

# THE BEST OF BASTIAT #2.2

*“Property and Plunder: Fifth Letter” (July 1848)*

***“It is not property that is responsible for the distressing inequality that can still be seen around the world; it is its opposing principle, plunder.”***



**Claude Frédéric Bastiat (1801-1850)**

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*[February, 2013]*

## Editor's Introduction

Frédéric Bastiat (1801-1850) was the leading advocate of free trade in France during the 1840s. He made a name for himself as a brilliant economic journalist, debunking the myths and misconceptions people held on protectionism in particular and government intervention in general. When revolution broke out in February 1848 Bastiat was elected twice to the Chamber of Deputies where he served on the Finance Committee and struggled to bring government expenditure under control.

Knowing he was dying from a serious throat condition (possibly cancer), Bastiat attempted to complete his magnum opus on economic theory, his *Economic Harmonies*. In this work he showed the very great depth of his economic thinking and made theoretical advances which heralded the Austrian school of economics which emerged later in the 19th century.

Bastiat was elected twice to the Chamber of Deputies following the revolution in February 1848 which created the Second Republic. During 1848 he battled socialists like Victor Considérant in the press and in the Chamber as well as on the streets of Paris with his revolutionary journals. At the same time he was trying to complete his magnum opus in economic theory, *Economic Harmonies* (1850-51), and a proposed *History of Plunder* which was never finished. We can piece together what his theory of plunder might have looked like from scattered articles like this one on "Property and Plunder" which was published as letters to Considérant after the bloody repression of street riots in Paris known as the June Days.

*“Men are by nature the owners of their work and that by transmitting this work from one to another they provide mutual services to each other. The general character of plunder consists in employing force or guile to change the equivalent value of services in our favor.”*

## Property and Plunder: Fifth Letter

(July 1848)<sup>1</sup> [1]

No, economists do not think that we are in the best of all worlds, as they are reproached for doing. They do not shut their eyes to the afflictions of society nor their ears to the groans of those who suffer. But they seek the causes of these sufferings and believe that they have discovered that among those on which society is capable of taking action, there is none more active or generalized than injustice. This is why what they call for in particular and above all is universal justice.

***“Personal interest creates everything that enables men to live and develop themselves; it stimulates work and gives rise to property. But at the same time it introduces to the earth all forms of injustice that, depending on their form, take a variety of names and can be summarized in one word, plunder. Property and plunder, sisters with the same father, the savior and scourge of society.”***

Men wish to improve their lot; that is their first law. In order for this improvement to take place, a prior task or *effort* is required. The same principle that propels men toward their well-being also incites them to avoid the effort that is its means. Before addressing their own work, they all too often have recourse to the work of others.

We can therefore apply to *personal interest* what Aesop said of language: nothing on earth has done more good or more evil. Personal interest creates everything that enables men to live and develop themselves; it stimulates work and gives rise to *property*. But at the same time it introduces to the earth all forms of injustice that, depending on their form, take a

variety of names and can be summarized in one word, *plunder*.

*Property and plunder*, sisters with the same father, the savior and scourge of society, a genius for good and a genius for evil, powers that, right from the start, have been in conflict over the empire and the fate of the world!

It is easy to use this common origin of property and plunder to explain the facility with which Rousseau and his modern disciples have been able to calumniate and undermine the social order. All they needed to do was to show just one of the aspects of *personal interest*.

We have seen that men are by nature the owners of their work and that by transmitting this work from one to another they provide mutual *services* to each other.

This having been said, the general character of plunder consists in employing force or guile to change the equivalent value of services in our favor.

***“Men are by nature the owners of their work and that by transmitting this work from one to another they provide mutual services to each other. The general character of plunder consists in employing force or guile to change the equivalent value of services in our favor.”***

The variations of plunder are boundless, as are the resources of human sagacity. Two conditions are needed for services that are exchanged to be considered legitimately equivalent. The first is that the judgment of one of the contracting parties is not distorted by the maneuvers of the other. The second is that the transaction must be free. If a man succeeds in extorting a genuine service from a fellow man by making him believe that what he is giving him in return is also a genuine service whereas it is in fact illusory, there is plunder. This is all the more true if he has recourse to force.

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<sup>1</sup> This extract of “Property and Plunder: Fifth Letter” is from vol. 2 of Liberty Fund’s *The Collected Works of Frédéric Bastiat* (2012), pp. 170-77. It can also be found in the *OC*, vol. 4, p. 394. “Propriété et spoliation.” Originally published in the 24 July 1848 issue of *Le Journal des débats*.

We are initially led to believe that plunder takes place only in the guise of those forms of *theft* defined and punished by the Code. If this were so, I would be in effect giving too great a social importance to exceptional events that public conscience condemns and the law punishes. But sad to say, there is plunder that takes place with the consent of the law and that is carried out by the law with the consent and often the applause of society. It is this form of plunder alone that can take on enormous proportions sufficient to change the distribution of wealth in the body of society, paralyze for a considerable time the force for leveling which lies in freedom, create permanent inequality in living conditions, open the abyss of destitution, and spread around the world the flood of evil that superficial minds attribute to property. This is the plunder of which I am speaking when I say that it has been in conflict with its opposing principle for empire over the world since the beginning. Let us point out briefly just a few of its manifestations.

***“There is plunder that takes place with the consent of the law and that is carried out by the law with the consent and often the applause of society. It is this form of plunder alone that can take on enormous proportions sufficient to change the distribution of wealth in the body of society”***

First of all, what is war, especially as it was understood in antiquity? Men formed an alliance, the nation as a body, and did not deign to apply their faculties to exploiting nature in order to obtain from it the means of existence. On the contrary, after waiting for other peoples to establish properties, they attacked them with fire and sword and stripped them periodically of their goods. The conquerors then gained not only the booty but also the glory, the songs of poets, the acclaim of women, national reward, and the admiration of posterity! It is true that a regime like this and universally accepted ideas of this nature were bound to inflict a great deal of torture and suffering and result in extreme inequality between men. Is this

the fault of property?

***“I cannot prevent myself from mentioning the plunder exercised for so long through the abuse of religious influence. Receiving positive services from men and supplying them in return only with imaginary, fraudulent, illusionary, and derisory services is to rob them of their consent.”***

Later, the plunderers became more refined. Putting the vanquished to the sword was, in their eyes, to destroy a treasure. Plundering only property was a transitory form of plunder; plundering men along with property was to organize permanent plunder. This led to slavery, which is plunder extended to its ideal limit, since slavery plundered the vanquished of all their current and future property, their work, their arms, their minds, their faculties, their affections, and their entire personality. It can be summarized thus: requiring man to provide all the services that force can wrench from him while rendering him none. This was the state of the world until an era that is not all that far from ours. This was the situation in particular in Athens, Sparta, and Rome, and it is sad to think that it is the ideas and customs of these republics that education is offering for our enjoyment and that we are absorbing through our every pore. We are like the plants that growers force to absorb colored water and that thus receive an artificial tint that cannot be effaced. And then we are surprised that generations educated in this way are incapable of founding an honest republic! Be that as it may, it can be agreed that here there was a cause of inequality that can certainly not be imputed to the regime of property as it has been defined in the preceding articles.

I will pass over *serfdom*, the *feudal regime*, and what followed it up to 1789. But I cannot prevent myself from mentioning the plunder exercised for so long through the abuse of religious influence. Receiving

positive services from men and supplying them in return only with imaginary, fraudulent, illusionary, and derisory services is to rob them of their consent, it is true, an aggravating circumstance since it implies that the plunderers have begun by perverting the very source of all progress, human judgment. I will not stress this any further. Everybody knows that the exploitation of public credulity through the abuse of true or false religions has placed distance between the priesthood and the laity in India, Egypt, Italy, and Spain. Is this also the fault of property?

We come to the nineteenth century following great social iniquities that have imprinted a profound trace on the soil, and who can deny that time is needed to efface that trace even when through all our laws and relationships we now give prominence to the principle of property, which is none other than *freedom*, which is none other than the expression of *universal justice*? We should remember that *serfdom* these days covers half of Europe, that in France the feudal system received its death blow scarcely half a century ago, that it is in full splendor in England, that all nations are making unheard-of efforts to keep powerful armies in operation, which implies either that they are mutually threatening each other's property or that these armies are themselves just a large-scale plunder. Let us remember that all peoples succumb to the weight of debts whose origin lies in past folly. We should not forget that we ourselves are paying millions each year to prolong artificially the lives of colonies with slaves and more millions to prevent slave trading along the coasts of Africa (which has involved us in one of our greatest diplomatic problems) and that we are on the point of delivering one hundred million to planters to crown the sacrifices which this type of plunder has inflicted on us in so many forms. [23]

This is how the past binds us, no matter what we may say. We can disengage ourselves from it only gradually. Is it surprising that there is inequality between men, since the egalitarian principle, property, has been so little respected up to now? Where will the leveling of living conditions that is the ardent wish of our era and that characterizes it so honorably come from? It will come from simple justice, from the achievement of this law: *a service in return for a service*. In order for two services to be exchanged according to their genuine value, two things are needed by the contracting parties: enlightened judgment and freedom of transaction. If the judgment is not enlightened,

people will accept, even freely, derisory services in return for genuine services. It is even worse if force intervenes in the contract.

***“Is it surprising that there is inequality between men, since the egalitarian principle, property, has been so little respected up to now? Where will the leveling of living conditions that is the ardent wish of our era and that characterizes it so honorably come from? It will come from simple justice, from the achievement of this law: a service in return for a service.”***

This having been said, and acknowledging that there exists inequality between men whose causes are historic and that only time will efface, let us see whether our century at least by giving prominence to *justice* everywhere will finally banish force and guile from human transactions, allow the equivalent nature of services to establish itself naturally, and cause the democratic and egalitarian cause of property to triumph.

Alas! I can see here so many incipient abuses, so many exceptions, and so many direct and indirect deviations appearing on the horizon of the new social order that I do not know where to begin.

First of all, we have privileges of all sorts. No one can become a lawyer, doctor, lecturer, currency exchange agent, broker, notary, solicitor, pharmacist, printer, butcher, or baker without encountering legal prohibitions. These are so many services that you are forbidden to provide; consequently those to whom authorization is given will charge a higher price for them to the extent that this privilege alone, without any work, often has a great deal of value. My complaint here is not that guarantees are required from those who supply these *services*, although truth to tell the effective guarantee is found in those who receive and pay for it. What is also necessary is for these guarantees not to have any exclusivity. You may demand of me that I know what you need to know to be a lawyer or doctor,

but do not demand that I should have learned it in a particular town, in so many years, etc.

Next there is the artificial price, the additional value that people try to add to the majority of essential things such as wheat, meat, fabrics, iron, tools, etc., by playing with the tariffs.

Here there is obviously an effort to destroy the equivalence of services, a violent attack on the most sacred of all properties, that of men's strength and faculties. As I have already shown, when the soil of a country has been successively occupied, if the working population continues to grow, its right is to limit the claims of the landowner by working elsewhere or by importing its subsistence from abroad. This population has only work to give in exchange for products, and it is clear that if the former increases unceasingly, then should the second remain stationary, more work has to be provided in return for fewer products. This effect is shown by the decrease in earnings—the greatest misfortune when it is due to natural causes and the greatest crime when it results from the law.

***“Soon there will be two or three salaried agents around each Frenchman, one to prevent him from working too much, a second to educate him, a third to supply him with credit, perhaps a fourth to hinder his transactions, etc. Where will this illusion take us?”***

Next come taxes. Tax-funded jobs have become a highly sought means of livelihood. We know that the number of positions in government services has always increased and that the number of candidates increases faster than the number of openings. Well, where is the candidate who asks himself if he will be providing the public with services equivalent to those he is expecting from them? Is this scourge anywhere near its end? How can we believe it when we see that public opinion itself presses to have everything done by the fictitious being we call the *state*, which means a *collection of salaried agents*? After judging all men without exception to be capable of governing the country, we declare them to

be incapable of governing themselves. Soon there will be two or three salaried agents around each Frenchman, one to prevent him from working too much, a second to educate him, a third to supply him with credit, perhaps a fourth to hinder his transactions, etc., etc. Where will this illusion, the illusion that has led us to believe that the state is a person with an inexhaustible fortune independent of ours, take us?

***“I believe that we are going down a path in which, under very gentle, very subtle, and very ingenious aspects, clad in the fine names of solidarity and fraternity, plunder is going to take on dimensions, the extent of which the imagination scarcely dares to envisage. This is how it will appear: under the denomination of the state.”***

People are beginning to realize that the government machine is expensive. But what they do not know is that the burden *inevitably* falls on them. They are led to believe that although up to now their share has been heavy, the Republic, while increasing the general burden, has the means of at least shifting the greater part of it to the shoulders of the rich. A disastrous illusion! Doubtless the situation may be reached where the tax collector calls upon one person rather than another and physically receives money from the hands of the rich. But all is not at an end once the tax has been paid. Work is done subsequently in society, there are reactions to the respective value of services, and it is unavoidable for this charge not to be distributed to everybody, including the poor, in the long run. The latter's real interest, therefore, is not that one class alone is afflicted, but that all classes are treated with consideration because of the solidarity that binds them.

Now, are there any signs that the time has come when taxes will be reduced?

I say this most sincerely: I believe that we are going down a path in which, under very gentle, very subtle, and very ingenious aspects, clad in the fine names of

solidarity and fraternity, plunder is going to take on dimensions, the extent of which the imagination scarcely dares to envisage. This is how it will appear: under the denomination of *the state*, the massed group of citizens will be considered a real being with its own life and wealth, independent of the life and wealth of the citizens themselves. Each person will then call upon this fictional being to ask, one for education, one for work, one for credit, one for food, etc., etc. However, the state cannot give anything to citizens unless it has taken it from them to start with. The only effect of this intermediary is first of all a great waste of effort and then the complete destruction of the *equivalence of services*, for the effort of each person will be devoted to giving as little as possible to the treasury of the state and taking as much from it as possible. In other words, the public treasury will be pillaged. And can we not see something of this sort happening today? Which class is not clamoring for the favors of the state? It appears in itself to be the principle of life. Setting aside the countless hordes of its own agents, agriculture, factories, trade, the arts, theaters, the colonies, and shipping are expecting everything from it. It is required to clear land, irrigate it, set up colonies, teach, and even amuse us. Everyone is begging for a premium, a subsidy, a motivating payment, and above all for certain services, like education and credit, to be *free of charge*. And why not ask the state to make all services free of charge? Why not require the state to feed, quench the thirst of, provide lodgings for, and clothe all citizens free of charge?

***“The error I am pointing out here cannot last long and people will soon, I hope, come to ask from the state only the services it is competent to provide: justice, national defense, public works.”***

One class had not been included in these mad pretensions,

One poor servant girl  
at least remained to me

## Who was not infected with this foul air; [24]

and that was the people itself, the countless working class. However, here they are now in the crowd. They pay heavily to the treasury; by all that is just and in virtue of the principle of equality, they have the same rights to this universal dilapidation for which the other classes have fired the starting signal. We should profoundly regret that on the day on which their voices were heard it was to demand their share of the pillage and not that it be stopped. But was it possible for this class to be more enlightened than the others? Might it not be excused for being taken in by the illusion that is blinding us all?

However, because of the very fact that the number of applicants for government positions is now equal to the number of citizens, the error I am pointing out here cannot last long and people will soon, I hope, come to ask from the state only the services it is competent to provide: justice, national defense, public works, etc.

We are facing another cause of inequality, which is perhaps more active than all the others, and that is the *war against capital*. The working class has only one way to free itself, through an increase in the nation's capital. Where capital increases faster than the population, two results infallibly occur, both of which contribute to improving the lot of the workers: products decrease in price and earnings rise. However, for capital to increase, it must above all have security. If it is frightened, it hides, takes flight abroad, is dissipated, and is destroyed. At this point, production stops and labor is offered at a knockdown price. The greatest of all misfortunes for the working class is therefore to let itself be carried along by beguilers into a war against capital, which is as absurd as it is disastrous. It is a constant threat of plunder, worse than plunder itself.

In short, if it is true, as I have endeavored to show, that freedom, the free disposal of property, and consequently the supreme consecration of the right to property; if it is true, as I have said, that this freedom invariably tends to bring about a *just equivalence of services*, and little by little equality, to bring everyone closer to the same constantly rising level, it is not property that is responsible for the distressing inequality that can still be seen around the world; it is its opposing principle, plunder, that has triggered wars, slavery, serfdom, the feudal system, the exploitation of

public ignorance and credulity, privilege, monopolies, restrictions, public borrowings, commercial fraud, excessive taxes, and lastly the war against capital and the absurd pretension of each person to live and develop at the expense of all.

***“It is not property that is responsible for the distressing inequality that can still be seen around the world; it is its opposing principle, plunder, that has triggered wars, slavery, serfdom, the feudal system, the exploitation of public ignorance and credulity, privilege, monopolies, restrictions, public borrowings, commercial fraud, excessive taxes, and lastly the war against capital and the absurd pretension of each person to live and develop at the expense of all.”***

## Notes

[1] The following five letters were formally addressed to *Le Journal des débats*, which is why Bastiat refers to them several times as "the articles." But in his mind, they were intended as letters to Victor Considérant. In them, he explains his notions of rent, services, and value as they will be developed later in *Economic Harmonies*.

[23] Slavery in the French colonies ended (again) in the revolution of 1848. See also the entry for "Slavery" in the Glossary of Subjects and Terms.

[24] These lines come from Molière's play *Les Femmes savantes* (1672). The long-suffering bourgeois gentleman Chrysale is complaining about his household of women who have discovered the joys of disputation, reasoning, and the quotation of verse but who neglect his needs. In these lines Chrysale is complaining to his sister Bélise: "Reasoning has become the norm throughout my house, and reasoning has banished reason. One servant burns my roast while reading some story, another dreams of some verses when I want a drink; finally I see how they have followed your example, I have servants but I am not served." (See *Œuvres complètes de Molière*, vol. 6, p. 145.)



## Further Information

### SOURCE

This extract of “Property and Plunder: Fifth Letter” is from vol. 2 of Liberty Fund’s *The Collected Works of Frédéric Bastiat* (2012), pp. 170-77 <[oll.libertyfund.org/title/2450/231347](http://oll.libertyfund.org/title/2450/231347)>.

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***“I love all forms of freedom; and among these, the one that is the most universally useful to mankind, the one you enjoy at each moment of the day and in all of life’s circumstances, is the freedom to work and to trade. I know that making things one’s own is the fulcrum of society and even of human life.”***

***(Draft Preface to Economic Harmonies, 1847)***



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