

CHAPTER XI

Of the employment of our Riches, or of Consumption.

AFTER having seen how our riches are formed, and how they are distributed among us, we are arrived at the point of examining how we use them, and what are the consequences of the different uses we make of them. This is what will complete the illustration of the whole course of society, and show us what things are really useful or hurtful, as well to the public as to individuals. If in the two first parts, we have well ascertained and explained the truth, this will unravel itself, and every thing in it will be clear and incontestable. If, on the contrary, we have imperfectly viewed the first facts, if we have not remounted to first principles, if our researches have been superficial or led astray by a spirit of system, we are about to encounter difficulties on difficulties; and there will remain in all we shall say many obscure and doubtful things, as has happened to many others, and even to the most capable and learned. However the reader will judge.

We create nothing; we annihilate nothing; but we operate changes, productive or destructive, of utility. We procure for ourselves means of enjoyment, only to provide for our wants; and we cannot employ them in the satisfaction of these wants; but by diminishing and even destroying them. We make cloth, and, with this cloth, clothes, only to clothe ourselves; and, by wearing, we *wear THEM out*; with grain, air, earth, water, and manure, we produce alimentary matters to nourish ourselves; and, by nourishing ourselves with them, we convert them into gas and manure; which again produce more. This is what we call consumption. Consumption is the end of production, but it is its contrary. Thus all production augments our riches, and all consumption diminishes them.—Such is the general law.

However there are consumptions of many kinds. There are some which are only apparent; others very real, and even destructive; and some which are fruitful. They vary according to the species of con-

sumers, and the nature of the things consumed. These differences must be examined and distinguished, in order clearly to see the effect of general consumption, on the total mass of riches. Let us begin by discussing the consumers. I hazard this expression, because it well expresses the end which I propose to myself.

We agree that we are all consumers, for we all have wants for which we cannot provide but by a consumption of some kind; and that also we are all proprietors, for we all possess some means of providing for our wants, were it only by our individual force and capacity. But we have also seen, that from the unequal manner in which riches are distributed, in proportion as they are accumulated, many among us have no part in these accumulated riches, and possess in effect but their individual force. These have no other treasure than their daily labour. This labour procures them wages, for which reason we have called them specially hirelings; and it is with these wages they provide for their consumption.

But whence are the wages raised? Evidently on the property of those to whom these hirelings sell their labour, that is to say on funds, in advance, which are in their possession,—and which are no other than the accumulated products of labour previously executed. It follows thence, that the consumption for which these riches pay, is truly the consumption of the hirelings in this sense, that it is them it subsists; but at bottom it is not they who pay it, or at least they pay it only with the funds existing in advance in the hands of those who employ them. They merely receive with one hand and give with the other. Their consumption, therefore, ought to be regarded as being made by those who pay them. If even they do not expend all they receive, these savings raising them to the ranks of capitalists, enable them afterwards to make expenditures on their own funds; but as they come to them from the same hands, they ought at first to be regarded as the expenses of the same persons; thus to avoid double reckoning of the same article in the economical calculations, we must consider as absolutely nothing the immediate consumption of hirelings, as hirelings; and to consider not only all they expend, but even the whole they receive, as the real expenditure and proper consumption of those who purchase their labour. This is so true, that to see whether this consumption is more or less destructive of the riches acquired, or even if it tends to augment them as it often does, depends entirely on knowing what use the capitalists make of the labour they purchase. This leads us to

examine the consumption of capitalists.

We have said that they are of two kinds, the one idle, the other active. The first have a fixed revenue, independent of all action on their part, since they are supposed idle. This revenue consists in the hiring of their capitals—whether moveables, money or land,—which they hire to those who improve them by the effect of their industry. This revenue, is, then, but a previous levy on the products of the activity of the industrious citizens; but this is not our present enquiry. What we wish to see is, what is the employment of this revenue? Since the men to whom it belongs are idle, it is evident they do not direct any productive labour. All the labourers whom they pay are solely destined to procure them enjoyments. Without doubt these enjoyments are of different kinds: For the least wealthy they are limited to the satisfaction of the most urgent wants;—for the others they are extended by degrees, according to their taste and means, to objects of the most refined and unbridled luxury. But, in fine, the expenses of all this class of men are alike in this, that they have no object but their personal satisfaction; and that they support a numerous population, to which they afford subsistence; but whose labour is completely sterile. It is however true, that amongst these expenses some may be found which are more or less fruitful; as, for example, the construction of a house, or the improvement of a landed estate. But these are particular cases, which place consumers of this kind momentarily in the class of those who direct useful enterprises and pay for productive labour. After these trifling exceptions, all the consumption of this species of capitalists is absolutely pure loss, in relation to reproduction, and so far a diminution of the riches acquired. Also, we must remark, that these men can expend no more than their revenue: if they touch on their funds nothing replaces them, and their consumption exaggerated for a moment, ceases for ever.

The second class of capitalists, who employ and pay hirelings, is composed of those whom we have called active. It comprehends all the undertakers of any kind of industry whatsoever, that is to say all the men who having capitals of a greater or smaller amount, employ their talents and industry in improving them themselves, instead of hiring them to others; and who, consequently live neither on wages nor revenues but on profit. These men not only improve their proper capitals, but all those also of the inactive capitalists. They take on rent their lands, houses, and money, and employ them so as to derive

from them profits superior to the rent.* They have then in their hands almost all the riches of society. It is moreover to be remarked, that it is not only the rent of these riches they annually expend, but also the funds themselves; and sometimes several times in the year, when the course of commerce is sufficiently rapid to enable them to do so: for, as in their quality of industrious men they make no expenditures which do not return to them with profit, the more of them they can make which fulfil this condition, the greater will be their profit. We see then that their consumption is immense, and that the number of hirelings whom they feed is truly prodigious.

We must now distinguish two parties in this enormous consumption. All which is made by these industrious men for their own enjoyment, and for the satisfaction of their own wants and those of their family, is definitive and lost without return, like that of the idle capitalists; On the whole it is moderate, for industrious men are commonly frugal, and too often not very rich. But all which they make for the support of their industry, and for the service of this industry, is nothing less than definitive,—it returns to them with profit; and, that this industry may be sustained, its profits must at least be equal not only to their personal and definitive consumption, but also to the rent of the land and money which they hold of the idle capitalists, which rent is their sole revenue, and the only fund of their annual expense. If the profits of the active capitalists were less than these necessary previous levies, their funds would be encroached on; they would be obliged to diminish their enterprizes; they could no longer hire the same quantity of labour; they would even be disgusted with hiring and directing this unfruitful labour. In the contrary case they have an increase of funds, by means of which they can increase their business, and their demand for labour, if they can find a method of employing it usefully.

I shall be asked, how these undertakers of industry are able to make such great profits, and from whom they can draw them? I answer, that it is by selling whatever they produce for more than it has cost them to produce it. And this is sold, first, to themselves for all that part of their consumption which is destined to the satisfaction of their own wants, which they pay for with a portion of their profits; Secondly, to

*Idle capitalists, sometimes rent houses and money to the idle capitalists: But the latter pay the rent only with their own revenues; and to find the formation of these revenues we must always remount to industrious capitalists. As to lands they almost always rent them to undertakers of culture, for what would the idle make of them?

hirelings, as well those in their pay as in the pay of the idle capitalists; from which hirelings they draw by this mean the whole of their wages, except the small savings they may possibly be able to make; Thirdly, to the idle capitalists, who pay them with the part of their revenue which they have not already given to the hirelings whom they employ directly, so that all the rent which they annually disburse returns to them by one or the other of these ways.

This is what completes that perpetual motion of riches, which although little understood has been very well called circulation: for it is really circular,* and always returns to the point from whence it departed. This point is that of production. The undertakers of industry are really the heart of the body politic, and their capitals are its blood. With these capitals they pay the wages of the greatest part of the hirelings; they pay their rents to all the idle capitalists, possessors either of land or money; and by them the wages of all the remaining hirelings;—and all this returns to them by the expenditures in all these ways, which pay them more for what they have had produced from the labour of their immediate hirelings, than the wages of these, and the rent of the land and money borrowed, have cost them.

But I shall be told, if this is really so, if the undertakers of industry in fact reap annually more than they have sown, they should in a short time obtain possession of all the public wealth; and there would remain in a state but hirelings, without any thing in advance, and undertakers with capitals. This is true, and things would be effectively thus if these undertakers, or their heirs, did not retire from business in proportion as they become rich, and continually recruit the class of idle capitalists. And, notwithstanding this frequent emigration, it happens still that when industry has operated for a considerable time in a country, without too great disturbances, its capitals are always augmented not only in proportion to the increase of total wealth, but yet in a much greater. To be assured of this, we have only to see how slender these capitals were, through all Europe, three or four centuries ago, in comparison with the immense riches of all the powerful men, and how much they are multiplied and increased at the present day, while the others have diminished. We may add that this effect would be still much more

* And why is it circular and continual? Because consumption continually destroys that which has been produced. If reproduction did not incessantly establish it, all would be finished after the first turn.

sensible, were it not for the immense levies which all governments annually raise on the industrious class by means of imposts; but it is not yet time to occupy ourselves with this subject.

It is not necessary to observe, that at the commencement of society, before riches have become very unequal, there are scarcely any simple hirelings, and still fewer idle capitalists. Every one working for himself, and making exchanges with his neighbours, is a real undertaker, or momentarily a hireling when he occasionally works for another for a recompense. Even afterwards, when the different conditions have become more separate by the effect of inequality, the same man may and often does appertain to several at the same time. Thus a simple hireling, who has some small savings placed at interest, is in this respect an idle capitalist; as is also an undertaker who has a part of his funds realised in leased lands; while a proprietor of like lands, or a lessor who is a public functionary, is in this respect a hireling. But it is not less true, that those who live on wages, those who live on rents, and those who live on profits, constitute three classes of men essentially different; and that it is the last which alimnt all the others, and who alone augment the public wealth, and create all our means of enjoyment. This must be so, since labour is the source of all riches,—and since they alone give an useful direction to the actual labour, by a useful improvement of the labour accumulated.

I hope it will be remarked, how well this manner of considering the consumption of our riches agrees with all we have said of their production and distribution;* and, at the same time, how much light it throws on the whole course of society. Whence comes this accordancy and this lucidness? From this, that we have struck on the truth. This resembles the effect of those mirrors in which objects are represented distinctly, and in their just proportions when one is placed in the true point of view; and where every thing appears confused, and disunited, when one is too near or too distant. So here, so soon as it is acknowledged that our faculties are our only original riches, that our labour alone produces all others, and that all labour well directed is productive, every thing explains itself with admirable facility; but when, with many political writers, you acknowledge no labour as pro-

*In fact we here see clearly, why production is arrested, when the fruitful consumption of industry can no longer be augmented, and why the number and ease of men increase or decrease as the industry, &c. &c.

ductive but that of culture, or place the source of riches in consumption, you encounter in advancing nothing but obscurity, confusion and inextricable embarrassments. I have already refuted the first of these two opinions—I shall soon discuss the second. For the moment, let us conclude that there are three kinds of consumers,—the hirelings, the lessors, and the undertakers,—that the consumption of the first is real and definitive; but that it must not be counted, because it makes a part of the consumption of those who employ them; that that of the lessors is definitive and destructive; and that that of the undertaker is fruitful, because it is replaced by a superior production.

If consumption is very different, according to the species of consumers, it varies likewise according to the nature of the things consumed. All represent truly labour; but its value is fixed more solidly in some than in others. As much pains may have been taken to prepare an artificial fire work as to find and cut a diamond; and, consequently, one may have as much value as the other. But when I have purchased, paid for, and employed the one and the other,—at the end of half an hour nothing remains of the first, and the second may still be the resource of my descendants a century to come, even if used every day as an ornament of dress. It is the same case with what are called immaterial products. A discovery is of an eternal utility. A work of genius, a picture, are likewise of an utility more or less durable; while that of a ball, concert, a theatrical representation, is instantaneous and disappear immediately. We may say as much of the personal services of physicians, of lawyers, of soldiers, of domestics, and generally of all occasionally called on. Their utility is that of the moment of want.

All consumable things, of what nature soever, may be placed between these two extremes, of the shortest and longest duration. From this it is easy to see, that the most ruinous consumption is the most prompt, since it is that which destroys the most labour in the same time, or an equal quantity of labour in less time. In comparison with this, that which is slower is a kind of hoarding; since it leaves to futurity the enjoyment of a part of actual sacrifices. This is so clear that it needs no proof: for every one knows that it is more economical to have for the same price a coat which will last three years, than one which will last but three months; accordingly this truth is acknowledged by every body. What is singular, is that it should be so even by those who regard luxury as a cause of wealth: for if to destroy is so good a thing, it seems that we cannot destroy too much, and that we ought to think

with the man who broke all his furniture, to encourage industry.

At the point to which we are now arrived, I do not know how to accost the pretended mighty question of luxury, so much and so often debated by celebrated philosophers and renowned politicians; or, rather, I do not know how to shew that it comprehends any matter of doubt, nor how to give the appearance of a little plausibility to the reasons of those, very numerous however, who maintain that luxury is useful: for, when preceding ideas have been well elucidated, a question is resolved as soon as stated; and this is now the case.

In effect, he who names luxury, names superfluous and even exaggerated consumption;—consumption is destruction of utility. Now how conceive that exaggerated destruction can be the cause of riches—can be production? It is repugnant to good sense.

We are gravely told that luxury impoverishes a small state and enriches a large one; but what can extent have to do with such a subject? and how comprehend, that what ruins an hundred men would enrich two hundred.

It is also said that luxury supports a numerous population. Without doubt not only the luxury of the rich, but likewise the simple consumption of all the idle who live on their revenues, supports a great number of hirelings. But what becomes of the labour of these hirelings? Those who employ them consume its result, and nothing of it remains; and with what do they pay for this labour? with their revenues, that is to say with riches already acquired, of which in a short time nothing will remain. There then is a destruction, not an augmentation of riches. But let us go further. Whence do these idle men derive their revenues? Is it not from the rent paid to them out of the profits of those who employ their capitals, that is to say of those who with their own funds hire labour which produces more than it costs, in a word the industrious men? To these then we must always remount, in order to find the source of all wealth. It is they who really nourish the hireling whom even the others employ.

But, say they, luxury animates circulation. These words have no meaning. They forget then what is circulation. Let us recall it. With time a greater or smaller quantity of riches are accumulated, because the result of anterior labours, has not been entirely consumed as soon as produced. Of the possessors of these riches some are satisfied with drawing a rent and living on it. These we have called the idle. Others more active, employ their own funds, and those which they hire. They

employ them to hire labour, which reproduces them with profit. With this profit they pay for their own consumption, and defray that of the others. Even by these consumptions their funds return to them a little increased, and they recommence. This is what constitutes circulation. We see that it has no other funds than those of the industrious citizens. It can only augment in proportion as they augment; nor be accelerated, which is still to be augmented, but in proportion to the quickness of their returns: for if their funds return to them at the end of six months, instead of a year, they would employ them twice a year instead of once; and this is as if they employed the double. But the idle proprietors can do nothing of this. They can but consume their rents in one way or another. If they consume more one year they must consume less another; if they do otherwise they encroach on their capitals. They are obliged to sell them. But they can only be purchased with funds belonging to industrious men, or lent to them, and who paid for labour, which they will no longer pay for, and for labour more useful than that employed by the prodigals. Thus this is not an augmentation of the total mass of expense, it is but a transposition, a change of some of its parts, and a disadvantageous change. Thus even in ruining themselves, the men who live on their revenues cannot increase the mass of wages and of circulation. They could do it only by a conduct quite opposite, by not consuming the whole of their rent, and by appropriating a part of it to fruitful expenditures. But then they would be far from abandoning themselves, to the exaggerated and superfluous consumption called luxury. They would devote themselves on the contrary to useful speculations, they would range themselves in the industrious class.

Montesquieu, who in other respects understood political economy very badly,* believes the profusions of the rich very useful; “because, says he, (book 7th, chap. 4th,) if the rich do not spend a great deal, the poor must die of famine.” We perceive from these few words, and many others, that he did not know either whence the revenues of those whom he calls rich are derived or what becomes of them. Once more I repeat the revenues of the idle rich, are but rents levied on industry; it is industry alone which gives them birth. Their possessors can do nothing to augment them, they only scatter them, and they cannot avoid scattering them. For if they do not expend the whole for their

*Montesquieu was a very great man, but the science was not built in his time; it is quite recent.

enjoyments, unless they cast the surplus into the river or bury it, which is a rare folly, they replace it, that is to say they form with it new funds for industry, which it employs. Thus even by economising they pay for the same quantity of labour. All the difference is that they pay for useful instead of useless labour, and that out of the profits procured, they create for themselves a new rent, which will augment the possibility of their future consumption.

Luxury, exaggerated and superfluous consumption, is therefore never good for any thing, economically speaking. It can only have an indirect utility. Which is by ruining the rich, to take from the hands of idle men those funds which, being distributed amongst those who labour, may enable them to economise, and thus form capitals in the industrious class. But first this would go directly contrary to the intention of Montesquieu, who believes luxury advantageous, especially in a monarchy; and who at the same time thinks, that the preservation of the same families, and the perpetuity of their splendor is essentially necessary to this kind of government. Moreover we must observe with M. Say, that a taste for superfluous expenses has its foundation in vanity, that it cannot exist in the superior class without gradually extending itself into all the others; that it is there still more fatal, because their means are less, and because it absorbs funds of which they made a better use; and thus it every where substitutes useless for useful expenses, and dries up the source of riches. All this is in my opinion incontestable.

Accordingly, our politicians no longer content themselves with vaguely saying, that luxury constitutes the prosperity of the state, that it animates circulation, that it enables the poor to live. They have made a theory for themselves. They establish as a general principle, that consumption is the cause of production, that it is its measure, that thus it is well it should be very great. They affirm that it is this which makes the great difference between public and private economy. They dare not always positively say, that the more a nation consumes the more it enriches itself. But they persuade themselves, and maintain that we must not reason on the public fortune as on that of an individual, and they regard those as very narrow minds which in their simplicity believe that in all cases good economy is to be economical, that is to say to make an useful employment of his means.* There is

*See M. Germain Garnier, in his elementary principles of political economy

in all this a confusion of ideas, which it is well to dispel and to restore light.

Certainly consumption is the cause of production; in this sense, that we only produce in order to consume, and that if we had no wants to satisfy we should never take the trouble of producing any thing. Nothing would then be to us either useful or hurtful. It is also the cause, in this sense, why industrious men produce only because they find consumers of their productions. Hence it is said, with reason, that the true method of encouraging industry is to enlarge the extent of the market, and thereby augment the possibility of selling. Under this point of view, it is also true to say that consumption is the measure of production, for where vent ceases production stops. This has also made us say, that establishments of industry cannot be multiplied beyond a certain term; and that this term is where they cease to yield a profit: for then it is evident, that what they produce is not worth what they consume. But from all this it does not follow, for a nation any more than for an individual, that to expend is to enrich; nor that we may augment our expenses at pleasure; nor even that luxury augments them, for it only changes them. We must always return to production; this is the point of departure. To enjoy we must produce;—this is the first step. We produce only by availing ourselves of riches already acquired; the more we have of them, the greater are our means of producing; they are consumed in expenses of productions, they return with profit. We can expend annually but this annual profit. The more of it we employ in useless things, the less will remain for those which are useful. If we go beyond them, we break in on our capital; reproduction, and

abridged. Paris printed by Agasse, 1796. Page xii of his advertisement, he says, formally, “The principles which serve as guides in the administration of a private fortune, and those by which the public fortune should be directed, not only differ between themselves, but are often in direct opposition to each other.” And page xiii, “The fortune of an individual is increased by saving; the public fortune, on the contrary, receives its increase from the augmentation of consumption.” Page 130, in the chapter on circulation, he likewise says, “The annual production ought naturally to be regulated by the annual consumption.” Also, in the chapter on public debt, page 240, he adds, “The amendment and extension of culture, and consequently the progress of industry and commerce, have no other cause than the extension of artificial wants;” and concludes from this that public debts are good things, inasmuch as they augment these wants. The same doctrine, joined to the idea that culture is alone productive, runs through his whole work, and his notes on Smith. All this is very superficial and very loose.

consequently future consumption, will be diminished. They may, on the contrary, be augmented if savings are made with which to form new capitals. Once more, then, consumption is not riches; and there is nothing useful, under an economical point of view, but that which reproduces itself with profit.

No sophistry can ever shake truths so constant. If they have been mistaken, it is because the effect has been taken for the cause; and, what is more, a disagreeable effect for a beneficent cause. We have seen, that when a nation becomes rich a great inequality of fortunes is established, and that the possessors of large fortunes addict themselves to great luxury. It has been believed that this causes a country to prosper; and hastily concluded that inequality and luxury are two very good things. They ought, on the contrary, to have seen that these are two inconveniences attached to prosperity:^{*} that the riches which cause them are acquired before they exist; and that if these riches continue still to increase, it is in spite of the existence of these inconveniences, and through the effect of the good habits of activity and economy which they have not been able entirely to destroy. But the strongest personal interests contribute to give credit to this error. Powerful men are unwilling to acknowledge that their existence is an evil, and that their expense is as useless as their persons. On the contrary, they endeavour to impose by pomp; and it is not their fault if we do not believe that they render a great service to the state, by swallowing up a great portion of the means of existence, and that there is much merit in knowing how to dissipate great riches.[†] On the other hand, those who

^{*}We have already seen, in the preceding chapter, how inequality of riches is established, or rather increases in society; and, when we shall treat of legislation, we will likewise show that the excess of inequality, and of luxury, is still more the effect of bad laws than of the natural cause of things.

[†]It is incredible to what length of illusion self-love leads, and induces one to exaggerate to himself his personal importance. I have seen men obliged, by the troubles of the times, to quit their castles, who really believed that the whole village would want work—without perceiving that it was their farmer, and not themselves, who paid the greatest part of the wages; and sincerely persuade themselves that even if their peasants should divide their effects, or should buy them at a low price, they would only be the more miserable.

I do not pretend to say that it was well done either to drive them away, or to despoil them; nor even that such means can ever be the cause of a durable prosperity. I have made my profession of faith on the necessity of respect for property and justice in general. But it is not the less true, that the absence of an useless man makes no change in the course of things, or at most only changes the place of a part of his small

depend on them on whom they impose awe, and who profit by their expenses, care very little whether the money they receive from them would be better employed elsewhere, or if by being better employed it would enable a greater number of men to live. They desire that this expense on which they live should be very great; and they firmly believe that if it should diminish, they would be without resources: for they do not see what would replace it. It is thus that general opinion is led astray, and that those even who suffer from it are ignorant of the cause of their evils. Nevertheless, it is certain that the vicious consumption called *luxury*, and in general all the consumption of idle capitalists, far from being useful, destroys the greater part of the means of a nation's prosperity; and this is so true, that from the moment in which a country, which has industry and knowledge, is by any mean delivered from this scourge, we see there immediately an increase of riches and of strength truly prodigious.

What reason demonstrates history proves by facts. When was Holland capable of efforts truly incredible? When her admirals lived as her sailors did—when the arms of all her citizens were employed in enriching or defending the state; and none in cultivating tulips, or paying for pictures. All subsequent events, political and commercial, have united in causing its decline. It has preserved the spirit of economy—it has still considerable riches in a country in which every other people could with difficulty live. Make of Amsterdam the residence of a gallant and magnificent court, transform its vessels into embroidered clothes, and its magazines into ball rooms; and you will see if in a very few years they will have remaining even the means of defending themselves against the irruptions of the sea.

When did England, in spite of its misfortunes and faults, exhibit a prodigious development? Was it under Cromwell or under Charles the second? I know that moral causes have much more power than economical calculations; but I say that these moral causes do not so prodigiously augment all our resources, but because they direct all our efforts towards solid objects: Hence means are not wanting, either to the state or to individuals, for great objects, because they have not been employed in futilities.

Why do the citizens of the United States of North America double,

personal expenses; and that the mere suppression of some feudal rights, produces more good to a country than all the benefits of him who levied them.

every twenty-five years, their culture, their industry, their commerce, their riches, and their population? It is because there is scarcely an idler among them, and the rich go to little superfluous expense. Their position, I agree, is very favourable. Land is not wanting for their development; it offers itself to their labours, and recompenses them. But if they laboured little, and expended much, this land would remain uncultivated—they would grow poor, would languish; and would be very miserable, as the Spaniards are, notwithstanding all their advantages. Their neighbours, the Canadians, do they make the same progress? They are gentlemen, living nobly, and doing nothing.

Finally, let us take a last example, much more striking still. France, under its ancient government, was not certainly as miserable as the French themselves have represented it to be; but it was not nourishing. Its population* and its agriculture were not retrograde, but they were stationary; or if they made some small progress, it was less than that of several neighbouring nations, and consequently not proportioned to the progress of the knowledge of the age. She was involved in debt—had no credit—was always in want of funds for her useful expenses—she felt herself incapable of supporting the ordinary expenses of her government, and still more of making any great efforts without: In a word, notwithstanding the genius, the number, and the activity of her inhabitants, the richness and extent of her soil, and the benefits of a very long peace, little troubled, she with difficulty maintained her rank among her rivals; and was of but little consideration, and in nowise formidable abroad.

Her revolution takes place: She has suffered all imaginable evils: She has been torn by atrocious wars, civil and foreign: Several of her provinces have been laid waste, and their cities reduced to ashes: All have been pillaged by brigands, and by the furnishers of the troops: Her exterior commerce has been annihilated: Her fleets totally destroyed; though often renewed: Her colonies, believed so necessary to her prosperity, have been prostrated; and, what is worse, she has lost all the men and money lavished to subjugate them: Her specie has been nearly all exported, as well by the effect of emigration, as by that of

*I desire it to be remembered, that I do not regard the augmentation of population as a good. It is but too often a multiplication of miserable beings. I should greatly prefer the augmentation of well being. I cite here the increase of the number of men as a symptom only, and not as a happiness. The abuse of competence is a proof of its existence.

paper money: She has supported fourteen armies in a time of famine; and, amidst all this, it is notorious that her population and her agriculture have augmented considerably in a very few years; and at the epoch of the creation of the empire—without any improvement in her situation as to the sea and foreign commerce, to which so great importance is commonly attributed, without having had a single instant of peace for repose,—she supported enormous taxes, made immense expenditures in public works,—she effected all without a loan; and she had a colossal power, which nothing on the continent of Europe could resist, and which would have subjugated the universe, but for the British navy. What then took place in this country which could produce such inconceivable effects! one circumstance changed has done the whole.

Under the ancient order of things, the greater part of the useful labour of the inhabitants of France was employed every year in producing the riches which formed the immense revenues of the court, and of all the rich class of society; and these revenues were almost entirely consumed in the expenditures of luxury; that is to say, in paying an enormous mass of population, whose whole labour reproduced absolutely nothing but the enjoyments of some men. In a moment almost the whole of these revenues, have passed partly into the hands of the new government, partly into those of the laborious class. They fed also all those who derive their subsistence from them; but their labour was applied to useful or necessary things; and it has sufficed to defend the state from without, and to increase its productions within.*

Ought we to be surprised when we consider that there was a time, of some length, during which, by the effect even of commotion and of the general distress, there was scarcely in France a single idle citizen, or one occupied in useless labours? Those who before made coaches, made carriages for cannon; those who made embroidery and laces, made coarse woollens and linens; those who ornamented boudoirs, built parks and cleared land. And even those who in peace rioted in all these inutilities, were forced to gain a subsistence by the performance of services which were wanting. A man who kept forty useless domestics left them to be hired by the industrious class, or by the state, and himself become a clerk of an office. This is the secret of those

*The sole suppression of the feudal rights and tythes, partly to the profit of cultivators, and partly of the state, enabled the one greatly to increase their industry, and the other to lay an enormous mass of new imposts; and these were but a small part of the revenues of the class of useless consumers.

prodigious resources always found by the body of a nation in a crisis so great. It then turns to profit all the force which in ordinary times it suffered to be lost, without being aware of it; and we are frightened at seeing how great that is.

This is the substance of all that is true in college declamations on frugality, sobriety, abhorrence of ostentation; and all those democratic virtues of poor and agricultural nations, which are so ridiculously vaunted without either their cause or effect being understood. It is not because they are poor and ignorant that these nations are strong; it is because nothing is lost of the little force they possess, and that a man who has an hundred francs, and employs them well, has more means than he who has a thousand and loses them at play. But let the same be done by a rich and enlightened nation, and you will see the same development of force which you have seen in the French nation, which has produced effects greatly superior to all that was ever executed by the Roman republic: for it has overthrown much greater obstacles. Let Germany, for example, during some years only, leave entirely in the hands of the industrious class the revenues which serve for the pageantry of all its small courts, and rich abbies, and you will see whether she will be a strong and formidable nation. On the contrary, suppose they should entirely re-establish in France the ancient order of things, that a great mass of property should return into the hands of idle men, that the government should continue to enrich favourites and make great expenditures in useless things, you would again see there immediately, notwithstanding its great increase of territory, languor in the midst of resources, misery in the midst of riches, and weakness in the midst of all the means of strength.

It will be repeated that I attribute solely to the distribution of riches, and to the employment of the labour they pay, the result of a multitude of moral causes of the greatest energy. Once more, I do not deny the existence of these causes; I acknowledge it as all others do; but I do more, I explain their effect. I agree that the enthusiasm of interior liberty and exterior independence, and the indignation against an unjust oppression, and a still more unjust aggression, have alone been able to operate these great revolutions in France; but I maintain that these have not furnished the passions with such great means of success, (notwithstanding the errors and horrors to which their violence led) but because they produced a better employment of all the national force. All the good of human society is in the good appli-

cation of labour; all the evil in its loss; which, in other words, means nothing but that when men are occupied in providing for their wants they are satisfied, and that when they lose their time they suffer. One is ashamed to be obliged to prove so palpable a truth; but we must recollect that the extent of its consequences are surprising.

One might compose a whole book on luxury, and it would be useful, for this subject has never been well treated. It might be shown that luxury, that is to say the taste for superfluous expense, is to a certain point the necessary effect of the natural dispositions of man to procure constantly new enjoyments, when he has the means; and of the power of habit, which renders necessary to him the conveniences he has enjoyed, even when it shall have become burdensome to him to continue to procure them: that consequently luxury is an inevitable result of industry, the progress of which it nevertheless arrests; and of riches, which it tends to destroy; and that for the same reason, also, when a nation is fallen from its ancient grandeur, whether from the slow effect of luxury or from any other cause, it survives the prosperity which has given birth to it and renders its return impossible, unless some violent shock, directed to this end, should produce a quick and complete regeneration. It is the same with individuals.

It would be necessary to show, according to these data, that in the opposite situation, when a nation takes for the first time its rank among civilised people, it is requisite, in order that the success of its efforts may be complete, that the progress of its industry and knowledge should be much more rapid than that of its luxury. It is, perhaps, principally to this circumstance that we should attribute the great advances made by the Prussian monarchy under its second and third king, an example which ought to embarrass a little those who pretend that luxury is necessary to the prosperity of monarchies.* It is this same circumstance which appears to me to ensure the duration of the felicity of the United States; and it may be feared that the want of the complete enjoyment of this advantage, will render difficult and even imperfect the true prosperity and civilization of Russia.

It would be necessary to say which are the most injurious species of luxury. We might consider unskilfulness in fabrication as a great luxury, for it causes a great loss of time and of labour. It would above

*If luxury is necessary in a monarchical state, it is for the security of the government, but not for the prosperity of the country.

all be necessary to explain how the great fortunes are the principal and almost only source of luxury, properly so called, for it could scarcely exist if they were all moderate. Even idleness in this case could scarcely have place. Now this is a kind of luxury; since, if it is not a sterile employment of labour, it is a suppression of it.* The branches of industry which rapidly produce immense riches bring then with them an inconvenience, which strongly counter-balances their advantages. It is not these we ought to wish to see first developed in a rising nation. Of this kind is a very extensive foreign commerce. Agriculture, on the contrary, is greatly preferable; its products are slow and limited. Industry, properly so called, (that of manufacture) is likewise without danger and very useful. Its profits are not excessive; its success is difficult to be attained and perpetuated; it requires much knowledge, and many estimable qualities; and its consequences are very favourable to the well being of consumers. The good fabrication of objects of first necessity is above all desirable. The manufactory of objects of luxury may also be of great advantage to a country; but it is when their produce is like the religion of the court of Rome—which is said to be for that court an article of exportation, and not of consumption; and there is always a fear of intoxicating ourselves with the liquor we prepare for others. All these observations, and many others, should be developed in the book of which we are speaking; but they would be superfluous here. They enter in many respects into the reflections I have made before (chapter x,) on the manner in which riches are distributed in a country, in proportion as they are accumulated. Besides, my object is not to compose the history of luxury; I only wish to show its effects on general consumption, and on circulation.

I shall content myself with adding that if luxury is a great evil, in an economical point of view, it is still a much greater in point of morality; which is always much the most important, when the question is on the interests of men.

The taste for superfluous expenses, the principal source of which is vanity, nourishes and exasperates it. It renders the understanding frivolous, and injures its strength. It produces irregularity of conduct, which engenders many vices, disorders and disturbances in families. It

*The only idle who ought to be seen without reprobation, are those who devote themselves to study; and especially to the study of man. And these are the only ones who are persecuted; there is reason for this. They shew how useless the others are; and they are not the strongest.

leads women readily to depravity—men to avidity—both to the loss of delicacy and probity, and to the abandonment of all generous and tender sentiments. In a word, it enervates the soul, by weakening the understanding; and produces these sad effects not only on those who enjoy it, but likewise on all those who serve it, or admire it—who imitate or envy it. This will all be more clearly seen when we speak of our moral interests. I could not avoid indicating it here. We must not confound things however intimately connected they may be.

For the same reason it will not be expected surely that I should now discuss the question, whether luxury being acknowledged hurtful, we ought to combat it by laws or by manners; nor that I should examine by what means we can favour production, and give a useful direction to consumption. This would be to encroach on the province of legislation; with which I may perhaps occupy myself some day. But in all this part of my work, I ought to limit myself to the establishment of facts.

I think I have solidly established, that since one can only expend what he has, production is the only fund of consumption; and that consequently consumption and circulation can never be augmented but by an augmenting production; and finally, that to destroy is not to produce; and that to expend is not to enrich. This small number of very simple truths, will enable us to see very clearly the effects of the revenues and expenses of governments on the prosperity of nations.