



Maurice Cranston

## SHOULD WE CELEBRATE THE FRENCH REVOLUTION?

Two hundred years after its outbreak, there's no escaping the sad truth that it was all a barbaric mistake.

When the French Revolution broke out in 1789, George Washington declared it to be "wonderful." Jefferson said that "the liberty of the whole earth" depended on its success, and Madison, drawing a parallel between the French Revolution and America's own, spoke of "the light which is chasing darkness and despotism from the Old World" as an "emanation from that which has procured the establishment of liberty in the new." Only Alexander Hamilton, like Edmund Burke in England, refused to rejoice: "There is no real resemblance," he said, "between what was the cause of America and what is the cause of France. The difference is no less great than that between liberty and licentiousness."

The historic moment always taken to mark the outbreak of the French Revolution is the storming of the prison of the Bastille by the populace of Paris on July 14, 1789. That date has since been celebrated as France's national holiday and the bicentennial of 1789 has been made the occasion of much pomp and festivity and fireworks in Paris, with President François Mitterrand, looking more than ever like Napoleon himself, inviting all the leaders of "the free world"—and the less free world—including those whose forebears had shared Hamilton's distaste for the French Revolution, or even fought against it. However, as the Comte de Clermont, descendant of Louis XVI (who was beheaded by the revolutionists), explained his participation: "The idea is not to celebrate, but to commemorate."

The myth of the Bastille greatly exceeds the reality. When it was stormed by the mob it contained only seven prisoners, two of them insane. It had always been a very comfortable prison; the inmates were allowed to be served by their own manservants and import

their own food. Prisoners were often celebrities, including Voltaire and other philosophers such as Diderot, Marmontel, and Morellet, together with a few upper-class pornographers, such as the Comte de Mirabeau and the Marquis de Sade. Literary men, being high on the list of its victims, did much to make the Bastille a place of terror in people's imaginations. After it was captured and demolished, and the governor lynched, little models of the old Bastille were sold in vast quantities and displayed in people's houses as icons of the Revolution.

It was commonly believed that, as Madison put it, the French Revolution had chased darkness and despotism from France. More precisely, it was thought that the Revolution had ended feudalism. Indeed, that is exactly what the revolutionists declared themselves to be doing when, in the National Assembly on August 4, 1789, they introduced a number of measures abolishing ancient seigneurial rights

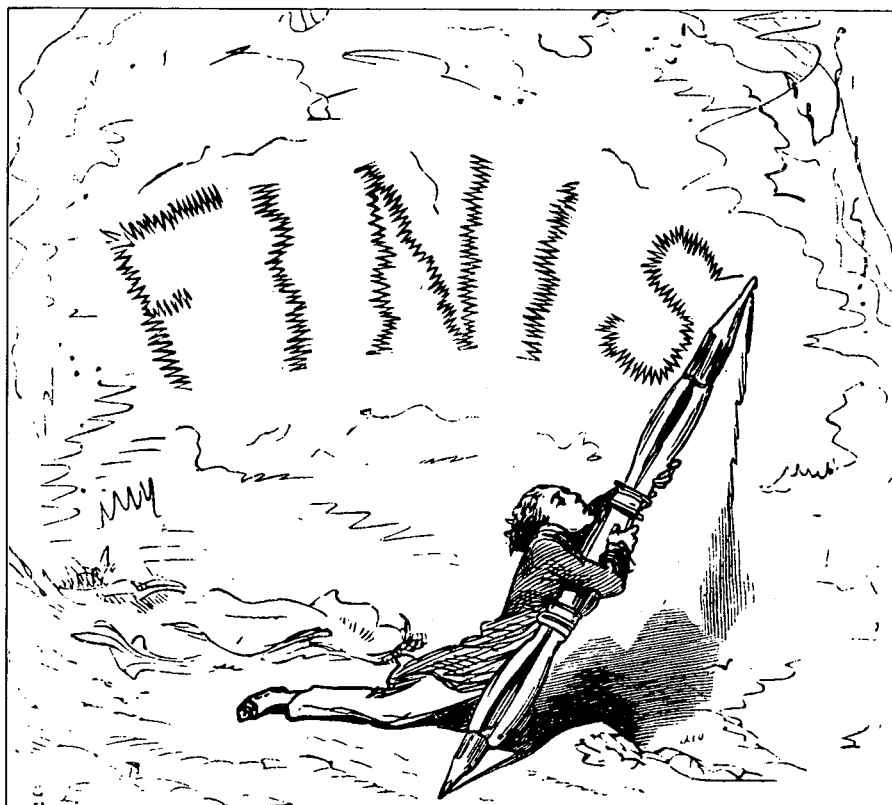
and privileges. Textbooks of history, even those used in the most seriously academic American schools, continue to repeat the assertion: "The French Revolution abolished feudalism."

It did nothing of the kind. Feudalism was abolished in the seventeenth century by the Bourbon Kings Louis XIII and Louis XIV as part of their policy of establishing an absolutist monarchy. When they tore down the fortified castles of the feudal lords throughout the countryside of France, those kings did what the Parisian mob imagined it was doing as it demolished the Bastille. When the Bourbon monarchy suppressed all private armies, forbade meetings of the Estates-General, adjourned the *parlements*, placed administration in the hands of bourgeois bureaucrats, and transformed the nobility of France from a powerful aristocracy into an effeminate set of powdered courtiers of Versailles, feudalism was well and truly terminated. Nobility was left with

numerous petty privileges, but it no longer had any real rights or power by the time Louis XIV died in 1715.

The French Revolution began as a noblemen's protest movement against this absolutist monarchy. Neither George Washington nor Jefferson nor any other of the American admirers of the "wonderful" events of 1789 realized this; they thought of their French friends at the front of this action—Lafayette, Condorcet, and the rest of them—as liberals. They had known them as French volunteers who had served in the War of Independence. And did not these French revolutionaries prove their devotion to American ideals by proclaiming in Paris in August 1789 a Declaration of the Rights of Man and the Citizen based on the declarations that had been produced in Virginia and Philadelphia a few years before? Lafayette only confirmed this belief when he sent the key to the fallen Bastille to Washington himself as "a tribute which I owe as a son to my adoptive father, as an aide-de-camp to my general, and as a missionary of liberty to its patriarch."

King Louis XVI had another conception of what was going on. He saw the leading figures in the early days of the Revolution as noblemen rather than liberals—as the Marquis de Lafayette, the Comte de Mirabeau, the Marquis de Condorcet, the Bishop de Talleyrand—and he had no doubt that their theorist, philosopher, and ideologue was the late Baron de Montesquieu, whose subversive masterpiece *De l'Esprit des lois* proclaimed the doctrine of divided sovereignty and the separation of powers between the Crown and the privileged Estates. Looking to history, the king suspected that the Revolution on his doorstep was designed to reenact the so-called Glorious Revolution in England in 1688, when the British Whig grandees had overthrown the absolutist James II to make way for a



Maurice Cranston is visiting professor of political science at the University of California, San Diego.

monarch, William III, who was willing to share his sovereignty with them.

This conjecture of Louis XVI was not incorrect, at least for the earlier months of the French Revolution. Ever since 1715, the politically ambitious elements in the upper classes of France had been struggling under Louis XV and Louis XVI to recover the rights they had lost under the absolutism of Louis XIII and Louis XIV. The *parlements*—courts of noble magistrates with the right to approve and register the enactments of the royal government at Versailles—had been restored in 1715 and insisted, with increasing vigor, on their rights to be a legislative body. Literary men—*philosophes*, as they liked to be called—provided both the rich and their highly born with arguments with which to assault, or undermine, the authority of the king and the church. The *philosophes* of the Enlightenment—Voltaire, Rousseau, Diderot, D'Alembert, Turgot, Holbach, Helvetius, Morellet, Mably, Condillac—all contradicted one another in what they suggested should be done. But they all agreed that the existing system—what came to be known as the Old Regime—was no good.

The alliance of the philosophers and the nobility put the king on his guard against both, and confirmed his suspicions that the so-called liberal aristocrats were up to the same game as the English Whigs of 1688. Had they not also enrolled their philosophers—John Locke, Algernon Sidney, James Tyn-dall—to show they had reason on their side, just as they had set the mob out on the streets of London hounding James II to show they had the people on their side?

Louis XVI decided he must play the part of William III to avoid the fate of James II. And he might conceivably have saved his skin if he had gone on playing the part. As it was, the French Revolution developed in directions that made it increasingly unlike England's in 1688. If Louis's conception of events was correct at the

outset, it ceased to be as the Revolution developed.

Control of the Revolution passed from the liberal noblemen to more radical, bourgeois politicians. The French nobility was no longer at all like the English nobility—that is, a genuine aristocracy or ruling class of a few hundred peers with legislative power in the Houses of Parliament. It was a diffuse collection of several thousand families with titles, some old, some new, some carrying seigniorial privileges to tax exemptions or access

---

**Only Alexander Hamilton refused to rejoice. "There is no real resemblance," he said, "between what was the cause of America and what is the cause of France. The difference is no less great than that between liberty and licentiousness."**

---

to bishoprics and military ranks and suchlike; some carrying membership of the high judiciary *parlements*, some attached to large estates, some utterly penurious. And as a result of all this diversity, there was no social basis for an aristocratic political caucus in France on the lines of the Whigs in England. Far from keeping a grip on the French Revolution, the French nobility was soon panicked by it, and the king panicked with them. By 1791 he had decided it was no use pretending to be a constitutional monarch on the model of William III, and that it would be wisest to copy James II after all. He tried to run abroad, thereby ending all hope of the French Revolution being a "moderate" revolution like those of the English and the Americans.

The field was opened to the fanatical. Montesquieu ceased to be the Revolution's guiding light; his place was taken by Rousseau, as the cham-

pions of constitutional monarchy were replaced by the champions of republicanism. Edmund Burke, one of the most perceptive observers of the French Revolution; as well as its most bitter critic, saw this coming even while Louis XVI was still on his throne and the liberal monarchist Mirabeau was still the dominant politician in the assembly. As an English Whig himself (if of Irish birth), Burke was the first to see the impossibility of the French Revolution generating the kind of measured freedom under the law that the revolution of 1688 had established in England. Burke pointed out as ear-

nobleman was eager to take from the king a share of the sovereignty, many others were content with the status quo and the privileges they had. France in the eighteenth century was not a bad place to live. Even Talleyrand, one of the noblemen who both launched the Revolution and stuck with it afterwards, said that people who had not experienced the Old Regime did not know "the sweetness of life." Left-wing historians have usually portrayed the France of Louis XV and Louis XVI as a nation of bankruptcy and misery, but the more thorough research of such up-to-date specialists as François Furet has led to the conclusion that life in France for most people was "happy" before the Revolution. In his magisterial study *The Old Regime and the French Revolution*, Tocqueville points out that it was a golden age for intellectuals and artists, who were received on equal terms in the society of the upper classes. Jean-Jacques Rousseau, for example, spent his summers in a pavilion attached to the Chateau de Montmorency, where he was seated every day on the right of his hostess, the very grand Duchesse de Luxembourg, no matter how many dukes and marquises might be at the table.

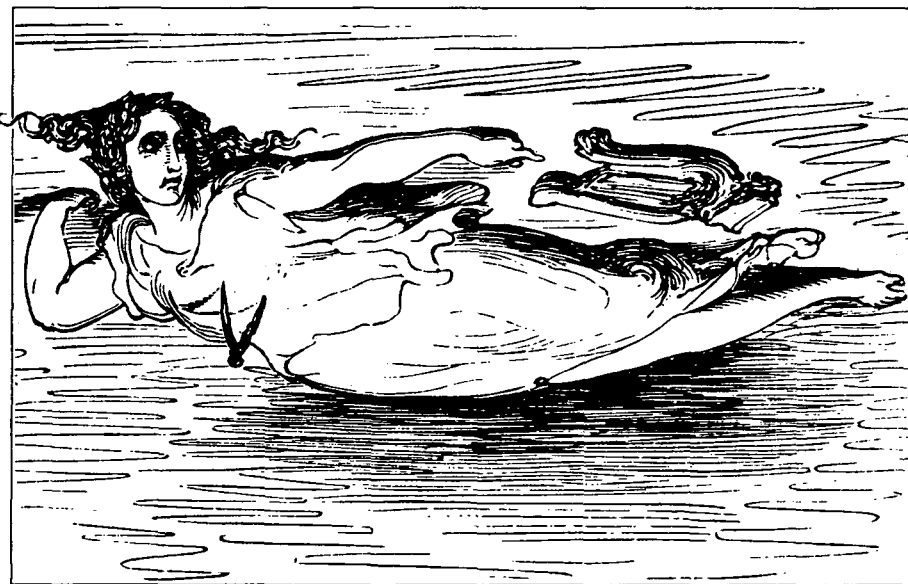
The storming of the Bastille on July 14 is held in popular memory as the crucial date of the French Revolution, but in reality an earlier event was far more significant: the meeting of the Third Estate on June 17, 1789, when that body declared itself to be the National Assembly, the supreme legislative institution of the kingdom. Siyès, an *abbé* of humble origins, had some months before published a best-selling pamphlet titled *What Is the Third Estate?* in which he argued that the Third Estate alone represented the nation as a whole; the two upper houses, he said, represented only the vested interests of privileged sections of the nation. Voltaire had expressed much the same opinion about the upper houses years before, as part of his criticism of the Estates-General as an institution. But Siyès was original, and immensely influential, in claiming for the Third Estate the right to act alone, not even as one of two chambers like Parliament in England or Congress in the United States, but entirely and exclusively as the national legislative body. Siyès did not speak of "representative democracy," but that was what he wanted; and the unprivileged classes of France saw it as such, so that the cry of "Long live the Third Estate" was heard in the streets of Paris when members of the Third Estate, after being instructed by the king to disperse, refused to do so.

It was at this point that John Adams

ly as 1790 in his *Reflections on the Revolution in France* that the English revolution had restored traditional English rights and institutions that the despotic innovations of James II had violated: it succeeded because it was a conservative revolution. The disastrous error of the French revolutionists, as Burke saw it, was that they had resolved to model their nation afresh according to a rationalistic design, at the same time inspiring in the people a hatred of the church and of their social superiors. This could only lead to bloodshed.

Events soon proved that Burke's analysis was accurate. Class conflict was increased by the only important political institution the French state possessed besides the Crown. The Estates-General, which was convened by Louis XVI for the first time since 1614, divided representations of the nation into three houses, the first of the clergy, the second of the nobility, and the third of the commoners. And even though Louis XVI enlarged the number of members of the Third Estate from 300 to 600, while keeping the numbers of the upper houses at 300 each, the deputies in the Third Estate still balked at the thought of their resolutions being outvoted by the "privileged" orders, if those houses counted as two to the commoners' one. There was no likelihood that the Estates-General would present a united front of the kind offered by the English Parliament, in which neither House could outvote the other.

For that matter, even the privileged classes of France, as represented in the Second Estate, did not present a united front. If the more politically minded





in America uttered his guarded criticism of the French revolutionists, to the effect that a single-chamber legislature was unlikely to provide the checks and balances necessary to restrain the excesses of democracy. But "checks and balances" went out of fashion in the French Revolution together with Montesquieu, the great exponent of the doctrine that despotism could only be prevented if multiple centers of power checked the despotic tendencies of one another. Rousseau, coming to the forefront as Montesquieu's star dwindled, never believed in "checks and balances" any more than he believed in divided sovereignty; he argued that the people should yield sovereignty to no one, but keep it integral and whole in their own hands. "The sovereignty of the nation"—a doctrine that the Third Estate, now the National Assembly, asserted on behalf of France—came straight from Rousseau.

It was clearly a doctrine incompatible with the sovereignty of the king, and one cannot regard as unintelligent the decision of Louis XVI on June 20, 1791, to slip secretly into exile—in effect to follow the example of James II and accept the loss of his throne. But he was unlucky; unmasked and arrested at Varennes, and accused of plotting with exiled noblemen to head a counterrevolution, he soon met the fate not of James II but of Charles I. His death on the scaffold signaled the transformation of his kingdom into a republic: not a republic of the kind framed by the constitutional conclave at Philadelphia in 1787, but of the kind outlined by Rousseau in the pages of his book *The Social Contract*.

Nevertheless, the experience of the American Revolution led the French revolutionists to do what Rousseau had deemed impossible—that is, to institute a republic in something larger than a city-state, a republic composed of millions of citizens. But whereas the Americans followed Montesquieu's advice and secured their liberty by checks and balances, the French followed Rousseau's doctrine and invoked the general will of the people as the basis of the law, leaving to elected ministers the duty of declaring what the law commanded. This enabled the most persuasive orators to become in effect dictators, and from the setting up of the Committee of Public Safety in April 1793 there was really only one dictator, Maximilien Robespierre.

Robespierre constantly invoked the name of Rousseau in his innumerable speeches, and he genuinely felt that he was enacting Rousseau's program for republican government by "forcing men to be free"—even as he had them beheaded. Robespierre was

a fastidious man; as a young lawyer he had resigned from the bench rather than condemn a criminal to death. When, as a revolutionary dictator, he sent hundreds to the guillotine, he always protested that he did so in a spirit of fraternal love and moral solicitude for the well-being of the nation. The guillotine to him was a surgical instrument, used to cut off the moral gangrene from the social body of France; it was not an instrument of capital punishment.

Robespierre found many outside France to condone his policy. He quoted Jefferson, saying, "The liberty of the whole world was depending on the issues of the contest, and was ever such a prize ever won with so little innocent blood?" We of the twentieth century can hardly be shocked at this,

---

### **The alliance of the philosophers and the nobility put the king on his guard against both, and confirmed his suspicions that the so-called liberal aristocrats were up to the same game as the English Whigs in 1688.**

---

considering that Stalin, who defended his purge of "party traitors" and "enemies of the people" in 1937 on the analogy of Robespierre's procedures, was certainly not criticized for doing so by Franklin Roosevelt or any other leading Western liberal—even though Stalin's victims were thousands of times more numerous than Robespierre's. Moreover, it must be said that Stalin's purges were, from his own point of view, more successful; he died in his bed after nearly thirty years of undisputed power, whereas Robespierre was executed on July 27, 1794, after only fifteen months in command of the French Revolution, on the same guillotine to which he had sent his victims.

The fall of Robespierre was followed by four years of fairly moderate, even dull republican government. The "stars" of the early years of the Revolution had gone: Mirabeau died a natural death, Lafayette immigrated to Germany, Condorcet died mysteriously in custody, Marat was assassinated; Robespierre's rivals Danton, Desmoulins, and Herbert were guillotined together with the king's left-wing cousin the Duc d'Orleans, who changed his name to Philippe Egalité (which made Robespierre the more determined to exterminate him). Tom Paine, the one American elected to the Convention, was only too relieved to exchange imprisonment for exile.

There remained to lead the Revolution only men as unscrupulous as Talleyrand or as cowardly as Siéyès or

as boring as Carnot, Barras, and La Revellière-Lepeaux, who were fairly easily brushed aside by the upstart military genius from Corsica, Napoleon, who turned the republic into an empire. There was, of course, a precedent for this: the ancient Romans changed their republic into an empire when their dominions got to be too big for republican institutions to work effectively. The French had begun to look upon themselves as the Romans of the modern world almost as soon as they had sent Louis XVI to the scaffold. They imitated Roman art and architecture, and used Roman names for their police as well as their military ranks. They even called their chief magistrates "consuls," which made it seem only logical for Napoleon, as their elected First Consul, to proclaim himself their

emperor. He lost nothing in popularity by doing so. He was a people's emperor, much more loved than the dismal republican government he replaced.

He was also, in his own rough way, a man of the Enlightenment. The constitutional monarchists of 1789 read Montesquieu, and the republicans of 1793 read Rousseau; Napoleon read Voltaire, and he came as close as anyone to realizing Voltaire's project of enlightened absolutist government. Voltaire had never seen any contradiction between liberty and an absolutist ruler, provided that ruler used his power to promote the public welfare and ensure the freedom of the press. Indeed, Voltaire believed that all the obstacles to progress and free speech were the traditional privileged orders, like the courts and the church; and that a truly powerful monarch, with the will to suppress such reactionary forces, was the best hope for mankind's liberty.

Napoleon did much to introduce Voltairian ideas into his empire. He codified the laws; he set up scientific academies and learned societies, university faculties and public schools. He did much to promote the diffusion of technical knowledge. At least in his earliest months of power he patronized philosophy as well as science and technology. Voltaire would not have approved of the way Napoleon went on to re-establish the Catholic Church, or his military adventures; but he could not have failed to recognize in Napoleon a disciple of a kind. Besides,

Voltaire was a strong French patriot, and he would have admired Napoleon's theatricality and his rhetorical assertions of the glory of France.

Some textbooks suggest that the French Revolution ended when Napoleon seized imperial power on November 9, 1799; but this is to deny the substance of Napoleon's achievement in perpetuating the most solid innovations of the Revolution. If he was a despot, he was a popular despot, who acknowledged the people's will as his only title to legitimacy. His government may either be thought of as propelling France toward democracy, or giving the French a taste for populist leadership as an alternative to democracy—making Napoleon the forerunner of Napoleon III and Charles de Gaulle and even Pétain.

Few people today would use Washington's word "wonderful" for the whole of the French Revolution, if only because it assumed such conflicting forms between 1789 and 1815, and parts of it were terrible. And of course they are remembered as being terrible. The British Museum in London recently had to dismantle a model of the guillotine it had erected as part of an exhibition to commemorate 1789. It was judged to be too frightening for women and children. An age that can contemplate with equanimity the revolutionary atrocities of the Soviets in Russia and the Khmer Rouge in Cambodia is unnerved by the thought of well-groomed heads being severed from their bodies by a machine! The actual number of the guillotine's victims in Paris is calculated at 2,690, a very few when we think of the numbers who have perished in the revolutionary purges of the twentieth century. Napoleon sent many more to death in battle, of course, but again, his casualties seem minimal compared to those of our two world wars.

Even so, the French Revolution is not really an event to celebrate; and if we join the Comte de Clermont in "commemorating" it, one might still wish it had not been commemorated so many times already, by revolutionists who have tried to imitate it. Lenin spoke of his Bolsheviks as the heirs of the French revolutionists, hoping to capture for his movement the prestige and the glamour that historians had conferred on the events of 1789 to 1815. Later revolutionists followed Lenin's example. It could fairly be said that two of the revolutions that anteceded the French—1688 in England and 1776 in America—did good for mankind but those that came afterwards, especially the more recent ones—in Russia, China, and Cuba, for example—have done untold and undeniable harm. □

Joe Mysak

## THE BEAUTY OF MUNICIPAL BONDS

In fact, they're so attractive that Congress is now thinking about doing them in through whopping new taxation. So much for federal concern with crumbling infrastructures.

Get ready for another whack at tax reform. When even House Republicans talk about another tax bill, you can believe that there will be another one coming. And, under the right pressure to find "revenue-raisers," Congress is capable of "just about anything" this time around, say lobbyists, which might mean the end of tax-exempt municipal bonds, under fire for most of this decade.

Municipal bonds are boring and, with a few exceptions, nice: the financial equivalent of the girl next door. Simply put, municipal bonds are the securities sold by municipalities (the term includes everything from a village or specially created authority to a state) to fund the construction of roads, bridges, schools, housing, reservoirs, and sewers, among other things. The municipalities borrow the money for periods ranging from a few months to thirty years or more. When the federal income tax was born in 1913, interest on the issues was exempted based on the principle of "reciprocal immunity"—the federal government did not tax the interest on the bonds sold by municipalities, and the municipalities did not tax the interest on the bonds sold by the federal government. The tax-exemption means that municipalities save at least two points—200 basis points, in bond jargon—more on their borrowings than do corporations, which sell taxable debt.

You would think that such instruments would be natural for conservatives to defend. Then again, you would also think that the "New Federalism," when introduced by Ronald Reagan eight years ago, meant that municipalities would be left alone, and even encouraged, to finance whatever they need on their own. On both counts, you would be wrong. Tax-exempt bonds are nobody's child, despite all the lip service you hear paid to

America's invariably "crumbling" infrastructure.

The new outrages on the tax-exempt bond market will come in a number of ways. The first will entail a package of outright regulations on the marketplace, with the seemingly not so subtle intent of punishing rich investment bankers and bond lawyers—although it will be said that such regulations are being used to raise revenues. The second, and far more insidious, reform will be disguised as a shutdown of one of the last "loopholes" available to the rich. The third will be killing tax-exempts altogether.

Conservatives may be naturally averse to anything "public." But if, as Fred Barnes has commented in these pages, conservatives have to get it through their thick skulls that Americans like big government, it seems that it would be far better to keep as much of that government as possible at the state level. The alternative is the continued centralization in Washington of what-

ever power the states have left. Many in Congress have already been led to believe that tax-exemption is just one more inefficient form of federal hand-out, and they are more than eager to take over distribution of the cash.

And this can amount to a tidy sum. In 1981, when I started covering the municipal market, the sleepy days were still with us. Municipalities sold \$67.86 billion in securities, both long and short term. But, fueled at every stage by the creativity of investment bankers seeking to outwit tax law, by tax reform, or by justifiable fears of tax reform, the total grew to \$132.95 billion in 1984 and a record \$223.45 billion in 1985, when fears of whatever Congress was cooking up in its tax reform act created a stampede to market.

As it turned out, the stampede was justified. The Tax Reform Act of 1986 was a comprehensive document that tightened the screws and

precisely limited what municipal issuers could do. They could no longer sell tax-exempt securities to finance construction of parking garages, stadiums, convention centers, and industrial parks. Nor could they sell tax-exempt bonds if more than 10 percent of the proceeds were to be used for the benefit of private corporations. The amount of student-loan, industrial-development, and housing bonds they could sell was also limited by a formula based on population.

The tax code also set up a blinding array of rules governing such market esoterica as how much issuers could pay printers, lawyers, and investment bankers to put certain kinds of bond issues together. It also stipulated how quickly they would have to spend the money they raised by selling bonds, and eliminated any investment earnings they might make on money they did not immediately use—in other words, under the new law, if you sold bonds and paid your investors seven percent interest, you could not turn around and invest the money in bonds sold by the U.S. Treasury and carrying a nine percent yield.

The new law also eliminated certain deductions taken by banks and insurance companies when they buy bonds. The icing on the cake was the placement of a tax on the interest of certain issues, thereby making hitherto "tax-exempt" bonds taxable. (But more on the devilry toward investors, the "buy-side" of the market, later on.)

The part of tax reform dedicated to municipal finance thus served to make miserable the lives of issuers—meaning the people in a score of such organizations as the National Association of State Treasurers, the Government Finance Officers Association, the National League of Cities, and the Council of Infrastructure Financing Authorities. They had to set up allocation systems to decide who would get how much of their state's now-limited industrial-development, student-loan, and



Joe Mysak is managing editor of the daily Bond Buyer.