Frédéric Bastiat, the American Right's French Inspiration

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Admiration of France is not something for which the American right is particularly well known. Recall, for instance, the "freedom fries" incident, through which conservatives expressed their indignation at the French government's policies during the build-up to the invasion of Iraq. Remember, too, the Republican quip, during the 2004 election, that John Kerry "looks French." More recently, when his opponents accuse Barack Obama of being a "socialist," the implication is that his outlook is anti-American, possibly European, and—who knows?—perhaps even a little French.

It would thus seem more than a little surprising that the American right (which combines a free-market ideology with more traditional forms of conservatism), and particularly the activist core that has recently coalesced around the Tea Party movement, would turn to a Frenchman for help in defining its agenda and philosophy. But the fact remains that American proponents of minimal government have found an intellectual champion in the French economist and writer Frédéric Bastiat.

Bastiat and the American Right: A Long History

Bastiat? Though today he is largely forgotten in France, Bastiat was one of the nineteenth century's great apostles of the free trade gospel. Born in 1801, he became famous in 1844, after having first tried his hand at farming and business, for his defense of Richard Cobden's anti-protectionist views in an article for the *Journal des économistes* entitled "On the Influence of French and English Tariffs on the Two Peoples' Future." In the same spirit, he helped establish a

French counterpart to Cobden's Anti-Corn Laws League. He penned a book called *Economic Sophisms,* in which he sought to expose the fallacies of socialism and protectionism in crisp and witty prose. Following the February 1848 revolution, Bastiat was elected to the new French assembly. Soon, he engaged the socialist and anarchist thinker Pierre-Joseph Proudhon in a famous polemic. His public career, however, was brief: in 1850, tuberculosis claimed his life. The work he intended to be his masterpiece, *Economic Harmonies,* remained unfinished at the time of his death.

The American right's intellectual romance with Bastiat is not new. In the aftermath of the Second World War, his works were rediscovered and reprinted as libertarian manifestos against the prevailing climate of "collectivism" (a term that deliberately encompassed ideologies ranging from Nazism to Communism, Keynesianism, and New Deal liberalism). Leonard Read, a prominent apostle of the postwar conservative resurgence, discovered Bastiat in 1935 thanks to the Harvard professor Thomas Nixon Carver. In 1943, Read sent to each of the 3,000 members of the small group that he ran a copy of Bastiat's short pamphlet, *The Law,* thus launching its strange career as a canonical text of American libertarianism. In 1946, Read founded the Foundation for Economic Education (FEE) to spread the free-market creed and to equip a conservative and individualistic vanguard with the intellectual tools required to survive in collectivist times. Ludwig von Mises, who had immigrated to the United States, was a member; Freidrich Hayek participated in the group's activities from afar. The following year, inspired in part by the FEE, Hayek created a sister organization: the Mont Pelerin Society.

At the FEE's helm, Read commissioned a retranslation of Bastiat's *The Law* by Dean Russell, a university professor who had written several books on the French economist. The new translation appeared in 1950. It became the FEE's all-time bestseller: by 1971, 500,000 copies had been sold (1). The translation is still available on the foundation's website. In 1946, another key figure in the libertarian movement, Henry Hazlitt, published a layman's introduction to economic theory entitled *Economics in One Lesson* (which the FEE also helped to distribute). In it, Hazlitt acknowledged his intellectual indebtedness to Bastiat, particularly to the essay entitled *That Which is Seen, and That Which is Not Seen*. Hazlitt remarked that his own book could be considered "a modernization, extension and generalization of Bastiat's pamphlet." (2)

Obama and the Return to Bastiat

Thus if Bastiat's name and slogans are common currency among the opponents of Obama's stimulus bill (in 2009) and health-care reform (in 2010), they have been in circulation for some time. His writings have acquired an almost canonical status in certain libertarian circles. The Tea Party movement is reaping, in a sense, what the FEE and Henry Hazlitt sowed. On April 15 2009, the day of the first national Tea Party demonstration (and the day by Americans must file their tax returns), Paul R. Rickert, a professor at Liberty University, invoked Bastiat in a speech delivered in Washington D.C. to warn of the government's penchant for "legal plunder." The same day, at a tea party in Broward County, Florida, a blogger witnessed a demonstrator with a sign bearing the same slog—"legal plunder." This term, he reminded his readers, was one "that Frederic Bastiat used in his 1849 book, *The Law*, to refer to the work of the socialists."

More recently, on Meetup.com, an online site for organizing in-person meetings, a Florida chapter of the 9-12 Project (an organization closely tied to the Tea Party movement that was founded by the conservative television journalist Glenn Beck) encouraged interested individuals to attend a discussion of "*The Law* by Frédéric Bastiat." It explains that "Bastiat … was one of the most eloquent champions of the concept that property rights and individual freedoms flowed from natural law (the same concept that served as the foundation for the U.S. Constitution)," that *The Law* is a "a powerful refutation of Karl Marx's *Communist Manifesto*" (despite the fact that Bastiat never mentions Marx), and that the book is "is just as relevant today as it was 160 years ago."

How is one to explain this recent "return to Bastiat" in the United States? It is, in the first place, a reaction to the "return to Keynes" that followed the 2008 meltdown, which was particularly on display in the stimulus bill that Barack Obama signed shortly after being inaugurated. For many conservatives, the current crisis represents a serious threat to the free-market policies and ideology that has reigned triumphant since the 1980s. Moreover, they fear that the recession has provided proponents of government intervention with a perfect opportunity to reaffirm their policies. But the real lightening-rod for conservative ire was the stimulus bill, which also triggered the anti-government protests that became the Tea Party movement. On

January 22, *Investor's Business Daily* (a national newspaper specializing in economic issues, which generally leans to the right) worried that Bill Clinton's famous declaration that "the era of big government is over" had proven premature, while citing Bastiat's description of the state as the "great fiction by which everybody tries to live at the expense of everybody else" (a passage that Bastiat's American devotees quote with particular frequency) (3).

Bastiat is useful not only because of the arguments he provides for keeping the state out of the economy, but also because he exposes (or so he claims) the "sophistry" upon which government intervention rests. For Bastiat, statism is the result of an epistemological, and perhaps even phenomenological error: the assumption that an action's most important consequences can be plainly seen. As the title suggests, this was the point of his essay *That Which is Seen, and That Which is Not Seen.* Thus the *Pittsburgh Tribune Review* (a mostly conservative regional newspaper), observed, when discussing the stimulus bill, that the "Obama administration is becoming a sobering lesson in the failure to understand the Bastiatian principle of the seen and the unseen." (4) As evidence, the newspaper cites the example of "green jobs", the cost of which, it contends, is likely to exceed, over the long term, any stimulant effect they might have. But while new expenditures are visible, subsequent costs are hidden.

The Broken Window

Along similar lines, many invoke Bastiat's famous analysis of the "broken window" fallacy (which he discusses in *That Which is Seen, and That Which is Not Seen).* Bastiat tells the following story: the "careless son" of the "the good shopkeeper, James B.," breaks one of his store windows. The witnesses immediately console the shopkeeper: "It is an ill wind that blows nobody good. Everybody must live, and what would become of the glaziers if panes of glass were never broken?" Yet this viewpoint rests entirely on that which can be seen—that is, the money that James B. pays the glazier. But what is not seen is that "if he had not had a window to replace, he would, perhaps, have replaced his old shoes, or added another book to his library. In short, he would have employed his six francs in some way, which this accident has prevented." Yet the force of Bastiat's argument rests primarily in the conclusions that he draws from it: that which one sees, it so happens, generally pertains to the state. The characteristic error of economic policies that depend on state intervention is their emphasis on visible effects (i.e.,

taxes) at the expense of invisible ones (such as market behavior or individual initiative). After considering taxation's alleged benefits, Bastiat observes: "You compare the nation, perhaps, to a parched tract of land, and the tax to a fertilizing rain. Be it so. But you ought also to ask yourself where are the sources of this rain and whether it is not the tax itself which draws away the moisture from the ground and dries it up?"

Among his American enthusiasts, the broken window fallacy is one of Bastiat's most popular ideas. On YouTube, one finds a video in which John Stossel, a television journalist with libertarian views, offers an alarmingly literal demonstration of how the fallacy works. Bastiat's parable is at times invoked for explicitly partisan ends. Thus the host of one conservative website declares: "President Obama's stimulus plan is a failure because he ignored the broken glass fallacy, as all government spending plans to stimulate the economy do. Manifest in Obama's plan is the idea that government can spend the money better and more efficiently than the private sector. What Obama and his fellow liberals don't understand is that every dollar they spend has to come from somewhere… In short, every dollar the government spends is a dollar the private sector cannot." The author concludes that Bastiat's most faithful latter-day disciple is none other than Sarah Palin—John McCain's running mate in the last presidential election, the former governor of Alaska (from 2006 to 2009), and one of the Tea Party movement's great heroines. "Somewhere," he muses, "Frederic Bastiat is smiling, content in the knowledge that his philosophy of limited government is alive and well in Governor Sarah Palin."

The Critique of "Socialism"

But the main reason for the right's current turn to Bastiat lies in his distinctive critique of "socialism." Not only does he criticize socialism, but he defines it in a way that has particular appeal to conservatives. According to Bastiat, because human beings are compelled by their nature to tend to their own self-preservation, they must earn their living in one of two ways: either by their own labor, or by that of another. "When they can, [men] wish to live and prosper at the expense of others." (5) Law and politics, by the same token, rest on one of two principles: the defense of individual liberty (and hence of property) or plunder—that is, living off of someone else's work. Only the former, Bastiat holds, can be described as just. Yet as soon as law goes beyond the defense of individual rights, "everyone will want to participate in making the law, either to protect himself against plunder or to use it for plunder" (6). Plunder becomes

the norm. Once this desire has been unleashed, the result, sooner or later, will be socialism: it is plunder without apology, or "legal plunder." In an editorial written for a Baptist news outlet at the time of the April 15, 2009 demonstrations, Kelly Boggs observed: "The income tax in America has long been what 19th century French economist Fredric Bastiat called 'legal plunder.' According to Bastiat, legal plunder occurs when the government takes, by force, what one citizen has legitimately earned and gives it to another." He adds: "When a private citizen engages in the practice described by Bastiat, it is called theft. When the government does it, it is described as income redistribution."

Bastiat has thus become, for certain conservatives, a sort of honorary Founding Father. A Tea Party organization in Boston recently announced the creation of a Bastiat caucus , explaining that the French economist's philosophy is "similar to that of Thomas Jefferson." Others have compared him to James Madison. To the historian, such comparisons on the part of Tea Party sympathizers seem hopelessly ironic: while Jefferson and Madison certainly warned against government's innate penchant for tyranny, their first political struggles, after the ratification of the constitution in 1789, were with Alexander Hamilton and the Federalists—i.e., the "moneyed interest." Even so, the Tea Partiers tend to view the gradual betrayal of individualism and small government as one of the dominant narratives of American history. Andrew Mellon, writing for the conservative website Big Government, laments: "As our country aged, the state increasingly stripped us of our rights instead of securing them. Government grew whilst the individual shrunk. Whereas the law was meant to protect against the diminution of man, instead it was used as an instrument to plunder him." He goes on to quote Bastiat, to the effect that socialism is legal plunder's most radical form.

The American right has thus paradoxically taken to referring to a French economist to denounce the "foreignness" (and thus dangerousness) of the Democrats and other "collectivists." The conservative blogger Clay Barham says as much when he writes: "Where Bastiat said [in his *Economic Harmonies*], 'All men's impulses, when motivated by legitimate self-interest, fall into a harmonious social pattern,' modern American Democrats say, the interests of community are more important than are the interests of the individual. These are two opposite approaches. One

is purely American, though stated by a Frenchman, and the other is European, or Old World, though stated by an American."

Though his American disciples typically describe him as an "economist," it is thus in many ways Bastiat's stature as a moralist that accounts for his current appeal. What he offers is less irrefutable proof of the errors of socialism and government intervention than a principled stand against them, one that at least has the merit of being lucid. Lucien Jaume, the historian of French liberalism, observes: "in Bastiat's rhetoric, every economic phenomenon has its moral and even its religious equivalent: progress is predestined, but man is free; competition is an indestructible reality, but it exists only in 'the absence of any arbitrary authority set up as a judge over exchange,' and so on. Bastiat's originality lies in the way that he is constantly shifting from the objective to the subjective and from the descriptive to the prescriptive …" (7). There is no small irony in the fact that while many Americans naturally associate "France" with "socialism," the American right has turned to a French author to denounce what it sees as the immorality and "socialist" tendencies of its own government.

Notes:
(1) George H. Nash, *The Conservative Intellectual Movement in America since 1945,* New York, Basic Books, 1976, chap. 1.
(2) Henry Hazlitt, *Economics in one lesson,* New York and London, Harper and Brothers, 1946, p. ix.
(3) "Where Stimulus is Not Necessary," *Investor's Business Daily,* January 22, 2009.
(4) Colin McNickle, "America's failure to foresee," *Pittsburgh Tribune Review,* February 1, 2009.
(5) Frédéric Bastiat, *The Law*, Trans. Dean Russell, Irvington-on-Hudson, Foundation for Economic Education, 1998, p. 5. Available online at http://www.fee.org/pdf/books/The_Law.pdf
(6) *Ibid*., p. 14.
(7) Lucien Jaume, *L'individu effacé, ou le paradoxe du libéralisme français,* Paris, Fayard, 1997, 481. My translation.

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