

BOOK REVIEWS

Arnaud Orain, *La politique du merveilleux: Une autre histoire du Système de Law (1695–1795)* (Paris: Fayard, 2018), pp. 400, 24€. ISBN: 9782213705880.

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Historians have become increasingly concerned with the “famous first bubbles”¹ that burst in Great Britain and in France in the year 1720, not only because of their (rather doubtful) anniversaries but also because the economic crises seen in recent years have provoked new interest in economic history more broadly.

When referring to the South Sea and Mississippi bubbles, many researchers like to draw on the similar experiences of Britain and France: both the British South Sea Company and the French Compagnie des Indes took on the public debts of their respective countries in exchange for exclusive privileges in connection with colonial trade; effectively, they transformed these debts into circulating paper money. This led to a frenzy of speculation with the shares of those two companies, which in turn pushed prices to such heights that both markets eventually crashed in 1720.

Despite similar results, the respective historiographies of events came to very different conclusions for Britain and for France. While British historians of the “bubble” have concentrated on the group of people accountable for the crash, namely, the directors of the British South Sea Company,² French historians have focused predominantly on John Law. They either celebrated him as a financial genius who (alone) came up with his *Système*, or condemned him as a devilish “projector” who brought about financial chaos in France. The author of *La politique du merveilleux*, Arnaud Orain, carefully refuses to buy into the long-standing myth of John Law’s genius and gives us a novel account, *une autre histoire*, indeed, of the *Système de Law*.³

For a start, the title of the monograph reveals the author’s deep dissatisfaction with the existing interpretative models: One is based on the history of economy, which sought to reconstruct the System’s monetary and financial operations as well as understand its impact on the French economy in the eighteenth century. This approach concentrated almost exclusively on France’s economic and financial activity rather than taking into account the socio-political factors that might have also influenced the System. By contrast, a second model focuses mainly on the System’s political history and sheds light on the ways in which Law changed the state’s relationship with three interest groups: the old financiers (*la ferme Générale*), the *rentiers*, and those French men and women who opposed the System’s aleatory distribution of riches. A third interpretative model sheds light on the System’s literary and iconographic history. Instead of analyzing the various ways in which many apologists and designers presented the System, this

¹See Garber (2000).

²See, for example, Sheehan and Wahrman (2015, p. 114).

³See, for a critical study of John Law’s reception, Magnot-Ogilvy (2017).

interpretation once again makes its ingenious creator, the Scotsman John Law, the center of attention (pp. 13–14).

In his *La politique du merveilleux*, Orain strives to give a more integrated view than existing interpretations have done thus far. In his view, the monetary and financial questions that the System raised were not the core of the scheme but just the “tip of the iceberg” (p. 14). Far from being purely a financial undertaking, the System was a merger of various intellectual and social movements. Orain thus interprets the System as a socio-political omnipotent power in the Hobbesian vein, on the one hand, and as a commercial power that liberated the desires of every French individual (or at least had the potential to do so), on the other. This new Leviathan was, according to Orain’s reading, a *total* System that radically transformed French society and reconciled private interest and the public good. Consequently, the System could not only solve the financial problems of the monarchy by making public debt disappear, but it made older financial tools, such as taxes (*rentes*) superfluous. Similarly, intermediary corporations were rendered unnecessary, as every individual could now be part of the great Leviathan. It promised economic growth, new riches, and a remedy for poverty, and also laid the foundation for a renewed society and morality, including sexual liberation. Such a utopian fiction constituted the *politique du merveilleux*, which Orain reads as a “complete re-foundation of the French monarchy” (p. 18). This leads him to declare a change of paradigm when he states that the Scotsman must be reinterpreted as “one, and maybe not the most important of its actors” (p. 14).

Thus, the author consulted new sources that help us address the following questions: “Were there other theorists, thinkers or intellectual movements that conceived of similar ideas to those John Law eventually became famous for? Did other people come to similar conclusions independently of the ideas of the Scotsman? And if yes, how are they connected one to another?” (p. 16). In his analysis, Orain did not review just those texts that have traditionally been ascribed to John Law, mainly in Paul Harsin’s famous edition of John Law’s writings, but also many other well-known or lesser-known printed texts and manuscripts—many of them written before the Regency years—that promoted the new System.

From his search for sources that similarly defended or promoted this new Leviathan, Orain states that a study of the System as a *total* regime that was supported and propagated by many known and unknown actors can hardly be limited to the years of the Regency but must focus on a longer period of time. He consequently begins his study from the year 1695 and ends it exactly one century later. With this broader temporal perspective, the historian of economic thought furthermore underscores what has been overlooked for too long: the System did not die with the crash of 1720 or with John Law’s ostracization from France. Departing from the Foucauldian claim of the “death of the author,” Orain emphasizes that it was the ensemble of all dreams and imaginations that were provoked in the minds and hearts of the contemporaries that created the totality of the System and that were continuously revived throughout the entire eighteenth century. Such images not only can still be unraveled in revolutionary endeavors that set out to solve the French financial situation but are also still viable in the liberal world that emanates from those dreams.

The monograph, which is a testament to a remarkably well-read and thoroughly researched author, not only traces the System’s origins in the financial challenges of the late seventeenth century and shows how they contributed to the liberation of individual

interests (chapter 1). It also highlights the imaginings and propaganda that accompanied the colonial endeavors at the Mississippi (chapter 2) and analyzes the new social pact and utopian dreams those adventures created, which led to a complete redefinition of France as a commercial nation (chapter 3). Orain sheds light on those various propagandists, such as the Abbé Jean Terrasson, Jacques Pannier d'Orgeville, or Pierre-François Buchet (and many more), who contributed to the myth of the System (chapter 4) but does not neglect their opponents, some of whom attacked the System as soon as the speculative frenzy started, while others criticized it when they had already observed and experienced its outcome (chapters 5 and 6). Towards the mid-eighteenth century, apologists like Marmont du Hautchamp and François Melon revived the System's dreams. Well aware that the immediate possibilities that had opened up through the System were long gone, they did not shy away from wishing for such a System to be realized one day. Orain then unravels connections and similarities between the propaganda of the years 1717 to 1720 and "*cette heure du conte*" (p. 293) from 1720 to 1740 (chapter 6).

The final section of the book traces the new interest in the *Système* during the revolutionary discussion of the *assignats* (the revolutionary currency) and shows an ambivalent picture. While defenders of the *assignats*, who were attacked for reintroducing a System à la John Law, repudiated any comparison of the revolutionary currency with the Scotsman's paper money, those who opposed the *assignats* did not avoid linking 1720 and 1790. Some, like the deputy of Lyon, Nicolas Bergasse, not only endorsed such comparison but even went so far as to give preference to Law's System (pp. 310–313).

Anyone who is interested in the history and the reception of the *Système de Law* will profit greatly from reading Orain's latest oeuvre. It offers a new reading not only of the System but of the eighteenth century more broadly, which is certainly convincing if the reader shares the importance the author attributes to the scheme and similarly ascribes revolutionary and transformative power to it. The magnitude of the System might only then become more evident to us, however, when we similarly accept that its dreams and hopes did not vanish with the Mississippi scheme itself and that it continued to bring to light the liberalism that we inherited. At least implicitly, the author challenges us to reflect on how we wish to live with such a legacy.

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