

ECON JOURNAL WATCH 20(2) September 2023: 438–449

# Pierre de Boisguilbert: Prime Excerpts and Some Correspondence

Pierre de Boisguilbert edited by Benoît Malbranque

#### LINK TO ABSTRACT

It is impossible to understand the history of economic thought if one does not pay attention to the fact that economics as such is a challenge to the conceit of those in power. An economist can never be a favorite of autocrats and demagogues. With them he is always the mischief-maker, and the more they are inwardly convinced that his objections are well founded, the more they hate him.

—Ludwig von Mises (1966, 67)

Laissez-faire (leave things be) is an ideal which presents itself in various forms in French literature prior to the end of the 17th century, notably in the writings of Rabelais and Montaigne, but whose first great advocate in economics is Pierre de Boisguilbert (1646–1714). Boisguilbert should be seen as the first in a long line of liberal economists in France active through 1776, including Richard Cantillon, marquis d'Argenson, Vincent de Gournay, marquis de Mirabeau, G.-F. Le Trosne, abbots Nicolas Baudeau, André Morellet, and Condillac, L.-P. Abeille, P.-S. Dupont de Nemours, marquis de Chastellux, and A. R. J. Turgot (see Malbranque 2023).

Unlike the humorous Rabelais or the esoteric Montaigne, Boisguilbert was frank, challenging, even indignant. The method of taxation in use over the decades up to 1695 was ruinous, so he wrote to the minister Michel Chamillart that "your predecessors were well-intentioned, but they acted as if they were paid to precipitate the downfall of the King and his people" (Boisguilbert 2023, II:51). Similarly,

restricting the grain trade was "like stabbing every year a great amount of people" (ibid., II:61). "Please be kind enough to open your eyes to the real situation of the kingdom," he wrote to the Controller-General (ibid., II:92).

One might liken Boisguilbert to such challengers as Thomas Paine, William Lloyd Garrison, Lysander Spooner, Ludwig von Mises, and (to a lesser degree) Frédéric Bastiat. But for the most part, those later authors did not face censorship and persecution to the degree that Boisguilbert did. Boisguilbert was censored and persecuted merely for calling good and bad, true and false, as he saw them.

Until recently, Boisguilbert's main economic works had not been translated into English (although they had been into Italian, German, and Chinese). The present article provides some excerpts of English translations done by me and offered more fully by Institut Coppet (link). The excerpts provided here are from two works. Also provided here are three letters from 1707 between Boisguilbert and his persecutors.

### The gist of Boisguilbert

There are two chief planks of Boisguilbert's economic writings: (1) The call for freer trade across jurisdictions, externally and *internally*—it is important for the modern reader to understand that jurisdictions internal to France (towns, regions known then as *généralités*, or collectively as *pays d'états* and *pays d'élection*, depending on the nature of their local governance) imposed their own restrictions, and that the internal restrictions were more damaging than the external restrictions. (2) Tax reform; the reality of the tax system in 1695 is difficult to comprehend, being full of complexities, but suffice it to say that it was collected by the agents of the Ferme générale, forming a state within the state, and that all in all it was arbitrary in implementation and enforcement, inefficient, burdensome, corrupt, and often abusive. It is worth noting that one hindrance to economic progress that Boisguilbert did *not* address was the guilds (the first to take those on in a significant way was Gournay; see Gournay 2023).

Boisguilbert authored nearly 100 letters sent to ministers in the space of twenty years, as well as several short books, published anonymously and illegally, with the aim of winning public support for free trade and fair taxation. He reiterated his pleas with boldness, and it is hardly surprising that ministers did not listen to him. In 1695, when he first released some of his writings to the public, he dared to rename his first book, *The State of France* (Le Détail de la France), to the rather punchier France Being Ruined Under the Reign of Louis XIV, by Whom and How: Along with the Solution for a Quick Recovery. It was avidly read, to the point that it can be named one of the economic best-sellers of the century (Carpenter 1975, 11).

The state of France, according to Boisguilbert, was in spoilage. Grapevines and fruit trees were being abandoned, fields were left to ravens and owls, and all lands had lost half or even three quarters of their value (Boisguilbert 2023, II:25, II:100, I:25). Such was "the corpse" of France. One then had to find the culprits and punish them (ibid., I:156). If the people of France were living a life of near-poverty, it was because consumption was made impossible by two faulty schemes: first, unfair and unpredictable taxation, which discouraged land owners from investing and farmers from working; second, the restriction on trade, of grains, in particular (ibid., I:30–31).

People responsible for the collection of taxes, Boisguilbert says, behave as if France were a conquered foreign country. The conquerors do not find it extraordinary that a man is entirely ruined, his house and all his belongings seized, to satisfy their demands (Boisguilbert 2023, I:79). Because of unstable, unpredictable, and unfair taxation, people across the country were discouraged from being rich and getting richer. Anyone who did not appear to be extremely poor, or paid his taxes on time without fuss, could be sure to be overtaxed the next year (ibid., I:36). Therefore, every man hid his possessions and pretended to be on the verge of poverty. "Only a daily life of bread and water," Boisguilbert notes, "can keep a man safe. If his neighbor sees him buying a piece of meat or some new clothes, he will be made to pay; if by accident he receives money, he must hide it, for if this was ever known, he would be a lost man" (ibid., I:180). Since the best way to appear poor was to be and remain poor, no agricultural improvement was being made. "Everything that a man could earn in addition would not be for him; thus if he understands where his interest stands, he will do his best to stay still, as much as possible" (ibid., II:250; see similarly Vauban 2007, 768).

France was being ruined also, Boisguilbert wrote, because trade was restricted in many ways. Well-intentioned measures were in place, for instance, to prohibit the free flow of grains across the country. Regions where good crops were expected or obtained could not exchange with others where harvests had been bad. A series of controls and permits were making the whole business of trade very wearisome. Once a producer has experienced what it takes to sell his commodity, Boisguilbert alleged, seeing how the government employees abuse the business, the producer will make sure never to conduct trade again (Boisguilbert 2023, I:46). Consequently, wine producers would rather lose some of their wine than to bother transporting it with carts and horses and be subjected to the abuse (ibid., I:48; see also Vauban 2007, 768).

Boisguilbert offered solutions. Taxation was to be established in such a way, he asserted, that people will be once again allowed to work and to spend their income (Boisguilbert 2023, II:66; see also Vauban 2007, 762). The current trend had to be reversed, in favor of fair and predictable taxation. Taxation is coercive in

essence, so even the best schemes are fraught with difficulty. But Boisguilbert said that taxes should also be made to flow directly from taxpayers to the state treasury, without an army of intermediaries and stakeholders being involved (Boisguilbert 2023, I:185). As to trade, it had simply to be made free. The freedom of roads is necessary for consumption and consequently for incomes," Boisguilbert insisted. "They cannot rise from a situation where one encounters at every step people who are paid to prevent two countries [pays—but could be understood as different parts of France] from trading with one another" (ibid., I:225).

The economic policy that Boisguilbert espoused can be summarized in one motto: *laisser faire la nature*, that is, let nature operate freely. Because of this conclusion—as well as some brilliant passing remarks, for example on what after Adam Smith would be known as the "invisible hand" idea (Boisguilbert 2023, II:236)—Boisguilbert emerges as one of the earliest of the liberal economists. He calls for the disengagement of government from virtually all economic affairs, which are meant to function "without the intervention of any superior authority, which must be barred from any sort of production whatsoever, because nature, far from obeying the will of men, is constantly rebelling, and always finds a way to punish those who held her in contempt, by means of famine and desolation" (ibid., I:156).

*Notes on the texts*: I have tried to remain as faithful and as close to the original as possible. All footnotes and insertions in square brackets [like these] are my own.

### Le Détail de la France 1695: Excerpts from Boisguilbert's 25-point summary of the book

Boisguilbert enumerates 25 points to summarize his book *Le Détail de la France (The State of France*), published in 1695. I omit a majority of the 25 points, beginning with the first eleven. In those eleven points, Boisguilbert says that "French soil is excellent" but that the extent and quality of its cultivation is stunted and indeed far less than in the past. He suggests that the kingdom has lost "half of its wealth in thirty or forty years, and amidst no spread of plague, no earthquake, no war at home or abroad, and no such incidents that bring monarchies down in ruins." In point 11 he says: "It all comes down to finding the cause of this abandonment." I now reproduce the four points that come next:

12. There can only be two reasons why a man would be prevented from cultivating his land: either it is because cultivation requires funds that he is not able to muster, neither by himself nor by borrowing; or it is because after

cultivating he would not be able to sell his productions, as he did in the past, and therefore that he would risk losing all his funds: and therefore it becomes in his interest to leave his land bare.

13. This is precisely what happens regarding the arbitrary *taille*. It is not extraordinary to witness a large enterprise paying virtually no *taille*, while a poor man, who can only count on the resource of his two arms to provide daily sustenance for himself and his family, is under intense pressure; and the reason why he is not pressured more is that if higher taxation was levied on him the payment would never be successfully collected; and thus, if he were to plow the soil, currently left bare, the harvest would not be for him, and he would lose in addition the costs of cultivation, which are very high.

14. As for the second obstacle—that which stops him from cultivating, for after the harvest selling the productions would be impossible—duties of *aides* and customs on import and export [between jurisdictions within France, but also from and to other neighboring countries], being four times higher than what the commodity can bear, which is the reason why these duties become useless for the King himself, since nothing is levied, such duties have resulted in a situation where consumption was reduced by a factor of four in the course of thirty or forty years; and one is not surprised to see a whole county drinking only water, when in the neighboring county grapevines and fruit trees are pulled up; and far from resulting in an increase of the sums collected by the King, this has prevented them from doubling since 1660, as they did every thirty years, from 1447 until the said year 1660.

15. The remedy to all of this is easy, as long as one will only concern oneself, in the issue of taxation, with the interests of both the King and his people. One must examine whether there cannot be a system in which sums are immediately transferred from the hand of the people, to that of the King, which would have a rule and maintain a balance between all conditions, so that the poor pay as poor and the rich as rich, and this without the involvement of judges or authorities, whose intervention implies fees and a loss of time, amounting to the primary tax burden itself.

Boisguilbert then gives the next several points principally to the issue of taxation, suggesting reforms that he says would make taxation simpler, fairer, and less burdensome. His call for fairer taxation based on ability to pay is not to be understood as a call for progressive taxation, but rather an objection to regressive taxation, which resulted in part from the widespread exemption from taxation enjoyed by nobles, clergy, and office holders. I proceed by giving the last three of the 25 points and Boisguilbert's two paragraphs that follow his 25-point listing:

- 23. One should not expect tax collectors to ever suggest another system, for their intention being to receive large remittances, they put all their hope in a system resulting in a difficult and hence ruinous recovery of taxes: such a recovery enriches them to the same extent as it impoverishes the poor, since the expenses made to forcefully collect taxes are shared between them, ushers and *recors*<sup>1</sup>, who give them large discounts on what is submitted to taxes.
- 24. All these truths, being denied by tax collectors and their protectors, who are in much greater number than it is believed, will be certified by all important persons, either in administration or in trade, who live in the country; yet those whose interest it is to cause the ruin of everything being the only ones listened to, no attention is given to those who would like to save everything, and who could not even ask to be heard without risking their own security.
- 25. This summary in articles is provided here so that the bad faith of those who would wish to deny their consequence will appear more clearly: for it being impossible for them to dispute any of these articles without showing their lack of reasoning power or good faith, they must assert, despite their lack of what was previously mentioned, that the King can indeed enrich himself and his people, in fifteen days, whenever he will decide that no longer will we accept that some make fortunes by causing his ruin, and that of his people, but that he will now collect all that is necessary for the present war, without being cause for despair to his people: which is what happens when a man sees his property seized and sold as a result of taxes ten times higher than what he can bear, which forces him and his family to rely on charity, and yet does not give anything to the King, as happens everyday.

All of this, without making dangerous moves, but only by enforcing the regulations of *tailles*, which provide that this tax will be calculated according to the capabilities of each person, and by joining a part of the custom duties known as *aides*, as explained previously, and as was the case thirty years ago: and this is four times less far-reaching than the *capitation* tax was.

In this way, it is maintained that the people will possess two hundred million more worth of property, by this liberation of their possessions previously seized. And since the King needs sixty million per year in addition to his normal revenue, there are a thousand ways to obtain them from people who would just have seen their wealth increased by four times this amount, not to mention the future, in which it will double again, in less than the two or three years that are needed to collect the funds.

<sup>1.</sup> Public officials in charge of seizures and executions.

## "Are we to wait for the end of the war?" A supplement to The State of France Published in The Real Situation of France (1707)<sup>2</sup>

Boisguilbert's second book, Factum de la France (1707), contains various memorials. In one, Boisguilbert employs the rhetorical device known as anaphora, starting each of a successive series with the phrase "are we to wait for the end of the war." He is objecting to the excuse of waiting to the end of the war to make the needful reforms he has proposed. I quote selectively, using ellipses where material has been omitted.

Are we to wait for the end of the war to cultivate lands in all parts of the kingdom, where they are idle for the most part, due to the low price of wheat making it impossible to bear the cost of cultivation, and similarly where seeds are not sown in the other fields, which causes the country a loss of more than 500,000 muids<sup>3</sup> every year, and a loss of 500 million in the revenue of people, because it stops the circulation of this first commodity [wheat], which sets in motion every other industry, all living and dying together...? ...

Are we to wait for the end of the war to stop uprooting grapevines, as every day is the case, when three quarters of the people are drinking water only, because of heavy taxation of alcohols, exceeding four or five times the price of the commodity...?

Are we to wait for the end of the war to enforce a new rule for the *tailles*, such that they will be fairly distributed across the country, and will not allow large fortunes to be barely subjected to taxation, when a poor man who has nothing but his two arms to earn a living for himself and his family, sees not only the sale of his deteriorated furniture or instruments, necessary for his livelihood, as it happens regarding the *ustensile* tax, which is based on the *taille*, but also witnesses his doors and bed base being taken away from his house in order to pay a tax four times greater than what he can bear? ...

Are we to wait for the end of the war to save the lives of two or three hundred thousand creatures who die every year from poverty-related causes, and this especially at a young age, for less than half of all children will ever be old enough to earn a living, because mothers lack breast milk, due either to lack of food or to excessive workload; and when those who reach an older age

<sup>2.</sup> The original French text is available from Institut Coppet (link).

<sup>3.</sup> One muid represented a different amount in Rouen, where Boisguilbert lived, and in Paris. In any case it was a little under  $2m^3$  or 2,000 liters (70.6 cubic feet or 67,500 ounces).

have only bread and water, but no bed, no clothes, no remedy in case of illness, and no sufficient strength to perform their work, which is nonetheless their only source of income, and therefore die before even having walked half of the road?

Are we to wait for the end of the war to end similarly the war that is made on properties, which can happen instantly, if the King would only declare that taxes will now be raised according to the capacity of each taxpayer, as is currently the case in England, in Holland, and in every country in the world, and as was even the case in France for one thousand one hundred years...?

Are we to wait for the end of the war to enable the King to fund officers at the right time, so that they will be able to recruit their soldiers in a timely manner?

Are we to wait for the end of the war to give sufficient funding to the King so that through a large scheme soldiers will be voluntarily recruited, and that we will not see anymore men being dragged into the army, with their hands behind their backs, like we would do for convicts being sent to galleys or even to the gibbet; all of which, according to Mr. Sully, in his Memoirs, only makes other soldiers feel discouraged, and the armed forces, as well as the nation, despised, as all soldiers desert the military at the first opportunity, or die of sorrow?

Are we to wait for the end of the war to stop putting the King and the State in debt, and at such a pace that when the war ends the interest on the borrowing will cost the people more than the war itself, and therefore that they [the people] will have to fight a perpetual war [that is, to find in themselves the resources to pay back]? ...

Are we to wait for the end of the war to stop selling properties, and offices most of all, every single day, with the right to enjoy and freely dispose of them, and a special privilege for those who will have loanable funds to this end, and then, sometime later, to resell this new title to another person, without compensation of any sort to the original purchaser, nor to the lender: which, by destroying confidence, the heart and soul of commerce, severs all ties between the prince and his subjects, and causes money alone, thanks to its being able to avoid such storms, to be estimated the one and only good, and therefore is hidden in the most obscure places of refuge that one can imagine, and causes the full termination of all sorts of consumption, to which this money is nothing but the very humble servant? ...

### Three letters on the exile and persecution of Boisguilbert

The last set of materials I share with you are letters from 1707, concerning Boisguilbert's exile and persecution.

The new book (*Factum de la France*) was banned (by an *arrêt* from March 14, 1707), and Boisguilbert was to be sent to Brive-la-Gaillarde, in Auvergne, a region located in the very center of France. At the time, he was living in Rouen (Normandy), about 130 kilometers northwest of Paris. Auvergne is 400 kilometers south of Paris, and was generally destitute at the time. What Boisguilbert did instead was to fly outside the country, perhaps to England or the Netherlands, we do not know. He came back to France and his family and himself made pleas. It is believed that he came back because the government refused that his son would take over his office of lieutenant-général<sup>4</sup> and receive the treatment of his father. He was promised a shorter stay in Auvergne, of only six months. He made his way to Auvergne and stayed two to three months. By the end of 1707 Boisguilbert was back in Rouen. During the course of 1707, seven editions of his *Factum de la France* were published. Boisguilbert died seven years later, in 1714.

From Boisguilbert to the Controller-General (Michel Chamillart), 17 March 1707.

This 17 March [1707]. Your excellency<sup>5</sup>,

I would very humbly ask for your forgiveness if 112,000 livres of taxes paid by myself during your ministry, and the same sum being presently required of me, have made me lose my head enough to disobey your orders, in the hope that the public would be kind enough to join its pleas to mine, to obtain from you some policies about which for a long time you have agreed to receive my opinion. I have been given an order to go to Brive-la-Gaillarde. I am convinced, your excellency, that my sentence would be smaller than my crime, if my situation was that of every other man; but as to me, leaving Rouen means asking a wife and many children to beg for food, now that nothing can be obtained from the lands, and the daily emoluments of my office being my only source of income. I started removing, everywhere that I could, copies

<sup>4.</sup> Boisguilbert held a charge of lieutenant-général, which is somewhat similar to a préfet in today's France, or a district attorney in the United States.

<sup>5.</sup> French has Monseigneur (Monsignor).

of my works, and sending to the fire my very numerous manuscripts; and if, your excellency, following the example of God, you would be merciful to me, you would be shown in the future that my repentance is genuine, and in such instances the voluntary penitence of the author is more striking than any sentence he may receive. I implore you not to let my wife and my children be punished for a crime which is only my own, and I urge your character full of goodness to grant me pardon, so that my future silence may bring you the proof of my acknowledgment.

It is with a very high respect that I am, your excellency, your very humble and very obedient servant.<sup>6</sup>

Boisguillebert.7

From Boisguilbert to the Controller-General (Michel Chamillart), 11 April 1707.

This 11 April [1707]

Your excellency,

I have the honor to repeat to you the pledge that I made previously while staying in a foreign land, which is: to cease speaking and writing, in any manner whatsoever, about the affairs of the state, except to you only, when and if you would only grant me a permission to do so, hoping that following the example of God, who forgets all about the past when giving pardon to sinners, you will be kind enough to allow me to come and salute you when I will be in Paris. I have burnt all my manuscripts, which were very numerous, except for a copy of the Memoirs by Mr. de Sully, in eight volumes, with my notes and some papers attached to the pages—there are one hundred of them only—thanks to which without even leafing through or opening these books, one can understand in half an hour the sort of policy put in practice by a horseman aged 35, with no prior study, to restore in three months a kingdom which was in a more pitiful state, following wars both at home and outside, than it is today, and all of this while having the whole government and the court as his sworn enemies, to the point that they wanted him to be murdered, as he was made aware by the King himself. The first principle of his policy was the free export of grain, without any taxes, permissions or passports; and in fact the king Henri IV explains in a letter of his own writing, that everything is lost when it is decided otherwise. This sole article costs today four times more than the war itself, due to the cultivation of half our lands having stopped. I have heard that you are well aware of this, but that the King argues the opposite. Perhaps if His Majesty

<sup>6.</sup> This is nothing but the common closing formula in letters of the time.

<sup>7.</sup> The name is given with various spellings in the archives: Boisguilbert, Boisguillebert, or even Boisguilbert (like the town, in Normandy). *Boisguilbert* is the most commonly used by historians.

would see the opinion of his ancestor, he will prefer following it than that of the first president of Paris and Mr. d'Argenson<sup>8</sup>, especially given the advice to the contrary by you as well as the public.

It is with a very high respect that I am, your excellency, your very humble and very obedient servant.

Boisguillebert.

Answer by the Controller-General (Michel Chamillart), to the previous letter.

Since you are still addressing me after having given to the public all your eccentricities, the only good advice that I can give you is to throw to the fire your remarks on the memoir by M. de Sully, and to convince yourself once in your lifetime that one can only make use of examples from the past when the situation is nearly in the same proportion, and when a kingdom is rich enough to bear the charges that the Kings wish to establish. If you understand well what I am saying, which is not very difficult to grasp, you will now focus on administering justice and you will stop working on the affairs of the State.

### References

**Boisguilbert, Pierre de**. 2023. Écrits Économiques [Economic Writings], 2 vols. Paris: Institut Coppet.

Carpenter, Kenneth E. 1975. The Economic Bestsellers Before 1850. Boston: Baker Library.

**Gournay, Vincent de**. 2023. Gournay Lives! The Freedom of Labor in a Three-Part Exchange of the 1750s. *Econ Journal Watch* 20(1): 159—203. Link

Malbranque, Benoît. 2023. French Liberal Economics, 1695—1776. *Just Sentiments* (Adam Smith Works, Liberty Fund, Carmel, Ind.), June 28. Link

Mises, Ludwig von. 1966. *Human Action: A Treatise on Economics*, 3rd ed. Chicago: Henry Regnery.

Vauban, Sébastien le Prestre, maréchal de. 2007. Projet de dîme royale. In Oisivetés de Monsieur de Vauban, intégrale ed., ed. Michèle Virol. Paris: Champ Vallon.

<sup>8.</sup> Father of the marquis known for his laissez-faire stance.

### About the Author



**Pierre de Boisguilbert** (1646–1714) was the first economist to articulate a theory of laissez-faire, or non-intervention, in France. He promoted his challenging ideas in letters sent to ministers and senior officials, as well as in unauthorized books, censored and widely read. Already translated in Italian, German and even Chinese, writings of his can now be read in samples in English in *Econ Journal Watch*.

### **About the Editor**



**Benoît Malbranque**, a research fellow at Institut Coppet, is studying French classical liberalism. He is the author of *Les théoriciens français de la liberté humaine* (Institut Coppet, 2020). His email address is benoit.malbranque@institutcoppet.org.

Go to September 2023 issue