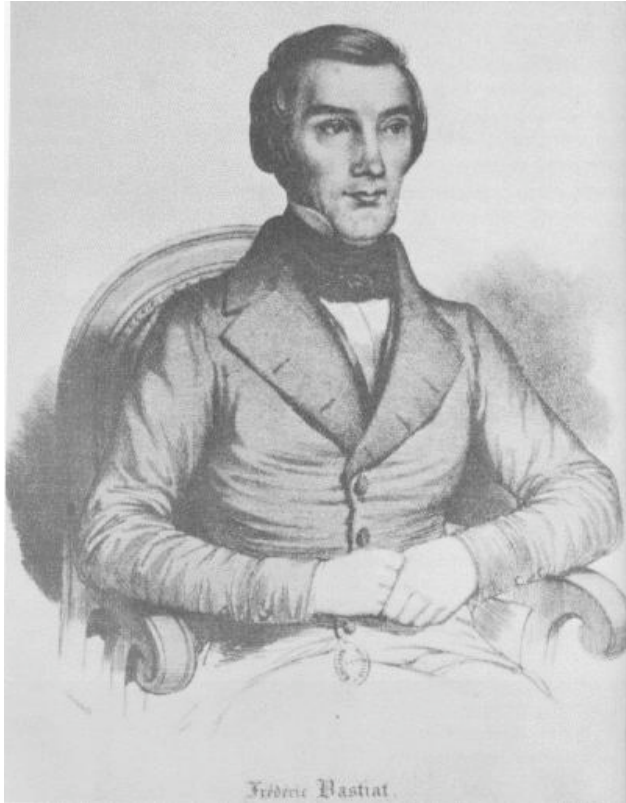


## BASTIAT'S LAWS



AN ANALYSIS OF FRÉDÉRIC BASTIAT'S 40 LAWS

Connor Boyack

All source quotes provided herein are from the following books:

- ◆ **(BC1)** Bastiat, Frédéric. The Bastiat Collection. Volume 1. Auburn, Alabama: Ludwig Von Mises Institute, 2007.
- ◆ **(BC2)** Bastiat, Frédéric. The Bastiat Collection. Volume 2. Auburn, Alabama: Ludwig Von Mises Institute, 2007.
- ◆ **(SE)** Bastiat, Frédéric. Selected Essays on Political Economy. Hudson, New York: The Foundation for Economic Education, 1995.

## 1. There are natural laws which are above man.

### Source quote(s)

“For, if there be general laws that act independently of written laws, and of which the latter can only regulate the action, we must study these general laws. They can be made the object of a science, and Political Economy exists.” (BC2, p. 22)

“Human law should coincide with the natural law. It should facilitate and ensure the just retribution of men’s acts; in other words, it should circumscribe solidarity, and organize reaction in order to enforce responsibility.

...

“In acting thus, the law conforms itself to the nature of things. . . .” (BC2, p. 565)

### Commentary

Bastiat argues in several of his writings that government is the collective force inherently possessed by individuals. The powers vested in individuals are given freely and equally to all men, from his Creator. As such, man is unauthorized and morally unable to restrict or remove such powers, since he is not the person who granted them. For this reason, Bastiat argues that we must understand the natural/general laws, so that the laws we as humans create can be correctly and morally based.

## 2. There is a natural order in the universe which is the sum of all natural laws.

### Source quote(s)

“Natural social laws are the phenomena, taken in the aggregate, and considered in reference both to their motives and their results, that govern the transactions of men in a state of freedom.” (BC2, p. 119)

### Commentary

Just as a society is constructed according to the laws under which they live, so too is there an order of things produced through natural law. This aggregate of which Bastiat speaks is commonly referred to as Nature—the totality and common existence of natural law.

### 3. Man's law is only as effective as it is based on Natural Law.

#### Source quote(s)

“And yet, it may be asked, have these questions any other meaning than this: Can society dispense with written laws, rules, and repressive measures? Is every man to make an unlimited use of his faculties, even when in so doing he strikes at the liberties of another, or inflicts injury on society at large? In a word, must we recognize in the maxim, *laissez faire, laissez passer*, the absolute formula of political economy? If that were the question, no one could hesitate about the solution. The economists do not say that a many may kill, sack, burn, and that society has only to be quiescent—*laissez faire*. They say that even in the absence of all law, society would resist such acts; and that consequently such resistance is a general law of humanity. They say that civil and penal laws must regulate, and not counteract, those general laws the existence of which they presuppose. There is a wide difference between a social organization founded on the general laws of human nature, and an artificial organization, invented, imagined—that takes no account of these laws, or repudiates and despises them—such an organization, in short, as many modern schools would impose upon us.” (BC2, p. 22)

#### Commentary

Bastiat clearly states here that it is the position of the “economists” that written (human-produced) law must not conflict with nor counteract natural law. A common argument given to justify an abundance of written law is the supposed need to control and restrict the actions of men which, if left to themselves, would create antagonism and conflict. Bastiat argues against this mentality in numerous instances, suggesting that men's actions are predominantly harmonious if left unobstructed by government intervention.

### 4. Man acts only when he thinks it will increase satisfaction.

#### Source quote(s)

“But satisfaction being the end and design of all our efforts—the grand consummation or termination of the economic phenomena—is it not evident that it is there that the touchstone of progress is to be found?” (BC2, p. 81-2)

#### Commentary

The driving force behind any action is the end goal imagined or desired. The realization of this goal produces the satisfaction that encourages the individual to sacrifice or labor to achieve its accomplishment. At no time will an individual voluntarily act if he thinks it will cause him harm or penalty without any satisfaction to be gained. Even acts of charity, which some believe are totally selfless, are pursued only because the giver finds satisfaction in helping others or receiving blessings in the hereafter for his present actions of self-sacrifice.

### 5. There are certain wants of nearly all men.

#### Source quote(s)

“It is perhaps impossible, and, at any rate, it would not be of much use, to present a complete and methodical catalogue of human wants. Nearly all those of real importance are comprised in the following enumeration:

“Respiration (I retain here that want, as marking the boundary where the transmission of labor or exchange of services begins): Food—Clothing—Lodging—Preservation or Re-establishment of Health—Locomotion—Security—Instruction—Diversion—Sense of the Beautiful.

“Wants exist. This is a fact. It would be puerile to inquire whether we should have been better without wants, and why God has made us subject to them.” (BC2, p. 57)

#### **Commentary**

While the wants of men are not fully identical, they are so common as to be considered nearly universal in their demand. Bastiat lists a few—food, clothing, shelter, security—which are pursued and desired by all who wish their lives to continue. He notes that there are two ways to obtain such items: production and plunder.

## 6. Man’s wants are progressive, as soon as he gains one desire he has others.

#### **Source quote(s)**

“Upon the subject of human wants, I have to make an important observation—and one that, in Political Economy, may even be regarded as fundamental—it is, that wants are not a fixed immutable quantity. They are not in their nature stationary, but progressive.” (BC, p. 62)

“Remember what has been already said as to the indefinite expansibility of our wants and desires—and note what is passing around you—and you will not fail to see that as often as man succeeds in vanquishing an obstacle by the aid of natural agents, he sends his own forces to grapple with other obstacles.” (BC2, p. 245)

#### **Commentary**

Not only do men’s wants change over time (a child may soon tire of dinosaurs, and want race cars to play with), but they are progressive in nature. This means that once one want is fulfilled, another is introduced. As an example, a small family that moves into a modest apartment might soon find themselves filling the available space. They then grow to desire a larger home where they can be more comfortable. If they purchase this new home, they might then want to remodel the kitchen, finish the basement, or build a swing set. The realization of any want yields one or more successive wants that compete for our attention, time, and resources.

## 7. Utility comes: (1) sometimes from nature; (2) sometimes from effort (voluntary action); (3) usually from both.

#### **Source quote(s)**

“Utility is communicated sometimes by Nature alone, sometimes by labor alone, but almost always by the cooperation of both.” (BC2, p. 72)

“*Utility*, then, is sometimes due to Nature alone, sometimes to labor alone, but nearly always to the combined action of both labor and Nature.” (SE, p. 159)

#### **Commentary**

Just as he states that the gratuitous gifts of Nature are common to all men, Bastiat explains that men derive further satisfaction upon applying effort to more easily acquire and distribute the gifts of Nature. For example, we may all find the nearest stream to obtain fresh water, but most of us would prefer to have bottled water delivered to our

home. Thus, utility is mainly derived from both the gifts of Nature and the actions of man to produce a product that is easier to obtain and more easily disseminated among the masses.

## 8. There are natural consequences to all actions.

### Source quote(s)

“Now it so happens that man’s every action includes, not one consequence only, but a series of consequences.” (BC2, p. 544)

### Commentary

The focal point of Bastiat’s “That Which Is Seen, and That Which Is Not Seen” is the argument that an action has unseen and often unintended consequences. These, he argues, are often ignored, primarily because the short-term consequences are more noticeable and convincing. Nonetheless, consequences do exist for all actions, whether they arrive sooner or later.

## 9. If a person knows the natural consequences, he knows the future.

### Source quote(s)

“To foresee is one of our noblest privileges, and it is scarcely necessary to say that, in all situations of life, the man who most clearly foresees the probable consequences of his acts and decisions has the best chance of success.” (BC2, p. 79)

### Commentary

In all of his writings, Bastiat emphasizes principle. Taking apart the common arguments of his time, he scrutinizes their principles and implications to demonstrate to the reader what effect they will have. Thus it follows that the person who is aware of such principles can accurately determine what consequences will follow from any given action. For example, when the money supply is inflated to introduce new currency, it is easy to foresee a recession which occurs when prices inflate and the devalued currency purchases less than it once did. Similarly, any action can be analyzed to determine how the underlying principle will have an effect upon society at large.

## 10. Exchange lessens the amount of effort for satisfaction.

### Source quote(s)

“Exchange enables men to turn their faculties to better account, to economize capital, to obtain more assistance from the gratuitous agencies of nature, to increase the proportion of gratuitous to onerous utility, to diminish, consequently, the ratio of efforts to results, and to leave at their disposal a part of their forces, so that they may withdraw a greater and greater portion of them from the business of providing for their primary and more urgent wants, and devote them to procuring enjoyments of a higher and higher order.” (BC2, p. 104)

### Commentary

A shepherd who voluntarily chooses such a vocation is not very interested in having to grow corn, cotton, potatoes, and other items, in order to feed and clothe his family. Instead, through exchange and the division of labor, he prefers to focus on his speciality and offer his product to others who might compensate him with their own. In this way, the shepherd is able to have his various wants satisfied without having to directly labor for them.

## 11. Exchange makes one man's prosperity beneficial to all.

### Source quote(s)

"In consequences of Exchange, the gain of each is the gain of all." (BC2, p. 107)

### Commentary

When discussing machinery, Bastiat explains that one invention necessarily improves the lives of those whom it impacts. The reason he suggests is that the labor that once took a man two hours now requires half the time.

## 12. The more prosperous those near us, the most prosperous for us.

### Source quote(s)

"Now you have always a greater number of exchanges in proportion as you remove the obstacles which impede exchanges, and diminish the efforts these exchanges require.

"And Exchange encounters fewer obstacles, and requires fewer efforts, just in proportion as you bring men nearer each other, and mass them more together." (BC2, p. 103)

"And does this not confirm the truth, that each man is more likely to prosper in proportion to the general prosperity of the community in which he lives?" (BC2, p. 107-8)

### Commentary

I think that it goes without saying that if we associate with a certain type of people, that characteristic will rub off on us. If an individual were to mingle exclusively with wealthy people, he would be privy to their knowledge, their business insights, their opportunities, and thus would personally benefit. As Bastiat states, prosperity spreads among those who exchange with one other. Thus, if our associates are prosperous, we in turn will likewise prosper.

## 13. Value is determined by each individual's ranking of items; every person's ranking is different.

### Source quote(s)

"Keep in mind that we here take for granted that the two parties are at entire liberty to exercise their own will and judgment. Each of them, in making the exchange, is influenced by various considerations among which we must certainly rank, as of the greatest importance, the difficulty experienced by the recipient in procuring for himself, by a direct exertion, the satisfaction that is offered to him." (BC2, p. 155)

"I said also that our means for providing for our wants—the gifts of nature, our faculties, activity, discernment, foresight—had no precise measure. Each of these elements is variable in itself—it differs in different men and it varies from hour to hour in the same individual—so that the whole forms an aggregate that is mobility itself." (BC2, p. 166-7)

### Commentary

Just as satisfaction may differ among individuals, so too does the value they place on various items. While one person may value a hamburger over a hot dog, the value of his friend might be the opposite. Bastiat notes in his

writings that it is foolish to base legislation upon one group's values, because it might oppose the value another group has, and thus creates favoritism and conflict.

## 14. Economic laws act in accordance with the same principle, whether they apply to one person, two people, or the entire mass.

### Source quote(s)

"Collective right, then, has its principle, its reason for existing, its lawfulness, in individual right; and the common force cannot rationally have any other end, or any other mission, than that of the isolated forces for which it is substituted." (BC1, p. 50)

### Commentary

Bastiat notes in "The Law" that government (and by corollary all groups of individuals) are a collective force made up of individuals. It follows, then, that the laws affecting the individual would also affect the larger entity of which they are a part.

## 15. Land, labor, capital, and knowledge are worth as much as the buyer will pay.

### Source quote(s)

". . . I maintain that the value of land arises, fluctuates, and is determined, like that of gold, iron, water, the lawyer's advice, the physician's consultation, the singer's or dancer's performance, the artist's picture—in short, like all other values;" (BC2, p. 306)

"It is very clear, as a matter of fact that no one consents to remunerate a service unless, right or wrong, he judges it to be useful." (BC2, p. 156)

### Commentary

The laws of supply and demand dictate that the perceived value, and hence the price, of any commodity fluctuates with the interest of the individual. If the demand is high for an item, its value is therefore high as well, and thus the price to be paid will be greater than normal.

## 16. Anything acquired only from nature is a public good, held in common, free for all.

### Source quote(s)

"Nature places two things at our disposal—materials and forces.

"Most of the material objects that contribute to the satisfaction of our wants and desires are brought into the state of utility that renders them fit for our use only by then intervention of labor, by the application of human faculties. But the elements, the atoms, if you will, of which these objects are composed, are the gifts, I will add the gratuitous gifts, of nature." (BC2, p. 73)

"I say that a man who receives a benefit from nature, directly and without any effort on his part, cannot be considered as rendering himself an onerous service, and, consequently, that he cannot render to another any service with reference to things that are common to all. Now, where there are no services rendered and received there is no value." (BC2, p. 74)

"The truth is, that the utility that is produced by nature is gratuitous, and therefore common, like that produced by the instruments of labor." (BC2, p. 160)

"We have the gifts of nature—gratuitous materials, gratuitous forces. This is the domain of Community.

...

"That which is gratuitous is common, for everyone enjoys a portion of it, and enjoys it unconditionally." (BC2, p. 231)

### **Commentary**

Without apply labor to a utility, Bastiat argues that it remains in the public domain, free to be enjoyed by all. Thus, the gifts of Nature (air, water, wheat, sunlight, etc.) are able to be obtained by anybody that desire them. Only upon applying labor to an item does its utility change from community to private property.

## 17. Anything acquired partly by human effort becomes private property.

### **Source quote(s)**

"We have also human efforts devoted to the appropriation of these materials, to the direction of these forces—efforts that are exchanged, estimated, and compensated. This is the domain of Property." (BC2, p. 231)

### **Commentary**

As explained in the previous item, Bastiat suggested that any item that has been acquired through human effort (whether great or small) changes from community ownership to private property of that individual. Upon applying any amount of labor to nature's gifts, the individual is then able to claim the product of such effort as his own.

## 18. Property is not a privilege; it is a right gained only by effort; and the one who puts forth the effort is the owner.

### **Source quote(s)**

"That which is onerous is appropriated, because trouble taken, effort made, is the condition of its enjoyment, as the enjoyment is the reason for taking the trouble, or making the effort." (BC2, p. 231)

"We are surrounded by utilities, but we must stoop to appropriate them. That exertion is sometimes very simple, and often very complicated. Nothing is more easy, in the general case, than to draw water, the utility of which has been prepared by nature beforehand. It is not so easy to obtain wheat, the utility of which nature has equally prepared. This is why these two efforts differ in degree, though not in principle. The service is more or less onerous; therefore more or less valuable—the utility is, and remains always, gratuitous." (BC2, p. 160-1)



### **Commentary**

Contrary to what some may believe, the right to property is not an inalienable right granted to all. Instead, the right to own property allows people to labor with the intent to receive a remuneration for their efforts. The idle person does nothing to invest time, resources, or effort, and thus receives nothing in return. Only by exerting himself, Bastiat argues, is the individual able to obtain the things which we desire.

**19. All humans have an inner motive force which impels us to repel evil and seek good; all humans have an intellect to help us distinguish between bad and good.**

### **Source quote(s)**

“What constitutes man’s perfectibility is his intelligence, or the faculty that has been given to him of passing from error, which is the parent of evil, to truth, which is the generating principle of good.” (BC2, p. 584)

### **Commentary**

Bastiat notes that the intelligence of man enables him to overcome his mistakes, reject errant ideas, and seek after truth. With this ability, man rises above the beasts and uses his sentience to achieve higher goals and seek a greater good.

**20. When property is protected, and people are otherwise totally free, self-interested actions harmonize society.**

### **Source quote(s)**

“Our doctrine is founded on liberty. In truth, property and liberty are in our eyes one and the same thing, for that which constitutes a man the proprietor of his service is his right and power of disposing of it.” (BC2, p. 259)

“It is not the aggregate of values that has diminished; it is the aggregate of utilities that has increased. It is not the absolute domain of Property that has been narrowed; it is the absolute domain of Community that has been enlarged. Progress has not paralyzed labor; it has augmented wealth.” (BC2, p. 245)

### **Commentary**

In a number of his writings, Bastiat contests the belief held by the socialists of his time that man’s actions, if left unrestrained, are antagonistic. He instead proposes that men’s actions are naturally harmonious, and thus if left to themselves (i.e. free of government interference), they will generally be harmonious.

**21. Scarcity is real, but limited and artificial.**

### **Source quote(s)**

“We next proceed to apply this theory [of scarcity] and, in order to favor producers generally, we raise prices artificially, and cause a scarcity of all commodities, by prohibition, by intervention, by the suppression of machinery, and other analogous means.” (BC1, p. 176)

### **Commentary**

Scarcity is mainly a tool of governments and powerful individuals to impose price increases and obstacles, in an attempt to reap a personal reward. As such, Bastiat notes that its origin is artificial, and its scope limited. Scarcity, a side effect of and sister mentality to plunder, occurs when government does not protect private property and free trade.

## 22. Scarcity creates high prices. Abundance creates low prices.

### **Source quote(s)**

“The consumer is richer in proportion as he purchases all things cheaper; and he purchases things cheaper in proportion to their abundance; therefore it is abundance that enriches him. This reasoning, extended to all consumers, leads to the theory of plenty.” (BC, p. 177)

“The greater [obstacle] it is, the greater remuneration do we award to those who surmount it for us. Rarity gives rise frequently to large remunerations, and this is my reason for refusing to admin with the English Economists that Value is proportional to labor.” (BC2, p. 164)

### **Commentary**

When he wrote about “things which are not seen”, Bastiat discussed how legislators will sometimes artificially create scarcity to drive up the price of an item, thus profiting the merchant of that item. What is not seen in this case is what the consumers’ money might have done had they been able to spend less on that item. It is in this example that we see that abundance ultimately creates low prices, which has a long term effect of allowing money to be circulated in other pursuits.

## 23. Suppliers desire scarcity. Consumers desire abundance.

### **Source quote(s)**

“A radical antagonism exists between buyer and seller.

“The former desires that the subject of the bargain should be scarce, its supply limited, and its price high.

“The latter desires that it should be abundant, its supply large, and its price low.” (BC1, p. 182)

### **Commentary**

Bastiat noted the opposition that exists between suppliers and consumers. The former wants to be able to charge a high cost for his service or product, while the latter prefers to spend as little as possible in order to have additional funds to spend on other things. This antagonism provides a healthy balance, where if the supplier charges too much, the consumer will find an alternative source for acquiring the product. Conversely, if the consumer wants something to be so abundant that its price declines dramatically, he may be left without the item altogether if he cannot find a supplier that will consent. This “check and balance” provides a system where prices naturally fall where they are most correctly valued by the market as a whole.

## 24. Free trade is good for both consumers and suppliers.

### Source quote(s)

“We said that free trade acts exactly in the same way as roads, canals, railways, and everything else that facilitates communication by removing obstacles. Its first tendency is to increase the supply of the commodity freed from duty, and consequently to lower its price. But by augmenting at the same time the supply of all other commodities for which this article is exchanged, it increases the demand, and the price by this means rises again.” (BC1, p. 348)

### Commentary

Using a bridge as an example, Bastiat discusses how free trade enables people in an exchange to do so more freely and efficiently. This ultimately saves money (*e.g.* with transportation) and time (with a quicker transaction). Both supplier and consumer benefit in that they have one more obstacle surmounted, allowing them to move on and overcome others.

## 25. Human labor is never underemployed.

### Source quote(s)

“. . .human labor is not the end, but the means. It never remains unemployed. If one obstacle is removed, it does battle with another; and society is freed from two obstacles by the same amount of labor that was formerly required for the removal of one. . . . To maintain that human labor will ever come to want employment, would be to maintain that the human race will cease to encounter obstacles.” (BC1, p. 188)

### Commentary

In one of his articles, Bastiat wrote about the machinery problem. His philosophical opponents desired to suppress machinery, for it eliminated jobs and deflated prices. Proposing the “thing which is not seen”, Bastiat discussed how the obstacle that is overcome through technology allows the workers that formerly had to labor in its wake are now able to use the technology to their advantage and produce more quickly, distribute more widely, or aspire to some other career altogether. As he notes, there are an infinite amount of obstacles to overcome, thus there will always be labor required to do so.

## 26. Humans always do that which they think will increase their satisfaction the most.

### Source quote(s)

“It is the same with a people as it is with a man. If it wishes to give itself some gratification, it naturally considers whether it is worth what it costs.” (BC1, p. 5)

“For a man to decide to labor he must have a motive, and that motive is the satisfaction he has in view, or utility. His undoubted and irrepressible tendency is to realize the greatest possible satisfaction with the least possible labor, to cause the greatest amount of utility to correspond with the greatest amount of property.” (BC2, p. 232)

### Commentary

## 27. The only government actions which increase incentive are those which protect property rights.

### Source quote(s)

“The Diversion of the public power from its legitimate functions is an evil still greater than its Increase. Its rational mission was to protect Liberty and Property; and here you have it violating Liberty and Property. All just notion and principles are thus effaced from men’s minds. The moment you admit that Oppression and Spoliation are legitimate, provided they are legal—provided they interfere only by means of the Law or public power, you find by degrees each class of citizens demanding that the interest of every other class should be sacrificed to it.” (BC2, p. 105)

### Commentary

As protection of one’s rights is its only natural and proper domain, government is a positive force only when it remains in this sphere. Bastiat argues here in this quote that to depart from its legitimate function would make government not a protector of liberty, but a destroyer of property.

## 28. There are obstacles to our wants; labor is the action of overcoming these obstacles.

### Source quote(s)

“Man is originally destitute of everything.

“Between this destitution and the satisfaction of his wants there exist a multitude of obstacles that labor enables us to surmount.” (BC1, p. 185)

### Commentary

An individual’s idea of satisfaction drives him to labor to overcome obstacles in the pursuit of said satisfaction. An idler receives no remuneration; if he wants something, he must work to obtain it.

## 29. Societies form because people have more wants than they can satisfy alone.

### Source quote(s)

“We have seen that although countless obstacles are interposed between the wants of man and his satisfactions, so that in a state of isolation he could not exist—yet by the union of forces, the separation of occupations, in a word, by exchange, his faculties are developed to such an extent as to enable him gradually to overcome the first obstacles, to encounter the second and overcome them also, and so on in a progression as much more rapid as exchange is rendered more easy by the increasing density of population” (BC2, p. 509)

### Commentary

A society where each individual is responsible for obtaining his own items on his own will not progress far beyond an agrarian state. Instead, it is the natural progress of things for people to enter into exchanges in a market society,

where they can trade and purchase the things they need with the items they have. Individuals are thus able to satisfy a larger amount of needs and wants than they would be able to if left to fend for themselves.

### 30. Division of labor and exchange occurs automatically as people seek their wants.

#### Source quote(s)

“Exchange enables men to turn their faculties to better account, to economize capital, to obtain more assistance from the gratuitous agencies of nature, to increase the proportion of gratuitous to onerous utility, to diminish, consequently, the ratio of efforts to results, and to leave at their disposal a part of their forces, so that they may withdraw a greater and greater portion of them from the business of providing for their primary and more urgent wants, and devote them to procuring enjoyments of a higher and higher order.” (BC2, p. 104)

“In society he does not combat these obstacles personally, but others do it for him; and in return he employs himself in removing one of the hose obstacles that are encountered by his fellow men.” (BC1, p. 186)

#### Commentary

Bastiat here notes the trickle effect of removing an obstacle in a large society. When an individual overcomes an obstacle, his actions benefit those around him, who are then able to employ their time in overcoming other obstacles. This effect cascades down throughout the society, thus allowing people to benefit from each others’ labor. This is one example of what a division of labor yields, when people exchange products and services and reap the rewards of what others have done.

### 31. Results are determined by effectiveness, not effort.

#### Source quote(s)

“But what constitutes the measure of our prosperity, or of our wealth? Is it the result of the effort? Or is it the effort itself? A relation always subsists between the effort employed and the result obtained. Progress consists in the relative enhancement of the second or of the first term of this relation.” (BC1, p. 189)

#### Commentary

Mere effort does not necessarily achieve desired results. A person on a bicycle might pedal tirelessly, but if the gear is wrong, the effort might not move the bicycle by any great measure. Effectiveness, then, is key in realizing results. Bastiat notes that it is not wealth alone, nor effort, that does this.

### 32. Any government action beyond the protection of property increases the obstacles to our wants.

#### Source quote(s)

“It is quite true, therefore, that each profession has an immediate interest in the continuation, nay, in the extension, of the special obstacle which it is its business to combat.

“Observing this, theorists make their appearance, and, founding a system on their individual sentiments, tell us: Want is wealth, labor is wealth, obstacles to material prosperity are prosperity. To multiply obstacles is to support industry.

“Then statesmen intervene. They have the disposal of the public force; and what more natural than to make it available for developing and multiplying obstacles, since this is developing and multiplying wealth?” (BC1, p. 187)

#### **Commentary**

If government chooses to favor plunder over property, Bastiat notes that its operatives will use it as a vehicle to impose obstacles that will create wealth for those will stand to immediately benefit. Such actions ignore the “things which are not seen”, which are of no import to the so-called statesman that seek for personal material gain.

### **33. Free trade increases wealth, even if it is one-sided.**

#### **Source quote(s)**

“...Protection displaces wealth uselessly and unjustly. In so far, it simply perpetrates spoliation.

...

Now, Protection may indeed displace capital, and cause its transference from one employment to another, but it can never increase it by a single farthing.” (BC1, p. 244)

#### **Commentary**

Contrasting protectionism and free trade, Bastiat here notes that protectionism cannot increase wealth, but only redistribute it. In defeating this fallacy, Bastiat suggests that it is only free trade that will increase wealth.

### **34. There are two ways to gain our wants: produce and plunder.**

#### **Source quote(s)**

“Man can only derive life and enjoyment from a perpetual search and appropriate; that is, from a perpetual application of his faculties to objects, or from labor. This is the origin of property.

“But also he may live and enjoy, by seizing and appropriating the productions of the faculties of his fellow men. This is the origin of plunder.” (BC1, p. 52-53)

“There are only two ways by which the means essential to the preservation, the adornment and the perfection of life may be obtained—production and spoliation.” (BC1, p. 307)

#### **Commentary**

Bastiat clearly and repeatedly states in his writings that only two ways are provided for individuals to obtain the items they desire. One, which Bastiat favors, is produce. The other, which he decries, is plunder. The former requires an adherence to liberty and private property, while the latter implies an existence of legalized robbery.

### 35. Man will choose the one with fewer obstacles.

#### Source quote(s)

“When does plunder cease, then? When it becomes more burdensome and more dangerous than labor. It is very evident that the proper aim of law is to oppose the fatal tendency to plunder with the powerful obstacle of collective force; that all its measures should be in favor of property, and against plunder.” (BC1, p. 53)

#### Commentary

As man works towards obtaining the satisfaction he desires, he often prefers to follow the path of least resistance. Bastiat notes that because of this, it is only when plunder is punished and filled with more obstacles that produce will be chosen and preferred by more individuals.

### 36. Government action to protect property creates obstacles for plundering.

#### Source quote(s)

“There are two active causes of revolution at work in the United States—slavery and commercial restriction. . . . Is not this a case of law and public force sanctioning, strengthening, perpetuating, systematizing, and protecting oppression and spoliation, in place of fulfilling its legitimate mission of protecting liberty and property?” (BC2, p. 502)

“It is very evident that the proper aim of law is to oppose the fatal tendency to plunder with the powerful obstacle of collective force; that all its measures should be in favor of property, and against plunder.” (BC1, p. 53)

#### Commentary

Bastiat writes that if government enacts laws to enable produce, then plunder will cease. Conversely, if laws are enacted that will allow for and sustain plunder, then produce will cease. For this reason, as he writes, government must remain in its proper domain of protecting private property and personal liberty, so that plunder will be punished and unsupported by government.

### 37. Any other government action or inaction creates obstacles to production.

#### Source quote(s)

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#### Commentary

### 38. In destructive action, the stronger overcomes the weaker.

#### Source quote(s)

“In war the stronger overcomes the weaker.” (BC1, p. 428)

### **Commentary**

Destructive action is usually supported by force, munitions, and government. In this scenario, as Bastiat notes, the weaker are easily overcome, for they do not enjoy such strength on their side. Similarly, when government supports socialism, this economic principle is backed by the force of government, causing those who oppose it to almost always submit and conform.

## **39. In constructive action, stronger always gives to the weak, making the weak stronger.**

### **Source quote(s)**

“In industry the stronger imparts vigor to the weaker.” (BC1, p. 428)

“Now I have often said, . . . that it is of the essence of progress—and indeed in this alone progress consists—to transform onerous into gratuitous utility—to diminish value without diminishing utility—to permit each individual to procure the same things with less effort, either to make or to remunerate; to increase continually the mass of things that are common, and the enjoyment of which, being distributed in a uniform manner among all, effaces by degrees the Inequality that results from differences of fortune.” (BC2, p. 237)

### **Commentary**

Grassroots action occurs most successfully when the action is constructive—advocating positive change and reform, seeking to improve society and promote liberty. In this vein, Bastiat notes that the stronger relents to the weaker, as the weaker organize themselves and labor towards positive progress.

## **40. Government can only destroy; it cannot construct.**

### **Source quote(s)**

“What [government does] is either hurtful or profitless, injurious or ineffectual. It never can bring any useful result.” (BC1, p. 183)

“To take by violence is not to produce, but to destroy. Truly, if taking by violence was producing, this country of ours would be a little richer than she is.” (BC1, p. 29)

### **Commentary**

George Washington once wrote that government, like fire, is force. Bastiat agrees, noting that its actions are hurtful and profitless. Government can only act through destruction. When this action is in pursuit of protecting liberty, its destructive actions are in punishment of a perpetrator’s aggression. This is morally sanctioned. But when government’s force is used to deprive somebody unjustly of their liberty, its destructive action is, as Bastiat stated, “injurious [and] ineffectual”.