

Mises and Montaigne: A Note

Casto Martín Montero Kuscevic and
Marco Antonio del Río Rivera

In arguing against socialism,¹ Ludwig von Mises identified the basic assumption underlying the idea of conflict between capitalists and proletarians: that the wealth of some is due to the poverty of others. In Marxist terms, in the process of production workers create a much greater value than the remuneration they receive, and the difference—surplus value—is appropriated by the capitalists simply because they own the means of production.

Mises understood that this idea—the wealth of some is caused by the poverty of others—has deep roots in history. However, he considered that the idea's modern formulation was made explicit in the work of Michel de Montaigne, and therefore he called this assumption or prejudice the “Montaigne dogma,” because in many situations this proposition is accepted uncritically as a “self-evident truth,” a sort of axiom of social life.

The aim of this article is to show that imputing the dogma to Montaigne is not consistent with his philosophical views, and therefore a historical rectification is necessary.

Correspondence may be addressed to Casto Martín Montero Kuscevic, Department of Economics, Faculty of Arts and Sciences, American University of Beirut, P.O. Box 11-0236, Beirut, Lebanon (e-mail: km42@aub.edu.lb); or to Marco Antonio del Río Rivera, Ingeniería Económica, Facultad de Ciencias Empresariales, Universidad Privada de Santa Cruz, Santa Cruz, Bolivia (e-mail: marcodelrio@upsa.edu.bo). We thank Julio Cole, two anonymous referees, and the editor of *History of Political Economy* for comments and suggestions.

1. For Mises's critique of socialism from a monetary perspective, see Horwitz 1998.

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The Origin of the Problem

In the first paragraph of chapter 24 of his magnum opus, *Human Action*, Mises ([1949] 1996, 664) explains the following:

The changes in the data whose reiterated emergence prevents the economic system from turning into an evenly rotating economy and produces again and again entrepreneurial profit and loss are favorable to some members of society and unfavorable to others. Hence, people concluded, *the gain of one man is the damage of another; no man profits but by the loss of others*. This dogma was already advanced by some ancient authors. Among modern writers Montaigne was the first to restate it; we may fairly call it the *Montaigne dogma*. It was the quintessence of the doctrines of Mercantilism, old and new. It is at the bottom of all modern doctrines teaching that there prevails, within the frame of the market economy, an irreconcilable conflict among the interests of various social classes within a nation and furthermore between the interests of any nation and those of all other nations.

In these lines, Mises raises three issues:

1. He identifies a proposition related to economic activity: “*the gain of one man is the damage of another; no man profits but by the loss of others.*”
2. He attributes the proposition to Montaigne and therefore decides to call it the “Montaigne dogma.”
3. He proposes that any economic doctrine that assumes a conflict between the economic interests of the various actors in the economy and society is based on the aforementioned proposition. He explicitly mentions mercantilism, but it is obvious that he also points to the different versions of socialism.²

Later, in subsequent paragraphs, Mises presents strong arguments that demonstrate that, rationally, what he calls the Montaigne dogma is a false proposition.

The “Dogma” and Its Refutation

There are different reasons to consider the dogma as false. First, it is a universal proposition, since it can be understood as saying that *any*

2. Marxist doctrine based on class struggle between the proletariat and the bourgeoisie is possibly the most explicit expression of the Montaigne dogma.

gain is due to the ruin of others. This universality should already put us on alert.

There are of course many situations in which one man's gain is indeed another man's loss. The starkest example is war: Rome's victory was the ruin of Carthage. Something similar happens in court: one party wins the case, the other loses. In sports, the podium is only for the winner; the others lost the game.

However, we are interested in the dogma from an economic perspective. Now, if a person thinks that she needs a commodity to satisfy a need, what alternatives does she have? There are several ways to get it, one of which is to produce it. Another option is theft, that is, to take it away from another person either by force or by cunning wiles. There is, however, a third option: exchange, trade, buying and selling, contract. In this case, whoever wants the good can acquire it from a third person in exchange for other goods (barter) or a sum of money. If the transaction is imposed on one of the parties by force or fraud, then it is just a variant of the previous alternative. The option appears in all its singularity when it is completely voluntary: when both parties reach an agreement, each looking at their own interests, but in full exercise of their sovereign wills. In this scenario, the transaction only proceeds if both parties consider that they are gaining with the exchange.

Therefore, in modern societies where every day millions of free and voluntary transactions occur, the dogma proves false, since not every buy-sell transaction is a good deal for only one of the parties. Precisely the opposite is true: the majority of transactions involve gains for both parties, because otherwise they simply would not take place.³

The dogma is thus false because it is outlined as a universal proposition, when there exist many situations of voluntary transactions where both parties stand to gain in the exchange.

Montaigne's Chapter 21

Mises identified the dogma at hand in chapter 21 of Montaigne's *Essays*, published between 1580 and 1588, and so he called it the Montaigne dogma.⁴ From this imputation, many intellectuals allude to the Montaigne dogma when referring to the proposition whose falsity we discussed in the previous section.

3. As noted by an anonymous referee, the parties involved in the transaction *believe* they are better off; however, whether they will in fact be better off can only be determined after the trade—and sometimes long after at that. Smoking is a classic example.

4. Mises actually incorrectly cited the relevant chapter as chapter 22.

Chapter 21 is titled “Le profit de l’un est dommage de l’autre,” which can be translated as “the profit of one man is the damage of another.” Montaigne begins his essay by telling the story of an Athenian magistrate who condemned a mortician by arguing that the mortician earned too much money, and he earned it thanks to the death of people. Immediately, Montaigne (1711; 2001) points out that such a judgment seems inadequate and notes that it “appears to be ill-grounded, forasmuch as no profit whatever could possibly be made but at the expense of another.”⁵ Montaigne thus states the dogma that would bear his name four centuries later.

Chapter 21 is one of the shortest essays of Montaigne. It does not exceed one page, and consists of three paragraphs. In the first paragraph, the story of the Athenian magistrate is narrated, and the dogma is announced in its usual form. In the second paragraph, the idea is extended, and in a way, Montaigne (1711; 2001) explains what he meant by the title. He does so by considering the following situations:

The merchant only thrives by the debauchery of youth, the husbandman by the scarcity of grain, the architect by the ruin of buildings, lawyers and officers of justice by the suits and contentions of men, even the honor and office of divines are derived from our death and vices. A physician takes no pleasure in the health even of his friends, nor a soldier in the peace of his country.

Finally, in the third paragraph, Montaigne concludes that these facts are consistent with what happens in nature, where, as physicians tell us, “the birth, nourishment, and increase of everything is the dissolution and corruption of another.” He ends with a verse from the Latin poet Lucretius: “*Nam quodcumque suis mutatum finibus exit, Continuo hoc mors est illius, quod fuit ante.*”⁶

In light of the second and third paragraphs, the meaning of the title of chapter 21 is better understood. Montaigne’s vision is generic and not limited to the strictly economic aspects of social life. In fact, what Montaigne observes is that human occupations, their social prestige, and obviously their material prosperity are derived from the needs of society itself. The importance of clerics, priests, and monks (who are communication experts with the “afterlife”) is attributable to the fear that humans have of death. Symmetrically, if people could solve their conflicts through dialogue, they

5. We first consulted Montaigne 2001, then took our translations from Montaigne 1711.

6. “For, whatever from its own confines passes changed, this is at once the death of that which before it was.” Lucretius, *De rerum natura* ii.752.

would need no lawyers and judges, and such professions would not exist. Diseases make doctors necessary, and if there were no wars, there would be no soldiers.

Montaigne observed that human needs are what justify professions, and that their prestige, honor, and wealth depend upon the urgency with which they are needed in human societies. To complete this vision, chapter 21 closes with the quotation from Lucretius. The meaning is clear: human life, as all life, involves the transformation of nature and in many cases the destruction of other forms of life. When men build their houses they cut down trees, and when men want to satisfy the hunger that haunts their bellies they must kill a cow or a pig, or must plant acres of wheat, destroying the forest or jungle. If they want protection from cold and inclement weather, they kill animals to remove the skins and protect themselves. In short, all production is, in some sense, a destruction of the natural world, although this destruction is also part of nature.

Mises ([1949] 1996, 664) understood it perfectly: “What hurts the sick is the plague, not the physician who treats the disease.” Montaigne would totally agree with this, and would add that the physician would be more socially successful if more people had the plague. If everyone was in good health, the doctor’s job would be less relevant.

What Mises Misinterpreted When Reading Montaigne

The dogma is false, and Mises is credited with having written one of the most lucid rebuttals of the dogma. But he made a mistake and, in a sense, an injustice, by imputing the dogma to Montaigne.

Two mistakes were committed by Mises. The first was not taking into account the time in which the French essayist lived. Michel de Montaigne (1533–1588) lived in the sixteenth century, at a time when the market economy, or capitalism as it is usually called, had only recently been expanding through Western Europe. In fact, it coexisted with other forms of economic organizations, such as feudalism; as a matter of fact, the Industrial Revolution was still more than two centuries away. This century was a violent one, where human life had little value, and there was no notion of the rule of law, nor any idea of equality before the law. It was a time of hierarchical societies where every faction of society had its own rules, and where the powerful, including kings, exercised their power arbitrarily and, in many cases, despotically. In such a scenario, it was

quite normal to think that the wealth of the powerful was based on the poverty of their subjects.

The second mistake made by Mises had to do with his training. Mises was basically an economist, and he interpreted the texts of Montaigne as such. Mises read chapter 21 in economic terms. He interpreted the gain (or profit) in a monetary-economic sense, even though the text of Montaigne uses the word “gain” in a much broader perspective to mean prestige, honor, power, and influence. As an economist, Mises was mainly concerned with the creation of wealth, and interpreted the phrase “*the gain of one man is the damage of another*” in a strictly economic sense. It is true that an element of this was present in Montaigne’s text, but its meaning was more general, as already indicated.

Montaigne: Philosophy and Intellectual Temper

That Mises made a blunder by imputing the dogma to Montaigne is more evident when considering the personality and spirit of the French essayist.

Montaigne is placed within the wide spectrum of Renaissance thought. Giovanni Reale and Dario Antiseri (1995) note that Montaigne, who followed the ideas of the Greek philosopher Sextus Empiricus, was the leading figure of the revival of skepticism in the sixteenth century. One of the fundamental aspects of Montaigne’s thought is a distrust of reason, considered by Montaigne an imperfect instrument to find the elusive truth. Another aspect of his thought is his belief that senses are fallible. Montaigne observed that the judgments of men depend dramatically on customs, which vary from one place to another.

It is therefore curious to attribute any dogma—which is a truth beyond question—to someone like Montaigne, who was a skeptic and distrusted the cognitive ability of human reason.

Final Remarks

Although the idea that the wealth of some is due to the poverty of others has a strong element of truth in ancient societies, it is false when subjected to a critical analysis in the context of a market economy. In 1949, Ludwig von Mises called this idea the “Montaigne dogma.” This article argues that such an attribution is incorrect and unfair, as Montaigne does not refer to the field of economics, and his argument is more general.

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