

# Considerations on Proudhon's theory of Property

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“Proudhon’s strategy for change was gradualist:  
he favoured the development of a non-capitalist sector,  
based on small individual proprietors...” (*Black Flame*)

“If I ever find myself a proprietor, I’ll make sure that God and men,  
especially the poor, forgive me...”  
(Proudhon, *Theory of Property*)

## Foreword

Deciphering Proudhon’s point of view on property is an extremely complex matter. The following text is an attempt to make this issue intelligible, although the subject will certainly not be exhausted. This is why I would like to introduce my work by proposing three “keys” that may enable this deciphering, which the reader should keep in mind throughout:

- You can’t make a social revolution against the peasantry.
- The population’s attachment to property, including the working class, is so deeply rooted that it is necessary to find transitional measures to overcome this bias.
- The issue of ownership is in fact a false problem.

If we look at things closely, it will be seen that Proudhon’s constant preoccupation has been to seek the best strategy to convince the population to accept the idea that production, society in general, should be organised in

a non-state socialised manner. All of Proudhon's variations on this theme are merely a reflection of his wanderings in search of a good solution.

## Introduction

When Marx and Engels write in the *Communist Manifesto* that the social question is entirely contained in the question of property, they are simply repeating Proudhon. To a large extent the debate on socialism has been built around the question of property. The young Marx himself had conducted a reflection on the theft of wood. This is a question of primary importance for Proudhon because the organization of property determines the political, administrative and legal organization of society. It all begins with the book he published in 1840 – he was 31 years old: the *First Memorandum on property*<sup>1</sup>, known as *What is property?* However, his viewpoint will evolve in time.

In 1838, the Academy of Besançon had put the following subject up for competition: “The usefulness of Sunday celebrations in terms of hygiene, morals, family and city relations”. Proudhon's concern in his first writing is for the question of justice and equality. But in order to organize equality, one must settle the score with property. His contribution earned him a bronze medal... and he decided to have it published. The first edition had a circulation of 200 copies and earned him the wrath of the local clergy. The *First Memorandum on property* known as *What is property?* was dedicated to the Academy of Besançon, to the great indignation of the academicians... who demanded the removal of the dedication in later editions of the work. The case even went as far as the Council of Ministers, where they wondered whether the book should not be banned and the author prosecuted. The economist Blanqui (nothing to do with August) saved Proudhon by submitting a report to the Academy of Moral and Political Sciences recognizing the scientific nature of the *Memorandum*.

Proudhon's demonstration is based on the idea that “property is a windfall right, that is, the power to produce without working”. Property cannot be justified by legal arguments any more than by philosophical, moral or economic ones. It is, he says, “impossible”, that is, it does not realize the principle of justice that serves as its justification. Proudhon attacks the advocates of property, the lawyers and economists who provide the arguments used to justify it: natural law, the first occupant of the land, the law, and labour. Property, he says, “even if it were just and possible,

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<sup>1</sup> *Qu'est-ce que la propriété? ou Recherches sur le principe du Droit et du Gouvernement* (What is Property? or Research on the Principle of Law and Government).

would have equality as a necessary condition”. In *Le Représentant du peuple*, he wrote again on April 9, 1848: “The whole social question is summed up for us in property.”

### **“The whole social question is summed up for us in property”**

Proudhon’s primary concern, early in his career, was equality. He then wrote in *What is property?* [1840] that “Property is theft”. In his maturity he was mostly interested in freedom and he wrote in *Theory of Property* [1862], one of his last books, that “Property is freedom”; and he insists that he has in fact not changed his opinion, which is confusing for a reader used to binary reasoning, but his demonstration is rather coherent, if one takes the trouble to follow it, of course.

All his life, however, he insisted on the contradictory nature of property, which explains why his work is marked by a double tendency towards condemnation and justification. To limit his point of view to the lapidary and provocative sentence: “Property is theft” is to misunderstand him greatly. So Proudhon’s view on property seems to be a complex issue, a complexity that is compounded by his method of exposure and his taste for shock formulas and paradoxes.

But in fact, the problem is quite simple: Proudhon has always been *viscerally opposed* to property, but property, which is the basis of the capitalist system, is such a deep-rooted social fact that you can’t change the system with a magic wand. Transitional and progressive measures must be envisaged<sup>2</sup>, all the more necessary as 85% of French society in the time of Proudhon was rural and the peasantry was fiercely attached to the land. On the other hand, the proletariat in the modern sense of the term represented only an extreme minority of the labouring classes. Imagining a “proletarian” **revolution made no sense**.

But even Marx’s strategy had no basis, not only in France but in England, where it was conceived. Marx was based on the preconceived idea that the working class was going to take power through elections because he believed that the working class had a majority. But the working class *never had a majority*; so taking power through elections inevitably meant making

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<sup>2</sup> Contrary to popular belief, the question of transition is obvious to many anarchist theorists, especially Bakunin and Cornelissen.

Cf. René Berthier, “Esquisse d’une réflexion sur la « période de transition” (<http://monde-nouveau.net/spip.php?article324>);

Christiaan Cornelissen, “El comunismo libertario y el régimen de transición”, ([http://monde-nouveau.net/IMG/pdf/el\\_comunismo\\_libertario\\_y\\_el\\_regimen\\_de\\_transicion\\_pdf.pdf](http://monde-nouveau.net/IMG/pdf/el_comunismo_libertario_y_el_regimen_de_transicion_pdf.pdf))

electoral alliances, and therefore watering down the workers' programme, as Bakunin explained it very well<sup>3</sup>. Therefore, well-intentioned critics of Proudhon's strategy are ill-advised to contrast it with Marx's strategy.

To measure the validity of Proudhon's strategy, one must bear in mind, *ex post*, the counter-example of the Russian revolution during which the Russian communists tried to change the production relationships in the countryside with the most extreme violence. In fact, Proudhon reasoned in political terms, avoiding any talk of expropriation, which could only lead to a nationwide peasant insurrection. Bakunin closely followed Proudhon on that point: he had understood the issue perfectly well, as can be seen from the texts he wrote during the Franco-Prussian war.

Taking into account the mentality of peasants seems to be a constant concern among the main libertarian theorists. Bakunin, again, understood perfectly well the catastrophe to which would lead the failure of the alliance of the working class with the peasantry. He had understood that without the support of the peasantry, a proletarian revolution was impossible. During the Franco-Prussian war of 1870, he had hoped that the hostilities would trigger a revolutionary process that would extend from the cities to the countryside. He advocated action against both the French government and the Prussians, transforming the patriotic war into a revolutionary war. The rallying of the peasantry to the revolution was a fundamental part of his strategy. Two of Bakunin's texts, written during the Franco-Prussian war: "Letter to a Frenchman" and "Letter to a Frenchman on the current crisis"<sup>4</sup> are literally the application of Proudhon's positions: a way must be found to bypass the obstacle the peasants' refusal to collectivize. Bakunin adds that a social revolution that fails to find a form of alliance with the peasantry is doomed to failure. The Bolsheviks should have read Proudhon and Bakunin.

Another difficulty arises when one reads Proudhon: it is not always clear what kind of property he has in mind. Often it is home ownership he is talking about: when he was elected to the Constituent Assembly in 1848, the people in Paris were facing a terrible housing crisis to which he tried

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<sup>3</sup> "The absurdity of the Marxian system consists precisely in the hope that by shrinking the socialist program too much to make it accepted by the radical bourgeois, it will transform the latter into unconscious and involuntary servants of the social revolution. This is a great mistake, all the experiences of history show us that an alliance concluded between two different parties always turns to the advantage of the most retrograde party; this alliance necessarily weakens the more advanced party, by weakening, distorting its programme, destroying its moral strength, its self-confidence; whereas when a retrograde party lies, it always and more than ever finds itself in its truth." (Bakounine, "Lettre au journal *La Liberté* de Bruxelles, 5 octobre 1872. Bakounine, Œuvres, Champ libre III, p. 166)

<sup>4</sup> See Bakounine, Œuvres, Champ libre, vol. VII.

unsuccessfully to find a solution. Often, it is also land ownership he has in mind.

If we can speak of Proudhon's "strategy" concerning the agrarian question, I would say that it consisted in focusing on the constitution of mutual aid structures among the peasants, which would gradually and naturally lead to dissolution of ownership.

Whatever one thinks about it today, it was not so silly, especially if we remember the disaster of forced collectivisations in Russia. Let us also remember that the agrarian communities in Spain, in 1936-1939, eventually saw the adhesion of what the anarchists called the "individualists", that is, small peasant owners who had not been forced to collectivize, but who finally joined the communities because they had understood that they had an advantage to it (mutual aid, provision of equipment, etc.). Both Proudhon and Bakunin insist that peasants will only join the social revolution if they find an advantage in it.

In fact, the question of property is a stumbling block to a radical transformation of society because it is an ideologically very sensitive notion. But Proudhon insists that *it is the capitalist system itself that destroys property*.

### **Property: A false problem**

If Proudhon poses the problem of property so insistently, it is because this problem poses itself insistently. But in the end it is for him a far outdated affair, which he makes extremely clear when he points out that the large manufacturing owner does not care about owning the land on which his factory is located, or even the machinery itself. What interests him is the appropriation of the value produced by the collective labour of the workers who produce in the factory. The manufacturer does not have the mood of the petty bourgeois owner: "Does the manufacturer need, in order to be industrially and commercially free" – that is, free to appropriate the surplus value – "to own the house or apartment he lives in with his family, the workshop in which he works, the store where he keeps his raw materials, the shop where he exhibits his products, the land on which the dwelling house, workshop, store and shop have been built? In no way<sup>5</sup>."

As long as he obtains a lease long enough to give him time to recover the full repayment of the capital he has spent on his lease, and which, because of the nature of things, he cannot take with him at the end of his lease, the manufacturer enjoys, although he is a tenant, sufficient freedom.

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<sup>5</sup> Proudhon, *Théorie de la propriété*, L'Harmattan, p. 31.

This brings us completely back to the problem of 1840 in *What is property?* What Proudhon condemns is the appropriation of the surplus-value resulting from the exploitation of the workers.

This is what defines capitalist theft.

For Proudhon, the obsession on property is the expression of the phantasm of the petty bourgeois terrorized by the idea of sinking into the proletariat, into poverty, and fanatically obsessed with the idea of ensuring a “future”, that is, in fact, “capital” for himself and his children. Therefore, overcoming the problem of property means first of all convincing people that in a libertarian society, there will be no need to fear for one’s future, nor for that of one’s children. This means that the social revolution, understood as a revolutionary process, must immediately provide the population with decent living conditions. Gaston Leval, who was once asked what revolution was, answered: “Revolution? It means delivering 40,000 liters of milk to Madrid every day.”

Proudhon’s lapidary formulas on property have prevented his readers from grasping the nuances he brings to this concept. Property is theft when it provides an opportunity to realize the appropriation of value produced by the work of others. When it guarantees the security of the individual, it is a genuine factor of freedom and well-being.

Proudhon considers it impossible to disregard the obvious tendencies of the population:

“The people, even the people of socialism, want, whatever they say, to be property owners; and if I may quote my own testimony here, I will say that after ten years of inflexible criticism, I have found the opinion of the masses on this point harder, more resistant than on any other question. I have done violence to convictions; I have achieved nothing on consciences. And moreover (...) the more the democratic principle has gained ground, the more I have seen the working classes in the cities and the countryside interpret this principle in the sense most favorable to property<sup>6</sup>.”

This is a terrible and very disillusioned observation. If socialism is based on the negation of property, and if the “instinct of property” is so deeply rooted in the masses, this means two things: either socialism has no future, or it must be reconsidered from top to bottom by reintroducing the notion of property, *one way or another*. State socialism never envisaged this kind of

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<sup>6</sup> Proudhon, *Idée générale de la révolution*, éditions Garnier, 1851, p. 253.

approach: theory cannot be wrong; it is the masses that are wrong. For Proudhon, this is a matter of simple common sense.

In this passage from the *General Idea of the Revolution*, Proudhon is land ownership he has in mind. The idea of a “universal, absolute, irrevocable leasehold” – that is, in fact, the nationalization of land – is not conceivable: it is too contrary to the psychology of the peasant<sup>7</sup>. Of course, Proudhon does not put it this way, he says that it is “contrary to the most certain aspirations of the time”. That is why, he says, “after having liquidated the land”, it must be handed over “in complete sovereignty”, to the one who cultivates it. It should be noted that “the land to the one who cultivates it”, is one of the points of the Bolsheviks’ program, inspired from anarchism, that allowed them to gain the support of the peasantry and to take power – after which they nationalized the land.

The handing over of land to the peasant is essential, says Proudhon, because without it “nothing stable can happen in society”. Therefore, he proposes that “every payment of rent or lease ... acquires for the tenant, farmer, sharecropper, a proportionate share in the property.”

To those who objected that the peasantry were strong supporters of individual ownership, Bakunin replied that it was necessary to “establish a revolutionary course of action that would turn the difficulty around and not only prevent the individualism of the peasantry from pushing them into the camp of reaction, but would instead use it to make the revolution triumph”<sup>8</sup>. The Bolsheviks will be confronted with the same problem forty years later: Bakunin adds a few words that will take on their full meaning during the Russian revolution: “Apart from this means that I propose, there is only one: the terrorism of cities against the countryside ... Those who will use a similar means will kill the revolution”<sup>9</sup>.

In addressing openly the crucial issue of land collectivization<sup>10</sup>, the Russian revolutionary argues that imposing it would be a mistake, as it would lead to an uprising in the countryside. Reducing the uprising, would then require a huge armed force, with military discipline, with generals, and the whole machine would have to be rebuilt, with the machinist, the dictator. This reminds us once again of the problem of relations between workers and peasants during the Russian Revolution, the requisitions that exacerbated the antagonisms between the city and the countryside and that led to the disaster of forced collectivization.

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<sup>7</sup> There is in *Théorie de la Propriété* an interesting passage on the “psychology of the owner”, L’Harmattan, *op. cit.* pp 203 sq.

<sup>8</sup> Bakounine, “Lettres à un Français sur la crise actuelle”, Œuvres, VII, p. 118

<sup>9</sup> *Ibid.*, p. 116

<sup>10</sup> Cf. les Lettres à un Français, 6 septembre 1870.

Obviously, the Bolsheviks did not hear this warning from Bakunin.

Concerning the relations between the peasantry and the social revolution, Bakunin and Proudhon see things roughly the same way. Bakunin questions the practical possibilities for the working class to impose collectivization. He believes that the workers will never have the power to impose collectivism in the countryside: this, he says, is “a fundamental aberration of authoritarian communism which, because it needs the regularly organized violence of the state, and because it needs the state, necessarily leads to the reconstitution of the principle of authority and a privileged class of state officials”<sup>11</sup>.

Collectivism in the countryside, says Bakunin, can only happen by force of circumstance, when the “conditions of privileged individualism, the political and legal institutions of the state have disappeared by themselves”<sup>12</sup>, which is in short Proudhon’s view. The claim of the working class to impose a policy on the peasantry is a “political legacy of bourgeois revolutionism”, the Russian revolutionary said. It inevitably leads to the reconstitution of a system of domination, this time based on the *bureaucracy* – the “officials of the state”, – responsible for the practical execution of this program, thereby dispossessing the working class of all power. The advent of the state bureaucracy is the price to be paid for the failure of the alliance with the peasantry, i.e., the failure of proletarian revolution<sup>13</sup>.

Proudhon died in 1865 before finishing this work, which was published the following year thanks to his friends: The *Theory of Property* reveals the last state of his thought, quite far from his initial considerations, although he defends himself from having changed his point of view. But he keeps on saying that property and theft are “two economic equivalents”.

## **Property in the context of the time**

One must understand Proudhon’s critique of property in the context of the time, a social order inherited from 1789 and the Napoleonic code, which had established property as an absolute right. The owner had every right: to use and abuse his property, even to destroy it. This absolute right applied to land, real estate and tools. Property was sacred, it alone was the safeguard of social order. In 1840, Proudhon considered that the safeguard of social order should be equality, “equality at the point of departure”.

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<sup>11</sup> Bakounine, “Lettres à un Français sur la crise actuelle”, Œuvres, VII, p. 117.

<sup>12</sup> *Ibid.* p. 118.

<sup>13</sup> See “Éléments d’une analyse bakounienne de la bureaucratie”, [http://www.monde-nouveau.net/IMG/pdf/Elements\\_d\\_une\\_theorie\\_bakouninienne\\_de\\_la\\_bureaucratie.pdf](http://www.monde-nouveau.net/IMG/pdf/Elements_d_une_theorie_bakouninienne_de_la_bureaucratie.pdf)

In fact, Proudhon's perspective was rather a kind of radical reformism. He wanted to bring about significant changes, but not by a general overnight upheaval. He wrote to Marx on May 17, 1846 that he did not want to make "a St. Bartholomew's Day of owners"<sup>14</sup>. He had noted that contemporary France was 85% rural and that it was not easy to talk about stripping a peasant of his property. He therefore tried to find a bias (a strategy, literally) to overcome the disadvantages of ownership without alienating the peasantry.

He did not dispute the ownership of the one who works himself and develops his patrimony. What he questions is the absolute right of disposal enjoyed by any owner who does not participate in any way in the development of his capital. He challenges the right of any owner to benefit from a "windfall right" (capital interest) unlimited in time while another person develops his property. Proudhon thus attacks the institution of ownership as a source of idleness that sustains an absentee owner.

Only work creates wealth; therefore any wealth that is not derived from work is reprehensible. Capital in itself is not productive; what is productive is labour. More than his theories on property, which are less radical than what suggests the provocative formula "property is theft", it is his developments on the value of labour that are of interest.

It should be taken in consideration that until he wrote his *Economic Contradictions*, his field of reflection was land ownership and artisanal production. Things were no different in Germany at the beginning of Marx's political career. When Proudhon speaks of the "right to work", he does not think of the unemployed worker who claims a salaried job, he thinks of the right of every qualified professional to have access to credit that allows him to acquire his tools of production. It is the monopoly of capital by a minority that prevents the worker from obtaining his tools.

One cannot blame Proudhon, who was writing at a time when the industrial revolution was just beginning in France, for not tackling the social revolution as the activists would tackle it in 1900 or 1930. It is easy to refute Proudhon's characterization as an anarchist if we take into account the development of ideas and the historical achievements since 1860. But one is entitled to consider that in a reflection on the anarchist doctrine, Proudhon went as far as it was possible to go taking into account the materials available to him in his time. And if one takes stock of Proudhon's inventiveness, one can only be impressed because twenty years before Marx he exposed the concepts that will be developed in *Capital*. Twenty years

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<sup>14</sup> The St. Bartholomew's Day Massacre is the massacre of Protestants that began in Paris on August 24, 1572 and continued for several days in the capital and then spread to more than twenty provincial towns during the following weeks.

before Marx, he anticipates on the method the latter uses in *Capital*<sup>15</sup> and makes an incredible description of stock market speculation in his “Manuel du spéculateur à la bourse” (Stock Market Speculator’s Handbook).

These writings of Proudhon are all the more astonishing since the industrial revolution, which was very advanced in Great Britain, only gained momentum in France during the Second Empire. It is only in 1850 that the law allows the creation of public limited companies, which are an indispensable legal framework for the expansion of big industry, making it possible to gather the capital of many shareholders and reducing risks. It was also during the Second Empire that large non-family deposit banks were created, with branches that facilitated the drainage of savings and made credit available to those who wanted to invest. Until the *System of Economic Contradictions*, dating from 1846, Proudhon was not yet in this perspective. It is only with the observation of the evolutions of the Second Empire that Proudhon foresees the constitution of what he called “industrial feudalities” linked to great finance and great industry.

Authors who say that Proudhon’s perspective was limited to small-scale artisanal production are either ignorant or in bad faith. Indeed, in *Black Flame* we can read that “Proudhon... did not really like or understand large scale industries”, a formulation that seems s from authors who analyse a person’s political thought, as if it made the slightest sense to say that Marx “did not like” capitalism. This is certainly not the problem.

In the 1840s Proudhon was describing what was going on before his eyes. Sixteen years later, when he wrote his *Manuel du spéculateur à la bourse* (“Handbook for the Stock Exchange Speculator”), which is still widely valid today, he showed that he had a perfect understanding of the mechanisms of how financial capitalism worked. It is also in this book that he developed the concept of “industrial feudalism”, which is an anticipation of monopoly capitalism.

## **The metaphor of the grenadiers**

The *System of Economic Contradictions*, published in 1846, six years after the *First Memorandum on Property* (known as “What is property?”), develops most of the concepts that will allow a critical analysis of the functioning of the capitalist system: value, division of labour, machinery, competition, monopoly, the tendency of the rate of profit to fall, cyclical crises, concentration of capital, etc., concepts that will be taken up and developed by Marx in *Capital*.

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<sup>15</sup> René Berthier, *Proudhon and the problem of method*, <http://www.monde-nouveau.net/spip.php?article407>

The *First Memorandum* contains, in the metaphor of the grenadiers, a draft of the theory of the exploitation of the working class based on the idea of an “error of account”: 200 grenadiers were able to erect the obelisk on the Place de la Concorde in a single day, while a single grenadier could never have done the job in 200 days. In other words, the owner pays individually for the working day of the worker; but the coordinated work of many workers creates wealth out of proportion to the number of individual workers applied to their task; the owner does not pay this additional value, he monopolizes it. This theory differs markedly from that of Marx.

Marx explains that the worker’s day is divided between necessary labour, which produces the value that allows the reproduction of the labour-power, and surplus labour, which produces the part that the capitalist appropriates. For Proudhon, the question is posed in terms of collective force: it is the organized and combined work of a group of workers that produces a value that exceeds that produced by each individual worker: the appropriation of this collective value defines the exploitation of the worker. The perspective is totally different.

This is why the idea, which has been anchored in the labor movement, and particularly the anarchist movement, that each worker must recover the product of his work (or rather the value of his work-force) is meaningless. All production is collective, says Proudhon, since it is due to “the immense force which results from the union and harmony of the workers, from the convergence and simultaneity of their efforts”: “Consequently, there always remains a collective property right that you have not acquired, and which you unjustly enjoy “(*What is property*) The capitalist owner appropriates the difference between the value produced by the collective strength of the workers and the wage paid to them. This is theft is at the root of social inequality, of the division of society into classes.

Historically, private property, at one time, played a positive role in the history of humanity: it corresponded to a need. It allowed the constitution of rent, a necessary instrument for social development at its origins. The function of the rent, despite its injustices, allowed the creation of a surplus, the accumulation of social economies or, what is called in Marxist vocabulary, the primitive accumulation of capital. Private property, in its origins, was, according to Proudhon, an attempt to compensate for the incoherence of society by modifying the situation of men and transforming social relations. Institutions are created by men according to their immediate needs.

How can it be that property has in the past had a progressive social function, and that it has become contrary to society, an alienation of

collective strength? This is because any institution, if created spontaneously, possesses, once created, its own logic which may run counter to the ends initially pursued. Stemming from social spontaneity, property develops according to its own law and constitutes the source of economic alienation. Potentially, it was the source of power and announced conflicts between the interests of the community and those of the owner. This conflict was most likely to manifest itself during the development of industry. Once a means of economic development, property has become an obstacle to that development: now, “property is therefore an obstacle to work and wealth, an obstacle to the social economy: Only economists and lawyers are surprised by this<sup>16</sup>.” Landowners are opposed to the rationalization of agriculture by refusing to re-parcel a land tenure system that includes one hundred and twenty-three million lots. They oppose the transfer of land that would allow the construction of roads, canals, which would improve the movement of goods and people. They are opposed to the exploitation of the subsoil which can produce mineral wealth.

According to Proudhon, in industrial production, the accumulation of capital is conditional on the expropriation of workers, and the increase in wealth for some would inevitably lead to increased misery for others: “Property separates man from man<sup>17</sup>. Consequently, the analysis of property is no longer sufficient to give an account of economic development, any more than a mere historical study of the system. Individual appropriation leads to a system of contradictions which will develop according to their own dynamics and their own necessity.

At the time of the publication of the *Premier mémoire*, Proudhon had no solution to propose. He admits it, moreover: “I have proved the right of the poor, I have shown the usurpation of the rich; I demand justice: the execution of the judgment is none of my business.” However, we have a vague idea since, at the end of the *Mémoire*, he writes: “I have proved that possession without property is sufficient to maintain social order.”

## **Possession as a substitute for property**

We must therefore try to understand what Proudhon means by “possession” as a substitute for property. What is envisaged is a reform of property law so as to remedy the abuses of property owners, which will provide the basis for Marx’s criticism that Proudhon is developing a “petty-bourgeois” ideology – even as the bourgeoisie of the day overwhelmed him

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<sup>16</sup> Proudhon, *Système des Contradictions économiques*, Garnier, 1850, tome 2, p. 208.

<sup>17</sup> *Ibid.*, p. 213.

with their most ferocious hatred. No doubt in this game the bourgeois were more qualified than Marx to form an opinion.

However, the accusation or “reformism” was not entirely false, for Proudhon tried all his life to find solutions to the social problem in a spirit of compromise: thus, in 1848, he proposed a buy-out to the owners. For him, it was a question of breaking an institution that prevented the non-owners from enjoying it; the ownership system had to be reformed so that the non-owners were no longer excluded from the right to access working instruments and housing. It is again from a reformist perspective that he considered free credit to enable workers to obtain the cash needed to purchase their work instruments, thus putting them out of the dependency of owners. It was also from this perspective that he set up a short-lived People’s Bank in 1848.

A “reformist” vision, no doubt, but one that aimed at a peaceful transformation of social relations over a generation. The issue should not be judged in the abstract; it should be assessed in the light of the damage caused by the nationalisation of industry and the forced collectivisation of agriculture in the USSR.

Proudhon distinguished between ownership and possession, which everyone, “jurists, professors of law, laureates of the Institute” confused<sup>18</sup>. However, although he intended as early as 1840 to “kill property in an all-out duel”, he did not call into question the right of *possession*, which he intended to consolidate. In 1841, he defined “the most exact notion of property”: it is “the absolute, exclusive, autocratic domain of man over the thing, a domain which identifies man and the thing”. To this absolute right, Proudhon substitutes another one, a “right of usufruct, of use, of dwelling which, reduced to its natural limits, is the very expression of justice, and which I see as having to supplant state property and finally constitute jurisprudence”<sup>19</sup>. The right of possession is therefore a restricted right of ownership, limited and subject to the control of a body whose contours – State or society – have yet to be defined.

In 1851, the situation described by Proudhon was very peculiar: we were in the aftermath of the revolution of 1848, which he believed to be the consequence of the economic crisis, and he analysed a very concrete problem, the housing crisis in Paris. The situation was serious enough, he thought, that an emergency plan should be put in place. Stock-jobbing on bread and basic necessities are punished, says Proudhon, but “is it a more licit act to speculate on the people’s housing?” Also Proudhon proposes that

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<sup>18</sup> Proudhon, *Théorie de la Propriété*, Editions L’Harmattan, 1997, p. 2.

<sup>19</sup> Second Mémoire (Qu’est-ce que la propriété?), Garnier, 1848, p. 73.

“any payment made by way of rent will be credited to the property, which is estimated at twenty times the price of the rent”; in the same way, “any payment of a term will be worth to the tenant a proportional and undivided share in the house he inhabits”. Finally, “the property thus reimbursed will gradually pass under the control of the municipal administration” which “will guarantee to all of them, in perpetuity, the domicile, at the cost price of the building”. The municipalities will be able to “deal with the owners by mutual agreement, for the liquidation and immediate repayment of rented properties”. In this case, they may reduce the rent by deferring the depreciation over thirty years. Repairs, fitting out and maintenance of buildings as well as new constructions will be entrusted by the municipality to “masonry companies or building workers’ associations”.

As for the owners who occupy their own houses, they will “retain ownership of them as long as they deem it useful to their interests”.

Thus, “a guarantee stronger than all laws, all electoral combinations, all popular sanctions, ensures housing for workers forever and makes a return to rental speculation impossible. No government, no legislation, no codes are needed; all that is needed is a pact between citizens, the execution of which will be entrusted to the municipality: what neither dictators nor kings will ever do, the producer, through a simple transaction, is housed.”

To sum up: the tenant pays a rent which is credited to him and which corresponds to a fraction of the price of the accommodation. When the accommodation is repaid, the inhabitant becomes the possessor, i.e. he has the usufruct of it for as long as it suits him. The administration of the dwelling is transferred to the municipality. This is a kind of “municipalisation” of housing.

The same system also applies to land ownership, which, Proudhon says, “interests two-thirds of the inhabitants” in France. Once reimbursed, land “will immediately fall under the jurisdiction of the commune, which will succeed the former owner and share the bare ownership and net proceeds with the farmer. When all the land property has thus been reimbursed, “all the communes of the Republic will have to agree to equalize between them the differences in the quality of the land, as well as any farming accidents”<sup>20</sup>.

Proudhon certainly was a “reformist”, but it is understandable that he could be described as a radical reformer: his project was nevertheless to gradually place property in the hands of the “users”: workers and tenants: “I, seeking extreme opinions!” he protests. Proudhon himself acknowledges that his proposal is a conciliation, a compromise: “We are still masters of

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<sup>20</sup> *Idée générale de la révolution au XIX<sup>e</sup> siècle*, Garnier., 1851, p. 228.

proceeding with all the prudence, all the moderation that will be judged useful; later on, our destiny may no longer depend on our free will". Between "repayment by annuities and confiscation, there can be many different terms", he adds.

This idea of a transaction may seem shocking to some anarchist commentators today, but it should be understood as an open door for proprietors to settle the social issue peacefully. One can also understand this transactional statement as a stylistic formula for some of his politically moderate readers. What is interesting is what Proudhon says in case a solution is not found: "it will no longer be the right to work, nor the right to surplus value that the peasants and workers will invoke: it will be the right of war and reprisals"<sup>21</sup>. The threat is clear. Not many "reformists" go that far... In substance, the procedure is not very different from that proposed by Marx in the *Manifesto*, which does not envisage a "St. Bartholomew's Day" of owners either, but intends to resort to "despotic encroachments" on the right of ownership after the conquest of power through elections. Communist activists who would be too eager to blame Proudhon for his "reformism" should think twice.

In the industrial field, Proudhon distinguishes two sectors, according to whether or not they require the use of collective force, which corresponds to the craft industry and large-scale industry. Some industries "require the combined employment of a large number of workers, a wide deployment of machines and arms, and, to use the technical terms, a great division of labour, hence a high concentration of forces." We are no longer dealing, as in agriculture, with an individual producer; it is, says Proudhon, a community: "The railways, the mines, the factories are in this case »:

"Where production requires a great division of labour, a considerable collective force, there is a need to form an Association (...) Any industry, business or enterprise, which by its nature requires the combined employment of a large number of workers of different specialities, is destined to become the location of a society or company of workers"<sup>22</sup>.

Proudhon's point of view on railway administration, which can be thought to extend to all public services, is defined by an identical opposition to their management by capitalist companies and by the state. One may wonder what will be the attributions of the "workers' companies" to which they will be entrusted, and to what extent the community as a whole, and not only the employees of these companies, will determine the orientations

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<sup>21</sup> *Idée générale de la révolution*.

<sup>22</sup> *Idée générale de la révolution*, Garnier, p. 249.

concerning transport policy. This attribution to the “workers’ companies” of the management of large companies is perhaps at the origin of the title of “father of self-management” which was given to Proudhon; in reality, the latter is not very concerned with knowing how this management will be ensured. The importance he attaches to the establishment of national accounts and the affirmation of the need for economic centralization sufficiently shows that it is rather the general organization of the economy that interests him through the federalist system.

According to Proudhon, recourse to association is justified only by necessity, by the “nature of the functions” performed in an activity. It must also be postponed when it is neither profitable nor of long duration. The conditions for association reside in collective strength, in the extreme division of labour. It is an essentially pragmatic approach.

It is also this pragmatic approach that justifies his positions regarding the “multitude of small workshops found in all professions”, which he believes that they do not fall “in the legal case of the division of labour and collective strength” and are “the effect of the particular suitability of the individuals who make them up, much more than the organic result of a combination of forces”<sup>23</sup>. In this case, not only ownership but also productive activity remains individual. Proudhon does not exclude, moreover, that such small workshops may develop: the “lone entrepreneur” will hire a worker whose fate will not be very different from his own. As orders multiply, a few workers will be hired. But business may decline, the entrepreneur goes bankrupt; his workers disperse, and the clientele is taken over by another. “In such cases I do not see, except for reasons of particular convenience, that there are grounds for association”<sup>24</sup>. Besides, Proudhon acknowledges that collective strength and division of labour are found, “to as low a degree as one would like”; “one would infer that everywhere too the worker must be associated”.

In a way, Proudhon anticipates a phenomenon peculiar to highly developed industrial societies: the existence, on the fringes of large industrial societies, of a host of small enterprises employing, all together, a large workforce and responsible for subcontracting the many activities that large companies do not find profitable enough. Of course, Proudhon does not perceive the existence of this “crowd of small workshops” as being related to the activity of large firms, but he seems to have the intuition that the activity of small production units can go hand in hand with the existence of large manufactures and “industrial feudalities”. This is a debate that will run through German social democracy in the 1880s.

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<sup>23</sup> *Ibid.*, p. 250.

<sup>24</sup> *Ibid.* p. 250.

If the expansion of industry brings about the ruin of certain strata of the petty bourgeoisie, it brings about the development of other strata occupied with tasks which fall within the division of labour necessary for big industry: around the big companies there are a large number of small firms engaged in subcontracting. Contrary to the tenacious belief of the 19th century socialists in the impoverishment of the middle classes, industrial expansion has on the contrary increased the importance of the petty-bourgeoisie. This has direct implications at the strategic level for the workers' movement. Indeed, the petty bourgeoisie in the process of impoverishment was seen as a potential ally of the proletariat. However, this vision came up against the fact that the middle classes in the process of proletarianisation continued to identify themselves with the bourgeoisie and had no intention of identifying their own interests with those of the proletariat.

Moreover, the illusory perspective of the disappearance of the middle classes gave credence to the idea among social-democratic thinkers that, in the long run, the concentration of capital would eventually lead to a situation where a minority of capitalists on the one hand, and an overwhelming majority of proletarians on the other, would confront each other, and that it would be enough for the latter to vote well for the socialists to come to power. Proudhon's thinking went far beyond these simplistic considerations.

Limiting the Proudhonian perspective to the handicraft economy is a profound mistake. He is well aware that there are industries that require "the combined employment of a large number of workers, a vast deployment of machines and arms, and, to use technical expressions, a great division of labor, and consequently a high concentration of forces." This is the case, he says, in "railways, mines, factories" (*Idée générale de la révolution*, Garnier, p. 248).

In these sectors where collective strength is considerable, it will be necessary "to form an Association among the agents of this industry, since without it they would remain subordinate to each other, and thus, because of the industry, there would be two castes, that of the masters and that of the employees: something that is repugnant in a democratic and free society". (General Idea, Garnier, p.248):

"Any industry, exploitation or enterprise, which by its nature requires the combined employment of a large number of workers of different specialties, is destined to become the home of a society or company of workers." (general idea, Garnier, p. 248)

So Proudhon proposes the workers to make themselves masters of the tools of production. “The industry to be exercised, the work to be accomplished, are the common and undivided property of all those who participate in it,” he says again in *Idée générale de la révolution*<sup>25</sup>. We are not in the perspective of the nationalization of the productive apparatus that appears in the Manifesto, but in that of its socialization.

As a precursor to the idea of self-management, Proudhon advocated the formation of “workers’ companies”; these would have as a rule that “every individual employed in the association (...) has an undivided right in the property of the company; that the functions are elective, and the rules are subject to adoption by the associates; that every associate shares in the profits as well as in the expenses of the company, in proportion to his or her services; that everyone is free to leave the association at will”<sup>26</sup>.

The “possessions” acquired will be administered by the communes, which runs counter to all the projects hitherto drawn up by the socialists, who gave pride of place to the state. The role given by Proudhon to the communes prefigures the programme of the Paris Commune. The transfer of power to the federation of communes will constitute for Bakunin the basic idea of the destruction of the State.

In the agricultural field Proudhon is very sceptical about the possibility of convincing peasants to work collectively: “We will never see peasants forming a society for the cultivation of their fields, we will never see it,” he says in *General Idea of the Revolution*. This does not seem to him to suit the psychology of the peasant: agricultural work is by nature a work that “rejects with the most energy the societal form”. The measures he proposed in 1848 were aimed at abolishing both the possibility of fragmentation of the land and “land agglomerations”, i.e. concentration.

Three options are envisaged:

“All the socialists, Saint-Simon, Fourier, Owen, Cabet, Louis Blanc, the chartists, conceived the agricultural organization in two ways:

“Or the ploughman is simply an associate worker in a large farming workshop, which is the commune, the Phalanstery;

“Or else, the territorial property is handed over to the state, each farmer becomes himself a farmer of the State, who

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<sup>25</sup> *Ibid.*, p. 253

<sup>26</sup> Proudhon, *Idée générale de la révolution*, Garnier, 1851, p. 256.

alone is the owner, the only renter. In this case, the land rent counts in the budget, and may even replace it entirely<sup>27</sup>.”

The first of these two systems is rejected as both governmental and communist: it is a “utopian, stillborn conception”. The second system seems at first sight more acceptable, but Proudhon also rejects it because he sees it as “a barrier to the freedom of transactions and inheritance”. Surprising remark, which will have to be explained.

### **“We made a revolution without an idea”**

At the time when Proudhon wrote the *General Idea of the Revolution* (1851), he had completed the essential principles of his economic thought, but in the political field, he was only at the generalities. His experience of the revolution of 1848 had been decisive in this respect. He was in Paris when the February revolution broke out. Like Bakunin, he was sceptical and perceived its limits, but he took part in it.

“We made a revolution without an idea”, he writes in his Notebooks. He tried to formulate the bases of an economic reform by publishing three booklets: “Democracy”; “Organization of credit and circulation”; “Solution of the social problem”. He stood for election to the National Assembly in three Paris constituencies but was not elected until the June supplementary elections. The revolution, he believes, broke out in the midst of an economic crisis, so a way out of the crisis had to be found. The solution to the social question liedn according to Proudhon, in the organization of credit, taking into account both the needs of small owners – craftsmen, peasants – who were highly indebted, and the needs of workers who wanted to free themselves from employer domination. He proposed the creation of a bank of exchange that would lead to lower prices. The idea was not even studied by the National Assembly. However, the idea of mutualist credit will not disappear and will eventually make its way – and still exists today...

Proudhon was extremely critical of the “National Workshops”<sup>28</sup>, which he considered to be a state solution, sterile, unproductive because it did not encourage initiative, and a waste of national wealth. A specifically Parisian creation, their existence was called into question when universal male suffrage gave power to the province and its notables after the elections of 23 April. The provisional government resulting from the February

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<sup>27</sup> *Ibid.*, p. 238.

<sup>28</sup> The National Workshops were an organization designed to provide work for the unemployed in Paris after the revolution of February 1848. The state intervned directly by providing, organizing and paying for the work. This social “experiment” lasted barely three months (March-June 1848).

revolution gave way to an executive commission which considered the national workshops to be an economic aberration, but above all a political danger since they allowed the gathering of a large number of proletarians. The owners, the pensioners, the shopkeepers who are now in power were scandalized at the idea that the workers were being paid by public funds and intended to return their fate to private charity and abolish what some called the “national racks” – a play on words in French between “atelier” (workshop) and “râtelier” (rack).

The National Workshops were closed on 20 June 1848. Barricades were erected in Paris: it was the beginning of the “Journées de Juin”, a popular uprising that was severely repressed by general Cavaignac. “It is necessary to have lived in this polling booth called a National Assembly to understand how men who are most completely ignorant of the state of a country are almost always those who represent it,” he says of this period <sup>29</sup>.

So he made some proposals in *Le Représentant du Peuple*<sup>30</sup>: he suggested that landlords be obliged to grant a one-third discount on rents and leases for three years. The newspaper was suspended, but Proudhon tabled a bill in the Assembly, which was debated on July 26 and 30. In front of a tumultuous assembly, where he found only one support, a worker from Lyon named Greppo, Proudhon defended his project, violently attacked property, and opposed the proletariat to the bourgeoisie. In January 1849, Proudhon founded a People’s Bank that he had to liquidate three months later, when he was sentenced to three years in prison for articles deemed insulting to the new head of state, Louis Bonaparte, who had just been elected president. However, his prison conditions were not tragic: he was allowed to marry and could continue his journalistic activity: the banned *Représentant du Peuple* had been replaced by *Le Peuple*, later replaced by *La Voix du Peuple*. The ideas of the “reformer” and “conciliator” Proudhon did not suit the government.

For several years, Proudhon thought that the middle classes and the proletariat should unite against the Bonapartist regime. We can thus read sentences such as: “The bourgeoisie and the proletariat, at first antagonistic, are one...” He advocated a “reconciliation” for which, he said, “I sacrifice my popularity and I would be ready to sacrifice my life again, I mean the reconciliation between the bourgeoisie and the proletariat”<sup>31</sup>. But eventually reversed his orientation and wrote in *De la justice dans la Révolution et dans l’Église*: “The bourgeoisie has lived; let us draw the

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<sup>29</sup> *Confessions d’un révolutionnaire*, éd. M. Rivière, p. 169.

<sup>30</sup> “Le 15 juillet”, paru dans *le Représentant du Peuple*, in *Mélanges, articles de journaux*, Lacroix 1868, p. 92.

<sup>31</sup> Quoted by Édouard Dolléans, *Proudhon*, Gallimard, 1948, p. 432.

curtain on its death.” This book, published in 1858, was seized by the police and was worth 4,000 francs<sup>32</sup> in fines and a sentence of three years in prison. From 1858, therefore, Proudhon realised that the alliance of the proletariat with the middle classes was impossible, although he has always believed it to be necessary, as can be seen once again in his latest published work, *The Political Capacity of the Working Classes*.

Again, those who speak of Proudhon as an author who advocates class reconciliation should be somewhat circumspect. It is more complicated than that.

## **Proudhon revisited the issue of property all his life**

We have seen that the proposals he made during the 1848 revolution, however daring they may have been for the time, were not those of a bloodthirsty revolutionary. The paradox is that the *General Idea of the Revolution*, the book in which he sets out for the first time an overall conception of anarchy, is also the one in which he opts for a return to property in exchange for possession... This development is not an inference of economic reasoning; it is his political conceptions that influence his economic doctrine. Behind the idea of possession was that of equality; now behind the idea of property is that of freedom.

Proudhon will revisit the issue of property all his life... In 1861, he began to write a work in which he intended to make a definitive statement on the question, a synthesis of his reflections. He announced that he intended to re-examine the problem and that he would deliver his conclusions. He did not have time to finish because he was monopolized by other questions, notably Poland, which rose up in 1863. *The Theory of Property* was published in 1865, after his death. In this book, he recalls that the word property had several meanings for him, but that he never ceased to want “the liquidation of the property as a theft-property”; but he recalls: “I had not for one moment stopped wanting it as a freedom-property<sup>33</sup>.” A very typically Proudhonian paradox.

At the very beginning of his quest, Proudhon attacked the absolute character of property while being violently hostile to communism. “The community seeks equality and the law,” he says in the *First Memorandum*, “property, born of the autonomy of reason and the feeling of personal merit, wants independence and proportionality in all things. But the community, taking uniformity for the law and levelling for equality, becomes tyrannical

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<sup>32</sup> About 10 000 euros today.

<sup>33</sup> Proudhon, *Théorie de la propriété*, L’Harmattan, p. 36.

and unjust: property, by its despotism and invasions, soon proves to be oppressive and unsociable". Possession was thus "the synthesis of community and property"<sup>34</sup>.

Proudhon, however, gave up the idea of synthesis to replace it, around 1854, with the idea of equilibrium; he also abandoned the reference to the idea of possession to return to that of ownership. The antagonistic principles are no longer led to be overcome but to be balanced: "Around 1854, I realized that Hegel's dialectic ... was at fault at one point ... antinomy cannot be resolved ... only can it be balanced either by the balancing of opposites, or by its opposition to other antinomies"<sup>35</sup>."

It is thus in the name of the balance of antinomies, and with the sanction of philosophy, that Proudhon took, from 1854, the defence of property he had fought against in 1840. To change the effects of the institution of property, it is now necessary to "surround it with safeguards": "This transformation that I was looking for under the name of synthesis, we have obtained it, without altering the principle, by a simple equilibrium", he would later say in his *Theory of Property*<sup>36</sup>.

Property such as envisaged by Proudhon is purged of its defects; it does not lead to the exploitation of man by man. It is linked to work, and limited within the framework of the commune or the workers' production association. Property will have lost "its essential vices, it will be transfigured. It will no longer be the same! However, let us still call it by its former name, so sweet in the heart of man, so pleasant to the ear of the peasant, PROPERTY"<sup>37</sup>." There is thus an indisputable problem of vocabulary, of which Proudhon is perfectly aware, and which will subsequently be the source of misunderstandings concerning his real thought on the question.

In order to develop a positive theory of property, it is necessary to define the abuses which Proudhon analyses starting from the historical function of this institution. In its political purpose, property is a counterweight to power: "Property is the greatest revolutionary force that exists and can oppose power," he says<sup>38</sup>. Rather, history has shown that property is the principal ally of power against revolution, but perhaps this statement of Proudhon's is to be understood within the framework of his own conception, inherited from the struggle against monarchical despotism: the French Revolution had taken place hardly 60 years earlier.

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<sup>34</sup> Proudhon, *Qu'est-ce que la propriété ?* Garnier, 1849, pp. 245-246.

<sup>35</sup> Proudhon, *Théorie de la propriété*, L'Harmattan, p. 286.

<sup>36</sup> Proudhon, *Théorie de la propriété*, L'Harmattan, p. 210.

<sup>37</sup> Proudhon, *Idée générale de la révolution*, Garnier, 1851, p. 227.

<sup>38</sup> Proudhon, *Théorie de la propriété*, L'Harmattan, p.136.

Capitalism cannot develop in a society where private property is not guaranteed against state encroachment, against confiscation. This is one of the reasons why capitalism did not develop completely in the East and the Far East: capitalists could not accumulate capital for fear of arbitrary confiscation, so they dispersed it to prevent the political power to confiscate everything at once. In Western Europe, the bourgeois have often suffered the same fate as their eastern colleagues. Confiscation of property was common in the Middle Ages; communal charters in France all obsessively contained provisions against the economic arbitrariness of power. Under the Ancien Régime, the sovereign considered himself the master of all property.

“This is how Louis XIV understood it, who was not only perfectly bona fide, but also logical and correct in his view, when he claimed that everything in France, people and things, were his<sup>39</sup>.”

Arbitrary confiscations ceased around the 16th century in France but continued in exceptional cases. It was only after the Charter of 1814 that confiscation was abolished. However, if the practice of arbitrary expropriation had fallen into disuse, the official consecration of property nonetheless took on an important symbolic character. During Proudhon’s lifetime, the legal guarantee of property was a recent fact. One can therefore only truly understand Proudhon’s point of view on the question of property if one takes into account the historical context, that of the “Restoration”<sup>40</sup>, under which the pre-eminence of the notables was asserted, and of a property-owning bourgeoisie which developed a fierce cult of property. For Adolphe Thiers<sup>41</sup>, property was the institution by which “God civilized the world and led man from the desert to the city, from cruelty to gentleness, from barbarity to civilization.”<sup>42</sup>

*Theory of Property* concludes with an optimistic, even naïve vision of the future of property which will have to be “moralized, surrounded by protective, or better said liberating institutions” (p. 189), ensuring a balance between the State and the individual. He even tries to convince the bourgeois: “The theory I propose is intended to show you how, if you will, no revolution will ever happen again. It is simply a matter of making it easier for non-owners to become property owners, and for owners to better

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<sup>39</sup> Proudhon, *Théorie de la propriété*, op. cit., p. 138.

<sup>40</sup> The Restoration, as it is commonly known, is the period in French history corresponding to the restoration of the monarchy as a political regime in France after the fall of Napoleon.

<sup>41</sup> Adolphe Thiers (, born on 15 April 1797 (26 germinal year V ) in Marseille and died on 3 September 1877 in Saint-Germain-en-Laye, was a French lawyer, journalist, historian and statesman. He was President of the Republic from 31 August 1871 to 24 May 1873. He ordered the massacre of the Communards.

<sup>42</sup> Adolphe Thiers, *De la propriété*. Paris. Lheureux, 1868 (1848), p. 26.

fulfil their rights towards the government”. The man who in 1840 boasted of being the “gravedigger of property” is now appealing to the reason of the bourgeois to save them from the torments of a revolution. Surprisingly naive!

Proudhon died in 1865 before finishing this work, which would be published the following year thanks to his friends: The *Theory of Property* reveals the last state of his thought, quite far from his initial considerations, although Proudhon himself defended himself from having changed his point of view.

If Proudhon’s perspective is reformist, it must be pointed out that it is a relatively radical reformism, which considerably upset the ideas of the time and the easily exacerbated sensitivities of property owners whenever their rights were challenged. Today’s reformism is no longer worth years in prison to anyone. Many of his ideas, which cost him his freedom, have become commonplace today. More than half of the French now own their own homes. The public housing offices sometimes allow tenants to buy their homes, taking into account (partially) the rents paid. There are many restrictions on the right of ownership, particularly in the case of expropriations for reasons of public interest. Complex legislation protects the rights of tenants. All this would have seemed extremely revolutionary in Proudhon’s time. Today in France there are mutualist banks in which the account holders participate in the general assemblies that define the bank’s orientations, but I doubt anyone has ever heard of Proudhon.

Proudhon’s variations and ambiguities on the issue of ownership will have serious consequences in the debates within the International Workers’ Association. A Proudhonian current developed pro-property positions in the IWA, which the Bakuninians vigorously opposed, both currents completely obscuring the fact that Proudhon’s “strategy” was in fact aimed at putting in place measures that would have led to the dissolution of ownership into local associations and “workers’ companies”.

## **State and property**

The title “What is property?” is not innocent. The question is justified by the fact that defining property is not an obvious task. The First Memorandum raises the question of the theoretical justification of property and its legal legitimacy. It is, logically, the first step in a reflection on this institution, which will be followed by the “general recognition of the facts”, *i.e.* by the description. It is only under these two conditions that it will be possible to define what form of ownership will be appropriate to justice.

*Theory of Property* summarized in 1862 the point of view Proudhon had in 1840:

“...I realize two things: the first, that an intimate relationship, I did not know which, existed between the constitution of the State and property; the second, that the whole economic and social edifice rested on the latter, and that, however, its institution was given neither in political economy nor in natural law.”

At a time when this institution seems to have everyone’s approval, Proudhon believes that ownership is not right: “I say everyone, because no one so far seems to me to have answered with full knowledge: no.” “So Proudhon is going to confront everyone who justifies this institution: lawyers, economists. He is going to try to show that the only justifications for this institution are based on universal consensus, or on *fait accompli*, but not on law. As for justification by first occupation or conquest, it cannot have a basis in law or justice.

A justification has a basis – but a partial basis: that based on labour. But for Proudhon this justification is only valid for the products of labour. The lapidary formula: “property is theft” applies in reality to Proudhon only to the appropriation of what he calls windfall, that is to say, surplus value. It can be said that this formula obscures Proudhon’s real thought, which is opposed to both absolute property and communist property: communism only poses the problem in terms of property without going beyond it:

“Singular thing! Systematic community, a thoughtful negation of property, is conceived under the direct influence of the prejudice of property: and it is property that lies at the bottom of all communist theories. The members of a community, it is true, have nothing of their own, but the community is the owner and proprietor not only of property, but of persons and wills.”

In other words, the nationalization of property is not the suppression of property, nor its overcoming, it is only the completed form of it.

In the Second Memorandum (1841), Proudhon tempers the shock formula of the First: if he first “reduced to a single and fundamental question all the secondary questions”, he then “sought what in the idea of property was necessary, immutable, absolute”, and he “affirmed, after authentic verification, that this idea was reduced to that of individual possession. “(Second Memoir.) Proudhon thus distinguishes between

ownership and possession, the latter being identified as a just form of property. Since property is a transitory historical form, it necessarily represents a positive reality that must be discovered, what Proudhon calls “the general recognition of facts”.

At the end of his journey, Proudhon will ask in *Theory of Property for Public Law and Regulations* to justify ownership. And in the end, we come back to Roman law, that is to say to the Napoleonic code which is inspired by it, an idea that we already find in the First Memoir :

“The most exact notion of property is given to us by Roman law, in this faithfully followed by the ancient juriconsults: it is the absolute, exclusive, autocratic domain of man over the thing: a domain that begins with usurpation, continues with possession, and finally receives its sanction from civil law. »

## **A liberal Proudhon?**

The debate about Proudhon’s “liberalism”, supposed or real, is not new. Pierre Leroux said that he was a liberal disguised as a socialist. Louis Blanc strongly condemned Proudhon’s liberal orientations. The supporters of a liberal Proudhon have some arguments: he frequently uses the word “liberal” in a positive sense, but this is not in reference to the economic liberalism that we know today, such as that of the Chicago school, but to philosophical or political liberalism as it was understood in the context of the beginning of the 19th century, when it was a progressive current of thought in a Europe dominated by despotic regimes.

A quotation from him is a source of delight to authors who defend the thesis of a liberal Proudhon. It can be found in an *electoral programme* (I insist on that point) that he proposed to his voters in 1848: he demanded every imaginable freedom: “freedom of conscience, freedom of the press, freedom of work, freedom of education, free competition, free disposal of the fruits of one’s labour, freedom to infinity, absolute freedom, freedom everywhere and always!”. As for the authors he refers to, he mentions Quesnay, Turgot, Jean-Baptiste Say, and also Franklin, Washington, Lafayette, Mirabeau, Casimir Périer, Odilon Barrot, Thiers. He declares himself a partisan of *laissez-faire* “in the most literal and broadest sense”. In his programme we find the refusal of “any other solidarity between citizens than that of accidents of force majeure”, which is a rejection of what will later be called the “Welfare State”.

With such a program, it is no longer possible to challenge Proudhon’s membership in the liberal current, one would think. However, the very tone

in which Proudhon expresses himself clearly shows that he is “doing too much”. Proudhon’s fiery proclamations at the beginning of this program – whose electoral concerns are far from absent – are part of his argumentative method, which consists in abounding in the direction of his reader – for a moment – in order to attract his attention and then draw him in a completely different direction. It should not be forgotten that Proudhon was a polemicist and that he took fun in it.

Precisely, the rest of the text consists in explaining to the voters he has cajoled by his proclamations of liberalism, that individual property has lost its importance as an institution and that society now functions only thanks to circulation: “Society no longer lives, as it did in the past, on individual property; it lives on a more generic fact, it lives on circulation”, which is perfectly well seen: we know that the 1929 crisis took a catastrophic turn because international exchanges had practically ceased. Throughout his life, and in spite of the different approaches he will have to the problem, Proudhon tries to show (while appearing to defend it) that property is a historical exception, a transitory form, that it existed only for short periods of time and that its historical function is soon over.

This “Revolutionary Program” is incomprehensible if it is not placed in the context of the period of the 1848 revolution during which the population was suffering a terrible housing crisis. Proudhon therefore proposes a certain number of decrees, almost all of which are intended to reduce the effects of this crisis. But for this, it is necessary to face the irreducible opposition of the bourgeoisie that the elections have brought to power. Hence the proclamations of liberalism of the author of the project; but in his Revolutionary Program, Proudhon explains that money and interest on capital must be eliminated! “To do without money, to suppress the interest of circulating capital, such is the first obstacle to freedom that I propose to destroy by the constitution of a Bank of Exchange.”

Proudhon even proposes to reduce salaries in order to “reduce the general costs of production”; but in his mind it is not a question of increasing the profits of entrepreneurs (which a good liberal would do); it is a question of increasing the general wealth and of establishing a system in which “neither capital, nor privilege, nor parasitism levy anything”, where “the State is reduced to the bare necessities” and where the producer “receives the equivalent of his product”. The result, says Proudhon, is that “the lower the wage, the richer the worker”. He even proposes an “infinite reduction” of wages. Even in his wildest dreams, today’s neo-liberal would not dare to imagine such a thing.

However, if the corollary of reducing wages to zero is the “general increase in collective production”, this inevitably implies the establishment of a mode of distribution of goods and services radically different from the one in place, it means the *abolition of wage-labour (and of money one might deduce)*.

Proudhon’s pro-competition stance is also one of the arguments put forward by supporters of a liberal Proudhon<sup>43</sup>.

We must not forget the terrible picture of the effects of competition that he paints in the *System of Contradictions*, which he will never question either. Even at the end of his life, he condemned what he called “monopolization”, that is, the concentration of capital that resulted from competition. So it is possible to think that when, on the one hand, he attacks capitalist competition and, on the other hand, he defends competition within the framework of a society from which the appropriation of the surplus value have disappeared, it is not quite the same thing that he is talking about.

In 1861, Proudhon begins a work in which he intends to make a definitive point on the question of property, a synthesis of his reflections. He announces that he will re-study the problem and that he will deliver his conclusions. He did not have time to finish because he was monopolized by other questions, notably Poland, which rebelled in 1863. However, his reflections on property and on Poland were conducted in parallel. He studied the history and the land tenure system of this country. His intention was precisely to include the *Theory of Property* in a more general work on Poland. He wrote to Darimon<sup>44</sup> on July 28, 1862:

“I have just summarized the fundamental principles of states and I accompany them with a complete theory of property, that is to say, I fill this immense gap that my criticism from 1840 to 1848 had opened and that I had always left gaping. Finally, it is finished; I may have condensed my thoughts a little, but I am satisfied. With these new parts, all our ideas are presented, I assure you, in a very respectable manner.”

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<sup>43</sup> See *Black Flame*: Proudhon “envisaged a sort of ‘market socialism,’ based on competition, in which producers would receive the full value of their labour.”

<sup>44</sup> Alfred Louis Darimon (1817-1902). Disciple and secretary of Proudhon, journalist. A convinced republican, he collaborated with *Le Peuple* in 1848 and then in 1850 became editor-in-chief of *La Voix du Peuple*. He was elected deputy of the Seine in 1857, and demanded union chambers and cooperatives for the workers.

Proudhon believes that the analysis of the history of Poland is a key to the theory of property. He wrote to Georges Grandclément on February 28, 1863:

“Here is where I am with my book on Poland, that is to say my new work on property. (*I underline.*) It is not for you to say that property is a real sea to drink; that its history alone would require the sacrifice of a life, and I don’t feel sufficiently Benedictine to bury myself like that on a single issue? This work on property will be 100 to 120 pages in length, either in terms of general philosophy or institution alone. The whole work will have two volumes of 360 to 400 pages. The first one will be entirely based on the organic principles of states; the second one will be the demonstration or confirmation of the first one, by the history of Poland. (*I underline.*) The general spirit of this work will naturally be federalist...”

In 1863 he said: “It was on the basis of this theory of property rights that I intended to explain the whole history of Poland from its origins to the present day, its decay and finally its dismemberment.”

“Nations, states and governments could be classified according to the form of ownership they have; this would be an easy way to explain their history and predict their future. Indeed, the history of nations, as I shall demonstrate in the case of Poland, is very often only the history of property<sup>45</sup>.”

Proudhon does not have much sympathy for Poland and he says: “In expressing my opinion, quite unfavourable, I regret to say, to the claims of the Poles, I have my excuse in the circumstances<sup>46</sup>.” Bakunin, who had spent a lot of time defending Poland, was offended by this. And yet, with hindsight, the two men’s opinions are not so opposed. For Proudhon, the fate that is being done to Poland is not only the result of its successive dismemberments by Prussia, Russia and Austria, it is also the result of its internal decay and the irremediable corruption of its dominant class, a nobility which is otherwise plethoric and totally devoid of “public spirit”: “...what, I ask, is a nationality that consists only of nobles? Does it have its place in modern Europe, in the Europe of the Revolution<sup>47</sup>?”

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<sup>45</sup> *Théorie de la propriété, op. cit.*, p. 180.

<sup>46</sup> *Si les traités de 1815 ont cessé d'exister ? Actes du futur congrès.* R. Dentu libraire-éditeur, 1863, p. 64.

<sup>47</sup> *Ibid.*, p. 73. Proudhon exaggerates a little but not so much. The France of the Ancien Régime had 1% nobles. Poland 10%. In 1789, the French nobility owned only 20-25% of the

Proudhon believes that the Polish question has so far been “given over to sentimentalism” and that the demands of the Poles are not worth destabilising the whole of Europe for that reason.

“There is something so exorbitant in this sacrifice of the interests of an entire continent to the satisfactions demanded by a nationality that has been abrogated for more than a century that common sense is mistrustful, and that it is said in advance that such a request cannot be admitted.”<sup>48</sup>

Proudhon goes completely against the accepted opinion of his time. He knows it, by the way, and he likes it. The connection he makes in *Si les traités de 1815 ont cessé d'exister?* between Poland and the property issue is not absolutely obvious. It could be summed up as follows: the Polish nobility, “devoid of political instinct”<sup>49</sup>, were unable to create a state. “Royalty was overthrown by the aristocracy, put to naught”<sup>50</sup>. The Polish nobility has, in this respect, two wrongs, historically speaking: it allowed “Slavic possession, the protector of the commune and the freedom of the peasant, to perish”; but in return, it was not able to “constitute at home, not even for the benefit of the nobility, the true form of property”. Proudhon comes back to the question again in *Theory of Property*: “The theory of possession, the principle of Slavic civilization and society, is the most honourable fact for this race: it redeems the delay in its development and makes the crime of the Polish nobility inexplicable”.

Proudhon seemed interested in the traditional form of Slavic property, which he assimilated to his notion of possession, as opposed to ownership. He thus sacrificed to the illusions of many liberal thinkers in Europe who tended to mythologize these institutions. Marx himself was caught up in this tendency when he discovered the Russian *mir*, while Bakunin, on the contrary, denounced in the *mir* its unproductiveness and its inability to evolve.

The Russian revolutionary became angry when he became aware of Proudhon’s illusions. The latter considered as positive the promises made by the czar to expropriate the Polish nobles in order to defuse the 1863 insurrection. Bakunin pointed out that there had never been any question of returning the expropriated land *to the Polish peasants*.

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territory and no estate had the sometimes gigantic proportions of the property owned by Polish nobles. When Princess Caroline Radziwill married Prince Ludwig Adolf Friedrich of Sayn-Wittgenstein, the latter came into possession of the largest private estate in Central Europe: 12,000 square kilometres of fields, forests, villages and towns in Polish Lithuania.

<sup>48</sup> *Ibid.*, p. 65.

<sup>49</sup> *Ibid.*, p. 75.

<sup>50</sup> *Ibid.*, p. 75. Proudhon’s view on that point does not differ much from Bakunin’s.

It is beyond the scope of our discussion to dwell on Proudhon's point of view on the Polish question. Suffice it to say that he was interested in research in which the examination of the viability of a country's political and social regime was carried out in conjunction with the analysis of its property system. Bakunin's anger against *If Treaties...* cannot conceal a broad identity of views between the two men. Bakunin has in fact always been suspicious of Poles, whom he believed constituted a special category in the Slavic world. His analysis of the Polish nobility is basically the same as that of Proudhon; moreover, he has always opposed Polish nationalists who refused to consider land reform, *i.e.* reform of the property regime, and Polish nationalists' claims to the re-establishment of a Greater Poland that would dominate other Slavs. In the end, the Russian revolutionary's interest in the Polish question was limited to the idea that a social revolution in which Polish peasants would be the actors and beneficiaries could trigger a social revolution in Russia – which, of course, the exiled Polish nobles had understood perfectly well and rejected.

### **A large intermediate social stratum attached to property**

Whatever Proudhon's approach to the question of property – “theft” or “freedom” – he starts from the observation that there is a large intermediate social stratum attached to property which is not willing to give up this idea easily. Property is an institution which is a symptom of human weakness. It is an irrational feeling that cannot be ignored if we want to change society. Proudhon understood in particular that no social revolution can be made without the peasantry when it represents the overwhelming majority of the population. Proudhon's whole problem seems to be finding ways of attaching the peasantry to progressive reforms of the status of property, without clashing it head-on. This is undoubtedly the key to his theories on property and the common thread that links his first positions – property is theft – and those he developed at the end of his life – property is freedom.

We can then see that the contradiction is considerably reduced. In *Theory of Property*, the very work in which he seems to rehabilitate property, Proudhon specifies that it is a property “transformed, humanized, purified from the right of bargain”; In other words, a property that does not allow the appropriation of surplus value. It is hard to imagine a capitalist entrepreneur adhering to a system in which he will not have the possibility of exploiting the labour power of others, nor to sell his property... Whatever the complexity of the Proudhonian approach and the dialectical contortions he resorts to, this should be kept in mind.

In *Political Capacity*, his latest work, he writes that despite the restrictions he has been able to establish on its exercise, outside of which “it

remains usurpatory and odious”, property “retains something selfish that is always unpleasant to me”. This reflection is important because it was delivered at the end of his life in a text to be published after his death, thus revealing his point of view at a time when, in principle, he had finished setting out his final thoughts on the matter. He claims that he is still “egalitarian and anti-government”, an enemy of the abuse of force. As such, ownership remains “a shield, a place of safety for the weak”; but, Proudhon adds, “my heart will never be hers”. It’s the lesser evil, it is a “shield” against the state. If Proudhon is a liberal thinker, he’s one who definitely doesn’t like property.

Seen through the filter of Marxist analysis, it is not difficult to qualify Proudhon as a petty-bourgeois economist promoting small landed property<sup>51</sup>. But Proudhon’s point of view is more complex: he advocates at the outset an equal sharing of land<sup>52</sup>; he also advocates, “so that there is no abuse, that it be maintained from generation to generation”; *i.e.* that there be no concentration of land capital. It is therefore a property whose prerogatives are extremely limited that we are dealing with, a property whose owner is obliged to join forces with the other owners to ensure production: this, it seems to us, is the meaning of the “federative pact which confers ownership on the owner” and which pushes him to ensure, as a “member of the social body, that his property is not detrimental to the public interest”<sup>53</sup>. Land that is nominally owned by one person but cannot be sold, whose prerogatives are limited, whose owner must cooperate with other owners, which cannot be managed to the detriment of the public interest: this furiously resembles socialization of land.

Perhaps Proudhon’s originality lies in the fact that he proposed a different path in the reflection on socialism, one which attempts to get around the psychological blockage that the question of property has constituted in the debates within the labour movement. Today, the very notion of ownership of the means of production has become ambiguous in a society where small farms are disappearing in favour of large estates, where the large firms run by an owner who holds all the capital remain a minority. The eventuality of an expropriation of the owners of the main means of production would not correspond today to the phantasm of the 19th-century

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<sup>51</sup> See *Black Flame*: “Proudhon’s strategy for change was gradualist: he favoured the development of a noncapitalist sector, based on small individual proprietors as well as cooperatives that would undermine and then overwhelm capitalism.” (p. 37)

<sup>52</sup> “Factories to the workers, land to the peasants”. These were the slogans with which the revolutionary masses in the cities and countryside participated in the overthrow of the state machine of the ruling classes in the name of the new social system based on the basic cells of factory committees and economic and social soviets”. Piotr Archinov, “The Two Octobers”. What Archinov exposes here is a perfectly proudhonian program.

<sup>53</sup> Proudhon, *Théorie de la propriété*, éd. Les introuvables/L’Harmattan, 2007, p. 235.

bourgeois who saw themselves thrown out of their homes by hordes of starving and greedy proletarians: it would be done in a practically invisible way by the computerized transfer of shares and bonds to another account, for the benefit of the community – of which, by the way, the expropriated shareholders themselves would be a part.

Proudhon's positions on property are complex, and at times paradoxical and contradictory, because the issue was for him a matter of continuous research and his point of view has evolved over time. But they can in no way be reduced to the simplistic statements made by authors who hardly read him and have only a simplistic *Reader's Digest* knowledge of him.

The very last sentence of Proudhon's *Theory of Property* says: "If I ever find myself a proprietor, I'll make sure that God and men, especially the poor, forgive me..." There is no reason not to take this sentence seriously.

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