

David M. Hart, "The Struggle against Socialism and the Bureaucratic State: The Economic Thought of Gustave de Molinari, 1845-1855"

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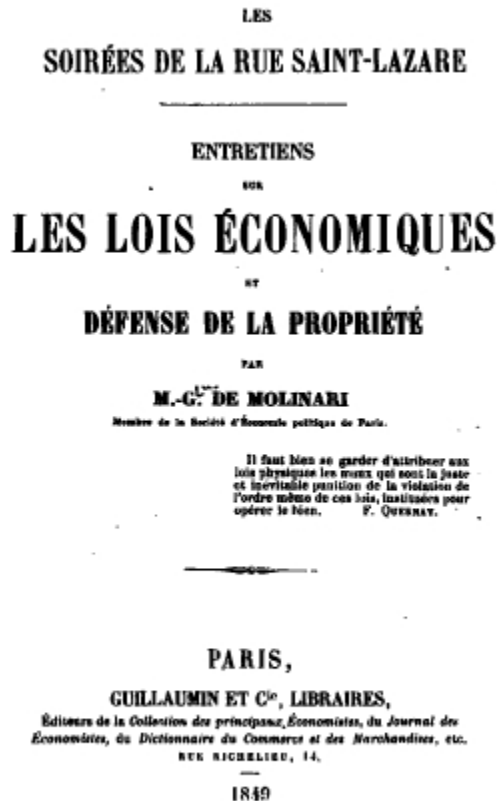
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Title Page of the original 1849 edition



The photo of Molinari (1819-1912) which accompanied his obituary in the *Journal des économistes*

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Abstract

In the late-1840s in Paris there was an extraordinary group of economists who had gathered around the Guillaumin publishing firm to explore and promote free market ideas. One of these was the young Belgian economic journalist Gustave de Molinari (1819-1912) who was just starting out on his career which would lead him to eventually becoming one of the most important and prolific free market economists in Europe in the 19th century. In this paper I explore the first ten years of Molinari's career as an economic journalist, author of a book on labor issues and slavery, and on the history of tariffs, a free trade activist, editor of classics of 18th century economic thought, lecturer on economics at the Athénée royal, activist in the 1848 Revolution, prolific author of articles in the *Journal des Économistes*, author of *Les Soirées de la rue Saint-Lazare* (Conversations on Saint Lazarus Street), contributor to the *Dictionnaire de l'Économie politique*, and, after going into self-imposed exile to Brussels after the coup d'état of Louis Napoleon in December 1851, professor of economics at the Musée royal de l'industrie belge, author of a treatise on economics, owner-editor of a newsletter *L'Économiste belge*, author of a book on the class analysis of Bonapartist despotism, and another popular book of "conversations" about free trade. This paper will focus on one work in particular from this period, namely *Les Soirées de la rue Saint-Lazare* (1849).

In the middle of this very hectic period of his life Molinari published a book for Guillaumin as part of their anti-socialist campaign after the February 1848 Revolution saw socialists seize power and attempt to implement some of their ideas, especially that of the "right to a job," paid for at taxpayer expense, as part of the National Workshops program. Within the new Constituent Assembly politicians like Frédéric Bastiat fought to terminate the National Workshops program and keep the "right to a job" clause out of the new constitution. Outside the Assembly the economists wrote scores of books and pamphlets to intellectually defeat socialist ideas at both the popular and the academic level. Molinari's book was designed to appeal to educated readers and consisted of a collection of 12 "evenings" or "soirées" at which "a conservative," "a socialist," and "an economist" debated important political and economic issues. In these conversations, the economist (Molinari) exposes the folly of both the conservative (who supported tariffs, subsidies, and limited voting rights) and the socialist (who supported government regulation of the economy, the right to a job for all workers, and the end to the "injustice" of profit, interest, and rent).

Molinari begins by arguing that society is governed by natural, immutable and absolute laws which cannot be ignored by conservatives or socialists, and that the foundation for a peaceful and prosperous society is the right to private property. He then proceeds to explain the free market position on a host of

topics to his skeptical audience. Some of the more controversial topics Molinari discusses include the following: intellectual property, eminent domain laws, public goods such as roads, rivers, and canals, inheritance laws, the ban on forming trade unions, free trade, the state monopoly of money, the post office, state subsidies to theaters and libraries, subsidies to religious groups, public education, free banking, government regulated industries, marriage and pollution growth, the private provision of police and defense, and the nature of rent. On all these issues, Molinari shows himself to be a radical supporter of laissez-faire economic policies.

For modern Austrian economists, what is most interesting about Molinari's work from this period are the following:

- he believed that once freed from government regulations entrepreneurs would spring up in every industry to supply goods and services to customers
- he offers private and voluntary solutions to the problem of the provision of all so-called "public goods", from the water supply to police services
- he seems to have inspired Rothbard to come up with his own theory of "anarcho-capitalism" in the 1950s and 1960s when he was writing MES and P&M

For modern libertarians, his book may well be the first ever one volume overview of the classical liberal position - much like an 1849 version of Rothbard's own *For a New Liberty* (1973).

A Brief Introduction to the Life of Gustave de Molinari (1819-1912) ↩

Gustave de Molinari was born in Liège on March 3, 1819 and died in Adinkerque on January 28, 1912. He was the leading representative of the laissez-faire school of classical liberalism in France in the second half of the 19th century and was still campaigning against protectionism, statism, militarism, colonialism, and socialism into his 90s on the eve of the First World War. As he said shortly before his death, his classical liberal views had remained the same throughout his long life but the world around him had managed to turn full circle in the meantime.

Molinari became active in liberal circles when he moved to Paris from his native Belgium in the 1840s to pursue a career as a journalist and political economist and was active in promoting free trade, peace, and the abolition of slavery. His liberalism was based upon the theory of natural rights (especially the right to property and individual liberty) and he advocated complete laissez-faire in economic policy and the ultra-minimal state in politics. During the 1840s he joined the Society for Political Economy and was active in the Association for Free Trade (inspired by Richard Cobden and supported by Frédéric Bastiat). During the 1848 revolution he vigorously opposed the rise of socialism and published shortly thereafter two rigorous defenses of individual liberty in which he pushed to its ultimate limits his opposition to all state intervention in the economy, including the state's monopoly of security. He published a small book called *Les Soirées de la rue Saint-Lazare* (1849) in which he defended the free market and private property in the form of a dialogue between a free market political economist, a conservative and a socialist. He extended the radical anti-statist ideas first presented in the "Eleventh Soirée" in an even more controversial article "De la Production de la Sécurité" in the *Journal des Économistes* (October 1849) where he argued that private companies (such as insurance companies) could provide police and

even national security more cheaply, more efficiently and more morally than could the state.

During the 1850s he contributed a number of significant articles on free trade, peace, colonization, and slavery to the *Dictionnaire de l'économie politique* (1852-53) before going into exile in his native Belgium to escape the authoritarian regime of Napoleon III. He became a professor of political economy at the Musée royale de l'industrie belge and published a significant treatise on political economy (the *Cours d'économie politique*, 2nd edition 1863) and a number of articles opposing state education. In the 1860s Molinari returned to Paris to work on the *Journal des Débats*, becoming editor from 1871 to 1876. Between 1878-1883 Molinari published two of his most significant historical works in the *Journal des Economistes* in serial and then in book form. *L'Évolution économique du dix-neuvième siècle: Théorie du progrès* (1880) and *L'Évolution politique et la révolution* (1884) were works of historical synthesis which attempted to show how modern free market "industrial" society emerged from societies in which class exploitation and economic privilege predominated, and what role the French Revolution had played in this process.

Towards the end of his long life Molinari was appointed editor of the leading journal of political economy in France, the *Journal des Économistes* (1881-1909). Here he continued his crusade against all forms of economic interventionism, publishing numerous articles on natural law, moral theory, religion and current economic policy. At the end of the century he published his prognosis of the direction in which society was heading. In *The Society of the Future* (1899) he still defended the free market in all its forms, with the only concession to his critics the admission that the private protection companies he had advocated 50 years previously might not be viable. Nevertheless, the old defender of laissez-faire still maintained that privatised, local geographic monopolies might still be preferable to nation-wide, state-run monopolies. Fortunately perhaps, he died just before the First World War broke out thus sparing himself from seeing just how destructive such national monopolies of coercion could be.

In the twenty or so years before his death (1893-1912) Molinari published numerous works attacking the resurgence of protectionism, imperialism, militarism and socialism which he believed would hamper economic development, severely restrict individual liberty and ultimately would lead to war and revolution. The key works from this period of his life are *Grandeur et décadence de la guerre* (1898), *Esquisse de l'organisation politique et économique de la Société future* (1899), *Les Problèmes du XXe siècle* (1901), *Théorie de l'évolution: Économie de l'histoire* (1908), and his aptly entitled last work *Ultima Verba: Mon dernier ouvrage* (1911) which appeared when he was 92 years of age.

Molinari's death in 1912 severely weakened the classical liberal movement in France. Only a few members of the "old school" remained to teach and write - the economist Yves Guyot, and the anti-war campaigner Frédéric Passy survived into the 1920s. The academic posts and editorships of the major journals were held by "new liberals" or by socialists who spurned the laissez-faire liberalism of the 19th century.

A Chronology of the Life and Works of Molinari ↩

1819-1840: childhood and youth spent in Liège

- Born 3 March 1819 in Liège, Belgium

1840-1851: journalist, free trade activist, and economist in Paris

1840-47

- 1840 comes to Paris from Belgium where he finds work as a journalist
- 1842-43 writes biographies for a magazine, publishes first book, a *Biographie politique de M. A. de Lamartine* (1843)
- 1843-46 works as a journalist writing for *La Nation* and *Le Courrier français* on economic topics such as railroads, workers' rights, labour exchanges and slavery. Meets Hippolyte Castille who also works for the *Courrier français* and attends Castille's soirées at his house in the rue Saint-Lazare.
- 1846 publishes his first book on economics, *Études économiques. L'Organisation de la liberté industrielle et l'abolition de l'esclavage* (Economic Studies on the Organization of Industrial Liberty and the Abolition of Slavery) (1846) with a quote on the front page "Laissez faire, laissez passer." The book is reviewed very favorably by Joseph Garnier in the JDE thus beginning Molinari's long association with the journal.
- 1846 meets Bastiat in early 1846 in the offices of *Le Courrier français* who comes to thank them for reviewing his first book of *Economic Sophisms*. Bastiat agrees to publish some future sophisms in the journal, possibly edited by Molinari. Molinari joins Bastiat's Free Trade Society in July, becoming one of its secretaries, and meets Charles Coquelin, Alcide Fonteyraud, and Joseph Garnier. In Sept. publishes two critical letters in the *Courrier français* addressed to Bastiat criticizing him and the FTA for not being radical enough in their demands to abolish protectionism.
- 1847 Molinari formally enters into the Guillaumin network; publishes his first article in the Jan. edition of the JDE on agriculture in England; is invited to join the Political Economy Society whom he represents at international meetings of economists; publishes the first of many books by Guillaumin on *Histoire du tarif* (The History of Tariffs) (1847); begins editorial work on two volumes of the *Collections des Principaux économistes* on 18th century economic thought.
- 1847 begins teaching a course on economics at the Athénée royal de Paris which is interrupted by the Revolution
- 1847-48 helps Castille and Bastiat edit journal about intellectual property: *Le travail intellectuel* (Intellectual Labour/Work) 1847-48)

1848

- February - the day after the Revolution breaks out he, Bastiat, and Castille start their first small magazine which they hand out on the streets of Paris to appeal to the ordinary workers, *La République française*. 30 issues appeared between 26 Feb. - 28 March 1848
- March - active in a political club, Le Club de la liberté du travail (The Club for the Liberty of Working), founded by Coquelin with Fonteyraud one of the key speakers, to publicly debate socialists on "the right to work", forced to close when communist thugs use violence against them
- writes 4 signed articles and book reviews for the JDE and many unsigned articles and reports about the events of 1848, including "L'utopie de la liberté (lettre aux socialistes, par un RÉVEUR)" (The Utopia of Liberty: A Letter to the Socialists by a Dreamer) in June appealing for

a coalition with the economists

- June 1848 joins Bastiat, Garnier, Coquelin, Fonteyraud in editing and publishing a second revolutionary magazine to hand out on the streets of Paris, *Jacques Bonhomme* (11 June- 13 July 1848), 4 issues appeared, forced to close because of the violent crackdown after the June Days rioting
- June-December 1848 - works closely with the editorial staff at the JDE reporting on political and intellectual developments during the year, especially the debate in the Chamber on the “right to work” clause in the new constitution
- Dec. Molinari in an unsigned article sums up the events of the year on behalf of the editors of the JDE concluding that the “fever” of socialism has temporarily subsided but he expects another outbreak at any time

1849

- January writes an important article on Thiers’ book on property in JDE criticizing the conservative for defending property poorly against the socialists
- February writes “De la production de la sécurité” (The Production of Security) for the JDE in which he gives the first defense of the anarcho-capitalist argument for the private provision of police and defense. This is taken up again in S11 of *Les Soirées*
- July/Aug. assists Garnier in organizing an international Peace Congress in Paris the president of which was Victor Hugo and at which Bastiat gives an important speech.
- Sept. most likely date of publication of *Les Soirées de la rue Saint-Lazare*
- Oct. Molinari’s book *Les Soirées* is critically discussed at the regular monthly meeting of the Political Economy Society. Dunoyer says he has been “swept away by illusions of logic”. Bastiat and others argue that the state must have supreme power in order to defend property rights; the participants also criticize him for objecting to eminent domain laws.
- Nov. Charles Coquelin critically reviews *Les Soirées* in the JDE, he agrees with most of the book but objects to Molinari using the figure of “The Economist” to put forward his own views about the private production of security.

1850-51

- writes 9 articles and book review for the JDE during this period, including the obituary of Bastiat in February 1851.
- assists in the editing and publishing of the DEP edited by Coquelin and Guillaumin, writes 25 principle articles and 4 biographical articles, including the ones on Liberté du commerce, liberté des échanges, Paix, Guerre, Paix (Société et Congrès de la Paix), Propriété littéraire, Servage, Tarifs de douane, Théâtres, Travail, Union douanière, Usure
- the coup d’état of Louis Napoleon on 2 décembre 1851 forces Molinari into a self-imposed exile in Brussels

1852-1867: academic economist and free market lobbyist and journalist in Brussels.

- moves to Brussels to teach economics at the *Musée royal de l'industrie belge*, later at Institut supérieur du commerce d’Anvers (Antwerp); he is active in the Belgian free trade movement and attempts to set up Labour Exchanges

- 1852 writes an analysis of the 1848 Revolution and the coup d'état of Louis Napoléon based upon his theory of class interests, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériels* (1852). This is followed in 1861 by a book examining the political and economic thought of Emperor Napoleon III, *Napoleon III publiciste* (1861).
- 1855-68 edits and publishes his own journal the *Économiste belge* to promote free trade and labour exchanges
- 1855 publishes his treatise of economics based upon his lectures, *Cours d'économie politique* (2nd ed. 1863).
- 1855 publishes a second book of “conversations” about free trade between a rioter, a prohibitionist or protectionist, and an economist, *Conservations familières sur le commerce des grains* (1885)
- 1857 writes a book on the 18th century peace advocate *L'abbé de Saint-Pierre* (1857)
- 1861 publishes an account of his visit to Russia and the abolition of serfdom, *Lettres sur la Russie* (1861)

1867-1881: returns to journalism in Paris

- 1867-1876 Returns to Paris to work for the *Journal des Débats* , serves as chief editor 1871-1876
- 1870-71 in Paris during the Paris Commune and the formation of the Third Republic; write accounts of the socialist political clubs and the socialist movement during the Commune, *Les Clubs rouges pendant le siège de Paris* (The Red Clubs during the Siege of Paris) (1871) and *Le Mouvement socialiste et les réunions publiques avant la révolution du 4 septembre 1870* (The Socialist Movement and their Public Meetings before the Revolution of 4 Sept. 1870) (1872)
- 1873 writes his first book on political and constitutional theory, *La République tempérée* (The Moderate Republic) (1873) as the constitution of the Third Republic is being developed
- 1874 - is elected a corresponding member of the Institute
- 1876 travels to Canada and the US to cover the centennial celebrations and writes accounts of his travels
- 1880 publishes first work of historical sociology *L'évolution économique du XIXe siècle* (Economic Evolution in the 19th Century) (1880)

1881-1909: editor of JDE, very prolific period in his life; writes on economics and historical sociology and his travels

- 1881 Appointed editor of JDE in October when Joseph Garnier dies
- 1880-1908 writes a series of books on historical sociology, evolution of societies, and war, e.g. *L'évolution politique et la Révolution* (Political Evolution and the Revolution) (1884) and *Grandeur et décadence de la guerre* (The Grandeur and Decadence of War) (1898)
- 1881-86 continues to travel abroad and writes several books about his travels - visits Canada, US, Jersey, Russia, Corsica, Panama, Martinique, Haiti
- 1881-87 writes a series of books on economic topics - protectionism, slavery, and agriculture, e.g. *Conversations sur le commerce des grains et la protection de l'agriculture* (1886)
- 1887-93 writes a series of books on the natural laws and the moral philosophy of political economy, e.g. *Les Lois naturelles de l'économie politique* (Natural Laws and Political Economy) (1887)

- 1893 writes a book on *Les Bourses du Travail* (Labour Exchanges) (1893)

1909- 1912: retirement

- 1911 writes his last book at age 92 appropriately called *Ultima Verba: Mon dernier ouvrage* (Last Words: My Last Book) (1911)
- Died 28 January 1912 in Adinkerque, Belgium (buried in Père-Lachaise cemetery in Paris)

The Originality and Importance Gustave de Molinari's Social and Economic Theory ↩

This is a summary of the original and important contributions made to political economy in particular and social theory in general made by Molinari:

- that political economy has a moral dimension which was usually unstated and assumed by its practitioners, but which had to be declared up-front, and that economic theory had to be based upon stronger ethical foundations than Adam Smith or J.B. Say had provided, especially concerning the right to property in general and the justice of profit, interest, and rent; in other words, that there was a “moral economy” as well as a “political economy.”
- that the world, including the economy, is governed by universal natural laws and that these laws could not be ignored for long without causing serious problems. He further believed that in attempting to get around or ignore these natural laws governments intervened in the operation of the market and caused severe hardship for ordinary workers and consumers.
- that all so-called public goods could and should be “privatized”, in other words provided competitively on the free market by entrepreneurs who sought out consumers, even in areas such as rivers, roads, the water supply, security, theatre and the arts which had traditionally been monopolies of the State; in other words, that there should be “markets in everything”.
- that economic analysis could be applied to State institutions like the army and the bureaucracies which ran the government, as well to other institutions like the family and the Church. Molinari also believed that there was a “political market” where politicians made deals with vested interests and voters in order to maximise their benefits including getting re-elected. Thus Molinari might make a claim to being an early advocate of “public choice” economics.
- that the free flow of information within an economy was of vital importance to the creation of a stable economic order. He had in mind the transmission of information about the supply, demand, and price of labour which lay behind his notion of Labour Exchanges to solve the problem of unemployment, and his idea of equilibrium, the point to which free markets with free prices “tends” (or gravitates) in order to reach an equilibrium between supply and demand
- that the structure of society should be understood in class terms in which a small, powerful, privileged elite controlled the state in order to get benefits for themselves at the expense of ordinary taxpayers and consumers, and that history should be seen as the arena where this rivalry between these two groups was played out.

- that institutions evolved over time as a result of economic, political, military, and technological forces, such as the extent of the market, the degree of the division of labour, the nature of external threats to a society, and the degree to which markets developed to take over activities hitherto the monopoly of the State. (Douglass North’s institutional economics)
- that political economists should continue to speak to the ordinary person in order to spread the understanding of free market ideas by means of popular works.

Property, the Self, and the Different Types of Liberty ↩

Molinari’s own views on property rights were evolving at the time he was writing *Les Soirées*, thus one should see his thoughts here as the first step towards what would be become a much more detailed theory of property which began to appear in his *Cours d’économie politique* (1855, 1864) and then in a series of later works. [686](#)

Molinari probably started out as a fairly orthodox Smithian or Sayist regarding property rights but he was gradually moving towards a more natural rights position as he worked on the *Collection des Principaux Économistes* project edited by Eugène Daire. This brought the work of Quesnay and the other Physiocrats to the attention of the younger economists, perhaps for the first time. Another factor was his discovery of the writings of the philosopher Victor Cousin [687](#) via an essay by an ex-editor of the *JDE* Louis Leclerc [688](#) in October 1848 entitled “Simple observation sur le droit de propriété” (A Simple Observation on the Right to Property). [689](#) Here Leclerc took up some ideas expressed by Cousin in his book *Justice et Charité* (Justice and Charity) (1848). Leclerc was struck by one idea in particular by Cousin, “Le moi, voilà la propriété primordiale et originelle” (Me (the self), there is the primordial and original property). Molinari too was very taken with the idea with its implication that lead to him thinking about “self-ownership” as literally and theoretically being the first kind of property, followed by other forms of “internal property” such as ideas and mental creations (the topic of S2), and then finally a tertiary form of property which is an extension of the body and the mind and is made up of the physical things outside the body which the individual creates through his or her labour, which Molinari calls “external property” (the subject of S3).

In his essay on property published in October 1848 Leclerc gave a most poetic and moving defence of self-ownership and other property rights based upon Cousin’s insight which obviously struck a chord with Molinari:

Cette quotité de ma vie et de ma puissance, est perdue sans retour; je ne la recouvrerai jamais; la voici comme déposée dans le résultat de mes efforts; lui seul représente donc ce que je possédais légitimement, et ce que je n'ai plus. Je n'usais pas seulement de mon droit naturel en pratiquant cette substitution, j'obéissais à l'instinct conservateur, je me soumettais à la plus

This “thing” which is my life and my power is lost without recovery (as I work and age). I will never be able to recover it. There it lies, the result of all my efforts. It alone therefore represents what I had legitimately possessed and what I (will) no longer have. I did not only use up my natural right(s) in maintaining what has been lost, I was obeying the instinct of self-preservation, I submitted to the

<p>impérieuse des nécessités : mon droit de propriété est là! Le travail est donc le fondement certain, la source pure, l'origine sainte du droit de propriété; ou bien le moi n'est point propriété primordiale et originelle, ou bien les facultés (d'??) expansion du moi, et les organes mis à son service ne lui appartiennent pas, ce qui serait insoutenable. ... Le moi a donc conscience parfaite de la consommation folle ou sage, utile ou improductive de sa propre puissance, et, comme il sait aussi que cette puissance lui appartient, il en conclut sans peine un droit exclusif et virtuel sur les résultats utiles de cette inévitable extinction, quand elle s'est laborieusement et fructueusement accomplie. [p. 304]</p>	<p>most imperious of necessities: my right to property is right here! Labour is therefore the certain foundation, the pure source, the holy origin of the right to property. Otherwise I (le moi) am not the primordial and original property, otherwise my ability to extend myself, and the organs which I have at my disposal, do not belong to me, which would be indefensible. ... Therefore I am perfectly within my rights to use my own powers foolishly or wisely, productively or unproductively, and, because I also know that this power belongs to me, because I retain without any penalty the exclusive and virtual/potential right to the useful results of this inevitable loss, when it has been laboriously and fruitfully been accomplished.</p>
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[Source:] [690](#)

Three months later in January 1849 when Molinari was no doubt planning or beginning to write *Les Soirées* he wrote a book review of Thiers' *On Property* and recalled how much he was indebted to Leclerc's theory of property. He commended Leclerc for having recognized Cousin's insight that "la propriété n'est autre chose que l'expansion, le prolongement du moi" (property nothing more than the expansion or the extension of "le moi" (the I)) and then for having gone far beyond Cousin and the other economists in seeing that property had to be defended on the grounds of both utility *and* justice. He summed up his view of property in the following paragraph:

<p>Dans l'opuscule cité plus haut, M. Cousin établit clairement la différence des deux systèmes qui se sont jusqu'à présent occupés de la propriété, je veux parler du système des économistes et du système des vieux jurisconsultes, copiés par Rousseau et son école. Selon les économistes, la propriété est un véhicule primordial de la production et de la distribution des richesses, un des organes essentiels de la vie sociale : on ne peut, disent-ils, toucher à cet organe sans nuire à l'organisme, et les gouvernements, institués en vue de l'utilité générale, manquent complètement à leur mission lorsqu'ils portent [167] atteinte à la propriété. A cette règle, aucune exception ! Aux yeux des véritables économistes, comme à ceux des véritables philosophes, Le Droit De Propriété N'est Pas ou Il Est Absolu [from p. 30 of Cousin]. Selon les jurisconsultes de la vieille école, au contraire, la propriété a un caractère essentiellement mobile, variable, humain; elle ne vient pas de la nature, elle résulte d'un convention</p>	<p>In the small book cited above M. Cousin clearly establishes the difference between the two schools of thought which are at present busy with the question of property. I am speaking of the Economists and the old Legal Philosophers (Jurisconsultes) who have been copied by Rousseau and his school. According to the Economists property is a primordial vehicle for the production and distribution of wealth, one of the essential organs of social life. They say that one cannot touch this organ without harming the organism, and that governments, which have been instituted with the view of guarding general welfare, fail completely in their mission when they cause harm to property. To this rule there is no exception! In the eyes of true economists, as with true philosophers, THE RIGHT OF PROPERTY IS NOTHING OR IT IS ABSOLUTE. According to the legal philosophers of the old school, on the other hand, property is essentially movable, variable, and human (man made???). It does not</p>
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conclue à l'origine des sociétés, elle est née du <i>contrat social</i> , et selon que les contractants le jugent nécessaire, ils peuvent, modifiant la convention primitive, imposer des règles, donner des limites à la propriété. Ce qui nécessairement suppose qu'ils ne la considèrent ni comme essentiellement équitable, ni comme absolument utile.	come from nature; it is the result of a agreement (convention) made at the birth of society; it is born from a <i>social contract</i> , and according to what the contractors judge necessary, they can, by modifying the original agreement, impose rules and establish limits to property. This necessarily implies that they do not consider it (property) as essentially just or as essentially useful.
Entre ces deux systèmes, je n'ai pas besoin de dire que la distance est immense, incommensurable : le premier contient toute l'économie politique, le second contient tout le socialisme. [pp. 166-67]	Between the two schools of thought, I don't need to say that the distance between them is immense and unmeasurable. The first school comprises all of political economy; the second all of socialism.

[Source:] [691](#)

However, the majority of the economists rejected this absolutist view of individual property rights and did not think that it was the economist's job to delve too deeply into the foundations of property rights and its relationship to political economy. The majority viewpoint was the one summarised by Léon Faucher in the article on "Property" he wrote for the DEP. [692](#) It seems that the economists were divided on this question as one can identify a small group who were influenced by Victor Cousin such as Leclerc, Molinari, and Bastiat, but also Louis Wolowski and Émile Levasseur who co-wrote the article on property in Block's *Dictionnaire générale de la politique* which appeared in 1863. [693](#) The article began with a very Cousinian defense of private property as an extension of "le moi" (the self). Although this was a minority position, there were some economists who believed that "political" economy should also be a kind of "moral" economy.

In *Les Soirées* Molinari uses a simple division of property into two different types, internal and external property. Depending upon how individuals wished to exercise their rights to these different forms of property there were different kinds of "liberty" which described how this happened. In *Les Soirées* Molinari listed 9 different kinds of liberty which he wished to defend. These were:

1. "la liberté de l'héritage" (the liberty of inheritance - the freedom to make a will) (occurs in S4)
2. "la liberté des communications" (the liberty of communications - freedom of speech, (of both information and goods)) (S6)
3. "la liberté de mouvement" (the liberty of movement - the freedom of movement (of both people and goods)) (S6)
4. "la liberté du travail" (the liberty of working) (S11)
5. "la liberté des échanges" (the liberty of exchanging - free trade) (S7)
6. "la liberté de l'enseignement" (the liberty of education - freedom of education)
7. "la liberté des banques" (the liberty of banking - free banking) (S8)
8. "la liberté de gouvernement" (the liberty of government, i.e. the competitive provision of security in the free market) (S11)
9. "la liberté du commerce" (the liberty of commerce - another way of saying free trade) (S12)

When he returned to the problem after his departure from Paris at the end of 1852 when he began work on his treatise on economics while teaching at the Musée royale de l'industrie belge he developed a simpler and more general taxonomy of 6 types of property each with its own distinctive form of liberty

which corresponded to it: [694](#)

<p>L'homme qui possède des valeurs est investi du droit naturel d'en user et d'en disposer selon sa volonté. Les valeurs possédées peuvent être détruites ou conservées, transmises à titre d'échange, de don ou de legs. A chacun de ces modes d'usage, d'emploi ou de disposition de la propriété correspond une liberté.</p> <p>Énumérons ces libertés dans lesquelles se ramifie le droit de propriété.</p> <p>Liberté d'appliquer directement les valeurs créées ou acquises à la satisfaction des besoins de celui qui les possède, ou liberté de consommation .</p> <p>Liberté de les employer à produire d'autres valeurs, ou liberté de l'industrie et des professions.</p> <p>Liberté de les joindre à des valeurs appartenant à autrui pour en faire un instrument de production plus efficace, ou liberté d'association .</p>	<p>A man who possesses things of value is endowed with the natural right to use and dispose of them as he sees fit. The things of value so possessed can be destroyed or preserved, transferred by means of exchange, gift, or bequest. To each of these modes of use, employment, or disposition of property, corresponds a (particular kind of) liberty.</p> <p>Let us list these liberties which the right of property is divided:</p> <p>The liberty of directly using created or acquired things of value for the satisfaction of the needs of whomever possesses them, that is "the liberty of consumption."</p> <p>The liberty of employing them (things of value) to produce other things of value, that is "the liberty of industry and the professions."</p> <p>The liberty of combining them to the things of value belonging to another person in order to create a more efficient instrument of production, that is "the liberty of association."</p>
<p>Liberté de les échanger dans l'espace et dans le temps, c'est à dire dans le lieu et dans le moment où l'on estime que cet échange sera le plus utile, ou liberté des échanges .</p> <p>Liberté de les prêter, c'est à dire de transmettre à des conditions librement débattues la jouissance d'un capital ou liberté du crédit .</p> <p>Liberté de les donner ou de les léguer, c'est à dire de transmettre à titre gratuit les valeurs que l'on possède, ou liberté des dons et legs .</p> <p>Telles sont les libertés spéciales ou, ce qui revient au même, tels sont les droits particuliers dans lesquels se ramifie le droit général de propriété.</p>	<p>The liberty of exchanging them across space and time, that is to say in a place and at a time when one believes that this exchange will be the most useful, that is "the liberty of trade" (free trade).</p> <p>The liberty of lending them, that is to say to transmit (pass on, hand over?) to another person the enjoyment of some capital under conditions which have been freely negotiated, that is "the liberty of credit."</p> <p>The liberty of giving or bequeathing them, that is to say to transmit freely to another person the things of value which one possesses, that is "the liberty of gifting or bequesting."</p> <p>These are the main types of (spécial) liberties, or what amounts to the same thing, these are the particular rights into which the general right of property is divided.</p>

[Source:] [695](#)

Molinari's theory of liberty was different from that of Charles Dunoyer's as articulated in his influential book *De la liberté du travail* (1845). Perhaps as a result of his frustrations resulting from the failure of the liberals to develop a coherent and effective theory of limited government in the Restoration period, Dunoyer had given up the attempt to derive liberty from first principles. He dismisses this as the work of "ces philosophes dogmatiques qui ne parlent que de *droits* et de *devoirs*" (dogmatic philosophers who only speak about rights and duties). [696](#) He on the other hand, wanted to focus instead on "comment arrive-t-il qu'ils le soient? à quelles conditions peuvent-ils l'être? par quelle réunion de connaissances et de bonnes habitudes morales parviennent-ils à exercer librement telle industrie privée? comment s'élèvent-ils à l'activité politique?" (how it happens that men are free, under what conditions can they be free, what combination of knowledge and sound moral habits make it possible for men to carry out private industry, how do they raise themselves up to the point where they can engage in political activity). [697](#) Liberty for Dunoyer was not a matter of rights but of the capacity to do things. As he defined it:

"Ce que j'appelle *liberté*, dans ce livre, c'est ce *pouvoir* que l'homme acquiert d'user de ses forces plus facilement à mesure qu'il s'affranchit des obstacles qui en gênaient originairement l'exercice. Je dis qu'il est d'autant plus *libre* qu'il est plus *délibéré* des causes qui l'empêchaient de s'en servir, qu'il a plus éloigné de lui ces causes, qu'il a plus agrandi et désobstrué la sphère de son action."
[LdT, vol. 1, p. 24]

What I call *liberty* in this book is this *power* acquired by man to use his forces more easily to the degree that it (pouvoir??) is freed from the obstacles which originally got in the way of its exercise. I say that he is all the more *free* as he is increasingly *released* from the things which prevented him from making use of it/them, as he moves further away from these things, as he increases the size and unblocks the sphere of his activity.

[Source:] [698](#)

Molinari on the other hand saw liberty as the absence of coercion within social relationships, where each person's natural right to self-ownership and the products of their labour are respected, with the sole proviso that they respect the same rights of others. As the Economist expressed it in S6:

Quand on dit liberté illimitée, on entend liberté égale pour tout le monde, respect égal aux droits de tous et de chacun. Or, lorsqu'un ouvrier empêche par intimidation ou violence un autre ouvrier de travailler, il porte atteinte à un droit, il viole une propriété, il est un tyran, un spoliateur, et il doit être rigoureusement puni comme tel.

When people say unlimited freedom, they mean equal freedom for everybody, equal respect for the rights of one and all. Now when a worker prevents another worker from working, by intimidation or violence, he is making an assault on a right, he is violating property, he is a tyrant and a plunderer and ought to be sternly punished as such.

[Source: S6, p. 129] [699](#)

Another example comes from the "Introduction" to his collection of essays he published in 1861 which brought together his major essays and reviews from the previous fifteen years and was as summation of

his thinking about liberty and property during this time, he states:

<p>La liberté embrasse, en effet, toute la vaste sphère où se déploie l'activité humaine. C'est le droit de croire, de penser et d'agir, sans aucune entrave préventive, sous la simple condition de ne point porter atteinte au [vii] droit d'autrui. Reconnaître les limites naturelles du droit de chacun, et réprimer les atteintes qui y sont portées, en proportionnant la pénalité au dommage causé par cet empiétement sur le droit d'autrui, telle est la tâche qui appartient à la législation et à la justice, et la seule qui leur appartienne.</p> <p>La propriété qui n'est, en quelque sorte, que la condensation de l'activité humaine, se manifeste comme la liberté dans l'ordre moral, intellectuel et matériel. Il suffit de même de la reconnaître dans ses limites, en la grevant simplement des frais nécessaires pour la garantir.</p>	<p>Liberty encompasses in effect the entire sphere within which human activity is deployed. It is the right to believe, to think, and to act without any preventative hindrance, on the simple condition that the rights of others are not harmed. To recognize the natural limits of the rights of each person, and to prevent harms which are caused others, by making the penalty proportional to the damage caused by this infringement of the rights of another, this is the task which belongs to legislation and justice, and its only task.</p> <p>Property is only, as it were, the condensation of human activity which reveals itself as liberty in the moral, intellectual, and material order. Likewise, one has to acknowledge its (govt and justice??) limits by burdening it (property) only with the costs necessary to guarantee it.</p>
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[Source:] [700](#)

This view placed Molinari in an entirely different tradition to that of Dunoyer; the absence of coercion was a moral perspective based upon natural rights, whereas the physical capacity to do certain things was a physical or historical perspective based upon a more utilitarian view of political economy. The latter was particularly appealing to the orthodox classical economists and it was the view endorsed by the editors of the DEP who published Joseph Garnier's article on "Liberté du travail" which drew heavily on Dunoyer's work. [701](#) This only confirmed Molinari's fear that political economy had taken a wrong turn by embracing utilitarianism and turning its back on natural rights defenses of liberty and property. It was something Molinari hoped to rectify in *Les Soirées*. It was not just directed against socialists who rejected the right of property itself but also against the political economists who rejected the notion of a natural right to liberty and property in everything unconditionally. The other economists sensed this was the case in their discussion of *Les Soirées* in October 1849 at one of their monthly meetings of the SEP. There were two arguments by Molinari to which they objected. The first obviously was his argument in favour of the private provision of security. The second was their opposition to his natural rights based rejection of the right of the state to seize or expropriate property in the name of the public interest for things like public works. They believed the state had such a right and could not imagine how important public works could be undertaken without such powers of confiscation.

The kind of future society Molinari had in mind would be based upon a full recognition of each individual's right to liberty and property. In fact in *Les Soirées* he called for the complete "l'affranchissement de la propriété" (the emancipation of property) repeatedly throughout *Les Soirées*. He used a number of terms to describe this type of society, such as "un régime de pleine liberté" (a society of complete liberty), [702](#) "une système d'absolue propriété et de pleine liberté économique" (a system of absolute property rights and complete economic liberty), [703](#) "la société à la propriété pure"

(the society of pure property rights). [704](#) He summarized this ideal society as “un milieu libre” (a liberal milieu) where:

le droit de propriété de chacun sur ses facultés et les résultats de son travail est pleinement respecté, que la production se développe au maximum, et que la distribution de la richesse se proportionne irrésistiblement aux efforts et aux sacrifices accomplis par chacun.

the right to property of each person to their own faculties and the products of their own labour is fully respected, where production is developed to its maximum extent, and where the distribution of wealth is inevitably made in proportion according to the efforts and sacrifices made by each person [p. 295]

[Source:] [705](#)

The Economist’s last words with which he concludes *Les Soirées* make this very clear, that the reader must choose between two different social systems, one based upon state control of property (“communism”) or one based upon private property. The current “régime bâtard” (bastard or hybrid regime) of part-property and part-communism he believed was unsustainable in the long run both practically and morally.

The Natural Laws of Political Economy ↩

The book *Les Soirées* is based upon the idea that the world is governed by natural economic laws which have been identified by the classical political economists. These laws operate independently of human will and if they are ignored or violated by government policies the laws will still continue to operate and will produce bad consequences for those who attempt to do this. The first task of *Les Soirées* was to state what these unavoidable economic laws were and what would happen if they were flouted or ignored.

Molinari begins his book with a quotation about natural law on the title page.

Il faut bien se garder d’attribuer aux lois physiques les maux qui sont la juste et inévitable punition de la violation de l’order 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.

[Source:] [628](#)

It comes from the Physiocrat economist François Quesnay's (1694-1774) essay “Le droit naturel” (Natural Law) (1765) which had been republished by the Guillaumin firm in their series *Collection des principaux économistes* in 1846. The Economists of the 1840s were very conscious of their intellectual roots in the Physiocratic movement of the 18th century. When the Guillaumin publishing firm published their monumental history of economic thought in 15 volumes under the editorship of Eugène Daire four of the volumes were devoted to the writings of the Physiocrats - two volumes by Turgot in 1844 and a

collection of miscellaneous writings by Quesnay and others in 1846. These volumes were appearing just as Molinari was entering the Guillaumin network of free market economists and he was soon enlisted to assist Daire with the final two volumes of the series which appeared in 1847 and 1848, also on 18th century authors. Thus the work of the Physiocrats was very much in the air as Molinari was forming his economic views. Molinari's friend Joseph Garnier also used a quotation from Quesnay on the title page of his economics textbook, *Éléments de l'économie politique. Exposé des notions fondamentales de cette science* (1846) ⁶²⁹ which comes from Quesnay's "General Maxims of Economical Government" (1758) [The Second Maxim: Instruction]: "Que la nation soit instruite des lois générales de l'ordre naturel qui constituent évidemment les sociétés." (That the nation should be taught about the general laws of the natural order which so evidently make up societies.) ⁶³⁰

In 1849 when he was writing the *Soirées* Molinari was only beginning to think through the details of his theory of natural economic laws and how they governed the operation of the market. We can reconstruct the outlines of his theory from scattered remarks he or "The Economist" made in the course of *Les Soirées*. However, such was his interest in the topic that he returned to it 40 years later soon after he had been appointed editor of the *Journal des Économistes*, in a book entitled *Les Lois naturelles de l'économie politique* (The Natural Laws of Political Economy) (1887) ⁶³¹ and which was the first of a series of books in which he elaborated his ideas on this subject. Very early on in the Preface to *Les Soirées* (Molinari) and in the S1 (the Economist) it is stated that "il y a des lois économiques qui gouvernent la société, comme il y a des lois physiques qui gouvernent le monde matériel" (there are economic laws which govern society as there are physical laws which govern the material world) ⁶³²; that these laws are "universelles et permanentes" (universal and permanent) ⁶³³; that "La loi fondamentale sur laquelle repose toute l'organisation sociale, et de laquelle découlent toutes les autres lois économiques, c'est la propriété" (the fundamental law upon which all social organization lies and from which flow all other economic laws, is property) ⁶³⁴; and that "l'économie politique n'est autre chose que la démonstration des lois naturelles qui ont la propriété pour base" (political economy is nothing more than the demonstration of the natural laws which have property as their basis). ⁶³⁵ These brief statements show clearly how the right to property and the idea of natural laws which governed the operation of the economy were interconnected in Molinari's thinking.

Further analysis of *Les Soirées* and his later writings on the subject shows that Molinari believed that there were three different sets of natural laws which could be observed in operation. The first were the laws of the physical world such as the laws of gravity or Newton's laws of motion. These governed the operation of inanimate, unthinking matter and could be observed and described with great precision. The second set governed the economic world which consisted of large numbers of producers and consumers whose economic activity gave rise to patterns of behavior which could be observed in an empirical fashion by economists who could gather economic statistics and study economic history. From this study they concluded that the regularities of behavior they observed were akin to physical laws. For some of the economists, such as the orthodox Malthusians, they were regarded as being as absolute as any physical law such as gravitation. The third set of natural laws were those which could be "discovered" by the human mind either through observation of how human societies operated or by introspection into the nature of the human being itself. These are laws or principles which enabled individuals to cooperate together peacefully, to pursue their goals, and to flourish in society. These included things like property rights, the respect for laws (such as contracts), and the absence of coercion or violence in the relationships between individuals. Molinari came to believe that the latter had not been as well developed by the Economists as they should have been, and had not been incorporated into the very foundations of economic theory. This he attempted to do much later in his life in a pair of books *Les Lois*

naturelles de l'économie politique (1887) and *La Morale économique* (Economic Moral Philosophy) (1888).

In summary, Molinari thought that there were six basic “natural laws of economics” which 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) - by this he meant that individuals attempted to gain the most that they could with the least amount of effort.
2. “la loi naturelle de la concurrence” (the natural law of competition) or “la loi de libre concurrence” (the law of free competition) - Molinari thought that there was a Darwinian struggle for survival by all living creatures. In the case of human beings, this competition could be either “productive competition” in the case of industrial or economic activity, or “destructive competition” in the case of war or politics. [636](#)
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) - by this Molinari meant that in a free market the price of goods and services will be lowered as a result of competition to their “natural value” or cost of production.
4. “la loi de l'offre et de la demande” (the law of supply and demand) which he also sometimes called “la loi des quantités et des prix” (the law of supply and prices) - this was short hand for saying that prices vary according to their supply and demand in the market place and that both consumers and producers alter their behavior as a result. In S12 Molinari phrased this law in very Malthusian terms as arithmetic and geometric changes in price: “When supply exceeds demand in arithmetic progression, the price falls in geometric progression, and, likewise, when demand exceeds supply in arithmetic progression, the price rises in geometric progression.” [637](#).
5. “la loi de l'équilibre” (the law of economic equilibrium) - which is Molinari's version of Bastiat's theory of Harmony, that if markets are left free to function they will tend to produce order not chaos, and there will arise a balance between the demand for products by consumers and the supply of those products by producers. For this to occur, producers need to have “la connaissance du marché” (knowledge about the market) which they get either by personal experience or by means of “la publicité industrielle et commerciale” (the dissemination of industrial and commercial information) by means of price information. [638](#)
6. “Malthus' law of population growth” - Molinari accepted in *Les Soirées* the orthodox Malthusian view as expressed by its greatest advocate in France, Joseph Garnier, “that populations everywhere and always have a tendency to grow beyond the means of subsistence; and that if men are not able to counter-balance this law through their prudence, the inevitable result will be death, preceded by vice and misery.” [639](#) He would later revise this view after he had accepted Bastiat's and Dunoyer's criticism that Malthus had seriously underestimated the productive capacity of the market and the ability of free people to plan the size of their families. [640](#)

Molinari will refer to these natural laws repeatedly throughout *Les Soirées* in his arguments with the Conservative and the Socialist in an effort to show them that their desires to regulate and redirect the free market towards outcomes they and their supporters would prefer will be frustrated and counter-

productive. In his concluding remarks at the end of S12 the Economist argues that governments today, as they were during the Old Regime and the Revolution, are faced with a stark policy choice depending upon whether they do or do not accept the existence of natural laws which govern the operation of the economy.

Structure and Content of *Les Soirées* ↩

Having established to his satisfaction the nature of the laws which governed the economy and the justice of private property, Molinari's third task was to examine a number of individual case studies where economic laws and private property were violated and to describe the consequences of this, with the added inference that this activity should stop in order to allow the natural harmony of the market to operate in order to promote justice and prosperity.

The range of topics covered in the conversations is very broad, perhaps broader than might be implied by the subtitle of the book: "discussions on economic laws and the defense of private property." The subtitle might lead one to think that the book would be theoretical in nature focusing on economic theory and moral philosophy. Yet, after a brief introduction where theoretic matters are discussed, Molinari focuses the conversations on a number of very specific issues for which he provides considerable historical and economic information. In many ways, it could be considered to be a one volume overview of the classical liberal position at that time; a list of the things they thought were wrong with French economic and political policies in the late 1840s, and what they would do to change French society if their "party" got into power. One might also view it as an extended justification for what Bastiat's "The Utopian" politician planned to do if he were made Prime Minister.[\[1\]](#)

Les Soirées of 1849 consist of 11 "soirées" or conversations which take place between an Economist, a Conservative, and a Socialist. The Economist's share of the conversation is substantially larger than the other two speakers with 78.1% of the total. The Socialist enjoys the second largest share of the conversation with 12.2%; and the Conservative gets the smallest share with 9.7%. Together the two opponents of the Economist get 21.9% of the conversation.[\[2\]](#) The book is obviously a device for Molinari to express his views on a range of topics through the mouth of "the Economist". The Socialist is marginally the more important intellectual opponent (12.2% of conversation) over the Conservative (9.7%) which seems logical given the fact that the book was written after the socialists revealed how strong they were during the revolutionary days of 1848 before they were suppressed by the army and the police after June 1848 and again in June 1849.

One could summarize the book's contents as a discussion of the handful of natural laws which governed the operation of political economy; a defence of the right to property in both its "internal" and "external" forms; a defense of key aspects of a free market namely capital, interest, and rent which had come under attack by socialists; a defense of free trade; a defense of the right to free association by all groups in society; critiques of government regulation and state monopolies;; the private provision of so-called "public goods" such as municipal water; and the introduction of two original ideas Molinari had concerning the private provision of the ultimate public good, security, and his theory of rent. A fuller listing of the topics covered is provided here:

1. an explication of his ideas about the natural laws which govern the economy and his theory of property rights - S1
2. internal property: literary, artistic, intellectual property, inventions - S2
3. external property: compulsory purchase by state, mines, public/state property, forests, canals and waterways, spring water - S3
4. the right to transfer property: wills and inheritance laws - S4
5. agriculture and land ownership - S4
6. defense of capital and lending at interest: lending, credit, risk - S5
7. right of association and unions: wage rates - S6
8. right to trade: critique of protectionism - S7
9. critique of state monopolies: issuing of money, banks, post office, subsidized and public theatres, libraries, subsidies to religion, state education - S8
10. critique of the regulation of commercial activity: banking, bakeries, butchers, printing, lawyers, brokers, prostitution, funeral parlors, cemeteries, medicine, teaching - S9
11. critique of state funded charity and welfare: defence of Malthusian ideas on population, marriage laws and families - S10
12. production of security: private insurance companies, liberty of government, the jury system, nationalism - S11
13. the nature of rent - S12

Molinari's interest in some of these topics was a result of recent or current work he had been doing, such as the right of workers to associate and form unions to negotiate with their employers (he had written articles on this for the *Courrier français* in 1845-46), the right to "internal property" or intellectual property which he had pursued with Hippolyte Castille in his journal *Le Travail intellectuel*. (1847-48); the issue of free trade and protection on which he wrote his first book in 1846 and worked with Bastiat in the French Free Trade Association; the right of individuals to charge others interest on money loaned, rent on land, and profits on business activities with which he and Bastiat had debated with Proudhon at some length; and the idea that private, competing companies could provide police and defense services on which he had published an article in the JDE earlier that year. The other topics related to contemporary political issues which were being debated in the Chamber or in the press.

One should also mention the things that Molinari does not discuss which one might have expected in such a work of the moment. He does not discuss the French constitution which was so hotly debated throughout 1848 by the Constituent Assembly, the role that political parties should play in a free society, the role that Revolution played in French history and politics, or other related political topics. We have to wait until the end of the *Cours* for a critical discussion of what he thought were the weakness of constitutions where he sates that:

<p>Au lieu de procurer aux peuples un bon gouvernement, les constitutions ne devinrent que trop souvent des instruments d'exploitation entre les mains des classes supérieures, qui avaient eu l'habileté de se faire attribuer le contrôle du gouvernement qui se trouvait, de fait, monopolisé par elles." [p. 758-9 Pages]</p>	<p>Instead of giving the people a good government, constitutions all too often only become instruments of exploitation in the hands of the upper classes, who had the skill to have placed in their hands control of the government which in fact they happen to have monopolized.</p>
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[Source:][\[3\]](#)

This was followed soon afterwards by his only work of political theory written during the discussion about the Constitution for the Third Republic *La République tempérée* (1873);[\[4\]](#) and then *L'Évolution politique et la Révolution* where he analyses how political parties controlled “le marché politique” (the political market place) and cemented their control with legislation which was a form of “protectionnisme politique” (political protectionism);[\[5\]](#) and his class analysis of revolution in French history published in 1852 to explain the 1848 revolution and the rise to power of Napoleon III, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel* (1852)[\[6\]](#) and the long section on the French Revolution in *L'Évolution politique et la Révolution*.[\[7\]](#)

Since many of the topics he does discuss are very specific to what was happening in the late 1840s in France we have used the contemporary *Dictionnaire de l'économie politique* (1852-53) and other publications of the time to shed light on the issues, the individuals, and the amount of government expenditure involved. We have made a special effort to establish what the French government was spending on these matters and where its income came from. Whenever Molinari refers to specific expenditure made by the government of, say education, we have checked it against the budget papers for the years 1848-49. The information is provided in the footnotes and in an Appendix on the French Government's Budget for 1848-49.

Mention should be made of the two final Soirées in the book which are somewhat unusual, the Eleventh on the private production of security and the Twelfth with its long discourse on rent. In the Eleventh Soirée Molinari again argued for one of his most controversial ideas which he had first put forward in February 1849 in an article in the JDE.[\[8\]](#) At the October meeting of the SEP (the first since the appearance of the book) these arguments were rejected by the economists who were present. This was followed up by a critical review of the book by Coquelin in the November issue of the JDE.[\[9\]](#) One of the criticisms made by Coquelin was that Molinari put into the mouth of “the Economist” views about the private provision of security which no other economist held. This is certainly true. On other matters covered by “The Economist” there would be not much to quibble about as they were fairly standard positions held by most of the economists, such as abolishing tariffs, deregulating certain regulated or monopolized industries, and cutting taxes on the poor. Molinari would have known that his views on the production of security were controversial as his article on that topic had been published in the JDE in February. But there were reasons why he might have been feeling a bit cocky and felt he was able to speak on their behalf on this matter. He had had a meteoric rise through the ranks of the economists over the previous 2 or 3 years. His economic journalism at the *Courrier français* had been discovered by Bastiat in 1846, his book on labour issues and slavery had been reviewed very favorably by Garnier in the JDE in May 1846, he had been made a member of the Political Economy Society in 1847 and represented them at a conference in Brussels in September, his first book on tariffs had also been published by Guillaumin in 1847, and he had been accepted by Guillaumin to work on their most prestigious project at that time which was the last 2 volumes of their monumental history of economic thought the *Collection des Principaux Économistes* during 1847-48, and he had published 10 articles and book reviews in the JDE between 1847-49. So he may have felt that he had made the transition from economic journalist to economist proper and was entitled to speak as “The” Economist in his conversations. His friend and contemporary Alcide Fonteyraud had had a similarly meteoric rise up the economists's ranks and both he and Molinari might have felt that as 30 year olds they were the new generation of economists who were going to take the profession to the next level. Perhaps he thought that he could now speak for all of them since he had reached conclusions about the new directions in which the school should move once they realised its logical necessity. Unfortunately Fonteyraud died suddenly in the cholera epidemic that swept Paris in July and August of 1849 and Molinari found himself isolated ideologically because of the radicalism of his ideas.

The final Soirée of the book is also rather unusual because Molinari seems to suddenly shift gears in order to have an extended discussion of his idea of rent. Molinari has the Socialist interrupt the Economist just as he is about to provide us with a resumé of the book's arguments in favor of the free market and the political and economic reforms he believed needed to be introduced in France after the chaos of the Revolution of 1848. It seems that Molinari felt obliged to insert a ten page digression on the nature of rent as he was getting the book ready for publication. There are two possible reasons for this; firstly, throughout 1848 and 1849 the Economist's views on the nature and legitimacy of profit, interest, and rent had been under attack by socialists such as Proudhon and Louis Blanc both in print and in the National Assembly. Bastiat had written a pamphlet on "Capital and Rent" in February 1849 as a reply to Proudhon's critique. Molinari might have felt obliged to continue defending these ideas in *Les Soirées*. Perhaps as he came close to finishing his book the topic of rent came up again in the Assembly which he thought needed addressing.

Secondly, the Société de l'Économie Politique was in turmoil because of challenges to three orthodox positions held by most of their members, namely the Smithian view of the role of the state (challenged by Molinari in February 1849 with his article "De la production de la sécurité" and here again in the 11th Soirée), Malthus's theory of population (challenged by Bastiat in his *Harmonies Économiques*), and Ricardo's theory of rent (also challenged by Bastiat). All three topics were discussed by the SEP at their regular monthly meetings over a period of 3 years 1849-1851. On the topic of rent, Molinari began as an orthodox Ricardian but began to challenge important parts of the theory as he worked on *Les Soirées* in 1849 and his economic treatise which was published in 1855. In addition, he may have felt it necessary to challenge Bastiat's even more radical critique of rent which he had been developing throughout 1849. In February he had written the anti-socialist pamphlet *Capital and Rent* [10] and at the time Molinari would have been finalizing his manuscript for the printer Bastiat may have been circulating a draft chapter of what would appear as Chap. IX. "Propriété foncière" (Land Rent) in the 1st edition of *Economic Harmonies* which appeared in early 1850. [11] It seems that Molinari felt the matter was of sufficient importance to insert the discussion here, perhaps at the last minute, before Bastiat got his theory of rent published. [12] Normally in economic treatises one begins with the basic principles such as prices, exchange, production, labour, interest, profit, and rent before moving onto other matters. Molinari discusses land and agriculture in S4 and interest in Soirée 5 which is where a discussion of rent might have been more appropriate.

Molinari and the Economists' Campaign against Socialism, 1848-49 ↩

The coming to power of politicians like Louis Blanc in the provisional Government between February and May 1848 suddenly gave the socialists an opportunity to create the new forms of labour organization which they had been promoting for nearly 10 years and this clearly shocked the economists. What had previously been an intellectual challenge to key aspects of classical liberal political economy was now a pressing and immediate political challenge which required a different reaction.

In the chaos following the collapse of the July Monarchy both the political economists and the socialists took advantage of the absence of censorship to launch new magazines, to set up political clubs, and to take to the streets to make their views known. Louis Blanc moved swiftly to take up a position within

the Provisional Government and to put into practice his plans for “ateliers sociaux” or state funded workshops for the unemployed. He wrote a series of memoranda and declarations which led to the formation of a “Commission du gouvernement pour les travailleurs” (the Government Commission for Workers”, also known as the Luxembourg Commission) which met in the Luxembourg Palace. ⁵⁴³ It received backing from the socialist political clubs which sprang up throughout Paris which could bring protesters out into the streets of Paris to put pressure on the government. The revival of interest in Louis Blanc’s and Victor Considerant’s ideas on labour and organisation led to the multiple reprinting of their main works throughout 1848 and 1849 which are difficult to date precisely. ⁵⁴⁴

Several of the economists who were part of the Guillaumin network responded by taking to the streets themselves, firstly with a small magazine, *La République française*, produced by Molinari, Bastiat, and Castille in late February and March (30 issues appeared between 26 February and 28 March); and secondly in late March with the formation of their own political club, “le Club de la Liberté du travail”, organized by Fonteyraud, Garnier, Bastiat, Coquelin, and Molinari, which soon had to shut down as a result of violence by socialist groups.

Bastiat seems to have been the first in print in the *JDE* with “Funestes illusions. Les citoyens font vivre l’État. L’État ne peut faire vivre les citoyens.” (Disastrous Illusions. Citizens make the State thrive. The State cannot make the citizens thrive), which appeared in the 15 March edition. ⁵⁴⁵ However, Bastiat soon left the economists in Paris in order to campaign for election in his home Département of Les Landes, in which he was successful in the 23 April election. Once back in Paris he began writing a series of important anti-socialist pamphlets between May 1848 and July 1850 which the Guillaumin firm promoted as a set called the “Petits Pamphlets” which they published as separate booklets or sold as a set of twelve for 7 francs. In the first six months of the Revolution when the socialist threat was at its greatest he published “Propriété et loi” (Property and Law) in the *JDE* (15 May 1848) which was directed largely against Louis Blanc; “Individualisme et fraternité” (Individualism and Fraternity) as a stand alone pamphlet in June 1848; “Justice et fraternité” (Justice and Fraternity) in the *JDE* (15 June 1848) directed against Leroux; and “Propriété et spoliation” (Property and Plunder) in the *Journal des débats* (24 July 1848) directed against Considerant.

Michel Chevalier, the economist who lost his teaching position in the early days of the revolution, and the journalist and elected member of the Constituent Assembly Léon Faucher, took on the socialist in the quality journals. Chevalier penned some hard hitting “letters” arguing against the idea of “the organisation of labour” which appeared in the *JDD*, and Faucher did the same for “the right to work” in the *Revue des deux mondes*. Both collections of essays were quickly reissued in book form. ⁵⁴⁶ Chevalier and Faucher also wrote additional books continuing the attack on the socialists a few months later. ⁵⁴⁷

Once the Constituent Assembly began sitting on May 4 a committee was formed to discuss the creation of a new constitution. The economists and other liberals in the Chamber took a very active part in the debates about the socialists’s attempts to insert clauses in the Preamble and in a number of key articles which would have put into law their ideas about the right to work. Between June and November, when the constitution was finally approved, economists like Faucher, Bastiat, and Parieu, and sympathizers like Thiers and Tocqueville, took on Blanc and Proudhon in endless speeches and submissions to the committee. All these were reported on closely by the *JDE* as they took place and were later edited into a book by Joseph Garnier and published by Guillaumin in December 1848. ⁵⁴⁸

Molinari and Bastiat again took to the streets in June 1848 with a second revolutionary magazine,

Jacques Bonhomme, which appeared for only four issues (11 June - 13 July) before the violence of the June Days uprising forced it to close. This was filled with numerous anti-socialist articles which tried to appeal to ordinary Parisians to stop supporting the socialists on the streets and in the Chamber and to rethink their attitudes towards tax-payer funded relief schemes like the National Workshops. As part of this campaign, in mid-June Molinari, in an anonymous article in the JDE, [549](#) appealed to the socialists to join forces with the economists as they shared many goals, such as peace, justice, and prosperity for the working class. In the third issue which was dated 20-23 June Bastiat wrote a fiery article calling for the dissolution of the National Workshops. When the Chamber announced they would close them down on 21 June this prompted widespread rioting by the Workshops' supporters in Paris between 23-26 June until it was brutally suppressed by the army with the loss of thousands of lives (the so-called "June Days"). Wisely, Bastiat and Molinari decided to close their magazine with the fourth issue.

The *Jacques Bonhomme* magazine was their last attempt at revolutionary street agitation. Afterwards, Bastiat concentrated on his parliamentary duties and the writing of his anti-socialist pamphlets and Molinari turned to writing more book reviews and articles for the JDE, and then working on *Les Soirées*.

Sometime in late June or July 1848 the Guillaumin firm issued a special four page supplement to their normal catalog called "Publications nouvelles sur les questions économique à l'ordre du jour" (New Publications on Economic Questions of the Day). It listed 40 works which dealt with the "social question," the condition of the workers, as well as numerous anti-socialist writings featuring the work of Bastiat, Molinari, Garnier, as well as Michel Chevalier, Léon Faucher, Cherbuliez, Ambroise Clément, and others. [550](#)

Between July and September the powerful conservative politician Thiers gave a series of important speeches in the Chamber attacking the socialist idea of the right to work and their critique of private property which he expanded and published in September as a 400 page book, *De la propriété*. [551](#) His book prompted a flurry of responses from both the socialist camp (such as Louis Blanc) [552](#) and the economists. Molinari in particular [553](#) thought the book was a very poor defense of the right to property because it defended much of the status quo. In his lengthy review of the book published in the JDE in January 1849 he pointed out the justice of many of the socialists' criticisms about the current distribution of property and the many privileges enjoyed by the manufacturing and landed elites. Whereas Thiers argued that all the reforms which France required had been introduced in the first Revolution of 1789, Molinari angrily drew up a long list of reforms which he thought were needed in 1848 and which were being ignored by both the conservatives and the socialists in the Assembly. Thiers' book was taken up by two groups who reissued it under their own banners as part of their efforts to oppose socialism. The protectionist Mimerel Committee published their own heavily subsidised and therefore cheap "popular" edition (which sold for 1 franc) in November which they circulated to all the regional presidents throughout the country urging them to distribute it to their workers in order to counter socialist agitation in the factories, and the Académie des sciences morales et politiques also published part of it early in 1849 in their series of "Petits traités" which were written by their members and directed at a broader audience than their usual scholarly publications. [554](#)

1849 began with the socialist threat much reduced compared to late February the previous year. Nevertheless the economists continued to produce a steady stream of anti-socialist writings. Michel Chevalier had been reappointed to his teaching position and began the year with a speech to open his new course of lectures on 28 February (the first anniversary of the February Revolution) in which he continued to expose the errors of socialism. [555](#) The Swiss economist Cherbuliez turned his hand to writing a fairly crude discussion between an economist and a worker who had many misconceptions

about how the free market worked. Cherbuliez had been one of the first of the economists into print immediately after the outbreak of the Revolution with two anti-socialist books published by Guillaumin, *Le socialisme, c'est la barbarie* (Socialism is Barbarism) in April 1848 which was directed against the ideas being promulgated by Louis Blanc and the Luxembourg Commission; and *Simple notions de l'ordre social à l'usage de tout le monde* (Simple Ideas about the Social Order for Everybody's Use) (perhaps an early example of what might be called today "Political Economy for Dummies") in July 1848. ⁵⁵⁶ In the early months of 1849 (January or February) he published a book of conversations between a "Professor" and a "Worker" with the very unusual title of "Le Potage à la tortue" (Turtle Soup). ⁵⁵⁷ The book consisted of 15 "Entretiens" (Conversations) which ranged over topics such as how expenditure on luxuries does not harm the workers (hence the title), charity, saving, the common ownership of property, wages, the right to work, the organisation of work, property, and taxes. Cherbuliez remarked that the inspiration for the book came from conversations he had with a builder he had employed to do some renovations to his apartment.

Molinari reviewed Cherbuliez's three anti-socialist books in the March 1849 edition of the JDE ⁵⁵⁸ and the one on "Turtle Soup" may have been one of the inspirations behind Molinari's decision to write his own book of conversations, *Les Soirées* . which appeared in September that year. Another important inspiration was the work of Harriet Martineau whose works on the popularization of economic ideas had been translated into French ⁵⁵⁹ and was much admired by Molinari who reviewed them for the JDE in April 1849. ⁵⁶⁰ In his review of Cherbuliez Molinari criticized Cherbuliez for being too optimistic and conservative in his views, for being too "legalistic" in his views about property (seeing the state as the body which created property rights rather than recognizing pre-existing natural rights), and for not understanding that much of the suffering the workers were complaining about was the result of "la non-observation des lois de l'économie politique" (the non-observance of the laws of political economy). Molinari rejected Cherbuliez's assumption that "tout va pour le mieux en ce monde" (everything is going for the better in the world) and agreed that "des réformes urgentes" (some urgent reforms) of the French economy were needed. If he rejected Cherbuliez's sunny conclusions about the status quo he would have seen his conversational format as another example of a potentially useful means to popularize economic ideas.

Bastiat also took time away from parliamentary duties to continue to produce a series of anti-socialist pamphlets in the first half of 1849. These included "Protectionisme et Communisme" (Protectionism and Communism) in January 1849 which was directed against the protectionist Mimerel committee which he argued was behaving just like the communists they opposed by seeking subsidies and benefits from the state; "Capital et Rente" (Capital and Rent) in February 1849 which was part of his long-running campaign against the ideas of Proudhon on so-called "unearned income" like rent and interest; "Paix et liberté, ou le Budget Républicain" (Peace and Liberty, or the Republican Budget) in February 1849 against critics of his proposed budget cuts; "Incompatibilités parlementaires" (Parliamentary Conflicts of Interest) in March 1849 against the practice of bureaucrats and civil servants employed by the state also sitting as elected representatives in the Chamber; and the booklet with the combined essays on "L'État" (The State) and "Maudit argent!" (Damned Money!) in April 1849 which was his classic attack on the socialist welfare state being promoted by the far left or the "Mountain" faction within the Chamber, and his only extended piece on the nature of money and how it is abused by the state.

Molinari must have been hard at work writing *Les Soirées* during the summer of 1849 as the book appeared in print probably sometime in September (it was announced as being for sale for 3 francs 50 centimes in the Guillaumin October catalog). It was to be his fourth attempt to reach a more popular audience after the street journalism of February and June 1848 and his activity in the "Club de la liberté

du travail” in April. As he was writing it, one of the last spasms of the socialist movement was taking place before the harsh crackdown on press freedom and the right of assembly which took place in June and July. Elections to the National Assembly on May 13 saw the Party of Order win a convincing majority of 450 compared with the radical socialists and republicans who were reduced to 180. A violent protest by the far left Montagnard faction in Paris on June 13 was dealt with harshly by the army and it provided an opportunity for the Party of Order to initiate a political crackdown which severely limited freedom of the press and the right of assembly with the political clubs being practically disbanded. The irony was the fact that as he was writing the lines for “The Socialist” to speak in *Les Soirées* the immediate threat of socialism on the streets was at its lowest point in 18 months with thousands of arrests, imprisonments, and deportations of key socialist figures.

However, as he noted in his survey of the events of 1848 in the JDE in December 1848, ⁵⁶¹ in a review of Charles Dunoyer’s interpretation of the 1848 Revolution which appeared in 1849 ⁵⁶² and which he reviewed in the JDE in August 1849, ⁵⁶³ and his own book on *Les Révolutions et le despotisme* (Revolutions and Despotism) which he published in late 1852, ⁵⁶⁴ the danger of socialist ideas had shifted from radicals like Blanc and Considerant and their supporters in the streets, to a much more dangerous form of socialism in the institutions of the government itself. Molinari distinguished between what he called the “socialistes avancés” (the hard core or advanced socialists) like Louis Blanc and Albert who wanted a real revolution in labour relations in France along the lines of the National Workshops , and the “socialistes en retard” (socialist fellow-travellers) like the politicians Garnier-Pagès, Ledru-Rollin, Flocon, and Lamartine who had political influence within the government and appeared relatively moderate. Their form of socialism was not the revolutionary version of a Louis Blanc but an institutional version, whereby they planned to use the existing government bureaucracies like the department of public works and the central Bank to use the power of the state to regulate the French economy and thereby reform society. They were just as much influenced by socialist ideas as were Blanc and Considerant but were more dangerous because they actually had their hands on the levers of power. By the summer of 1849 the threat posed by the “socialistes avancés” had practically disappeared, but with the Saint-Simon influenced Louis Napoléon as President who had barely concealed dreams of eventually seizing power (which he did in a coup d’état in December 1851) and declaring himself Emperor like his uncle (in December 1852), there were more ominous clouds on the horizon. Molinari regarded Louis Napoléon as one of the “socialistes en retard” (the socialist fellow travellers) who believed he could run the French economy from the massive government bureaucracies which he now controlled without supervision by an elected Assembly.

Les Soirées should therefore be seen as one of the last salvos fired by the Economists after an 18 month battle against the “socialistes avancés” like Blanc and Considerant who were more at home in the street, the socialist clubs, and the National Workshops. Beginning in 1850, the next stage in the battle against socialist ideas would be over the minds of the politicians in the Chamber, the intellectuals in the magazines and newspapers, and the bureaucrats in the state bureaucracies. These people were the intended audience of the next great educational project of the Guillaumin firm in which Molinari would play a major role, namely the *Dictionnaire de l’Économie politique* which was in the planning stage as Molinari was working on *Les Soirées* and which would appear in 1852-53, just as Emperor Napoleon III was consolidating his political and economic power.

Conversations with the People about Economic Liberty: 1849, 1855, 1886 ↩

The conversational format was one Molinari liked and he returned to it twice more in 1855 and 1886 after his first effort in 1849 with *Les Soirées*. In spite of the fact that there was little evidence that his attempts to popularize complex economic ideas were effective, he kept attempting to do so repeatedly over the short term between 1849 and 1855 in a variety of formats and more intermittently over a period spanning nearly four decades.

Throughout the 1840s the economists had responded to socialist criticisms of key aspects of the free market, namely profit, interest, rent, private property, the right to work, wage labour in shops and factories, and the standard of living of ordinary working people. This response was largely an academic one which had taken place in the books published by the Guillaumin and other serious publishing firms or in the pages of journals like the JDE. It had also taken second place behind what they thought was the more pressing problem of fighting protectionism which had occupied most of their time up until the defeat of the free traders in mid-1847 when the Chamber reviewed French tariff policy. When the February Revolution broke out the economists were shocked at how deeply socialist ideas had penetrated both ordinary people on the street and in the political clubs as well as apparently moderate politicians in the Constituent Assembly. The consensus among the economists in the early days of the Revolution was that the movement for free trade had to be temporarily suspended and that in the short term their focus had to be on opposing the newly empowered and confident socialist movement on the streets and in the Chamber. By late-1848 when the immediate threat of socialism had receded after the repression following the June Days rioting and the new constitution had been drawn up without the feared socialist clauses guaranteeing a tax-payer funded “right to work”, the economists began to think about a longer term strategy of educating the public about free market ideas.

The need for this new strategy was brilliantly articulated by Alcide Fonteyraud in January 1849 in a review in the JDE of the documents produced by the long debate in the Chamber about the “right to work” between August and November 1848 which was edited by Joseph Garnier and published by Guillaumin in December 1848. Fonteyraud argued that the actions of the socialists in 1848, whether by the intellectuals at their desks or on the rostrums of the political clubs, or the workers rioting in the streets, or the politicians arguing and voting in the Chamber were all determined by the ideas about economics which they held in their heads. The economists had unfortunately lost the battle of ideas as the events of February had clearly shown. It was now up to them to remedy the situation by attempting nothing less than “la régénération intellectuelle des classes laborieuses” (the intellectual regeneration of the working classes) along free market ideas. He argued that since ideas were such powerful things, that if the minds of the people could be swayed toward economic and political liberty as envisaged by the economists, then the economic and political problems which beset France could be ameliorated and events like 1848 could be avoided in the future:

They (events like February 1848) would no longer occur if one busied oneself a little more with the intellectual regeneration of the working classes, and if one were to bring the light which one finds at the pinnacle of our society step by step down to its darkest depths.

Indeed, (even) if society has done its duty on the street there still remains a higher and more delicate task which needs to be accomplished, that of the pacification and disarmament of the minds (esprits) of the people. We have consolidated the material foundations of our political edifice but we must strengthen the moral foundations which were shaken even more. No matter what one does, it is in fact via the mind (la tête) that the people and

individuals set/go about their business. That is where one finds both the fulcrum and the lever. Even in the most unruly and savage popular outbursts it is still ideas which move one's limbs, and the spirit which stirs up and drives the brute/lout forward. The most ingenious political technicians can do nothing to stop these necessities of the social organism. The oscillations and vicissitudes of the republican idea in France, and perhaps even in the rest of Europe, come about precisely because these (moral) foundations are not in harmony with the political structure (monument); because people wish to harness the political economy of "The Sun", of Oceana, of Caire (Icarus?) to the politics of the United States, to harness/join democracy to egalitarian and bureaucratic slavery; and finally to make ourselves free as (adult) citizens but to declare ourselves to be (legal) minors when it comes to being productive workers (industriels), farmers, or shopkeepers. However, we cannot drag around the ball and chain of the regulatory system forever, nor return to the system of guilds and masters (of the old regime), or to the system of regal and seigneurial rights by the backdoor (hidden/concealed) of the National Workshops or industries organised in the Prussian (military) manner. Thus it is necessary for us to condemn definitively (close for good) this (concealed) door through which the misled masses are pouring through. In order to do this we must place at the doorstep not only the police with their swords but some thinkers with their books. [565](#)

Molinari would spend considerable time and effort over the coming six years in pursuing the educational strategy outlined by Fonteyraud. He would write his own popularization of economic ideas (the first of three) designed to appeal to conservatives and socialists which would come out in the fall of 1849; the dozens of articles which he would write for the DEP which appeared in 1852 which was aimed at informing economists, politicians, bureaucrats, and businessmen about sound economic thinking on all topics; his lectures at the Musée de l'industrie belge which he gave after he left France at the end of 1851 and which he turned into an economic treatise in 1855; and then his second set of conversations about the grain trade which he published in 1855.

Since Molinari wrote three books of conversations intended to reach a more popular audience than the journal articles, encyclopedia articles, and academic treatises he also wrote, it is worth examining these in more detail in order to understand what he was trying to achieve, why he was doing this, and whether or not he succeeded in achieving his aims. *Les Soirées* is discussed in the introduction so what follows will focus upon his other two books of conversations.

In both his 1855 and 1886 books the conversations were more narrowly confined than *Les Soirées* to the issue of tariffs and protectionism on food products rather than the very broad topics covered in *Les Soirées*. In *Conversations familières sur le commerce des grains* (Familiar Conversations on the Grain Trade) (1855) there is a three-way conversation between a Rioter, a Prohibitionist or Protectionist, and an Economist which takes place in the immediate aftermath of food riots and window smashing of suspected food hoarders which had taken place in Belgium in September 1854. [566](#) Molinari's intention is to show the Rioter the folly of blaming individuals suspected of hoarding grain when it is the system of protectionism itself which is to blame for the food shortages and the resulting high price of food.

Thirty years later Molinari reissued his 1855 conversation, which is now entitled "Part One: A Time of Shortage", with an additional part added to it called "Part Two. Thirty Years Later: A Time of Plenty" in work entitled *Conversations sur le commerce des grains et la protection de l'agriculture* (Conversations on the Grain Trade and the Protection of Agriculture) (1886). [567](#) The conversations are no longer described as "familiar" and take place between an Economist, a Protectionist, and a Collectivist who are

now described for the first time as follows: The Economist has turned very grey (he is the same person who participated in the 1855 discussion); the protectionist is described as a young, elegant man, who is a Deputy who sits with the Centrists in the Chamber; and the Collectivist who is somewhere between the two others in age, is a painter and decorator and an orator at a socialist political club like the ones Molinari participated in 1848 and wrote about in the 1871 Paris Commune. In a brief introduction Molinari describes in a quite somber and muted fashion why he is reprinting the 1855 work. He notes that the opposition to free trade seems to be universal and independent of specific time and place and circumstance, existing both in a time of shortages and high food prices, as well as in a time of abundance and low food prices. In the former situation (1855) the consumers demand protection from high prices; in the latter (1886) the producers of food demand protection from abundant and low priced imported food.

La première édition de ces *Conversations* a été publiée en Belgique à une époque de protection et de disette. On réclamait alors la prohibition à la sortie des subsistances dans l'intérêt prétendu des consommateurs. Aujourd'hui, la situation a complètement changé. Les temps d'abondance étant revenus, grâce à la liberté du commerce, on réclame en France, aussi bien qu'en Belgique et ailleurs, le rétablissement ou l'exhaussement de la protection, dans l'intérêt prétendu des agriculteurs. Nous avons essayé de montrer dans cette nouvelle édition, augmentée d'une seconde partie, que l'erreur est la même dans les deux cas, et que la protection ne serait pas moins nuisible aujourd'hui aux agriculteurs qu'elle ne l'était, il y a trente ans, aux consommateurs.

The first edition of these *Conversations* was published in Belgium at a time of protection and shortages. People demanded the prohibition of the export of food in the supposed interest of consumers. Today the situation has completely changed. Now that a time of abundance has arrived, thanks to free trade, people in France and also in Belgium and elsewhere, are demanding the reintroduction or the increase in tariff protection in the supposed interest of agricultural producers. We have tried to show in this new edition, supplemented with a second part, that the error is the same in both cases and that protection would be no less harmful to agricultural producers today than it was for consumers 30 years ago.

[Source:] [568](#)

One can sense his frustration that no matter what the Economist might say there will always be those who want tariffs and protection.

The differences between the three books of conversations are quite instructive. In *Les Soirées* (1849) there is a very civilised conversation between ideological adversaries at a “soirée”. The location is not specified exactly and there is no mention of food or drink. As the JDE reviewer (Coquelin) noted, Molinari makes the mistake of allowing the Economist to win the arguments too easily sometimes, when in fact both the committed Conservative and Socialist in 1849 would have stuck to their intellectual guns to the very end, as Molinari must have known from his participation in the political clubs of 1848. The topics covered in *Les Soirées* are broad ranging and include many legal, philosophical, political, and historical matters which make the book a virtual one volume introduction to the classical liberal worldview of the day. [569](#) It concludes with Molinari (the Economist) appealing to his interlocutors to choose between a society based upon private property or one based upon state control and regulation of property, or what Molinari called “communism” but which would more accurately be termed “étatisme” (statism) or “interventionnisme” (interventionism).

The *Conversations familières* (1855) has a harder edge to it as it now includes a “rioter” (the

Conservative has been dropped and replaced with the Protectionist, and the Socialist has become the Rioter), and the focus of the conversation has narrowed considerably to just the grain trade. We are told that the location is an estaminet (bar) in Brussels the interior of which is described in detail as are the local beers in which Molinari seems to take some local pride. It should be noted that Molinari was born in what was to become Belgium and that he had moved to Brussels to teach following the coming to power of Louis Napoléon (soon to be Emperor Napoléon III). Molinari concludes the Conversation with the Economist becoming somewhat angry and frustrated with the fact that those who cause economic hardship by meddling in the natural order of the free market do not blame themselves or their counter-productive economic policies but blame “tantôt aux sorciers, tantôt aux accapareurs, tantôt même aux économistes” (now the sorcerers/witches, now the hoarders, and now even the economists themselves”).
[570](#) In the final passage of the book Molinari adopts for the first time the method of Bastiat who often used fables from La Fontaine to make his economic point. Molinari takes an Indian story about a wedding being conducted in a country inhabited by rats. When the musicians fail to turn up some of the rats/guests decide to play their instrument by gnawing on the strings. When eventually the noise stops because the strings have been gnawed through the guests blame the musicians who didn’t show up instead of the rats who destroyed the strings with their teeth. Molinari’s angry conclusion is:

<p>Eh bien ! croyez-moi, quand on veut se substituer à la Providence dans le gouvernement des affaires humaines, quand on veut mettre sa petite réglementation, son petit système à la place de l'ordre merveilleux qu'elle a établi, on fait de la législation, — comme les rats qui rongent les cordes d'un violon font de la musique. [p. 215]</p>	<p>Well then! Believe me when I say that when one wants to replace the role Providence plays in the government of human affairs, or when one wants to replace the marvelous order which it has created, with (its = the government’s) petty regulations and petty system (of ruling), one will have to make (much) legislation [faire la législation], just like the rats who gnawed the strings of a violine make music [faire de la musique].</p>
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[Source:] [571](#)

By the time one comes to the final set of *Conversations* (1886) Molinari has become very pessimistic about the future possibilities for liberal reform. The focus in these conversations is still confined to the protection of agriculture but there is now more discussion of the political reasons behind protectionist policies and why there is such resistance to free market ideas. There are only three “Conversations” which take place in three different bars which are “themed” in very blackly humorous and bizarre ways. The first Conversation takes place in a bar called the “Prison Colony Tavern” where people are dressed like prisoners in a penal colony; the second takes place in the “Black Cat” bar which is guarded by a Swiss Guard, where people are dressed like poets and musicians, and cats meow at the moon; and the last Conversation takes place in “The Dead Rat” café which is decorated in the classical style and where members of the bourgeoisie and would-be politicians and artists mingle. The last twelve pages are quite sad and rather hopeless about the future. The aging and greying Economist (Molinari was 67 when he wrote this) is confronted by the Collectivist who says that he rejects the ideas of the free market completely. The Protectionist, as an elected politician, admits that it would be electoral and political suicide to admit the error of their views and embrace free trade even if it were true. The protectionist politician tells Molinari that if he became a free trader he could not be re-elected, he would be ostracised by his party thus ending his career, he would not be able to get his relatives jobs in the government bureaucracy, and so on. In these concluding pages Molinari subjects himself to some harsh criticism by

putting in his opponents' mouths accusations that his life has been wasted writing books no one read and whose ideas no one believed. This probably reflected the doubts and fears he was experiencing in the early 1880s as tariffs were being reintroduced into France after a period of relative free trade following the Cobden-Chevalier trade treaty of 1860. He concludes this rather sad section by doggedly insisting that he persist in his struggle for economic liberty in spite of the set backs:

"Nous sommes trop pressés. Le progrès n'avance pas en ligne droite. C'est comme dans le tunnel du Saint-Gothard. Il y a des moments où on revient sur ses pas. Nous sommes dans un de ces moments-là. Nous reculons, donc nous avançons."
[p. 310]

We are in too much of a hurry. Progress is not made in a straight line. It is like the Saint-Gothard Tunnel. There are times when one has to turn back on one's tracks. We are in one of these moments now. We retreat so that we can advance.

[Source:] [572](#) [573](#)

The question which needs to be asked of course is why did Molinari keep coming back to the conversational form of popularizing economic ideas? He must have thought that they would have some positive result in convincing people outside the academy and the government of the folly of government intervention in general and tariff protection in particular. The rise of protectionism in France in the 1880s and 1890s must have shown him that his previous efforts had been in vain, and his pessimistic conclusions to the 1886 book seem to confirm this. Yet Molinari never gave up, which surely says something about the character of the man and his extraordinary persistence over a long lifetime in defending economic liberty. One has to wonder whether he thought France would ever emerge from the Saint-Gothard tunnel of government interventionism.

The Dreamer (le Rêveur) of Radical Liberal Reforms ↩

Molinari refers to himself as a “dreamer” several times in *Les Soirées* and in other writings and these dreamers were of three kinds. [574](#) The first kind of dreamer was the classical liberal activist during the 1848 Revolution who thought he could appeal to “the socialists” to join a coalition of radicals in a joint struggle against privilege. In the 15 June issue of the JDE he wrote an anonymous letter to a group of unspecified socialists (perhaps Proudhon and his followers might have been the most sympathetic to his arguments) asking them to recognize the common goals the economists shared with the socialists, [575](#) namely the desire for justice and material abundance for ordinary working people, and to find some way to reconcile the different means they had chosen to achieve these goals, namely the socialists’ dream of “the organization of labour” and the economists’ dream of “the liberty of working.” The mistake the socialists made, in Molinari’s view, was to attribute all the current ills of French society to out of control free competition which was the result of a policy of laissez-faire put into place by the French government. A closer examination of the economic policies adopted by the state showed in fact that the opposite of laissez-faire had been the policy for hundreds of years. At no time in French history had this ever been the case. Like the other economists, Molinari argued that it was the persistence of state sanctioned monopolies, restrictions on foreign trade, taxes on basic necessities, and regulation of the economy in general which was the cause of the misery of French workers.

The timing of this appeal to the socialists was unfortunate because it was published a week before the violent riots of the June Days (23-26 June 1848) which led to a crackdown on dissent by the National Guard and the Army under General Cavaignac and the declaration of martial law. The violence of the revolution turned conservatives and most economists against the revolution thus making Molinari's appeal to them for an alliance moot. Perhaps for this reason Molinari did not reveal that he was in fact the author until 50 years later in an appendix he included with *Esquisse de l'organisation politique et économique de la société future* (1899). [576](#)

The second kind of dreamer was the “*économiste radical*, un rêveur” (a *radical economist*, a dreamer) [577](#) of *Les Soirées* who wanted to push the principle of individual property rights and the law of free competition to their absolute limits resulting in “la société à la *propriété pure*” (the society of *pure property rights*). [578](#) In this he wanted to appeal to his fellow economists many of whom he thought were not as consistent as he was in applying economic theory to problems. Very early on in *Les Soirées* the Conservative refers to both the Socialist and the Economist as foolish dreamers (“O rêveurs, mes bons amis” (Oh you dreamers, my good friends)) [p. 11??] who are pursuing unrealizable dreams. In S11 the Economist also refers to himself as “un novateur audacieux” (a daring innovator) [p. 275] who will most probably be dealt with in the same way as all “dreamers” have been over the centuries who challenged the status quo, “de la belle manière” (in the grand/traditional manner). In using this phrase Molinari was perhaps anticipating the reaction of some of his colleagues when they read the *Soirées*, especially S11 on the private production of security. At the monthly meeting of the Société d'Économie Politique on 10 October of that year not one of those present came to Molinari's defense on the issue of the right of the government to confiscate private property for public works (eminent domain) and the private and competitive production of security. [579](#) The main critics were Charles Coquelin who began the discussion, then Frédéric Bastiat, and finally Charles Dunoyer. It was the latter who summed up the view of the economists that Molinari had been “swept away by delusions of logic.” His forebodings in *Les Soirées* were correct. None of his colleagues came to his defense on the issue of the production of security and he was left alone to work on this topic for the rest of his long life.

The third kind of dreamer was the free market economist who wanted to have his voice heard by both those on the right who were in favour of tariff protection and subsidies for industry and agriculture, and by the left who wanted to create a form of welfare state in France with government guaranteed jobs, unemployment relief, and other measures. This was the point in writing *Les Soirées* in the first place and in editing the compendium of economic knowledge, the DEP. However, as he was forced to admit in late 1852 “Malheureusement, on n'écoute guère les économistes” (Unfortunately, hardly anyone listens to the economists.) [580](#)

Finally, one should also note that Bastiat had his moments of wishful dreaming. For example, he wrote a thinly disguised account of a Prime Minister (“The Utopian”) [581](#) who was appointed out of the blue to head a new government which could enact radical liberal reforms (described as his “fantaisies”). After gleefully listing in some detail what he planned to do in order to drastically deregulate and privatise the French economy and state he steps back at the last minute and refuses to carry out his program. He suddenly realises that reform imposed from the top down on an unwilling and poorly informed people was a utopian dream and was doomed to failure. Without widespread understanding of free market economic ideas such reforms would be counterproductive.

Entrepreneurs for Everything ↩

One of Molinari's great innovations in *Les Soirées* and the *Cours d'économie politique* was to apply economic analysis to everything, even things which had never been treated in this way before such as the provision of security, the family, and the Catholic Church. ⁵⁸² This was a direct consequence of his view that the natural laws of political economy were all pervasive and universally applicable. A further consequence of this way of thinking was to view every branch of human activity as a potential "industry" in which "entrepreneurs" would emerge to organize the "production" of whatever good or service was relevant to that industry in order to satisfy the demands of "consumers" of that good or service. These entrepreneurs would compete in an open market for business by providing the highest quality good or service at the lowest price in order to attract consumers and make profits. In other words, Molinari believed in the idea of "markets in everything" and "entrepreneurs for everything."

Of course, some of these producers and entrepreneurs would seek to avoid open competition by approaching the government to provide them individually or their industry as a whole with various forms of "protectionism" such as legal privileges, subsidies, monopolies, and other benefits paid for at taxpayer or consumer expense. However, the natural laws of political economy would continue to operate and eventually the harmful effects of these subsidies and monopolies would be felt and there would emerge political pressure to have them removed in the form of "associations" which would demand "liberty of trading" in that industry.

In his understanding of the important role the entrepreneur has in the economy ⁵⁸³ Molinari is building upon the earlier work of Richard Cantillon, Adam Smith, Jean-Baptiste Say, and Charles Dunoyer. The origin of the term "entrepreneur", meaning the individual who organizes all aspects of an enterprise and is responsible for its overall running and management, has its origins in the writings of the Irish-French banker and economic theorist Richard Cantillon (1680-1734), *Essai sur la nature du commerce en général* (circa 1730). ⁵⁸⁴ The idea was taken up in Adam Smith's *Wealth of Nations* (1776) where he uses the English word "undertaker," and further developed and given a much more central role in the economy by Jean-Baptiste Say in his *Traité d'économie politique* (1803). The American translator of Say in 1820 uses the unfortunate English word "adventurer" in order to translate "entrepreneur". It has now of course entered into the English language and requires no translation. Charles Dunoyer had his own take on the important role played by the entrepreneur in industrial activity. In his *Liberté du travail* (1845) he refers to the "génie des affaires" (the guiding spirit (or the mastermind) of the business):

Dans le nombre de celles qui existent dans les hommes, la première qui me frappe, celle qui se place naturellement à la tête de toutes les autres, celle qui est la plus indispensable au succès de toute espèce d'entreprises et à la libre action de tous les arts, c'est le génie des affaires, génie dans lequel je démêle plusieurs facultés très distinctes, telles que — la capacité de juger de l'état de la demande ou de connaître les besoins de la société, — celle de juger de l'état de l'offre ou d'apprécier les moyens qu'on a de satisfaire ces besoins, —

Among the different kinds of abilities (forces) which human beings have, what strikes me first, the one which is the most essential for the success of all kinds of enterprises and for the smooth operation of all the technical skills (arts), is the mastermind of the business, a mastermind in which I see mixed several faculties which are quite distinct, such as the following: the capacity to judge the state of (market) demand or to recognize the needs of society; that of judging the state of supply or to appreciate the means by which these

celle d'administrer avec habileté des entreprises conçues avec sagesse, — celle enfin de vérifier par des comptes réguliers et tenus avec intelligence les prévisions de la spéculation.

needs can be satisfied; that of administering with skill the enterprises which have been conceived in wisdom; finally, that of checking the forecasts of their speculation by keeping regular and intelligently kept accounts. (vol. 2, p. 47)

[Source:] [585](#)

What is unique in *Les Soirées* is the much more expanded role Molinari envisaged for the entrepreneur in the many regulated or monopolised industries which he wanted to open up to free competition. He uses this word 37 times in *Les Soirées* most (17) in a generic sense such as “entrepreneurs d'industrie” (industrial or manufacturing entrepreneurs), “entrepreneurs de production” (manufacturing entrepreneurs), or “entrepreneurs ou directeurs d'industrie” (entrepreneurs or directors of industrial enterprises). However, what is more interesting is that he also uses the word “entrepreneur” in some very specific cases where a previously highly regulated or monopolised industry is deregulated and opened up to free competition thus attracting completely new kinds of entrepreneurs into that industry for the first time. In S1 he provides a list of the occupations he would like to see opened up to competition:

L'Économiste: J'en suis sûr. Laissez faire les propriétaires, laissez passer les propriétés et tout s'arrangera pour le mieux.

Mais on n'a jamais laissé faire les propriétaires; on n'a jamais laissé passer les propriétés.

Jugez-en.

S'agit-il du droit de propriété de l'homme sur lui-même; du droit qu'il possède d'utiliser librement ses facultés, en tant qu'il ne cause aucun dommage à la propriété d'autrui? Dans la société actuelle les fonctions les plus élevées et les professions les plus lucratives ne sont pas libres; on ne peut exercer librement les fonctions de notaire, de prêtre, de juge, d'huissier, d'agent de change, de courtier, de médecin, d'avocat, de professeur; on ne peut être librement imprimeur, boucher, boulanger, entrepreneur de pompes funèbres; on ne peut fonder librement aucune association commerciale, aucune banque, aucune compagnie d'assurances, aucune grande entreprise de transport, construire librement aucun chemin, établir librement aucune institution de charité, vendre librement du tabac, de la poudre, du salpêtre, transporter des lettres, battre monnaie; on ne peut librement se concerter avec d'autres travailleurs pour fixer le prix du travail. La

The Economist: I am certain. Let property owners freely go about their business. Let property circulate and everything will work out for the best.

In fact, property owners have never been left to go freely about their business and property has never been allowed to circulate freely.

Judge for yourself.

Is it a matter of the property rights of the individual man; of the right he has to use his abilities freely, insofar as he causes no damage to the property of others? In the present society, the highest posts and the most lucrative professions are not open; one cannot practice freely as a solicitor, a priest, a judge, bailiff, money-changer, broker, doctor, lawyer or professor. Nor can one straightforwardly be a printer, a butcher, baker or entrepreneur in the funeral business. We are not free to set up a commercial organization, a bank, an insurance company, or a large transport company, nor free to build a road or establish a charity, nor to sell tobacco or gunpowder, or saltpeter, nor to carry [p. 40] mail, or print money, nor to meet freely with other workers to establish the price of labor. The property a man holds in himself, *his internal property*, is in every detail shackled.

propriété de l'homme sur lui-même, *la propriété intérieure*, est de toutes parts entravée.

[Source:] [586](#)

As he works through the examples of these regulated industries in the various chapters of *Les Soirées* he adds to his list the new kind of entrepreneur who would emerge in this specialised area of economic activity, such as in the transport industry - “entrepreneurs de roulage” (entrepreneurs in the haulage business) [p. 393] and “entrepreneurs de diligences” (entrepreneurs in the coach or cab business) [p. 250 eng]; the funeral business - “entrepreneur de pompes funèbres” (entrepreneurs in the funeral business) [p. 47 eng]; and private schools - “entrepreneurs d'éducation” (entrepreneurs in the education business) [p. 295 eng]. What is a bit more unusual is his idea that the small family farm would eventually have to give way to larger farms run on a more commercial basis. This of course would require entrepreneurs who could run a farm like a business - “entrepreneurs d'industrie agricole” (entrepreneurs in the agriculture industry) [p. 128 eng], which in some circles in France was an heretical idea. Even more unusual was his call for the complete deregulation of prostitution, which he also regarded as a business, and the right of women to set up their own brothels whenever and however they wished without government regulation or supervision. [587](#) In order to do this of course there would have to be women who were prepared to act as “entrepreneurs de prostitution” (entrepreneurs in the prostitution business) [p. 292-93 eng]. The new entrepreneurs would not all come from the wealthier and better educated classes but also from the ranks of the working class. Molinari also envisaged the rise of the “self-made” entrepreneur, “le laborieux entrepreneur, naguère ouvrier” (entrepreneur who has emerged from the working class) [p. 225 eng], who rises out of the working class to run and own their own business enterprise.

We will now turn briefly to two areas mentioned at the beginning of this section where Molinari made original contributions with the application of economic ideas and especially the role of the entrepreneur to the study of the provision of security and the operation of the family.

Surprisingly Molinari does not use the word entrepreneur in S11 to describe the individuals who would organise the “security industry”. He used the word entrepreneur in his article “The Production of Security” in the JDE in February 1849, but not in *Les Soirées* for some reason. In “The Production of Security” Molinari refers to the “producteur de sécurité” (producer of security) who might be “un simple entrepreneur” (a simple entrepreneur) in a small town but who would face competition from “un nouvel entrepreneur, ou à l'entrepreneur voisin” (a new entrepreneur or an entrepreneur from a neighbouring town if he failed to provide a satisfactory service at a reasonable price. [588](#) In S11 he prefers to talk about insurance companies rather than individual entrepreneurs who would provide consumers with security services. He did however return to using the word entrepreneur in the *Cours d'économie politique* a few years later. [589](#) The reason for this change of terminology is not clear but it seems to be related to the fact that he now has a much more generalized theory of the role of the entrepreneur who is involved in all aspects of economic activity. He now refers to “l'entrepreneur d'industrie” and to the “entrepreneurs de production” instead of any specific industry related entrepreneurs, and security, along with all other public goods, has just become one more industry like any other.

Also in the *Cours d'économie politique* (1855) he treats the family as an economic unit, “l'association conjugale” (the conjugale business or partnership) [p. 413], where the parents needed to act like entrepreneurs and make economic calculations about the costs and benefits of having a family and plan

for the future of their family like any other commercial entity, by making sure they had sufficient funds to house, feed, clothe, and educate any children they might bring into the world. ⁵⁹⁰ The entrepreneur parents had to amass sufficient capital in order to look after their children and their capital “investment” would pay off in the form of the “human capital” of their children who would eventually become productive workers in their own right. Molinari’s theory of the rights of children was that parents had a moral, legal, and economic duty to raise their children and if they did not then they incurred a debt to their children which society was obliged to enforce on their children’s behalf.

Molinari thought one of the starkest examples of “les entrepreneurs de population” (entrepreneurs in the population industry) who are engaged in “la production des hommes” (the production of human beings) were the slave owners in the American South who ruthlessly planned the size and composition of their slave workforce. This only went to show that even organizations based upon coercion like slave plantations and governments could sometimes benefit by operating like entrepreneurs in order to keep their costs down and maximise economic returns, but this of course was not something Molinari advocated. Quite the contrary. He wanted parents to be aware of the real costs of having children and caring for them so they could become free, responsible, and useful human beings in the future.

In the meantime, until the final stage of economic development had been reached with the regime of competition in all things, when “la concurrence politique servira de complément à la concurrence agricole, industrielle et commerciale” (political competition will serve as a complement to agricultural, industrial, and commercial competition), ⁵⁹¹ so long as the government still offered some services to taxpayers, the government itself should try to operate more entrepreneurially in order to keep costs down and to provide better services to their “consumers”:

<p>Comme tout entrepreneur, le gouvernement ne doit faire qu’une seule chose sous peine de faire fort mal ce qu’il fait. Tous les gouvernements ont pour industrie principale, la production de la sécurité. Qu’ils s’en tiennent là.</p>	<p>Like any entrepreneur the government must do one thing and one only, or risk doing what it does very badly. All governments have as their main function the production of security. Let them confine themselves to that.</p>
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[Source:] ⁵⁹²

However, Molinari was not convinced that governments could in fact behave entrepreneurially and provide their services to consumers “à bon marché” (at a good price) because of the very way they were constructed. He drew up a list of four reasons why governments were institutionally incapable of being run in an economic or “entrepreneurial” fashion like any other business in a free market. In fact he argued that government operations were essentially “anti-economic” in their behaviour because they violated the following economic laws which all successfully entrepreneurs had to adhere to in order to survive: “les lois de l’unité des opérations et de la division du travail” (the law of the unity of operations and the division of labour), “la loi des limites naturelles” (the law of natural limits to their size), “la loi de la concurrence” (the law of competition), “les principes de la spécialité et de la liberté des échanges” (the principles of specialization and free trade). ⁵⁹³ By these he meant the following: that firms had a natural size limit beyond which they could not operate profitably and effectively (and government operations were always too big), that government tried to do too many things at once instead of specialising in one thing they could do well, because they were not subject to competition from rival firms governments had no interest in keeping their prices low and in providing a good service to the customers, and because they did not have to satisfy the needs of customers who might go elsewhere if the service provided was not satisfactory, governments tended to provide either “a one size fits all”

product or produced too little or too much.

In addition to these economic failings of government there was always the political problem of the state being captured by powerful vested interest groups and being turned to satisfying their needs rather than the needs of ordinary people. Molinari discussed the history of this problem in great detail in his two books on political sociology which he wrote in the 1880s, *L'évolution économique du XIXe siècle: théorie du progrès* (1880) and *L'évolution politique et la Révolution* (1884).

Labour Unions, Labour Exchanges, and Labour Merchants ↩

Molinari took a great interest in labour matters when he was a young journalist in the mid-1840s. He thought the legal persecution of workers who tried to set up their own labour unions was unjust and he was inspired by the example of Stock Exchanges which he thought could be applied to the creation of Labour Exchanges to help workers find the best paying jobs.

Molinari supported the right of workers to form unions partly because he saw them as just another example of a voluntary association between free individuals to achieve shared goals, and partly because he objected to the unequal punishment meted out to labour unions vis-à-vis employers associations. Both were banned under the Civil Code but punishments were heavier and more often enforced against labour unions than employer associations.

French workers were regulated in two main areas. The first was the requirement to carry “livrets d’ouvriers” or workbooks which were inspected by the police, and the second was the ban on forming labour unions. The “livrets d’ouvriers” or workbooks were documents used by the police to regulate or “domesticate the nomadism” of workers. ⁵⁹⁴ Workers had to have them signed by the police or the mayor of the towns in which they worked and their employment details filled out by their employer. If they were found without the workbooks in their possession, workers could be imprisoned for vagrancy. The workbooks were introduced in 1781, were abolished during the Revolution, and then reinstated under Napoleon in 1803. Although they were often ignored in practice they were a significant regulation of labor and were not abolished until 1890.

The ban on forming labour unions dates back to the Chapelier Law of 1791 which became the basis for articles 414 and 415 of the Penal Code. The revolutionary lawyer and politician Jean Le Chapelier (1754-1794) introduced the “Le Chapelier Law” which was enacted on 14 June, 1791. The Assembly had abolished the privileged corporations of masters and occupations of the old regime in March and the Le Chapelier Law was designed to do the same thing to organizations of both entrepreneurs and their workers. The law effectively banned guilds and trade unions (as well as the right to strike) until the law was altered in 1864. Article 2 of the Le Chapelier Law stated that: “Citizens of the same occupation or profession, entrepreneurs, those who maintain open shop, workers, and journeymen of any craft whatsoever may not, when they are together, name either president, secretaries, or trustees, keep accounts, pass decrees or resolutions, or draft regulations concerning their alleged common interests.”

⁵⁹⁵ Similar restrictions became part of the Civil Code, most notably articles 414 and 415 which stated:

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Art.414. Any coalition between those who give the workers employment, which is aimed at forcing down wages, unjustly and improperly, followed by an attempt at carrying this out or actually beginning to do so, will be punished by an imprisonment of from six days to a month, and a fine ranging from two hundred to three thousand francs.

Art.415. Any coalition, either attempted or initiated, on the part of the workers, which is aimed at bringing all work to a halt simultaneously, forbidding activity in a workshop, preventing people going there or staying there before or after certain hours, and in general, stopping, preventing or making production more expensive, will be punished by an imprisonment of at least one month and no more than three months. The ringleaders or instigators will be punished with an imprisonment of two to five years.

Some of Molinari's earliest journalism concerned the problem of workers. In 1843 he wrote an article for *La Nation* on "Des Moyens d'améliorer le sort des classes laborieuses" (Means of improving the condition of the working classes) which stirred enough interest to be published in February 1844 as a separate pamphlet. ⁵⁹⁷ This was followed in October and November with a series of articles on workers in the *Courrier français*. Molinari was attracted to "the condition of the working classes" because he thought that the Civil Code played favourites on the issue of legal associations of individuals. The law, based upon the Le Chapelier Law of June 1791 and Articles 414 and 415 of the French Penal Code, turned a blind eye to business owners associating in order to improve their economic situation but cracked down severely on workers who did the same thing. Molinari, on the other hand, saw unions as just another example of a voluntary association between free individuals to achieve common goals (see S6). This view was also shared by Bastiat who gave a speech in the Chamber of Deputies on 17 November, 1849 defending unions on these very grounds and that they should be protected under the law. ⁵⁹⁸ In 1849 the law was slightly amended regarding articles 414, 415, and 416 in order to make them somewhat less unequal, but the civil penalties still remained in force. ⁵⁹⁹

Molinari covered a test case in the courts for the *Courrier français* and followed it quite closely. He tells us some 52 years later that he had assisted the Parisian Carpenters Union in their trial in 1845. He does not say how he assisted them but he states that "in spite of the eloquent plea made on their behalf by M. Berryer the leaders of the union were condemned to 5 years in prison" for asking for a wage increase. He sadly notes that the crack down by the government on the workers and their unions provoked a reaction against the government and the principle of individual liberty:

Nous avons eu l'occasion d'assister en 1845 au procès des charpentiers parisiens qui s'étaient coalisés pour obtenir une augmentation de salaire. Malgré l'éloquente plaidoirie de leur défenseur, M. Berryer, les meneurs de la coalition furent condamnés à cinq ans de prison. En fait donc, sinon en droit, l'employeur, protégé par les obstacles naturels et artificiels qui limitaient le marché de l'ouvrier, de l'autre, par les lois prohibitives des grèves, continuait à fixer d'autorité le taux du salaire, comme il le faisait auparavant. De là une réaction contre le nouveau régime que l'on accusa même d'avoir aggravé la situation de la classe ouvrière, en lui enlevant les

We had the opportunity to assist in 1845 in a court case against some Parisian carpenters who formed a union to obtain an increase in their wages. In spite of the eloquent plea made on their behalf by M. Berryer the leaders of the union were condemned to 5 years in prison. This being achieved, the employer, even though not entitled to by law, was protected by the natural and artificial barriers which limited the market of the workers, and furthermore, by the laws prohibiting strikes, and continued to determine with authority the level of workers' wages, just as he had done previously. Because of this there was a reaction against the new regime which was even accused of worsening

garanties qu'elle trouvait sous l'ancien. Les socialistes attribuèrent à la liberté les maux qui provenaient précisément des obstacles que rencontrait l'exercice de la liberté et ils s'évertuèrent à inventer des systèmes de réorganisation sociale qui n'étaient autre chose, à les examiner de près, que des rétrogressions au vieux régime de la servitude. [Questions, 1906, pp. 63-4]

the condition of the working class by removing the guarantees which they had under the old regime. The socialists blamed liberty for the evils which arose precisely from the obstacles which their exercise of liberty encountered and they bent over backwards to invent new theories of social reorganization which, upon closer examination, were nothing more than a retrogression to the ancient regime of servitude

[Source:] [600](#)

As a result of the unsuccessful court case of the Parisian carpenters Molinari published in the *Courrier français* in 1846 “An Address to Parisian workers” [601](#) in which he suggested that they establish a “Bulletin du travail” (Labour Market Report) which would provide information to workers on prices and availability of jobs much like the “Bulletin de la Bourse” (Stock Market Report) provided prices and availability of stocks and bonds to investors. Molinari pointed out that business owners and investors exchanged information and prices on the stock market (“bourse”) which was subsequently reported in the business press or transmitted across the country via the telegraph, but no similar exchange existed for workers who also had a need to know what jobs were available, where they were located, and at what prices. The electric telegraph had been introduced in France in 1845 for government and military use only and in 1851 it was opened up for public use but the possibilities it might open up for business were obvious. Molinari’s scheme for a “labour exchange” was to apply the same principles of a stock exchange to labour markets where prospective workers and their employers could consult the boards to see the latest prices and offers and thus provide a better way to clear the market. He called this “la publicité du travail” (dissemination of information about labour) and he thought this would even up the balance of power between employees and employers.

In his arguments to the workers he wanted them to see that there were many parallels between them and their employers. One of course was the need for quick and accurate information about prices which would be satisfied by their respective Bourses. Another was the “goods/commodities” (denrée) which they were interested in buying and selling in their respective markets. He argued that workers were also “capitalists” in the sense that they owned and put to use their “capitaux personnels” (the capital which they had or owned in themselves as individuals) - in other words they were “self-owners” which was a concept dear to Molinari’s theory of the right to property. [602](#) They were also “merchants” (marchand) but instead of trading in wheat or iron they traded in labour. They were in Molinari’s words “un marchand de travail” (a labour merchant or trader) who operated in various “labour markets” (marchés de travail).

Sa force physique et son intelligence sont ses capitaux; c'est en exploitant ces capitaux personnels, c'est en les faisant travailler et en échangeant leur travail contre des produits dus au travail d'autres ouvriers comme lui, qu'il parvient à subsister.

His physical strength and intelligence are his capital. It is by using this personal capital, in putting them/it to work, and in exchanging their work for the products which come from of other workers like him, that he is able to survive/live.

Work is a product of physical force and

<p>Le travail est un produit de la force physique et de l'intelligence, c'est la denrée de l'ouvrier. L'ouvrier est un marchand de travail, et, comme tel, nous le répétons, il est intéressé à connaître les débouchés qui existent pour sa denrée et à savoir quelle est la situation des différents marchés de travail. [p. 129]</p>	<p>intelligence. It is the good/commodity of the worker. The worker is a merchant of labour and, as such, we repeat/say again, he is interested in being conversant with the markets which exist for his good and in knowing about the situation in the various markets for labour.</p>
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[Source:] [603](#)

Part of the “Appeal to the Workers” appears in a long footnote in S6 but for some reason he left out the opening two paragraphs which is quite revealing of his thinking at this time and which we reproduce below:

<p>AUX OUVRIERS</p> <p>Parmi les reproches que l'on a adressés à l'école économique dont nous avons l'honneur de soutenir et de propager les doctrines, le plus grave, c'est le reproche d'insensibilité à l'égard des classes laborieuses. On a prétendu même que l'application des doctrines de cette école serait funeste à la masse des travailleurs; on a prétendu qu'il y a dans la liberté nous ne savons quel germe fatal d'inégalité et de privilège; on a prétendu que si le règne de la liberté illimitée arrivait un jour, ce jour serait marqué par l'asservissement de la classe qui vit du travail de son intelligence et de ses bras, à celle qui vit du produit de ses terres ou de ses capitaux accumulés; on a prétendu, pour tout dire, que ce noble règne de la liberté ne pourrait manquer d'engendrer une odieuse oppression ou une épouvantable anarchie.</p>	<p>Address to the Workers</p> <p>Among the criticisms which are made of the school of the Economists, to which we have the honour of belonging and whose doctrines we promote, the gravest is the criticism of being uncaring towards the working classes. It is even claimed that the application of the doctrines of this school would harm the mass of the workers; it is claimed that there is in liberty who knows what kind of fatal seed of inequality and privilege; it is claimed that if the reign of unlimited liberty should ever come one day it will be marked by the enslavement of the class who lives by the labour of its mind and its hands, by the class who lives from the product of its land holdings or its accumulated capital; to be honest, it is claimed that this noble reign of liberty would inevitably create an unbearable oppression and terrifying anarchy.</p>
<p>Déjà plus d'une fois nous nous sommes attaché à combattre ces tristes sophismes des adversaires de l'école libérale; plus d'une fois nous avons prouvé à nos antagonistes que les souffrances des classes laborieuses proviennent non point, comme ils le pensent, de la liberté du travail, de la libre concurrence, mais des entraves de toute nature apportées à cette liberté féconde; nous leur avons prouvé que la liberté n'engendre ni l'inégalité ni l'anarchie, mais qu'elle amène à sa suite, comme des conséquences inévitables, l'égalité et l'ordre.</p>	<p>More than once already we have endeavoured to combat these sad sophisms of the opponent of the liberal school; more than once we have proven to our opponents that the sufferings of the working classes do not at all come from the liberty of working, as they seem to think, but from the shackles of all kinds which are applied to this fertile/productive liberty. We have proven to them that liberty brings about neither inequality nor anarchy, but brings in its wake equality and order as inevitable consequences.</p>

[Source:] [604](#)

During the 1848 Revolution there were some attempts to set up a version of the Labour Exchanges. The Provisional Government issued a decree (9-10 March 1848) calling for the establishment of a "bureau de placement" (bureau for labour) in each town in France. There was strong opposition by labour groups who saw the bureaux as an opportunity for lower priced competitors from outside to undercut their place in the labour market was brought to bear and the police arrested many who were involved in the formation of the bureaux. The plan thus never went any further. A second attempt was made by the National Assembly in February 1851 when it proposed a law to create a "Bourse des Travailleurs", but this too went no further than the planning stages. It is not known if Molinari had any personal involvement in these schemes or not.

After the the coup d'état of Louis Napoleon in December 1851 Molinari returned to his native Belgium to teach economics and to work further on his Labour Exchange ideas. He started a magazine with his brother Eugène to promote the idea, *La Bourse du Travail*, which only lasted for a short period between 17 Jan to 20 June 1857. It was aimed primarily at ordinary workers but the employers and workers they approached were indifferent or hostile to the scheme and so the magazine soon folded. The brothers also organized a petition with a thousand signatures in support to lobby the Belgian Chamber of Representatives to change the labour laws in which they denounced the "deplorable inequality" which these regulations created between workers and their employers. They also reminded the legislators that:

Mais si nous acceptons comme un bienfait le régime de la liberté du travail, c'est à la condition que cette liberté soit réelle; c'est à la condition que les mêmes droits qui sont accordés aux entrepreneurs d'industrie vis à vis des ouvriers soient aussi reconnus aux ouvriers vis à vis des entrepreneurs.

But if you accept the idea that the regime of the liberty of labour is beneficial, it is on the condition that this liberty is a real one; that it is on the condition that the same rights which are granted to industrial entrepreneurs vis-à-vis the workers are also granted to the workers vis-à-vis the entrepreneurs. (p. 201).

[Source:] [605](#)

Neither the magazine, the fledgling Bourse, nor their political lobbying efforts had any long lasting impact and they eventually disappeared from sight.

However, twenty years later the French government again showed some interest in setting up Labour Exchanges. In the Third Republic steps were taken to create a government Office of Labour with associated exchanges throughout France. Discussions began in 1875 but it was not until February 1887 that one was formally launched, in spite of organized opposition by unions. Union opposition had been successful in 1848 but in the more conservative Third Republic their opposition was ignored. A central Bourse was created in Paris in May 1887 and many others throughout France appeared shortly afterwards. Molinari received some attention in the late 1880s for his early work in promoting the idea of labour exchanges and he wrote a book summarizing his ideas and efforts in 1893, *Les Bourses du Travail* (Labour Exchanges). [606](#)

As with his efforts at popularizing economic ideas with his books of conversations and soirées, his efforts at encouraging the setting up of labour exchanges to assist workers in finding the best paying jobs

continued over many decades with the same minimal result. The German historian of economic thought Raymund de Waha correctly described Molinari as “unentwegt” (tireless, indefatigable, relentless) but he did not mean this as a complement when he wrote this in 1910. [607](#)

Malthusianism and the Political Economy of the Family ↩

Molinari believed that Malthus’ “law of population growth”, in a slightly modified form, was one of the natural laws of political economy. [608](#)

The original version of Malthus’s Law states:

I said that population, when unchecked, increased in a geometrical ratio; and subsistence for man in an arithmetical ratio... This ratio of increase, though short of the utmost power of population, yet as the result of actual experience, we will take as our rule; and say, That population, when unchecked, goes on doubling itself every twenty-five years or increases in a geometrical ratio... It may be fairly said, therefore, that the means of subsistence increase in an arithmetical ratio. Let us now bring the effects of these two ratios together... No limits whatever are placed to the productions of the earth; they may increase for ever and be greater than any assignable quantity; yet still the power of population being a power of a superior order, the increase of the human species can only be kept commensurate to the increase of the means of subsistence, by the constant operation of the strong law of necessity acting as a check upon the greater power. [609](#)

In an elaboration of what this law meant in practice which Malthus included in the 2nd revised edition of 1803 (but removed in later editions) was the following harsh statement about who could or could not be admitted to a seat at “nature's mighty feast”:

A man who is born into a world already possessed, if he cannot get subsistence from his parents on whom he has a just demand, and if the society do not want his labour, has no claim of right to the smallest portion of food, and, in fact, has no business to be where he is. At nature's mighty feast there is no vacant cover for him. She tells him to be gone, and will quickly execute her own orders, if he does not work upon the compassion of some of her guests. [610](#)

The economists who were orthodox Malthusians were harshly criticised by socialists like Proudhon for being “sans entrailles” (heartless) in the willingness to condemn the poor for the hardship they suffered as a result of having large families. This infamous passage from Malthus is mentioned by the Socialist in S10 [p. 308 Pages]. One of the leading French Malthusians, Joseph Garnier, explained this away as a piece of unfortunately chosen rhetoric on Malthus’ part and tried to mollify it by arguing that, although the poor had no just claim to the property of others, they could appeal to the good nature and sense of charity, voluntarily given, of others who were better off. A few years after he wrote *Les Soirées* Molinari rethought his position on Malthus and became very critical as will be discussed below, although he still maintained that Malthus had pointed out an important general truth about human existence.

The most outspoken defender of orthodox Malthusianism in France was Joseph Garnier (1813-1881) who was editor of the *JDE* from 1845 to 1855. He edited and annotated the Guillaumin edition of Malthus's book which appeared in 1845 as well as a second edition in 1852 with a long Foreword defending Malthus against his critics. Garnier wrote the biographical article on “Malthus” and a long entry on “Population” (which was an extended defense of Malthusianism) for the *DEP* (1852-53). He also published a condensed version of Malthus' *On the Principle of Population* in 1857 with copious commentaries and many appendices. ⁶¹¹ A second edition of Garnier's epitome was published and edited by Molinari in 1885 following shortly after Garnier's death in 1881. ⁶¹²

Molinari began as an ardent Malthusian under the influence of Joseph Garnier but he later softened his views as he came to believe that individuals could learn “self-government” and exercise “moral restraint”, ⁶¹³ foresight, and responsibly live within their means without being a burden on taxpayers for support and thus rationally plan the size of their families. Perhaps under the influence of Bastiat who rejected orthodox Malthusianism, Molinari realised that Malthus had underestimated the ability of the free market, free trade, and industrialization to increase output at a faster pace than population growth. One of Bastiat's criticisms of Malthusianism was that it did not distinguish between unthinking plants and animals, which were subject to Malthusian population traps, and thinking and reasoning human beings who could adapt their behaviour to changing circumstances. The question whether mankind's reproductive behavior was like that of a plant or a creature capable of reason was crucial in Bastiat's rethinking of Malthus's theory in the period between 1846, when he wrote an article on “On Population” for the *JDE* ⁶¹⁴ and 1850 when the *Economic Harmonies* appeared. Bastiat came to believe that, unlike plants and animals, humans were thinking and reasoning creatures who could change their behavior according to circumstances:

Thus, for both plants and animals, the limiting force seems to take only one form, that of *destruction*. But man is endowed with reason, with foresight; and this new factor alters the manner in which this force affects him. ⁶¹⁵

He also came to the conclusion that there was a significant difference between the “means of subsistence” and the “means of existence” - the former being fixed physiologically speaking (either one had sufficient food to live or one did not) and the latter being an infinitely flexible and expanding notion which depended upon the level of technology and the extent of the free market. ⁶¹⁶ Malthus focused on the former, whilst Bastiat (and Say) and later Molinari were focused on the latter. Under the influence of Bastiat and Dunoyer ⁶¹⁷ Molinari gradually came around to this way of thinking.

In his treatise on political economy published shortly after *Les Soirées* he was still a fairly strong Malthusian but by the time the second revised and enlarged edition appeared in 1864 he had moderated his views considerably as a result of a critical review by Charles Dunoyer. ⁶¹⁸ He now supported what he called “self-government” by individuals who would exercise moral restraint “sainement appliquée” (soundly applied). By this he meant that individuals should enjoy “la liberté de la reproduction” (the freedom to reproduce) and that any restraint to be exercised would be “la contrainte libre” (restraint exercised voluntarily by individuals) and not “la contrainte imposée” (constraint imposed by the government). He was still enough of a Malthusian in the 1880s to edit the second edition of Garnier's epitome of Malthus' *Principle of Population* (1885) and published his own condensed edition for Guillaumin's “Petite Bibliothèque Économique” (Small Library of Economics) with a long introduction defending as well as criticizing Malthus' views: ⁶¹⁹

In the same spirit with which he approached the economic analysis of the production of security in 1849

Molinari rethought the problem of population growth in the *Cours* in 1863 in a way which seems to anticipate some of the work on the economics of families done by the Nobel Prize winning Chicago economist Gary Becker. He thought there was “un marché de la population” (a population market), in which “la reproduction de la population” (the reproduction of the population) or even “la production des hommes” (the production of human beings) was influenced by the same things which influenced other markets, namely “les frais de production et de l’offre et la demande, régis par la loi des quantités et des prix” (the costs of production and the law of supply and demand) [p. 302 Pages]. This reproduction of the population required the coming together of three main factors: “1° un agent naturel, la force reproductrice de l’homme; 2° du travail; 3° du capital” (an appropriate natural agent such as the reproductive powers of humankind, labour, and capital). As in any other industry “entrepreneurs” (les entrepreneurs de population) would emerge who would engage in “concurrence libre” (free competition). [p. 314] Molinari thought that human beings were in fact a human form of capital which required investment in order to become fruitful and productive participants in the economy. This investment included such things such as looking after the foetus in the womb, the activity of doctors and nurses at the birth, the costs of rearing and educating the child, the costs of training the child for productive work, and so on. The economic aspects of investing in human capital was most obvious Molinari thought in an earlier stage of society when coercion was more prevalent, such as in the activities of the slave owner who rationally planned the size and composition of his slave work force, but the same principles also applied to the way men and women went about planning the size of their own families in a fully free society. These choices about the size and composition of the family were becoming easier as societies became freer and the market for labour became more “général et ouvert” (widespread and open). [p. 312] Gradually individuals would increase their “la connaissance du marché” (knowledge of the (population) market) [p. 313] as they went about forming the “capital de l’association conjugale” (the capital of the conjugal association or business) which is what the family would need to reproduce itself. [p. 316] Just like any other business, the producers or entrepreneurs of the family would have to be responsible for their actions and ensure that they had the capital and the expertise required to bring into the world and raise “un homme utile” (a useful (and productive) person) [p. 315-16] and to be able to compensate any third party who might be harmed by their actions.

Il faudrait que l’homme qui appelle à la vie un supplément de créatures humaines envisageât, avec maturité, les conséquences de cet acte: c’est à dire qu’il se rendît compte d’abord de la situation du marché de la population; qu’il calculât ensuite la quantité de travail et de capital que sa situation et ses ressources lui permettront d’appliquer à l’élève et à l’éducation de ses enfants; et qu’il ne contractât point comme père de famille plus d’obligations naturelles qu’il n’est capable d’en remplir, absolument comme s’il s’agissait d’obligations commerciales. En d’autres termes, il faudrait que l’homme qui se dispose à fonder une famille se mît à la place de ses enfants à naître et qu’il agît dans leur intérêt comme il le ferait dans le sien propre: en conséquence qu’il ne les appelât à la vie qu’autant qu’il serait en mesure de les pourvoir de toutes les forces et de toutes les

It is necessary that a man who brings an additional human being into the world should consider with some maturity the consequences of this act: that is to say that he should first assess the situation of the population market, that he then calculate the amount of labour and capital which his current situation and resources allow him to devote to the rearing and education of his children, and that he as the father of his family does not undertake / contract more natural obligations / responsibilities than he is capable of fulfilling, exactly as if he were undertaking commercial obligations. In other words, it is necessary that a man who is inclined to start a family put himself in the position /shoes of his future children and act in their interests as he would do in his own: finally, that he bring into the world only as many children as he is able to provide with the strength and physical,

aptitudes physiques, intellectuelles et morales nécessaires pour en faire des hommes utiles, comme aussi de les placer dans un milieu où ces forces et ces aptitudes pourraient trouver un débouché.

intellectual, and moral aptitudes necessary to make them useful human beings, and also to position them in a milieu / situation where these strengths and aptitudes could find a market.

[Source:] [620](#)

The members of the “conjugal association” would exercise their “la liberté de la reproduction” (freedom to reproduce) [p. 428] just like any other industry and attempts by the government to regulate it would have the same harmful effects as, say, the regulation of the grain trade had on food production. The temptation to “overproduce” would be restricted by a combination of personal and familial self-interest (such as moral restraint) and the institutions and customs of the society in which they lived. Any restraint which would be exercised would be “la contrainte libre” (restraint exercised voluntarily by individuals) and not “la contrainte imposée” (constraint imposed by the government). One of the most important restrictions which Molinari had in mind was a legal system which would enforce the obligation of parents to look after any children they brought into the world. [pp. 429-30] He thought that if a parent did not feed, clothe, or educate their child to some minimal level then they should be legally liable for causing that child “harm” (nuisances). Similarly, if a husband abandoned his wife with a child to look after, he should be forced by the courts to pay for support to this “third party” for whom he was equally responsible because of his actions. In many ways, Molinari regarded these parental or paternal responsibilities (“des obligations de la paternité”) as a kind of debt which needed to be repaid, and just as one could not just walk away from a debt one had incurred in a business activity, so too one could not just walk away from one’s wife or child who were also members of the conjugal association.

After having laid out his economic theory of the family and its reproduction, Molinari then turned to a thorough critique of Malthus. Although he still paid homage to his essential humanity and his economic insights, the effect of his critique was to largely demolish the whole body of Malthusian doctrine. His first major criticism was that Malthus had focused on only one of the three factors which influenced the size of population, the reproductive capacity of human beings, while ignoring the factors of labour and capital. As discussed above, Molinari believed that individuals adjusted their rate of marriage and the creation of families as “le marché de la population” (population market) changed and as the level of wages and the cost of capital went up or down. As the market became more extensive, as the division of labour made economic activity more productive, as free trade in food made famines and food shortage less common, fluctuations or “perturbations” in the population market would become fewer and less disruptive. The historical example he thought was definitive in this respect was the previous 60 years of population growth in the United States. [p. 439] Thus, he concluded that:

La population n’a donc point, comme l’affirme Malthus, une tendance organique et virtuelle à se multiplier plus rapidement que ses moyens de subsistance, ou ce qui revient au même, à déborder le débouché qui lui est ouvert, au niveau de la rémunération nécessaire pour l’entretenir et la renouveler.

Therefore, populations have no natural or potential tendency, as Malthus argues, to grow more rapidly than their means of subsistence, or, which amounts to the same thing, to flood the market which is available to them, level with (when it comes to) the remuneration which is necessary to maintain and renew it.

[Source:] [621](#)

His second criticism of Malthus was that there was no need at all for “misery and vice” to control the size of a nation’s population. Moral restraint combined with a proper understanding of the productive power of free economies was all that was necessary to ensure, not a fixed population size, but a steadily growing and wealthier population. All the other things which Malthus claimed were necessary to a check on population such as the misery of disease, starvation, and war, destroyed the capital which was “investi dans le matériel ou dans le personnel de la production” (invested in the stock or the personnel of production) which an economy needed to grow and prosper. [p. 444]

Molinari also had a witty and clever reply to Malthus’ harsh comments about the poor person who tried to get a seat at “nature’s mighty feast”. Firstly he pointed out that “la table est immense, le nombre des couverts n’est point limité” (the table is immense and the number of place settings is not at all limited) [pp. 445-46] Economic growth and gradual improvements in productivity will mean that there will always be enough food which can be brought to the table at a given price and that another few guests can always be squeezed in around the table. Secondly, that “le grand ordonnateur du banquet” (the great organizer of the banquet) insists that the guests must pay for their own meals, and if they invite others to join them at the table, then they have to pay for their friends’ travel costs in advance, which will encourage them not to issue invitations frivolously. Whereas Malthus thought there was only a fixed or perhaps diminishing number of place settings around the table, Molinari believes that his proposed “l’exercice judicieux de la contrainte morale” (the judicious/wise exercise of moral restraint) would result in a steady increase in the number of guests who could be seated at the table of the “great feast of life”.

The charge of “immorality” against Malthusian thought was a common one, on the grounds that “moral restraint” exercised in order not to have children in marriage was counter to the teachings of the Church. Some of the more extreme Malthusians went so far as to suggest that population could only be limited by measures such as abortion, infanticide (asphyxiation, exposure of new borns), sterilization (castration, hysterectomies), prostitution, or polygamy. [622](#) There is little mention at this time in France of contraception which some liberals and radicals in England had promoted. One should note that a young John Stuart Mill very much influenced by the Benthamite school was arrested and spent three nights in jail in 1823 for handing out leaflets on the street with information about contraceptive methods. [623](#) Some utopian socialists like Fourier believed in less extreme but still rather strange schemes to limit population growth by means of vegetarian diet or strenuous exercise for women. Some more liberal minded Malthusians like John Stuart Mill some 36 years after his arrest even contemplated state regulation of marriage to ensure that couples could not marry unless they had the means to support their children:

And in a country either overpeopled, or threatened with being so, to produce children, beyond a very small number, with the effect of reducing the reward of labour by their competition, is a serious offence against all who live by the remuneration of their labour. The laws which, in many countries on the Continent, forbid marriage unless the parties can show that they have the means of supporting a family, do not exceed the legitimate powers of the State... [624](#)

However, these more radical ideas were rejected by the mainstream Malthusians like J. Garnier who thought Malthus' ideas were in keeping with Church doctrine so long as they were confined to such practices as delaying getting married and using “foresight” and “restraint” within marriage to limit the number of births. Yet this did not stop the Catholic Church from regarding the Economists and their *DEP* (1852-53) as grossly immoral and having it listed on the *Index of Banned Books* on 12 June 1856

for “religious reasons.” Molinari comments wryly on this in his fortnightly newsletter ⁶²⁵ *l'Économiste belge* where he notes that a local Brussels newspaper, the *Journal de Bruxelles*, called the *DEP* a “tissue d'immoralités” (a tissue of immorality) and even used the criticisms of the Economists in the writings of the socialist anarchist Proudhon as part of their attack on the *DEP*. Molinari amusingly points out that this was an odd thing for Catholics to do as Proudhon was famous for coining the slogans “la propriété c'est le vol” (property is theft) and “Dieu c'est le mal” (God is evil). They probably didn't know that the Church had already put the collected works of Proudhon on the Index in 1852. ⁶²⁶ Molinari also wanted to know why the Church which had for so long supported State imposed moral restraint now objected to the voluntary exercise of moral restraint which was more suitable to the new economic stage of free markets which the modern world was now entering:

<p>De tous temps, remarquons-le bien, l'Église a sanctionné et fortifié par ses institutions et ses préceptes la contrainte morale, codifiée dans le régime préventif en matière de population. Aujourd'hui que le régime préventif s'écroule; que la reproduction de l'espèce humaine n'est plus gouvernée par un État, un maître ou un seigneur; qu'elle est abandonnée au self-government de chacun, l'Église doit-elle se comporter comme si le régime préventif était encore debout? Ne doit-elle pas fortifier de sa sanction et de ses préceptes les règles volontaires que chacun est tenu de suivre pour la bonne solution du problème de la population, comme elle fortifiait autrefois de sa sanction et de ses préceptes les règles qui étaient, dans le même but, imposées à chacun? Pourquoi, après avoir prêté son appui à la contrainte morale imposée, le refuserait-elle à la contrainte morale volontaire? Ne se montrerait-elle pas, en agissant ainsi, singulièrement illogique et, chose plus grave, ne ferait-elle pas positivement obstacle à l'accomplissement du précepte: <i>Crescite et multiplicabimini</i>? [p. 353]</p>	<p>Let us make this clear, in all periods the Church has sanctioned and strengthened moral constraint by means of its institutions and teachings, which was codified in the matter of population by the “preventative regime”. Today, as the preventative regime collapses, as the reproduction of the human race is no longer governed by a State, a master, or a seigneur, as it is left to the self-government of each individual, must the Church conduct itself as if the preventative regime were still standing / in place? Shouldn't it strengthen with its sanction and teachings the voluntary rules which each person is required / bound to follow in order to solve properly the population problem, just as it previously strengthened with its sanction and teachings the rules which were imposed on each person for the same end? Why, after having lent its support to compulsory moral restraint, does it refuse its support for voluntary moral restraint? By doing this, isn't it showing itself to be particularly illogical and, what is even worse, actually creating obstacles to fulfilling the command “go forth and multiple”?</p>
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[Source:] ⁶²⁷

The Production of Security I ↩

The Private Production of Security (Feb. 1849)

Today, if he is thought of at all, Molinari is best known for the essay on “The Production of Security”

which was published in the JDE in February 1849. ⁶⁴¹ It was rediscovered in the modern era by Murray Rothbard who circulated it among his circle in New York (called fittingly enough the Bastiat Circle) during the 1950s and Molinari's ideas, especially the argument that insurance companies would have an economic interest in reducing crime against property and the costs of settling disputes, which became central to Rothbard's own theory of anarcho-capitalism which he was developing during the 1950s (when writing *Man, Economy, and State* (1962)) and the 1960s (when he was writing *Power and Market* (1970)). ⁶⁴² A translation into English was done by J. Huston McCulloch for the Center for Libertarian Studies in 1977 which made Molinari's work available to a broader English speaking audience for the first time. ⁶⁴³ What Molinari achieved in this short essay and the follow up chapter 11 in *Les Soirées* was a Kuhnian "paradigm shift" in thinking about the state and the provision of public goods. No one before him had argued using standard classical economic thinking and property rights theory that private firms operating in a free market could satisfy the strong need of consumers for protection and security services at an affordable price, while at the same time avoiding the problems inherent in any monopolized industry. In the past, the few political theorists who advocated a society without a state had little idea about how such a society would go about solving its problems, other than to piously assert that some kind of moral change would take place in the hearts of men which would cause violence against others to gradually disappear. Molinari's intellectual breakthrough was to argue that the structures and practices which had already evolved in the free market could be extended to solve these other problems and that no change in the moral behavior of men was required for this to work effectively.

We can see glimmers of Molinari's new way of thinking about this problem in an article in the *Courrier français* in 1846 and in his January 1849 review of Thiers' book on property in the JDE which suggests that he was already rethinking many of his basic ideas about property and natural law which was to play such an important role in *Les Soirées* .

The crux of the matter was his view that "la loi de la libre concurrence" (the law of free competition) was a natural law of political economy and thus had universal applicability and hence all areas of economic activity would benefit from being exposed to it. All forms of monopoly had deleterious consequences such as high prices, poor service, lack of innovation, and that it produced higher profits than normal to a small group of people who enjoyed the monopoly privilege at the expense of other consumers. Bastiat and Molinari also called these higher than normal profits "spoliation" (plunder) or in Molinari's case a form of political rent. ⁶⁴⁴ In "The Production of Security" Molinari provides an historical example of how the English Crown and the aristocracy created a monopoly in the use of violence (or in the "provision of security") which Molinari thought had many features in common with a privileged feudal corporation. It is important to note that he uses modern commercial terms to describe the operation of the English state:

<p>La race qui gouvernait le pays et qui se trouvait organisée en compagnie (la féodalité), ayant à sa tête un directeur héréditaire (le roi), et un Conseil d'administration également héréditaire (la Chambre des lords), fixait, à l'origine, au taux qu'il lui convenait de fixer, le prix de la sécurité dont elle avait le monopole.</p>	<p>The race of people who governed the country and who were organized as a company (feudalism), having at its head an hereditary director (the King), and an equally hereditary Administrative Council (the House of Lords), from the very beginning set the level of taxes which was convenient for them to pay, namely the price of the security of which they had a monopoly.</p>
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[Source:] ⁶⁴⁵

The English Revolution forced the crown and the aristocracy to share this monopoly with the Commons who were able to exercise some power to limit taxes, or what he called the “price of security,” at least for a short period. The ability to control the exercise of coercion had enormous importance because from it flowed the power to create all the other kinds of monopolies which were common under the old regime, such as trading and manufacturing rights, access to certain professions, and so on.

A similar situation existed in the July Monarchy in France. In his essay on electoral reform published in July 1846 ⁶⁴⁶ Molinari argued that the 250,000 richest taxpayers (“la classe électorale”) who were allowed to vote exercised similar monopoly powers over the state as the English Crown and aristocracy did in the 17th century. They controlled the army and the police as well as the votes required to introduce tariff protection and subsidies for the industries from which they made their livelihoods. Molinari thought this was unfair because the vast bulk of the French taxpayers were excluded from any say in how much taxation could be imposed upon them or how this money would be spent. One of the arguments he used in arguing for an expansion of the franchise in France was the idea that the main reason for having a government in the first place was to provide all citizens with a guarantee of security of their persons and property. He likened the state to “une grande compagnie d'assurances mutuelles” (a large mutual assurance company), ⁶⁴⁷ taxes to “charges de l'association” (membership dues), ⁶⁴⁸ and the taxpayers to “un actionnaire de la société” (a shareholder in the company). ⁶⁴⁹ There were two ways in which a state acting like a large insurance company might be run: the largest shareholders have a monopoly in running the state, as in France, or the right to vote by shareholders is “universalised and made uniform” as in the United States, which runs the risk of seeing the democratic masses imposing a higher tax burden on the wealthiest groups in society:

<p>Sous l'empire d'un tel système (France), on sait ce qui arrive : les gros actionnaires, les censitaires pourvus du droit électoral, gouvernent la société uniquement à leur profit; les lois qui devraient protéger également tous les citoyens servent à grossir la propriété des forts actionnaires au détriment de la propriété des faibles; l'égalité politique est détruite. [p. 273]</p>	<p>Under the influence of such as system (in France) one knows what happens: the big shareholders, the “censitaires” who have the right to vote, govern society exclusively for their own profit; the laws which should protect all citizens equally serve to expand the property of the strong shareholders at the expense of the weak ones; political equality is destroyed.</p>
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[Source:] ⁶⁵⁰

The problem was to find a system which would avoid the weakness of both systems. Molinari thought this could be achieved by having a universal right to vote as in America (where all shareholders could participate in choosing the management of the company) but making the payment of member's dues (taxes) limited to a fixed proportion of the value of the property which they wanted to protect (such as a flat rate of taxation on income or the value of property). This was to prevent a democratic majority of voters voting for confiscatory taxes on the property and income of the rich, which Molinari thought was a major weakness in the American system of government. ⁶⁵¹ A “proportional” or flat rate of tax was also supported by Thiers who discussed this in his *De la propriété* in a chapter on the distribution of taxes which Molinari reviewed and commented upon in January 1849. ⁶⁵² Thiers also likened society to “une Compagnie d'assurance mutuelle” ⁶⁵³ where citizens should pay according to the risk they bore and the amount of property which they wished to insure. He thought the current level of expenditure by the French government could be maintained if there was a flat rate of 10% imposed on all income and the value of all property owned.

So when he came to write the pathbreaking article on “De la Production de la sécurité” in February 1849 Molinari had been reflecting for some time on the similarities between societies, governments, and insurance companies providing services to their citizens. The leap he made was to stop thinking of this similarity as purely a metaphor and to see it as an actual possibility that real insurance companies could sell premiums to willing customers for specific services which could be agreed upon contractually in advance and provided competitively on the free market. This article was his first attempt to explore the possibilities which this new way of thinking about government opened up; the second would be S11 in this book, and the third would be a lengthy section on “La Consommation publique” (Public Consumption) in the *Cours d'économie politique* which was published six years after *Les Soirées*. [654](#)

Molinari realised he was exposing himself to criticism of his views about how far the “law of free competition” could be pushed by his colleagues. At one point he even calls himself “un économiste radical , un rêveur” (a radical economist, a dreamer) [655](#) who dares to point out the logical inconsistency in advocating the liberalization from state control of every branch of production which uses property except for the one which guarantees the maintenance of property itself. He proceeds anyway, “au risque d'être qualifiés d'utopistes” (at the risk of being branded a utopian), because he believed that “le problème du gouvernement” (the problem of government) will eventually be solved like all the other economic problems by the introduction of a consistent and radical policy of liberty. [656](#) The success of the English Anti-Corn Law League in overturning the protectionist corn laws in 1846 had shown what could be achieved if well organized Associations were set up to demand “la liberté du commerce” (the liberty of commerce, free trade). Molinari predicted that similar well-organized Associations would one day be set to demand “la liberté de gouvernement” (the liberty of government). [657](#)

As if he were mentally laying the groundwork for his book on propriety and the natural laws of political economy, *Les Soirées* , Molinari goes back to first principles in the first three sections of the article: the world is governed by natural laws which are universal and which cannot be violated or ignored with impunity; conservatives, socialists, and even some economists must accept the fact of these natural laws and adapt their thinking accordingly; exceptions to these natural laws cannot be accepted by economists without overwhelming evidence and reasons, which he believes do not in fact exist; that human beings are naturally sociable and co-operate with others by means of the division of labour and trade to satisfy their needs; that society is “naturellement organisée” (naturally organized) in that it has evolved gradually under the influence of these laws through the activities of millions of individuals who produce and trade their goods and services on the free market with freely negotiated prices; that individuals in society have a need to protect their persons and property from attack and hence evolve institutions to do this in the form of governments; that people want goods and services to be provided as cheaply and as efficiently as possible which is only possible through the law of free competition and the elimination of government protected monopolies; and that these natural laws of political economy do not allow any exceptions.

Having laid out this mini-treatise on political economy, Molinari then proceeds to make his case that the provision of security was just another government monopoly which should be liberalized. He turns the counter-argument on its head by challenging the economists who want to de-monopolize nearly everything the government does to justify why they have made this important exception to the general principle. Why should there be a government monopoly in this case when the theory of political economy shows conclusively that monopolies lead to higher prices, lack of innovation, and high profits for a privileged minority? Molinari distinguished between two different ways in which the production of security (or government broadly speaking) have been organized in throughout history - the “monopolistic” production of security and the “communistic” production of security. By “monopolistic”

Molinari means an organisation dominated by a single person, such as a king, or a narrow class, such as the King in alliance with the aristocracy; by “communistic” he means an organisation dominated by society as a whole, or by its elected representatives, such as parliamentary democracy. Here he is using the word communistic in a very limited way to mean “in common” or “communal” rather than with any reference to the political group known as “Communists”, thus a better choice of word might be “socialist” or “statist” rather than “communist.” The historical example he uses to illustrate what he means by these two different methods of producing security, or any other government good or service, is taken from 17th century English history. Before the Revolution the King and allied aristocrats ran the country like a company for their personal and exclusive benefit, or “le monopole de la sécurité”. During the Revolution when the Commons seized control of the state the company was run for the benefit of a broader group of individuals, nominally in the name of the people, which Molinari describes as “le communisme de la sécurité.” An even clearer example of the communistic provision of security was the recent 1848 Revolution in France where:

<p>on a substitué à ce monopole exercé d'abord au profit d'une caste, ensuite au nom d'une certaine classe de la société, la production commune. L'universalité des consommateurs, considérés comme actionnaires, ont désigné un directeur chargé, pendant une certaine période, de l'exploitation, et une assemblée chargée de contrôler les actes du directeur et de son administration.</p>	<p>this monopoly exercised at first for the benefit of a caste and then in the name of a certain class in society, was replaced by communal production (of security), where a director was appointed and charged with its operation for a certain period of time, and an assembly was charged with supervising the actions of the director and his administration.</p>
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[Source:] [658](#)

In order to avoid the problems of either the monopolistic or the communist (or socialist) provision of security the only alternative solution in his view was “Communisme complet ou liberté complète” (complete communism or complete liberty). How the latter might work he sketched out briefly in Section 10 of the article and added some interesting twists to this in S11. Some inspiration no doubt came from a passage in Adam Smith’s *Wealth of Nations* where he talks about competing courts in England where litigants could shop around for a court which best suited their needs and which would charge fees according to the type of case involved. [659](#) This was a clear example of how legal services could be provided on the free market between competing institutions for profit. Given the powerful need for protection of person and property felt by consumers (“les consommateurs de sécurité”), and the fact that there were individuals who had the knowledge and skill to provide protection services for a fee (“les producteurs de sécurité”), it was inevitable that an individual or association of individuals would emerge as a producer of security to do just that. This was in fact exactly how the market operated for everything else. In smaller localities like a canton “un simple entrepreneur” (a simple entrepreneur) would emerge to satisfy the needs of the local community. In larger localities with several towns it would be a “une compagnie” or more formally organized corporation which would emerge to provide these services. Prices would be kept low and services would improve under the stimulus of competition since consumers would have the option of giving their business to “un nouvel entrepreneur, ou à l'entrepreneur voisin” (a new entrepreneur or a neighboring entrepreneur). Molinari even spelled out some of the terms and conditions which a budding security entrepreneur in “l'industrie de la sécurité” (the security industry) would have to offer consumers in order to get their business and to provide an effective service: [660](#)

1. penalties would be set for any infringement of the liberty or property of the customers, which would be imposed on both individuals outside the company (i.e. who were not customers) and customers within the company if they infringed upon the rights of others
2. customers would agree to certain obligations to assist the company in their investigations of the crime
3. customers would pay a regular premium (Molinari uses this insurance term) to cover the costs of being protected by the company, which would be based upon the risks involved and the value of their property being protected.

Molinari would take up many of the same issues in S11 but it should be remembered that the discussion of the private provision of security takes place in a much broader context developed throughout the book concerning the private and competitive provision of many other public goods as well, such as mineral resources, state owned forests, canals, rivers, city water supplies, the post office, public theatres, libraries; and the ending of private monopolies protected by government licences and heavily regulated professions such as bakeries, butchers, printing, lawyers, brokers, funeral parlors, cemeteries, medicine, teaching, and even brothels. A twist which he adds in S11 is that he introduces the radically new idea that an actual insurance company might be the type of private company best suited to providing security services for person and property. In “The Production of Security” he does not specify exactly what kind of company he had in mind other than general references to small local single entrepreneurs, or larger companies based in towns. In S11 he talks about much larger companies (“vastes compagnies”) and even “ces compagnies d’assurances sur la propriété” (these property insurance companies) and how they would have an economic incentive to cooperate with each other in settling disputes between their consumers and compensating them for lost property or violated liberty. He gives as an example how they might set up “facilités mutuelles” (joint or shared offices) in order to keep their costs down. It is at this moment that society as a great mutual insurance company stops being metaphorical and, and least in Molinari’s mind, becomes a literal possibility to solve the problem of government.

However, Molinari did not believe it was the economist’s job here or in any other area of economic activity to specify in advance exactly how goods and services would be provided at some time in the future, how many companies might be set up to supply these services, at what prices these goods and services would be traded, and so on. The only things an economist needed to know is whether or not there is a demand for a good or service, whether or not there are people willing to supply this good or service at a given price, and if there are no legal impediments to these two parties coming together to trade with each other; then the economist can say with some certainty that markets will evolve to satisfy this demand:

Cela ne regarde pas les économistes. L’économie politique peut dire: *si tel besoin existe* , il sera satisfait, et il le sera mieux sous un régime d’entière liberté que sous tout autre. A cette règle, aucune exception! mais comment s’organisera cette industrie, quels seront ses procédés techniques, voilà ce que l’économie politique ne saurait dire.

That does not concern the Economists. Political economy [p. 329] can say: *if such a need exists* , it will be satisfied and done better in a regime of full freedom than under any other. There is no exception to this rule. As to how this industry will be organized, what its technical procedures will be, that is something which political economy cannot tell us.

[Source:] [661](#)

This is of course a true statement about many if not most economic activities. As he was writing these very lines Molinari was witnessing the dramatic transformation of shopping in Paris with the emergence of the department store. No economist could have imagined how this new invention of the competitive market for the sale of consumer goods would transform cities like Paris. An entrepreneur named Aristide Boucicaut founded the first department store named appropriately enough, “Le Bon Marché” (the cheap or low cost market), [662](#) in Paris in 1838 which was rapidly evolving into its modern form in the late 1840s and early 1850s with its individual “departments” (or shops within a shop) selling a vast range of goods under one roof, at fixed prices, and offering the customer exchanges or refunds for unwanted purchases. Just as this new phenomenon had emerged unplanned and unanticipated out of the competitive market place for consumer goods, so Molinari imagined a similar new market would emerge for the buying and selling of security services in ways unimagined by economists. Whether such a market could arise was, of course untested, but Molinari was confident it would and, in fact was so confident, that he made a very bold prediction in S11 about how long a transition period was needed for this to occur, which only confirmed in his critics minds that he was a bold and daring utopian thinker:

Je prétends donc que si une communauté déclarait renoncer, au bout d’un certain délai, un an par exemple, à salarier des juges, des soldats et des gendarmes, au bout de l’année cette communauté n’en posséderait pas moins des tribunaux et des gouvernements prêts à fonctionner; et j’ajoute que si, sous ce nouveau régime, chacun conservait le droit d’exercer librement ces deux industries et d’en acheter librement les services, la sécurité serait produite le plus économiquement et le mieux possible.

Therefore, I maintain that if a community were to announce that after a given delay, say perhaps a year, it would give up financing the pay of judges, soldiers and policemen, at the end of the year that community would not possess any fewer courts and governments ready to function; and I would add that if, under this new regime, each person kept the right to engage freely in these two industries and to buy their services freely from them, security would be generated as economically and as well as possible.

[Source:] [663](#)

The Debate about the Production of Security in the SEP (Oct. 1849)

Molinari caused a furore in the Political Economy Society when he published “The Production of Security” and *Les Soirées* . In the article the editor of the JDE Joseph Garnier took the very unusual step of publishing a warning to readers about Molinari’s radicalism in a footnote. This was a harbinger of what was to come when the Political Economy Society discussed *Les Soirées* at its October meeting.

Bien que cet article puisse paraître empreint d’utopie dans ses conclusions, nous croyons, néanmoins, devoir le publier pour attirer l’attention des économistes et des publicistes sur une question qui n’a encore été traitée que d’une manière accidentelle et qui doit, néanmoins, à l’époque où nous sommes, être abordée avec plus de précision. Tant de gens exagèrent la nature et les attributions du gouvernement, qu’il est devenu utile de formuler strictement la circonscription hors de laquelle l’intervention de l’autorité cesse d’être

Although this article may bear the imprint of being utopian in its conclusions, we nevertheless believe that we ought to publish it in order to draw the attention of economists and journalists to a question which has hitherto been treated only in passing and which should, nevertheless, in our present time, be approached with greater precision. So many people exaggerate the nature and functions of government that it has become useful to define exactly the boundaries outside of which the intervention of authority ceases to be

tutélaire et profitable pour devenir anarchique et tyrannique. (Note du rédacteur en chef.)

protective and profitable and becomes anarchical and tyrannical. [Note by the editor].

[Source:] [664](#)

At their regular monthly meeting on October 10 the members of the Société d'économie politique debated Molinari's ideas about competitive governments which he had set forth in these publications. Present at the discussion were Horace Say (chairman), Charles Coquelin, Frédéric Bastiat, M. de Parieu, Louis Wolowski, Charles Dunoyer, M. Sainte-Beuve (MP for L'Oise), M. Lopès-Dubec (MP for La Gironde), M. Rodet, and M. Raudot (MP for Saône-et-Loire). Molinari was notable for his absence, which is probably understandable. [665](#) The reaction to Molinari's ideas was universally hostile with Dunoyer arguing that Molinari "s'est laissé égarer par des illusions de logique" (has allowed himself to be carried away by delusions of logic).

Coquelin, who was to write a very critical review in the JDE the following month, led off the discussion with the observation that in the absence of a "supreme authority" such as the state justice would have no sanction and thus the beneficial effects of competition could not be felt throughout the economy. In other words "Au-dessous de l'Etat, la concurrence est possible et féconde; au-dessus, elle est impossible à appliquer et même à concevoir" (beneath/below the state competition is possible and productive; above the state it is impossible to be put into practice and even to conceive). Bastiat followed Coquelin with a statement about his own views for a state which was strictly limited to guaranteeing justice and security. Since this required force to accomplish and since force could only be the attribute of a supreme power, he could not understand how a society could function if supreme power was split among numerous groups which were all equal to each other. Furthermore, given the current dangerous political climate where socialist ideas were rampant Bastiat was concerned that to argue that the state should only have one function, namely to guarantee security, might provide the socialists with "a useful and effective" piece of propaganda in the current circumstances. Dunoyer wrapped up the discussion on the function of the state by observing that to allow competition between private companies providing government services would lead to "des luttes violentes" (violent battles). He concluded that therefore it would be better to leave the exercise of force where history had placed it, namely in the hands of the state. There was, he argued, already "véritable concurrence" (genuine competition) in politics in the form of the jostling for power by representative bodies who sought control of the government by offering their services to voters who exercised "real choice" (qui choisit bien réellement) every time they voted.

The consensus view was summed up by Coquelin in his review of *Les Soirées* the following month in the JDE where Coquelin objected to the fact that Molinari put into the mouth of "the Economist" views about the private provision of security which no other economist held. [666](#) This is certainly true and it probably embarrassed the other political economists. The result was that none of his friends or colleagues took up any of his ideas, leaving Molinari as the sole advocate of these ideas for the rest of the century.

The Production of Security in the *Cours d'économie politique* (1855, 1863)

In spite of his colleagues' criticism and his intellectual isolation on this topic, Molinari continued to work on these ideas for at least the next 30 years. He developed them much more fully in two later works which should be briefly mentioned at this point, the treatise based upon his lectures at the Athénée royal in Paris, the *Cours d'économie politique*, which he began in late 1847 and completed after he had

moved to Brussels in 1852 and was teaching again, this time at the Musée royale de l'industrie belge; and the second volume of his work on the historical sociology and economics of the State which appeared in 1884, *L'Évolution politique et la Révolution*. In a 100 page final section of the *Cours d'économie politique* dealing with "Consumption" Molinari develops his ideas on the nature of plunder, coerced labour such as slavery, the wastefulness of government spending and monopolies, the private provision of public goods, the proper functions of government in the era of competition, and a restatement of the benefits of what he now calls "concurrency politique" (political competition, or competing governments). ⁶⁶⁷ The idea of insurance companies providing security services to clients in S11 has been expanded into a more generalized economic theory of the state, how it provides all kinds of services, not just security services, and how this evolves over time towards the future era of competition in which the private and competitive provision of all so-called "public goods" has become the norm. The important insight Molinari had, with interesting similarities to the Public Choice approach to understanding politics, was to treat the state in the same way he would treat a firm or a company, that the people who owned or ran the firm had goals which they wanted to achieve with limited resources, that they responded to changing relative costs and benefits, and that they had to adjust to technological and other systemic changes. The terminology Molinari used to describe the state is quite instructive. The following is a sample: "les entreprises gouvernementales" (government enterprises), "les entreprises politiques" (political enterprises), "l'industrie du gouvernement" (the industry of government), "une vaste entreprise, exerçant des industries et des fonctions multiples et disparates" (a vast enterprise which carried out multiple and various enterprises), and "ateliers de production de la sécurité" (workshops which produced security). He was even working on a public choice-like notion of "le marché politique" (the political marketplace) in which politicians bought and sold favours in order to get or to stay in power.

The difference between the state treated in this economic fashion and a firm was that the state had access to coercive powers which were denied most firms, except for those "rent-seeking" firms which could get government privileges or monopolies of some kind. Nevertheless, Molinari thought it was very important to use economics to analyse the operation of the state, especially the "anti-économique" aspects of state activity which led to waste, corruption, and the poor provision of services like security. It was a mistake he thought to exempt the state from the economists' scrutiny:

L'échec désastreux de toutes les tentatives qui ont été faites pour améliorer les services publics, tant sous le rapport de leur production que sous celui de leur distribution, sans avoir égard aux lois économiques qui président à la production et à la distribution des autres services, démontre suffisamment, croyons-nous, que l'on se trompait en plaçant ainsi les gouvernements dans une région inaccessible à l'économie politique. Science de l'utile, l'économie politique est seule compétente, au contraire, pour déterminer les conditions dans lesquelles doivent être établies toutes les entreprises, aussi bien celles que les gouvernements accaparent que celles qui sont abandonnées à l'activité privée.

The disastrous failure of all the attempts which have been made to improve public services, just as much with regard to their production as with their distribution, without having any consideration for the economic laws which govern the production and distribution of other services, clearly demonstrates in our view that one deceives oneself by putting governments beyond the reach of political economy. Political economy, as the science of what is useful, is alone competent to determine the conditions in which all enterprises ought to be established, just as much for those enterprises monopolized by the government, as those which are left to private activity.

Du moment où l'on restitue à l'économie politique cette partie essentielle de son domaine, sans se laisser arrêter davantage par un préjugé trop respectueux pour des puissances que la crainte des uns, l'orgueil des autres, avaient divinisées, la solution du problème d'un gouvernement utile devient non seulement possible mais encore facile. Il suffit de rechercher, en premier lieu, si les entreprises gouvernementales sont constituées conformément aux lois économiques qui président à la constitution de toutes les autres entreprises, quelle que soit la nature particulière de chacune, en second lieu, comment, dans la négative, on peut les y conformer.

From the moment when this essential part of its domain has been restored to political economy, without allowing it (this process) to be halted by any prejudice which is too respectful towards the powers (of the state) which the fear of some and the pride of others have deified, the solution to the problem of a useful government become not only possible but even easy. In the first place, it is sufficient to discover if the government enterprises are constituted in conformity with the economic laws which govern all other enterprises, whatever the particular nature of each one may be, and in the second place, if this is not the case, how one could make them conform to them (economic laws).

[Source:] [668](#)

What Molinari is doing here is similar to what Douglas C. North did in the 1970s with his history of the emergence of political institutions from an economic perspective. [669](#) Political and religious leaders as well as other producers and consumers make decisions based upon the economic and political options which are available to them, and these options are limited by things such as the extent of the division of labour, the depth and breath of the market, the productivity of economic activity at that time, and the amount of surplus they can extract from the workers and taxpayers. As these things change over time, especially as technological change introduces new possibilities for economic activity, institutions change in order to take advantage of them.

He continued to develop his theory of the production of security in the *Cours* along the following lines: that as economies and trade became more complex there would be greater division of labour in the security industry; he further developed the idea of “nuisance” (harm) which was caused by accidents (like fire or floods) or by theft or fraud, or what might also be called torts, which he thought insurance companies would be especially good at “policing”; that governments could be seen as another way in which risk to individuals and businesses arising from theft or fraud could be managed and reduced with benefits for society as a whole; and that the growing complexity of the market would result in innovative security firms creating new types of law (“une justice ad hoc”) in order to offer new forms of protection for persons and property. Most importantly, he developed a list of reasons why the monopoly provision of security by the state was more costly and less efficient than private companies, all of which were based upon his theory of the natural laws of political economy and how the state violated them.

The first reason he gave was that government monopolies tended to overproduce goods or services beyond the needs of the consumers because, in the absence of prices and freely negotiated contracts, the government monopoly did not know how much production is optimal. Molinari thought that defence was an excellent example of this tendency to overproduce a good or service:

La production de la sécurité est l'une de celles où l'on peut observer, le plus fréquemment, ce développement parasite, où il présente, en même

The production of security is the example of this parasitical development which is most frequently observed, and where at the same time it

temps, le caractère le plus anti-économique.

demonstrates the most anti-economic character. [p. 153]

[Source:] [670](#)

A second reason was that government had become too big and complex, and was active in too many fields to be expert in all of them. This also suggests he had an inkling of Hayek's problem of knowledge which was faced by monopolists and central planners in the absence of adequate information provided to planners by the wishes of consumers and suppliers by means of price signals. Molinari thought that running a very large government supplier of any good or service was like chasing too many hares at once ("chasser plusieurs lièvres à la fois"):

Or qu'est-ce qu'un gouvernement sinon une vaste entreprise, exerçant des industries et des fonctions multiples et disparates? Au point de vue des lois de l'unité des opérations et de la division du travail, un gouvernement qui entreprend la production de la sécurité et de l'enseignement, le transport des lettres et des dépêches télégraphiques, la construction et l'exploitation des chemins de fer, la fabrication des monnaies, etc., n'est-il pas un véritable monstre?

Now what is the government if not a huge enterprise which carries out multiple and disparate industries and functions? From the perspective of the laws of the unity of operations and the division of labour, isn't a government which undertakes the production of security and of education, the carrying of letters and telegrams, the construction and operation of the railways, the minting of money, etc. a veritable monster?

[Source:] [671](#)

A final reason he gave was that firms had a natural size limit (la loi des limites naturelles) beyond which they could not operate effectively. In an insight that suggests thinking along the lines of Ronald Coase's theory of the firm, Molinari gave as an example the dream of some rulers to build "la monarchie universelle" which would govern huge territories, with millions of people, and supplying them with myriads of services. Molinari thought that the market should determine the optimal size of firms which would best be able to satisfy the needs of its consumers as well as make a profit for its owners:

Comment d'ailleurs des gouvernements qui exercent plusieurs industries ou plusieurs fonctions se conformeraient-ils à la loi des limites naturelles? Chaque industrie a les siennes, et telle limite qui est utile pour la production de la sécurité cesse de l'être pour celle de l'enseignement. Cela étant, un gouvernement ne peut évidemment observer une loi qui lui imposerait autant de limites différentes qu'il exerce d'industries ou de fonctions.

By the way, how could governments which carry out many industries or many functions conform to the law of natural limits (to the size of enterprises)? Each industry has its limits, and such a limit which is useful for the production of security ceases to be (the limit) for that of education. That being so, a government evidently cannot observe a law which imposes upon it as many different limits as the number of industries or functions which it carries out.

[Source:] [672](#)

Molinari summed up his objections to the "anti-economic" nature of government activity with a list of four acts of government "sinning" against or violating the natural laws of political economy:

<p>I. Les gouvernements pèchent visiblement contre les lois de l'unité des opérations et de la division du travail.</p> <p>II. Les gouvernements ne pèchent pas moins contre la loi des limites naturelles.</p> <p>III. Les gouvernements pèchent contre la loi de la concurrence.</p> <p>IV. Les gouvernements pèchent, enfin, dans la distribution de leurs services, contre les principes de la spécialité et de la liberté des échanges. [p. 759]</p>	<ol style="list-style-type: none"> 1. Governments visibly sin against (violate) the laws of the unity of operations and the division of labour. 2. Governments sin no less against the law of natural limits (to their size). 3. Governments sin against the law of competition. 4. Finally, governments sin against the principles of specialization and free trade.
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[Source:] [673](#)

Molinari was still railing against the economic inefficiency of government monopoly police services in the 1890s which he described as “le plus arrière de tous” (the most backward of them all) and modern governments in general as “monsters”:

<p>En revanche, le service non moins nécessaire de la sécurité intérieure, qui se trouve entièrement à l'abri de la concurrence, est le plus arriéré de tous. La justice n'a pas cessé d'être coûteuse, lente et incertaine, la police insuffisante et vexatoire, la pénalité tantôt excessive et tantôt trop faible, le système pénitentiaire plus propre à développer la criminalité qu'à la restreindre. Comment en serait-il autrement? Comment les fonctions naturelles des gouvernements ne souffriraient-elles pas de l'accroissement incessant de leurs fonctions parasites ? Quelle entreprise particulière pourrait subsister si elle était constituée et gérée comme un gouvernement, et accaparait, à son exemple, des industries multiples et disparates ? Au point de vue économique, les gouvernements modernes sont-ils autre chose que des « monstres » ?</p>	<p>On the other hand, the no less necessary service of internal security, which is completely protected from any competition, is the most backward of them all (government services). Justice is still costly, slow, and uncertain; the police are inadequate and persecutory; penalties are sometimes excessive and at tother times too weak; and the prison system is more suited to developing criminality than controlling it. How could it be otherwise? Why wouldn't the natural functions of government suffer from the incessant expansion of their parasitic functions? What individual enterprise could survive if it were structured and run like a government and, following its example, monopolized multiple and disparate industries? From the economic point of view, aren't modern governments nothing more than “monsters”?</p>
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[Source:] [674](#)

The Production of Security in *Évolution politique* (1884)

Some 35 years after the appearance of the original article “La Production de la sécurité” in February 1849 Molinari was still defending this idea in 1884, although occasionally putting the title in quotation marks as if to distance himself a little bit from it. He still talks about producers and consumers of

security, about the greater economic efficiency and lower costs of free market alternatives to government, and the need for governments to obey the economic principles which govern all enterprises, especially living within its means and paying its debts. Only then, Molinari thought, could governments avoid becoming what J.B. Say described as “les ulcères des nations” (the ulcers of nations). ⁶⁷⁵ The changes he introduced in this later work were the following: he changed the name of the final end which he was seeking to achieve “la liberté de government” (the liberty of government) which made a clear reference to the early movement for “la liberté des échanges” (free trade); a new discussion on how law might evolve and change to meet the needs of a growing economy; and a very interesting discussion prompted by the American Civil War (the War of Secession) on the right to secession by states or the right of an individual to opt out of government provided security services if he thought that they were unsatisfactory or “abusive” in some way. ⁶⁷⁶ Surprisingly, he was a little coy in his answer to this problem as he seemed to admit an exception to the right to opt out if there was a pressing “l'intérêt général” (general interest, or social need) such as the aftermath of an unsuccessful war “la suite d'une guerre malheureuse” (perhaps like France's loss to Prussia in 1870 which would still have been fresh in his memory). However, he thought that the reasons for maintaining the integrity of “le marché politique” (the political market) were diminishing as people became wealthier and more diverse as international trade expanded. The integrity of states had already been challenged and some secessionist movements had succeeded (like Latin America in the 1820s) and he thought this process was most likely to continue in the future.

The Production of Security II: Is Molinari a Real Anarcho-Capitalist? ↩

It appears that Molinari's anarcho-capitalism was only half formed in S11, if we compare it to the theories which were emerging in the U.S. in the 1970s and later. Here he deals exclusively with the “production of security,” that is the supply of resources needed to provide the police and gendarmerie necessary to protect property and deter crime, the police and detectives needed to investigate crimes against property and person, and the institutional arrangements among insurance companies to compensate victims of crimes for their losses. He says nothing about the other side of the equation, “la production de la loi” (the production of law) or “la liberté du tribunal” (the liberty of courts), which would be the development of the legal structure used to determine what is a crime, how it should be prosecuted, and what suitable punishment or recompense is required for the sake of justice. We know he was aware of Adam Smith's story about the fees of court but he does not pursue the matter in any detail, such as how a voluntary, market-driven system of private courts might create law through precedent and commonly agreed upon legal norms and practices. Although Bastiat did come up with the phrase “la grande fabrique de lois” (the great law factory) ⁶⁷⁷ which might have been suitable to describe this private production of law, it was in fact coined to denounce the French Chamber of Deputies as a factory which produced legal and economic privileges for well connected members of the ruling elite and their allies, very much along the lines depicted in the wonderful Daumier cartoon of Louis Philippe as Gargantua sitting on his throne-like commode which he drew in 1831. ⁶⁷⁸ This is definitely not the kind of “production of laws” Molinari would have had in mind.

Molinari did not broach the subject of how law evolves until the *Cours d'économie politique*. He recognized that in “l'ère de la concurrence” (the era of competition) as he called the future fully

deregulated laissez-faire society where security was provided by the market, the law would adapt in order to meet the needs of a rapidly growing economy which was undergoing technological change and globalization of markets. As new kinds of property emerged new means would be required to protect it from force, fraud, or loss. He talks about the multiplication and diversification of new legal “appareils” (devices, apparatus) which would spring up to solve disputes (“contestations continues”) involving property rights. He describes this legal process of dispute resolution “une justice ad hoc” (ad hoc justice) which he does not describe in any detail but which suggests a kind of common or customary law developed by the parties involved in disputes.

<p>Dans la phase de la concurrence, où nous commençons à nous engager, elles subissent de nouvelles modifications en plus et en moins. Dans cette phase, les sociétés, croissant rapidement en nombre et en richesse, ont besoin par là même d’une sécurité plus parfaite, mieux assise et plus étendue. Pour faire naître et maintenir l’ordre au sein d’une multitude d’intérêts incessamment en contact, il faut à la fois une justice plus exacte et une puissance plus grande pour la faire observer. En outre, les propriétés se multipliant et se diversifiant à l’infini, il faut multiplier et diversifier les appareils qui servent à les défendre. La production des inventions et la production littéraire, par exemple, donnent naissance, en se développant, à un nombre considérable de propriétés d’une espèce particulière, dont les limites soit dans l’espace soit dans le temps, engendrent des contestations continues. Il faut pour résoudre ces questions litigieuses une justice ad hoc. En d’autres termes, la justice devra s’étendre et se diversifier en raison de l’extension et de la diversification du débouché que l’accroissement et la multiplication de toutes les branches de la richesse ouvrent à la fraude et à l’injustice. Enfin, la sécurité doit s’allonger, pour ainsi dire, dans l’espace et dans le temps.</p>	<p>In the era of competition which we are now beginning to enter, (societies) undergo new modifications to a greater or lesser extent. In this era, societies which are growing rapidly in number and in wealth, therefore need security which is more perfect, better founded, and more extensive. In order to give rise to and maintain order at the heart of a multitude of interests which are constantly in contact with each other, it is necessary to have both justice which is more precise and a power which is greater in order to enforce it. Furthermore, as property is multiplying and diversifying endlessly it is necessary to multiply and diversity the structures/organisations (appareils) which are used to protect them. The production of inventions and literature for example give rise in the process of their development to a considerable number of properties of particular kinds whose extent, whether in space or time, give rise to continual disputes. It is necessary in order to resolve these legal questions to have a kind of ad hoc justice. In other words, justice ought to be extended and diversified because of the extension and diversification of the market which the growth and the multiplication of all kinds of wealth open up to fraud and injustice. Finally, security ought to be, so to speak, extended in both space and time.</p>
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[Source:] [679](#)

In *Évolution politique* (1884) in a chapter on “Évolution et révolution” Molinari generalizes this insight further to argue that no matter what state of economic and political development a society might be in, whether the communitarian, monopoly, or competitive phase or régime, legal and political institutions evolve in order to achieve “concordance” or equilibrium between them and the level of complexity of the economy in that stage of development (such as the extent of the division of labour and the size and scope of trading relationships). In a very Spencerian way of arguing he observed:

<p>Les institutions qui régissent les sociétés sont le</p>	<p>The institutions which govern societies are the</p>
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produit d'une série d'inventions et de découvertes, c'est-à-dire d'une industrie particulière, laquelle apparaît et se développe, comme toute autre industrie, lorsque le besoin et, par conséquent, la demande de ses produits ou de ses services viennent à naître et à grandir. On trouve profit alors, — soit que l'on ait en vue une rétribution matérielle ou simplement morale, — à découvrir ou à inventer les institutions et les lois qui répondent à ce besoin. Ce travail se poursuit jusqu'à ce que la société, — troupeau, tribu ou nation, — soit pourvue de l'ensemble d'institutions et de lois qui sont ou qui lui paraissent le mieux adaptées à sa nature et à ses conditions d'existence. Lorsque ce résultat est atteint, lorsque la machinery du gouvernement approprié à la société est achevée, la production des inventions et découvertes politiques et économiques, après s'être ralentie, finit par s'arrêter. Cependant ce ralentissement et cet arrêt ne sont que temporaires, car chaque fois que les éléments et les conditions d'existence de la société viennent à se modifier, il devient nécessaire de modifier aussi ses institutions et ses lois, de manière à les mettre en concordance avec le nouvel état des hommes et des choses.

product of a series of inventions and discoveries, that is to say, of a particular industry which appears and develops like any other industry, when the need for, and thus the demand for its products or services arise and grow. Profits can be then found, whether one has in mind material or simply moral rewards, in discovering or in inventing institutions and laws which respond to this need. This work is pursued until society - whether a band, a tribe, or a people - is provided with the ensemble of institutions and laws which are or appear to be the best adapted to its nature and to its conditions of existence. When this result has been achieved, when the machinery of government appropriate to (that) society has been achieved, the production of political and economic inventions and discoveries comes to an end. However, this slowing and stopping are only temporary, because each time that the elements and conditions of existence of society are modified it becomes necessary to also modify its institutions and laws in such a way as to bring them into concordance with the new state of mankind and of (material) things.

[Source:] [680](#)

So it seems that he had both components of the anarcho-capitalist position developed to some degree by 1855, the idea that private companies operating in a free market could supply protection services more cheaply and efficiently than a state monopoly, and that law too could evolve in order to solve disputes about property and violence. After the negative reaction he got to his ideas from his colleagues in the Political Economy Society in October 1849 it is not surprising that he might have become a bit more circumspect in the outright advocacy of his position by hiding behind the idea that this was an “hypothesis” being put forward by “un *économiste radical*, un *rêveur*” (a *radical economist*, a dreamer). [681](#) This seems to be the case in a story he tells towards the end of the *Cours* about a grocer who enjoyed a monopoly in his village at a time when the economy as a whole was moving towards open and free competition in all areas of business activity, including the grocery business. [682](#) Most of the villagers, and the grocer too of course, believed in “quelque antique superstition” (some ancient superstition) that groceries could only be supplied by a monopoly and that their supply of groceries would break down if the business were to be opened up to competition. Molinari then proceeds to show how the villagers are mistaken, how free and open competition by grocers would lead to greater variety in the choice of food, lower prices, and even more work for people in the grocery business. He asks the reader to “poursuivons jusqu’au bout notre hypothèse” (follow us to the end of our hypothesis” and reaches the following conclusions about the benefits of competition in all things:

<p>l'on découvrira, non sans surprise, qu'il n'est pas vrai, ainsi que les monopoleurs s'étaient appliqués à le faire croire, le croyant du reste eux-mêmes, que le monopole soit la forme nécessaire et providentielle du commerce de l'épicerie. En conséquence, au lieu de poursuivre l'œuvre impossible d'une meilleure "organisation" de ce monopole, on travaillera à le démolir, en faisant passer successivement les différentes branches de commerce qui s'y trouvent agglomérées, dans le domaine de la concurrence. Cette agglomération contre nature étant dissoute, chaque branche devenue libre pourra se développer dans ses conditions normales, en proportion des besoins du marché, et la société débarrassée d'un monopole qui la retardait et l'épuisait croîtra plus rapidement en nombre et en richesse.</p>	<p>One will discover, not without some surprise, that it is not true, as the monopolists have attempted to make us believe and as they themselves moreover believe, that monopoly is the necessary and god-given form for the grocery business. Consequently, instead of pursuing the impossible task of finding a better "organisation" of this monopoly we will work to destroy it, by progressively making the different branches of the (grocery) business which have been amalgamated together pass into the domain of free competition. Once this unnatural amalgamation/agglomeration has been dissolved, once each branch has become free, it will be able to develop under its normal conditions, in proportion to the needs of the market, and once society has got rid of a monopoly which was holding it back and exhausting it, it will grow more rapidly in number and in size.</p>
<p>C'est là l'histoire des gouvernements depuis que la société a commencé à passer de la phase du monopole dans celle de la concurrence.</p>	<p>There (in a nutshell) is the history of governments since society began to pass from the era of monopoly to that of competition.</p>

[Source:] [683](#)

Including of course "la production des services publics" (the production of public services) like security and other public goods.

Twenty years later he was still putting forward much the same "hypothesis" in an essay he published in the JDE in 1904 asking "Où est l'utopie?" (Where is Utopia?) which suggests his radicalism had barely weakened over the years and that his vision of a completely free market in everything operating everywhere was still with him. When compared to the future which he thought lay in store if the current regime of protectionism, statism, and militarism continued to expand, or to the future proposed by the socialist parties of government planning and regulation of the economy and society in general, then his liberal utopia did not seem any more utopian than theirs did:

<p>Faisons maintenant une hypothèse. Supposons que cette action de la concurrence puisse, un jour, s'opérer sans obstacles sur toute la surface du globe et dans toutes les branches de l'activité humaine ; que tous les marchés, maintenant encore séparés par des barrières naturelles ou artificielles, ne forment plus qu'un seul et vaste marché ...</p>	<p>Let me now put forward a hypothesis. Let us suppose that one day this process of competition is operating across the entire surface of the globe and in all areas of human activity without any obstacles in its way; that all the markets which are currently separated by natural or artificial barriers now make up one single vast market ...</p>
<p>Nous convenons volontiers que cette hypothèse peut sembler chimérique, mais lorsque nous considérons l'avenir que nous prépare le régime protectionniste, étatiste et militariste actuellement</p>	<p>We readily agree that this hypothesis might seem fanciful, but when we consider the future being prepared for us by the protectionist, statist, and militarist regime which is at present in power</p>

en vigueur dans toute l'étendue du monde civilisé, et celui par lequel le socialisme se propose de le remplacer, nous nous demandons si cet avenir ne serait point par hasard encore plus utopique que le nôtre.

throughout the entire civilised world, and that which the socialists plan to put in its place, we have to ask ourselves if this future wouldn't end up being even more utopian than ours.

[Source:] [684](#)

It was at moments like this that Molinari liked to remind his readers of Adam Smith's pessimism in 1776 about the chances of free trade being introduced in Britain against the prejudices of the general public and the powerful self-interest of politically well connected lobby groups who benefited from protection. In spite of these obstacles the Corn Laws were repealed some 70 years later:

To expect, indeed, that the freedom of trade should ever be entirely restored in Great Britain, is as absurd as to expect that an *Oceana* or *Utopia* should ever be established in it. Not only the prejudices of the public, but what is much more unconquerable, the private interests of many individuals, irresistibly oppose it. Were the officers of the army to oppose with the same zeal and unanimity any reduction in the number of forces, with which master manufacturers set themselves against every law that is likely to increase the number of their rivals in the home market; were the former to animate their soldiers, in the same manner as the latter enflame their workmen, to attack with violence and outrage the proposers of any such regulation; to attempt to reduce the army would be as dangerous as it has now become to attempt to diminish in any respect the monopoly which our manufacturers have obtained against us. This monopoly has so much increased the number of some particular tribes of them, that, like an overgrown standing army, they have become formidable to the government, and upon many [436] occasions intimidate the legislature. The member of parliament who supports every proposal for strengthening this monopoly, is sure to acquire not only the reputation of understanding trade, but great popularity and influence with an order of men whose numbers and wealth render them of great importance. If he opposes them, on the contrary, and still more if he has authority enough to be able to thwart them, neither the most acknowledged probity, nor the highest rank, nor the greatest public services, can protect him from the most infamous abuse and detraction, from personal insults, nor sometimes from real danger, arising from the insolent outrage of furious and disappointed monopolists. [685](#)

If the powerful and entrenched interests which had benefited from mercantilism and tariff protection could be overcome only 70 years after Smith wrote these despairing lines, in 1846 when Cobden and the Anti-Corn Law League were successful in having the lynch pin of the protectionist regime repealed, then perhaps Molinari likewise might have thought that his dream of a society based upon competitive markets in everything could be achieved in another 70 years after he wrote his essay "Where is Utopia?" in 1904. That would mean he might have expected to have seen a new Cobden or a new Bastiat emerge at the head of an "Association pour la liberté de gouvernement" (the Association for Freedom of Government) sometime in 1974. His calculations are obviously incorrect, but he was partly right in that it was in the late 1960s and early 1970s that a new generation of libertarians in the United States rediscovered his ideas and began to discuss them in earnest.

Religious Protectionism and Religious Contraband ↩

Unlike the Conservative, Molinari was probably not a strict practicing Catholic. He uses the word “Dieu” (God) 28 times in the book but most of these are exclamations like “God forbid!” or similar; the word “Providence” 10 times, and the word “Créateur” (Creator) 8 times. Since he does not mention the sacraments or any doctrinal matter it is most likely that he was a deist of some kind who believed that an “ordonnateur des choses” (the organizer of things) created the world and the laws which governed its operation. ⁷⁰⁶ However, Molinari did believe in the afterlife and thought it was an essential incentive to forgo immediate pleasures in this life in order to achieve “superior” pleasures in the next. This was especially important when it came to the issue of controlling the size of one’s family. Molinari thought the solution to the Malthusian population growth problem was the voluntary exercise of “moral restraint” (he uses the English phrase) in a society where complete “liberty of reproduction” existed. ⁷⁰⁷ What made moral restraint possible was a moral code where religious values played a role. In the Introduction to the *Cours d’économie politique* (2nd ed. 1863), vol. 1 Molinari states that:

<p>Ainsi donc, l’économie politique est une science essentiellement religieuse, en ce qu’elle manifeste plus qu’aucune autre l’intelligence et la bonté de la Providence dans le gouvernement supérieur des affaires humaines; l’économie politique est une [32] science essentiellement morale, en ce qu’elle démontre que ce qui est utile s’accorde toujours, en définitive, avec ce qui est juste; l’économie politique est une science essentiellement conservatrice, en ce qu’elle dévoile l’inanité et la folie des théories qui tendent à bouleverser l’organisation sociale, en vue de réaliser un type imaginaire. Mais l’influence bienfaisante de l’économie politique ne s’arrête pas là. L’économie politique ne vient pas seulement en aide à la religion, à la morale et à la politique conservatrice des sociétés, elle agit encore directement pour améliorer la situation de l’espèce humaine.</p>	<p>Therefore, political economy is an essentially religious science in that it shows more than any other the intelligence and the goodness of Providence at work in the superior government of human affairs. Political economy is an essentially moral science in that it shows that what is useful is always in accord in fact with what is just. Political economy is an essentially conservative science in that it exposes the inanity and folly of those theories which tend to overturn social organization in order to create an imaginary one. But the beneficial influence of political economy doesn't stop there. Political economy does not only come to the aid of the religion, the morality, or the political conservation of societies, but it acts even more directly to improve the situation of the human race.</p>
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[Source:] ⁷⁰⁸

Nevertheless, Molinari was very critical of organized religion, especially the monopoly of religion which had emerged in Europe, the political privileges of religious corporations, and any form of state subsidies to any particular religion. He shared the views of his friend and colleague Frédéric Bastiat who argued that “theocratic plunder” had been one of the main forms of political and economic injustice before the Revolution. ⁷⁰⁹ Molinari distinguished between what he called “the French system” of religion, where the state intervenes by recognizing and funding certain religious denominations, and “the American system,” where no denomination is favoured or subsidized and where “la liberté des cultes” (the liberty of religion) prevails. ⁷¹⁰

Another interesting example of his application of economic analysis to human institutions is the Catholic Church. His Swiss colleague Antoine-Elisée Cherbuliez (1797-1869) beat him in getting to this matter with his article on “Cultes religieuse” (Religions) in the DEP in which he borrowed Molinari’s method of analysis by regarding the Church as being in the business of “la production religieuse” (the production of religion) and that it was “un seul entrepreneur” (a single entrepreneur) or a monopolist supplier which had the protection of the state. He wanted to see this monopoly supplier of religious services exposed to “le régime de la libre concurrence” (the regime of free competition) which would do for the supply and consumption of religion what it would also do the the supply and consumption of grain and manufactured goods. ⁷¹¹ Molinari took the same approach in an article on "Les Églises libres dans l'État libre" (Free Churches in a Free State) which he published in his magazine *l'Économiste belge* in December 1867. He saw the signing of Concordats between the Catholic Church and a state like France as a form of a protectionist trade treaty which gave a monopoly to one favoured producer (the Church) which meant that the state had to clamp down on the import of “la contrebande religieuse” (religious contraband or heresies), and confiscate and burn the contraband goods, or as Molinari bitterly noted, often in the past this meant that:

<p>La contrebande religieuse des hérésies était rigoureusement proscrite, et on employait pour la réprimer exactement les mêmes procédés dont on faisait usage pour combattre l'introduction des marchandises prohibées ; on y mettait même encore plus de rigueur : ainsi, on se contentait d'envoyer aux galères les contrebandiers ordinaires, en brûlant les marchandises importées en fraude, tandis que s'il s'agissait d'articles religieux, on brûlait les contrebandiers avec la contrebande.</p>	<p>The religious contraband of heresies was vigorously proscribed, and to repress it exactly the same methods were used as those used in combatting the importation of prohibited merchandise; but in this case even more rigor was used; thus they weren't content to send the ordinary smugglers to the galley ships and to burn their contraband, when it came to religious goods they burned the smugglers along with the contraband.</p>
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[Source:] ⁷¹²

He was confident that just as free trade was sweeping the world following the repeal of the Corn-Laws and the Anglo-French Free Trade Treaty of 1860 which lead to the breaking up of commercial and industrial monopolies, so too would the sentiment of free trade spread to religious ideas and institutions and the major Catholic “protectionist regimes” in Rome, France, and Belgium, would not survive long when faced with competition in the free market of ideas. This proved not to be the case and Molinari returned to the issue of religion 40 years later in a book length historical and sociological analysis of the overall benefits of religion to human progress so long as it remained outside of the jurisdiction of the state. ⁷¹³

Rethinking the Theory of Rent ↩

The classical theory of rent was based upon David Ricardo’s work *On the Principles of Political Economy and Taxation* (1817) which was translated into French by F.S. Constancio with notes by J.B.

Say in (1818) and reprinted with additions from the 3rd London edition of 1821 by Alcide Fonteyraud in a collection of his *Complete Works* published by Guillaumin in 1847 as volume XIII of the series *Collections des principal économistes*. [714](#) The economists were all staunch Ricardians when it came to the matter of rent, except for Bastiat and Molinari who had developed their own quite different theories of rent over which they clashed during 1849. Ricardo defined rent as:

that portion of the produce of the earth, which is paid to the landlord for the use of the original and indestructible powers of the soil. It is often, however, confounded with the interest and profit of capital, and, in popular language, the term is applied to whatever is annually paid by a farmer to his landlord. If, of two adjoining farms of the same extent, and of the same natural fertility, one had all the conveniences of farming buildings, and, besides, were properly drained and manured, and advantageously divided by hedges, fences and walls, while the other had none of these advantages, more remuneration would naturally be paid for the use of one, than for the use of the other; yet in both cases this remuneration would be called rent. But it is evident, that a portion only of the money annually to be paid for the improved farm, would be given for the original and indestructible powers of the soil; the other portion would be paid for the use of the capital which had been employed in ameliorating the quality of the land, and in erecting such buildings as were necessary to secure and preserve the produce. [715](#)

The economists came under attack during the 1840s by socialists such as Proudhon, Louis Blanc, and Victor Considerant who exposed a major weakness in the classical theory of rent which was that, if workers and owners of property should be paid only for the work they did in creating some good, then any return which came from something other than their own work, such as “the original and indestructible powers of the soil,” was “unearned” and hence unjust. The socialists’ argument was that if Ricardo’s theory was correct then the payment of rent by farmers to their landlords was unjust and should be stopped immediately.

The response of many economists, as we have seen above, was rather uneasy as they sensed that this might be true. The consensus view seemed to be that land ownership and rent were somewhat anomalous compared to other forms of property, that economists should leave the justification of property rights to the philosophers and just assume it as a given, the defense of the existing distribution of property titles should be left to the politicians and judges, and in general that landownership and rent was so useful to the functioning of the economy that any anomalies could just be overlooked. This situation was completely unacceptable to both Bastiat and Molinari who wanted to ground political economy in an unassailable natural rights framework which the socialists could not overthrow either politically or theoretically. However, they approached the problem of rent from quite different theoretical perspectives, Molinari approaching it from the perspective of his theory of equilibrium and the factors which disturbed or prevented this equilibrium from being reached; and Bastiat who was developing this theory that all exchanges in the free market were the mutual exchange of “service for service”.

Throughout 1849 Bastiat had taken time away from completing his treatise on economics, the *Economic Harmonies*, in order to write a stream of pamphlets replying to the socialists’ critique of property, profit, interest, and rent. He had already published “Capitale et rente” (Capital and Rent) (February 1849), “Le capital” (Capital) (possibly early 1849), and was about to launch into a long correspondence with Proudhon between October 1849 and March 1850 which was published as a book “Gratuité du crédit” (Free Credit) in March 1850. [716](#) When time permitted he was also getting ready for publication a long

chapter on rent which would be published in the first edition of *Economic Harmonies* which appeared possibly in May 1850. In his new theory of rent he argued that rent was justified because it was just another example of the mutual exchange of “a service for a service” and that there was nothing special about the productivity of land or the “les services agricoles” (farming services) which brought the products of the land to the consumer:

<p>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 (coeteris paribus) que les services de toute autre nature. De même que le manufacturier, après s’être fait payer de son temps, de ses soins, de ses peines, de ses risques, de ses avances, de son habileté (toutes choses qui constituent le service humain et sont représentées par la valeur), ne peut rien réclamer pour la loi de la gravitation et de l’expansibilité de la vapeur dont il s’est fait aider, de même Jonathan ne peut faire entrer, dans la valeur de son blé, que la totalité de ses services personnels anciens ou récents, et non point l’assistance qu’il trouve dans les lois de la physiologie végétale. L’équilibre des services n’est pas altéré tant qu’ils s’échangent librement les uns contre les autres à prix débattu, et les dons de Dieu, auxquels ces services servent de véhicule, donnés de part et d’autre par-dessus le marché, restent dans le domaine de la communauté.</p>	<p>The sole fact that free land exists somewhere is an invincible obstacle to any privileged status, and we find ourselves back with the preceding set of arrangements. Farming services are subject to the law of universal competition, and it is fundamentally impossible to have them accepted at a higher price than they are worth. I add that they are worth no more (coeteris paribus) than services of any other nature. Just as manufacturers, once they have had themselves paid for their time, their care, the trouble and risk they have taken, their advance payments and their skill (all things that make up human service and are constitutive of value), cannot claim anything for the law of gravity and the expansibility of the steam that assists them, Jonathan can include in the value of his wheat only the total amount of his personal service, whether present or past, and not the assistance he has obtained from the laws governing plant physiology. The balance between services is not changed as long as these services are exchanged freely for one another at the price discussed, and the gifts of God transmitted by these services, as it were into the bargain, and given on both sides, remain in the domain of community</p>
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[Source:] [717](#)

Also during 1849 Molinari had been replying to critiques of property, interest, and rent in articles in the JDE such as his review of Thiers’ book *De la propriété* in January and a letter to the editor in June in which he criticised both Proudhon and Bastiat. [718](#) He may have seen a draft of Bastiat’s forthcoming chapter on rent in *Economic Harmonies* which appeared in the first half of 1850 and which might have been the immediate trigger to his digression on rent which was inserted rather awkwardly in S12. Molinari thought that rent was a temporary abnormal increase in returns caused by a “perturbation” or an “artificial circumstance” (such as a bad harvest or a government subsidy) which would eventually disappear as economic equilibrium was re-established. In S12 he argues that most people have things back to front when they try to explain the origin of rent. The farmer does not, in his view “sell his wheat at a higher price because he pays a rent; he pays a rent because he sells his wheat at a higher price. Rent does not act as a *cause* in the formation of prices; it is only a *result* .” From this he concludes that “rent) represents no work completed nor any compensation for losses undergone or to be undergone” which is

in direct opposition to Bastiat's theory of compensation for a service rendered:

<p>Si la rente n'est pas comprise dans les frais de production, il en résulte:</p> <p>1° Qu'elle ne représente aucun travail accompli ni aucune compensation de pertes subies ou à subir.</p> <p>2° Qu'elle est le résultat de circonstances artificielles, lesquelles doivent disparaître avec les causes qui les ont suscitées.</p>	<p>“If rent is not included in the costs of production, the implication is:</p> <ol style="list-style-type: none">1. That it (rent) represents no work completed nor any compensation for losses undergone or to be undergone.2. That it is the result of artificial circumstances, which are bound to disappear along with the causes which gave rise to them.” [p. 381]
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[Source:] [719](#)

The artificial circumstances (or “perturbations” (disruptions) as he also called them) which cause a rent to be charged can be divided into two kinds, natural and artificial circumstances. Natural disruptions occur if there is a crop failure or a flood which reduce the supply of food. These are temporary disruptions which will be overcome by importing food from elsewhere until the local farmers can return to normal production. Artificial disruptions to the equilibrium of the market are the result of monopolies and privileges which some producers can get from the state which reduces the supply of food which gets to the market and thus raises its price for consumers. These disturbances can last for considerable time as the history of France's protectionist policies attested. They are a disruption because they prevent the market from reaching its equilibrium price which is the “natural price” which would exist if there were free and open competition. With his idea of artificial disruptions to equilibrium Molinari seems to come close to the 20th century idea of a “political rent” or “rent-seeking” developed by the Public Choice school of economics.

Molinari concludes that as competitive market forces begin to operate, the “rent” premium is gradually reduced until prices again approach their “natural” level:

<p>D'après ce qui vient d'être dit, on comprendra que le mot rente soit tout à fait impropre à signifier la part afférente aux agents naturels appropriés ou à la terre. On bien il faut se servir du mot rente uniquement pour signifier la part qui revient à la terre dans la production et le restreindre à cet usage, ou bien il faut employer un autre terme, profit foncier, fermage ou loyer, par exemple, pour exprimer la part de la terre, et réserver, comme j'ai eu soin de le faire, le mot rente pour exprimer la part supplémentaire ou la prime qui s'ajoute au prix naturel de tout agent productif en déficit relativement aux autres. Cette part supplémentaire ou cette prime est, ainsi que j'ai cherché à le démontrer, toujours un résultat de la rupture de</p>	<p>After what has just been said, one will understand why the word rent is the completely wrong word to use if one means the part (of the return) pertaining to the natural agents which have been appropriated or to the soil. Rather one should use the word rent only to mean that part which is the return due to land in production and to limit it to this usage, or it is necessary to use another term such as profit from the land, land rent, or loyer (rent) to express the part which comes from the land, and as I have taken care to do, keep the word rent to refer to the supplementary part or the premium which is added to the natural price of any productive agent which is relatively less than the others. This supplementary part or premium is, as I</p>
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l'équilibre économique, mais, toujours aussi, elle détermine le rétablissement de cet équilibre juste et nécessaire, en provoquant une augmentation de la quantité, partant de l'offre des agents productifs, auxquels elle se trouve attachée.

have sought to demonstrate, always a result of a rupture in the economic equilibrium, but it also always causes the re-establishment of this just and necessary equilibrium by provoking an increase in the quantity, beginning with the supply of productive agents to which is is connected.

[Source:] [720](#)

The relationship between the natural equilibrium of the free market and the disruptions caused by government intervention is a major theme in *Les Soirées* and is something which he pursued in much more detail in the *Cours d'économie politique* a few years later.

The Liberty of the Theatre and Liberty in the Theatre ↩

Molinari must have been a great fan of the theatre as he mentions it quite frequently in his writings. In addition to whatever aesthetic reasons he had for this he was also very keen to apply an economic analysis to the theatre's regulation and subsidy by the state. Music, art, theatre, and other forms of fine art were heavily regulated by the French state. They could be subsidized, granted a monopoly of performance, the number of venues and prices of tickets were regulated, and they were censored and often shut down for overstepping the bounds of political acceptability. This happened each time revolution broke out in France. As soon as censorship collapsed in the wake of an uprising the number of theatres proliferated and the subject matter naturally turned to political topics which had previously been outlawed. Molinari would have witnessed this first hand in Paris in the first half of 1848.

For example, the Comédie-Français (also known as the Théâtre-Français) was founded in 1680 by Louis XIV who also founded the Opéra de Paris in 1669. The privileges enjoyed by these two bodies were abolished during the Revolution (the law of 13 January 1791) and was replaced by what Molinari calls "la liberté des théâtres" which saw a proliferation of theatre companies in Paris. This experiment in freedom came to an end in 1806 when Napoleon reintroduced censorship and limited the number of theatre companies to 8. Another decree issued by Napoleon in 1812 (when he was busy marching on Moscow) created the charter which still governed the operation of the Comédie-Français when Molinari was writing.

In the 1848 budget the relatively small amount of fr. 2.6 million (out of a total budget of fr. 1.45 billion) was spent in the category of "Beaux-Arts" (within the Ministry of the Interior) which included art, historical monuments, ticket subsidies, payments to authors and composers, and subsidies to the royal theatres and the Conservatory of Music. [721](#) Additional statistics about theaters were published in the *JDE* from a government enquiry into theatres which was undertaken in 1849. [722](#) The article is unsigned but is probably by Molinari. It provides the following information: there were 21 theaters in Paris each of which was given an expiration date of their government privileges after which it had to be renewed; directors had to pay the state caution money in case they violated the censorship laws, with the Opéra and Théâtre-François both paying the considerable amount of 250,000 F; the annual total amount of

government subsidies in 1849 was 1,284,000 F; 57 theaters had gone bankrupt between 1806 and 1849, with 11 occurring since the start of the February 1848 Revolution; and the number of seats each theatre had (the Opéra seated 1,811 and the Théâtre-François seated 1,560).

Molinari followed the ups and downs of the theatre industry in a series of 3 articles for the JDE between May 1849 and May 1850 [723](#) so he was very well informed when he came to write the section on theatres in *Les Soirées*. This was summarized in a very angry and sarcastic article on “Théâtres” which he wrote for *DEP*, vol. 2, pp. 731-33 in which he denounced the censorship and regulation of the theatre industry as “tyrannical” and the regulators as “the most fanatical partisans of the principle of authority.” In a footnote of his in S8 Molinari also notes that the entertainments of the poor were taxed in order to subsidise those of the rich which offended both his sense of justice and his economic principles:

In the départements and in the Paris suburbs, on the other hand, the directors of plays levy a duty of a fifth of gross takings on the performances of circus entertainers, conjurers, etc. These pleasures of the poor man are taxed to the advantage of the rich man. There is what the (July) monarchy has done for us. [724](#)

We know that it was the habit of some of the economists to draw upon French literature in their attempts to popularize economics for the general reader. The most adept of them was Bastiat who constantly drew upon the poet Béranger, the playwright Molière, and the fabelist La Fontaine in his “economic sophisms.” The younger economist and gifted orator Fonteyraud was also renowned for doing this *ex tempore* in his public speeches at the Club de la liberté du travail. In the case of Molinari he seems less comfortable in doing this openly but he does make reference to some of Béranger’s poems and there are some hints at some political plays he might have seen while he was in Paris. For example, he does mention in *Les Soirées* the republican politician and playwright Edgar Quinet and the historical figure Spartacus which might provide some clues.

Edgar Quinet (1803-1875) was a republican politician, professor of languages, and playwright who was elected twice to the National Assembly during the 1848 Revolution. As a keen theatre goer Molinari might have seen his play “Prometheus” which was written in 1838 but may have been revived in 1848 because of its strong political implications. Quinet has Prometheus explain why he brought fire to mankind:

I blew on the cinders and made them feel the spirit: Obscure books, burning questions, Written during the night on the brow of nations, The enigma of death, the enigma of life, Liberty, the one idol which I sacrifice to, Who then, if it is not me, will bring these things from the heavens? [725](#)

Quinet also wrote a play called “Les Esclaves” (The Slaves) in 1853 in which Spartacus plays a major role and which Molinari might also have seen. Another play about Spartacus which might have been doing the rounds in early 1848 was by Bernard Joseph Saurin which premiered at the Comédie-Française in 1760 and was revived in 1818. Crassus offers his daughter Emilie in marriage to Spartacus in order to cement a possible peace treaty between them, which Spartacus rejects in the following words:

In order to be worthy of marrying her in Rome, I would have to renounce and not just sacrifice the liberty of the world for the interest of a man: I will not not buy my happiness at such a price. [726](#)

The interest in Spartacus at this time was not just verbal but also visual. A statue of “Spartacus breaking his chains” by the neoclassical sculptor Denis Foyatier (1793-1863) was erected in the Tuilleries

Gardens in 1831. Molinari might well have seen this in his travels around Paris.

Plays and statues about Spartacus who led a slave uprising against the Romans are relevant to what Molinari was attempting to do in *Les Soirées* as he himself must have sensed by choosing to mention Spartacus in the rousing finale to S12 where he states:

For long centuries, humanity groaned in the limbo of servitude. From one age to another, however, the somber clamor of distress and anger echoed in the hearts of the enslaved and exploited masses. The slaves rose up against their masters, demanding liberty.

Liberty! That was the cry of the captives of Egypt, the slaves of Spartacus, the peasants of the Middle Ages, and more recently of the bourgeoisie oppressed by the nobility and religious corporations, of the workers oppressed by masters and guilds. Liberty! That was the cry of all those who found their property confiscated by monopoly and privilege. Liberty! That was the burning aspiration of all those whose natural rights had been forcibly repressed. [727](#)

Ulcerous, Leprous, and Tax-Eating Government ↩

Molinari uses the word “plaie” (wound, sore, or plague) in *Les Soirées* to describe the government and its actions. He goes a step further in his article “Nation” in DEP [728](#) where he describes governments which overstep the boundaries of their proper sphere of activity as “ulcerous” and the economist as the surgeon who must cut out the dead or cancerous flesh from the social body in order to save its life. This marked a break in the thinking of the radical economists who had up until then more often described the state as a “plunderer” who took the property of the taxpayers against their will in order to transfer it to the privileged elites who controlled the state. By the end of the 1840s the vocabulary used by economists to describe the state’s actions was well established and centered around the concept of “spoliation” (plunder), the best known exponent of which was Bastiat in his *Economic Sophisms*. One might describe Bastiat’s view of the state as a “criminal theory of the state” and the colourful and varied language he used to describe its operations reflect this perspective: - rape, pillage, theft, and plunder.

The liberal theory of plunder was based upon the idea that to deprive a person of their justly acquired property, for whatever reason and by whatever person or institution, even (or especially) the state, was a violation of their natural rights and was therefore unjust and an act of theft. One can trace this tradition of thinking back to the writings of J.B. Say in the 1810s and that of Charles Comte and Charles Dunoyer in the 1810s and 1820s. When Bastiat published the second series of *Economic Sophisms* in January 1848 he more than any one else had developed this theory to the point where he was planning an entire book on “The History of Plunder” the outlines of which he announced in the Introductory chapters. Even though he had rejected Malthus’s population theory he willingly adapted it to explain the inevitable limits to the expansion in the power of the state along Malthusian lines. His “Malthusian Law of the State” asserted that a state would continue to grow as long as there were resources which have been created by the productive classes which it can plunder for its own benefit. When these surpluses are “over harvested” or if the producers resist their exploitation by fighting back, the state will be forced to

limit its growth or even cut back on its size, just like Malthus argued the size of populations are limited by the amount of food which is produced. [729](#)

Although Bastiat died before he could complete his treatise on economics, let alone his planned future book on plunder, his ideas were taken up by Ambroise Clément who wrote an article on “legal plunder” (that is organised plunder by the state as defined by Bastiat) for the JDE in July 1848. [730](#) Clément sketched out a historical taxonomy of legal plunder or “vols” (thefts) as he called it, which went from aristocratic theft, to monarchical theft, theft under the regulatory state (i.e. protectionism), industrial theft (i.e. subsidies and monopoly privileges to favoured industries), theft under philanthropic pretensions (i.e the incipient welfare state), and theft under the administrative state (i.e. the regulation of nearly all aspects of economic activity under the modern bureaucratic state). Unfortunately, none of his economist colleagues took up the challenge and this precocious initial effort went no further.

In *Les Soirées* Molinari seemed to have partly absorbed Bastiat’s criminal theory of the state and he uses the term “spoliation” (plunder) or its variants 19 times in the book. He gives a very concise summary of this perspective in the following passage:

<p>Mais cette usurpation abusive des forts sur la propriété des faibles a été successivement entamée. Dès l’origine des sociétés, une lutte incessante s’est établie entre les oppresseurs et les opprimés, les spoliateurs et les spoliés; dès l’origine des sociétés, l’humanité a tendu constamment vers l’affranchissement de la propriété. L’histoire est pleine de cette grande lutte! D’un côté, vous voyez les oppresseurs défendant les privilèges qu’ils se sont attribués sur la propriété d’autrui; de l’autre, les opprimés réclamant la suppression de ces privilèges iniques et odieux. [S1 pp. 36-7]</p>	<p>This quite unwarranted usurpation by the strong of the property of the weak, however, has been successively repeated. From the very beginnings of society an endless struggle has obtained between the oppressors and the oppressed, the plunderers and the plundered; from the very beginning of societies, the human race has constantly sought the emancipation of property. History abounds with this struggle. On the one hand you see the oppressors defending the privileges [p. 37] they have allotted themselves on the basis of the property of others; on the other we see the oppressed, demanding the abolition of these iniquitous and odious privileges.</p>
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[Source:] [731](#)

Alongside this criminal theory of the state Molinari was also developing what one might call a “pathological or medical theory of the state” as the evolution of his vocabulary between 1849 and 1857 suggests. In *Les Soirées* there are references to the state and its activities as “une plaie” (a wound or a plague). In S3 the Conservative admits that the administration is a “grande plaie” (great running sore) with which the Economist agrees, suggesting that the only cure was “de moins administrer” (to administer the economy less). [732](#) Other pathological descriptions of the state which followed soon after *Les Soirées* included the words “parasitical”, “ulcerous,” “leprous”, as well as the idea of the State as a voracious “eater” or “consumer” of taxes. The change in vocabulary suggests a change in perspective about what the state was and how it affected the economy. The Bastiat criminal theory of the state saw the state transferring the justly acquired resources of the producers to a privileged class of beneficiaries in an act of criminal behaviour. The pathological theory of the state which Molinari was developing saw the state as an intrusive and harmful entity which destroyed the healthy tissue of the economy and society which would die unless the pathogen could be stopped or eliminated. The pathogens Molinari had in mind included such things as a parasitic bureaucratic class; a military which killed people,

destroyed property, and disrupted trade; and a legislature which passed laws prohibiting or regulating productive economic activity.

The first statement of his idea that government was an ulcer on society comes in the article he wrote for the DEP on “Nation” in 1852 where he describes governments which overstep the boundaries of their proper sphere of activity as “ulcerous” and the economist as the surgeon who must cut out the cancerous flesh from the social body in order to save it. ⁷³³ He states that J.-B. Say was the first economist to come up with “this picturesque expression of ulcerous government (gouvernement-ulcère)” and he quotes other passages from the *Traité d’Économie politique* in this context but does not identify the actual passage where this phrase occurs. Here is Molinari’s description:

<p>Avec le sang-froid d'un chirurgien expert qui extirpe des chairs cancéreuses, J.-B. Say a fait avoir à quel point un gouvernement, qui ne se borne pas strictement à remplir ses fonctions naturelles, peut jeter le trouble, la corruption et la malaise dans toute l'économie du corps social, et il a déclaré qu'à ses yeux un gouvernement de cette espèce était un véritable ulcère.</p> <p>Cette expression pittoresque de gouvernement-ulcère, employée par l'illustre économiste pour désigner tout gouvernement qui intervient mal à propos dans le domaine de l'activité privée, les écrivains réglementaires et socialistes l'ont fréquemment reprochée à l'économie. [DEP, p. 261]</p>	<p>With the sang froid of the expert surgeon who cuts out the cancerous flesh, J.B. Say has shown us at what point a government which has not been strictly limited to fulfilling its natural functions can plunge the entire economy of the social body into trouble, corruption, and sickness, and he has stated that in his eyes this kind of government is a veritable ulcer.</p> <p>“Ulcerous government,” this colourful expression used by the illustrious economist to describe all governments which intervene inappropriately in the sphere of private activity, has been frequently blamed on the economy itself by socialist and pro-regulation authors.</p>
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[Source:] ⁷³⁴

Molinari was not the only economist to use the phrase “ulcerous government”. Michel Chevalier believed that the “théorie du gouvernement-ulcère” emerged as a reaction to the authoritarian policies of the restored monarchy after 1815. He thought that many members of the Chamber of Deputies responsible for the 1830 overthrow of the monarchy were adherents of this view of the corrupting effects of government. ⁷³⁵ On the other side of the political spectrum the socialist Alphonse Toussenel denounced the free market ideas coming out of England during the 1840s as dangerous because they viewed the state as a “government-ulcère” and that these negative views of the government were being taken up by the French economists to justifying their theories of laissez-faire. ⁷³⁶ He needed have worried because there was already a long tradition of thinking this way about the state in French liberal thought which went back to Say, Comte, and Dunoyer.

Another example comes from the *Cours d’économie politique* where he argues that it is the “anti-economic” nature of government which enables it to suck resources out of the productive part of the economy and destroy them for no apparent benefit. Another analogy he uses is that of a “la pompe aspirante des impôts et des emprunts” (the suction pump of taxes and debt) which pumps the “vital energy” out of an economy by means of taxes and debt. The only cure in his view to the ulcer which is

eating away at the economy's flesh is to drastically cut the functions of government and to make sure that what few functions it continued to perform were as cheap (à bon marché) and economically run as possible:

<p>C'est ainsi, par le fait de leur constitution antiéconomique, que les gouvernements sont devenus, suivant une expression énergique de J. B. Say, les <i>ulcères</i> des sociétés. A mesure que la population et la richesse augmentent, grâce au développement [531] progressif des industries de concurrence, une masse croissante de forces vives est soutirée à la société, au moyen de la pompe aspirante des impôts et des emprunts, pour subvenir aux frais de production des services publics ou, pour mieux dire, à l'entretien et à l'enrichissement facile de la classe particulière qui possède le monopole de la production de ces services. Non seulement, les gouvernements se font payer chaque jour plus cher les fonctions nécessaires qu'ils accaparent, mais encore ils se livrent, sur une échelle de plus en plus colossale, à des entreprises nuisibles, telles que les guerres, à une époque où la guerre, ayant cessé d'avoir sa raison d'être, est devenue le plus barbare et le plus odieux des anachronismes.</p>	<p>Thus, by the very fact of their anti-economic constitution, governments have become the <i>ulcers</i> of societies, to use the strong expression coined by J.B. Say. As population and wealth increase, thanks to the progressive development [531] of competitive industries, a growing mass of vital energy is sucked out of society by the suction pump which are taxes and debts, in order to subsidise the costs of production of public services, or to put it in a better way, to subsidise the support and easy enrichment of the particular class which controls the monopoly of the production of these services. Not only that, but governments every day make us pay more for the necessary functions which they have cornered. And furthermore, they engage in harmful enterprises on a more and more colossal scale such as wars, at a time when war has ceased to have any reason d'être and has become the most barbarous and odious of anachronisms.</p>
<p>A cet ulcère qui dévore les forces vives des sociétés, à mesure que le progrès les fait naître, quel est le remède?</p> <p>Si, comme nous avons essayé de le démontrer, le mal provient de la constitution antiéconomique des gouvernements, le remède consiste évidemment à conformer cette constitution aux principes essentiels qu'elle méconnaît, c'est à dire à la rendre <i>économique</i> .</p>	<p>As progress has given rise to the vital forces of society, what is the cure for this ulcer which devours them?</p> <p>If, as I have tried to demonstrate, the problem comes from the anti-economic constitution of governments, the cure obviously consists in making this constitution conform to the essential principles which it does not understand, namely to make it <i>economic</i> .</p>

[Source:] [737](#)

In Molinari's colourful anti-statist vocabulary he had two more additional phrases which he used to describe the behaviour of the state. One was another pathological term he used in 1902, this time of "la lèpre de l'Étatisme" (the leprosy of Statism) which destroyed the healthy flesh of the economy as "des classes gouvernementales et légiférantes" (the governing and legislating classes) spread the intervention of the state further into the economy:

<p>De même, tandis que le développement de l'esprit</p>	<p>Furthermore, while the development of the spirit</p>
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d'entreprise et d'association permettait d'abandonner désormais à l'initiative libre des individus les travaux et les services d'intérêt public, on a vu l'Etat impiéter chaque jour davantage sur le domaine de l'activité privée, et remplacer l'émulation féconde des industries de concurrence par l'onéreuse routine de ses monopoles. Moins l'intervention de l'Etat est devenue utile, plus s'est étendue la lèpre de l'Etatisme! Enfin, tandis que la multiplication et le perfectionnement merveilleux des moyens de transport, à l'usage des agents et des matériaux de la production, égalisaient partout les conditions d'existence de l'industrie, et, en mettant en communication constante les marchés de consommation auparavant isolés, enlevaient sa raison d'être originaire au régime de la protection, l'esprit de monopole des classes gouvernementales et légiférantes exhaussait et multipliait les barrières du protectionnisme.

of enterprise and free association henceforth allowed public works and services to be left to the free initiative of individuals, we have seen the state encroach more each day onto the domain of private activity and to replace the fruitful emulation (by the public sector) of industries which are competitively provided with the burdensome routine of monopolies. The less that State intervention became useful, the more the leprosy of Statism has spread! Finally, while the astonishing multiplication and improvements in the means of transportation of the factors and materials of production have made the situation of industry everywhere more equal, and as consumer markets which had previously been isolated have been put into constant communication with each other and have removed the original raison d'être of the protectionist regime, the spirit of monopoly of the governing and legislating classes raise and multiply protectionist barriers.

[Source:] [738](#)

Another colourful phrase was the idea that the state was turning into a carnivorous animal where the classes which benefited from government subsidies or government jobs in the bureaucracy had become “des mangeurs de taxes” (tax-eaters) who lived parasitically off the “des payeurs de taxes” (tax-payers). This was a perspective which he first developed in 1852 in his book about the 1848 Revolution and the rise of Louis Napoléon, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériels* (Revolutions and Despotism seen from the Perspective of Material Interests). [739](#) A few years later this had turned into the expression “la classe budgétivore” (the budget eating class) which he continued to use for the rest of the century as part of his class analysis of the modern French state in various articles in the JDE, culminating in his important pair of articles summing up the achievements of the 19th century and his pessimistic prognosis for the fate of liberty in the statist 20th century. [740](#)

Thirty years after writing *Les Soirées* Molinari moved back towards the Bastiat inspired criminal or plunder theory of the state which is what he used in his two long books on the historical sociology of the state which he published in in 1880 and 1884. But at the time he wrote *Les Soirées* he was torn between the two theories and was tending towards the pathological over the criminal in the immediate future.

Molinari and Bastiat on the Theory of Value [↩](#)

The Classical School economists tied themselves into knots trying to sort out the confusion over key concepts such as value, utility, price, and wealth which they had inherited from Adam Smith and David

Ricardo. ⁷⁴¹ According to the orthodox view, a commodity which was produced by labour had some element of that labour “embodied” within it which is what gave it value. Hence the name which this theory was given, the “labour theory of value”. J.B. Say sensed that there was a problem with this approach and that more things were bought and sold on the market than physical things which embodied some objective quantity of labour. His solution was to point out that “non-material” things (such as services in education, medicine, policing, and entertainment) were an important sector of the market and that these services were valued somewhat differently than commodities like grain or iron. ⁷⁴² Unfortunately he did not provide a full solution to the problem of value.

When Molinari was writing *Les Soirées* the problem had become acute because socialists (and soon the Marxists) had taken Ricardo's labour theory of value and made it the cornerstone of their critique of the justice of profit, interest, and rent, namely that manual workers were exploited because they did not receive the full “value” of their “labour”. From this they concluded that the state should step in to rectify the situation either by a policy of regulation and redistribution (in the case of the "parliamentary socialists") or the violent overthrow of the state and the erection of a "workers' state" (in the case of the revolutionary socialists).

A handful of Economists like Bastiat and Molinari on the other hand were trying to rework their theories during the 1840s and 1850s without complete success. It not be until the early 1870s when the theorists of the "subjectivist" or "marginalist" school of William Stanley Jevons, Carl Menger, and Léon Walras turned economic theory on its head and pushed it in an entirely different direction, at least as far as the theory of value and exchange was concerned. Menger was the founder of what later become known as the "Austrian School" of economics which included Eugen von Böhm-Bawerk, Ludwig von Mises, and Friedrich Hayek.

Bastiat went the furthest in the direction of the subjectivist theory of value. In the long chapter 5 “On Value” in the *Economic Harmonies* (1850) he put forward the idea that in a mutually agreed upon voluntary transaction the two parties involved exchanged one “service” for another, or as Bastiat put it “se rendre service pour service” (to give or offer one service for another). This idea became a cornerstone of his treatise on economics, the *Economic Harmonies* . The idea was innovative because it made the theory of exchange much more general and abstract than it had been under the classical school of Smith and Ricardo. Instead of there being an exchange of equal quantities of labor, utility, or value (or the physical goods which supposedly “embodied” them) only a more general “service” of some kind was exchanged. Under the notion of service Bastiat included not only the standard material “goods” like grain or wine, but also the “non-material” goods, like the services provided by doctors and teachers and opera singers, which had been part of J.B. Say’s theory. Bastiat took Say one step further by arguing that a capitalist who loaned money, or a land owner who rented land, or an entrepreneurial factory owner who made profits, all provided “services” for which they were justly rewarded by interest, rent, and profit respectively. For example, a banker provided the borrower with the money now when it was more urgently needed and not later, thus providing the borrower with a much needed service for which he was willing to pay. Molinari dismissed this formulation of Bastiat’s as merely playing with words. ⁷⁴³

Another innovative aspect of Bastiat’s theory of exchange was his idea that each party to the exchange made an “evaluation” of the costs and benefits to him or her personally and had the expectation that the exchange would be of overall benefit. As he stated in the *Economic Harmonies* , “les échanges de services sont déterminés et évalués par l’intérêt personnel” (exchanges of services are determined and evaluated according to (one’s) personal interest). The expected benefit was calculated by a process in which the things to be exchanged were “comparés, appréciés, évalués” (compared, appraised, and

evaluated).

<p>“le mot Valeur ... (fonder) sur les manifestations de notre activité, sur les efforts, sur les services réciproques qui s'échangent, parce qu'ils sont susceptibles d'être comparés, appréciés, évalués, parce qu'ils sont susceptibles d'être évalués précisément parce qu'ils s'échangent.” [p. 120 Pages]</p>	<p>the word Value ... is based on the expressions of our activity, our efforts and the mutual services that are exchanged, because it is possible to compare them, appreciate them and evaluate them and they are capable of evaluation precisely because they are exchanged.</p>
<p>“Il suit de là que la transaction se fait sur des bases avantageuses à l'une des parties contractantes, du consentement de l'autre. Voilà tout. En général, les échanges de services sont déterminés et évalués par l'intérêt personnel. Mais ils le sont quelquefois, grâce au ciel, par le principe sympathique.” p. 137]</p>	<p>It follows from this that the transaction is made on terms advantageous to one of the contracting parties, with the full consent of the other. That is all. In general, exchanges of services are determined and evaluated in the light of personal interest. However, thank God, sometimes this occurs in the light of the principle of fellow-feeling.</p>

[Source:] 1st quote [744](#) 2nd quote [745](#)

With this idea of personal evaluation of goods and services Bastiat was very close to an Austrian theory of subjective value. He did not go the entire way because he still believed that services would only be exchanged if they were equal or “equivalent” in some way. He explicitly rejected the theory developed by Condillac and Henri Storch that individuals valued the things they were exchanging differently and could thus both profit from an exchange (a “double benefit”). [746](#)

In his writings, Bastiat used a variety of expressions to convey the idea of the exchange of “service for service”. These included “la mutualité des services” (the mutual exchange of services), “les services réciproques” (reciprocal services), “service contre service” (service for service), “les services équivalent” (equivalent services), and “se rendre réciproquement service” (to offer or supply reciprocal services).

Bastiat's ideas on value were not well received by his colleagues in the Political Economy Society who discussed them at one of their meetings. They were not willing to listen to such a radical challenge to one of the main planks of the Smithian-Ricardian orthodoxy. Molinari was caught in the middle of this intellectual battle when he wrote *Les Soirées* but he seems to have taken some of Bastiat's ideas to heart. In the first edition of his treatise, the *Cours d'économie politique* (1855, 1863), he developed a new twist to the theory of value which was different to Bastiat's in many respects but similar in that it was an attempt to break out of the Smithian straight jacket. [747](#) In Molinari's view "value is composed of two quite distinct elements - utility and scarcity ("rareté")" (p. 84). In contrast to the Smithian tradition neither of these elements were fixed amounts but were "essentiellement diverse et variable" (in essence diverse and variable) (p. 86), thus making Molinari also an interesting precursor to the "subjectivist" revolution of the 1870s. Concerning utility, Molinari argued that each individual has a unique "hierarchy of needs and wants" (une échelle des besoins) (p. 85) based upon their different tastes ("goût") (p. 85) and the degree of urgency each feels in satisfying the need at different times and circumstances ("fluctuations") (p. 85). Concerning scarcity, that too is variable and diverse because, on the one hand, technological change and economic progress will steadily reduce scarcity, while on the other hand, any

natural or artificial increase in the difficulties of production will increase scarcity (by "artificial" Molinari means government intervention and regulation). Thus like Bastiat, on the issue of value Molinari moved away from focusing on any intrinsic quality of the object being traded to a more subjective and individualist approach where the fluctuating hierarchy of an individual's needs determines the value of a good or service being exchanged.

Endnotes [↩](#)

[1] See ES2 XI "The Utopian" (17 January, 1847 in *Libre-Échange*).

[2] Calculations are based upon the French language version of the book. The total number of words (minus Preface and footnotes) is 76,450. The Economist's share is 59,702 (78.1%); the Socialist's share is 9,330 (12.2%), and the Conservative's share is 7,418 (9.7%). The combined share of the Socialist and the Conservative is 16,748 (21.9%).

[3] Cours, vol. 2, pp. 758-59 Pages

[4] Gustave de Molinari, *La République tempérée*. (Paris: Garnier, 1873).

[5] Gustave de Molinari, *L'évolution politique et la Révolution* (Paris: C. Reinwald, 1884). See also a similar expression in Questions 1861 "douane politique"?? Source

[6] Molinari, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel*. (Brussels: Meline, 1852).

[7] Chapter IX. La Révolution française, pp. 270-350

[8] Gustave de Molinari, "De la production de la sécurité," JDE, T. 22, no. 95, 15 February 1849, pp. 277-90.

[9] [Unsigned], Compte-rendu par M. CH. C. [Coquelin], "Les Soirées de la rue Saint-Lazare, Entretiens sur les lois économiques et défense de la propriété, JDE, T. 24, N° 104, 15 novembre 1849, pp. 364-72.

[10] *Capitale et rente* (Paris: Guillaumin, 1849).

[11] A version was also published in JDE ???

[12] Bastiat continued the discussion on rent with a lengthy exchange with Proudhon on capital, interest, and rent which took place between late October 1849 and March 1850 and so were too late to have influenced Molinari when he was putting the finishing touches to *Les Soirées*. In his obituary of Bastiat Molinari was quite stern and critical of Bastiat's straying from the orthodox position on the question of rent. See *Gratuité du crédit. Discussion entre M. Fr. Bastiat et M. Proudhon* [Free Credit. A Discussion between M. Fr. Bastiat and M. Proudhon] (Paris: Guillaumin, 1850); Molinari, "Nécrologie. Frédéric Bastiat, notice sur sa vie et ses écrits," JDE, T. 28, N° 118. 15 février 1851, pp. 180-96.

- [543](#) Blanc's memos and decrees can be found in *Le droit au travail au Luxembourg et à l'Assemblée nationale avec une introduction par Émile de Girardin* (Paris: Michel Lévy, 1849). 2 vols.
- [544](#) Victor Considerant, *Droit de propriété et du droit au travail* (Paris: Librairie phalanstérienne, 1848); Louis Blanc, *Le Socialisme. Droit au travail, réponse à M. Thiers* (Paris: Lelong et Cie, 1848).
- [545](#) Bastiat, "Funestes illusions. Les citoyens font vivre l'État. L'État ne peut faire vivre les citoyens." (Disastrous Illusions. Citizens make the State thrive. The State cannot make the citizens thrive), JDE, T. 19, no. 70, March 1848, pp. 323-33.
- [546](#) Michel Chevalier, *Lettres sur l'Organisation du travail, ou études sur les principales causes de la misère et sur les moyens proposées pour y remédier* (Paris: Capelle, 1848); Léon Faucher, *Du droit au travail* (Paris: Guillaumin, 1848).
- [547](#) Michel Chevalier, *Question des travailleurs : l'amélioration du sort des ouvriers, les salaires, l'organisation du travail* (Paris: Hachette, 1848); Léon-Faucher, *Du système de M. Louis Blanc ou le travail, l'association et l'impôt* (Paris: Gerdès, 1848).
- [548](#) *Le droit au travail à l'Assemblée nationale. Recueil complet de tous les discours prononcés dans cette mémorable discussion par MM. Fresneau, Hubert Delisle, Cazalès, Gauthier de Rumilly, Pelletier, A. de Tocqueville, Ledru-Rolin, Duvergier de Hauranne, Crémieux, M. Barthe, Gaslonde, de Luppé, Arnaud (de l'Ariège), Thiers, Considerant, Bouhier de l'Ecluse, Martin-Bernard, Billault, Dufaure, Goudchaux, et Lagrange (texts revue par les orateurs), suivis de l'opinion de MM. Marrast, Proudhon, Louis Blanc, Ed. Laboulaye et Cormenin; avec des observations inédites par MM. Léon Faucher, Wolowski, Fréd. Bastiat, de Parieu, et une introduction et des notes par M. Joseph Garnier* (Paris : Guillaumin, 1848).
- [549](#) [Molinari], "Le Rêveur" (The Dreamer), "L'Utopie de la liberté. Lettres aux socialistes" (The Utopia of Liberty: Letters to the Socialists), JDE, T. 20, N° 82, 15 juin 1848, pp. 328-32.
- [550](#) The catalog was included with the booklet version of Bastiat's pamphlets *Propriété et loi. Justice et fraternité. Extrait du Journal des Économistes, Nos. du 15 mMai et 15 Juin 1848* (Paris: Guillaumin, 1848), pp. 73-76.
- [551](#) Adolphe Thiers, *Discours prononcé à l'Assemblée Nationale sur le droit au travail* (Paris: Lévy, 1848); Adolphe Thiers, *De la propriétés* (Paris: Paulin, Lheureux et Cie, 1848) - the Mimerel Committee edition.
- [552](#) Louis Blanc, *Le Socialisme. Droit au travail, réponse à M. Thiers* (Paris: Lelong et Cie, 1848).
- [553](#) Molinari, "M. Proudhon et M. Thiers," JDE, T. 21, N° 86, 15 août 1848, pp. 57-73.
- [554](#) Adolphe Thiers, *De la propriétés* (Paris: Paulin, Lheureux et Cie, 1848). Reprinted: *De la propriété*, par M. Thiers. Paris, Paulin, 1849, 1 vol. in-8. Réimprimé en partie, en 2 petits vol. in-16, dans la collection des *Petits traités* publiés par l'Académie da sciences morales et politiques.
- [555](#) Chevalier, *L'économie politique et le socialisme. Discours prononcé au Collège de France, le 28 février 1849, pour la réouverture du Cours d'économie politique* (Paris: Capelle, 1849).

[556](#) Antoine-Elisée Cherbuliez, *Le socialisme, c'est la barbarie. Examen des questions sociales qu'a soulevées la Révolution du 24 février 1848. Deuxième édition augmentée* (Paris: Guillaumin, 1848); *Simple notions de l'ordre social à l'usage de tout le monde* (Paris: Guillaumin, 1848).

[557](#) Cherbuliez, *Le potage à la tortue, entretiens populaires sur les questions sociale* (Paris Cherbuliez and Guillaumin, 1849).

[558](#) [CR "G.M." - GdM], "Le socialisme, c'est la barbarie. — Simple notions de l'ordre social à l'usage de tout le monde. — Le potage à la tortue, entretiens populaires sur les questions sociales, par A.-E. CHERBULIEZ, ancien professeur d'économie politique et de droit public," JDE, T. 22, N° 96, 15 mars 1849, pp. 443-44.

[559](#) Harriet Martineau, *Contes de Miss Harriet Martineau sur l'économie politique*, trans. Barthélémy Maurice (Paris: G. Vervloet, 1834).

[560](#) Molinari, [CR] "Contes sur l'économie politique, par miss Harriet Martineau," JDE, N° 97. 15 avril 1849, pp. 77-82.

[561](#) ["M." = Molinari?"] "Introduction à la huitième année," JDE, T. 22, No. 93, 15 dec. 1849, pp. 1-6.

[562](#) Charles Dunoyer, *La Révolution du 24 février* (Paris: Guillaumin, 1849).

[563](#) [Unsigned but probably Molinari], CR "La Révolution de 1848, par M. Dunoyer", JDE, T. 24, N° 101, 15 août 1849, p. 112-14.

[564](#) Gustave de Molinari, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel; précédé d'une lettre à M. le Comte J. Arrivabene, sur les dangers de la situation présente*, par M. G. de Molinari, professeur d'économie politique (Brussels: Meline, Cans et Cie, 1852).

[565](#) Alcide Fonteyraud, [CR], "Le droit au travail à l'Assemblée nationale, collection de tous les discours et de divers autres écrits, avec une introduction par M. Jos. Garnier," JDE, T. 22, n° 95, 15 février 1849, pp. 333-38.

[566](#) The *Conversations familières* first appeared in the JDE in November 1854 and April 1855 before being published in book form. Molinari, "Le commerce des grains. Dialogue entre un émeutier, un économistes, un prohibitioniste, etc.," JDE, S.2, T. 4, no. 11, 15 novembre 1854, pp. 186-204; Molinari, "Conversations familières sur le commerce des grains. — La Prohibition à la sortie," JDE, S. 2, T. 6, no. 4, 15 avril 1855, pp. 52-64. *Conversations familières sur le commerce des grains. La Prohibition à la sortie*, par M. G. de Molinari, 52-64. These were collected and published as a book: Gustave de Molinari, *Conservations familières sur le commerce des grains* (1855).

[567](#) *Conversations sur le commerce des grains et la protection de l'agriculture* (1886).

[568](#) *Conversations sur le commerce des grains*, p. v.

[569](#) Molinari may have been the first person to write a comprehensive one volume survey of the classical liberal world view which encompassed political and economic theory, history, as well as specific proposals to reform society in a liberal direction. Other works which might be included in this category

are Wilhelm von Humboldt's *Ideen zu einem Versuch, die Grenzen der Wirksamkeit des Staats zu bestimmen* (Ideas in an Attempt to determine the Limits of the Activity of the State) which appeared in part in 1792 but a complete German edition was not published until 1851. A French translation appeared in 1867. Herbert Spencer's *Social Statics: or, The Conditions essential to Happiness specified, and the First of them Developed* (1851) (no French translation was ever made). And John Stuart Mill's *On Liberty* (1859) a French translation of which appeared the following year by Guillaumin, John Stuart Mill, *La liberté. Traduit et augmenté d'une Introduction par Dupont-White* (Paris: Guillaumin, 1860).

[570](#) p. 214.

[571](#) *Conversations familières* (1855), p. 215.

[572](#) Molinari, *Conversations sur le commerce des grains et la protection de l'agriculture* (Nouvelle édition) (Paris: Guillaumin, 1886). Conclusion, pp. 302-310.

[573](#) The first tunnel under the Swiss Alps was the railway tunnel of Saint-Gothard. It was 15 km in length and was opened to traffic in June 1882. Construction began in 1872 and saw the use of new technology such as pneumatic drills and dynamite. The engineer for the project Louis Favre died in the tunnel in 1879 from an aneurism brought on by stress and 307 workers lost their lives a result of accidents and the working conditions. The engineers had underestimated the difficulty of the project. The amount of water which came out of the rock face and the hardness of the granite made it possible to only make progress of 7-9 metres per day.

[574](#) See also the glossary entry on "Utopias".

[575](#) Molinari], "L'utopie de la liberté (lettre aux socialistes) par un Rêveur," *JDE*, T. 20, N° 82, 15 juin 1848, p. 328-32.

[576](#) *Esquisse de l'organisation politique et économique de la société future* (1899), p. 237.

[577](#) S11, p. ???

[578](#) S12, p. ???

[579](#) Coquelin's review in *JDE*, T. 24, no. 104, November 1849, pp. 364-72, and the minutes of the meeting of the October meeting of the Société d'Économie Politique in *JDE*, T. 24, no. 103, October 1849, pp. 314-316. Dunoyer's comment is on p. 316.

[580](#) Molinari, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel* (October 1852), p. 151.

[581](#) Bastiat, "The Utopian" in *Economic Sophisms. Series II*, chap. XI (17 January, 1847), *Collected Works*, vol. 3 (forthcoming).

[582](#) See also "The Production of Security I," "Malthusianism and the Political Economy of the Family," and "Religion" in "Further Aspects of Molinari's Life and Thought."

[583](#) For the state of opinion when Molinari was working on this see Joseph Garnier, "Entrepreneurs

d'industrie,” *DEP* , vol. 1, pp. 707-8.

[584](#) Richard Cantillon, *Essai sur la Nature du Commerce en General* , ed. Henry Higgs (1959).

[585](#) Dunoyer, *LdT*, vol. 2, p. 47.

[586](#) S1 pp. 46-47 eng

[587](#) See the glossary entry on “Prostitution.”

[588](#) PdS, pp. 289-90.

[589](#) *Cours* , “Douzième leçon. Les consommations publiques,” vol. 2, pp. 480-534.

[590](#) *Cours* , vol. 1, pp. 409-10.

[591](#) *Cours* , vol. 2, p. 532.

[592](#) S3, p. 99 Pages.

[593](#) *Cours* , vol. 2, pp. 520-26.

[594](#) See “Livrets d’ouvriers” by “C.S.” in *DEP* , vol. 2, pp. 83-84.

[595](#) See, “The “Chapelier” Law. 14 June, 1791” in Stewart, *A Documentary Survey of the French Revolution* , pp. 165-66. In French: *Collection complète des lois, décrets ordonnances, réglemens* (1824), vol. 3, pp. 25-26.

[596](#) A.J. Rogron, *Code pénal expliqué* (1838), pp. 108-9.

[597](#) “Des Moyens d’améliorer le sort des classes laborieuses” (Means of improving the condition of the working classes) in the journal *La Nation* , 23rd July, 1843. Then later as the pamphlet *Des Moyens d’améliorer le sort des classes laborieuses* (février 1844, éditions Amyot).

[598](#) See, Bastiat, “Coalitions industrielles” (The Repression of Industrial Unions) in *Oeuvres complètes* , vol. 5, p. 494. Also in Bastiat, *Collected Works* , vol. 2, pp. 348-61.

[599](#) A. E. Cherbuliez, “Coalitions” in *DEP* , vol. 1, p. 382.

[600](#) *Questions économiques à l'ordre du jour* (1906), pp. 63-4.

[601](#) The address “Aux Ouvriers” was published in the *Courrier français* on 20 July 1846 and reprinted in *Questions d'économie politique* , vol. I (1861), pp. 183-94.

[602](#) See below for a discussion of Victor Cousin’s theory of property and “le moi” (the Me) which Molinari later found very appealing.

[603](#) “Aux Ouvriers” p. 129.

⁶⁰⁴ Appel aux ouvriers” 20 juillet, 1846, *Le Courrier français*, reprinted in *Les bourses du travail* (1893), p. 126-37. Quote, p. 126.

⁶⁰⁵ Molinari, “Les Coalitions des ouvriers” originally published in the *Bourse du travail* , 14 March, 1857 and reprinted in *Questions d'économie politique* , vol. I (1861), pp. 199-205. Quote on p. 201.

⁶⁰⁶ See the extracts from two early essays from 1843 and 1846 which Molinari includes as an Appendix to S6 in this volume. He summarizes his work in another appendix called "Historique de l'idée des Bourses du Travail” in *Les Bourses du Travail* (1893), pp. 256-77.

⁶⁰⁷ Raymund de Waha, *Die Nationalökonomie in Frankreich* (1910).“Die Gruppe der Unentwegten”, pp. 72-96.

⁶⁰⁸ See the Glossary entry on “Malthus.

⁶⁰⁹ Thomas Robert Malthus, *An Essay on the Principle of Population* (1798). 1st edition. <
http://oll.libertyfund.org/titles/malthus-an-essay-on-the-principle-of-population-1798-1st-ed#Malthus_0195_24>.

⁶¹⁰ The passage comes from Book IV, Chapter VI “Effects of the Knowledge of the Principal Cause of Poverty On Civil Liberty” in Thomas Robert Malthus, *An essay on the principle of population* (1803, 2nd revised ed.), p. 531.

⁶¹¹ Malthus, *Du Principe de population*, ed. Joseph Garnier (1857).

⁶¹² Malthus' *Principle of Population* (1885), *Du principe de population (2e éd. augm. de nouvelles notes contenant les faits statistiques les plus récents et les débats relatifs à la question de la population)*, précédé d'une introduction et d'une notice, par M. G. de Molinari (1885).

⁶¹³ See the glossary entry on “Moral Restraint”.

⁶¹⁴ Bastiat, “De la population” *JDE* , T. 15, no. 59, October 1846, pp. 217-34.

⁶¹⁵ *Economic Harmonies* , (FEE ed.), p. 426.

⁶¹⁶ See, Bastiat's Chapter 16 on Population in the 1851 edition of *Economic Harmonies* and the editor Roger de Fontenay’s Addendum, pp. 454-64. FEE trans., pp. 431 ff.

⁶¹⁷ See Dunoyer’s Report on the 1st edition of Molinari's *Cours d'ec. pol .* (1855) to the Academy reprinted in the 2nd ed. of 1863, Appendix, pp. 461-74.

⁶¹⁸ Molinari, *Cours d'économie politique* (1855, 1863). Vol. 1. La Production et la distribution des richesses. 15th and 16th Leçon. Théorie de la population. 15th Leçon, pp. 391-418; 16th Leçon, pp. 419-60.

⁶¹⁹ Molinari edited two books on and by Malthus in the 1880s: the second edition of Garnier's epitome of Malthus' *Principle of Population* (1885), *Du principe de population (2e éd. augm. de nouvelles notes contenant les faits statistiques les plus récents et les débats relatifs à la question de la population)*,

précédé d'une introduction et d'une notice, par M. G. de Molinari (1885), and Malthus: Essai sur le principe de population, ed. G. de Molinari (1889).

620 *Cours*, vol. 1, pp. 411-12.

621 *Cours*, vol. 1, p. 439.

622 See, J. Garnier, "Population," *DEP*, vol. 2, pp. 382-402.

623 Patricia James, *Population Malthus* (1979), pp. 386-87.

624 Mill, *On Liberty* (1859), chap. 5 < <http://oll.libertyfund.org/title/233/16560/799862> >.

625 *L'Économiste belge*, *Supplément* to the edition of 20 November, 1856, p. 5.

626 See, the "Beacon for Freedom of Expression" database of banned books and the entry for the DEP << http://search.beaconforfreedom.org/search/censored_publications/publication.html?id=9709582 >.

627 *Cours*, vol. 1, pp. 459-60.

628 See, *Physiocrates: Quesnay, Dupont de Nemours, Mercier de la Rivière, l'abbé Baudeau, Le Trosne, avec une introduction sur la doctrine des Physiocrates, des commentaires et des notices historiques*, par Eugène Daire, 2 vols. (Paris: Guillaumin, 1846). Volume 2 of *Collection des principaux économistes*. Quesnay, "Le droit naturel", chap. III. "De l'inégalité du droit naturel des hommes," Vol. 1, p.46. Originally published in the *Journal d'agriculture*, September 1765.

629 Joseph Garnier, *Éléments de l'économie politique* (1846).

630 Quesnay, "Maximes générales du gouvernement économique d'un royaume agricole" Vol. 1, pp. 79-104; quote from p. 81. In *Collection des principaux économistes*, T. II. *Physiocrates. Quesnay, Dupont de Nemours, Mercier de la Rivière, l'Abbé Baudeau, Le Trosne* (1846). 2 vols.

631 Gustave de Molinari, *Les Lois naturelles de l'économie politique* (1887), Première partie: Les lois naturelles, pp. 1-31; *La Morale économique* (1888), Livre I chap. IV "Les lois naturelles qui régissent les phénomènes économiques de la production, de la distribution et de la consommation," pp. 10-19; *Notions fondamentales économie politique et programme économique*. (1891), Introduction Section I, pp. 2-11; Section I, chap. 1 "Les lois naturelles," pp. 55-70; *Esquisse de l'organisation politique et économique de la Société future* (1899), Introduction-Les lois naturelles, pp. i-xxvii.

632 p. 12.???

633 p. 14.

634 p. 28.

635 p. 9.

636 Molinari also called this "la loi du laissez-faire" (the law of laissez-faire) in "L'Utopie de la liberté",

JDE , T. 20, No. 82, June 1848, p. 331.

[637](#) p. 353.???

[638](#) This very Hayekian notion of prices acting as a means of communicating information to consumers and producers can be found in “Septième leçon. L'équilibre de la production et de la consommation,” *Cours d'économie politique* (1855 ed.), vol. 1, pp. 144-65.

[639](#) Joseph Garnier, *Éléments de l'économie politique* (1846), pp. 63-64.

[640](#) See the glossary entry on “Malthusianism and the Political Economy of the Family.” ???

[641](#) Gustave de Molinari, "De la production de la sécurité," in *JDE*, T. 22, no. 95, 15 February, 1849), pp. 277-90.

[642](#) Murray N. Rothbard, *Man, Economy, and State: A Treatise on Economic Principles, with Power and Market: Government and the Economy. Second edition. Scholar's Edition* (Auburn, Alabama: Ludwig von Mises Institute, 2009).

[643](#) Gustave de Molinari, *The Production of Security*, trans. J. Huston McCulloch, Occasional Papers Series #2 (Richard M. Ebeling, Editor), New York: The Center for Libertarian Studies, May 1977.

[644](#) See “Bastiat’s and Molinari’s New Theories of Rent” in “Further Aspects of Molinari’s Life and Thought.”

[645](#) “De la Production de la sécurité,” Section VI, p. 283.

[646](#) “Le droit électoral” *Courrier français* , 23 juillet 1846. Reprinted in *Questions d'économie politique et de droit public* (1861), vol. 2, pp. 271-73.

[647](#) “Le droit électoral”, p. 271.

[648](#) “Le droit électoral”, p. 272.

[649](#) “Le droit électoral”, p. 272.

[650](#) “Le droit électoral,” p. 273.

[651](#) These ideas have some similarity to the constitutional proposals Molinari put forward in 1873 when the new constitution for the Third Republic was being discussed. Here Molinari proposed 2 chambers, an upper house elected by the largest tax payers, and a lower chamber elected by universal suffrage, with an executive with very limited powers elected by both chambers. See *La République tempérée* (1873).

[652](#) Molinari, review of Thiers' "De la propriété", *JDE*, T. 22, N° 94, 15 janvier 1849, p. 162-77.

[653](#) Molinari, CR Thiers, p. 171.

[654](#) *Cours* , Douzième leçon, “Les consommations publiques,” pp. 480-534.

655 S11, p. ???

656 PdS, p. 290.

657 No doubt he had in mind something like the “Association pour la liberté des échanges” (the French Free Trade Association) which might have been called “Association pour la liberté de gouvernement” (the Association for Freedom of Government). See the second last paragraph on p. 290 where this idea is expressed.

658 “De la production de la sécurité”, Section 6, p. 284.

659 “De la production de la sécurité”, Section 6, p. 287. Adam Smith, *Wealth of Nations*, [V.i.b] part ii: Of the Expence of Justice. Online: Adam Smith, *Wealth of Nations* (Cannan ed.) <
http://oll.libertyfund.org/titles/119#Smith_0206-02_510>.

660 PdS, p. 288.

661 S11, p. 274.

662 The phrase “un gouvernement à bon marché” (a cheap or bargain priced government) was later adopted by Molinari to describe the kind of government he wanted to see. The phrase is used in S11, p. 258 and dozens of times in *Cours d'économie politique* (1855, 1863) in relation to government services.

663 S11, p. 274-75.

664 Joseph Garnier, introductory footnote to Molinari's essay "De la production de la sécurité," JDE, T. 22, no. 95, 15 February 1849, p. 277.

665 *Les Soirées* was discussed by the Political Economy Society at its “Séance du 10 octobre 1849.” A report was published in *JDE*, T. 24, No. 103, 15 october 1849, “Chronique,” pp. 315-16. This was followed in November by a critical review by Coquelin in the *JDE*.

666 Charles Coquelin reviewed *Les Soirées* in November 1849. See, [Unsigned], *Compte-rendu par M. CH. C. [Coquelin], “Les Soirées de la rue Saint-Lazare, Entretiens sur les lois économiques et défense de la propriété,* *JDE*, T. 24, N° 104, 15 novembre 1849, pp. 364-72.

667 *Cours*, vol. 2, Quatrième partie: De la consommation. Onzième leçon, “Le revenu. La consommation utile et la consommation nuisible,” pp. 427-79; Douzième leçon, “Les consommations publiques,” pp. 480-534.

668 *Cours*, vol. 2, p. 521.

669 Douglass C. North and Robert Paul Thomas, *The Rise of the Western World: A New Economic History* (1973).

670 *Cours*, vol. 1, p. 192..

671 *Cours*, vol. 2, p. 524.

672 *Cours* , vol. 2, p. 524.

673 *Cours* , vol. 2, pp. 524-25. This is a summary of the main points given as headings in the text.

674 Gustave de Molinari, *Comment se résoudra la question sociale* (Paris: Guillaumin, 1896), “La Révolution silencieuse,” p. 338.

675 *Evolution politique* , Chap. X “Les Gouvernements de l’avenir,” p. 363.

676 *Evolution politique* , Chap. X “Les Gouvernements de l’avenir,” pp. 376-77.

677 Bastiat uses the phrase “la grande fabrique de lois” in WSWNS, VII “Restrictions” [p. 3187 French]. If Molinari thought of the production of law as he did other monopolised industries which he wished to see deregulated he might have described the industry as “la production de la loi” (the production of laws) with “entrepreneurs du tribunal” (entrepreneurs in the court business) who enjoyed “la liberté du tribunal” (the liberty of courts, or free courts).

678 Roger Passeron, *Daumier* (1981). p. 66.

679 *Cours* , vol. 2, p. 502.

680 *Évolution politique* , Chap. VIII. “Évolution et révolution.” pp. 239-40.

681 Molinari used a similar rhetorical device to disarm criticism in “De la production de la sécurité” at the beginning of Section X before he began arguing his main point. He asked his readers "Qu'on nous permette maintenant de formuler une simple hypothèse" (Please permit me now to put forward a simple hypothesis), PdS, Section X, p. 287.

682 *Cours* , vol. 2, pp. 510-14.

683 *Cours* , pp. 514-15.

684 “Où est l’Utopie?” *Questions économiques* (1906), pp.377-80

href="#footnote-ref685">⁶⁸⁵ Adam Smith, *Wealth of Nations* (Cannan ed.) (1904). Vol. 1, Book IV, Chap. II: Of Restraints upon the Importation from foreign Countries of such goods as can be produced at home < http://oll.libertyfund.org/titles/237#Smith_0206-01_1149 >.

686 Molinari, *Cours d'économie politique* (1855, 2nd ed. 1863), .Part I, Quatrième leçon. “La valeur et la propriété,” pp. 107-31. Molinari, *La Morale économique* (1888). Livre II. La matière de la morale. Le droit. Chap. I. “Définition du droit. Liberté et la propriété,” p. 33 (and following chaps). Molinari, *Notions fondamentales économie politique et programme économique*. (1891), I. Lois et phénomène économiques. Chap XI. La propriété et la liberté. Accord de l’économie politique avec la morale,” pp. 232-46.

687 Victor Cousin (1792-1867) was a philosopher who taught very popular courses at the École normale and then later at the Sorbonne. He was influenced by the Scottish Common Sense school of realism and by John Locke. Cousin wrote many books including *Du vrai, du beau et du bien* (1836), *Cours d'histoire*

de la philosophie morale au XVIIIe siècle , 5 vols. (1840-41). He also developed a theory of the self which had some influence among the political economists, on which see *Justice et Charité* (1848). See the glossary on “Cousin.”

[688](#) Louis Leclerc (1799-?) was a founding member of the Free Trade Association, a member of the Société d'Économie Politique, an editor of the *Journal des Économistes* and the *Journal d'agriculture* , the director of an independent private school called “l'école néopédique” between 1836 and 1848, secretary of the Chamber of Commerce of Paris, and a member of the jury at the London Trade Exhibition in 1851. Leclerc had a special interest in agricultural economics (wine and silk production) on which he wrote many articles for the *Journal des Économistes* .

[689](#) Louis Leclerc, “Simple observation sur le droit de propriété,” *Journal des Économistes* , T. 21, no. 90, 15 October 1848, pp. 304-305.

[690](#) Leclerc, p. 304.

[691](#) Molinari, CR Thiers, JDE, January 1849, pp. 166-67.

[692](#) Faucher, “Propriété,” DEP, vol. 2, pp. 460-73.

[693](#) Wolowski and Levasseur, “Propriété’ , *Dictionnaire générale de la politique par Maurice Block* (1863-64), vol. 2, pp. 682-93. For an English translation see “Louis Wolowski and Émile Levasseur on “Property” (1863)” in *French Liberalism in the 19th Century: An Anthology* , ed. Robert Leroux and David M. Hart (2012), pp. 243-54.

[694](#) *Cours d'ec. pol* , 1863 ed. vol. 1, 4e Leçon "La valeur et la propriété"

[695](#) Cours, vol. 1, pp. 121-22.

[696](#) Dunoyer, LdT, vol. 1, p. 17.

[697](#) Dunoyer, LdT, vol. 1, p. 17.

[698](#) LdT, vol. 1, p. 24.

[699](#) S1, p. 129.

[700](#) "Introduction" to *Questions d'économie politique* , vol. 1 (1861), pp. vi-vii.

[701](#) Joseph Garnier, “Liberté du travail”, DEP, vol. 2, pp. 63-66.

[702](#) p. 252.???

[703](#) p. 254.

[704](#) p. 299.

[705](#) p. 295.

706 See note 305, p. ??? in S10).

707 See “Malthusianism and the Political Economy of the Family” in “Further Aspects of Molinari’s Life and Work”.

708 Gustave de Molinari, *Cours d’Economie Politique* (Paris: Guillaumin, 1863). 2 vols. 2nd revised edition. Vol. 1. "Introduction". <http://oll.libertyfund.org/titles/818#Molinari_0253-01_54>.

709 See, Frédéric Bastiat, *Economic Sophisms* 1996). Second Series, Chapter 1: The Physiology of Plunder. <http://oll.libertyfund.org/titles/276#lf0182_head_056>. Or, Bastiat’s *Collected Works* (Liberty Fund), pp. ??? forthcoming.]

710 Molinari, “La liberté de l’intervention gouvernementale en matière des cultes. - Système français et système américain” which was first published in *Économiste belge* , 1 June 1857 and reprinted in *Questions d’économie politique et de droit public* (1861), vol. 1 pp. 351-6.

711 A.-E. Cherbuliez, “Cultes religieuse,” *DEP*, vol. 1, pp. 534-39. Quote on p. 536 and 538.

712 Molinari, "Les Églises libres dans l'État libre," *Économiste belge* , 14 décembre 1867, no. 25, pp. 289-90.

713 See, Molinari, *Religion* (1892) which was translated into English by Walter K. Firminger in 1894) Two years later he wrote another on *Science et religion* (1894).

714 Ricardo, *Oeuvres complètes de David Ricardo, traduites en français par Constancio et Alc. Fonteyraud; augmentées des notes de Jean-Baptiste Say, et de nouvelles notes et de commentaires par Malthus, Sismondi, Rossi, Blanqui etc., et précédées d'une notice biographique sur la vie et les travaux de l'auteur par Alcide Fonteyraud* (Paris: Guillaumin, 1847).

715 See, David Ricardo, *The Works and Correspondence of David Ricardo* , ed. Piero Sraffa (005). Vol. 1 *Principles of Political Economy and Taxation*. Chapter II: On Rent <http://oll.libertyfund.org/titles/ricardo-the-works-and-correspondence-vol-1-principles-of-political-economy-and-taxation#lf0687-01_label_404>.

716 “Le capital” (Capital), in *Almanach Républicain pour 1849* (Paris: Pagnerre, 1849). [OC7.64, pp. 248-55.] [CW4]; *Capitale et rente* (Paris: Guillaumin, 1849) [OC5.3, p. 23-63] [CW4] ; and *Gratuité du crédit. Discussion entre M. Fr. Bastiat et M. Proudhon* (Free Credit. A Discussion between M. Fr. Bastiat and M. Proudhon) (Paris: Guillaumin, 1850). [G5] [CW4].

717 New LF trans: *Economic Harmonies* , Chap. IX “Landed Property,” pp. 260-61. FEE ed.: p. 261. French ed. (1851): Chap. IX “Propriété foncière,” p. 271.

718 Molinari, [CR] "De la propriété, par M. Thiers," *JDE*, T.22. N° 94. 15 janvier 1849, pp. 162-77.; Molinari, "Lettre sur le prêt à intérêt," *JDE*, T. 23, N° 99. 15 juin 1849, pp. 231-41.

719 S12, p. 339 original, 378 Pages english.

720 *Cours d’économie politique* (1st ed. 1855, revised 2nd ed. 1863). In vol. 1 there is a discussion of

land and rent [Treizième leçon. La part de la terre,] pp. 338-61 and Quatorzième leçon. La part de la terre (suite), pp. 362-90. Quote from pp. 373-74.

721 See, "Documents extraits de l'enquête sur les théâtres" , *JDE* July 1850, T. XXVI, pp. 409-12; and the Appendix on French Government Finances 1848-49.

722 *Enquête et documents officiels sur les théâtres. Conseil d'Etat. Commission chargée de préparer la loi sur les théâtres* (Impr. nationale, 1849).

723 "L'industrie des théâtres, à props de la crises actuelle," *JDE* , 15 Mai 1849, T. XXIV, pp. 12-29; "La liberté des théâtres, à props de deux nouveaux projets de lois soumis au Conseil d'État," 15 Nov. 1849, pp. 342-51; "L'enquête sue les théâtres," 15 Mai 1850, T. XXVI, pp. 130-44.

724 p. ???

725 See, Edgar Quinet, *Œuvres complètes* (1857), vol. 8, p. 112.

726 See, Bernard Joseph Saurin, *Spartacus. Les moeurs du temps. Blanche et Guiscard. Béverlei: accompagnées de commentaires anciens et de nouvelles remarques, de notices sur les auteurs, et d'examens des pièces. Collection de pièces de théâtre* (Paris: L. Tenré, 1830), pp. 35-136. Quote from p. 107.

727 p. ???

728 Molinari, "Nation," DEP, vol. 2, pp. 259-62.

729 Bastiat, *Economic Sophisms* (FEE ed.), ES2, FEE ed., Chapter 1

The Physiology of Plunder, pp. 139-41. Online: < http://oll.libertyfund.org/titles/276#Bastiat_0182_723 >.

730 Ambroise Clément, "De la spoliation légale," *JDE*, 1e juillet 1848, Tome 20, no. 83, pp. 363-74.

731 S1, p.36.

732 S3 p.??? last page.

733 "Nation," *JDE*, vol. 2, pp. 259-62. Quote is from p. 261.

734 "Nation," *JDE*, vol. 2, pp. 259-62. Quote is from p. 261.

735 Michel Chevalier, *Lettres sue l'Amérique du nord* (1836), vol. 2, Chap. XXIX "Amélioration social", pp. 296-97.

736 Alphonse Toussenel, *Les Juifs, rois de l'époque : histoire de la féodalité financière* (1845), pp. 26ff.

737 *Cours* , vol. 2, Douzième leçon. "Les consommations publiques" (Pubic Consumption), pp., 530-31.

738 Molinari, "XXe Siècle", *JDE*, January 1902, p. 6.

[739](#) Molinari, *Les Révolutions et le despotisme envisagés au point de vue des intérêts matériel* . (1852), pp. 134-35.

[740](#) The idea of “la classe budgétivore” (the budget eating class) first appeared in *De l’enseignement obligatoire* (1857), p. 332; then in the *Économiste belge* No. 45, 10 Novembre 1860, p. 2; in “Chronique” JDE T. XXX, 15 June 1885, p. 465; “Chronique” JDE T. XXXVII, 1887, p. 478; and then used to great effect in “Le XXe siècle”, JDE 1902, p. 8.

[741](#) For background see H. Passy, "Utilité," *DEP* , vol. 2, pp. 795-98; H. Passy, "Valeur," *DEP* , vol. 2, pp. 806-15.]

[742](#) See the glossary entry on “Non-material Goods.”

[743](#) Molinari, “Nécrologie. Frédéric Bastiat, notice sur sa vie et ses écrits,” JDE, T. 28, N° 118, 15 février 1851, pp. 180-96. Quote p. 193.

[744](#) Bastiat, *Economic Harmonies* , chap. V “On Value, new LF trans, p. 114; FEE ed., p. 102; 1851 French ed., p. 117.

[745](#) Bastiat, *Economic Harmonies* , chap. V “On Value, new LF trans, p. 130; FEE ed., p. 121; 1851 French ed., p. 135.

[746](#) *Economic Harmonies* , Condillac discussed in Chap. IV “Exchange”, new LF trans, p. 80; FEE ed., p. 66; 1851 ed., p. 81; Storch is discussed in Chap. V “On Vale”, new LF trans., p. 149; FEE ed., pp. 142-43; 1851 ed., p. 156.
