Charles Fourier (1772-1837)

“On Economic Liberalism”


The fundamental principle of the commercial systems is: “Let the merchants have complete freedom.” This principle concedes to them absolute ownership of the commodities in which they deal. They have the right to take their goods out of circulation, to hide them, and even to burn them as was done more than once by the Dutch East India Company which publicly burned supplies of cinnamon in order to raise its price. What it did with cinnamon it would have done with wheat, had it not feared the anger of the common people. It would have burned a part of its wheat, or allowed it to rot, in order to sell the rest at four times its value. Well! Every day on the docks can you not see people throwing into the sea supplies of grain that a merchant has allowed to rot while waiting for a rise in prices. I have myself presided as a clerk over these foul operations, and one day I jettisoned twenty thousand quintals of rice which could have been sold before it rotted for a fair profit, had the owner been less greedy for gain. It is society as a whole which suffers by such waste, which you can see taking place every day under the cover of the philosophical principle: Laissez faire les marchands. [19]

Let us suppose that in a famine year like 1709 a rich company of merchants observes this principle by cornering all the grain in a small state such as Ireland. Let us further suppose that the general scarcity and the restrictions on exports in neighbouring states have made it impossible to find grain abroad. Having cornered all the available grain, the company refuses to sell it until the price has tripled or quadrupled, saying: “This grain is our property; it pleases us to sell it at four times its cost. If these terms don’t suit you, find your grain somewhere else. While we are waiting for the price to rise a quarter of the population may die of starvation, but that doesn’t bother us. We are sticking to our speculation, in keeping with the principles of commercial liberty, as consecrated by modern philosophy.”

I ask in what respect the actions of this company differ from those of a band of thieves, for its monopoly compels the whole nation to pay a ransom equal to three times the value of the grain — or else die of starvation.

According to the rules of commercial liberty the company has the right to refuse to sell at any price, to allow the wheat to rot in its granaries while the people are starving. Can you believe that the starving nation is in conscience bound to die of hunger for the honour of the fine philosophical principle: Laissez faire les marchands? Of course not. Then admit that the right of commercial liberty should be subject to restrictions consistent with the needs of society as a whole. Admit that a person who possesses a superabundance of a commodity which he has not produced and which he will not consume, ought to be regarded as a conditional trustee of that commodity and not as its absolute owner. Admit that the dealings of merchants and middlemen should be subordinated to the welfare of the mass of society, and that these individuals should not be free to impede economic relations by all those disastrous manoeuvres which your economists admire.

Are merchants alone exempt from the social obligations imposed on all the other classes of society? When a general, a judge or a doctor is given a free hand, he is not authorised to betray the army, despoil the innocent or assassinate his patient. Such people are punished when they betray their trust; the perfidious general is beheaded; the judge must answer to the Minister of justice. The merchants alone are inviolable and sure of impunity! Political economy wishes no one to have the right of controlling their machinations. If they starve a whole region, if they disturb its industry with their speculation, hoarding and bankruptcies, everything is justified by the simple title of merchant. This is like the quack doctor in the play who, having killed everyone with his pills, is justified
because he can say in Latin: *medicus sum*. In our century of regeneration people are trying to convince us that the plots hatched by one of the least enlightened classes of society can never do harm to the welfare of the state. Once upon a time people talked about the infallibility of the pope; today it is that of the merchant which they wish to establish.

"The Establishment of a Trial Phalanx"

We will suppose that the trial is made by a monarch, or by a wealthy individual like one of the Devonshires, Northumberlands, Bedfords, the Sheremetevs, Labanovs, Czartoryskis, the Esterhazys, Belmontes, Medina-Celis, the Barings, Lafittes, Hopes, etc., or finally by a powerful company which desires to avoid all tentative measures and proceed directly to the organisation of Full Harmony, the eighth period in its plenitude. I am going to indicate the procedure to follow in this case.

An association of 1500 or 1600 people requires a site comprising at least one square league of land, that is to say a surface area of six million square toises. (Let us not forget that one-third as much would suffice for the simple mode.)

A good stream of water should be available; the land should be hilly and suitable for a variety of crops; there should be a forest nearby; and the site should be fairly near a large city but far enough away to avoid unwelcome visitors.

The trial Phalanx will stand alone and it will get no help from neighbouring Phalanxes. As a result of this isolation, there will be so many gaps in attraction, so many passionate calms to fear in its manoeuvres, that it will be particularly important to provide it with the help of a good site fit for a variety of functions. Flat country, like that surrounding Anvers, Leipzig or Orleans would be quite inappropriate and would cause the breakdown of many series, owing to the uniformity of the land surface. It will therefore be necessary to select a diversified region, like that near Lausanne, or at the very least a fine valley provided with a stream and a forest, like the valley from Brussels to Halle. A fine location near Paris would be the stretch of land between Poissy and Conflans, Poissy and Meulan.

The 1500 or 1600 people brought together will be in a state of graduated inequality as to wealth, age, personality, and theoretical and practical knowledge. The group should be as varied as possible; for the greater the variety in the passions and faculties of the members, the easier it will be to harmonise them in a limited amount of time.

All possible types of agricultural work should be represented in this trial community, including that involving hot-houses and conservatories. There should also be at least three types of manufacturing work for winter and for rainy days, as well as diverse types of work in the applied sciences and arts, apart from what is taught in the schools. A passional series will be assigned to each type of work, and it will divide up its members into subdivisions and groups according to the instructions given earlier.
At the very outset an evaluation should be made of the capital deposited as shares in the enterprise: land, material, flocks, tools, etc. This matter is one of the first to be dealt with; and I shall discuss it in detail further on. Let us now confine ourselves to saying that all these deposits of material will be represented by transferable shares in the association.[11] Let us leave these minute reckonings and turn our attention to the workings of attraction.

A great difficulty to be overcome in the trial Phalanx will be the formation of transcendent ties or collective bonds among the series before the end of the warm season. Before winter comes a passionate union must be established between the members; they must be made to feel a sense of collective and individual devotion to the Phalanx; and above all a perfect harmony must be established concerning the division of profits among the three elements: Capital, Labour and Talent....

Let us discuss the composition of the trial Phalanx. At least seven-eighths of its members should be people involved in farming or industry. The remainder will consist of capitalists, savants and artists.... The Phalanx would be poorly graduated and difficult to balance if, among its capitalists, there were several worth 100,000 francs and several worth 50,000 francs without any of intermediate wealth. In such circumstances, one should try to find men with fortunes of 60, 70, 80, and 90,000 francs. The most precisely graduated Phalanx yields the highest degree of social harmony and the greatest profits.

In, readying the gardens and workshops of the trial Phalanx one should try to predict and estimate the approximate quantity of attraction which each branch of industry is likely to excite. For example, we know that the plum-tree has less attraction than the pear-tree., and so we will plant fewer plum-trees than pear-trees. The quantity of attraction will be — the sole rule to follow in each branch of agricultural and manufacturing work....

In point of fact, as soon as it has attained its two goals, industrial attraction and passional equilibrium, the trial Phalanx will have the means to widen the scope of its labours so as to include any useful tasks which may have been neglected at the outset. Moreover, its strength will be doubled when neighbouring communities organise their own Phalanxes and when the whole region is able to intervene in the mechanism of attraction. Thus in the initial experiment it is necessary to concentrate on the creation of industrial attraction without being particular about the type of work involved....

The most appealing species of animals and vegetables are fairly well known, and it will be easy to estimate the proportions to be respected in the industrial preparations for the experimental Phalanx. Of course there will necessarily be some errors at the outset, and it will take several years before a Phalanx can make an exact reckoning of the proportions to be established among all types of work.

Yet since the capital invested in the establishment of the trial Phalanx will be reimbursed at a rate of twelve to one, the shareholders will scarcely be inclined to worry about the fact that a few errors in the distribution of labour will reduce profits during the first years. The main point will be to attain the goal of industrial attraction and passional equilibrium. This will be the sign of victory. and the shareholders or founders should keep in mind that when they have obtained this victory, when they have provided a practical demonstration of the equilibrium of the passions and shown the way to a happy future, their fellow men will find all the world’s treasures inadequate to reward them for having provided an escape from the labyrinth of civilisation, barbarism, and savagery.

http://www.marxists.org/reference/archive/fourier/index.htm