



*Gournay Lives! The Freedom of Labor
in a Three-Part Exchange of the 1750s*

Foreword to the Three-Part Exchange on the Guilds and the Freedom of Labor

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[LINK TO ABSTRACT](#)

Vincent de Gournay (1712–1759) holds a special place in the history of classical liberalism in France due to his lifelong activity against the guilds system and for the freedom of work, his *laissez faire, laissez passer* stance generally, and his influence on major figures such as A. R. J. Turgot. Although he was a prolific author according to those who knew him personally, he published almost nothing, and, tragically, died early, at the age of 47. On the freedom of work, historians must draw from his administrative correspondence and occasionally from short memorials written to convince fellow members of the Trade Office (Bureau du commerce).

The memorial on guilds, written in 1753, and addressed to the Chamber of Commerce¹ of Lyon (*Mémoire sur les communautés de métiers adressé à la Chambre de commerce de Lyon*), is one of these surviving documents. In it, Gournay argues that the guild system is non-sensical, unfair, and detrimental to the prosperity of a city like Lyon. Found in the archives of the Chamber of Commerce of Lyon, a manuscript of the text was used by Gustave Schelle in his 1897 book *Vincent de Gournay* and published several times since in its original French.² (That manuscript is posted at Institut Coppet [here](#).) A second manuscript of the memorial was found much later in private papers stored in the municipal archives of Lyon. I have used

1. The chambers of commerce, composed of selected merchants and manufacturers, acted primarily as counsels.

2. Schelle 1897, 113–132; Sécrestat-Escande 1911, 137–156; Gournay 1993, 13–26; Gournay 2017b, 35–49.

this second manuscript as my primary source, while mentioning major variations, for reasons that I will explain. (This second manuscript is posted at Institut Coppet [here](#).) Neither manuscript has previously been translated into English.

A reply had been made by the Chamber of Commerce of Lyon, refuting arguments put forward by Gournay, and the manuscript was similarly found in the archives of the Chamber of Commerce of Lyon, and later published, in its original French (Sécrestat-Escande 1911, 157–172). (The original French version is posted at Institut Coppet [here](#).) Again my translation here is the first into English.

Gournay then responded to the Chamber of Commerce, producing another memorial. Until the end of the 19th century this response from Gournay was believed to have been lost. And so, in a sense, it was and remains. But in another sense it was not.

In 1899, a Finnish public figure and intellectual, Henrik Gabriel “Heikki” Renvall, published a book (his doctoral thesis) on late-18th century economic thought in Sweden and Finland, focusing on how Swedes and Finns were influenced by the Physiocrats. In the book Renvall mentioned the existence of a Swedish translation of two memorials by Gournay, published in Stockholm in 1756. Thus, Renvall in 1899 dug up a very slight Swedish book, consisting of two Gournay memorials, that, it seems, had been essentially unknown to French scholars and researchers for some 140 years. The title of this short book was *Tvänne Memorialer angående Frihet i Handel och Slödde-Näringar: öfversatte ifrån fransyskan* (*Two Memorials on the Freedom of Trade and Industry: Translated from French*). The 1756 Swedish translation was believed to have been done by Karl Frederik Scheffer (1715–1786).

The second of the two memorials, that is, Gournay’s response to the Chamber of Commerce, was—in 1899—something of a rediscovery. Thus, Renvall informed Gustave Schelle, author of *Vincent de Gournay* (1897), and even sent him a French translation—that is, a French translation of a 1756 Swedish translation of the Gournay rejoinder in French. Schelle published an account of it in a 1901 issue of the *Journal des économistes*, but went no further, and his precious manuscript (that is, his French-from-Swedish-from-French manuscript) was then lost. New attempts (by me) at discovering it, in private and public archives, as well as in the Otaru University of Commerce Library, in Japan, where Schelle’s remarkable library is now stored, have failed.

Therefore, the second memorial by Gournay, his rejoinder to the Lyon Chamber of Commerce, on the issue of freedom of labor, has been almost entirely unknown, even to French readers. But thanks to the translation made here by Jens Grandell and Klas Eriksson, we are able to offer it for the first time to readers outside of Sweden. Drawing from both the Swedish and the subsequent English translation, as well as from the original French of the first two parts of the debate,

I then recreated as faithfully as possible a French version of Gournay's lost reply as I think it would have been phrased by Gournay himself. So, 270 years hence, Gournay's lost second memorial, after having gone from French to Swedish to English, is now again in French! This new French recreation is now posted at Institut Coppet: "Deuxième mémoire (inédit) sur les corporations et la liberté du travail" ([link](#)).

In his first memorial, Gournay provided a devastating critique of guilds, and pushed for complete freedom. In the second, however, trying to obtain actual reforms, in the face of the fundamental opposition of the Chamber of Commerce of Lyon and other official bodies—not to mention the guilds themselves—he adopted a more conciliatory tone. Agreement could be found in a middle ground, he thought. Just like classical liberals of our own day and age, abolitionist in their study room, find the need to compromise in their public discourse, Gournay evidently decided that another tone was now necessary. He had proved, in the first memorial, just how flawed the whole system was; now, making "the distinction between the approval of a principle and the means to use in order to implement it," he was arguing in favor of smaller gains. "We must not be bound by old customs," he wrote, "but rather advance step by step, without losing track of the main objective."

Yet, to understand today both his general critique of guilds in the first memorial, and the reforms he was advocating in the second, one must be able to appreciate the nature and practical effects of this system, maintained in France for some seven centuries, and prevalent throughout Europe in a more or less similar form. Let us, then, consider one single example. To depart only slightly from Adam Smith's famous example, I note that in Paris a special guild existed for needle makers. The existence of such workers dates back at least to the 13th century, but their first guild statutes, nonetheless, are from 30 January 1556. At this point in time, to become a master needle maker (*aiguiller*) four years of apprenticeship were required, before an examination known as the *chef-d'œuvre* (masterpiece). To further restrict competition, the guild of needle makers introduced a regulatory provision forbidding any master from training more than one apprentice at a time. Over time, the access to guilds in general became more and more difficult, and indeed, according to their statutes from September 14, 1599, one now had to spend three years of companionship in addition to the prior five years of apprenticeship: that is eight long years before having the right to make needles. In this absurd regulatory framework, the growth of this sort of craft was impossible: one century later there were only half a dozen needle maker masters in Paris. Suffering from the competition of England, their very existence was threatened; they united with the proper *épingliers* (pin makers) in 1695. Later in the 18th century, *épingliers* and *aiguilliers* were joined by *aiguilletiers* and *chaînetiers*, in a strategic move to avoid

bankruptcy and to grow stronger in view of the numerous legal proceedings against other guilds, on the exact boundaries of each craft's monopoly.

The critique made of this regulatory system by Gournay was comprehensive and abolitionist. Gournay was advocating for a complete freedom of work with, in addition, free immigration of workers, who would contribute to the national prosperity.

During his term in the Trade Office, Gournay spent a great amount of time helping destitute workers obtain the right to make a living from their craft, despite the guild statutes blocking their way. His papers are filled with pleas made on behalf of apprentices who, for example, were not born in the city; Gournay then alleged that their father was born in the city, or that their brother was currently employed there; all very moving arguments, that had nonetheless no basis in law, even if true.³ Another time, he invoked the intention of a Swiss worker to recant his Calvinist faith, in order to obtain for him the title of master without apprenticeship or companionship, and even without paying any registration fees due to his being poor.⁴

In 1757, four years after the exchange presented here, as a member of the Academy of Amiens Gournay put forward the topic of a contest to be held “on the obstacles that guilds placed in the path of industry, on the advantages that would result from their abolition, on whether the financial help provided by guilds to the government was useful or detrimental, and on what would be the better way to abolish these bodies” (Clicquot-Blervache 2017, 24–25). The winner was Simon Clicquot-Blervache (1723–1796), who benefited from the help of Gournay and who had Gournay's manuscripts at his disposal; in fact one finds many instances of direct inspiration, or agreed plagiarism.⁵ Clicquot-Blervache's important book was later used by another associate of Gournay, the abbot Gabriel-François Coyer (1707–1782), who published in 1768 a plea for the complete freedom of work in the form of a short novel, *Chinki: histoire cochinchinoise applicable à d'autres pays* (*Chinki: A Cochinchinese Story, Applicable to Other Countries*), which was republished by Institut Coppet (Coyer 2013). Coyer made an extended use of facts and figures found in the *Mémoire sur les corps de métiers* authored by Clicquot-Blervache; but we know from the public correspondence of Gournay that he was gathering information to strengthen his advocacy for freedom.⁶ Therefore, arguably, the source of Coyer was ultimately Gournay himself.

3. Letter from Vincent de Gournay to Flachet de Saint-Bonnet, 13 June 1752 (Gournay 2017b, 169); letter from 14 February 1757 (ibid., 240–241).

4. Letter from Vincent de Gournay to Flachet de Saint-Bonnet, 10 March 1756 (Gournay 2017b, 232).

5. See my edition of Clicquot-Blervache's *Mémoire sur les corps de métiers* (Paris: Institut Coppet, 2017), introduction, 14–18.

6. See for example the letter to Flachet de Saint-Bonnet from 24 May 1752 (Gournay 2017b, 167–168).

From the beginning of the 1750s, up to the year 1776 and the abolition of guilds (an abolition that turned to be only temporary) by Turgot, who was Gournay's pupil and friend, Vincent de Gournay was the most prominent figure in the defense of freedom of labor in France. A translation of his second memorial on the topic, previously only available in Swedish, was long overdue. May it bring to the public's eye both the spirit of just abolitionism and the honest spirit of consensus, both exemplified by Gournay, who experienced so many of the challenges, and embodied so many of the virtues, of classical liberals today.

Notes on the texts

As mentioned previously, there are two separate manuscripts known for the first memorial by Gournay on guilds and the freedom of labor. Ms. 1 was found in the archives of the Chamber of Commerce in Lyon. It has a sort of legal authority, reassuring for historians; also, it was published in the original French several times and is therefore widely known. Ms. 2, found in private papers, in the municipal archives of Lyon, was rediscovered very recently; it was reproduced in print in 2011 (Charles et al. 2011, 333–343).

While, where they match up, Ms. 2 differs only slightly in phrasing from Ms. 1, it contains two substantial additional segments. Those two additional segments are both powerful and interesting in terms of authorities quoted—Pieter de la Court (the author of a book that was said to have been written by John de Witt) and Josiah Child. The two additional segments are very much in line with other known writings of Gournay. The authenticity of this additional content can now be further demonstrated, since it appeared as well in the Swedish translation of 1756. In presenting the long passages from De la Court and Child, I use Child's own original English and the English of the original translation of De la Court, because Gournay had first-hand knowledge of this literature (he published a translation of Child the very next year) and secondly because his translation is very faithful.

It is very likely that the manuscript used in Sweden (we shall name it Ms. 3) was very similar to Ms. 2, if not purely identical.

Below is a translation following Ms. 2; I indicate the two substantial segments of text where the text expands from Ms. 1.

The translations of all three parts of the exchange suppress archaic capitalization.

In translating into English this text, as well as the reply to it made by the Chamber of Commerce of Lyon, I have tried to remain as faithful and as close to the original as possible. As for the translation from Swedish of Gournay's second memorial, Jens Grandell and Klas Eriksson have likewise aimed to remain faithful

to that Swedish presentation, while making judgments in light of the fact that the Swedish text is itself a translation.

Text in parentheses (like these) are Gournay's own parenthetical remarks. All footnotes are by the respective translators unless otherwise indicated. Text in brackets [like these] are likewise of the respective translators, unless otherwise indicated.

On behalf of myself and my Nordic collaborators: Our thanks go out to Björn Hasselgren for his insight and support of this project, and to Sheilagh Ogilvie who kindly provided feedback on this Foreword and on certain word choices in the translations.

About the Author



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A Memorial on Guilds, Addressed to the Chamber of Commerce of Lyon¹

Vincent de Gournay
translated by Benoît Malbranque

The ongoing discussions in the Trade Office between the various guilds of goldbeaters, guimpe makers, weavers and trimmers of the city of Lyon, do not only concern the commerce of this city, but also the well-being and benefit of the whole kingdom, and therefore one should study their root causes with the greatest care.

The origin of this division lies in that of the guilds themselves. Indeed, how could we have believed that the separation of many occupations all related to the making of cloths, and all depending upon each other, would not lead to a constant war between them, and to their attention being drawn from the perfection of their trade, and directed to the means of destroying each other and the whole commerce of Lyon by implication.

Yet such is the spirit that has animated these guilds, and one finds in the registers that they have held since their very beginning the proof that the natural enemy of a guild is every other guilds, that trials [in court] between them date from the time of their first establishment, and that legal proceedings is a sort of business that they have come to master as much as their own.

But before getting into the substance of the demerit of guilds in general, let us recall their origins and examine whether their separation and their statutes have been made with the interest of trade and common welfare in mind, or whether this division is only grounded in personal interest.

At the time when the silk factories went from Italy to Lyon, they were

1. As stated in the Foreword above, the present English translation is based on Manuscript 2 (abbreviated Ms. 2) of this memorial, dated February 1753. The citation of Ms. 2 is: Bibliothèque municipale de Lyon. Fonds Matthieu Bonafous. Ms 6055, f°10–33. Published in *Le Cercle de Vincent de Gournay*, Paris: INED, 2011, 333–343. Ms. 2 is posted at Institut Coppet [here](#). The present translator uses footnotes to explain where the present English text expands from Ms. 1. The citation for Ms. 1 is: Archives de la Chambre de commerce de Lyon, PV 1753, “Mémoire de M. Degournay, intendant du commerce,” f°202–210, which was published several times as “Mémoire sur les communautés de métiers adressé à la Chambre de commerce de Lyon,” including in *Mémoires et lettres de Vincent de Gournay*, Institut Coppet, 2017: 35–49 ([link](#)). Ms. 1 is posted as a stand-alone piece at Institut Coppet [here](#).

presumably operating under a free system; without this freedom, they would not have been able to settle in Lyon and to flourish in this city as they did.

The progress that they made under the protection of the king Francis I having greatly increased the number of workers employed in the various arts related to the making of cloths, and these workers, believing that the supplementary workforce was making the labor less valuable for those who were currently employed, designed a system of guilds, by which the access to the trade was made more difficult to those aspiring to find in it the source of their livelihoods, and in which workers occupied with a separate branch formed a particular class or community; from that moment on, one was expected to undergo a series of trials and two separate training periods, known as apprenticeship and companionship, before being able to work.²

All this hassle, creating delays before one could obtain the title of master and learn the trade, was making it easier for old masters to increase the price of fabrics; and by diminishing the zeal for work in this particular occupation, it resulted in fewer products, and more expensive, thus more profitable for those who were currently in the position of making them.

After deciding between themselves such rules, only grounded in their own self-interest, the various cloth makers petitioned the government in order to obtain their confirmation. This was all the easier to obtain, when government, which had no understanding of commerce, was told that this request, made for the benefit of each guild, was in the public interest and for the greater benefit of trade in general. Since this particular branch of the national economy was flourishing, government was easily convinced, and thus it gave guilds a confirmation of their statutes and internal regulations, without considering the sort of monopoly that these guilds were obtaining against the general public.

This dates back to the time of Henry II, Henry III and Henry IV, at a time of internal strife, and when the principles of commerce were all the more unknown, that the only competitors that we had then in clothmaking, were the Italians, from whom we had taken it. Perhaps government was eager to see these guilds being erected, because resources could be obtained from such rich bodies. And indeed, in pressing needs, government has always asked of them vast sums of money, when guilds were authorized to issue loans; and in providing funds, guilds never missed the opportunity to ask for new privileges, always for the benefit of their community, and always detrimental to the public. Government was all the more

2. In his remarks to the French translation of Josiah Child, Gournay similarly states that “it is in the guilds’ own interest to see the number of masters diminishing, and this is why they extend the term of apprenticeships and that it takes more time to become a goldbeater than to be received as a doctor in Sorbonne University; these lengthy training periods discourage potential workers” (Gournay 2008, 177).

willing to grant them these privileges, that they were seen as a compensation for the money they were asked to provide. Thus, both the needs of the government and the carefulness with which guilds ceased opportunity to increase their privileges, resulted in the putting under siege both the freedom of work and the national trade, by private bodies. One abuse leading to another, the subdivision were even increased: workers were deprived of the freedom to sell the product of their activity; it was said that to obtain the title of merchant, one had to purchase it at a very high price—yet another monopoly against workers, and placed upon the cloth, for one who needs to buy the right to sell a commodity is always forced to increase its price by an equivalent amount.

The worker, being unable to sell, and yet being constrained by the merchant, soon found himself to be superfluous. The solution, it was believed, was to reduce the number of apprentices that each master could train;³ yet this necessarily resulted, in the long run, in a reduction of the number of workers; they [the workers] were able to exercise a monopoly against masters and to undertake secret cabals to obtain an increase in their salary. And what happened? The price of cloth increased dramatically, taking an artificial value that would not have been observed if anyone were able to train as many apprentices as desired, and to work and sell freely.

Yet, our factories flourished in the midst of all these abuses, while we did not have any competitors. But in 1685, a number of our people, having moved to England, Holland, or Germany, transported their skills and our industry. It was all the more gainful for these foreign countries, since these workers were leaving behind them our guilds system, our masterships, our long apprenticeships and statutes, and brought only their industry in a free environment.⁴

These new workers were received with open arms in every country in which they went to settle, but especially in England and in Holland. They gathered in great numbers in Canterbury and formed in London a district named Spittlefield [now, Spitalfields], where the most beautiful cloths of silk, gold and silver, were made. They were not asked whether they were masters, or if they had finished their apprenticeship; freedom was granted to anyone to make cloth, and in this

3. This regulatory provision was not exactly new. As early as the 13th century, linen merchants (*liniers*) in Paris forbade masters to have more than one apprentice at a time, provided that, as they stated, “whoever would train more than one, would not make a move profitable to either the masters or the apprentices themselves, since it is enough of a burden for a master to train one alone” (*Livre des métiers*, title LVII, article 4).

4. Gournay, in his advocacy for freedom of work, often described a chief cause of emigration: “A man who learns a craft in a year or two, seeing that, if he wants to enter the profession, needs ten or twelve years of apprenticeship in addition, of which he has no use anymore, migrates to a foreign country where he is master instantly. Another one, who is asked 200 or 300 livres to be received master, also migrate to a foreign country, where he has the title for free” (Gournay 2008, 177).

free environment they trained pupils who soon outperformed their masters. Those who worked badly applied themselves on working better, in order to avoid ruin from selling cloths with a loss. Those who settled in Holland introduced the same improvements, working as they were in the same environment of freedom. Believing that an institution only flourishes under the principle that was responsible for establishing it, neither the English nor the Dutch have thought about implementing regulations or imposing titles of masters in their new factories, and indeed the people in Spittlefield and Amsterdam still enjoy the same degree of freedom that was experienced by the founders of their branch of trade. However, in England, laws were passed to forbid the entrance and use of our galloons, silk fabrics and threads of gold and silver, with the purpose of furthering the development of these new establishments. Under this protective measure, cloths became more abundant and came to be so common in England that this country, receiving up to 12 million of galloons of silk cloths in 1685 and before, now relied on domestic production, to the point that our exports have almost ceased; today we purchase some from them (*British Merchant*, p. 13).⁵

New factories have multiplied similarly in Holland. Soon the Hollanders, who were importing every year 8 million worth of cloths from Lyon, Tours and Paris, which was later resold in Germany and in other foreign countries, almost ceased entirely to buy from us; they substituted their national production and today they can be found selling a great amount of cloths to our very country. (Recollections of John de Witt, page 229. London edition.⁶ There is reason to believe that the 8 million mentioned by John de Witt are 8 million of gulden, representing at least 16 million of livres; but my purpose is not to enlarge the figures, and therefore I shall confine myself to the number of 8 million of livres.)

Such heavy losses, incurred by the state and suffered even more by the city of Lyon, were soon felt. Each guild that saw its particular trade diminishing was convinced that the reason behind it must be that another guild had stepped out of its bounds and interfered with the sort of work that they had viewed as their own. Hence the division, the legal proceedings, and the additional burden on industry: for guilds had to argue their cases before judges, and who shall bear the costs, if not workers and manufacturers? and they in turn could only support it, by raising the price of cloths, which gave another disadvantage to our national production as compared to the production of foreign country, where labor happened with freedom and without legal proceedings: hence another increase in their trade, and a

5. Charles King, *The British Merchant, or Commerce preserv'd* (1721). Gournay is using the second (1743) or third edition (1748).

6. That is, *Political Maxims of the State of Holland* (1743), which was also published as *The True Interest and Political Maxims of the Republic of Holland and West-Friesland* (1746), by Pieter de la Court.

decrease in ours.

Foreign factories were growing more and more, and ours were diminishing in proportion: workers soon experienced a lack of activity, and they protested. It was believed that limiting the number of machines in operation, prohibiting the employment of foreign trainees, as well as foreign girls and women, and making it illegal to welcome a foreign apprentice—and *foreign* was taken to mean anyone who was born outside of the city of Lyon and its suburbs—would serve as a remedy. It was also forbidden, during five years, to train any apprentice, even someone born in the city.⁷ (See articles 23, 24, 26 and 27 of the regulation on cloth making, dated 26 October 1702.)

Earlier regulations had even forbidden married apprentices to be received: a disgraceful provision, which repels from factories the very people who need the most to work in order to provide for themselves and for their family. (See article 25 in the statutes of the guild of guimpe makers.)

What was the end result of all these regulations? It was to restrict the number of workers and manufacturers, to throw therefore the whole industry in the hands of a fewer number of people, and to give a better opportunity to workers to exercise a monopoly against manufacturers, and another to these manufacturers themselves against the general public, by raising the price of their cloths.⁸

Yet, while the city of Lyon was following the greed of its guilds, trade was abandoning its shores and was flourishing in London and Amsterdam, where foreign workers, being welcomed and enjoying instantly the rights of masters and merchants, were causing the factories of both cities to prosper and the prices to fall, whereas the prices of our cloths, made by a smaller number of hands, were on the rise, for it is a maxim that the multiplication of hands causes the level of salaries to fall, and the trade to flourish.

Our trade fell in proportion with the rise of foreign factories; we soon had wars to lead, and the needs becoming more and more pressing, it was thought proper to use the resources of the guilds of Lyon: they were asked great sums of money; an imposition was raised on them, not as citizens, but as workers. Hence a

7. Such practice had become common. Since 1659, Parisian brush makers, for example, could only train an apprentice every ten years. In every instance, the guild had in mind the profits of its members, operating in a less populated and less competitive market. The 1704 statutes of embroidery makers of Paris even indicated that no apprentice could be taken as long as the number of masters in the city would not have reached 200 (they were 250 at the time); it further stated that once this number will be obtained, a master could only train an apprentice every ten years.

8. In Ms. 1 (that is, of Gournay's first memorial), we read here this additional statement: "In the view of all these regulations, are we not correct to conclude that since we have commerce and industry in France, they [commerce and industry, that is] were seen as evils [by incumbent workers and manufacturers, that is] against which it is necessary to take precautions to avoid their growth?". This statement is not in Ms. 2, nor is it in the Swedish version (see Gournay 1756, 19).

series of new loans by the guilds, and new reasons invoked to increase the fees of registration, apprenticeship, companionship, and mastership, in order to reimburse these loans. Thus the registration fees to obtain the title of master in the cloth factory were increased, from the level of 50 livres, and 20 livres for touring merchants, set by the regulation of 1667 (Art. 34 and 35 of the regulation of 1667). In our time—and the more recent the time is, the more the story is humiliating—a suggestion was even made to ask 800 livres for the title of merchant. (In 1744.) The manufacturers on whom these taxes have fallen, at first did not seem very anxious. They thought that to increase the fees of apprenticeship and registration to mastership and to the title of merchant would scare aspiring workers, and that consequently they would be in a better position to increase the price of their cloths; and that the monopoly that they were already exercising, and that they were allowed inadvertently to obtain at the expense of the general public, would only be more secure and more profitable for themselves.

Let us hear the language of these guilds, and we will see what sort of spirit is dominating them, and whether indeed the city of Lyon has perceived correctly where its interest lies, when approving so easily their agreements. Here is what the guimpe makers say in a deliberation dated 16 April 1736 (p. 166):⁹ “Yet, since the prohibition of apprenticeship, creating a profit in the community by the reduction in the number of masterships, etc.” What makes the delight of the guimpe makers, does it not bring the downfall and misery of the city of Lyon? In rejecting from its craft new apprentices and new masters, this guild rejects new citizens who would have contributed to the increase in population, the decrease in the price of labor, and the flourishing of the city’s trade, which on the contrary is placed in the hands of a reduced number of people who only have their private interest and their private fortune in mind when operating a decline in the trade of Lyon: this city, thus, has acted in opposition to its true interest in following the mindset of its guilds.

Our factories, placed in the hands of a few, constrained by monopolies that workers and manufacturers exercised against each other, with interests on debts needing to be paid, with registration fees on the rise, with long apprenticeships, were soon unable to compete with foreign countries where industry is free from these obstacles; the increase it [that is, the set of restrictions and impositions] produced in the price of our cloths ruined the sort of advantage that we possessed in terms of cheap labor, and thus the foreign producers were able to gain from their freedom and their lower interest rate, thanks to which they sell at 106 what cost them 100, and double the interest of their capital, when we must sell at 112 to obtain the same profit.

In such difficult circumstances, our manufacturers found no other solution

9. This “(p. 166)” is in Gournay’s original and refers perhaps to a large volume of this guild’s deliberations.

than the deterioration of their products and the reduction of the weight of their cloths. This deterioration was necessary to avoid products being overpriced, and it was all the easier to bring about, that the industry being operated by a small number of manufacturers, who all had the same interest, an agreement was not long to reach. Complaints were made, relating to what was called abuse and unfaithfulness. It was believed that a solution could be found in a greater abuse still, in implementing regulations. Hence the famous regulations from 1737 and 1744 were imposed, the first one in 208 articles, the second with 183 articles. Such a large number of provisions could not but result in a great number of infringements, which increased the burden of workers and made their occupation a more displeasing one. Discontent was so prevalent, that foreign nations were informed of it. Dissatisfied workers were attracted by promises and rewards, which resulted in a new wave of migration of our workers in the direction of foreign countries, therefore increasing the number of our competitors and weakening our industry. And the result of this further establishment was to reduce once more competition at home and to raise once more the price of our labor and cloths, and thus to give new advantages to the foreign countries over us. It was so beneficial to the English, that they do not import from us more than 500,000 livres of silk and galloon, while they imported 12 million in 1685; and similarly, the Hollanders only import 1 million, while they imported 8 million back in 1688. If we further note that these two nations now export to us, what a shift this means in the *balance of our trade*; how can one argue, after this, that our trade is increasing and that we are gaining with every nation of Europe.¹⁰

[Ms. 2¹¹] We have noted earlier that regulations were nothing but an additional abuse which could bring neither the good nor peace that one was expecting; for far from multiplying the number of workers and manufacturers, which is the only means to expand clothmaking, regulations result in a further decrease of both of them. Besides, regulations are less effective in producing perfection than emulation brought about by freedom. Indeed, regulations set a goal that no one wishes to exceed; one does not wish to do better than what the regulation has set, for fear that this work and excess of perfection will not be compensated. Therefore, one is inclined to always remaining below the regulation. This reasoning becomes general: hence the complete weakening of the industry; whereas in foreign countries where there is no set goal, everyone ignoring the extent to which his neighbor is pursuing perfection, ensures that he carries it

10. "Gournay's political economy is still obsessed by the competition with England and Holland, by ideas of commercial war and trade balance. It is certainly the most surprising feature of the works of this immediate forerunner of both physiocracy and classical economics" (Malbranque 2016, 117).

11. The next 6 paragraphs are only found in Ms. 2. They appear in the 1756 Swedish version as well.

himself to the best of his ability, for fear of losing his credit and to sell less effectively: hence perfection becomes general. But—some will argue—if we neglect regulations, we will fall into the most awful chaos: anyone will work as he pleases, we will witness nothing but abuses and unfaithfulness; our nation wishes to be conducted differently than others, our workers and manufactures are less trustworthy than those of foreign countries. We will reply that the principles of trade are the same everywhere, that competition and freedom will produce among us what they produce in foreign countries. We shall add that, in fact, we do not know the good effect that freedom of work will have on us, since we have never experienced it, the obstacles that we have placed upon our industry being as old as the manufactures themselves. We will answer also, to those claiming that our workers are less trustworthy than others, that it is the severity of our laws and restrictions that have made them so; that, in fact, those foreign cloths, of which we so loudly praise the perfection, will be made in London and Amsterdam by French workers, our own countrymen, who learned their craft on our soil. Can French workers only be trustworthy outside of their country? This idea is too mistaken and too insulting for France to deserve a further refutation.

A solid proof that a large trade can establish and maintain itself with no forced regulation, mastership, or apprenticeship, is that the English and Hollanders, when adopting our manufactures, did not adopt a single one of our regulations; and yet their industry is growing, whereas ours is diminishing and our manufacturers complain that in China and Bengal regulations and inspectors are unheard of, and that nonetheless these two countries flood Europe with their cloths. Will it be claimed that we are less trustworthy than the Chinese?

But—some will also say—Mr. Colbert has made regulations. The regulation of 1667 on silk cloths was made at his time. This is true. However, in 1667, there was no silk factory in London and in Amsterdam; along with Italians we were providing all Europe with silk; thus, our trade being satisfactory, we did not consider reforming abuses that were becoming insignificant while we were almost sole traders, but which become harmful now that we have rivals all over Europe. Trade with many competitors is to be dealt with differently, than trade without many competitors.

Mr. Colbert also enacted the regulation of 1669 on linen manufacturing, but it was with the aim of teaching us how to make them well, and this craft we did not possess; but now that we have the knowledge, this regulation should only be maintained as a model of good fabrication, without forcing workers to abide by it, for fear of sanctions. This is what the English have done: after having obtained fabrication standards from the Flemish, their first masters, they have let them fall into disuse, so to speak, once they became themselves the first and best producers of woolen cloths in the world. One recruits a master to learn how to read, and

dismiss him once one knows how to read.

The fear of abuses has done more harm to our trade, than all that we call abuses could ever have done. Because of this fear, we have always loaded trade with constraints, and in a sort of infancy, whereas being in complete freedom in foreign countries it has grown and flourished. It is possible that some will abuse freedom and produce flawed cloths, but those who will act in this way will be soon punished, since they will not find consumers, and they will change their behavior among us as well, as they did in England and Holland.

This idea, that the best inspector is the need for a worker making cloth to find a consumer, has never been accepted in France. Yet, if a sort of cloth finds consumers, it is very good; all the regulations in the world may say otherwise, we will maintain that it is very good, for it provides his livelihood to the worker responsible for making it, put him in a position to pay the King, as well as the raw material, and brought also to the farmer his livelihood and helped maintain the land's value. Besides, nothing is perfect in this world. But the fear of some disadvantages, which will disappear in the great sum of advantages for the nation, should not prevent us from extending our trade to the fullest extent, and this can only be achieved by granting our workers and manufacturers with the same freedom that they enjoy in other competing nations. There is no gust of wind that does not result in the English losing ten boats, when we only lose one. This is a disadvantage of a large marine; but it will never be a reason for them to reduce their marine. Similarly, the fear of a few abuses should not be a reason for us to restrict our trade and in so doing to increase the number of useless and lazy people among us. It is a self-evident maxim that a country is only populated in proportion to the employment that people can find. Therefore, if constraints on our industry deprive our people of their opportunity to work, are we not effectively expelling them from our country, and forcing them to find employment in foreign countries, and is it not ultimately debasing the value of our lands and making them uncultivated? [Ms. 2¹²]

If one thousand Genoese were to choose to settle in Lyon today, what event could be more fruitful to the King, who would obtain a thousand new subjects, to our lands, which would have a thousand more customers, and to the city of Lyon, which would acquire a thousand more citizens. And yet, according to the existing statutes of this city, nothing of that sort would happen. The Genoese would be told: if you want to establish yourselves among us, you must spend five years in apprenticeship, five other years in companionship, and pay fees for it; after which, if you want to be made masters and obtain the right to sell your cloths, you will have to pay 400 livres each, because you are from a foreign country. The Genoese may

12. End of the first of two segments of additional text found in Ms. 2 and translated as well in the Swedish version.

say that they already knew how to produce beautiful velvets, that they were even selling some to us before leaving their country; they may add that their craft is their only treasure, and that it is unfair to penalize them first, when they only want to work and contribute to the wealth of the state and the city: all of this will be useless, since one cannot be received master and get the title of merchant without 400 livres and ten years of training. The Genoese would return to their country puzzled, and with a curious notion of us; they would land on English or Hollander soil, and be rather surprised that at their arrival they would be both masters and merchants without having to buy this right and without being asked if they finished their apprenticeship or if they have even worked in what is called a regulated city. Can a man of good sense not see that the industry and trade must necessarily diminish in a country which rejects those who want to exercise it, and increase in those where everyone is welcomed to produce and trade?

This is not our sole disadvantage in comparison with foreign countries. Our monopolies and regulations mean that to an equal standard of quality, our cloths will be more expensive than theirs, although originally the price of our labor is lower in our country than it is in theirs.

It has long been recognized that long apprenticeships (15 years in the case of goldbeaters) and the provision prevalent in the city of Lyon to only receive workers who were born here or in the suburbs, has resulted in the reduction in the number of workers, which in turn made labor more expensive. When increasing the price of masterships, manufacturers have also reduced their number, and therefore found it easier to increase the price of their cloths and [thereby] to pass on to their product their luxury and spendings, which was a cause of great rise in prices. That is to say, when gathering the commerce of the city of Lyon into the smallest number of hands, the goal is to increase profits as much as possible. But this can only be achieved through an increase in the price of the commodity.

One must observe also that, while it is widely recognized that raw materials must be free because duties paid on them increase fictitiously the price of cloths, the city of Lyon alone departs from this rule. A duty of 3 and 4 sols was placed on silk cloth, a duty that a foreigner who understood the spirit of commerce rightly abolished. (Mr. Law.) A mark costing 24 livres per weigh unit, and a refining fee of 20 sols per weigh unit, were also imposed on gold and silver products. In England and in Holland, one does not know what a duty of mark is; one refines the same unit of coins for much less than 20 sols. Yet, do silk and gold and silver products not qualify as much to the title of raw materials, as wool? However, wool does not pay anything in our country, and we maintain all the duties on the very raw materials that we need the most, such as silk and silver, and on the industry that foreign countries are most eager to take from us.

A silk worker in England and in Holland is not required to another

apprenticeship than the one he believes to be needed in order to be able to produce; nothing is mandatory, nothing is determined: as soon as he can produce he is a master and without paying anything. In times of needs by the government, nothing is levied on him as a worker, but as a citizen, and in proportion of his assets, and not in proportion of his industry; this is what, among us, makes the fate of the lazy man a more attractive one than that of the useful man. The foreign worker cannot pass on to his products [price increases that would be commensurate with] extraordinary taxation. Since there is no guild for silk cloths, he does not know just how many competitors he has; he is bound to frugality and economy, without which his cloths would be produced so expensively that he would not be able to sell them around competitors more economical than him. If he ever obtains a great fortune, it will be by extending his trade, and not by increasing the price of his products, which always leads to a decrease of trade.

What sort of regulation was so beneficial to England and Holland? Liberty and competition; and these two principles will certainly produce the same result among us; but for two hundred years, in France, under the pretext of fighting frauds and abuses in the making of cloths, we have only been busy indeed making the occupation of manufacturing more difficult and more unpleasant, and to place it into the hands of a reduced number of workers, without understanding that the greatest abuse is to reject men from work and to deprive the state from the fruit that would come of their labor.

When there is an enemy to be fought, one studies the strengths and disciplines that made him victorious, and what was in turn our shortcomings. Although French workers have introduced our factories in Holland and England, they would not have flourished without freedom; but freedom secured them and they increased while ours were decreasing; it must be because their policy is better than ours. In fact, a limited trade, subjected to obstacles and restrictions, such as ours, will only be ruined whenever attacked by factories operating in a free environment; in the long run the greater number must win over the smaller number, and their workers and manufacturers are rapidly and constantly increasing, whereas ours, constrained by long training and discouraging formalities, can never increase. Their trade, therefore, is growing and surging, in proportion with the number of their manufacturers, while ours diminishes with the number of our workers.

We still rule our industry by principles established under Henry the second [who died in 1559]; they were wrong then, even at a time when we did not have any competitors, because they were destroying emulation among us. Today they are unbearable, for we have competitors all over Europe. Because we have put one arm in a sling under Henry the second, does it mean that we need to continue like this under Louis the 15th, at a time when all the sovereigns of Europe are occupied

with the task of untying the arms of all their subjects in order to take over our last remaining trade? May we regain the use of our two arms and we will be able to recover some of the lost ground.

One cannot finish these observations without adding some remarks about the content of one of the memoirs from the goldbeaters' case record, where, to remedy the abuses on the title of silver and the counterfeiting of traits, it is suggested that we prohibit the transportation of coins, old tableware, and other products of gold and silver, to Geneva and Trévoux.

One may observe, 1° that this prohibition would be useless regarding Geneva, which is not isolated and can very well obtain coins and products of gold and silver through Savoy and Switzerland.

2° That we would deprive subjects of the King, who export coins and products of gold and silver, of a profitable branch of trade, for those are not given freely, but paid at their value, and subjects of the King gain benefit, from the margin they create with materials brought from foreign countries, which paid transportation, transit charges, and others, from which the kingdom has benefited. If we prohibit the trade of coins, etc., to Geneva, we will have one less branch of trade in the kingdom, and one more that we will send to foreign countries. It is with such prohibitions and such restrictions that we ruin our workers, our manufacturers and our traders, that we depopulate our country and debase the value of our lands, to increase the population of England and Holland and increase consequently their wealth, their trade and the value of their lands; for it is certain that we will always increase and elevate the trade of these two nations and other rivals in trade, whenever we will add additional burdens on ours; just as it is certain that the obstacles and restrictions with which we have bombarded our factories have contributed as much to the expansion of trade in England and Holland, as the freedom that these two countries enjoy.

If the principles put forward in these memorials are correct and appear worthy of the attention of the Council, it seems that before deciding definitely the case of goldbeaters and guimpe makers, it would be necessary to send these memorials to the Chamber of Commerce of Lyon, to the traders known as commissioners, who are not the least interested in the prosperity of this city's commerce, and finally to the main guilds of Lyon, which are the most interested in their trade continuing and growing: something that can only be achieved when it will be treated as favorably as it is in competing cities, that is, not Tours and Paris, but London and Amsterdam.

Until then, it seems that one cannot settle the debate between these guilds without taking from one body to give to another, at the expense of the public interest.

The truth of these principles once recognized, and the city of Lyon once fully

convinced that its prosperity and splendor lie in their implementation, it will be found leading the effort, and therefore all obstacles and difficulties that seemed to block its way, will soon be overcome. It will be recognized, at least, that these principles are not dictated by private interests.

Besides, if our trade was increasing one should punish any man who would suggest to change its rules; but since there is evidence that it is diminishing, and the trade of Lyon in particular, to refuse a change in the rules is to wish for a complete ruin.

[Ms. 2¹³] To avoid the principles put forward in this memorial relating to regulations being considered new or claimed without authority, here is what can be found in the Recollections of John de Witt, chapter 20, whose title is that manufactures and other mechanical works should not be restrained.

“At least it cannot be denied, but that halls relating to manufactures, or any other fort of handicraft ware, with overseers or inspectors appointed by common consent; or the chief men of the guilds to circumscribe or limit the same; or by public acts of state to appoint how those wares must be made which we sell into foreign lands, are as ridiculous as prejudicial. For it supposes two very impertinent things: first, that the foreign buyers must needs purchase of us such manufactures and mechanic works as we shall please to make, be they what they will: and, secondly, that in other countries they must not make those sorts of manufactures, and handicraft ware which we prohibit. Whereas on the contrary it may be said, that the makers of them have hit the right mark, when they can best please the buyer, and the buyer can gain most by them.”¹⁴

Here now are the words of Sir Josiah Child, one of the leading man of trade that England has ever had, in his chapter on woolen manufactures.

“All our laws that oblige our people to the making of strong, substantial (and, as we call it, loyal) cloth, of a certain length, breadth, and weight, if they were duly put in execution, would in my opinion, do more hurt than good, because the humors and fashions of the world change, and at some times, in some places (as now in most) slight, cheap, light cloth will sell more plentifully and better, than that which is heavier, stronger, and truer wrought; and if we intend to have the trade of the world, we must imitate the Dutch, who make the worst as well as the best of all manufactures, that we may be in a capacity of serving all markets, and all humors.

I conclude, all our laws limiting the number of looms numbered, or kind of servants, and times of working, to be certainly prejudicial to the clothing trade of the kingdom in general, though they may be advantageous to some particular men,

13. Ms. 1 ends here. The next paragraphs are only found in Ms. 2. They appear in the Swedish version as well.

14. This quotation is from page 74 of the work, cited above, by Pieter de la Court, *Political Maxims*, etc.

or places, who first procured those laws of restriction and limitation.

I think all those laws are prejudicial that prohibit a weaver from being a fuller, tucker, or dyer; or a fuller, or tucker, from keeping a loom.

I conclude, that stretching of cloth by tenters, though it be sometimes prejudicial to the cloth, is yet absolutely necessary to the trade of England, and that the excess of straining cannot be certainly limited by any law, but must be left to the seller's or exporter's discretion, who best knows what will please his customers beyond the seas; besides, if we should wholly prohibit straining of cloth, the Dutch (as they often have done) would buy our unstrained cloth, and carry it into Holland, and there strain it to six or seven yards per piece more in length, and make it look a little better to the eye, and after that carry it abroad to Turkey, and other markets, and there beat us out of trade with our own weapons."¹⁵ [Ms. 2¹⁶]

15. *A New Discourse of Trade*, by Josiah Child (1698), chapter 8, Concerning wool and woolen manufactures. Gournay published a French translation of this book in 1754.

16. End of additional text found in Ms. 2 and translated as well in the Swedish version.

Reply to the Memorial of Mr. Gournay¹

Chamber of Commerce of Lyon
translated by Benoît Malbranque

The Provosts of the Merchants and Aldermen of the city of Lyon, being assembled on this extraordinary occasion with the Directors of the Chamber of Commerce, in accordance with the orders given by the Council to adopt a final position regarding a memorial by the Labor Office on the advantages or disadvantages of introducing a complete freedom in the city's guilds, subjected for a long period of time to regulations, and this issue having already been the topic of several gatherings, where this memorial was given serious consideration, along with various answers made to it by the major guilds of this city;

Are of the opinion that the disputes between goldbeaters, guimpe makers, manufacturers and trimmers of the city of Lyon have motivated the author of this memorial to inquire into their causes; these inquiries have led him to the idea that their craft, making them dependent in a certain way on one another for the creation and perfection of cloths, it is not a surprise if these guilds try day after day to attack each other, and continuously raise a new difficulty; to close every legal proceedings, the author proposes to abolish all guilds, along with all statutes and regulations constraining potential workers and establishing a framework for those who at present are entitled to work; as a result of this system, he advocates for freedom, opens the door equally to anyone wishing to produce in France, whether they be countrymen or foreigners, and replaces the uselessness of apprenticeship and masterpieces with emulation and ambition; going from there to the advantages of such a freedom, he explains the progress made by our rivals, while our laws and regulations, putting a strain on our manufacturers and workers, were bringing the downfall of our factories and creating constraints more detrimental to the state than they are to these craftsmen themselves. It is clear that the author is inspired by a very patriotic sentiment; one notices in his memorial the desire to see our factories achieving the highest degree of expansion and perfection, and foreign competition diminishing, almost to the point of extinction, following the growth and superiority of ours; but can the means that he puts forward really achieve this result? Should we

1. Translated from the text of G. Sécrestat-Escande, *Les idées économiques de Vincent de Gournay*, Bordeaux: impr. de Y. Cadoret, 1911: 157–172. This text is posted at Institut Copet [here](#).

consider in the same way the operations of general trade, which seem to have been so carefully understood by this very talented author, and the details of every branch of industry? Must we accept, without distinction as to the object, this maxim that an institution only flourishes under the principle that was responsible for establishing it? Is there no difference, then, between the time following the first establishment, and the time when it lays some roots, extends its branches, give abundant fruits, and seems to require that the same laws which guided its birth be maintained? Those are some of the most important points to consider. There is no doubt that freedom was instrumental in establishing the silk factories of Lyon; the Lucchesi, our ancestors, laid its foundations, and thanks to this freedom that gave access to every foreign workers—which was valuable for they taught us their craft—these workers trained pupils who, over time, grew in numbers; and soon this situation becoming worthy of the scrutiny of the sovereign, it appeared necessary to give a certain shape to this industry, and to stipulate rules and laws to achieve more surely the perfection of cloths, the precise faithfulness of workers, and the complete confidence of consumers.

Experience tells us that it is because these successive regulations were strictly respected, that the making of cloths has achieve a progress even more clearly felt since the regulations of 1667. At this time, it took a fixed form, the law guided its operations and it started to acquire the knowledge and superiority that we witness today. Under such helpful legislation, other factories of the same city and around the kingdom flourished as well; but following the author of the memorial, we shall consider more precisely the making of cloths in our own city, and yet invoke the same reasons of politics and public utility.

Invention is due to meditation, to combinations, often to chance; but it is not the case for a craft already known: it has principles and rules that have been established after careful examination, reasoning and experience; it is therefore absolutely necessary to know these rules in order to imitate previous manufacturers. Hey, what other road can we take to archive this! if not training workers in apprenticeships; according to the statutes, they can enter this training at the age of ten to fifteen; at the age of nineteen or twenty, they obtain the title of companion and finally at the age of twenty-four to twenty-five, they are able to obtain a mastership. Can a man create a factory before this age? Is it not so that before the age of majority one is not entitled to enter into legally binding commitments? And if an exemption to this law can be obtained in matters of trade, it remains true that a man of this age was still considered as governed by his passions, less free and less firm in his resolutions, and even unable to manage his possessions. It is therefore necessary to have apprentices and companions in order to guarantee a common body of industry; the laws governing them do not only conduct them in the direction of the perfection of their craft, but also acts to

control morality: if you abolish this sort of serfdom, or better, of bondage, which is so necessary at this highly critical age, you deprive the industry of good workers that that subordination would have produced, and you create bad subjects for the state.

The author of the memorial believes that the length of this trial period discourages potential workers; yet, the numerous receptions of apprentices every single year prove otherwise. Besides, how could we reduce the five-year apprenticeship? Is it possible to be taught such a subtle art and complex mechanism in a shorter period of time? An apprentice spends the first two years learning and observing; at this point, he is a burden for the master, who has agreed to provide him with shelter and food for five whole years. Therefore, it is only with the work of the last three years that the master can indemnify himself for his previous expenditures. After this time, the child becomes a companion, he can obtain employment from any master, and this freedom allows him to obtain additional knowledge about every sort of cloth, and learn every technique used. If he is talented by nature, what better way can he find to perfect his skills? After trying several techniques and crafts, he chooses the one that suits him best, and which gives him the most success, and thus, provided that he is wise and thrifty, he can pay the mastership registration fees with his savings: and there we have a new master for the industry.

These so-called obstacles are far from being the cause of a desertion of our industry; on the contrary, we believe that the extraordinary growth and superiority achieved over all competitors is ultimately due to these regulations and to their strict implementation. This rapid growth can be substantiated by reporting the census made at different point in time; but before touching on that, the fallacious notion that apprenticeships are not known in England must be addressed.

It is a fact that both the habitants of this country and foreigners are subjected to an apprenticeship of seven years. If the aspiring worker is not a citizen of London, he must pay a community fee in order to work or produce; in England, as well as in Holland, crafts that are considered national are gathered into guilds having their statutes, such as the cloth merchants in Holland, the cap makers and also the stockings makers in England, and these guilds do not accept foreigners. Silk manufactures too form guilds in the city of London; only in the suburbs can one work on silk cloth without a mastership; these places of freedom serve as a bait for our French workers and for workers of other nations; but it does not apply to linens and hats, and one more time, they do not accept any foreigners. The reason behind this exclusion is easy to perceive: they need external assistance to achieve perfection and taste in cloth making, and they are aware of their superiority in these other crafts in which one cannot teach them anything; their policy is the right one, for one must always indeed mitigate when there is more to gain than to

lose from welcoming foreigners. If we believe that we are still weak, it is proper to seek foreign guidance; if on the contrary we can say honestly that we are superior to them, let us be jealous of this treasury, and let us be on our guard in fear that it will be taken away from us.

The time following the year 1685² was disastrous for our factories: less because of the many workers that were taken away from them, than because numerous establishments were created in England and Holland as a result. Yet, despite this competition, what a progress our industry has made since this time! In 1685, there were only 2,000 machines giving occupation to 10,000 workers; a survey made in 1739 indicates 7,500 machines and 48,500 workers relying on them; finally, in the last one, which has just been made, we possess 10,000 machines and 60,000 workers employ them.

Luxury, that has become more and more prevalent, the use of silk threads that everyone has adopted, as well as the support given by governments, all of this has fostered the growth of our factories; however, it would have been even more so, had factories not been established in England, in Holland and elsewhere: but the blow has been struck, and today we must focus on how to regain our position, either by the perfection and faithfulness of our products, or by their grace and elegance; we can be proud of being still in possession of this refined taste, for each day brings to us an infinite number of merchants from all nations, and above all from Germany, who come to buy our cloths. We have lost customers in England and Holland, it is true, but in the past they only served as intermediaries between us and Northern countries. Today, we supply all parts of Germany, Denmark, Sweden, Prussia, Poland, up to Russia, which forms an essential part of our trade. Nothing here that resembles the gloomy picture given of our industry in decay. In this state, it would be dangerous to introduce the sort of freedom that is suggested; soon foreign factories would feed on our remains, we would see entire colonies coming to our country to learn and train, and then bring back our industry and our sense of taste; we would see these German merchants, so keen today to buy our cloths, form commercial societies with foreign commissioners, and establish new trading posts to transport them in their countries; whenever they would need us no more, we would see numerous manufacturers of all sorts and from all nations getting involved in the business of cloths, join in the buying of silk, and increase its price to the point that they would fall victims to their trials at the very time of their first establishment: in what chaos would we not find ourselves in? No rules, no faithfulness; and consequently the confidence of our customers disappearing: we

2. The reference to 1685 is a reference to the revocation of the Edict of Nantes in 1685, which ended a period of toleration and resulted in the emigration of massive numbers of French Protestants, who, as Max Weber noted, were generally comparatively creative, resourceful, and entrepreneurial.

would pile up an immense amount of defective products that would bring the entire ruin of our manufacturers and industry. No, this disaster exists only in speculation; let us focus on what is, and after glancing with confidence at the flourishing state of our industry, let us say proudly that if freedom has established it, regulation has strengthened it and guided its way, craftsmanship and ingenuity has extended its reputation: we must now wish for a good and peaceful time that will ensure its continued growth.

However, we are under no illusion; we do not believe that we have nothing more to learn, and that foreign countries cannot enlighten us as to mechanical operations; in fact we often see foreign artists willing to enrich our industry with their skills, and far from rejecting them and sending them away, we welcome them and try to establish them in our city; the Consulate presiding over the perfection and progress of our industry obtains for them a derogation from the regulations, and the freedom and right to work; moreover, this same body gives them a mastership straight away, and provides them with the sums required for their establishment. We agree that the multiplicity of hands results in a decrease in salary, but since the amount of workers has increased over time, following the growth in demand, we are only experiencing in the price of labor an increase in proportion with that of other commodities, and in this particular industry we are able to offer cloths at a better price than any foreign competitor. Because of their superior activity and diligence, our workers produce more and earn much more, although they are paid less; so that if we could by some way increase their number to the point that some would become supernumeraries, as we have experienced in these troubled times so common in this industry, they would become additional beggars in our public places and in our streets, as we have seen in 1750. Therefore, we believe the number of workers employed today in our industry to be sufficient for current demand, excessive when the demand is dropping, and insufficient, it is true, in booming times, but these are only momentary. It remains to be decided what is better: to be deprived of a large demand, that is only momentary, or to witness the destruction and dispersion of an infinite number of subjects as soon as the industry is back in its normal state.

Few branches of trade are subjected to fluctuations so frequent as is the trade of cloths; it has recurring trends, depending on harvest levels, which decide the price of silk: thus, every year a new scene is set; in the last 15 years, the price of silk has increased by 30 to 40 percent, partly because of the competition in the buying, between those who provide foreign factories and those who wish to sell to our national industry, but most of all due to the development of luxury, which was so rapid that the planting of mulberry and their production has not walked at the same path; in addition, we have lacked Spanish silk, and it resulted in so massive a deficit, that it was at that time that shortage was really felt; following Spain, the

states belonging to the Pope, the Duchies of Parma and Modena have prohibited the export of raw silk; finally, we have witnessed this year the prohibition of any sort of silk coming from the territory of Messina, a measure taken to promote the revitalization of an industry almost extinct since the time of the plague, and to accommodate trade opportunities a trading company was established for the East, in which the sovereign has taken an interest, and which will be able to trade cloths without paying any duty on import or export. All these import sources having been prohibited to us, and the abundance of silk not having reached the demand level, the rise in price was inevitable; let us not then blame the avidity of our manufacturers for the high price of our cloths, but rather the material that is the essence of it; and similarly, let us not blame their cupidity for the alteration in weight, when it was in fact a consequence of their ingenuity to balance the higher price of silk with thinner cloths, allowing them to offer them at a lower price than any other foreign manufactory; besides, competition between such a large number of manufacturers will ensure that the so-called monopoly that they are criticized for, will not happen, and that they will not obtain undue benefits.

Let us maintain the current state of things, and if we have successfully proved that our rules and the organization of our industry is responsible for its immense progress in the past seventy years, we should have no fear to adopt the maxim that an institution only flourishes under the principle that was responsible for establishing it.

If, without changing the essence of our current regulations, and without damaging the harmony between master merchant, master worker, companion and apprentice, one were to find appropriate means to make our industry flourish continuously, such suggestions would be gladly received, and since the Council is a welcoming institution, here are some of the suggestions that we believe are worthy of scrutiny.

1° Granting freedom to manufacturers to produce cloths in any width, in order for them to compete with foreign countries, provided that the manufacturers will leave a mark on the side of his cloth, and provided that we leave untouched the common width and scope of the cloths we commonly produce, and which are known in other countries, so as to keep the confidence of these foreign customers.

2° Allowing the use of raw silk, following again the practice of foreign competitors, especially for unwound silk, under the same terms as above.

3° Renewing laws sanctioning the use of prohibited cloths, which dramatically reduce our domestic consumption, and strictly enforcing them; everyone knows that they are being sold publicly in Paris and in the rest of the country.

4° Engaging the India Company to ship to France silk rather than cloths, of which our kingdom is full, despite prohibitions; and what difference would it make

in the balance of trade of cloths?

5° Ordering that mournings in Versailles will not apply to either Paris or the rest of the country, but only in Versailles; one can hardly imagine the damage that it makes when these circumstances arise at the beginning of a new season: the sale of this season is entirely lost, and materials that were supposed to be used, falling in price due to their not being new, will unavoidably result in a loss for the manufacturer or for the merchant who purchased them with the intention of reselling.

6° Improving moireing, following the example of London, and the finishing of cloths like in Venice, would be of a great advantage for our industry.

7° Making raw silk, this material so precious, more abundant in France, by increasing mulberries planted in the country and in our colonies; silk harvested in the kingdom is one of the main reason our industry has superiority over that of England and Holland.

8° Renewing the ordinance [*arrêt*] from 20 February 1725, prohibiting the export of painted silk, with the exception however of sewing silk, and forbidding, in particular, the export of Tripoli printed silk used to sew gold and silver, either for galloon knit or for binding; let us not allow foreign countries to take advantage of our waters and climate, which give us colors more vivid and more beautiful than they can achieve.

9° It would be in the interest of the makers of galloons or threads of gold and silver, to see the enactment of a special provision. One notices for a long time that their demand is being intercepted and that it is diminishing; this can be attributed to the competition of foreign factories, and especially to those of Geneva in regards to the consumption of Spain and India. A sure method of revitalizing it would be to remove the mark duty and other duties and to lower the duty on the refining of gold and silver materials. Here is the detail of these duties:

Mark duty of 20 s per mark on 50 m bullion, including 4 s per M	60
Refining duty of 20 s per M	50
In addition, for gold bullion	12
Duty of gold beaters on the Argue river	4
Total	126

This is a charge of 5 percent on a sum of 2,500 francs, value of this bullion; this is staggering for an industry whose benefits are much lower than these fees, and which cannot compete with foreign countries because they are not subjected to these duties and can offer their products at a price so low that our manufacturers cannot follow without risking a loss or at least an unfruitful work.

These are the ideas that we have formed, based on our knowledge of the particular area and specifics of our industries, and these are the reforms that we

CHAMBER OF COMMERCE OF LYON

dare to suggest to our wise Council, so that we may experience an even greater prosperity; these reforms are, in our view, in harmony with the useful and commendable ideas of the author of the memorial.

Deliberated on the given day, 24 February 1753.

Signed:

Flachat de St-Bonnet. — Rieussec. — Torrent. — Bietrix. — Pitiot. —
Layeuvre the elder. — Brou the elder. — Duclaux. — Briassou.

Rejoinder to the Memorial by the Chamber of Commerce of Lyon¹

Vincent de Gournay
translated by Jens Grandell and Klas A. M. Eriksson

If the answer from the Chamber of Commerce in Lyon on the memorial regarding the goldbeaters also had included, as one would have expected, those objections that each one of the specific guilds had been able to make, each one separately, one could have hoped that when comparing all the claims against each other and concluding their arguments on both sides, the result would clearly show that when they [the guilds] constantly curb each other's diligence they also suppress the same and damage the diligence of society at large. This is what one [Gournay means himself] believes to have proven with the memorial, to which the Chamber of Commerce answered, and furthermore, that freedom in production would be far more beneficial than the restrictions and the long apprenticeship that the guilds have imposed on themselves, as well as the many specific divisions between occupations which of course could be done by one person alone.

But since, instead of permitting the guilds to answer separately, the Chamber of Commerce has settled with sending one sole answer, one wants to respond to each objection, so that there will be no time lost settling an issue, which have waited long enough already.

Since one [Gournay] tried to establish the basic principle, that freedom in the practice of handicrafts is the most certain way to achieve progress; to attract a larger number of working hands; to give our trade and our manufactures strength, and hence put them in a position where they can resist the manifold and united forces that the whole of Europe use for weakening them and take them [that is, manufactures] from us, it has never been our aim to suggest, as the Chamber of Commerce claims, that one should at once destroy and overrule all the guilds and establishments in this city; for one must always separate the postulate of a basic

1. As explained in the Foreword above, no original French version of this memorial has survived. A Swedish translation was published in 1756. That Swedish text is here translated into English for the first time. Upon the completion of the present English version, Benoît Malbranque promptly created a French version of this work, which is posted at Institut Coppet [here](#).

principle from the means that should be used to advance it.

We have only claimed that it is necessary that we are approaching the same freedom in the practice of handicraft, that our competitors are enjoying, and the progress of which does us harm, so that we not merely can remove all that may cause our manufactures harm in relation to foreign manufactures, but also be able to avail ourselves of advantages in relation to the same foreign manufactures.

On this basis it is asserted [by Gournay himself, in the first memorial] that trade for us, as well as for the foreigners, of which many used to be our costumers but who now have become our competitors, has changed vastly since the manufactures in Lyon were established, [and that] we not let ourselves be tied to old customs and old establishments when something in them is found to obviously go against common sense or our interests, namely something that can cause our manufactures a disadvantage or harm us in relation to the foreign manufactures. And, in such circumstances, we should acknowledge and follow the revolution in the way of thinking about trade that is going on rather noticeably in so many European states. One wishes nevertheless to acknowledge, that always, when one fears that too darting and inconsiderate changes could cause a violent fluctuation or give way to disorders, one should be changing slowly, yet without ever abandoning the foremost aim to give our manufactures and our trade not merely the same privileges as the foreign ones have, but also to give them even more advantages in relation to the foreign ones.

In line with these basic principles, the correctness of which one assumes that the Chamber of Commerce does not deny, one merely needs to investigate whether there is not something in the constitution of the guilds and their statutes, that during these days and times, constitute the foundations for their agreements and facilities, that are against common sense and that bring harm to the manufactures of Lyon in relation to foreign handicrafts, and whether the referred statutes, with the character they have today, can unable our silk manufacturers to enjoy the same treatment than foreign industry. To make one convinced of the present state of these issues, it is sufficient to present an excerpt of the statutes of some of the main guilds.²

When the Chamber of Commerce invokes the fortunate times, in which the manufactures rejoiced from the year 1667, a time when their old statutes were inspected and improved, one must remark 1st that the factories in Lyon back then had fewer competitors than nowadays. 2nd that the statutes of 1667 were no less detrimental to the growth of the manufactures, and the increase of manufactures

2. Read the excerpt from the statutes of the lace-makers. [Footnote by Gournay] [In this footnote Gournay is probably referring to the 1682 statutes of the guild of “masters makers of guimpe, laces and ribbons” (maîtres passementiers tissutiers et rubaniers).—B.M.]

and looms, than later statutes and in particular the ones of 1744. In 1667,³ workers born in Lyon could be masters for 50 sous, whereas people from elsewhere in France and foreigners had to pay 21 livres to become masters. In 1744, the fees for master-acceptance were raised to 120 livres, besides 48 livres for the acceptance to apprenticeship and companionship, for the citizens of Lyon and 200 for foreigners.

The 1667 status did not forbid the master to have, or to work on, as many looms as he pleased. Such a restriction was not introduced until 1702, at a time when disagreement were growing, and it has since caused the factories in Lyon great concern.

So much less did we understand our own good when we determined the number of looms that each one could have separately, as the English and the Dutch already then had become competitors to our factories, and the English since 1697 had forbidden the import and the use of our silk-commodities in their country.

One should, instead of diminishing diligence through restricting the number of looms to four per master, encourage them to expand in every kind of way, and not let the English take advantage, to our manufactory's downfall and the encouragement of theirs, by restricting the means of manufacturing the same cloth that they [the English] manufacture with greater expansion.

The Chamber of Commerce finds nothing in the length of the apprenticeship that is not necessary and in line with the laws, that do not allow one to enter into contracts before one has turned 25 years old; but the same laws that aim to protect the property of the minors by hindering them from entering into contracts before legal age does not however hinder them from taking employment during the same time. And if the Chamber of Commerce themselves must admit that this law is transgressed in issues regarding trade, why then would the guilds in Lyon resist the same practice being conducted in issues regarding manufactures?

And why would a manufacturer's practice in these regards be inferior to those of the merchant, who before the age of 25 can refine his property through good business and set up significant establishments? Is it not to curb competition and talent, when an ambitious and swift person is regarded in the same way as a person that is not ambitious and swift? The former learns in two years what the latter cannot learn in 10 years; is it then fair to regard them as equal?

One [that is, Gournay himself] has not asserted, that the apprenticeship should be completely abolished; because if the statutes does not set up a certain time for learning, it naturally follows, that one would during a certain time do things that he has not been trained for; one has merely wanted to show that the guilds, when they have expanded the time for apprenticeship and companionship, also have deviated from the old customs of the manufactures; there are forty guilds, for

3. Art. 34, 35. [Footnote by Gournay]

instance the lacemakers, where the apprenticeship in 1667 was set to four years, and where companionship reached an even longer amount of time, up to eight years, as for the dyers in 1708, and ten years, in the case of the goldbeaters in 1683. From this follows that our apprenticeship and companionship are longer and our mastership longer and more expensive than in all the other nations with which we compete on trade. Must not this lead to a disadvantage for our manufactures in relation to the foreign ones, and must not this disadvantage hinder our progress and promote the progress of the foreigner?

For the sake of not losing sight of the comparison between our customs and the foreign ones, a comparison that also the Chamber of Commerce makes, and which it is important to relate to, as much for the present as the future, we would like to interpret what the Chamber of Commerce has written.

The Chamber of Commerce declares that guilds are established in several towns in England, with the city of London mentioned in particular. However, it is acknowledged, that this is the case in arts and crafts that are located in the central city, which is less than a third of the whole of London, and that the silk manufactures in the suburbs are free [from guilds]. It is not the silk manufactures of the central city, in themselves of little value, whose competition and progress we have reason to fear. It is the silk manufactures in Spitalfields, a suburb of London where they are free, without restrictions and constraint, that we have reason to envy. Also, the longest apprenticeship in England is seven years, which the Chamber of Commerce acknowledges, but there is no journeyman-ship; in Lyon the companionship can reach ten years. An Englishman can work as a master in Spitalfields, without paying the mastership fee, and a foreigner [that is, someone who is not a citizen of England] can work there as soon as he is made a citizen [of England, that is]. A French master cannot work in Lyon until he has paid the master fee of at least 168 livres. The terms of a worker are hence less favorable in Lyon than they are in Spitalfields, both in regard to the time of apprenticeship and in regard to the acquisition of the mastership.

In Holland one can be master in Harlem and Leyden but in Amsterdam a foreigner [that is, someone who is not a citizen of Holland] can establish a silk manufactory as soon as he has acquired citizenship, which all in all cost fifty golden, or a hundred livres, and if he is already a citizen, it does not cost him anything; furthermore, the apprenticeship is shorter than in England, even in cities where guilds are present; hence, a worker in Holland has fewer obstacles for producing silk than a worker in Lyon.

But far from the English claiming that long apprenticeships, guilds and masterships are bringing arts and crafts to perfection, people with the most knowledge of trade has long since written that these institutions are shackles on the diligence and obstacles that deprive the growth of hands in trade, means which

in trading nations always have been seen as contributing the most to a deficit in the balance of commerce. This was already uttered by Child in 1669.⁴ It is also on the same foundations that the author of an essay on the causes of the decline of the foreign trade, printed in London in 1740, has written.⁵ It is finally on the same foundation that, at the end of last month,⁶ a proposition was made in the House of Lords, that all guilds in the whole of England should be abolished, since they are one of the worst obstacles to the diligence one can encounter.

All of this proves, that it is far from all Englishmen who regard the guilds as an advantage or as an effect of good statecraft, as the Chamber of Commerce in Lyon claims. Instead, they are seen as harmful to the growth of trade by both the foremost writers on trade and a good deal of the people.

Even though the guilds are not as strict and the apprenticeships not as long in Holland as they are in England, they are no better regarded in Holland; and Jean de Witt, a man who has had the most experience in state-affairs and has the most knowledge in trade, has in the fifteenth and sixteenth chapter of his *Political Maxims*, claimed that the guilds hinder the diligence in general by giving its members the right to practice only certain arts and craft professions.

Thus, both the authorities and the most enlightened men in the two most trading nations in Europe have concluded that guilds are harmful for trade.

But what can one reply to the success that the manufactures of Lyon have achieved? If the guilds are obstacles to the growth of trade, how is it then possible that 2,500 looms that employed 20,000 people in Lyon in the year 1685 during the last 70 years have quadrupled to the 10,000 looms that are active today? For me however this is a riddle that is easy to solve. The growth of factories in Lyon depends on the increasing use of silk cloth in France, and not on export, which is the only source of growth regarding the fortune of a nation. And if the growth of 7,500 looms are used to cloth ourselves within the country instead of other types of cloth that the citizens used before, one must acknowledge that the growth for the factories in Lyon cannot be seen as a growth in the trade of the nation, since consumption within the country has merely been changed from one type of cloth to another, and that what factories in Lyon has gained, other factories in the nation have lost; so it is thus possible that the 2,500 looms of 1685 contributed more to the wealth of our state than the 10,000 looms of today, since we during past days sold

4. In a chapter on the trade balance. [Footnote by Gournay] [That is, chapter 9 of *A New Discourse of Trade*, by Josiah Child. —B.M.]

5. We are guessing that the work referred to is *An Essay on the Causes of the Decline of the Foreign Trade*, which was published in 1744 (not 1740) and which scholars usually attribute to Matthew Decker—if it is not the small book published in 1740 under the title *The Consequences of Trade: As to the Wealth and Strength of Any Nation; of the Woollen Trade in Particular, and the Great Superiority of it Over All Other Branches of Trade*.

6. February 1753. [Footnote by Gournay]

more silk cloth to foreigners than we consumed ourselves, while we now consume more than we distribute abroad.

One believes that there is reason to think so, based on, that in the year 1685, with our 2,500 looms, we had, so to speak, no one else, except for the Italians, to share the silk trade with, and that we supplied the whole of Europe with gold- and silver fabrics, whereas today, notwithstanding the addition of 7,500 looms, the Chamber of Commerce admits that the manufactures in Lyon have lost the markets they previously had in Holland and England. And although the Chamber of Commerce in its memorial did not want to regard the English as anything other than brokers between the Nordic countries and us, one cannot fail to believe that before this they were one of our foremost buyers, as, according to the balance sheet, which was presented in the parliament of England in 1685, they themselves counted at twelve million, what they had in silk, as well as in gold and silver fabrics brought in from France. And the laws, which were made under William the 3rd [that is, from 1689 to 1702] to prohibit the importation and use thereof in England, prove that much of it was consumed, and that he regarded this circumstance as the origin of one of the greatest channels, through which the riches of his country flowed out.

Apart from the English market, which we have lost, according to the Chamber of Commerce of Lyon's own acknowledgment, it is known that the silk factories, which in Spain increase on a daily basis, reduce the consumption of ours [fabrics] over there. Prussia and Germany, which Lyon still counts among her consumers, also use all their energy to establish their own silk factories. In addition, the court in Vienna as well as the Danish and the Swedish, have issued laws concerning the use of our textiles.

Before this Holland sent eight million of our fabrics, of which, in truth, the greater part were brought over to Germany and the North; but now the Dutch bring thither their own, which hurts ever so much the sale of ours.

Now as the greater part of the countries which in 1685 were open to us for the disposal of our fabrics nowadays prevent the same and fill its place with their own, it follows that the 7,500 looms, which since the year 1685 have increased almost in the same amount in the other kingdoms of Europe as in France, one cannot deny that an increase of 7,500 looms in the City of Lyon in 70 years is rather slight, to say the least, in comparison to the increase during the same period in the use of silk fabrics made in Europe in general, as well as the silk factories in particular, because in England alone twelve thousand looms were counted in 1719, although they were hardly known in 1685.⁷ All this proves that not so much has been gained by this increase in abundance, as could have been gained if we had

7. Vid. Claudius Rey. [Footnote by Gournay] [Gournay is perhaps citing Rey 1728.]

properly used all our advantages, against which the statutes of the guilds in Lyon place a permanent obstacle in the way of.

Thus, far from attributing the progress made by the manufactures over there [Lyon] to the to the statutes of the guilds in Lyon, like the Chamber of Commerce does, one [that is, Gournay] asserts that it is these statutes which prevented them from making greater progress, and that the same also more contributed to the rise of our factories on foreign land, even more so than the sovereign's might, which most sought to promote them.

In truth, if, instead of curtailing industry and diligence, as has always been done in Lyon, especially since the year 1702, they had left the competition between the manufacturers more open, and if more ease to continued growth had been granted, we would have filled Europe with our silk fabrics, just as the foreigners themselves were on the verge of setting up manufactures in their own countries, and we would have been able to supply them with such a great quantity of fabrics, of so many kinds and at such good prices, that we would have put their new establishments in the wind and forced them to admit that it is futile to compete with a resourceful and industrious nation, since their efforts in this sort of industry would have been proved unsuccessful. At the same time, they would also had learned that heavy charges, even the prohibitions themselves, had been insufficient to prevent the importation of our fabrics to them. For, such strength possesses good purchase, that it overcomes all difficulties, and that great levies on foreign goods are nothing but a much greater encouragement to fraud of which we ourselves have deplorable experience, through the immoderate use we find among us of East Indian cloths [indiennes, that is, printed cloths], contrary to issued prohibitions to wear them. And we also find that the prohibitions and the heavy levies with which the English taxed our spirits, our teas, our salt and our cambric, do not, however, stop fraud from being committed on their land, regardless of both the size of the articles and the attention of the Service appointed for that purpose.

Furthermore, it has not been claimed that the manufactures in Lyon have not made some growth; but it [the claim] is that, what one [that is, Gournay] wants proven, if it is proven, they [the manufactures in Lyon] unfortunately have not made as much progress as they could have. Moreover, if the nations, which they still count among their clients, would become their fellow competitors and come to provide for themselves, the flourishing state, of which they still boast today, would not be of long duration.

The surest means of averting this calamity, is to do now what we ought to have done long before, namely, to increase the number of hands in our silk factories, so that we may draw there greater capital and be able to boast more workers and more money against the great number of hands, which are scattered throughout Europe, and by which our manufactures are now affected; as long as

that does not happen, we are going to see markets being taken away from us one after the other; for in trade as in war, the side which possesses the most men and the most money is sure enough to best its adversary in the end.

If, therefore, there is a nation in Europe, which, through the abundance of fine factories and of different kinds, through a great number of merchants and ships, and through their institutions, set themselves out to becoming masters of the whole trade of the world; and we content ourselves with maintaining ours confined, by force, as it were, within a small number of materials and avenues, we shall soon enough lose what we still possess, and we shall see our trade dwindle day by day. In matters that require competition, when you do not bother to make better progress, it invariably happens that you go backwards.

Let us not fear, with the Chamber of Commerce in Lyon, that the foreigners will come and take away our taste and our diligence. We have enough secure means to keep them both with us for eternity, if only we allow them to multiply and expand, whereby, when the French find ways to occupy themselves at home, they learn not to travel abroad bringing their natural gifts to our fellow-competitors, whose progress, besides, we learn, we much more certainly shall deter by the abundance of our fabrics, good purchase, and diverse kinds, than by their perfection, which is a pretense of which the guilds in Lyon avail themselves to prove the necessity of their establishment. Furthermore, perfection is won rather through hardship and eager competition, than through the long apprenticeships and the other compulsions, of which their statutes are filled with.

But should we, if we were to enter into the apprehensions of the Chamber of Commerce, fear that production would be too great, and that the world would be too small for our trade, as we now hardly trade with half the known world? And among the peoples with whom we carry out our greatest trade, there is not even one sixth that consumes our fabrics. Thus, there remains for our diligence a far more extensive field than the one we have thus far traversed. And we have far greater reason to fear a lack of people for trade, than a lack of trade for the people.

The Chamber of Commerce seems furthermore to be afraid of having an abundance of workers at times, because the unexpected prohibition of the silk export from Spain in 1750, surely caused a stagnation in the factories, but the same did not last long; for the Spanish silk immediately afterwards began to flow out again in spite of every prohibition. And the more we facilitate the importation and consumption of it with us, the more and to greater abundance will flow out from there, so that we shall maintain our manufactures at the expense of our competitors. For we already possess against them the advantage of better price on labor wages, which the Chamber of Commerce in Lyon itself admits: an advantage, which a greater increase of hands would make still more considerable in our favor, inasmuch as we were thereby put in a position to pay more for the raw materials

than our competitors, without raising the price of our fabrics, and consequently possessed a constant means of attracting larger lots of silk to us from all parts of the world than they [the competitors] could get for themselves. For it is a principle that stands firm at all times, that the one who can buy expensively and sell for the best price is the master of the trade. If, therefore, our manufactures would be well maintained, and the competition and diligence of manufacturers not forced, there would be no workers to spare. They would create for themselves new and unexpected places to sell their product, of which we at present time can but imagine, both among the peoples who already consume our fabrics, and among those who do not yet know about them.

But, on the contrary, our outlets shall always remain limited, as long as our manufactures are so too, because, when we do not do all that we can do, we favor the diligence of others thereby, that we do not find ourselves in a condition to fulfil the first demand; which is why I also see less hazard in producing ten thousand pieces too much than a single piece too few.

This abundance of manufacture and stock thereof excludes the foreigner's, instead of one piece which we have permitted him to manufacture when we ourselves have not been in a position to provide it at first demand, encourages his diligence and makes him a fellow-competitor. It is therefore not bad to satisfy other countries with our goods. This abundance is, as Jean de Witt says, a proof of the strength and superiority of our trade, it hurts our competitors. And if these stocks of commodities should ever cause a slowdown in the trade, it will soon pass. Demand will rapidly return; and instead of one person, who would be deterred from this trade, there are twenty who, on the slightest cause for profit, enter into it.

As for the stagnation in the manufactures, to which the Chamber of Commerce draws attention, nothing happens inside the manufactures in Lyon other than what generally happens with all other things in this world, which are never of any permanence. And the manufactures in Lyon suffer in this end nothing else, than both the woolen and linen factories in Genoa, England and Holland, which have repeatedly been subjected to the same fates. There is thus no reason to place the manufactures in Lyon within certain so-called bars, because there are sometimes certain times when the work is carried on with less haste than usual, just as it cannot be considered any reason against the increase of population in a country, that one sometimes must endure less pleasant harvest times.

But if the city of Lyon, contrary to what all other cities in the world wish for themselves, fears seeing its inhabitants and workers multiplied, for fear of suffering trouble from them, when there is a lack of work, she should not attribute this to anything but the nature of the statutes of her guilds, which, when they contain, that no one else but those within the City of Lyon itself may engage in any work in silk fabrics, compel all those who are willing to engage in such work, to abandon

the countryside, and to come and cram themselves in Lyon; whereas, if it were permitted to carry out the work of silk fabrics in the country, especially of the smooth kind and such as require the least art, the manufactures in Lyon would draw less people into their bosoms, without either the silk fabrics or agriculture suffering thereby. And these workers, who remained in the country, would not come and increase the number of those who frighten the Chamber of Commerce, since work stops with a lack of demand.

What is happening in the country in Genoa shows us that the production of silk fabric is in no way in opposition to farming tasks. And if we allowed the establishment of our silk manufactures to take place in the country and to expand there, we would thereby reap the double benefit, both to keep more people there, and also, to be able to manufacture for an even better price than in the Cities, which two circumstances would enable us to battle with so much greater superiority against the foreign factories.

The high cost of the silk, of which the Chamber of Commerce complains, is an inconvenience that the manufactures in Lyon have in common with the English, Dutch, and German factories; but the prohibitions in Spain, Piedmont, and Italy against silk exportation should not frighten us, if we wish to use the advantages we possess when it comes to manual labor, and permit, through a greater ease and a greater increase in the work, the silk to gain greater value domestically, than it can abroad, where manual work is more expensive; from which it follows, that the subjects of those sovereigns, who forbid silk exports, must rather count on selling it to us unprocessed than consuming it themselves, so all prohibitions become useless even in those countries where they are strictest. For such power is possessed by the one who is able, and who pays the highest price, that he can get everything out [to market] regardless of all prohibitions against it.

This principle as well as the previous one, which we established concerning the strength of good purchase, brings us to two equally indisputable truths; 1st That good purchase compels exportation from us, and the importation to the foreigners, regardless of all prohibitions on both sides, from which it follows that we should not allow the price of the things that have to be brought from the foreigner and stored with us to fall, which are the raw materials.

2nd That the high cost at home forces the importation to us and the exportation from the foreigners, regardless of all the prohibitions on both sides, from which it follows that we should avoid everything that leads to an increase domestically of that which we benefit from keeping at a low cost, which is the manual work.

As a result of this, it is easy to conclude, that we find a permanent advantage in keeping the raw materials at a price, to have them imported to us and exported from the foreigner, which of course must happen, if we facilitate in every way

possible the means to process them. And on the other hand, that we have the same benefit from maintaining the manual work in the case of good purchase, to prevent our competitors from selling, which of course must happen, if we increase the number of those who can put themselves to work on the manufacturing and processing of the raw materials. In this way, we can reconcile what at first sight seems unreasonable, namely buying expensively and selling for good purchase: a principle, to which one would almost dare bring the entire science of trade.

By the high cost of raw materials I do not here understand the dictated value which they obtain through the fact that they are charged with high customs or other such extraneous expenses, whereby they are increased in price for those who are to process them, but reduced for those who have them to sell, but here [I] of course [mean] the natural value, which they achieve with us through a greater demand, which stems from a greater increase and a greater ease in their processing.

All the statutes of the guilds in Lyon which lead to a limitation in the increase of people and means for the processing of silk, are thus by default a prevention on both the domestic and the foreign silk from domestically gaining the natural value, which a greater increase of workers and a greater ease in its processing would apply on the same. Consequently, the effects of these statutes is to retain the silk with the foreigner, to facilitate the exportation of ours and to stop the domestic supply of silk as effectively as by any prohibition.

The statutes of the guilds in Lyon, as they are currently constituted, are thus infinitely injurious to the kingdom, because they rob an infinite multitude of the King's subjects of the means to employ themselves, and so to speak force the whole nation, as regards the progress of its trade in silk goods, to be dependent on the diligence and skill of the Lyonnais. For such is the consequence of all that leads to exclusion, that we set only a certain limited number against un-numbered enemies attacking us.

One can thus not too often repeat the same fact, as has already been said, namely that the statutes of the guilds in Lyon would in a certain way be of less importance as long as our factories were without any competitors. They have done us no perceptible harm, while the competition on the side of the foreigners was weak. But now, since all the peoples of Europe have begun to set up silk-manufactures among themselves, if we do not take all conceivable measures and steps to promote the increase of them domestically, and thereby push their end, we shall soon be forced to yield to the abundance of our opponents.

The present state of trade in Lyon seems to satisfy the Chamber of Commerce and to be sufficient for the guilds who have no regard for no one but themselves. But we, who have regard for the whole kingdom in general, would we believe its trade to be large enough, as long as there was still some single means left to expand it? It still remains for us to reply to the demurrals made by the Chamber

of Commerce, namely: that freedom is indeed necessary at the first beginning and establishment of the manufactures, in order to attract people and skilled workers to them, but after they have had time to gain a certain stability, it would be adventurous to leave access to them open.⁸

One has never been of the opinion that the foreigners should be accepted at the manufactures in Lyon as foreigners, but only since they are naturalized, which would at once have a double advantage, namely that the manufactures would be reinforced, and the population increased by the king receiving new subjects.

But as, according to what history more than clearly shows, the foreigners strengthen and enlarge their manufactures at our expense, as they strengthen them on a daily basis with new workers, so our manufactures cannot be but curtailed and diminished by theirs, if we continually deny to considerably strengthen and expand them through new members. In other respects, the eager competition, together with the necessity of constantly working better and with more economy, than the neighbor to get the upper hand over him, is the greatest and most driving master, as well as the one that most quickly leads to perfection. All this proves that if free access to the factories is necessary to their first beginning and foundation, the same is no less necessary to their maintenance and growth.

Far from agreeing with the Chamber of Commerce in Lyon, that the progress that this city has made in these last seventy years is so immeasurably great, I think I have proved 1st That the progress is far less than that, which the luxuriance in general and the silk manufactures in particular all over Europe have made during the same time. 2nd That the same increase of our manufactures took place more at our own expense and consumption than that of strangers. 3rd That without the statutes of the guilds in Lyon, the silk manufactures in Lyon as well as in other parts of France would have made far greater progress, and on the other hand, the foreigners' far less than has now happened. 4th That if we leave the ordinances in Lyon in their full effect, as they now stand, we shall acquire less foreign silk than we could acquire: that our own silk, instead of being processed at home, flows out to supply the factories of our competitors, and serves to maintain and promote their progress, whereby we will unnoticeably remain confined within our

8. [The following footnote is in the original Swedish, by the Swedish editor/translator.] It is remarkable how here in Sweden many in our time, who would otherwise be considered zealous for the factories, speak and advise contrary to the opinion of the Chamber of Commerce in Lyon on this occasion. It is asserted, that as long as the factories are in their beginning, they should be kept under certain rules and coercion, but after they have come to stability and perfection, greater freedom can be left to them. Besides that both this and the Chamber of Commerce's system, instead of encouraging the country's inhabitants to craftwork, naturally can only discourage them from doing so, in view of the uncertainty that each and everyone must find oneself in for the future, it can also be clearly discerned here how specific interests all over the world are powerful enough to use the same arguments, both against and for whatever that they find more or less necessary for the achievement of their ends.

own consumption.

But in order not to deviate from the purpose that was set out at the beginning of this memorial, which is not to propose changes that could cause any too violent trembling, it would therefore seem most advisable, if, while maintaining the foundations of the old statutes of the guilds in Lyon, only that which is contrary to reason, and that which causes the factories in general indisputable harm in respect to the crafts of the foreigners, was stripped away.

For this reason, one [Gournay himself, that is] settles on this occasion for proposing to the Council's discretion: 1st To allow all the King's subjects, in whatever province of the kingdom they may be born, to be admitted to apprenticeships at the factories in Lyon on the same terms as those born in the City of Lyon. 2nd To fix the apprenticeship to five years, and the companionship to two years, which together constitute seven years, as a longer period would cause the manufactures in Lyon a perceptible disadvantage compared to the foreign manufactures, and also to those established in England, where the apprenticeship is the lengthiest. 3rd To allow girls to be admitted to apprenticeships, which would be so much more advantageous to the manufactures, as they are more sedentary, and as this would be the quickest means of replacing the lack of workers, which must now be acknowledged in Lyon, especially in the field of sewing, the shortage of which is so great that it is not possible to procure for the current year half of what is demanded of English and striped taffeta, as well as black taffeta of 74 and 60 threads, which are replaced by foreign ones, as we do not find ourselves able to deliver them ourselves. 4th To allow each master to maintain as many looms as he pleases equally to what was allowed in the year 1667 and up to the year 1702, and to admit as many apprentices as he desires; for otherwise our manufactures must always be in a disadvantageous position in relation to the foreign manufactures, where the number of looms and apprentices are in no way limited. 5th supposing, that all the preceding points lead to an increase in the number of workers, it is also necessary to increase the opportunity for them to earn an outcome, without which the manufacturers would be given means in their hands to make the circumstances for them all too hard; for this reason, it is argued that if all costs for gaining mastership could be halved, yes and even if each of the guilds' debts were erased, under which measure the concerned guilds would not suffer, because through the admission of so many more to mastership, they [the guilds] would regain what they seemed to have lost at cost of the same admissions. 6th To make it easier for the silk factories performing sewing work to establish themselves in the country, to thereby multiply the manufactures in silk, without weakening the country or agriculture, but to come closer to the purpose of the trade, which is to employ the poor and give them the opportunity to earn their food.

These liberations, which it is proposed that the silk factories may be

permitted to enjoy, will imperceptibly bring them back to the simplicity from which self-interest has removed them, and which [simplicity] is inseparable from the true spirit of commerce; these liberations will give them an opportunity to multiply and expand; and yet the Council⁹ will be able to have regard to the remarks made by the Chamber of Commerce in Lyon in favor of its factories.

The first two of these, which concern permission to work in the same width as the foreign fabrics have, however without changing the width of the fabrics, which are hitherto known to Lyon's manufacture, and to be allowed to use raw silk as in the foreign fabrics, and distinguish such from the others by some mark at the edge [of the fabric], can only contribute much to the expansion of the silk factories, and consequently to that, that we may retain with us a greater quantity of silk of our own growth, which draws to us a large amount of foreign silk; these two circumstances are also contributing to reducing domestic consumption of prohibited fabrics, as so much is accomplished thereby, that from now on we will have several different types and properties, as well as to better purchase, than before.

The 4th request of the Chamber of Commerce in Lyon, to the effect, that the East India Company should be requested to bring into France more silk and less finished fabrics, deserves to be brought to the East India Company's attention with the approval of the Council.

The 6th [request of the Chamber of Commerce in Lyon], which consists in the improvement of the moireing, deserves the attention of the Council, as contributing greatly to the perfection of the factories.

The 7th [request of the Chamber of Commerce in Lyon], which concerns the propagation of the mulberry plantation, has already been a main subject of the government's care for a long time.

The 8th [request of the Chamber of Commerce in Lyon], regarding the renewal of the prohibitions from February 20, 1725 against the exportation of dyed silk, requires closer consideration. If it was possible that the prohibitions alone could prevent the export of a material that takes up as little space as silk does, the Chamber of Commerce would be right to ask for their renewal, but as these prohibitions cannot be enforced, the safest course is to keep that remaining with us, be it, to facilitate and increase the use of it among ourselves, to which all the means that have now been proposed will be very helpful. Regarding the proposal to prohibit the exportation of Tripolitan silk, used to sew gold and silver, apart from the fact that a prohibition regarding that type of silk would not be easier to enforce than regarding dyed, it would also to be feared, in case one could enact a prohibition

9. The Council was a sort of governing body, in which ministers and high officials met with the King to take decisions.

against the export thereof, that the foreigners would thereby be put in a condition to be able to manage without us in that handicraft, which nevertheless always gives our galloon manufactures a great advantage over theirs.

This proposal naturally leads us to the examination of the [Chamber of Commerce's 9th proposal], as it is proved by a calculation, the accuracy of which cannot be denied, that if the mark and refining fees remain as they are now collected in Lyon, a loss follows of 5 per cent for the factories in Lyon against the factories in Geneva and in other foreign countries, where these dues are not paid, but especially against those in Vienna in Austria, where the galloon factories have already made great progress.

It is up to the Council to judge what regard may be had to these remarks made by the Chamber of Commerce in Lyon and to the danger we are in of seeing the factories in Lyon gradually pass over to Geneva, which lies so close to her door, as long as the competition becomes as difficult for her as it is now through the collection of these two charges.

This idea, which has so close a communion with one of the noblest questions, of which the disputes between the goldbeaters, manufacturers, weavers and trimmers gave rise, means that we must go back to the examination of this dispute; but before one enters into it again, it has been thought necessary to show that the competition which now exists between the various kinds of silk, as well as gold and silver cloth factories established in Europe, is of such a nature that the very least difficulty, which our factories would face against those of foreigners, would cause the preponderance in their favor. From which it follows that if one were to grant the goldbeaters the permission they requested, to be allowed to alone spin and weave the gold and silver thread, this permission would put the other craftsmen in Lyon in worse conditions than the same and similar craftsmen have elsewhere in Europe, where each manufacturer is at liberty to prepare himself all that is required for the composition of what he manufactures: an inconvenience which would infallibly in time extend to factories throughout Lyon.

[The remainder that follows, that is, the following two paragraphs, appears to be an addition, by Gournay or another, following the original composition of the memorial. —B.M.]

Since this memorial was read in the assembly of Commerce, still further evidence has been gathered to confirm the state and progress of the silk factories in England. In addition to the author Claudius Rey referred to in the previous memorial, who tells us that already in 1710 twelve thousand looms were in operation in England, the author also confirms a plan of the English trade printed in London in 1728, that at that time silk goods worth 2 million pounds were produced in England sterling or 48 million according to our currency, of which

30 million were spent in the country and the other 18 million went over to the foreigners.

The same author also tells us that the English now do not allow silk fabrics to come from France and Italy for 120 thousand pounds sterling, even though before this France alone sold to them for 600 thousand pounds sterling. There is no doubt that the silk factories in England from the year 1728 to the present time have considerably increased, and that they will henceforth make even greater progress, in consequence of the measures and means taken for their encouragement and increase, the longer the more. It is therefore not without reason that the Chamber of Commerce in Lyon is given reason to take into consideration the means which are believed to be most useful for our part to multiply and expand the silk factories, and to direct all our powers against our competitors.

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About the Author

Vincent de Gournay (1712–1759) expounded *laissez faire, laissez passer* ideas in France, notably against the guilds system. He greatly influenced major figures such as Turgot. Although he was a prolific author according to those who knew him personally, he published almost nothing, and, tragically, died early, at the age of 47. On the freedom of work, historians must draw from his administrative correspondence and occasionally from short memorials, two of which are now rendered into English and published in *Econ Journal Watch*.