Was Cantillon such a “foolish political teacher”?  

Looking back on the models of circulation of wealth from Cantillon to Quesnay  

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For many scholars, Quesnay has rejected Cantillon’s analysis. This stand must have been initiated by Mirabeau’s story of his own conversion to the Doctor of Madame de Pompadour’s principles. According to Mirabeau, Quesnay may have considered Cantillon as a “foolish political teacher” and converted the Marquis to his conceptions of economics (Leigh, 1979, vol. 33, letter 5998, p. 261-262). Finally, why should we question what Mirabeau himself wrote to Rousseau in a letter dated 30th July 1767?

On the other hand, few scholars have found some proximities between the Tableau économique and Cantillon’s analysis. For example, Steiner notes that Quesnay knows and uses Cantillon’s analysis but doesn’t specify in what way (Steiner, 2002, p. 100-101). Benítez-Rochel and Robles-Teigeiro (2003) or Brewer (1992) consider also that Cantillon may be regarded as one of Quesnay’s major source of inspiration.

Such a contrast seems astonishing. For us, Quesnay’s position concerning Cantillon is ambiguous because Quesnay’s theoretical opponents changed between his first articles and the Tableau économique. For this reason, his use of Cantillon varies.

Quesnay first rejected Cantillon’s models of circulation of wealth in his early published articles in the Encyclopédie. He promoted indeed a counter-model of circulation because he was in favour of a centripetal flow of grains against the Old Régime legislation of the grain trade that had inspired Cantillon’s model. Against this police, Quesnay wanted to promote the exports of grain.

In his Essay, Cantillon described different models of circulation of wealth (See Murphy 1997, p. 187). He first proposed a territorial model grounded on different assumptions. If we consider Cantillon’s representation of the functioning of markets, we can see that it is deeply inspired by the concrete functioning of the French police of provisioning the towns under in the 17th and 18th century. This functioning has been described by historians (See for example Abad, 2002, Kaplan 1976 and 1984). It was also theorised in Delamare’s famous Treatise on the police which is considered as the central book for every French police officer in the 18th century. Delamare proposed to sum up but also to legitimate and to systematize the laws of the French Old Regime related to police.

Concerning the provisioning, Delamare described and defended a geographical organisation of the towns’ food supply (This structure has been described by the commentators on the Treatise in the case of grains: for example Depitre 1910, Kaplan 1976

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and 1984). Actually, it concerned all foodstuffs. According to Delamare, different zones must exist to ensure the efficiency of the provisioning. Moreover, all foodstuffs must be directed towards the town and also towards Paris.

Besides, we will show that Cantillon tried to legitimize the police of town provisioning of the Old Regime even if his arguments were not on par with Delamare’s. Moreover, unlike Delamare, Cantillon advocated a free internal circulation of foodstuff especially between provinces.

In *Fermiers*, his first *Encyclopédie* article on economics, Quesnay criticized the French Old Regime police. The development of agriculture was indeed limited by three elements promoted by this police: the grain trade legislation, the tax system and the risk of enlisting farmers’ sons in the militia (Quesnay, 1756, p. 532).

According to Quesnay, the main cause of the worrying situation of the French agriculture was the grain trade legislation. This legislation was based on the restrictions of the freedom of trade established to promote the provisioning of towns and the low price of grain. Quesnay criticized therefore Delamare’s model of grain provisioning. He was also against a police promoting grain conservation in the kingdom and forbidding grain exports. So, Quesnay promoted a new direction of the vent of grain and criticized the police draining grains towards Paris. At last, he was also against a police based on the intervention of farmers in the market that would pressure downward on prices.

As this way of provisioning is at the foundation of Cantillon’s territorial model of circulation, Quesnay logically rejected it. For the same reason, Quesnay must also have criticized Mirabeau, blaming him for approving Cantillon’s conception of circulation of wealth to write *L’Ami des Hommes*. For Quesnay, Cantillon was logically a “foolish political teacher” and Mirabeau should not have taken his principles seriously. Delamare, Cantillon but also Mirabeau have promoted a false model of circulation that was responsible for the ruin of the French Kingdom.

If we understand why Quesnay rejected Cantillon’s territorial model of circulation of wealth, we can be astonished by the fact that Quesnay himself quoted Cantillon in his second *Encyclopédie* article. *Grains* was published in November 1757, that is to say less than four months after Mirabeau converted himself to Quesnay and repudiated Cantillon’s principles. In *Grains*, Quesnay referred to Cantillon’s territorial model of circulation of wealth. But, he quoted Cantillon very loosely and didn’t lay the stress on the way grain had to be marketed. He took up Cantillon’s ideas according to which landowners reside and consume their revenues in town and then maintain different professions there such as merchants, craftsmen, workmen, or servants. The number of such professions is proportionate to the revenues of the landowners. In *Hommes* and *Impôts* also written in 1757, we can also find few references to Cantillon.
In our second part we want to show that references to Cantillon may be explained by the fact that Quesnay’s main opponent changed. Quesnay was still opposed to the old police of grain but he was also opposed to the advocates of the science of commerce obsessed by the surpluses of the Balance of trade. Grains but also Hommes are indeed two radical attacks against the science of commerce.

Quesnay criticized directly the mercantile policies looking for trade surplus and influx of precious metals. He held these policies responsible for the impoverishment of the countryside and the spreading of a disordered luxury in a way closed to Mirabeau (Quesnay, 1757, p. 812).

Against them, Quesnay was driven to underline that external trade, but also trade in general, was not the primary source of wealth. He considered agriculture as the “first wealth, always renewed, that supported all other states of the kingdom, which provided activity to all other occupations, which led industry, and maintained the prosperity of the nation” [1757, p. 820]. Trade would thus be nothing without agriculture. Its development could only be the consequence of agricultural progress.

To reverse the principles of the science of commerce, and to propose a new paradigm, Quesnay needed to build a new model of the circulation of wealth. Gradually, Quesnay also appeared to be convinced that domestic trade is more important than foreign trade.

But, Quesnay hesitated. His dithering emerged in his different writings of 1757 and 1758. It’s particularly the case in Impôts and Hommes but also in a short note entitled Note sur le commerce des grains (Vent of grain, Reproduced in Charles 2000, p. 18-21). The Note sur le commerce des grains was written at the end of 1757 or in the beginning of 1758 and was published on Patullo’s Essai sur l’amélioration des terres (For details, see Quesnay, 2005, p. 325). Charles (2000, p.5-8) shows that Quesnay proposed a model of circulation of wealth within an international frame. Quesnay supposed that the implementation of exterior grain free-trade, would automatically increase the grain prices and the nominal wealth of farmers. For these reasons, farmers could automatically reinvest this surplus of wealth which would lead to an increase of production and of population and set the French agriculture in a virtuous circle of growth. So, in the beginning of 1758 Quesnay was not entirely converted to Cantillon’s model of circulation. But he either didn’t succeed to propose a counter-model capable to reverse the principles of the science of commerce.

Things changed in 1758. Quesnay will imitate Cantillon’s model of synthesis and will produce the Tableau économe. By doing this, he would propose a paradigmatic shift.
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