

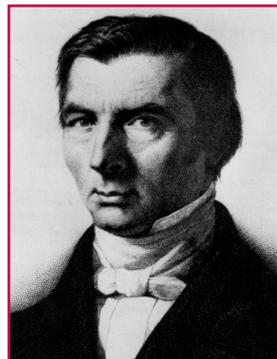
# Who is ...

## Frédéric Bastiat

BY THOMAS J. DiLORENZO

Claude Frédéric Bastiat was a French economist, legislator, and writer who championed private property, free markets, and opposed all government intervention. The main underlying theme of Bastiat's writings was that the free market was inherently a source of "economic harmony" among individuals, as long as government was restricted to the function of protecting the lives, liberties, and property of citizens from theft or aggression. To Bastiat, governmental coercion was only legitimate if it served "to guarantee security of person, liberty, and property rights, to cause justice to reign over all."

Bastiat emphasized the plan-coordination function of the free market, a major theme of the Austrian School, because his thinking was influenced by some of Adam Smith's writings and by the great French free-market economists Jean-Baptiste Say, François Quesnay, Destutt de Tracy, Charles Comte, Richard Cantillon (who was born in Ireland and emigrated to France), and Anne Robert Jacques Turgot.



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These French economists were among the precursors to the modern Austrian School, having first developed such concepts as the market as a dynamic, rivalrous process, the free-market evolution of money, subjective value theory, the laws of diminishing marginal utility and marginal returns, the marginal productivity theory of resource pricing, and the futility of price controls in particular and of the government's economic interventionism in general.

Bastiat was orphaned at age ten, and was raised and educated by his paternal grandparents. He left school at age 17 to work in the family exporting business in the town of Bayonne, where he learned firsthand the evils of protectionism by observing all the closed-down warehouses, the declining population, and the increased poverty and unemployment caused by trade restrictions.

When his grandfather died, Bastiat, at age 25, inherited the family estate in Mugron, which enabled him to live the life of a gentleman farmer and scholar for the next 20 years. Bastiat hired people to operate the family farm so he could concentrate on his intellectual pursuits. He was a voracious reader, and he discussed and debated with friends virtually all forms of literature.

Bastiat's first published article appeared in April of 1834. It was a response to a petition by the merchants of Bordeaux, Le Havre, and Lyons to eliminate tariffs on agricultural products but to maintain them on manufacturing goods. Bastiat praised the merchants for their position on agricultural products, but excoriated them for their hypocrisy in wanting protectionism for themselves. "You demand privilege for a few," he wrote, whereas "I demand liberty for all." He then explained why all tariffs should be abolished completely.

Bastiat continued to hone his arguments in favor of economic freedom by writing a second essay in opposition to all domestic taxes on wine, entitled "The Tax and the Vine," and a third essay opposing all taxes on land and all forms of trade

restrictions. Then, in the summer of 1844, Bastiat sent an unsolicited manuscript on the effects of French and English tariffs to the most prestigious economics journal in France, the *Journal des Economistes*. The editors published the article, “The Influence of English and French Tariffs,” in the October 1844 issue, and it unquestionably became the most persuasive argument for free trade in particular, and for economic freedom in general, that had ever appeared in France, if not all of Europe.

After 20 years of intense intellectual preparation, articles began to pour out of Bastiat, and soon took the form of his first book, *Economic Sophisms*, which to this day is still arguably the best literary defense of free trade available. He quickly followed with his second book, *Economic Harmonies*, and his articles were reprinted in newspapers and magazines all over France.

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In 1846, he was elected a corresponding member of the French Academy of Science, and his work was immediately translated into English, Spanish, Italian, and German. Free-trade associations soon began to sprout up in Belgium, Italy, Sweden, Prussia, and Germany, and were all based on Bastiat’s French Free Trade Association.

While Bastiat was shaping economic opinion in France, Karl Marx was writing *Das Kapital*, and the socialist notion of “class conflict” that the economic gains of capitalists necessarily came at the expense of workers was gaining in popularity. Bastiat’s *Economic Harmonies* explained why the opposite is true that the interests of mankind are essentially harmonious if they can be cultivated in a free society where government confines its responsibilities to suppressing thieves, murderers,

and special-interest groups who seek to use the state as a means of plundering their fellow citizens.

The way in which Bastiat described economics as an intellectual endeavor is virtually identical to what modern Austrians label the science of human action, or praxeology. While establishing the inherent harmony of voluntary trade, Bastiat also explained how governmental resource allocation is necessarily antagonistic and destructive of the free market's natural harmony.

Bastiat also saw through the phony "philanthropy" of the socialists who constantly proposed helping this or that person or group by plundering the wealth of other innocent members of society through the aegis of the state. All such schemes are based on "legal plunder, organized injustice."

Bastiat's writing constitutes an intellectual bridge between the ideas of the pre-Austrian economists and the Austrian tradition of Carl Menger and his students. He was also a model of scholarship for those Austrians who believed that general economic education, especially the kind of economic education that shatters the myriad myths and superstitions created by the state and its intellectual apologists, is an essential function (if not duty) of the economist.

To this day, Bastiat's work is not appreciated as much as it should be because, as Murray Rothbard explained, today's intemperate critics of economic freedom "find it difficult to believe that anyone who is ardently and consistently in favor of *laissez-faire* could possibly be an important scholar and economic theorist." ■



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