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# The General Idea of Proudhon's Revolution

Robert Graham

*The General Idea of the Revolution in the Nineteenth Century* is one of the classics of anarchist literature.<sup>1</sup> Written in the aftermath of the 1848 French Revolution, it sets forth a libertarian alternative to the Jacobinism which at that time still dominated the republican and revolutionary movements in France. It contains a critique of existing society and its institutions, a vision of a free society based on equality and justice, and a detailed strategy for revolutionary change. Despite its ambivalent position regarding government initiated reforms, it set the tone for subsequent anarchist propaganda as anarchism began to emerge as a significant force on the revolutionary left.

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<sup>1</sup> *The General Idea of the Revolution in the Nineteenth Century* was originally published in French in 1851 as *Idée générale de la révolution au XIXe siècle*. The definitive scholarly edition, with extensive notes and introduction by Aimé Berthod, was published in 1923 as volume 2 of the Rivière edition of Proudhon's collected works. This essay is a slightly revised version of my introduction to the 1989 Pluto Press edition, a facsimile reproduction of John Beverley Robinson's translation published in 1923 by Freedom Press, the anarchist publishing group. The Robinson translation has recently been republished by Dover Publications.

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Its author, Pierre-Joseph Proudhon, was born on 15 January 1809 in the town of Besançon in Franche-Comté, a province in the east of France bordering the Jura region of Switzerland. His parents were poor and republican, but due to the determination of his mother and a modest bursary he was able to attend school for a time, where he regularly won the class prize despite being too poor to afford his own books. Eventually he was forced to quit school in order to support himself and his family. He became a printer. Religious tracts formed the bulk of the material he worked with, and they had the unintended effect of eroding his religious belief.

In 1829 he supervised the printing of Charles Fourier's *Le Nouveau Monde Industriel et Sociétaire*, one of the great works of utopian socialism. He had several discussions with Fourier himself and was, as he later recounted, for 'six whole weeks... the captive of this bizarre genius.'<sup>2</sup> The influence of Fourier can be detected throughout Proudhon's own works, but Proudhon prided himself on his 'scientific' approach and lacked the sometimes fantastic utopian imagination of Fourier.

It was not until 1839 that Proudhon published his first important essay in social criticism, *De l'utilité de la célébration du Dimanche considérée sous les rapports de l'hygiène publique, de la morale, des relations de famille et de cité* (On the utility of Sunday observance from the viewpoints of public hygiene, morality and civic and family relations). In it he set forth with admirable clarity the nature of the 'social problem' to which he was to dedicate his life in attempting to provide a solution: 'to find a state of social equality which is neither community, nor despotism, nor parcelling out, nor anarchy, but liberty in order and independence in unity.'<sup>3</sup>

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<sup>2</sup> Proudhon, quoted in George Woodcock, *Pierre-Joseph Proudhon* (London: Routledge & Kegan Paul, 1956), p. 13; republished with a new foreword by the author (Montreal: Black Rose Books, 1987).

<sup>3</sup> Proudhon, quoted in K. Steven Vincent, *Pierre-Joseph Proudhon and the Rise of French Republican Socialism* (Oxford: Oxford University Press, 1984), p. 60.

But it was his next work that was to gain for him lasting notoriety and a reputation as one of the leading socialist theorists of his day. First published in 1840, Proudhon's *What Is Property? An Inquiry into the Principle of Right and of Government* was a forceful critique of private property and government. To the question contained in the title of the book, Proudhon replied that 'property is theft,' earning for him the enmity of the right and the respect of the revolutionary left.<sup>4</sup> Karl Marx, later Proudhon's scornful opponent, praised the work as 'the first resolute, pitiless, and at the same time scientific investigation' and critique of private property.<sup>5</sup>

Had Proudhon limited himself to a critique of private property he would have secured for himself a lasting reputation. But he went further. Besides declaring that property is theft, he proclaimed himself an anarchist.

Before Proudhon, the word 'anarchist' had been exclusively used as a derogatory epithet to be flung at one's political opponents. Proudhon was the first person to adopt the label with enthusiasm. He denounced the 'government of man by man' as 'oppression,' and in its place advocated a society based on 'equality, law, independence, and proportionality' which 'finds its highest perfection in the union of order with anarchy.'<sup>6</sup> He defined 'anarchy' as 'the absence of a master, of a sovereign,' and envisaged a society in which 'the sovereignty of the will yields to the sovereignty of reason.'<sup>7</sup>

Despite these apparently radical pronouncements against property and government, Proudhon rejected neither property nor gov-

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<sup>4</sup> Proudhon, *What Is Property?* (New York: Dover Publications, 1970). The claim that Proudhon took this phrase from the Girondin, J.P. Brissot de Warville, repeated by Marx after his break with Proudhon, has been decisively refuted by Robert L. Hoffman in his study, *Revolutionary Justice: The Social and Political Theory of P.J. Proudhon* (Urbana: University of Illinois Press, 1972), pp. 46–48.

<sup>5</sup> Marx, *Selected Writings*, ed. David McLellan (Oxford: Oxford University Press, 1977), p. 132 (from *The Holy Family*, 1845).

<sup>6</sup> Proudhon, *What Is Property?*, pp. 286, 280.

<sup>7</sup> *Ibid.*, p. 277.

ernment completely. In place of the right to property, which he defined as the right to use and abuse something as one pleases, he put forward usufruct or the right of possession, which he defined as the right to possess and to use the land, tools and implements necessary to maintain one's economic independence.

What Proudhon really objected to with respect to private property was the earning of income from the labour of others through such means as rent, interest and wage labour. After paying employees their wages, the capitalist retains the remaining profit without contributing any productive labour himself. Associated together, the workers create a productive capacity greater than the sum of their individual powers, but it is the capitalist who reaps the benefit. The workers acquiesce in their own exploitation because their only alternatives are starvation and misery.

Proudhon's solution was to advocate equivalent exchange of products directly between the associated workers themselves, with value being determined by the cost of production and the amount of labour time. To this basic scheme he was later to add proposals for free credit and a system of mutual guarantees (of service and markets, for example).

After defining anarchy as the absence of a master or sovereign, Proudhon makes the telling prediction that 'such is the form of government to which we are every day approximating.'<sup>8</sup> This seemingly paradoxical description of anarchy as a 'form of government' reveals some serious ambiguities, if not contradictions, in Proudhon's earliest anarchist proposals.

In 1840, far from advocating the complete abolition of all forms of government, Proudhon was merely advocating the replacement of one form of government, government based on the will of the sovereign, with another form of government, government based on reason, or as Proudhon described it, 'scientific socialism,' an

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<sup>8</sup> Ibid., p. 277.

which rejects these central tenets of the dominant ideologies of power.<sup>67</sup>

That vision is anarchism, not exactly as Proudhon conceived it, but modified and expanded into a total critique of all forms of hierarchy and domination, a critique which rejects certain elements of Proudhon's own thought, such as his patriarchalism. Thus, it is the general idea of Proudhon's revolution, as it were, and not his specific proposals and criticisms, which remains relevant today.

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<sup>67</sup> John P. Clark, 'Anarchism and the Present World Crisis,' *The Anarchist Moment: Reflections on Culture, Nature and Power* (Montreal: Black Rose Books, 1984), pp. 141–142.

nation-state continuing to find its champions and adherents. Advocates of 'human-scale' and 'bioregionalism' naturally gravitate towards a federalist position, if not anarchism.<sup>64</sup> In countries with significant linguistic and cultural divisions, federalism has been suggested as a possible solution. In Canada, for example, George Woodcock, the anarchist historian and biographer of Proudhon, contributed to the national debate on regional separatism by advocating a decentralized federation conceived in Proudhonian terms.<sup>65</sup> The article sparked a spirited debate in which a number of academic commentators attempted to refute Woodcock's views, which were predictably dismissed as naive and utopian.<sup>66</sup>

Contemporary treatments of anarchist figures often conclude with some trite observation that anarchism is a dead letter, despite the worthiness of certain anarchist ideas and proposals. Anarchism is regarded by its critics on both the left and the right as profoundly incapable of dealing with the many problems now confronting the globe, such as poverty, environmental degradation, war, inequality and starvation. But before reaching such a conclusion, one must consider the extent to which existing power structures are themselves responsible for creating or exacerbating these problems. If, as John P. Clark argues, the 'prevailing world systems... with their deep commitment to... industrialization, high technology, centralism, urbanization, and the state, have been instrumental in creating the social atomization and ecological imbalance which are at the core' of existing problems, then the only alternative is a vision

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<sup>64</sup> See the work of Kirkpatrick Sale, *Human Scale* (London: Secker & Warburg, 1980) and *Dwellers in the Land: The Bioregional Vision* (San Francisco: Sierra Club Books, 1985).

<sup>65</sup> George Woodcock, 'Up the Anti-Nation,' *The Rejection of Politics* (Toronto: New Press, 1972).

<sup>66</sup> See the April 1972 issue of *Canadian Forum* magazine, reprinted as *National or Local Control: Responses to George Woodcock* (Toronto: New Press, 1973).

idea largely derived from Saint Simon.<sup>9</sup> He seriously proposed that all questions of domestic and foreign politics be decided by the Academy of Sciences on the basis of detailed statistics.

It was left to Proudhon's fellow anarchist, Mikhail Bakunin, after Proudhon's death, to point out the dangerous authoritarian implications of 'government by science' and 'scientific socialism.' Bakunin developed a critique of these concepts during his conflict with Marx over the proper direction of the socialist movement. By that time Marx's followers had adopted the expression 'scientific socialism' to distinguish themselves from the anarchists and the so-called 'utopian' socialists.

Bakunin predicted that, in practice, scientific socialism would amount to nothing more than a dictatorship of the intellectuals, 'the most aristocratic, despotic, arrogant and contemptuous of all regimes.'<sup>10</sup> Socialism, he warned, was in danger of being transformed into an ideology of a new class of intellectuals attempting to harness popular discontent to achieve state power.<sup>11</sup>

Proudhon himself moved away from his early espousal of scientific socialism. As we shall see, in place of a scientific academy regulating society, he came to adopt voluntary contract as the primary means of economic and political coordination. Proudhon saw individual contracts, freely entered into between parties of roughly equal bargaining power, as the surest safeguard of liberty.

But *What Is Property?* was not to be the only place in which Proudhon, the self-proclaimed anarchist, was to assign government a positive role. In his *Second Memoir* on property he

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<sup>9</sup> *Ibid.*, p. 277.

<sup>10</sup> Bakunin, *Selected Writings*, ed. Arthur Lehning (New York: Grove Press, 1974), p. 266 (from *Ecrit contre Marx*, 1872). His most extensive arguments against 'government by science' are found in *God and the State* (New York: Dover Publications, 1970), esp. pp. 30–32 and 54–64 (written 1871, first published 1882).

<sup>11</sup> For a contemporary version of this argument, see Noam Chomsky, 'Intellectuals and the State,' in *Towards a New Cold War* (New York: Pantheon Books, 1982), pp. 60–85.

advocated giving the state 'eminent domain over all capital,' and even suggested that the then King of France, Louis-Philippe, 'become the leader of the radical party.'<sup>12</sup>

Proudhon's reliance on the state illustrates a serious omission in his earliest social programmes. At this time Proudhon lacked any real strategy for revolutionary change. He looked to the government to enact measures which would render property powerless, but believed that once this was achieved government itself would become unnecessary. He rather naively believed that the state could be used as a means to its own end, a view still present in *General Idea of the Revolution*.

In his next major work, *De la création de l'ordre dans l'humanité* (On the Creation of Order in Humanity), Proudhon attempted to develop a comprehensive social science, adapting the 'serial method' of Fourier.<sup>13</sup>

The book was not well received. Proudhon was accused of misappropriating Kant's 'antinomies,' as he was later to be accused by Marx of misappropriating Hegel's dialectic. Max Stirner, who was soon to publish his classic work of anarchist individualism and nihilistic egoism, *Der Einzige und sein Eigentum* (The Ego and its Own), objected to its moralism.<sup>14</sup> Proudhon himself later dismissed the book as the 'summary of a student's studies or of those of an ignoramus.'<sup>15</sup>

Proudhon's reference to himself as a student is apt, for the 1840s were to be a time of great intellectual development for him. He spent much of his time during that decade in Paris, where he

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<sup>12</sup> Proudhon, *Second Memoir*, reprinted in *What Is Property?*, pp. 330, 448.

<sup>13</sup> Proudhon, *Oeuvres*, nouvelle édition, vol. 5 (Paris: Rivière, 1927).

<sup>14</sup> Stirner, *The Ego and Its Own* (London: Rebel Press, 1982), pp. 47, 123 (originally published 1844). For more on Stirner see: John P. Clark, *Max Stirner's Egoism* (London: Freedom Press, 1976) and R.W.K. Paterson, *The Nihilistic Egoist* (London: University of Hull, 1971).

<sup>15</sup> Proudhon, quoted in Henri de Lubac, *The Un-Marxian Socialist: A Study of Proudhon* (New York: Sheed & Ward, 1948), p. 8, fn. 22 (from Proudhon's notebook, 1848).

in so far as various elements of the left remain committed to authoritarian political strategies.

Proudhon's mature strategy for revolutionary change may be more appropriate now than in his own day. When modern capitalism and the nation-state were in their earlier stages of development, the more militant strategies of the revolutionary syndicalists had greater appeal and were better able to confront capitalist and state power. But now that that power has been successfully consolidated and trade unions have been incorporated into the structure of the capitalist state, revolutionary syndicalism no longer presents a viable revolutionary alternative. The advantage of Proudhon's mutualism is that it provides immediate benefits to the workers who associate together into cooperative, democratic organizations while preserving the promise of a new society.

Proudhon's confidence in the economic viability of workers' associations was not without foundation. Although Proudhon's belief that they would eventually displace capitalism might never materialize, cooperative enterprises do have a much higher rate of success in comparison to new capitalist businesses. The Mondragon cooperative system in Spain shows just how successful cooperatives can be. Begun in the 1950s, the system as a whole now has billions of dollars worth of assets and membership in the tens of thousands. Its success is largely due to the fact that it is an integrated system, with producer, consumer, housing, building, educational and service cooperatives, including, most importantly, credit unions.<sup>63</sup> It is just this sort of integrated system which Proudhon had advocated. Proudhon's mutualism, adapted to modern conditions, presents a strategy for gradual change appropriate to societies that are not in revolutionary situations.

Federalism is another of Proudhon's ideas which has maintained its appeal, with the federalist alternative to the conventional

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<sup>63</sup> See C. George Benello, 'The Challenge of Mondragon,' *Black Rose*, no. 12, Winter 86/87, pp. 24-34.

neither incorrect nor insulting, since Proudhon showed splendidly to the people of his nation and his time, predominantly small farmers and craftsmen, how they could achieve socialism without waiting for the tidy progress of big capitalism.<sup>61</sup>

This perceptive observation provides the key for assessing Proudhon's relevance not only to his own time, but to ours.

As Landauer observed, the socialism advocated by Proudhon in *General Idea of the Revolution* was a socialism directly relevant to the France of Proudhon's day, a predominantly agricultural, crafts-based society with only a small industrial proletariat. Today, particularly in advanced capitalist societies, Proudhon's specific proposals are obviously outdated. It is the spirit of his proposals, not their specific content, which we must consider in assessing his contemporary relevance.

Market socialism is but one of the ideas defended by Proudhon which is both timely and controversial.<sup>62</sup> Many socialists still regard market mechanisms as irrational and unjust, while state socialist societies try to graft elements of a competitive market economy onto their bureaucratic and authoritarian political structures. Proudhon insisted that market mechanisms will only yield beneficial results if accompanied by anti-authoritarian forms of social organization. Proudhon's market socialism is indissolubly linked with his notions of industrial democracy and workers' self-management. It is because this kind of socialism has yet to be achieved that it remains relevant, both as an ideal to work towards and as a critical standard by which to evaluate existing regimes. Proudhon's related critique of Jacobinism also retains its relevance

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<sup>61</sup> Gustav Landauer, *For Socialism* (St Louis: Telos Press, 1978), p. 61 (originally published 1911).

<sup>62</sup> For two recent treatments see Branko Horvat, *The Political Economy of Socialism: A Marxist Social Theory* (Armonk, N.Y.: Sharpe, 1982) and Alec Nove, *The Economics of Feasible Socialism* (London: Allen & Unwin, 1983), as well as Stanley Moore's work, cited in footnote 48.

met a number of prominent revolutionaries, including Marx and Bakunin.

Marx later claimed the dubious distinction of having infected Proudhon with Hegelianism. In fact, Proudhon already had a superficial acquaintance with Hegel's ideas. By Marx's own admission he could not have been a very good tutor, for he later claimed that Proudhon understood 'nothing of Hegel's dialectics but the language.'<sup>16</sup>

Proudhon's contacts during the 1840s were not limited to those with intellectuals. While working in Lyon he became acquainted with a group of revolutionary workers who called themselves the Mutualists. The Lyon workers emphasized the need for the workers themselves to take control of their destiny by associating together into a network of cooperative organizations. By directly regulating their own production and exchange, the workers' associations would eliminate capitalist exploitation, providing independence and security to their members.<sup>17</sup>

These ideas must have struck a responsive chord in Proudhon. Not only did he name his own economic doctrine 'mutualism,' he put forward remarkably similar proposals. Proudhon saw workers' associations as the 'true synthesis of freedom and order.'<sup>18</sup>

Although he had advocated the association of labour since the early 1840s, it was only after his contacts with the Lyon workers that he sketched out a plan in any detail. Each association would be controlled by a council elected by its members. The association would provide sickness and pension benefits to its members, who would share in the profits of the association in proportion to their labour. Each worker would receive a polytechnic education, and

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<sup>16</sup> Marx, *The Poverty of Philosophy* (New York: International Publishers, 1963), p. 112 (originally published 1847).

<sup>17</sup> For more on the Lyon workers, see Mary Lynn Stewart McDougall, *The Artisan Republic: Revolution, Reaction, and Resistance in Lyon, 1848 — 1851* (Montreal: McGill-Queens University Press, 1984).

<sup>18</sup> Proudhon, quoted in Woodcock, *Pierre-Joseph Proudhon*, p. 75.

jobs would be rotated to avoid a stupefying division of labour. Economic transactions between associations and individuals would be based on the principle of equivalent exchange. Similar proposals are contained in the *General Idea of the Revolution*.<sup>19</sup>

Proudhon's exposure to militant workers' societies may also have helped him develop a more consistent concept of revolutionary change. Instead of relying on the state as the initiator of social reform, Proudhon could look to the workers' associations. 'The new socialist movement,' he wrote, 'will begin with a fact *sui generis*, the war of the workshop.'<sup>20</sup>

Despite his militant rhetoric, Proudhon conceived of the revolution in pacific terms:

The Workers, organized among themselves, without the assistance of the capitalist, and marching by Work to the conquest of the world, will at no time need a brusque uprising, but will become all, by invading all, through the force of principle.<sup>21</sup>

Proudhon believed that the associations would emerge victorious because they were both morally and economically superior to capitalist enterprises. But, as we shall see, despite his new-found confidence in the revolutionary potential of the workers' movement, Proudhon was occasionally to revert to his earlier reliance on the state.

In 1846 Proudhon published his major economic work, the two volume *System of Economic Contradictions, or, The Philosophy of Poverty*.<sup>22</sup> He criticized his socialist contemporaries for their utopianism and condemned the bourgeois economists for their complacency. He argued that the existing economic system inevitably pro-

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<sup>19</sup> For general discussion, see Vincent, *Proudhon*, pp. 127–165. In *General Idea of the Revolution*, it is the principle of association conceived as an end in itself, rather than as a necessary means to individual liberty, which is the focus of Proudhon's criticisms.

<sup>20</sup> Proudhon, quoted in Vincent, *Proudhon*, p. 149.

<sup>21</sup> Proudhon, *ibid.*, p. 148.

<sup>22</sup> Only vol. 1 has been published in English (Boston: Benj. R. Tucker, 1888).

surprising that *General Idea of the Revolution* was one of Bakunin's favourite books by Proudhon. Tucker preferred the *System of Economic Contradictions* (the first volume of which he translated and published in 1888).

That both Tucker and Bakunin could claim Proudhon as their own illustrates the inherent ambiguity and elusiveness of his thought. It seems that only Proudhon himself was capable of keeping his often conflicting ideas together in a dynamic but fragile synthesis. With his death, that synthesis broke down into its conflicting parts. Proudhon's vision was so unique, if not idiosyncratic, that only he could maintain that vision in all its integrity, depth and vigour.

Yet it was in the socialist or left wing of the anarchist movement that Proudhon was to have his most lasting influence. Not only Bakunin, but later anarchist thinkers, such as Peter Kropotkin, Gustav Landauer and Rudolf Rocker, were to be influenced by him. Although Kropotkin rejected Proudhon's concept of equivalent exchange, advocating distribution according to need, his doctrine of mutual aid can be seen as a further development of Proudhon's notion of immanent justice.<sup>60</sup>

The anarchist most faithful to Proudhon's vision was the Jewish socialist, Gustav Landauer. Landauer began his political career as a Marxist but, soon disillusioned by the bureaucratic authoritarianism of German social democracy, he gravitated towards anarchism. He went on to develop his own highly distinctive brand of communitarian anarchism, and in the process made some valuable reflections on Proudhon:

Karl Marx and his successors thought they could make no worse accusation against the greatest of all socialists, Proudhon, than to call him a petit-bourgeois and petit-peasant socialist, which was

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<sup>60</sup> Kropotkin, *Mutual Aid: A Factor of Evolution* (London: Freedom Press, 1987), originally published 1902. See also his later work, *Ethics* (New York: Dial Press, 1925), especially pp. 268–279, for a discussion of Proudhon's conception of justice.



archist, and Mikhail Bakunin, who called Proudhon ‘the master of us all.’<sup>58</sup>

Tucker was a strong proponent of free credit and voluntary association. He opposed monopoly capitalism as vigorously as any socialist, but he just as vigorously opposed collective or communal ownership of the means of production. Anarchists such as Johann Most, who advocated a collectivist form of revolutionary socialism similar to that of Bakunin, were accused by Tucker of being closet authoritarians. He opposed the use of violence but favoured competition in the economic sphere. He later attempted to justify his individualist anarchism on the basis of a thorough going philosophical egoism derived from Max Stirner, a position which would have appalled a moralist like Proudhon. He described his particular brand of anarchism as ‘the logical carrying out of the Manchester doctrine, *laissez faire* the universal rule,’ and it is not without some justification that he is seen today as a precursor of right-wing libertarianism and anarcho-capitalism.<sup>59</sup>

Bakunin and his associates in the First International advocated class struggle, workers’ solidarity, collective ownership and the revolutionary overthrow of capitalism and the state. Bakunin categorically rejected the notion of *laissez faire* while just as firmly supporting voluntary federation and free association. He regarded competition as a thoroughly bourgeois concept inappropriate to a socialist society. He ridiculed the liberal view, shared by Tucker, that society is merely a conglomeration of individuals, emphasizing the historical and social basis of individuality and freedom, which he conceived in a concrete sense, not merely as the absence of coercion. He envisaged the future socialist society as a federation of autonomous, voluntary associations of workers and peasants, organized on both an industrial and communal basis. It should not be

<sup>58</sup> Bakunin, quoted in George Woodcock, ed., *The Anarchist Reader* (Glasgow: Fontana, 1977), p. 378.

<sup>59</sup> Tucker, ‘State Socialism and Anarchism,’ *The Anarchist Reader*, p. 148. For further discussion see David Miller, *Anarchism* (London: Dent, 1984), pp. 30–44.

duces exploitation and misery due to its own internal contradictions. Such contradictions cannot be resolved by mere piecemeal reform, but only through the creation of a higher synthesis — mutualism. It is in *General Idea of the Revolution* that Proudhon presents his most detailed picture of this mutualist alternative.

The *System of Economic Contradictions* elicited little notice, except from Marx, who responded with a vitriolic critique, *The Poverty of Philosophy*, in which he attacked both Proudhon’s economic theory and his use of Hegelian dialectics. Proudhon intended to reply, but was soon occupied with more important things — the 1848 Revolution in France.<sup>23</sup> In February 1848, the corrupt constitutional monarchy of Louis-Philippe was overthrown by a popular revolution. A provisional government was formed which declared itself in favour of the Republic. Shortly thereafter it proclaimed universal male suffrage.

Proudhon’s reaction to the February Revolution was restrained and ambivalent. He helped carry stones to construct street barricades and set the type for the first republican proclamation, but in his notebook he lamented that they ‘have made a revolution without an idea.’<sup>24</sup>

Immediately following the overthrow of the monarchist regime, a group of armed workers approached Proudhon to resume an earlier project to publish a socialist newspaper. Proudhon agreed to edit the paper, *Le Représentant du Peuple* (the Representative of the People), despite disapproving of its title (on the ground that the people do not need a representative but should act for themselves). On

<sup>23</sup> Proudhon’s marginal notes to *The Poverty of Philosophy* are reproduced in *Oeuvres*, nouvelle édition, vol. 1 (Paris: Rivière, 1923), pp. 415 — 23, vol. ii. Proudhon denounced Marx as the ‘tapeworm of socialism’ and in a truly horrific anti-semitic outburst contained in his notebook he called for the expulsion of the Jews from Europe or their extermination. This remained unpublished until well after his death. As a reading of *General Idea of the Revolution* will show, anti-semitism formed no part of Proudhon’s revolutionary programme.

<sup>24</sup> Proudhon, quoted in Edward Hyams, *Pierre-Joseph Proudhon: His Revolutionary Life, Mind & Works* (London: John Murray, 1979) p. 120.

its masthead the paper proclaimed: 'What is the producer? Nothing! What should he be? Everything!'<sup>25</sup>

His first major response to the February Revolution was a series of articles later published as *The Solution of the Social Problem*.<sup>26</sup> It was here that he first set forth in detail his proposals for free credit and a bank of exchange. He also explained his denunciation of universal suffrage as the counter-revolution and attacked parliamentary democracy as 'constitutional despotism.'<sup>27</sup>

Proudhon defended his idea of spontaneous order arising through free interaction. 'The ideal republic,' he wrote, 'is a positive anarchy' in which 'every citizen, by doing what he wishes and only what he wishes, participates directly in legislation and in government, as he participates in the production and circulation of wealth.'<sup>28</sup> What he meant by this, as is made clear in *General Idea of the Revolution*, is that governmental functions would be absorbed in the economic organization of society.

Proudhon feared that universal suffrage, without far-reaching social reforms, would merely serve as a device for legitimizing the status quo. He ridiculed the claims of proponents of representative democracy that an assembly of elected representatives could fairly represent the widely diverging and often conflicting interests of the people as a whole. He thought it self-evidently absurd that questions of right could be decided by a majority vote. Women, minors, servants and men with criminal records were denied the vote for reasons that could just as easily be used to 'exclude the prole-

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<sup>25</sup> Proudhon, quoted in Woodcock, *Pierre-Joseph Proudhon*, p. 123.

<sup>26</sup> Most of the economic portions are reproduced in *Proudhon's Solution to the Social Problem*, ed. Henry Cohen (New York: Vanguard Press, 1927). Some of the political portions appear as an excerpt in *Anarchism*, ed. Robert L. Hoffman (New York: Atherton Press, 1970), pp. 50–69, 'An Anarchist's View of Democracy.'

<sup>27</sup> Proudhon, 'An Anarchist's View of Democracy,' *ibid.*, p. 54.

<sup>28</sup> Proudhon, *Solution to the Social Problem*, p. 45.

Proudhon's influence is most often cited with respect to the sometime syndicalist fellow-traveller, Georges Sorel, whose *Reflections on Violence* is mistakenly regarded by some as the definitive syndicalist text.<sup>57</sup> Sorel took Proudhon's views on the heroic nature of violence in pre-capitalist societies and developed them into a theory of revolutionary violence, which Proudhon repudiated.

Although both are often portrayed as contributors to modern irrationalism, and hence precursors of fascism, this view ignores important differences in their thought. Proudhon was critical of modern mass politics precisely because of its irrational nature. He criticized other intellectuals, not for their rationalism, but for their dogmatism, demagoguery and subservience to the status quo. Sorel celebrated irrationalism. His concept of myth as a necessary and salutary force in human affairs and his almost Nietzschean affirmation of the power of the will both stand at odds with Proudhon's sober emphasis on individual reason and rational economic organization.

Proudhon's influence was also felt outside of France. His ideas were introduced into Spain by the Spanish federalist, Pi y Margall, whose success in spreading Proudhonian ideas helped lay the basis for the Spanish anarchist movement. In Russia, Proudhon's ideas were made current by such outstanding personalities as Alexander Herzen, Nicholas Mikhailovsky, Mikhail Bakunin and Leo Tolstoy, who succeeded in imparting to Russian populism and socialism a decidedly libertarian flavour.

But it was to be in the anarchist movement that Proudhon's influence was to be most profound. It was also in the anarchist movement that the contradictions of his thought became most apparent. This is best shown by comparing the careers of his two most important disciples, Benjamin Tucker, the American individualist an-

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<sup>57</sup> Sorel, *Reflections on Violence* (New York: Collier Books, 1961; originally published 1906).

Within the Commune itself, 'the largest single group... was Proudhonian,' and many of its manifestos, with their emphasis on decentralization, federalism and self-government, had a distinctly Proudhonian flavour.<sup>55</sup>

The revolutionary syndicalist movement in France, which arose toward the end of the nineteenth century, also exhibited noticeable Proudhonian tendencies. The syndicalists' emphasis on direct action, workers' autonomy and the rejection of participation in bourgeois parliamentarianism can all be found at various times in Proudhon. But there were some important differences between them. As with Varlin, but unlike Proudhon, the syndicalists looked to militant trade union organizations, not workers' associations, as the primary means by which to wage the class struggle. Once united in revolutionary unions, the workers themselves would proceed to abolish private ownership of the means of production and the state through a cataclysmic general strike by which they would seize control of the economy.

In contrast, Proudhon did not advocate the violent overthrow of the bourgeois state by means of a general strike. He preferred gradual change. As more workers became involved in the mutualist associations, they would eventually acquire sufficient economic power to displace the bourgeoisie. Proudhon was critical of strikes because they involve an element of coercion and because he believed that any increase in wages which may result from them will be offset by a general increase in prices. Whether he would have approved of a general strike conceived as 'the decisive step in a continuous process of transformation,' as syndicalist militants such as Fernand Pelloutier conceived it, is a question which cannot be answered.<sup>56</sup>

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<sup>55</sup> Stewart Edwards, *Selected Writings of Pierre-Joseph Proudhon* (New York: Anchor Books, 1969), p. 31.

<sup>56</sup> Hoffman, *Revolutionary Justice*, p. 344.

tariat and all workers,' which is exactly what the right did in May 1850, when three million people were disenfranchised.<sup>29</sup>

In place of representative democracy, Proudhon advocated a form of direct democracy organized around his proposed Bank of Exchange. The Bank was to issue exchange notes to its members representing the value of the goods produced by them. Notes could be obtained in advance, with only a small administrative fee imposed, providing what in effect would be low-cost loans to the Bank's members.

General control of the Bank was to be vested in a General Assembly composed 'of delegates chosen by all branches of production and of the public service.'<sup>30</sup> Proudhon distinguished delegates from representatives on the basis that the former would be subject to an 'imperative mandate' and 'permanent revocability.'<sup>31</sup> The General Assembly in turn would elect from its members a Board of Directors to administer the Bank and a Council of Surveillance to oversee the Bank's operations. As the Bank attracted more members, it would become 'the true representative of the people.'<sup>32</sup>

This latter claim was based on Proudhon's view that the Bank of Exchange would represent people's real economic interests, whereas a representative assembly only represents a fictitious 'general interest' which disguises the special interests of particular groups in society. By limiting its function to ensuring equivalent exchange, the Bank would merely facilitate the pursuit of individual ends, instead of imposing a particular ideological vision in the name of the people. It would create the context for the free interplay of economic forces without the poverty and exploitation that characterize *laissez-faire* capitalism, or so Proudhon believed. In his proposals for a Bank of Exchange, Proudhon was attempting to elaborate the institutional structure of a free and egalitarian

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<sup>29</sup> Proudhon, 'An Anarchist's View of Democracy,' p. 61.

<sup>30</sup> Proudhon, *Solution to the Social Problem*, p. 76.

<sup>31</sup> Proudhon, 'An Anarchist's View of Democracy,' p. 65.

<sup>32</sup> Proudhon, *Solution to the Social Problem*, p. 77.

society, a project which he continued in *General Idea of the Revolution*.

In April 1848 he approached Louis Blanc, then a minister in the Provisional Government, to seek Blanc's sponsorship of his plan to transform the Bank of France into a Bank of Exchange. In the same month he stood as a candidate in the elections for the Constituent Assembly, after having denounced representative democracy only a few weeks earlier. He took his defeat, and the poor showing of the other socialist candidates, as further evidence of the counter-revolutionary nature of universal suffrage. 'The cause of the proletariat,' he wrote, 'proclaimed with spirit on the barricades of February, has just been lost in the elections of April,' which returned a Constituent Assembly dominated by right-wing and bourgeois elements.<sup>33</sup>

Undeterred by this initial failure, Proudhon ran in the complementary elections held at the beginning of June. This time he was successful, and as Robert L. Hoffman notes, most of the votes cast for him were from 'working-class districts of Paris — a fact which stands in contrast to the claims of some Marxists, who have said he was representative only of the petite bourgeoisie.'<sup>34</sup>

In his electoral programme, Proudhon expanded his organizational scheme for the Bank of Exchange into a functional theory of government. A national assembly was to be created with its members chosen by 'each category of producers and of functionaries, proportional to the number of their members.'<sup>35</sup> Its functions were to be strictly limited to matters of general utility. He repeated his view that only when organized labour expresses itself through its own representatives will 'the people... have a true representation.'<sup>36</sup>

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<sup>33</sup> Proudhon, quoted in Woodcock, *Pierre-Joseph Proudhon*, p. 125.

<sup>34</sup> Hoffman, *Revolutionary Justice*, p. 136

<sup>35</sup> Proudhon, quoted in Vincent, *Proudhon*, p. 178.

<sup>36</sup> Proudhon, *ibid.*, p. 178.

known as the First International). They were the dominant force in the French section of the International during its first years of existence. Even as their influence waned, Bakunin and his associates began to make their presence felt. Bakunin himself described their more militant and collectivist conception of revolutionary socialism as 'Proudhonism, greatly developed and taken to its ultimate conclusion.'<sup>54</sup>

The 'orthodox' Proudhonists, centred around the mutualist worker, Henri Tolain, were faithful to Proudhon's conception of socialism, advocating voluntary association, free credit and individual possession based on equivalent exchange. The 'unorthodox' Proudhonists, such as Eugene Varlin, upheld Proudhon's anti-authoritarianism and federalism, but favoured collective ownership, trade union organization and mass strikes, which Proudhon had rejected.

No better illustration of their differences can be found than in the debate between Tolain and Varlin on the role of women. Tolain defended Proudhon's view that the proper role for women is in the home as housewife and mother. Having no place in man's world of work and politics, women have no need for the rights associated with these public spheres of society. Their husbands will act as their public representatives. Varlin rejected these views as inconsistent with a genuinely egalitarian and libertarian conception of society. Women should have equal rights with men and be free to work alongside them. Bakunin and his associates adopted a similar position.

The ultimate fates of Tolain and Varlin are also revealing. Tolain was later to hold elective office, despite his avowed anti-statism, while Varlin was one of the leaders of the Paris Commune of 1871, executed by the government of which Tolain was now a member.

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<sup>54</sup> Bakunin, *Bakunin on Anarchism*, ed. Sam Dolgoff (Montreal: Black Rose Books, 1980), p. 263 (from *The Paris Commune and the Idea of the State*, written 1871, first published 1878).

tract from that of Rousseau. In Rousseau's theory the social contract is a fiction designed to provide a rational justification for authority. In Proudhon's theory it 'is a positive and effective compact, which has actually been proposed, discussed, voted upon, and adopted, and which can properly be amended at the contracting parties' will. Between the federal contract and that of Rousseau... there is all the difference between a reality and a hypothesis.'<sup>53</sup>

The publication of *The Principle of Federation* coincided with Proudhon's renewed involvement in French politics. In the spring of 1863 he began a campaign to promote electoral abstention as a protest against the dictatorship of Napoleon III.

As he lay dying in January 1865, he dictated the last chapter of *On the Political Capacity of the Working Classes*. In this book, his political testament, Proudhon advocated a radical separation of the working class from bourgeois institutions. He urged the workers to reject all participation in bourgeois politics. He proposed that they organize themselves into their own autonomous organizations in opposition to the existing capitalist system. He emphasized the need for an alliance between the working class and the peasantry. Through their own direct action and solidarity, the workers and peasants would become increasingly conscious of themselves as a class and of their growing political capacity. Ultimately they would displace the regime of the bourgeoisie with the mutualist regime of equality and justice. Thus it was that at the end of his life Proudhon finally developed a revolutionary strategy for change consistent with his anarchist politics. Ironically, by this time he had ceased to identify himself as an anarchist.

Although Proudhon never tried to create a Proudhonist sect or party, which would have been anathema to him, his posthumous reputation and influence were to be considerable.

In 1864, working class followers of Proudhon were instrumental in founding the International Workingmen's Association (better

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<sup>53</sup> Ibid., p. 39, fn.

Society was to be organized around five autonomous 'corporations' independent of the national assembly, each with its own democratically elected ministers, representing '(1) extractive industry, (2) manufacturing concerns, (3) commercial enterprise, (4) agriculture, and (5) science, letters, and the arts.'<sup>37</sup> It was a system of 'industrial democracy' on a national scale.<sup>38</sup>

Proudhon continued to advocate that the Bank of France be transformed into a Bank of Exchange. He proposed various reforms of the legal system but was in favour of retaining the death penalty. In place of conscription he suggested one or two years of militia service for each citizen. He championed the patriarchal family and disapproved of divorce. He proposed a 25 per cent reduction in rents and a limit on civil servants' salaries. He again distinguished between property and possession; he wanted all property other than personal possessions and instruments of work to be redistributed on an egalitarian basis.

As this brief summary demonstrates, Proudhon was elected on the basis of a democratic and socialist political platform which contained both radical and conservative elements — radical on economic and political issues (even if it was not an *anarchist* programme), conservative on broader social issues (the family). It was a programme which could not but appeal to radical working men disenchanted with the policies of the Republican government.<sup>39</sup>

That disenchantment was about to explode into bloody insurrection. On 21 June 1848, the government abolished the 'national

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<sup>37</sup> Vincent, *ibid.*, p. 177.

<sup>38</sup> Vincent, *ibid.*, p. 178.

<sup>39</sup> Proudhon's anti-feminist views did not go uncriticized among his anarchist contemporaries. Joseph Déjacque, a participant in the 1848 Revolution and an early proponent of anarchist communism, later wrote a libertarian critique of Proudhon's sexist views, urging him to renounce "this gender aristocracy that would bind us to the old regime." See J. Déjacque, "On Being Human," in *Anarchism: A Documentary History of Libertarian Ideas, Volume 1: From Anarchy to Anarchism (300CE-1939)*, ed. R. Graham (Montreal: Black Rose Books, 2005), pp. 68–71 (originally published 1857).

workshops' which had been set up to provide jobs for unemployed workers. Although Proudhon had been very critical of the workshops, which he regarded as a kind of welfare state-socialism, he opposed their abolition in the absence of alternative measures for the workers dependent on them. The workers themselves responded to the abolition by rising up against the government. Barricades were erected in the working-class areas of Paris where armed workers battled troops loyal to the government. After three days of street-fighting, the forces of 'order,' under the leadership of the republican General Cavaignac, were triumphant. Over 1,000 people were killed, and thousands more imprisoned.

Proudhon was caught unawares by the uprising, isolated as a representative of the people in the National Assembly. At first he thought it was some kind of provocation, but after visiting the strife-torn areas of Paris he became convinced that the workers had been inspired by broader social ideals. He condemned the government for the savagery of its repression, which resulted from its own fear of the people. He publicly identified himself with the workers and blamed the Assembly for inciting the rebellion through its own ill-will and indifference. He published a manifesto demanding immediate economic relief for the working class and appealed directly to the National Guard for support. As a result, his paper was temporarily suppressed.

He put his economic proposals before the National Assembly, which passed a special motion of censure condemning both Proudhon and his proposals. During the debate Proudhon was accused of fomenting social warfare. Proudhon stood virtually alone before this hostile Assembly of bourgeois representatives who had only just recently applauded Cavaignac's cruel suppression of the uprising. He was supported by only one representative, a socialist worker from Lyon. It was an act of true courage.

When his paper was allowed to reappear in August, Proudhon had added to its masthead, 'What is the capitalist? Everything!

The *Principle of Federation* was a better argued and more important work. He developed a political conception of contract to parallel the economic conception of contract defended in *General Idea of the Revolution*. He recognized the need for the groups comprising society to associate for political purposes distinct from economic transactions. Yet the structure of his contract remained essentially the same. The political contract creates reciprocal obligations between the parties with the object of securing them more rights and liberties than they abandon.

The state will remain, but its role will be restricted 'to that of general initiation, of providing guarantees and supervising.'<sup>52</sup> Upon performing its assigned task, it withdraws, a view consistent with Proudhon's earlier reliance, even during his anarchist phase, on state-initiated reform.

Unlike existing States, Proudhon's federal state will be the product of the free agreement of the groups coming under its authority, and the execution of its directives will be subject to their approval. It will be composed of recallable delegates nominated by each party to the agreement, and its functions will be limited to those agreed to in the contract of association. The parties to the federal contract may revise its terms at their discretion.

Proudhon's federalist scheme is really not very different from the scheme he set forth in *General Idea of the Revolution*. In both cases society is conceived as being composed of a variety of autonomous groups, each with a democratic form of organization, which freely federate with one another for their mutual benefit and advantage. The only major differences are the minimal role assigned to the state and the frank acknowledgement that government cannot simply be dissolved into the economic organization of society.

The emphasis on self-assumed obligation remains. It is on this basis that Proudhon distinguished his conception of the social con-

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<sup>52</sup> Proudhon, *The Principle of Federation*, p. 49.

books were banned and he was forced to publish anonymously. In 1858 his massive philosophical work, *De la Justice dans la Révolution et dans l'Eglise* (On Justice in the Revolution and the Church), was condemned by the authorities as an attack on the family, religion, law and morality. To escape a three-year prison sentence he fled to Belgium, where he remained until 1862.

*On Justice* set out Proudhon's mature social philosophy. He further developed his pluralist conception of society in which order is spontaneously achieved through the balance of social forces in a dynamic equilibrium. The motivating force in society is justice, which he defined as 'spontaneous respect for human dignity.'<sup>50</sup> It is a product of our faculty of reason, nurtured in the family and reinforced by participation in collective social life. Unlike Marx, Proudhon did not regard work as an onerous necessity but conceived of it as a means of self-fulfilment.

In his discussion of politics he made what he himself described as a 'decisive concession.' As history has always been witness, anarchy 'has no more reason for being in human society than disorder in the universe.'<sup>51</sup> He defended a conception of industrial democracy almost identical to the scheme he put forward in his 1848 election platform. But unlike *General Idea of the Revolution*, he was now willing to assign a limited role to the state. How limited is made clear in his later work, *The Principle of Federation*.

In 1861 Proudhon published *La Guerre et la Paix* (War and Peace), a book which generated considerable controversy. In the first half of the book Proudhon extolled the heroic virtues of war, only to condemn war in the second half as barbaric and antediluvian. He argued that the cause of war is poverty. Peace will be achieved through the organization of economic forces by the workers themselves.

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<sup>50</sup> Proudhon, quoted in Hoffman, *Revolutionary Justice*, p. 358.

<sup>51</sup> Proudhon, *Oeuvres*, nouvelle édition, vol. 8 (Paris: Rivière, 1930), vol. ii, p. 160.

What should he be? Nothing!'<sup>40</sup> He published his famous essay, *The Malthusians*, a bitter and ironic attack on *laissez-faire* capitalism and bourgeois hypocrisy.<sup>41</sup> His paper was completely suppressed, but Proudhon could not be prosecuted because he enjoyed parliamentary immunity.

In October 1848, Proudhon gave his famous 'Toast to the Revolution' before an audience of 2,000 at a banquet in Paris.<sup>42</sup> Here he developed his concept of 'permanent revolution,' the successive manifestation of justice in human life, and advocated direct action by the people, without intermediaries, as the means by which to complete the social and economic revolution begun in February.

Proudhon voted against the new constitution approved by the Assembly in November 1848, not only on the anarchist ground that it was a constitution, but also because it gave far too much power to the president. Proudhon believed that with such sweeping powers the presidency would become nothing more than a democratically elected form of personal dictatorship.

Subsequent events were to prove him right. On 2 December 1851, Louis Napoleon Bonaparte, elected president in December 1848, seized power in a *coup d'état*. His actions were approved by an overwhelming majority in a national referendum. At the time Proudhon was in prison for having attacked Bonaparte as the personification of reaction. From the beginning of Bonaparte's rise to power in 1848, Proudhon had denounced him as the greatest enemy of democracy and socialism.

In the face of an all but triumphant reaction, Proudhon had increasingly come to moderate his political stance. He came to the support of the constitution he had earlier voted against, seeing it as one of the last safeguards against dictatorship. He defended uni-

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<sup>40</sup> Woodcock, *Pierre-Joseph Proudhon*, p. 136.

<sup>41</sup> Proudhon, *The Malthusians* (London: International Publishing, 1886) originally published in *The Representative of the People*, 11 August 1848.

<sup>42</sup> Proudhon, "Toast to the Revolution," *Selected Writings* (London: MacMillan, 1969), ed. S. Edwards, p. 158.

versal suffrage against the right's successful attempt to emasculate it by disenfranchising some three million predominantly working-class voters. He favoured parliamentarianism over direct action, opposing insurrection as inconsistent with support for the constitution. He forged an electoral alliance with other members of the left and preached reconciliation of classes. He made compromise after compromise, all to no avail as the juggernaut of reaction proceeded to crush any gains made by the workers in the February Revolution.

Proudhon's own pet project for reform, the Bank of the People, ended in failure. Unable to obtain the sponsorship of the government, Proudhon sought the necessary funds through voluntary subscription, a method which at least had the advantage of being more consistent with his self-avowed anarchism. Seriously undercapitalized, the Bank was liquidated by Proudhon after his conviction for sedition in March 1849, ostensibly to prevent it from falling into the hands of the authorities.

Proudhon began serving his three-year prison sentence in June 1849, after having been betrayed to the police by an informer. His term of imprisonment was to be intellectually very productive. He wrote his classic analysis of the 1848 Revolution, *Confessions of a Revolutionary*, and continued to contribute to various newspapers under his personal direction, enabling him to engage in a running polemic with his political opponents, despite his imprisonment. In October 1850, his last surviving paper was suppressed.

It is against this background that *General Idea of the Revolution* must be read. It is very much a product of its time, dealing with the pressing issues of Proudhon's own day. Although it is dedicated to the bourgeoisie ('business men' in Robinson's translation), it is as much directed to Proudhon's fellow revolutionaries as to anyone else. Published in July 1851, it quickly sold out its first edition of 3,000 copies. A second edition was printed that August. Proudhon had almost a year of his prison sentence left to serve.

ties. Yet, flawed as Proudhon's economic proposals may be, the general idea underlying them cannot be dismissed out of hand. Proudhon's central insight is that there can be 'exchange without exploitation.'<sup>48</sup> Today he can be seen as one of the originators of market socialism, a libertarian alternative to both capitalism and state socialism. Ironically, the most interesting work in this area is now being done by Marxist revisionists. While accepting Marx's critique of capitalism, they have rejected his communist ideal as economically unsound and politically authoritarian, a view shared by Proudhon.

Following the publication of *General Idea of the Revolution* the political situation in France continued to deteriorate, culminating in Louis Napoleon Bonaparte's *coup d'état* of 2 December 1851. Proudhon was shocked by the *coup* and outraged by the brutality with which the army crushed what little resistance there was. He was deeply disheartened by the lack of resolute opposition and appalled by the overwhelming public support for the *coup* in the referendum of 21 December 1851.

Proudhon himself later tried to come to terms with the *coup* by attempting to enlist Bonaparte in the cause of the social revolution. In *The Social Revolution Demonstrated by the Coup d'Etat of the Second of December*, published in July 1852 shortly after his release from prison, Proudhon called on Bonaparte to continue the work of the revolution.<sup>49</sup> Needless to say, his calls went unanswered. The book succeeded only in tarnishing Proudhon's reputation as a socialist and a revolutionary.

The 1850s were a difficult time for Proudhon. He was ostracized by the left and the right. Publishers spurned him, afraid to print his works. He was denied permission to bring out a new journal. His

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<sup>48</sup> The expression is taken from Stanley Moore, *Marx on the Choice Between Socialism and Communism* (Cambridge, Mass.: Harvard University Press, 1980).

<sup>49</sup> Extensive selections from *The Social Revolution* are reproduced in *December 2, 1851: Contemporary Writings on the Coup d'Etat of Louis Napoleon*, ed. John B. Halsted (New York: Anchor Books, 1972), pp. 236–310.



Proudhon thought, few if any enterprises would fail. The rational coordination of economic forces will nullify the negative effects of competition. There is an uneasy tension, if not contradiction, between Proudhon's faith in rational economic organization and his reliance on market mechanisms of competition and exchange.

Proudhon's commitment to equivalent exchange is based upon his analysis of inequality and exploitation. The unequal relationship between capitalist and worker enables the capitalist to obtain the benefit of the worker's labour by paying only a portion of its value.

This argument rests upon a confusion between economic value and moral desert. From the idea that labour is the ultimate source of economic value Proudhon infers that all workers are morally entitled to the full product of their labour. But if the instruments of production, the means of distribution and exchange and the capacity for labour itself are all the collective product of society, as Proudhon believes, then it is impossible to assign a particular value to one worker's contribution without relying on some arbitrary measurement, such as market price, which only remotely reflects the level of care, skill and effort that the worker has actually contributed.

Enterprises more favourably situated in relation to markets and resources enjoy a competitive advantage. But these advantages are not the sort which are capable of being evenly distributed. Not everyone can have an optimal location, but those who do will enjoy much greater success. The result will be further inequality and social stratification.

To avoid this sort of problem Proudhon suggests, in relation to agriculture, that a portion of land rent be paid into a central fund from which to make equalization payments to compensate farmers with less favourably situated or less fertile land. One can imagine a similar scheme for industrial enterprises. Unfortunately, the result would be to encourage the inefficient use of economic resources.

Proudhon's attempt to meld capitalist market mechanisms with socialist economics is beset with seemingly insuperable difficul-

There are a number of important themes running through the book. The dedication to the bourgeoisie reiterates Proudhon's concern with the reconciliation of classes. It also illustrates his aversion to violent revolution. By winning over the bourgeoisie to the revolutionary cause, Proudhon hoped to avoid further bloodshed.

One of his central arguments is that not only is there sufficient reason for revolution, it is virtually an historical necessity. To refuse to embrace the revolution would be as futile as it would be reprehensible. Attempts to halt the progress of the revolution only succeed in making the revolution more conscious of itself. Proudhon portrays the forces of reaction as having to resort to more and more desperate and brutal measures as they vainly attempt to forestall the revolutionary triumph. One cannot help but think that this is as much intended to inspire dispirited revolutionaries after a long string of defeats as it is supposed to be a warning to the bourgeoisie.

Proudhon is especially concerned to persuade his fellow revolutionaries to embrace the cause of the social revolution. He repeatedly emphasizes the underlying economic basis of current unrest. It is the exploitative and chaotic capitalist system which makes government necessary. The task for revolutionaries, therefore, is not to overthrow the existing political order but to transform the economic basis of society. Once that is done, government, which Proudhon regards as nothing more than an authoritarian imposition, will have been rendered superfluous.

Despite looking to governmental institutions to initiate the necessary economic reforms, Proudhon can still claim to be an anarchist because the ultimate result will be the dissolution of government in the rational economic organization of society. Whether this economic organization is not itself a form of government is a question to which we shall return.

Although Proudhon does not flinch from soliciting government assistance in achieving economic change, his overall revolutionary programme is decidedly democratic, anti-authoritarian and decen-

tralist. He again advocates that the Bank of France be transformed into a Bank of Exchange, but insists, as before, that it be turned into a self-governing democratic institution instead of being converted into a state-owned and controlled monopoly. Similarly, he proposes that public works, railways and large-scale industrial enterprises be turned over to the workers themselves to be managed and controlled by their own democratic associations. He conceives of the future socialist society as being composed of a variety of self-governing, directly democratic organizations, from the township to the teachers' college, with no central authority above them.

But it is a society from which competition, the division of labour and private property will not have been eliminated. Proudhon believed that once wealth is equalized and free credit made available, competition will have only beneficial effects. With the elimination of rent, interest and other forms of unearned income, property will provide the basis for independence and prosperity instead of exploitation and poverty. The deleterious effects of the division of labour can be avoided through polytechnical training and the rotation of jobs within industrial enterprises.

Central to Proudhon's economic scheme is his concept of equivalent exchange. Tied to this notion of equivalent exchange is his idea of contract. Individual contracts of equivalent exchange, freely entered into, are to replace all governmental institutions and coercive ties. Only those obligations which the individual himself has freely assumed have any binding force.

Throughout the book Proudhon insists on the counter revolutionary nature of all government. He denounces Rousseau's social contract as an iniquitous fraud. In true anarchist fashion he calls for the immediate abolition of the legal system, denounces prisons as 'dens of violence,' and rails against religion as the eternal source of slavery and exploitation. His attack on authority reaches its peak in his justly celebrated diatribe against government found in the

with each party's substantive freedom and equality is one which imposes reciprocal obligations and which is equally beneficial to both parties. Proudhon's notion of contract necessarily implies the notion of equivalent exchange. The validity of his contractarian conception of anarchism depends therefore on the validity of his economic proposals.

There are three elements of Proudhon's contractarian socialism which are especially problematic: competition, free credit and equivalent exchange itself. Proudhon favours competition because he thinks it is necessary to promote economic efficiency and to determine economic value. But with credit freely available, inefficient enterprises can continually borrow money to underwrite their losses. The result is the opposite of what Proudhon intended: subsidization of inefficient enterprises, misallocation and waste of resources, and rampant inflation.

Alternatively, the Bank of Exchange can refuse to provide any further credit to unprofitable enterprises, in which case they will go bankrupt. But this will undermine confidence in the Bank which depends on the solvency of its members.<sup>47</sup> The Bank's notes will depreciate in value and prices will increase — again, the opposite of what Proudhon intended. If the Bank raises interest rates to cover its bad debts or otherwise restricts the circulation of bank notes, more businesses will fail. Inequality will result as some workers succeed while others do not, threatening freedom of contract and social stability.

Proudhon's economic system depends on two things difficult to achieve in a competitive economy: general solvency and perfect coordination of supply and demand. He believed the latter could be achieved through the use of modern communications technology (in his day, telegraphs). With guaranteed markets for goods,

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<sup>47</sup> See Charles Gide and Charles Rist, *A History of Economic Doctrines: From the Time of the Physiocrats to the Present Day*, 2<sup>nd</sup> edition (London: Harrap, 1948), p. 320.

How can such a conception of direct democracy be put into practice? Proudhon himself pointed the way with his dictum, 'associate and be free.' In a society comprised of a multiplicity of autonomous groups, each of which has voluntary membership and none of which has any authority over the others, individuals will be free to associate with and dissociate from whomever they please. Each particular group will have a fairly cohesive social composition due to the strictly voluntary nature of its organization. Dissatisfied or dissident members will be free to form their own associations or to join one of any number of other groups for which they may have a greater affinity. Even those who find it difficult to work with others will have every opportunity to provide for themselves, with credit freely available and open markets for the exchange of their goods. The individual will be free in both the political and the economic sense, in accordance with Proudhon's anarchist ideal. This is not a 'no government' system, strictly speaking, but a pluralist system of self-government without the state.

In contrast, a capitalist society with a form of representative government offers the worker neither political nor economic freedom. Workers are politically free only to vote periodically to elect someone to rule over them and to sanction their exploitation. Regardless of whom they vote for or whether they vote at all, they are not free to refuse the jurisdiction and authority of the government. Membership in this 'association' is compulsory and obedience is enforced by coercive laws. Similarly, the worker is economically free only to accept exploitative contracts of employment in exchange for the means of subsistence. Workers must forfeit their autonomy and promise obedience or face misery and starvation. In Proudhon's view, contracts which result in the exploitation and subservience of one of the parties are void and unenforceable.

For a contract to be valid, each party to the contract must be free and equal to the other. If the parties are not equal, the stronger party will be able to exploit the weakness of the other party and to obtain unfair advantages. The only sort of contract compatible

Epilogue.<sup>43</sup> He concludes by calling for an all-embracing world revolution

The reader should not be surprised if he or she is left feeling somewhat stunned and bewildered. This is a book full of gaps, ambiguities and outright contradiction. Notwithstanding Proudhon's anarchist pretensions, is not the system of industrial organization that he proposes in place of the state itself a form of government? How plausible is his claim that a socialist system can retain elements of a competitive market economy without this leading to inequality and exploitation? Is free credit a viable proposal or a false panacea? Is the concept of equivalent exchange coherent and workable?

Proudhon's claim to have eliminated government rests on his contractarian conception of socialism. In place of law and authority there will be contracts of equivalent exchange freely entered into both by individuals and by the groups to which they belong.

Yet throughout *General Idea of the Revolution* Proudhon suggests that these groups be controlled and managed by their members on a democratic basis. Even if we assume that the elected officials of these organizations are confined to strictly administrative functions — Proudhon is unclear on this — policy decisions will clearly be made on the basis of majority vote.

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<sup>43</sup> *General Idea of the Revolution*, p. 294: "To be GOVERNED is to be kept in sight, inspected, spied upon, directed, law-driven, numbered, enrolled, indoctrinated, preached at, controlled, estimated, valued, censured, commanded, by creatures who have neither the right, nor the wisdom, nor the virtue to do so... To be GOVERNED is to be at every operation, at every transaction, noted, registered, enrolled, taxed, stamped, measured, numbered, assessed, licensed, authorized, admonished, forbidden, reformed, corrected, punished. It is, under pretext of public utility, and in the name of the general interest, to be placed under contribution, trained, ransomed, exploited, monopolized, extorted, squeezed, mystified, robbed; then at the slightest resistance, the first word of complaint, to be repressed, fined, despised, harassed, tracked, abused, clubbed, disarmed, choked, imprisoned, judged, condemned, shot, deported, sacrificed, sold, betrayed; and, to crown all, mocked, ridiculed, outraged, dishonoured. That is government; that is its justice; that is its morality."

The minority will then be faced with the dilemma of accepting the will of the majority, resigning from the group or obstructing the implementation of the majority decision. The majority will be faced with the dilemma of compelling dissidents to obey the majority will, expelling them from the group or declining to implement the majority's own decision. Neither dilemma can be resolved by requiring unanimous agreement within the group, for similar problems will arise whenever some members of the group later decide that the earlier unanimous decision was wrong.

In *General Idea of the Revolution* Proudhon ostensibly rejects both unanimous and majoritarian direct democracy. Read more closely, however, his criticisms can be confined to national forms of direct democracy designed to replace representative government but which will effectively perform the same political functions. Unless we are to assume that Proudhon is simply self-contradictory, his criticisms of a strictly political form of direct democracy cannot have been meant to apply to the economic or industrial form of democracy which he himself had been advocating for a number of years. But upon what basis can Proudhon distinguish the two?

As argued earlier, Proudhon seems to have believed that economic forms of democracy express the real interests of the people and for that reason are truly representative. This is a dubious ground of distinction.

Proudhon's argument that the general interest is an ideological fiction is well taken. His democratic economic organizations are more likely to give expression to the interests of their members than any assembly of representatives. There will be no practical bars to participation, such as lack of leisure time, because democracy will be right where people work. This will also help prevent the development of a class of professional politicians. There simply will be no need for them.

But this still leaves us with the problem of majority rule. It would be just as implausible for Proudhon to claim that a majority of mem-

bers in an economic organization represent the 'true' economic interests of the minority as it is implausible for Rousseau to claim that a majority of members of a political assembly represent the 'real' will of the minority.

Perhaps we can detect here a residuum of Proudhon's earlier 'scientific socialism.' His positive references to Saint Simon in *General Idea of the Revolution* suggest continued adherence to the view that the economic questions with which Proudhon's groups will be occupied are questions of fact to be scientifically determined. Proudhon may simply have believed that in such circumstances the majority is less likely to be mistaken.

In a later work, *The Principle of Federation*, he appears to favour not only majority rule but the enforcement of the majority will upon a recalcitrant minority.<sup>44</sup> However, in the work he completed on his death bed, *On the Political Capacity of the Working Classes*, he defends the right of minority dissent.<sup>45</sup> Only the latter position is consistent with his contractarian conception of anarchism.

Central to Proudhon's notion of contract is the idea of self-assumed obligation. A person is only obligated to do that which he has freely undertaken to do. The only form of direct democracy compatible with this conception of obligation is one in which it is recognized that a minority which has refused to consent to a majority decision has assumed no obligation to abide by it. Majority decisions are not binding on the minority. Any agreement to the contrary would itself be invalid because it would require the minority to forfeit its autonomy and substantive freedom.<sup>46</sup>

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<sup>44</sup> Proudhon, *The Principle of Federation* (Toronto: University of Toronto Press, 1979), p. 42, fn. (originally published 1863).

<sup>45</sup> Proudhon, *Oeuvres*, nouvelle édition, vol. 3 (Paris: Rivière, 1924), pp. 207–208 (originally published 1865).

<sup>46</sup> For further discussion, see my 'The Role of Contract in Anarchist Ideology,' in *For Anarchism*, ed. David Goodway (London: Routledge, 1989) and Carole Pateman, *The Problem of Political Obligation: A Critique of Liberal Theory* (Cambridge: Polity Press, 1985), pp. 159–162.