Pierre-Joseph Proudhon (1809–1865) promoted “anarchism” as a mass movement. He was fiercely proud of his humble origins. His father, a poor cooper and brewer, and his mother, formerly a farm maid, tried to promote his education as best they could despite their extreme poverty. As a young man, Proudhon became a printer and proofreader; he also experienced his share of unemployment and underwent imprisonment for his writing.

ANARCHISM

Liberty of the individual and justice were the goals Proudhon proclaimed. In his view the ideal system is anarchism, which means not disorder but the absence of a master, a sovereign. As he wrote in What Is Property? in 1840:

In a given society, the authority of man over man is inversely proportional to the state of intellectual development which that society has reached. . . . As man seeks justice in equality, so society seeks order in anarchy. . . . Every question of domestic politics must be decided by departmental statistics; every question of foreign politics is an affair of international statistics. The science of government rightly belongs to one of the sections of the Academy of Science, whose permanent secretary is necessarily prime minister; and since every citizen may address a memoir to the Academy, every citizen is a legislator. But, as the opinion of no one is of any value until its truth has been proven, no one can substitute his will for reason—nobody is king.¹

In 1851 Proudhon attacked government in the following manner:

Experience, in fact, shows that everywhere and always the Government, however much it may have been for the people at its origin, has placed itself on the side of the richest and most educated class against the more numerous and poorer class; it has little by little become narrow and exclusive; and, instead of maintaining liberty and equality among all, it works persistently to destroy them, by virtue of its natural inclination towards privilege. . . . We may conclude without fear that the revolutionary formula cannot be Direct Legislation, nor Direct Government, nor Simplified Government, that it is NO GOVERNMENT. Neither monarchy, nor aristocracy, nor even democracy itself in so far as it may imply any government as all, even though

acting in the name of the people, and calling itself the people. No authority, no government, not even popular, that is the Revolution. . . . Governing the people will always be swindling the people. It is always man giving orders to man, the fiction which makes an end of liberty.²

PROPERTY

“What is property?” asked Proudhon. “Property is theft.” By “property” Proudhon really meant large property that permitted its owner to live without working by exacting rent, interest, and profit from the producers. He favored small-property ownership of dwellings, land, tools, and the products of labor by the laborer. He believed large industries should be owned by associations of workers, with society controlling the associations so that they charged a just price, as near as possible to cost. Proudhon basically disliked large-scale machinery because he felt it to be incompatible with his small producers’ commonwealth. He favored equality of income despite inequality of abilities, strength, talents, and output.

Let Homer sing his verse. I listen to this sublime genius in comparison with whom I, a simple herdsman, a humble farmer, am as nothing. What, indeed,—if product is to be compared with product,—are my cheeses and my beans in the presence of his “Iliad”? But, if Homer wishes to take from me all that I possess, and make me his slave in return for his inimitable poem, I will give up the pleasure of his lays and dismiss him. I can do without his “Iliad,” and wait, if necessary, for the “Aeneid.” Homer cannot live twenty-four hours without my products. Let him accept, then, the little that I have to offer; and then his muse may instruct, encourage and console me.³

BANKING

To promote individual freedom and equity in exchange, Proudhon proposed that the gold standard be abolished. Credit, he said, is to an economy what blood is to an animal, but the “bankocracy” has monopolized it. Only bank paper redeemable in merchandise and services should circulate, and French citizens should have the right to establish banks as they do retail shops. He urged that a Bank of Exchange be organized with a thousand subscribers. The amount of paper it would issue would be proportional to the gross output of these subscribers, and the paper would be negotiable only among the subscribers. As additional people joined, the circulation of bills would grow. Eventually all France would be under one system. Inflation could never occur because the amount of paper issued would be proportionate to the delivery of products. The banks would buy goods from members at between 50 and 100 percent of the cost of production. This transaction would

really be a loan on goods for a limited time, for the producer could sell the goods, pay back the loan, and keep the excess revenue. Or, after the loan matured, the bank would sell the consignment at public auction and pay the original seller the excess of the selling price over the loan after deducting a small commission. In this way interest, a tribute representing exploitation, would be abolished. Every worker or group of workers could get free credit with which to buy capital goods, and the class structure of society would disappear. Property and labor would be reunited.

Proudhon actually succeeded in organizing a People’s Bank in Paris in 1849. The basic capital of the bank was to be 15 million francs, issued in five-franc shares of non-interest-bearing stock. Many thousands of shares were subscribed, but Proudhon’s arrest and trial ended the bank before it could get under way.

Proudhon, the philosophical anarchist, appears to have been the mildest sort of reformer; yet the ideas he planted came to fruition among his more militant intellectual descendants.

**Selected Readings**

