1389–1459). From 1522 to 1546, he taught at the University of Salamanca.

From a pure libertarian perspective, the major contributions of the Late Scholastics are their focus on each person